

## **Updated Medium Term Financial Strategy and Budget Build 2011/12 to 2014/15 – Revenue and Capital**

**Director/Head of  
Department:** Joanne Wagstaffe – Corporate Director for  
Transformation and Resources

**Report Author:** Barry Williams, Interim Technical Accountant

<b>Summary:</b> To consider the attached report.
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## **Updated Medium Term Financial Strategy and Budget Build 2011/12 to 2014/15 - Revenue and Capital**

**EXECUTIVE MEMBER:** Councillor Elaine Woodburn

**LEAD OFFICER:** Joanne Wagstaffe, Corporate Director – Resources  
and Transformation

**REPORT AUTHOR:** Barry Williams, Interim Technical Accountant

### **WHY HAS THIS REPORT COME TO THE EXECUTIVE?**

The Executive considered a report on 18 November into the potential effects of the results of the Comprehensive Spending Review on the Council's Medium-Term Financial Strategy to identify the potential budget gap that would need to be found through the service review process and potential use of reserves.

This report extends that exercise to incorporate the initial 2011/12 budget build which has now been completed, and the draft Government Grant Settlement which was announced earlier this afternoon. It also incorporates the draft Capital Programme for consultation.

The strategy for dealing with the revenue budget deficit identified in this report is considered in a separate report elsewhere on the agenda.

Following approval by members the budget reports will be released for consultation purposes.

### **RECOMMENDATION:**

1. Members are asked to consider the budget gap identified within the 2011/12 budget build and the updated MTFS forecast for the period 2012/13 – 2014/15, noting that it includes the draft finance settlement for 2011/12 – 2013/14 announced by the coalition government on 13 December 2010, and make recommendations for the purpose of the budget consultation.
2. As the Government Grant Settlement was only received late this afternoon, Members are requested to delegate to the Chief Executive and Director of Resources and Transformation in consultation with the Leader, any changes that may be necessary to these projections prior as further information on the figures becomes available.
3. Members are asked to recommend approval of the Council Tax Freeze for 2011/12 as set out in paragraph 6.
4. Members are asked to recommend approval of the transfer of £1,538,000 from earmarked and general unallocated reserves to an earmarked Choosing to Change reserve (see paragraphs 5.2 and 5.3)

## 1. INTRODUCTION

- 1.1 The CSR announced on 20 October gave high level indicators of government spending for the next four years. The Local Government Association at that time provided guidance on the effects of the spending review on the Council, particularly on the level of grant likely to be received by the Council. The guidance indicated that core funding from Formula Grant and Area Based Grant would fall from £8.251m in 2010/11 to £5.899m in 2011/12 – a reduction of 28.5% overall (22.4% when taking into account the estimated impact of the Concessionary Fare transfer).
- 1.2 This report extends the projections to incorporate the Government's draft Grant Settlement which was received earlier this afternoon, together with the results of the base budget build for 2011/12. It should be noted that due to the delay in announcing the Government Grant settlement there has been very little time available to analyse the figures fully, and the figures presented in this report may be subject to change as further details become available.
- 1.3 The MTFS for the period 2011/12 to 2014/15 has been updated to reflect the above and the revised initial findings of the 2011/12 budget build, and the revised MTFS forecast is attached at **Appendix A** to the report. Service review proposals are not included in the MTFS forecast at this stage, and these are considered elsewhere on the agenda.
- 1.4 The report also includes the draft Capital Programme for consideration and consultation.
- 1.5 When considering spending decisions, the Council needs to ensure that spending is aligned to key priorities (as approved by Council but currently under review), that all funding sources have been considered and that revenue and capital budgets are properly aligned so that the revenue impact of capital schemes in particular are properly considered.

## 2. GOVERNMENT DRAFT GRANT SETTLEMENT

- 2.1 The coalition government released the proposed grant settlement for 2011/12 and 2012/13 on Monday 13 December and the headline figures for Copeland for 2011/12 are as follows:

	DCLG	LGA Forecast	Variance
	£'000	£'000	£'000
Revenue Support Grant / NNDR	5,621	5,872	251
Transitional Grant	603	0	(603)
Area Based Grant	?	27	?
Total	6,224	5,872	(352)

- 2.2 The current level of grant likely to be received in 2011/12 is therefore marginally better than previously forecast, due to the receipt of a Transitional Grant. For 2012/13 the Grant has been reduced to £5,005,000, a reduction of £491,000 over previous

projections. It is not currently known whether we will receive any Transitional Grant for 2012/13 but at this time it has been assumed not.

