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Supplementary budget 2011–12

1.0 Purpose and summary of issues

- 1.1 The 2011–12 Budget provided for separate funds relating to election costs. The funds agreed were £3.460m for Assembly Members and £0.655m for Assembly Services.
- 1.2 The Budget made clear that the Commission would seek to return any excess to the Welsh block through the supplementary budget route.
- 1.3 As highlighted in October's Management Board report to the Commission, the Board has been determining the level of funds to be returned to the Welsh block. The latest financial position predicts that the Assembly Members' election related expenditure will be £1.8m less than budgeted, and for Assembly Services this figure will be £0.2m.

2.0 Recommendations

- 2.1 It is recommended that the Commission returns £2.0m to the Welsh block through a supplementary budget motion.

3.0 Discussion

- 3.1 The Assembly Members' election budget was estimated on the basis of 30 Members not returning to the Assembly at an average cost of £115k. The actual figure was 23 Members with an average cost of £70k. The final spend can now be estimated accurately as most claims have been paid.
- 3.2 The main budget of £13.034m for Members' pay, allowances and support staff has a forecast underspend of £0.3m at the year end. The main risks to the forecast arise from changes in Members' claiming patterns and support staff turnover rates. As we are not expecting any further financial impact from Remuneration Board decisions this year, the £0.3m 31 March 2012 forecast underspend provides sufficient

contingency to cover these variations. The risk arising from returning £1.8m is therefore negligible.

- 3.3 The Assembly Services' £655k election budget was needed for ICT work, Assembly Members' office refurbishment, publications and the official opening. The latest forecast indicates we will require £200k less than originally anticipated.
- 3.4 For the main Assembly Services budget of £31.673m, the latest forecast shows an under spend of £465k although we expect to manage this to reduce the underspend by the end of the year. In addition, the £593k restructuring fund remains available for use. As there is sufficient capacity and contingency within the Assembly Services budget, the risk of returning £200k unused election budget is negligible.
- 3.5 Following discussions with Welsh Government colleagues, we need to provide firm figures for the supplementary budget by the end of November 2011. Welsh Government officials will be laying the 2011–12 Supplementary Budget in early 2012.