

PROVISIONAL GENERAL FUND REVENUE OUTTURN 2009/10

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WHY HAS THIS REPORT COME TO THE EXECUTIVE?

To inform Executive of the provisional revenue outturn for 2009/10.

Summary:

This report summarises the 2009/10 provisional revenue outturn for the General Fund revenue budget and gives reasons for the principal variances. The outturn shows that the net under spend for Council Services, after accounting adjustments, at 31st March 2010 is £1,485,874. It is important to note that £157,988 of this relates to planned underspending to be contributed to sinking funds, £439,104 relates to grants received for a specific purpose (the majority of which was awarded after the 2009/10 budget setting process), and £79,755 relates to contractually committed expenditure.

Of the remaining £809,027, requests are made in the report to carry forward under spends of £217,626 which, if approved this will leave £591,401 to contribute to General Fund Balances. This will result in an uncommitted General Fund Balance of £1,133,174 (subject to audit) if all carry forward requests are agreed.

Recommendations:

The Executive is asked to:

- (i) Note the final revenue budget of £14,342,448 including the changes made since Quarter 3 monitoring, as detailed in Table 1.
- (ii) Note the provisional net underspend as at 31st March 2010 of £1,485,874 and that this consists of two elements :
 - a. Under spending to meet existing approvals and commitments of £676,847.
 - b. Under spending which is uncommitted of £809,027 against which bids for carry forward for service developments of £217,626 have been made. The unbudgeted and in some cases, windfall (one-off) items of income which have significantly contributed to this underspending are

summarised in para 2.9.

- (iii) Confirm the carry forward requests of £676,847 for existing requests and commitments, and £217,626 for service developments as set out above (which will be actioned after finalisation of the annual accounts, once the external audit process is complete).

1 INTRODUCTION

- 1.1 The purpose of this report is to outline the provisional revenue outturn, i.e. year-end results for 2009/10. The report discusses the provisional position after accounting adjustments, to enable an analysis against the General Fund and the budget supported by Revenue Support Grant and Council Tax. The report explains the provisional revenue outturn and the reasons for the significant variances against outturn revenue budget.
- 1.2 The report also sets out the use of General Fund Balances and Earmarked Reserves in relation to supporting expenditure in 2009/10 and requests for carry forward to 2010/11, either to fund existing commitments or bids for service development and improvement.
- 1.3 The figures in the report are provisional, as they are subject to external Audit. The draft Statement of Accounts will be presented to the Audit Committee, for their approval, on behalf of the Council, at their meeting of 28th June, to meet the statutory deadline for the approval of Accounts of 30th June. The three month audit period will commence at this stage. Any significant changes required following the Audit, will, if necessary, be reported to a future Executive meeting.
- 1.4 Please note that through this report :-
- the use of a negative figure represents a favourable position i.e. either an underspend or additional income received.
 - the term “underspend” is taken to include both reduced expenditure and/or increased income
 - the term “overspend” includes both spending above budget and/or reduced income levels.
- 1.5 This report is presented in the context that funding for local government will be severely reduced in future. Indeed, the £6.2 billion of spending reductions for this year announced by government on 24th May included £1.2 billion of reductions in grants to local government. At the time of writing the individual funding streams affected have not been announced and implications for this authority are unclear, but there is a risk that these will impact on some of the assumptions for the 2010/11 budget. However, reductions will be much more severe in 2011/12 and beyond. The current

medium term strategy assumes a funding gap of £1.4 million in 2011/12 rising to £2.8 million by 2013/14.

1.6 The outturn is the final stage of the budget management cycle. It promotes accountability for financial management and highlights issues for future financial planning. In the context of the need for savings discussed above it is particularly important that the outturn is used to inform options for service reviews. A report is being presented to Resource Planning Working Group which will consider further which issues raised in the outturn may indicate scope for longer term savings.

1.7 The forecasts in the medium term strategy also emphasise the need to ensure the Council's finances are as robust as possible. Adequate balances will be needed to meet potential transitional costs during what is likely to be an extremely challenging transitional phase whilst reviews are developed and implemented. Resources may be needed to:

- meet costs of restructuring
- make investments that generate longer-term savings
- cover costs of providing services whilst new ways of working are implemented
- temporarily maintain provision of priority services that would otherwise cease.

The 2009/10 outturn results in a provisional balance of uncommitted General Fund Balances of £1,350,800 (Appendix G) if only existing commitments and approvals are ear-marked.

1.8 RPWG on 11th June considered requests for carry forwards to 2010/11. In making the recommendations in this report RPWG had to consider the potential trade-off between:

- meeting carry forward requests
- meeting the potential impact of reductions to grants in 2010/11
- building up funds towards the transitional costs identified in paragraph 1.7.
- damping the implementation of other service review options.

The recommended carry forwards in this report reflect those considerations.

2. SUMMARY PROVISIONAL REVENUE OUTTURN 2009/10

2.1 The Original Net Revenue Budget, or General Fund Budget, approved at Full Council on 24th February 2009 was £14,094,000. This was to be funded from Council Tax and General Grants of £3,900,000 and £8,445,000 respectively, and Earmarked Reserves of £1,749,000. This budget has been revised throughout throughout the year to reflect decisions made by Executive and Council and the drawing down of

Table 1 – Approved (Outturn) Net Revenue Budget 2009/10

Table 1 - Approved (Outturn) Net Revenue Budget 2009/10	
	£
Approved Budget (Council resolution - February 2009)	14,093,958
In Year Revisions:	
PFI General Grant Income	836,828
Adjusted Original Budget 2009/10	14,930,786
Approved Use of Reserves	
2008/09 Carry Forwards	601,060
2008/09 Carry Forwards Not Required In Year	(276,430)
Other Transfers to / from Earmarked Reserves	(709,922)
Total Approved Use of Reserves	(385,292)
Resources Released Back to General Fund Balances	(291,367)
Total Approved Outturn Budget 2009/10	14,254,127
Revenue Contributions to Capital	88,321
Total Approved Outturn Budget 2009/10	14,342,448

- 2.2 It is against the final budget of £14,342,448 that the provisional management accounts are reviewed. These changes include significant re-profiling of expenditure funded from earmarked reserves. Appendix B compares the final use of earmarked balances to original allocations made during the year.
- 2.3 For completeness, and to provide continuity with the last monitoring report presented to members, Table 2 summarises movements since the Quarter 3 monitoring report to Executive on 10th February 2010, with detailed movements shown in Appendix C.

Table 2 – Changes to Net Revenue Budget since Quarter 3

	Current Budget	Reported at Qtr 3	Since Qtr 3
	£	£	£
Net Budget Requirement 2009/10 to be funded from Council Tax and Government Grant	12,344,958	12,344,958	
Net Budget Requirement 2009/10 funded from reserves	1,749,000	1,749,000	
Net Revenue budget 2009/10 (Council resolution - February 2009)	14,093,958	14,093,958	0
Carry forward requests (2008/09 out-turn - 30th June Executive)	601,060	601,060	
Planned utilisation in future years			
Reported at Q3	(236,430)	(236,430)	
<i>Training and Apprenticeships</i>	(40,000)		(40,000)
Total Planned Utilisation in Future Years	(276,430)	(236,430)	(40,000)
Net Current Revenue budget 2009/10	14,418,588	14,458,588	(40,000)
Total Net Return to Earmarked Reserves	(962,155)	(486,530)	(475,625)
Total Earmarking of General Fund Reserves	144,296	144,296	0
Total Drawdown of Earmarked Reserves and Earmarking of General Fund Balances	(817,859)	(342,234)	(475,625)
Other Technical Budget Adjustments	545,461		545,461
Current Net Revenue Budget 2009/10	14,146,190	14,879,132	(732,942)
Earmarking of general fund reserves			
<i>Climate Change - General Area Based Grant 2009/10</i>	22,500	22,500	
<i>Working Neighbourhood Fund - additional grant funding (Executive 18th January 2010)</i>	85,437	85,437	
Current Net Revenue Budget 2009/10	14,254,127	14,987,069	(732,942)
Revenue contributions to Capital	88,321	0	88321
Current Net Revenue Budget 2009/10	14,342,448	14,987,069	(644,621)

- 2.4 The provisional net revenue year end results for the Council, in accordance with external financial reporting requirements (CIPFA Statement of Recommended Practice (SORP) and the CIPFA Best Value Accounting Code of Practice (BVACOP)) is £16,454,000. This is the provisional Net Total Cost of services delivered by the authority for accounting purposes, in 2009/10. This includes the apportionment of overheads to services, the exclusion of certain general grants and accounting adjustments for depreciation and other asset related charges.
- 2.5 Table 3 sets out the direct reconciliation between the Net Total Cost of Services, which will be reported in the draft Statement of Accounts 2009/10 to the Audit Committee at its meeting on 28th June, and the revenue account for management purposes. The provisional net revenue outturn 2009/10 to compare against the approved budget is £12,856,574.

Table 3 – Provisional Net Revenue Outturn 2009/10

<u>Table 3 - Provisional Net Revenue Outturn 2009/10</u>	
	£000s
- Net Cost of Services as per Statement of Accounts	16,454
Exclude items in Statement of Accounts that are not a statutory charge to the General Fund:	
Depreciation, amortisation of assets and deferred grants	-1902
Revenue expenditure funded from capital under statute	-761
Interest foregone on preferential loans	-42
Revenue income classed as capital receipt under statute	171
Difference between pension liabilities in accordance with financial reporting standards and costs of pension contributions due under pension scheme regulations	-812
	13,108
Include items not in Statement of Accounts but that are a statutory charge to the General Fund:	
Revenue contributions to fund capital expenditure	88
	13,196
Adjust for differences in management responsibility and items included in Cost of Services per Statement of Accounts:	
Local Authority Business Growth Initiative Grant Income	-25
Housing Planning Development Grant Income	-83
Net budgeted contributions to Sinking Funds	154
Parish Precepts	-385
COST OF SERVICES REPORTED AGAINST FINAL BUDGET	12,857

- 2.6 The provisional outturn position for the General Fund, before commitments and carry forward requests is of an under spending of £1,485,874 and this is summarised at Departmental level in Table 4. Appendix D provides departmental detail on the provisional outturn position.
- 2.7 Appendix D analyses the adjusted provisional net outturn by main service area within Directorate before the reallocation of central services costs, because for management accounting purposes, these services (Finance, Legal, HR, IT, Property etc) are required to manage within a budget provision.