- 2.3 With regards to Concessionary Fares, the reduction in Revenue Support Grant reflects the transfer of grant of £676,000 to Cumbria County Council. This is £30,000 more than current cost of the scheme to Copeland of ££646,000.
- 2.4 It is anticipated that there will be other changes in various grants however in the timescale available it has not been possible to locate and analyse this information.. The Director of Resources and Transformation has engaged CIPFA to carry out an examination of the settlement and prepare a briefing note for members and this will be circulated when received. The level of government grant to be received for 2011/12 and 2012/13 released today 13 December, is subject to a brief consultation period to allow authorities to review the data used to compile the grant allocations

### **3. 2011/12 BUDGET BUILD**

#### **3.1 Format**

The accountancy team have completed the initial budget build for 2011/12 to identify the base budget position for 2011/12. The exercise identifies budget savings and pressures that have come to light during the course of 2010/11 as part of the budget monitoring procedures and following discussions with service managers. Due to the current pressure on the Council's budgets, any pressures identified have for the most part been referred back to service managers and Corporate Team to find compensating savings within existing budgets. This principle of cash limiting approved budgets will be adhered to in future and will be monitored carefully as part of the revised budget monitoring procedures.

The budget used for the 2011/12 budget build is £13.104m, which is the base budget for 2010/11, excluding reserve funding expenditure. Information on known potential calls on earmarked reserves over the next four years have been added as a separate total to the budget forecast.

#### **3.2 2011/12 base budget adjustments for salaries and related costs**

The 2011/12 budget build includes items previously notified to the Executive on 18 November 2010;

- Employers' national insurance rates are to increase from 6 April 2011, at an estimated cost of £30,000 p.a. to the Council.
- Adjustments to Salary budgets have been included in the forecast. This includes the deletion of the pay and workforce strategy budget of £141,000, the inclusion of a 1.5% turnover saving for 2011/12 at a revised cost of £135,000 (from £84,000), the deletion of the vacancy management budget of £250,000, and the inclusion of

the Stage 1 service reviews saving of £101,000 approved by the Executive in August 2010.

- In terms of the pay award for 2011/12, this is still under negotiation. Currently pay increases for 2011/12 of £250 p.a. have been included for all staff who earn below £21,000 p.a. (pro-rata for part-time staff) which has been estimated at £55,000 for 2011/12 and £70,000 for 2011/12 including employers national insurance. The provision for 2013/14 onwards has been left at the original projection at 1% increase.
- The forecast of the likely increase in employers' contributions for pensions following the recent actuarial valuation of the Cumbria County Council Pension Fund has been increased to 2.8% following information received on 4 November from the Fund actuary; at a cost of £164,000 p.a. Final notification is still awaited.
- In addition staff increments totalling £103,000 have been included in the budget build.

Overall the movement on salaries and related costs is estimated as set out below:

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
<u>Pay Awards</u>				
Deduct existing provision 2010/11 (no increase)	(73)	(73)	(73)	(73)
Add Pay Award 2011/12	55	55	55	55
Add Pay Award 2012/13	0	55	55	55
Add 1 % Pay Award 2013/14	0	0	83	83
Add 1% Pay Award 2014/15	0	0	0	83
<u>Other Pay Increases</u>				
Vacancy Management budget	250	250	250	250
Increments	103	214	335	475
Increase in Pensions contribution rate	164	164	164	164
National insurance increase 2011/12	30	30	30	30
<u>Other Pay Reductions</u>				
Stage 1 Service Reviews	(101)	(101)	(101)	(101)
Delete Pay & Workforce Strategy	(141)	(141)	(141)	(141)
Removal of Pay Protection	0	(14)	(42)	(42)
<b>Net Increase</b>	<b>287</b>	<b>439</b>	<b>615</b>	<b>838</b>

### 3.3 2011/12 non-salary base budget reductions

- Responsibility for Concessionary Travel transfers to Cumbria County Council on 1 April 2011, and it is anticipated that the County Council will implement the national statutory scheme and will administer the scheme themselves. The impact of the transfer on Copeland Borough Councils budget is that expenditure will reduce by £645,915, but Government grant has reduced by £676,000, a net loss of c.£30k.

