

METHODOLOGY FOR ALLOCATING OUT CENTRAL SUPPORT COSTS

The methods used to allocate out support services budgets are shown in the table below. Most support services can be recharged for their actual consumption. Budgets are therefore based on historical consumption data available at the time the budget is set. Support services that are not recharged on actual consumption are set out below along with their allocation method. The proxies adopted are consistent with CIPFA's best practice guidelines. These have been reviewed during 2011 as part of the ongoing Finance Improvement Project and the table below sets out the current proposal for allocation of central costs.

Service	Apportionment basis
Communications	80% internal: Adjusted FTE 20% external: corporate democratic core
Policy and performance	20% CDC, 80% Adjusted headcount
General IT	Adjusted headcount
General HR	Adjusted headcount
Health & safety	Adjusted headcount
Public access	Adjusted headcount
Business support (MKSP)	FTEs assigned to service areas
Facilities	Floor space
Partnership	PPP plus agreed/expected changes
General finance	Time allocation of finance staff
Property management	Time allocation of property staff
Internal audit	Budgeted income plus expenditure
Procurement	Budgeted non-payroll expenditure