Table 4 – Provisional Net Revenue Results 2009/10

Table 4 - Provisional Net Revenue Results 2009/10			
Directorate	2009/10 Outturn Budget £	2009/10 Provisional Outturn £	Provisional Variance (under() / over) £
Chief Executive	693,580	769,623	76,043
Customer Services	543,042	608,707	65,665
Finance and Management Information Systems	2,193,044	2,077,652	(115,392)
Legal and Democratic Services	922,379	914,765	(7,614)
Policy and Performance	1,135,016	922,246	(212,770)
Development Strategy	1,631,586	1,039,797	(591,789)
Development Operations	2,554,685	2,451,332	(103,353)
Leisure and Environmental Services	4,401,968	4,023,351	(378,617)
Vacancy Management	178,827	0	(178,827)
	14,254,127	12,807,473	(1,446,654)
Reverneue Funding of Capital Programme	88,321	88,321	0
Provision for Doubtful Debt	0	(39,220)	(39,220)
COST OF SERVICES	14,342,448	12,856,574	(1,485,874)
Items not in Cost of Services			
General Grants	(2,202,765)	(2,202,765)	0
Items to/ (from) Earmarked Reserves	(1,317,862)	(1,317,862)	0
Items to/ (from) General Fund Balances	260,347	1,746,221	(1,485,874)
	(3,260,280)	(1,774,406)	(1,485,874)
BUDGET REQUIREMENT	11,082,168	11,082,168	0

2.8 The net under spend of £1,485,874 consists of two elements as follows:-

- Under spending to meet commitments and previously-reported transfers to earmarked reserves. These commitments include amounts approved by Council on 2nd March to support the approved 2010/11 budget, other planned contributions to earmarked reserves, programmes approved since Council agreed the budget, and contractual commitments made against 2009/10 budget allocations. In total these amount to £676,847.
- Under spending which is uncommitted of £809,027, against which bids for carry forward for service developments of £217,626 have been made.

2.9 The uncommitted under spending to be taken to general fund balances of £591,401 reflects;

- 2.9.1 Performance on income generating activities over and above budgeted levels. This includes £71,000 from waste and recycling activities, £119,000 from the crematorium and Council-owned cemeteries, planning income of £30,000, and, rental based income from Council-owned properties of £74,000.
- 2.9.2 In addition, there are savings of £178,800 across departments in relation to the management of vacancies.
- 2.9.3 Un-budgeted grant income in respect of previous years was received for cleaner safer greener (£23,500), and flooding (£44,000).

2.10 Costs of implementing job evaluation were £154,000 less than budgeted, although these costs will increase in later years. It should be noted these under spends have not come at the expense of public service delivery.

3 EXPLANATION OF MAJOR VARIANCES

- 3.1 Executive has received quarterly projections of the forecast year end position during the year.
- 3.2 The provisional outturn shows a net cost of services of £12,856,574, and, measured against the current 2009/10 net budget of £14,342,448, shows an overall under spend of £1,485,874, before carry forward proposals of £894,473.

3.3 Table 5 below sets out a summary analysis of the £1.5m under spend.

<u>Table 5 - Summary Analysis of Underspend</u>	
	£
	-
Provisional Outturn Underspend	1,485,874
Reason for under spend;	
Under spend to be Earmarked / taken to Sinking Funds	
New Grants announced after 2009/10 budget process	-439,104
Planned contributions to sinking funds / earmarked reserves	-157,988
Contractually committed	-79,755
Carry forward requests	-217,626
Total	-894,473
Underspend to be taken to General Fund Balances	
Performance on income generating activities	-294,000
New Grants announced after 2009/10 budget process	-67,500
Vacancy management	-179,000
Total	-540,500
Other	
various underspends	-574,501
various over spends	523,600
Total	-50,901

3.4 Appendix E shows a more detailed analysis of the above table, and referred to in the commentary below of significant variances.

The majority of the under spend of £1,485,874 is planned to be taken to ear-marked reserves and sinking funds (£676,847), with a further management request to carry forward £217,626 to ear-marked reserves.

The under spend relating to income generating activities, new grants, and vacancy management of £591,401 is to be taken to general fund balances.

The reasons for this £1,485,874 under spend against current budget, relate to:-

- New grants of £439,104 announced after the 2009/10 budget setting process to be earmarked for future use, including £200,000 for the Seaside Coastal Park Initiative,
- Planned contributions to sinking funds of £157,988, for workforce strategy, cameo taxation (Crematorium), and local elections.
- Contractual commitments of £79,755,

- Improved performance on income generating activities of £294,000 for recycling, crematorium and cemeteries, planning, and rental of Council-owned properties,
- Un-budgeted grant income of £67,500 relating to cleaner safer greener and flooding,
- Vacancy management savings of £179,000, and
- Managers carry forward requests of £217,626

The **main** items of budget variance for each department are explained in the following paragraphs :-

Chief Executive – Net Over spend of £76,043
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- 3.5 Community partnerships is showing an over spend of £18,260 primarily due to staffing. Whilst still overspent, close working with partners during the final quarter to address the financial position has resulted in an improvement on the prudent quarter 3 forecast position for year-end.
- 3.6 The provisional outturn against Corporate Management is an overspend of £17,039. This consists of two key elements;
- 3.7 Firstly, Audit Commission fees and charges for 2009/10 show an over spend of £36,000. This was reported by the Audit Commission to the Audit Committee on 23rd September 2009, and relates to the additional work the Auditors undertook in relation to the Audit of 2008/09 Accounts, Use of Resources assessment, and Value for Money conclusion. The additional work is a reflection of the 2006/07 and 2007/08 Accounts process.
- 3.8 Secondly, this overspending on Audit Fees is partially offset by a salary related saving as a result of long term absence, a decrease in bank charges, and an increase in proceeds from council tax on second homes.
- 3.9 Director of Development is showing an over spend of £34,700 as a result of covering for a long term absence.

Customer Services – Net Over spend of £65,665
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- 3.10 Of the £43,190 provisional underspend shown against the Customer Services line within this service, £8,000 relates to Copeland Direct and is due to efficiency savings in the use of supplies and services. This is an ongoing saving and is reflected in the 2010/11 budget.

- 3.11 The other key contributor to this underspend relates to Cash collection which shows a saving against budget of £31,600 mainly due to a reduction in Allpay running costs, salary vacancies, and reduction in security costs as a result of new arrangements.
- 3.12 The £108,855 overspend relating to the Revenues and Benefits element of the service, is the net effect of a number of variances, the three primary ones being;
- 3.13 Firstly, a net under spending of £112,700 as a result of managed vacancies (after virement of the Service's element of the £200,000 Corporate vacancy management) and additional grant income mainly from recession subsidy (not expected when the budget was prepared) within the Service. The savings relating to salaries are to be ring fenced to support the development of shared services for the Revenues and Benefits Service, as indicated to Executive at its meeting on 29th October.
- 3.14 Secondly, Council tax benefits is showing a £94,300 under spend against budget. Subsidy is received for over payments of benefit, for which the authority takes a prudent approach by not including for budgetary purposes.
- 3.15 Thirdly, the provisional outturn relating to Housing Benefits is a variance against budget of £340,900.
- 3.15.1 Of this £146,000 relates to 2008/09 activity; being expenditure relating to 2008/09 not accrued for in the 2008/09 accounts in error due to a change in procedures and therefore being accounted for in 2009/10. The expenditure was however identified in time to be claimed in the 2008/09 subsidy, thus the income was accounted for in 2008/09 but the expenditure has been accounted for in 2009/10. This element of the variance has therefore arisen due to a timing difference with a nil net effect over the two years. Checks have been made during the 2009/10 closedown to confirm that this is not repeated in 2010/11.
- 3.15.2 The balance of the variance (£194,900) has arisen because the budget for gross expenditure for Housing Benefits, against which actual gross expenditure is compared, was incorrect. The gross expenditure budget figure was set based on a figure taken from the Subsidy estimates form. Whilst this figure was accurate in the context of the form, it excluded some items of expenditure (it is in effect a net, not a gross figure) and therefore doesn't reflect the total gross expenditure figure for the Council. As a result actual expenditure was greater than budget, resulting in an overspend against budget. It is important to note that this variance has arisen due to a budgetary error; the Council has correctly accounted for and claimed actual expenditure and income relating to Housing Benefits and no subsidy

Finance & Management Information Systems – Net Under spend of £115,392

- 3.16 The Concessionary Fares budget is showing an under spend of £77,000. Members will recall that the Quarter 3 monitoring report prudently projected an under spend in the region of £39,000, whilst also reporting by way of caution that the authority had experienced variation in usage over the last three years, making budget predictions difficult. 2010/11 continues to take a prudent approach based on the volatility in usage previously experienced.
- 3.17 The Treasury Management budget has been subject to detailed monthly review and revised estimates given the turbulence of the market. Members will remember this budget is supported by earmarked reserves as the potential for variability was recognised during the budget process. Interest from cash deposits is less than budgeted by £100,000. This is as a result of continued very poor short term interest rates being offered by the principal institutions. The 2010/11 budget reflects a continuation of these poor interest rates.
- 3.18 The corporate insurance contract has been re-negotiated and a new contract has been let. The new contract will provide a significant cost saving over the life of the (five year) contract – of annual savings of around £130,000. 2009/10 is showing an under spend of £129,000 against budget due to contractual savings of £85,000 with the remainder due to improved claims history. Members will recall a virement of £10,000 from Insurance to Accountancy to fund the SIMALTO budget consultation was agreed at the meeting of Executive in August. The new contractual arrangements are reflected in the 2010/11 budget.
- 3.19 Management Information Systems (MIS) is also recording an under spend of £12,600 due to delays in undertaking work on phase 2 of the upgrade to the server room at the Copeland Centre. Timing of the work meant it could not be accounted for in 2009/10, however the Council has a contractual commitment of £16,680 in relation to this work (hence the proposal to earmark this amount from the overall Finance and MIS underspend) and, after taking this into account, this would result in an overspend of £4,042 against MIS.