Currently Copeland Borough Council provides a discretionary scheme to supply taxi and rail vouchers. The cost of this scheme is c. £100, 000 per annum. This cost has not currently been built into the MTFs and Members are asked to indicate what they wish to do.

- Other non-salary budget savings totalling £252,000 arising from stage 1 of the service review process and approved by the Executive in August 2010, have been deducted from the 2011/12 base budget. No reductions have been made in respect of the remaining service review proposals which are subject to discussion elsewhere on the agenda.
- Savings arising from the introduction of the Revenues and Benefits Shared Service have increased £95,000, following receipt of budget projections for staffing for next year. Projections for IT savings have not been received from Allerdale DC so the budget build has been prepared using forecast savings from within the business case. Any changes to this forecast will be incorporated into the budget prior to approval of the final budget by the Executive and Council in February 2011.
- Additional income from the Home Housing contract for grounds maintenance £15,000.
- Continuing savings or increases in income totalling £68,500, identified as part of the 2010/11 budget monitoring process and not part of the service review process have been included in the forecast. These comprise;
  - Reduction in bank charges £11,000,
  - Increase income from property rents £10,000,
  - Increase market rents £15,000,
  - Increase Development Control fees £30,000,
  - Reduce spending on Copeland Care & Repair £2,500,

### 3.4 **2011/12 non-salary base budget increases**

- Treasury Management

Budgeted treasury management projections for 2010/11 assumed a budget of £400,000 from investment income for the year and support from General Fund balances of a further £135,000 to cover the reduction in returns between 2009/10 and 2010/11. Experience this year shows that, with interest rates on short-term investments running at less than 1% p.a., interest receipts will be unlikely to exceed £200,000 p.a. for the foreseeable future and so a budget pressure for £335,000 has been included within the budget build for 2011/12 to fund the shortfall within the budget.

- The Council has also received notification that the Housing Benefits and Council Tax Benefits administration grant will total £571,000 for 2011/12. The 2010/11 budget assumed a budget of £589,000 and so there is a reduction of £18,000 in the grant allocation for 2011/12. This small reduction is at odds with the LGA

- forecast previously used for MTFS purposes, which indicated a small increase of £72,000. Overall therefore the position is £90,000 worse than previously predicted.
- Other continuing budget pressures totalling £161,000, which have been identified within the 2010/11 budget monitoring process have been included in the 2011/12 budget build. These pressures relate to:
    - i) Loss of Planning Delivery Grant £63,000,
    - ii) Legal and Democratic Services – loss of income for seconded staff £20,000,
    - iii) Beacon – Additional business rates £15,000,
    - iv) Reduced car park income £40,000,
    - v) Loss of grant for fraud investigations £23,000.
  - The Housing Benefits budget has been reviewed in the light of actual experience over years 2007/08-2009/10. The level of subsidy received in these years has remained at about 98% of benefits paid. The budget for 2010/11 assumed a level of subsidy of 99% of benefits paid, which although only a difference of 1% against actual subsidy received in past years, equates to a reduction in grant of some £167,000. This reduction has now been included within the revised budget forecast for 2010/11 and carried through to both the budget build for 2011/12 and the MTFS for years 2012/13 – 2014/15. At this stage no assumptions have been made over potential increases in the level of benefit claims due to any further downturn in the economy. However assuming a 98% benefit subsidy rate in the future, a £1m increase in housing benefits will result in a net cost increase of £20,000 to the Council. There has also been no attempt to estimate the changes to the benefit system announced by the Government in the CSR in October and further information is awaited on this.
  - Inflation has only been provided within the 2011/12 budget build on business rates, utility bills and services subject to annual contractual increases. This has added £61,000 to the 2011/12 budget. Inflation at 2% p.a. has been provided on all non-salary costs from 2012/13, based on previous MTFS projections. It should be noted that current inflation rates are however higher than this with the Consumer Price Index and Retail Price Index running at 3.2% and 4.5% respectively (October 2010). A 1% increase in non-pay inflation would add an estimated £100,000 p.a. to the budget, if applied to all non-pay costs across the Council.

