

BUDGET PREPARATION FRAMEWORK 2010/11

PAY INFLATION

Salary calculations	2.00 % (could be subject to change)
Employer's NI	Increases will be in line with pay inflation based upon the current effective rates.
Superannuation	14.70%, no increase from 2009/10.

NON PAY INFLATION

1. No across the board inflation increases.
2. Contractual inflation increases will be included.
3. NNDR/CT inflation increases in line with 2009/10 actual increase.

EFFICIENCIES AND DEVELOPMENTS

1. All budget holders **must** identify an efficiency saving of 3% of their total budget and this may come from pay and/or non-pay items. These savings will be pooled for development consideration. Submissions will be rejected unless efficiency savings are identified.
2. The budget for 2010/11 will be constructed to support the Economy and Efficiency Agenda and the preparation of Annual Efficiency Statements. This means all budget holders will be required to classify efficiencies identified as either cashable or non cashable savings. The process will follow advice and guidance issued in HouseMark's technical manual "ALMOS and Annual Efficiency Statements"
3. Any shortfall on pay inflation will have first call on development pool.
4. Budget developments supporting Delivery and Business Plan objectives will be considered for the balance remaining.
5. At consolidation levels throughout the hierarchy budget managers will be required to complete a budget proposal summary and present to Budget Scrutiny Committee.