Legal and Democratic Services – Net Under spend of £7,614
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- 3.20 After taking into account £10,000 of planned contributions to sinking funds, the provisional outturn against Elections, within Legal & Democratic Services, is an underspend of £13,356. The main cause of this underspend is specific scheme expenditure on elections due to the cost of the newly introduced elections software being less than initially thought. As noted above, planned underspend of £10,000 per annum is earmarked for future local elections.
- 3.21 Land charges has benefitted from a reduction in software costs of £10,000. 2010/11 budget will be reviewed to ensure it accurately reflects any ongoing changes.
- 3.22 The £30,359 underspend shown against Legal Services within Legal and Democratic Services is primarily salary related, key contributors being an under spend of £14,900 arising from a departmental re-organisation involving the Elections and Emergency Planning Unit combined with prudent vacancy management.
- 3.23 Licensing is overspent against budget by £54,000. This is primarily due to a one off accounting adjustment to account for income on an accruals basis rather than on a receipts and payments basis. This ensures the authority complies with accounting best practice and more accurately reflects licencing activity. This accounting effect is one-off for 2009/10 only. Excluding the impact of the accounting adjustment, licensing income for 2009/10 was in line with budget.

Policy and Performance – Net Under spend £212,770
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- 3.24 Communications is showing an overspend of £11,441, which is due to increased one off central printing costs, as a result of payments made relating to previous years not accounted for. See paragraph 3.50 below.
- 3.25 £203,951 of the Policy & Performance net underspend of £212,770 relates to Pay and grading review and the Human resources team budgets. The key elements of this are as follows:
- 3.25.1 Human resources salaries is showing an under spend of £34,000, which arose during the year due to previously agreed changes to employment contracts.

- 3.25.2 The training budget is showing an under spend of £28,000 against budget due to reduced activity. As noted in Appendix E, £7,000 of this has been contractually committed and a carry forward request is made to utilize a further £1,000 in training management on effectively addressing sickness within the authority.
- 3.25.3 The pay and workforce strategy budget is showing an under spend of £153,784. Initial projections for the costs of the implementation of Job Evaluation included a planned minimum underspend of £125,000 in 2009/10 which would be set aside to be used to contribute to costs of implementing job evaluation in future years. Members will recall this was reported in the quarter 3 revenue monitoring report when it was noted any underspend would need to be earmarked for carry forward to fund incremental increases related to the new JE scales for the third year of the Medium Term Financial Strategy (MTFS). Appendix E therefore includes proposals to earmark £153,784 for future workforce strategy issues.
- 3.26 Performance Improvement is showing an under spend of £18,217 due to staff vacancies. A carry forward of £5,000 has been requested as a contribution to the costs of conducting the Place Survey in 2010/11.

Development Strategy – Net Under spend £591,789
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- 3.27 Housing and Homelessness is showing an under spend of £108,000. £57,400 of the under spend on Homelessness is due to receipt of an additional £28,500 government grant for the Repossession Fund, a further grant of £10,000 for the recession impact not budgeted for, and, receipt of housing benefit subsidy in excess of budget (£18,900). A small saving has also arisen from reduced cost of emergency accommodation. As noted in Appendix E, it is proposed that £54,200 is earmarked for use in 2010/11. Private Sector Housing Renewal is showing a provisional under spend against budget of £49,100 as a result of increased income relating to professional services undertaken for customer applicants, and, secondly, a slight reduction in care and repair costs..
- 3.28 Economic development is showing an under spend of £228,400. This is primarily due to the receipt in 2009/10 a new grant of £200,000 for the Copeland Seaside Coastal Park Initiative (to be carried forward as work has not yet commenced). This is subject to a separate item on this agenda. Planning policy is showing an under spend of £74,600. Of this, £6,600 is contractually committed and £33,700 is grant income for increased burdens relating to habitat assessment. Both of these require earmarking for use in 2010/11 and have therefore been included in proposed amounts to be earmarked as set out in Appendix E. The balance relates to management of vacancies throughout the financial year.

- 3.29 The bulk of Working neighbourhood fund activity is funded from earmarked reserves, therefore the under spend in 2009/10 nets off against a reduced draw down on the earmarked reserve balance, resulting in a minimal variance in this report. The provisional draw down on earmarked reserves to fund this activity was lower than the Quarter 3 year end projection of £775,600 by £427,600. A separate item on this agenda addresses the re-profiling of the medium term plan for the working neighbourhood fund and the impact on ear-marked reserves.
- 3.30 Cleaner safer greener is showing an under spend of £23,500 due to windfall income received during the year.
- 3.31 Nuclear is showing an over spend of £46,400. This is primarily due to budget income of £60,000 not materialising (Members will recall a shortfall in nuclear income was reported in quarters 2 and 3), partially off-set by a saving in salaries and professional services of £13,000. The 2010/11 budget now reflects that there is no external income to support the service.
- 3.32 Sustainability is showing an under spend of £16,800 due to the effect of a part year vacancy, filled in December 2009.
- 3.33 The key cause of the provisional underspend of £186,600 reported against Development Strategy (including HoS) is grant funding which was received during the year but not budgeted for, primarily due to the grants being new. Grants included; North East Connected Communities, HPDG and Empty Shop Fund. As a result, net income of £158,900 is requested to be carried forward into next year.

Development Operations – Net Under spend £103,353
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- 3.34 The provisional outturn against Admin buildings is an under spend of £23,500. This is due to two factors; firstly, increased rental income received for Moresby based on a new short term lease agreement, and, secondly, a reduction in utility costs for the year at the Copeland Centre. Due to the unpredictability of their continuation, these areas of underspend are deemed to be one off, and have therefore not been adjusted for in the 10/11 budget.
- 3.35 Whilst the overall variance against Beacon & TIC is a small underspend of £2,500, it is worthwhile noting this consists of a number of items. As reported at quarter 3, in accordance with The Beacon's Council and Funder-approved 5 Year Business Plan, a further £40,000 has been added to The Beacon's sinking fund, which provides funds for future redevelopments ensuring ongoing sustainability. The provisional outturn underspend of £2,500 is reported after this addition to the sinking fund.

- 3.36 Building control is showing an over spend of £12,600 due to a fall in general fee based income as a consequence of the recession we have experienced over the past year.
- 3.37 Planning services is showing a provisional under spend of £60,300. This has arisen due to two main factors:
- 3.37.1 Staffing issues, including the deletion of a planning administration post, long term sickness absence and retirement (vacant post still to be filled), and
 - 3.37.2 Planning Income being in excess of budget; at the end of Q3 a prudent view was taken on the anticipated level of planning fee income by year end, given the prevailing economic climate. As it happened, major applications were received in February and March (WCH redevelopment; Albion Square; White School site, Kells; etc.) resulting in a surplus planning fee income of £30,000, although the related works to these major applications and their subsequent determinations were carried forward to 2010/11.
- 3.38 The provisional underspend reported for Property of £75,000 is primarily due to Land management rental and other income on a number of properties and garage sites being up on budget by £70,400. A proposal is being made to carry forward £57,200 for future use on land slippage work and £10,000 for registration of Council land.
- 3.39 The over spend on Public Building of £46,100 is net of performance deductions for the PFI contract for the Copeland Centre. These deductions, totaling £39,500, are subject to a carry forward request to meet future costs and, subject to performance by the contractor, this should not be a recurring item. £45,000 of additional costs have arisen because of items originally charged to the capital programme but which do not meet the statutory definition of capital and have had to be written down to revenue. A review of works planned within the Public Building and Energy Efficiency projects in the Capital Programme has been completed in Quarter 1. This has identified a potentially similar issue in 2010/11 as detailed in the Provisional Capital Outturn report presented to this meeting. The accounts also include £25,000 of additional costs due to agreement of reduced rental for the Howgill Centre and recognition of a refund for the last 3 years.

Cultural Services

- 3.40 Cultural Services is showing an overall under spend against budget of £40,900.
- 3.41 This relates to savings in salaries and associated costs due to acting up arrangements and staff turnover during the year.
- 3.42 Current vacancies are planned to be filled by July 2010.

Enforcement

- 3.43 Enforcement is showing an overall under spend of £25,200. This is primarily due to:
- 3.43.1 Car parks income is up by £12,000. However, markets income is down by £13,100 due to a fall in demand for pitches. The provisional outturn for dog enforcement shows an under spend of £16,100, due to reduced kenneling costs from the introduction of the “dog chipping” scheme, as stray dogs are now returned immediately to their owners where possible. Approval is sought to carry forward £10,000 of this to fund signage which will be required if Dog control orders are implemented.
- 3.43.2 Vacancies throughout the year have resulted in a salary under spend of £30,000. These positions are expected to be filled and are reflected in the 2010/11 budget.

Environmental Health

- 3.44 Environmental Health is showing an overall net under spend of £50,200. The significant contributions to the under spend arise from:
- 3.44.1 Delayed income of £44,000 from 07/08 and 08/09 grant payments for coastal monitoring undertaken as part of a North West Regional programme. Copeland access grant funding from DEFRA as part of CERMS (Cell Eleven Regional Monitoring), managed by Sefton MBC,
- 3.44.2 Under spend of £8,584 (delays with the contractor meant this was not incurred in 2009/10, however the sum is contractually committed) on multi agency project work with Environment Agency – income from Environment Agency to spend on agreed project relating to land drainage and coastal defense orders,
- 3.44.3 Contractor delay completing coastal defense work in Parton - £3,437, and,

- 3.44.4 Under spend on Corporate Health and Safety due to long term post vacancy – the post was filled in October 2009.

Leisure and Environmental Services Management and Administration

- 3.45 The under spend on L&ES Management is as a result of the temporary management arrangements in place, including the Head of Service post. The scope for ongoing savings is dependent on long-term arrangements for the senior management of departments.

Open Spaces

- 3.46 Open Spaces is showing a net under spend against budget of £170,800.

- 3.46.1 This net under spend is due largely to significantly higher income than budgeted, particularly for the Crematorium (£104,000), Cemeteries (£15,000), work for parishes (£17,000) and receipt of CAMEO tax (£32,000).

- 3.46.2 With regard to both crematorium and cemeteries, this is due to a structural underestimate of budgeted income, as very similar levels of income were achieved in 2008-09. Fees have been increased in the 2010-11 budget, so there is scope for equivalent savings in 2010-11 and beyond.