#### 4. **FURTHER BUDGET PRESSURES**

- 4.1 The following potential significant budget pressures have been identified for 2011/12 but are not included in the 2011/12 budget projections at this stage.
- i) Local Development Plan

The current estimated cost of drawing up the local development plan in 2011/12 is £425,200. The base budget provision is currently £126,700, indicating a drawdown of reserves in the year of £298,500. This will leave approximately £79,000 in reserves for this work at 31 March 2012. The forecast spending in 2012/13 is £450,000, which indicates that there will be a budget requirement in that year of £371,000. This is £244,000 more than the current existing base budget provision, however the Period 7 budget monitoring report predicts a £200,000 underspend which would offset this cost, and this will be considered at the year end.

ii) Recycling

Cumbria County Council currently pay the Council approximately £1.02m a year as part of the recycling reward scheme. This is based on a payment to the Council of up to £83.20 per tonne for recycled waste, which is significantly higher than the statutory minimum of £54.54 per tonne. There is the potential for the County Council, given their budget pressures, to revert to the statutory minimum payment, which would cost the Council income of £260,000 p.a., and discussions are ongoing in this respect.

## 5 **FUNDING FROM RESERVES**

- 5.1 The Reserves Strategy approved by full Council in February 2010 set a level of Risk Based Reserves of £1.6m. This is currently being reviewed and proposals on the appropriate level for the risk based reserve will be made to the next meeting of the Executive.
- 5.2 A full review of current earmarked reserves has already been carried out in conjunction with service managers. Following this review it is recommended that earmarked reserves totalling £1.083m as set out in **Appendix B**, and which are no longer required for the purpose originally set aside for are transferred to a new earmarked Choosing to Change Reserve. This will be used by the Chief Executive in consultation with the Leader to achieve the change agenda necessary to deliver the budget savings considered elsewhere on the agenda.
- 5.3 In addition to the above, Members will recall that a Stage 1 service review saving of £455,000 was transferred back to General Reserves as part of the consideration of the August budget monitoring report. It is now recommended that this amount is also transferred to the Choosing to Change Reserve. The total Choosing to Change Reserve would therefore stand at £1,538,000.
- 5.4 Funding from reserves can be analysed as follows:

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
<u>Earmarked Reserves</u>				
LABGI (Business Development)	127	0	0	0
Working Neighbourhoods Fund	413	0	0	0



Coastal Regeneration	200	0	0	0
Energy Conservation & Building Works	46	0	0	0
<b>Total</b>	<b>786</b>	<b>0</b>	<b>0</b>	<b>0</b>

These allocations are based on planned utilisation information from services. The allocation in respect of the Pensions Increase funding will need to be reviewed in future years to ensure the cost can be met from base level funding and not reserves.

- 5.3 **Appendix B** sets out the current proposed funding from Reserves for the period covered by the MTFS.

## 6. FUNDING FROM COUNCIL TAX

- 6.1 As part of the CSR announcement in October, the government has confirmed that they will fund a council tax freeze for 2011/12. The loss to the tax base for 2011/12 will be funded at 2.5% in each year of the Spending Review period. There is no funding for further freezes beyond 2011/12 and no guarantee that the funding to support the 2011/12 freeze will continue beyond 2014/15.
- 6.2 For Copeland Borough Council this means that a Council Tax freeze in 2011/12 will be funded by a grant of £100,000 from the Government for a four year period to 2014/15.
- 6.3 The projections therefore assume a Council Tax freeze in 2011/12 followed by increases of 2.5% from 2012/13 onwards.

## 7. FORECAST REVENUE BUDGET DEFICIT 2011/12

- 7.1 The current budget shortfall for 2011/12 before service review changes are incorporated is forecast as £1.9m as set out in Appendix A.
- 7.2 Decisions on options to cover the forecasted budget gap arising from this exercise are required to feed into the budget setting process. There have been no assumptions included within this forecast regarding budget reductions arising from the current service review process. These are considered further elsewhere on the agenda.
- 7.3 The savings proposals considered by the Corporate Leadership Team to bridge the funding shortfall are considered in detail elsewhere on the agenda.

