

CABINET 5 NOVEMBER 2009

183. INFLATION PROVISION

A report by the Director of Finance advised that the projected budget for 2010-11 currently provided for both pay and price inflation at 2% in line with the provisions included in the Comprehensive Spending Review 2007. The report recommended that this provision be varied.

Resolved – That

- (1) The pay estimates for 2009-10 be reduced by 1% and the saving of £1.6m be transferred to General Fund balances.**
- (2) The provision for pay awards in 2010-11 be reduced to 1% and the provision for price inflation be deleted reducing the projected budget by £5.2m.**