- 3.46.3 Income from work for parishes is higher than budgeted due to winning additional work whilst utilizing existing capacity.

- 3.46.4 The income from CAMEO includes income in respect of 2008-09 which was not recognized in the 2008-09 accounts. This is therefore a one-off item. Planned contribution to sinking fund amounts to £22,988, for future use in replacing the burners at the crematorium.

- 3.47 In addition to this, open spaces provisional outturn included a £21,000 overspend on Street Scene, relating to increased electricity costs due to timing of a payment relating to 2008/09, and, increased United Utilities costs in relation to all electrical works for street lights. A £16,000 overspend on pest control arose because income was insufficient to cover the cost of providing the service (we are reviewing the viability of the continuation of this service during 2010/11). Both of these over spends were offset by savings against staffing budgets.

Waste Services

- 3.48 Waste Management is reporting a net underspend of £71,000 for the year, and this essentially relates to recycling activities as follows:

- 3.48.1 Recycling activities are showing increased income of £150,000, partially off-set by increased associated costs of £80,000.

- 3.48.2 The Recycling Rewards scheme provides the mechanism for the Waste Disposal Authority, Cumbria County Council to fund district recycling services.
- 3.48.3 The scheme is based on payments being made per percentage of waste recycled or composted rather than the original credit payments per tonne recycled. The 2009/10 budget was based on the expected recycling rate for 2009/10 of 36%, which equates to a total income from the year of £830k. The target and associated monthly income level was agreed formally between the Council and Cumbria CC.
- 3.48.4 The amount paid per percentage point assumes that no more than £80 per tonne will be paid and payments are capped at this level.
- 3.48.5 The significant variable factor in projecting recycling rates is the amount of waste sent for landfill disposal which is the largest proportion of waste in the recycling rate equation. The county council's new contract for managing waste for 25 years introduced a new raft of audit checks resulting in landfill data not being validated until around 2 months after the end of each month.
- 3.48.6 Accrued income figures for the year end were based on the known figures for 2009/10 including the unconfirmed data for March. The achieved 40% recycling rate equates to £950k, £120k higher than had been budgeted for.
- 3.48.7 In addition, the value of the collected recyclable materials, which had plummeted in the early days of the recession and at the time the budget was set, improved. This improvement over the year resulted in income from that source achieving £30k more than had been budgeted.
- 3.48.8 The 2010/11 budget has been based on achieving 40% recycling and an income of £950k. However should the planned publicity campaign to re-launch kerbside recycling with the support of WRAP and Cumbria CC in September be successful, the CIP aspirational targets of 45% recycling and 70% of public participating in recycling may be achieved. This could conceivably lead to additional income over and above that allowed for in the budget for 2010/11 of up to £175k.
- 3.48.9 Caution or prudence however should be exercised as the greatest factor in achieving the targets is in communicating well with residents thereby securing public participation in both recycling and waste minimisation activities.

Other

- 3.49 Corporate vacancy management savings have been vired from departmental budgets. These are £178,827 greater than £200,000 target in the budget.
- 3.50 The Procurement team has been working with staff to identify potential savings within their budgets, whilst continuing to offer support in relation to tendering and contracts.
Savings of £74,242 from retendered like-for-like contracts in relation to Insurance, Banking and Treasury Advice were achieved for 09/10, details of which were also included in the Q3 report for the February 2010 Executive meeting.
Alongside savings from contracts, the Procurement team also achieved a saving of £20,190 from the Supplies & Services budgets. Savings were achieved through a variety of methods such as the sourcing of suppliers who offer better value for money; adopting a new e-tendering system, delivering savings in relation to tender advertising and tender printing costs; and the centralised purchase of stationery.
- 3.50 Invoices of £26,000 relating to the use of photocopiers as far back as 2007/08 were paid during the year, and had not been accounted for in previous years. As a result, the central printing recharge to users of the service are generally showing an over spend against their respective central printing budget lines. This is one-off and will not impact on 2010/11 budget.

4 CARRY FORWARD REQUESTS

- 4.1 Any net underspending/savings on services estimates under the control of the Head of Service may be requested to be carried forward subject to Member approval. The benefit of making carry forward requests is to facilitate the achievement of more strategic longer-term budgeting which requires greater flexibility of budgets between years. But as highlighted in paragraph 1.9 these requests need to be balanced against increasingly intense pressure on services and budgets. To inform these judgements managers been asked to make very clear the extra benefits if requests are agreed, the consequences if they are not agreed, and why they could not be met from existing budgets.
- 4.2 Of the under spend of £1,485,874, £676,847 relates to sinking funds , grant programmes and other commitments. It is recommended that these be carried forward.
- 4.3 In addition to this, requests were made for further carry forwards against the uncommitted balance of the underspend. These further carry forward

The major items of new carry-forward requests relate to:-

- RBS Shared Services £60,000
- Support for retail development (LABGI) £25,434
- Planning enforcement (HPDG) £20,208
- Land Slippage North Shore £57,200

- 4.4 Executive could agree or decline individual requests. Executive could also decide to defer decisions until more is known about the potential grant cuts in 2010/11 or options emerging from service reviews, and weigh up carry forward requests against those.
- 4.5 If recommended carry forwards are approved by Members these will be earmarked in general fund reserves once the audit is completed and reflected in service budgets for 2010/11.

5 GENERAL FUND AND EARMARKED RESERVES

- 5.1 Appendix G sets out the summary movement on general fund balances, earmarked reserves, sinking funds and provisions. Appendix H explains in more detail the movements on general fund balances.
- 5.2 The balance on Earmarked Reserves as at the draft outturn is £5,613,538 prior to carry forwards. If all commitments and fresh carry forward requests are agreed the balance would be £6,508,011. In accordance with the reserves strategy, further work is being undertaken to review commitments against balances held in earmarked reserves and to establish whether further sums could be returned to General Fund Balances. The outcome of this will be considered at a future meeting of RPWG and recommendations made to Executive.
- 5.3 The provisional closing General Fund Balance (including the risk based element as noted below) prior to earmarking of commitments and carry forwards is £3,643,801. This falls to £2,966,954 after earmarking commitments and £2,749,328 if new carry forward requests are approved. Of this, £1,616,154 is required for the risk-based element in 2010/11. This would leave £1,133,174 uncommitted. This compares to £760,901 last year after earmarking of carry forwards.

- 5.4 Sinking Funds are a category of reserves that are maintained by making regular contributions to meet recognised commitments in the future. The provisional closing balance is £1,550,785. The most significant item is the PFI sinking fund which is needed to smooth costs over the duration of the contract.

6 OPTIONS TO BE CONSIDERED

- 6.1 Executive could review the carry forwards recommended by Resource Planning Working Group and decide whether to accept, reject, or defer individual proposals.

7 CONCLUSIONS

- 7.1 The outturn identifies an under spend of £1,485,874. A significant proportion of this is due to one-off grant allocations that were not known when the budget was prepared and to prudent provision in year for the costs of job evaluation. However the report also highlights areas where underspendings are likely to recur and have not been reflected in the 2010/11 budget. These areas are being examined in more detail as part of the service review process currently being undertaken.
- 7.2 If carry forwards are agreed the balance on unallocated general balances is £1,133,174. This represents an increase on the equivalent balance at the end of last year, which will be crucial given the extreme pressure on budgets in the future.

8 WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?

- 8.1 The report sets out the provisional revenue outturn on General Fund Services 2009/10 and the impact of this outturn upon reserves at the year end. The Council has adequately set aside reserves and provisions to meet its medium term financial strategy. Balances on earmarked reserves will be reviewed, and where appropriate, reserves will be recommended for release.

9 HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

- 9.1 Budgets are monitored during the year with exceptions reported through Corporate Team and Executive during the year on a quarterly basis. At the year- end, the draft outturn prior to the external audit process must be

- 9.2 Carry forwards will be reflected in revised 2010/11 budget. Expenditure will be closely monitored as part of the continuing budget monitoring framework, and outcomes monitored through the performance management framework.

List of Appendices

- Appendix A Detailed Changes to the 2009/10 Net Revenue Budget
- Appendix B Use of Earmarked Reserves
- Appendix C 2009/10 Budget Changes since Quarter 3 Executive Report (to follow)
- Appendix D 2009/10 Summary Provisional Outturn Financial Position
- Appendix E Detailed Explanation of Under spend
- Appendix F Carry forward requests
- Appendix G Provisional Reserves – Summary Statement
- Appendix H Statement of Movements on General Fund Balances

List of Background Documents

Council Budget Reports 2009/10 and 2010/11; Executive Budget Monitoring Reports during 2009/10; Medium Term Financial Strategy (RPWG 8th April 2010).