## 8. DRAFT CAPITAL PROGRAMME 2011/12 TO 2013/14

- 8.1 This paper considers the draft Capital Bids put forward for inclusion in the Capital Programme for 2011/12 onwards, as well as the existing approved programme for the period.

8.2 A summary of the draft Capital Programme for the years 2011/12 to 2013/14 is shown in **Appendix D**.

8.3 Financing of the proposed programme is set out below:

	2011/12	2012/13	2013/14
<b>Funded by:</b>	<b>£</b>	<b>£</b>	<b>£</b>
Useable Capital Receipts	1,013,651	374,800	881,013
Useable Capital Receipts - Preserved right to buy sales (post stock transfer)	115,201	0	0
Useable Capital Receipts - Residual Right to Buy receipts (pre stock transfer)	620,799	736,000	107,787
Existing Borrowing	2,000,000		
Other External Funding	777,000	764,000	764,000
Other Reserves & contributions	19,345		
<b>TOTAL FINANCING</b>	<b>4,545,996</b>	<b>1,874,800</b>	<b>1,752,800</b>

8.4 Anticipated available capital resources based on current projections are set out in the table below:

<b>USABLE CAPITAL RECEIPTS</b>	<b>Receipts from sale of assets</b>	<b>Preserved right to buy sales</b>	<b>Residual Right to buy</b>	<b>VAT sharing receipt</b>	<b>Housing Loans/Grants Repaid</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Forecast <b>Opening Balance</b> at 1 April 2011	(1,421,037)	(115,201)	(1,349,385)	(1,590,723)	(7,275)	<b>(4,483,621)</b>
Forecast draw down to fund draft capital programme	2,269,464	115,201	1,349,385			<b>3,734,050</b>
Forecast Capital Receipts	(4,030,000)			(467,974)		<b>(4,497,974)</b>
Forecast useable Capital Receipts <b>closing balance</b> at 31 March 2014	<b>(3,181,573)</b>	<b>0</b>	<b>(0)</b>	<b>(2,058,697)</b>	<b>(7,275)</b>	<b>(5,247,545)</b>

8.4 Members are asked to note that a number of projects are currently being explored that may lead to additional schemes following business case approval. However the CSR announcement in October 2010 made clear that funding for capital projects would be substantially cut back (by c. 45%), and the cost of borrowing from the PWLB was also increased by 1% with immediate effect, and so any future decisions on capital spend will be made in the light of available funding.

## **9 CONCLUSIONS**

- 9.1 The position of the budget build and MTFS (Revenue and Capital) as outlined in this report is subject to decisions on the service review process and available funding.
- 9.2 The budget proposals are also subject to a formal consultation period of 6 weeks as outlined in the report to Resource Planning working Group on 22 July 2010, and will be considered by Business Ratepayers (date still to be agreed) and OSC (on 17<sup>th</sup> January) specifically during this period.
- 9.3 Consideration of the budget consultation feedback will be considered by the Executive on 4<sup>th</sup> February, followed by final budget proposals being recommended by the Executive on 9<sup>th</sup> February to the full Council on 22<sup>nd</sup> February.

## **10. WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?**

- 10.1 Implications are set out in the report. Further implications will be considered as part of the service review process.

## **11. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?**

- 11.1 Service Review proposals will be incorporated into the forecasts as part of the budget setting process. The achievement of the savings proposals, once approved, will be monitored carefully to ensure the projections contained within the final budget proposals are achieved.
- 11.2 The budget build along with service review proposals will be subject to formal consultation in accordance with legislation.

## **11. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?**

- 11.1 The key measurable outcome is the budget requirement for the Council for 2011/12, which will determine the manpower, financial and other resources it will have available to provide services for the year.