List of Consultees

Corporate Team

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	None
Impact on Sustainability	None
Impact on Rural Proofing	None
Health and Safety Implications	None
Impact on Equality and Diversity Issues	None
Children and Young Persons Implications	None
Human Rights Act Implications	None
Section 151 Officer Comments	No further comments to add
Monitoring Officer Comments	None

Please say if this report will require the making of a Key Decision YES/NO

ORIGINAL GROSS & NET BUDGET 2009/10						Increases to budget during year 2009/10													NET BUDGET £					
GROSS BUDGET £	OTHER GRANT INCOME £	OTHER EXTERNAL INCOME £	INTERNAL INCOME £	NET BUDGET £	Carry Forwards 2008/9 £	Carry Forwards 2008/9 to be utilised in future years (not 09/10) £	Other Transfers to / from Reserves £	Corporate Virements £	Inter-Department Virements £	Corporate Superannuation £	Vacancy Management £	Other Salaries Adjustment £	Changes to Cash Limit £	Salaries Virement to Bring 2009/10 into line with JE £	Income Adjustment for Fully Funded Positions £	Salaries/Ni/Su per Adjustment £	Total Adjustments £							
Chief Executives																								
Chief Executive	186,160	0	0	0	186,160	0	0	0	0	0	6,095	0	0	0	0	0	(1,463)	4,632						
Corporate Management	665,469	(100,000)	0	0	565,469	0	0	0	0	(3,152)	(329,167)	0	0	(7,825)	0	0	0	(340,144)						
Community Partnerships (LSP,etc)	301,505	0	(230,325)	0	71,180	0	0	5,373	0	1	9,593	0	0	0	0	(377)	(9,216)	5,374						
Corporate Director of Development and MWRS	100,964	0	0	0	100,964	0	0	0	0	0	4,171	0	0	0	0	0	(1,000)	3,171						
Corporate Director - Quality of Life	100,939				100,939						4,159	(7,314)					(1,009)	(4,164)						
Total - Chief Executives	1,355,037	(100,000)	(230,325)	0	1,024,712	0	0	5,373	0	(3,151)	(305,149)	(7,314)	0	(7,825)	0	(377)	(12,688)	(331,131)						
Customer Services																								
Customer Services	549,445	0	0	0	549,445	0	0	0	0	0	18,903	(44,022)	0	0	25,245	0	(3,313)	(3,187)						
Revenues & Benefits	21,846,699	(21,261,101)	(618,526)	0	(32,928)	17,500	0	32,200	0	0	37,872	(58,030)	0	0	6,432	0	(6,262)	29,712						
Total - Customer Services	22,396,144	(21,261,101)	(618,526)	0	516,517	17,500	0	32,200	0	0	56,775	(102,052)	0	0	31,677	0	(9,575)	26,525						
Finance and Management Information Systems																								
Accountancy Services	517,799	0	0	0	517,799	90,000	(30,000)	0	10,000	0	18,932	(27,240)	0	0	412	0	(3,565)	58,539						
Concessionary Fares	743,915	(213,000)	0	0	530,915	0	0	0	0	0	0	0	0	0	0	0	0	0						
Corporate Treasury Management	396,957	0	(542,959)	0	(146,002)	0	0	0	0	0	0	0	0	(28,407)	0	0	0	(28,407)						
Corporate Insurance	411,638	0	0	0	411,638	0	0	100,000	(10,000)	0	0	0	0	0	0	0	0	90,000						
Audit & Fraud Prevention	224,673	(23,402)	0	0	201,271	0	0	5,000	0	0	9,114	(2,366)	0	0	4,282	0	(1,585)	14,445						
Management Information Systems	561,065	0	0	0	561,065	0	0	0	0	0	10,659	(30,136)	0	0	1,568	0	(310)	(18,219)						
Total - Finance and MIS	2,856,047	(236,402)	(542,959)	0	2,076,686	90,000	(30,000)	105,000	0	0	38,705	(59,742)	0	(28,407)	6,262	0	(5,460)	116,358						
Legal & Democratic Services																								
Democratic Services	361,623	0	0	0	361,623	0	0	0	0	(12,500)	0	0	0	0	0	0	0	(12,500)						
Elections	85,908	0	(1,648)	0	84,260	0	0	0	0	0	0	(260)	0	(17,104)	0	0	0	(17,364)						
Emergency Planning	20,114	0	0	0	20,114	0	0	0	0	0	0	0	0	0	0	0	0	0						
Land Charges	32,812	0	(90,431)	0	(57,619)	0	0	0	0	0	0	0	0	0	0	0	0	(57,619)						
Legal Services	658,754	0	(19,624)	0	639,130	0	0	6,026	0	12,500	24,774	(31,938)	0	0	2,727	0	(4,341)	9,748						
Licensing	16,376	0	(125,442)	0	(109,066)	0	0	4,053	0	0	0	0	0	0	0	0	0	4,053						
Total - Legal	1,175,587	0	(237,145)	0	938,442	0	0	10,079	0	0	24,774	(32,198)	0	(17,104)	2,727	0	(4,341)	(16,063)						
Policy & Performance																								
Communications	95,102	0	0	0	95,102	0	0	0	0	0	3,736	0	0	0	3,270	0	(522)	6,484						
Human Resources - JE and Human Resources Team	1,032,493	0	0	0	1,032,493	90,000	(85,000)	(8,804)	0	(48,303)	10,721	0	0	0	(322,653)	0	(1,616)	(365,655)						
Policy & Performance Team	143,331	0	0	0	143,331	0	0	0	0	0	4,455	0	0	0	95	0	(1,063)	3,487						
Process Improvement Team	217,449	0	0	0	217,449	0	0	2,065	0	0	7,692	(7,504)	1,432	0	0	0	(1,360)	2,325						
Total - Policy & Performance	1,488,375	0	0	0	1,488,375	90,000	(85,000)	(6,739)	0	(48,303)	26,604	(7,504)	1,432	0	(319,288)	0	(4,561)	(353,359)						
Development Strategy																								
Housing and Homelessness	508,217	(52,427)	(31,806)	0	423,984	105,500	(40,000)	(30,536)	0	4,600	13,574	(123)	0	0	21,270	0	(2,346)	71,939						
Economic Development	332,332	(46,300)	(8,784)	0	277,248	0	0	52,753	0	4,160	10,274	(67,728)	0	0	2,727	0	(1,804)	382						
Planning Policy	497,215	0	(63,718)	0	433,497	0	0	(212,546)	0	62,782	6,942	(358)	0	0	2,615	0	(1,217)	(141,782)						
WNF/Regeneration Delivery Plan	1,100,001	0	0	0	1,100,001	0	0	(755,814)	0	499	3,410	0	0	0	0	0	0	(751,905)						
Nuclear	119,129	0	(67,302)	0	51,827	0	0	0	0	(31,523)	4,070	(123)	0	0	0	0	(950)	(28,526)						
Sustainability	0	0	0	0	0	0	0	0	0	31,583	0	0	0	0	0	0	0	31,583						
Development Strategy (including HoS)	165,089	0	(16,800)	0	148,289	14,688	0	69,459	0	(72,202)	4,019	0	0	0	0	0	(897)	15,067						
Total - Development Strategy incl Regeneration Delivery Plan	2,721,983	(98,727)	(188,410)	0	2,434,846	120,188	(40,000)	(876,684)	0	(101)	42,289	(68,332)	0	0	26,612	0	(7,214)	(803,242)						
Development Operations																								
Admin Buildings	1,776,238	0	(1,433,616)	0	342,622	6,000	0	(6,000)	836,828	0	0	0	0	0	0	0	0	836,828						
Property (incl HoS)	317,485	(1,025)	(9,553)	0	306,907	10,000	0	22,616	0	(2,900)	7,803	0	0	0	1,245	0	(1,568)	37,196						
Public Buildings	320,972	0	(43,707)	0	277,265	31,000	0	(31,000)	0	0	0	0	0	(10,000)	0	0	0	(10,000)						
Beacon & TIC	475,627	0	(102,140)	0	373,487	103,498	(81,430)	(15,800)	0	0	6,863	(128)	0	(17,000)	37,194	0	2,175	35,372						
Building Control	320,295	0	(215,487)	0	104,808	9,150	0	4,375	0	3,000	13,176	(390)	0	0	0	0	(2,313)	26,998						
Planning	425,758	(2,500)	(286,039)	0	137,219	72,000	(40,000)	850	0	0	14,981	(705)	0	6,958	3,928	0	(2,625)	55,387						
Procurement	28,291	0	0	0	28,291	0	0	0	0	0	995	(49)	0	0	1,532	0	(172)	2,306						
Total - Development Operations	3,664,666	(3,525)	(2,090,542)	0	1,570,599	231,648	(121,430)	(24,959)	836,828	100	43,818	(1,272)	0	(20,042)	43,899	0	(4,503)	984,087						
Leisure & Environmental Services																								
Cultural Services	965,086	0	(23,793)	0	941,293	25,279	0	50,871	0	0	8,303	(69,350)	0	(25,221)	5,800	0	(1,146)	(5,464)						
Enforcement	359,258	0	(472,002)	0	(112,744)	0	0	0	0	3,152	9,549	(20,631)	0	0	29,417	0	(3,622)	17,865						
Environmental Health	674,132	(39,600)	(28,059)	0	606,473	0	0	0	0	48,303	20,093	0	0	0	7,866	0	(261)	76,001						
Leisure & Environmental	229,336	0	0	0	229,336	0	0	0	0	10,000	9,472	(7,866)	0	0	13,433	0	(1,771)	23,268						
Open Spaces	1,514,740	0	(643,576)	0	871,164	11,445	0	0	0	(10,000)	14,329	(1,292)	0	(120,248)	51,427	0	(6,464)	(60,803)						
Waste Services	3,059,169	(84,460)	(1,266,450)	0	1,708,259	15,000	0	(5,063)	0	0	10,438	(1,274)	0	0	100,268	0	(12,069)	107,300						
Total - Leisure & Environmental Services	6,801,721	(124,060)	(2,433,880)	0	4,243,781	51,724	0	45,808	0	51,455	72,184	(100,413)	0	(145,469)	208,211	0	(25,333)	158,167						
GRAND TOTAL						42,459,560	(21,823,815)	(6,341,787)	0	14,293,958	601,060	(276,430)	(709,922)	836,828	0	0	(378,827)	1,432	(218,847)	100	(377)	(73,675)	(218,658)	14,075,300
22212 Vacancy Management						(200,000)						378,827								378,827	178,827			
TOTAL						42,259,560	(21,823,815)	(6,341,787)	0	14,093,958	601,060	(276,430)	(709,922)	836,828	0	0	0	1,432	(218,847)	100	(377)	(73,675)	160,169	14,254,127
Revenue Funding of Capital Programme															88,321							88,321		
TOTAL NET BUDGET REQUIREMENT																							14,342,448	

BUDGETED USE OF RESERVES

APPENDIX B

Budget Line	Reason for use	In approved base budget	Carried Forward from 2008- 09	Changes Quarter 1	Changes Quarter 2	Changes Quarter 3	Changes Since Quarter 3	Final allocations
INCLUDED IN BASE BUDGET								
Corporate	Current MTFS - Base Budget Support	130,000						130,000
Treasury Management	Low interest returns on investments	81,500						81,500
Human Resources	Job Evaluation - Pay Protection	60,000				(27,000)	(16,804)	16,196
Legal Services	Funding for Developing Elections	22,453						22,453
Revenues & Benefits	Welfare Benefits officer	35,000						35,000
Planning Policy	To support LDF	40,000					(40,000)	-
Planning Policy	Use of HPDG to support LDF	180,000				(88,500)	(84,046)	7,454
Regeneration Delivery	Use of WNF + SWNMI funding to support programmes	1,100,000			(327,722)		(428,079)	344,199
Development Strategy	Programme management support (from WNF)	100,000						100,000
CARRY FORWARDS FROM 2008/09								
Accountancy Services	Temporary staffing		90,000		(30,000)			60,000
Human Resources	Training		90,000			(85,000)		5,000
Revenue and Benefits	Shared Service + Academy		10,000		32,200			42,200
Revenue and Benefits	Academy		7,500					7,500
Open Spaces	Delays in the delivery of some small plants		3,000					3,000
Waste Services	Festival Cleaning		15,000				(5,063)	9,937
Crematorium	Pond refurbishment		1,000					1,000
Crematorium	Glazing of cloister openings in central building		1,455					1,455
Cultural Services	Study to be commissioned via Sport England		10,000				(10,000)	-
Cultural Services	Project commencement delayed		12,834				(1,834)	11,000
Cultural Services	Leisure Deductions as outlined in contract		2,445				(374)	2,071
Open Spaces	Quad bike		5,990					5,990
Community Safety	Section 17		5,000					5,000
Community Safety	Section 17		2,801					2,801
Planning Policy	Printing of Local Plan		3,000				(3,000)	-
Development Strategy	Cleator Moor Business Centre		3,886				(3,886)	-
Development Control	Headway software system licensing		12,000					12,000
Development Control	Conservation Area policy framework		20,000				(5,200)	14,800
Building Control	Operational equipment which was not delivered		2,150					2,150
Building Control	This is as per Development Control above - Headway software		7,000					7,000
Development Directorate	Crematorium works programmed for 2008/09 not commenced		31,000				(31,000)	-
Development Directorate	Upgrading works to garage sites		10,000					10,000
Admin Buildings	Staff car park		6,000				(6,000)	-
Beacon & TIC	Income received in advance to fund a number of activities.		10,269					10,269
Beacon & TIC	Contribution to TIC Reserve		11,800					11,800
Beacon & TIC	Contribution to Beacon Earmarked Reserve		81,430		(81,430)			-
Housing and Homelessness	Emergency Accommodation of disabled person		25,500					25,500
Housing and Homelessness	Complete housing and related strategies for older people.		20,000				(10,536)	9,464
Housing and Homelessness	Expenditure on consultancy services (Housing Strategy)		60,000		(40,000)		(20,000)	-

Budget Line	Reason for use	In approved base budget	Carried Forward from 2008- 09	Changes Quarter 1	Changes Quarter 2	Changes Quarter 3	Changes Since Quarter 3	Final allocations
Housing and Homelessness	Derelict and dilapidated buildings		40,000				(40,000)	-
INITIATED IN QUARTER 1								
Audit	Audit IT			5,000				5,000
Beacon & TIC	Beacon rates			18,000				18,000
Audit	Audit shared services			10,000			(10,000)	-
Property	NNDR Ginns			16,005			(16,005)	-
Chief Executive	Choosing to Change			100,000		(80,000)	(14,627)	5,373
INITIATED IN QUARTER 2								
Legal Services	Equality				5,042	984		6,026
	HR professional support (Workforce Strategy)				35,000			35,000
Policy & Performance	Place Survey				8,865		(6,800)	2,065
Sustainability	Activity related to Claimate Change - funded from ABG				22,500	(22,500)		-
Development control	To support major planning applications				6,050		7,042	13,092
Cultural Service	Rural Touring				63,079			63,079
INITIATED IN QUARTER 3								
Beacon & TIC	TIC shop refit					6,200		6,200
Beacon & TIC	Beacon Surplus					(40,000)		(40,000)
INITIATED SINCE QUARTER 3								
Economic Development	Application of LABGI funding						59,863	59,863
Revenue contributions to capital	WNF contribution to MOSAIC						5,610	5,610
Development Control	Application of Planning Development Grant						44,162	44,162
Building Control	Building Control non fee						4,375	4,375
Legal Services	Taxi Ranks						4,053	4,053
Property	Land Management - property disposal						15,574	15,574
Treasury Management	To fund payment of interest on balances						(28,407)	(28,407)
Crematorium	Crematorium donations						(515)	(515)
Corporate Insurance	Write down of Insurance Reserve						100,000	100,000
Economic Development	Application of Small Business fund						2,573	2,573
TOTAL USE OF EARMARKED RESERVES		1,748,953	601,060	149,005	(306,416)	(335,816)	(538,925)	1,317,862

Appendix C - 2009/10 Detailed Changes to the Budget since Quarter 3		2009/10 Full Year	Reported at Qtr 3	Since Qtr 3
		£	£	£
Net Budget Requirement 2009/10 to be funded from Council Tax and Government Grant		12,344,958	12,344,958	
Net Budget Requirement 2009/10 funded from reserves		1,749,000	1,749,000	
Net Revenue budget 2009/10 (Council resolution - February 2009)		14,093,958	14,093,958	0
Carry forward requests (2008/09 out-turn - 30th June Executive)		601,060	601,060	
Planned utilisation in future years				
Reported at Q3		(236,430)	(236,430)	
Training and Apprenticeships		(40,000)		(40,000)
Total Planned Utilisation in Future Years		(276,430)	(236,430)	(40,000)
Net Current Revenue budget 2009/10		14,418,588	14,458,588	(40,000)
Return to () / Drawdown from earmarked reserves already agreed by Executive:-				
Audit - IT computer audit		5,000	5,000	
Beacon - Rates revaluation		18,000	18,000	
RBS Shared Service Project		32,200	32,200	
Equality & Diversity AWAZ		5,042	5,042	
Human Resources - Professional Services		35,000	35,000	
Performance Improvement Team - Place Survey		8,865	8,865	
Development Control - new projects		6,050	6,050	
Working Neighbourhood Fund (WNF)		(346,013)	(346,013)	
West Cumbria Rural Touring Scheme - funding future projects		63,079	63,079	
Contribution to the Beacon Fund		(40,000)	(40,000)	
Local Delivery Framework		(88,500)	(88,500)	
Equality & Diversity AWAZ		984	984	
Pay and workforce strategy		(27,000)	(27,000)	
Working Neighbourhood Fund - additional grant funding		(85,437)	(85,437)	
Beacon Refit		6,200	6,200	
Choosing to Change Programme		(80,000)	(80,000)	
Update Since Q3 Report;				
Local Delivery Framework		(151,200)		(151,200)
Planning Policy HPDG based work		27,154		27,154
Back in Business Initiative		25,630		25,630
Enterprise Whitehaven		825		825
Advertising Site		1,952		1,952
Quality Coast Award		1,700		1,700
HPDG		44,162		44,162
Sports Development		(10,000)		(10,000)
Economic Development		20,073		20,073
Economic Development		2,573		2,573
LABGI		9,683		9,683
Choosing to Change Programme		(14,627)		(14,627)
Head of Development Operations		7,042		7,042
Building Control Non-fee based		4,375		4,375
Neighbourhood Management		(428,092)		(428,092)
Environmnetal Cleansing		(5,063)		(5,063)
SPAA Climbing Wall		(1,834)		(1,834)
Cleator Moor Business Centre		(3,886)		(3,886)
Development Control		(5,200)		(5,200)
Miscellaneous Buildings		(31,000)		(31,000)
Land Management		15,574		15,574
Copeland Centre		(6,000)		(6,000)
Audit and Fraud		(10,000)		(10,000)
Land Management - NNDR Ginns		(16,005)		(16,005)

Appendix C - 2009/10 Detailed Changes to the Budget since Quarter 3		2009/10 Full Year	Reported at Qtr 3	Since Qtr 3
		£	£	£
	<i>Performance Improvement</i>	(6,800)		(6,800)
	<i>Housing Strategy</i>	(30,536)		(30,536)
	<i>Human Resources</i>	(16,804)		(16,804)
	<i>Development Strategy</i>	(3,000)		(3,000)
	<i>NCL Contract</i>	(374)		(374)
	<i>Taxi Licensing</i>	4,053		4,053
	<i>Corporate Insurances</i>	100,000		100,000
Total Net Return to Earmarked Reserves		(962,155)	(486,530)	(475,625)
Earmarking of general fund reserves in 2009/10 to fund specific items agreed at Executive meetings to date:-				
	Audit Shared Services (Exec 26 May)	10,000	10,000	
	Public Buildings - NNDR Ginns Site (Exec 21 April)	16,005	16,005	
	Choosing to Change Programme (CBC support) (Exec 25 Aug)	100,000	100,000	
	South Whitehaven Neighbourhood Management c/fwd (Exec 17 Nov)	18,291	18,291	
Total Earmarking of General Fund Reserves		144,296	144,296	0
Total Drawdown of Earmarked Reserves and Earmarking of General Fund Balances		(817,859)	(342,234)	(475,625)
	Pay Settlement (09/10) and Superannuation Adjustment (net)	(74,050)	(74,050)	
	Other salaries adjustments	1,530		1,530
	Treatment of PFI Grant Income (General Grant - not Service Specific)	836,828	836,828	
	<i>Cameo Taxation on Cremations</i>	(70,452)		(70,452)
	<i>Interest on Balances for earmarked reserves and sinking funds</i>	(28,922)		(28,922)
	<i>Open Spaces Copeland homes - technical budget correction</i>	(49,278)		(49,278)
	<i>Corporate Superannuation adjustment</i>	(7,825)		(7,825)
	<i>Elections software - capital element</i>	(17,104)		(17,104)
	<i>NCL contract - re-alignment to contract value</i>	(25,221)		(25,221)
	<i>Whitehaven TIC Re-fit</i>	(17,000)		(17,000)
	<i>Miscellaneous Buildings - Contribution to TIC Re-fit</i>	(10,000)		(10,000)
	<i>Development Control -software licences</i>	6,955		6,955
	Other Ajdjustments	545,461	762,778	(217,317)
Current Net Revenue Budget 2009/10		14,146,190	14,879,132	(732,942)
Request for earmarking of general fund reserves				
	Climate Change - General Area Based Grant 2009/10	22,500	22,500	
	Working Neighbourhood Fund - additional grant funding (Executive 18th January 2010)	85,437	85,437	
Proposed Net Revenue Budget 2009/10		14,254,127	14,987,069	(732,942)
	Revenue Contribution to Capital	88,321		88,321
Proposed Net Revenue Budget 2009/10		14,342,448	14,987,069	(644,621)