## **List of Appendices**

Appendix A – Updated MTFS 2012/13 – 2014/15

Appendix B - Reserves forecast 2011/12 - 2014/15

Appendix C – Reserves transferred to Choosing to Change Reserve 2010/11

## Appendix D – Capital Programme 2011/12 to 2013/14

### **List of Background Documents:**

HM Treasury – Comprehensive Spending Review 2010  
Government Spending announcement 13<sup>th</sup> December 2010

	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
<b>Funding from Grants &amp; Council Tax</b>					
Base budget	13,104,230	13,104,230	13,104,230	13,104,230	13,104,230
<b>Budget Reductions</b>					
Concessionary travel		-645,915	-645,915	-645,915	-645,915
Stage 1 service reviews; Non Salary Savings		-252,000	-252,000	-252,000	-252,000
Ongoing non-salary savings deducted from 2010/11 base budget		-68,500	-53,500	-53,500	-53,500
Revenues & Benefits shared service		-95,000	-95,000	-95,000	-95,000
Additional income - Home Housing contract		-15,000	-15,000	-15,000	-15,000
<b>Budget Increases</b>					
Salary Movements		287,000	439,000	615,000	838,000
Housing Benefits Admin Grant		18,000	18,000	18,000	18,000
2010/11 continuing budget pressures		161,000	161,000	161,000	161,000
Housing Benefits - increased cost		167,080	167,080	167,080	167,080
Contractual increases for inflation (2% applied to all non salary costs 2012/13 onwards)		61,000	266,072	472,444	682,944
Pensions Increases		130,000	130,000	130,000	130,000
Treasury management		335,000	335,000	335,000	335,000
	13,104,230	13,186,895	13,558,967	13,941,339	14,374,839
<b>Funding from Reserves</b>					
General Fund	378,000	0	0	0	0
Earmarked Reserves	2,392,922	786,000	0	0	0
	15,875,152	13,972,895	13,558,967	13,941,339	14,374,839
<b>Rounded (£'000)</b>	15,875	13,973	13,559	13,941	14,375
<b>FUNDING</b>					
RSG/NNDR	7,222	5,621	5,005	4,995	4,695
Transitional Grant	0	603	0	0	0
PFI Grant	837	837	837	837	837
Area Based Grant	1,029	27	24	22	20
Council Tax - freeze 2011/12, 2.5% increase thereafter	4,008	4,008	4,108	4,211	4,316
Council Tax Surplus	8	0	0	0	0
Council Tax "Freeze" Grant	0	100	100	100	100
General Fund balances	378	0	0	0	0
Earmarked Reserves	2,393	786	0	0	0
	15,875	11,982	10,074	10,165	9,968
<b>Shortfall</b>	0	1,991	3,485	3,776	4,407

**Reserves Statement 2010/11 - 2014/15**

**Appendix B**

	Actual Balance 31/03/2010 £'000	Movement 2010/11 £'000	Forecast Balance 31/03/2011 £'000	Movement 2011/12 £'000	Forecast Balance 31/03/2012 £'000	Movement 2012/13 £'000	Forecast Balance 31/03/2013 £'000	Movement 2013/14 £'000	Forecast Balance 31/03/2014 £'000	Movement 2014/15 £'000	Forecast Balance 31/03/2015 £'000
Sinking Funds	1,551	135	1,686	135	1,821	135	1,956	135	2,091	135	2,226
Earmarked Reserves	5,613	-3,661	1,952	-786	1,166	0	1,166	0	1,166	0	1,166
Earmarked Choosing to Change	0	1,538	1,538	-1,538	0	0	0	0	0	0	0
<u>General Fund</u>											
Unallocated	1,908	-679	1,229	0	1,229	0	1,229	0	1,229	0	1,229
Risk Based	1,735	-119	1,616	0	1,616	0	1,616	0	1,616	0	1,616
	3,643	-798	2,845	0	2,845	0	2,845	0	2,845	0	2,845
<b>Total</b>	<b>10,807</b>	<b>-2,786</b>	<b>8,021</b>	<b>-2,189</b>	<b>5,832</b>	<b>135</b>	<b>5,967</b>	<b>135</b>	<b>6,102</b>	<b>135</b>	<b>6,237</b>