Appendix D - 2009/10 Summary Provisional Revenue Outturn Financial Position

	Budget Vs Actual			Carry Forward Proposals	Provisional Under () / Over Spend to General Fund Balances (after proposed carry fwds)
	Current 2009/10 Budget £	Net Provisional Actual £	Variance £	Total £	£
Chief Executives					
Chief Executive	190,792	197,805	7,013	0	7,013
Corporate Management	225,324	242,363	17,039	0	17,039
Community Partnerships (LSP,etc)	76,554	94,814	18,260	0	18,260
Corporate Director of Development and MWRS	104,135	138,839	34,704	0	34,704
Corporate Director - Quality of Life	96,775	95,802	(973)	0	(973)
Total - Chief Executives	693,580	769,623	76,043	0	76,043
Customer Services					
Customer Services	546,258	503,068	(43,190)	0	(43,190)
Revenues & Benefits	(3,216)	105,639	108,855	78,608	187,463
Total - Customer Services	543,042	608,707	65,665	78,608	144,273
Finance and Management Information Systems					
Accountancy Services	576,338	588,699	12,361	0	12,361
Concessionary Fares	530,915	454,027	(76,888)	0	(76,888)
Corporate Treasury Management	(174,409)	(79,528)	94,881	0	94,881
Corporate Insurance	501,638	370,910	(130,728)	0	(130,728)
Accountancy Services	1,434,482	1,334,108	(100,374)	0	(100,374)
Audit & Fraud Prevention	215,716	213,337	(2,379)	0	(2,379)
Management Information Systems	542,846	530,208	(12,638)	16,680	4,042
Total - Finance and MIS	2,193,044	2,077,652	(115,392)	16,680	(98,712)
Legal & Democratic Services					
Democratic Services	349,123	353,896	4,773	0	4,773
Elections	66,896	43,540	(23,356)	10,000	(13,356)
Emergency Planning	20,114	16,797	(3,317)	0	(3,317)
Land Charges	(57,619)	(66,924)	(9,305)	0	(9,305)
Legal Services	648,878	618,519	(30,359)	0	(30,359)
Licensing	(105,013)	(51,063)	53,950	0	53,950
Total - Legal	922,379	914,765	(7,614)	10,000	2,386
Policy & Performance					
Communications	101,586	113,027	11,441	0	11,441
Human Resources - JE and Human Resources Team	666,837	462,886	(203,951)	161,784	(42,167)
Policy & Performance Team	146,819	144,776	(2,043)	0	(2,043)
Process Improvement Team	219,774	201,557	(18,217)	5,000	(13,217)
Total - Policy & Performance	1,135,016	922,246	(212,770)	166,784	(45,986)
Development Strategy					
Housing and Homelessness	495,905	387,855	(108,050)	54,172	(53,878)
Economic Development	277,630	49,240	(228,390)	200,355	(28,035)
Planning Policy	291,715	217,097	(74,618)	40,244	(34,374)
WNF/Regeneration Delivery Plan	348,097	347,950	(147)	0	(147)
Safer Cleaner Greener	0	(23,525)	(23,525)	0	(23,525)
Nuclear	23,302	69,681	46,379	0	46,379
Sustainability	31,584	14,768	(16,816)	0	(16,816)
Development Strategy (including HoS)	163,353	(23,270)	(186,623)	158,952	(27,671)
Total - Development Strategy incl Regeneration Delivery Plan	1,631,586	1,039,797	(591,789)	453,723	(138,066)
Development Operations					
Admin Buildings	1,179,450	1,155,958	(23,492)	0	(23,492)
Property (incl HoS)	344,102	269,140	(74,962)	67,200	(7,762)
Public Buildings	267,265	313,407	46,142	39,479	85,621
Beacon & TIC	408,859	406,313	(2,546)	6,850	4,304
Building Control	131,806	144,455	12,649	0	12,649
Planning	192,606	132,328	(60,278)	0	(60,278)
Procurement	30,597	29,731	(866)	0	(866)
Total - Development Operations	2,554,685	2,451,332	(103,353)	113,529	10,176
Leisure & Environmental Services					
Cultural Services	935,829	894,968	(40,861)	13,577	(27,284)
Enforcement	(94,877)	(120,065)	(25,188)	10,000	(15,188)
Environmental Health	682,474	632,267	(50,207)	8,584	(41,623)
Leisure & Environmental	252,602	232,043	(20,559)	0	(20,559)

Appendix D - 2009/10 Summary Provisional Revenue Outturn Financial Position

	Budget Vs Actual			Carry Forward Proposals	Provisional Under () / Over Spend to General Fund Balances (after proposed carry fwds)
	Current 2009/10 Budget £	Net Provisional Actual £	Variance £	Total £	£
Open Spaces	810,382	639,593	(170,789)	22,988	(147,801)
Waste Services	1,815,558	1,744,545	(71,013)	0	(71,013)
Total - Leisure & Environmental Services	4,401,968	4,023,351	(378,617)	55,149	(323,468)
GRAND TOTAL	14,075,300	12,807,473	(1,267,827)	894,473	(373,354)
22212 Vacancy Management	178,827	0	(178,827)	0	(178,827)
NET COST OF SERVICES	14,254,127	12,807,473	(1,446,654)	894,473	(552,181)
CORPORATE ITEMS					
Provisions for Doubtful Debts	0	(39,220)	(39,220)		(39,220)
Revenue Contributions to Capital	88,321	88,321	0		0
	88,321	49,101	(39,220)	0	(39,220)
NET COST OF SERVICES AFTER CORPORATE ITEMS	14,342,448	12,856,574	(1,485,874)	894,473	(591,401)

Appendix E - Detailed Analysis of Under spend

Provisional Out turn Under spend

Reason for Under spend:

1. Under spend to be Earmarked / taken to Sinking Funds

1.1 New Grants announced after 2009/10 budget process

Seascale Coastal Park Initiative

-200,000

3.28

Various other grants for strategic development purposes

-239,104

-439,104

3.27 & 3.33

1.2 Planned Contributions to Earmarked Reserves / Sinking Funds

Workforce Strategy

-125,000

3.25.3

Cameo Taxation (Crematorium)

-22,988

3.46.4

Local Elections

-10,000

-157,988

3.19

1.3 Contractually Committed

-79,755

Appx F

1.4 Managers Carry Forward Requests

-217,626

Appx F

Total Underspend to be Earmarked / taken to Sinking Funds

-894,473

2. Under spends to be taken to General Fund Balances

2.1 Performance on Income Generating Activities

Recycling

-71,000

3.48

Crematorium and Cemeteries

-119,000

3.46

Planning

-30,000

3.37.2

Council-owned Properties

-74,000

-294,000

3.39

2.2 New Grants Announced After 2009/10 Budget Setting Process

Cleaner Safer Greener

-23,500

3.3

Flooding

-44,000

-67,500

3.44.1

2.3 Vacancy Management

-179,000

3.49

2.4 Other Under-spends

Concessionary Travel

-77,000

3.16

Private Sector Housing Renewal

-47,000

3.27

Legal and Democratic Services vacancy management

-27,000

3.22

Planning Services vacancy management

-30,300

3.37.1

Cash collection efficiencies

-31,600

3.11

Planning Policy

-34,700

3.28

New Insurance contract

-129,000

3.18

Cultural Services

-40,900

3.4

Enforcement

-30,000

3.43.2

Environmental Health

-50,200

3.44

L&ES Management

-21,500

3.45

Revision of Provision for Doubtful Debt

-39,220

Various Other

-16,081

-574,501

2.5 Other Over-spends

Treasury Management income

100,000

3.17

Revenues and benefits

231,500

3.12 to 3.15

Licencing income

45,300

3.23

Public Buildings

46,100

3.39

Nuclear Activities

46,400

3.31

Community Partnerships

18,300

3.5

Additional Audit Commission fees

36,000

523,600

3.7

	-591,401	
	<u>-1,485,874</u>	

GENERAL FUND REVENUE BASED CARRY FORWARD REQUESTS						
Budget Description	Total proposed to be earmarked from Provisional 2009/10 Outturn £	Planned contribution to sinking fund	Grants for specific purpose	Contractually committed	Recommended to Executive	Detailed Description
Corporate						
	-	-	-	-	-	
Finance and MIS						
Management Information Systems	16,680	-	-	16,680	-	Contractually committed to complete upgrade to server room.
	16,680	-		16,680	-	
Legal and Democratic Services						
Elections	10,000	10,000	-	-	-	Contribution to local elections fund to assist in financing the costs of running the local election (next is planned for May 2011)
	10,000	10,000	-	-	-	
Policy and Performance						
Human Resources	153,784	125,000	-	-	28,784	This is the year-end variance against the budget for additional costs of job evaluation. This is to be contributed to the JE Earmarked Reserve and is already assumed to be drawn down in later years in medium term projections to offset additional costs due to incremental progression. If this is not set aside the funding gap in later years increases.
Human Resources	8,000	-	-	7,000	1,000	£50,000 was identified in the 2010/11 Budget Report to be carried forward from the training budget to 2010/11. £22,000 of this training has in fact since taken place. Subsequently it has been confirmed that the training programme can be delivered without calling on the remaining £28,000. Of the remainder it is proposed that £8,000 would be used to invest in reducing sickness.
Process Improvement Team	5,000	-	-	-	5,000	Funding towards cost of the Place Survey. Executive have previously agreed to carry forward as their is insufficient funding in 2010/11
	166,784	125,000	-	7,000	34,784	
Customer Services						
Revenues and Benefits	60,000	-	-	-	60,000	This amount will be used for the following 3 purposes: (1) To support 2010-11 budget for implementation of shared services, as per budget report. (2) To meet 2010/11 fees for Academy. These have been renegotiated as part of Shared Services. Current budget provision for 2010/11 is insufficient to meet the revised fees. (3) To meet costs of project manager for shared services.
Revenues and Benefits	12,293	-	12,293	-	-	To meet costs of Business Rates Deferral . This sum is the grant paid in 2009/10 by Department of Communities and Local Government to meet additional costs.
Revenues and Benefits	6,315	-	6,315	-	-	For set-up costs to implement changes from April 2010 to the benefit subsidy scheme in respect of claimants in temporary accommodation. This sum equals the additional grant paid in 2009/10 by Department of Work and Pensions.
	78,608	-	18,608	-	60,000	
Leisure & Environmental Services						

GENERAL FUND REVENUE BASED CARRY FORWARD REQUESTS						
Budget Description	Total proposed to be earmarked from Provisional 2009/10 Outturn £	Planned contribution to sinking fund	Grants for specific purpose	Contractually committed	Recommended to Executive	Detailed Description
Cultural Services	1,333	-	1,333	-	-	This is for the Council's contribution to match grant for the SPAA climbing wall project, and is required to complete the project. The under spend has arisen because the programme commenced part-way through the year. If this were not carried forward the climbing wall project would not happen in Copeland and CBC would incur 'claw back' from Sport England of £45, 340.00 (for year 1 of the 3 year project). Cultural Services would also lose valuable support in kind for the project from other local and national organisations.
Cultural Services	6,806	-	6,806	-	-	This is for the Council's contribution to match grant for the SPAA Community Coach project, and is required to complete the project. The under spend has arisen because the programme commenced part-way through the year. If this were not carried forward the Community Coach project would not happen in Copeland, losing a netball, walk leader and multi sports coach. Additionally CBC would incur 'claw back' from Sport England of £45, 340.00 (for year 1 of the 3 year project). Cultural Services would also lose valuable support in kind for the project from other local and national organisations.
Cultural Services	4,000	-	4,000	-	-	This is for the Council's contribution to match grant for the Art in Empty Spaces scheme and is required to complete the project. The under spend has arisen because the programme commenced part-way through the year. If this were not carried forward the Art in Empty Spaces scheme would not happen in Copeland. Additionally CBC would incur 'claw back' from the Arts Council of £45, 500.00, which in turn would lose another £20, 786.00 of support in kind for the project. There is also the possibility of some legal ramifications as the project has taken a lease out for 1 year on a shop in Whitehaven and the project would not be able to pay for this. Cultural Services would also lose valuable support in kind for the project from other local and national organisations.
Cultural Services	1,438	-	-	1,438	-	Council's contribution to flood risk assessment for Millom Pool. It is being used by the group to match fund to supply the £8K flood risk assessment needed by the Environment Agency to take the pool to planning. If this were not carried forward it would make it unlikely that the pool partnership would be able to supply a flood risk assessment and this would jeopardise the whole project. Increased leisure provision has been a priority for South Copeland for a number years and this would be a blow to the whole project.
Enforcement	10,000	-	-	-	10,000	For signage required if Dog Control orders are implemented.
Environmental Health	8,584	-	-	8,584	-	For land drainage investigations and coastal defence orders subject to contractor delay.
Crematorium	22,988	22,988	-	-	-	Proceeds from CAMEO tax not applied in 2009-10. This will be used to fund replacement burners during 2010/11.
Waste Services	-	-	-	-	-	For replacement diesel storage tanks at Moresby. The current tank may already be beyond its life expectancy. If the tank were to leak, costs of lost fuel and clean-up could exceed the replacement costs, and would reduce resilience to civil emergency. No request made as this meets the definition of capital, but could be a call against capital resources.
	55,149	22,988	12,139	10,022	10,000	
Development Strategy						
Homelessness	54,172	-	54,172	-	-	This arises in part from additional Homelessness Grant and Preventing Repossessions grant paid in the year that was not anticipated at the start of the year. Copeland has seen a dramatic increase in homelessness activity during 2009/10 as the global downturn delayed impact affects Copeland residents. This additional resource will continue to enable the council to deliver focused activity in working with a range of partners to prevent repossessions and homelessness. This work could reduce the demand for temporary accommodation and lead to savings against that budget during 2010/11.

GENERAL FUND REVENUE BASED CARRY FORWARD REQUESTS						
Budget Description	Total proposed to be earmarked from Provisional 2009/10 Outturn £	Planned contribution to sinking fund	Grants for specific purpose	Contractually committed	Recommended to Executive	Detailed Description
Economic Development	200,000	-	200,000	-	-	For Copeland Seaside Coastal Park Initiative. This Seaside Town Grant from the DCLG was not announced or received by the Council until 27 th March 2010. The Initiative is being scoped as a coastal regeneration strategy and programme and is the subject of a report to the Executive on 29 June 2010. The £200,000 is required to be carried forward to deliver and unlock a package of economic, community and environmental developments and additional funding impacting on seaside towns and Copeland's coastal area.
Economic Development	355	-	355	-	-	From Connected Communities Seaside Communities Grant. If this is not carried forward we are likely to need to repay this money as it was part of an external grant sum of £5,000 to assist the development of beach advisory groups to underpin our quality beach award work. The carry forward will complete community activity taking place by community led beach groups involving volunteers.
Planning Policy	33,670	-	33,670	-	-	This is from additional grant paid to meet the additional duties of the planning function to evaluate the impact of potential developments on habitats that are protected under EU directives (Habitat Assessment) . This amount includes the payment in respect of 2008-09 which was paid late. This sum would be used to meet costs of assessing the impact of future planning applications on natural habitats. This grant resource assists the Council ensure the LDF understands its natural habitats and the implications of development.
Planning Policy	6,574	-	-	6,574	-	Whilst the LDF process is using the Internet and council website as a key route for public and partner access to consultation material, the LDF preferred core strategy options are provided to a fair number of internal and external partners in hard copy. In line with the delay of the core strategy timetable from the start of LDF budget setting the delay in printing activity has correspondingly delayed the spend profile. The carry forward for printing enables the team to meet its printing invoice commitments.
Development Strategy	41,588	-	41,588	-	-	This external grant has been used to deliver interventions during 2009/10 against an Executive decision in September 2009. Further interventions to address the continuing impact on town retail of the global downturn are planned during 2010/11 as part of the original programme and require the external grant to be carried forward into 2010/11 to finance this outstanding activity in support of encouraging new retail opportunities in Millom and Whitehaven.
Development Strategy	25,434	-	-	-	25,434	From additional LABGI grant awarded in 2009-10. A programme of LABGI funded activity is being run to deliver the council's business development strategy. This resource will be complementing the Empty Shops initiative to support retail development in our key towns and is detailed in a regeneration resources report to 29 June 2010 Executive for decision.
Development Strategy	20,208	-	-	-	20,208	This is the Council's annual settlement of this grant and we are requesting a carry forward of this grant to the earmarked reserve holding the balance of the grant from previous years settlements. There is a package of spend against this grant source including LDF, Planning Enforcement and Conservation planning advice (3 year) contract activity.
Development Strategy	71,722	-	71,722	-	-	This was considered by Executive in January 2010 who approved a spend profile until June 2010. The reported Spend for 2010/11 in this report was £35,100. Activity is being delivered with a revised committed spend profile moving a further £36,622 of the total £88,200 spend into 2010/11 spend. This full £71,722 requires to be carried forward to meet spend and partner commitments.
	453,723	-	401,507	6,574	45,642	
Development Operations						
Land Management	10,000	-	-	-	10,000	For registration of Council Land. Work is planned to start early in 2010/11.
Public Buildings	39,479	-	-	39,479	-	The amount derives from performance deductions against payments to the PFI operator for the Copeland Centre. Practice is to set this aside to meet costs not covered by the contract and costs of variations initiated by CBC.
Beacon Grants	6,850	-	6,850	-	-	This relates entirely to external grant funding which is committed for expenditure during 2010/11. Refusal to carry forward these funds would result in the payback of the grant to the awarding body. This would be to the detriment of the planned projects and reduce the money spent in the local economy.

							APPENDIX F
GENERAL FUND REVENUE BASED CARRY FORWARD REQUESTS							

	2008/09	2009/10								2010/11			
		Carry forwards from 2008/09 £	New / Increase / Vired from General Reserve (-) £	Utilised (+) £	Released from Earmarked Reserves(+) £	Adjustment to risk based element March Council £	Balance as at 31 03 10 £	Commitments and carry forwards from 2009/10 £	BALANCE AFTER CARRY FORWARDS	New / Increase / Vired from General Reserve (-) £	Utilised (+) £	Released from Earmarked Reserves(+) £	Balance as at 31 03 11 £
Earmarked Reserves and Sinking Funds													
Earmarked Reserves	(5,762,638)	(601,060)	(1,115,845)	1,343,588	522,418		(5,613,538)	(894,473)	(6,508,011)	-	3,289,184	-	(3,218,827)
Sinking Funds	(1,367,385)		(190,225)	6,825	-		(1,550,785)		(1,550,785)	(135,392)	-	-	(1,686,177)
Total Earmarked Reserves	(7,130,024)	(601,060)	(1,306,070)	1,350,413	522,418	-	(7,164,323)	(894,473)	(8,058,796)	(135,392)	3,289,184	-	(4,905,004)
	2008/09	2009/10								2010/11			
		Carry forwards from 2008/09 £	Transferred to Earmarked Reserves & Sinking Funds (+) £	In Year Surplus (-) / Deficit (+) £	Transferred From Earmarked Reserves £	Adjustment to risk based element March Council £	Balance as at 31 03 10 £	Commitments and carry forwards from 2009/10 £	BALANCE AFTER CARRY FORWARDS	Transferred to Earmarked Reserves & Sinking Funds (+) £	Transferred to Earmarked Reserves & Sinking Funds (+) £	Transferred From Earmarked Reserves £	Balance as at 31 03 11 £
General Fund Balances													
Risk Based	(1,734,752)	-		-	-	118,598	(1,616,154)		(1,616,154)			-	(1,616,154)
Unallocated	(1,361,751)	601,060	1,094,840	(1,746,205)	(496,993)	(118,598)	(2,027,647)	894,473	(1,133,174)			-	(1,133,174)
Total General Fund Balances	(3,096,503)	601,060	1,094,840	(1,746,205)	(496,993)	-	(3,643,801)	894,473	(2,749,328)	-	-	-	(2,749,328)
TOTAL RESERVES	(10,226,527)	-	(211,230)	(395,792)	25,425	-	(10,808,124)			(135,392)	3,289,184	-	(7,654,332)