## EARMARKED RESERVES TRANSFERRED TO THE CHOOSING TO CHANGE RESERVE WITHIN CHIEF EXECUTIVES DEPARTMENT

				2010/11						
Budget Description	Description	Purpose	Approval	Balance at 31/03/10	Approved c/fwd from 2009-10 per Sheet (3.2)	Other transfers from General Balances	Planned utilisation per Sheet (3.3)	Returned at year end	Balance as at 31 03 11	
<b>CHIEF EXECUTIVE</b>										
New Initiatives	WCP - Annual Event	Contribution to West Cumbria Partnership	Exec 29/6/04	-4,858				4,858	0	Partnership closed 31 March 2010
Corporate Management	Staff Conferences	Cost of putting on staff conferences	Exec 23/5/06 and 30/5/07	-3,502				3,502	0	No identified commitments
<b>TOTAL</b>				-8,360	0	0	0	8,360	0	
<b>FINANCE &amp; MIS</b>										
HRA - Repair & Maintenance	HRA disrepair claims	To meet maintenance costs following stock transfer		-4,579				4,579	0	Stock transfer took place in 2004 - no claims recently
Reconciliation adjustment	To correct imbalance at year-end	To reconcile spreadsheet with accounts		5,360				-5,360	0	To correct discrepancy between subsidiary record & ledger
<b>TOTAL</b>				781	0	0	0	-781	0	
<b>POLICY &amp; PERFORMANCE</b>										
Policy Unit	Training & Customer First project	Training fees & support to Customer First project b/f 2007/08	Exec 30/5/07	-7,900				7,900	0	Earmarked for "The Place" survey but no longer needed
Policy Unit	Public Consultation	From 2007/08 for "The Place" survey	Exec 12/8/08	-6,000	-5,000		5,000	6,000	0	Carry forward from 2009/10 is sufficient for this work
Human Resources	Performance Appraisal	To implement performance appraisal	Exec 23/5/06	-7,300				7,300	0	Agreed with Head of Service - no longer required
Human Resources	Pay Protection Reserve	Pay protection for 3 years	Council 24/2/09	-143,804			17,848	125,956	0	Budget now mainstreamed
Human Resources	Workforce Strategy Reserve	To cover back pay arising from job evaluation		-440,935	-153,784			594,719	0	Budget now mainstreamed
Human Resources	Corporate Training	To fund existing training commitments in 2009/10	Exec 30/6/09, 10/2/10	-85,000			85,000	0	0	Not required. Training budget being re-evaluated
Human Resources	Sickness Reduction	Occupational Health & physiotherapy	Exec 29/6/10	0	-8,000		8,000	0	0	Balance to be used 2010/11
<b>TOTAL</b>				-690,939	-166,784	0	115,848	741,875	0	
<b>LEGAL &amp; DEMOCRATIC SERVICES</b>										
Legal & Democratic Services	Equality & Diversity	Contract for feedback on EIA 2007/08	Exec 12/6/08	-3,974			3,974		0	Balance to be used 2010/11
<b>TOTAL</b>				-3,974	0	0	3,974	0	0	
<b>CUSTOMER SERVICES</b>										
Cash Collection	Cash Collection Resourcing	To cover the cost of transition from in-house to Allpay		-20,000				20,000	0	Not required project completed 2 years ago
Council Tax Benefits	Certification Framework	2006/07 contribution to Council Tax Certification project	Exec 30/5/07	-30,833				30,833	0	Created from unused grant but nothing required.
Local Housing Allowance	LHA	To fund Welfare Benefits Officer 2009/10 & 2010/11	Council 24/2/09	-50,346			35,000	15,346	0	No Welfare Officer in post since October 2009. Now under consideration by the Shared Service. Transfer likely to be more than £15,346.
<b>TOTAL</b>		<b>TOTAL</b>		-101,179	0	0	35,000	66,179	0	
<b>LEISURE &amp; ENVIRONMENTAL SERVICES</b>										
Sports Development	Elite Sports Grants	To provide free use of sports centres		-1,000				1,000	0	Agreed with Head of Service - no longer required
Leisure	Hall Hire	Half price hall hire to charitable bodies		-240				240	0	Agreed with Head of Service - no longer required
Waste Management	Whitehaven Festival	Additional cleaning for the 2009 Festival not included in the base budget		-5,063				5,063	0	Completed without the use of the reserve
Cultural Services	Leisure Study	To fund Sport England study	Exec 12/8/08	-10,000				10,000	0	Agreed with Head of Service - no longer required
Cultural Services	LDF Study	Delayed Sport England support from 2008/09 out-turn	Exec 30/6/09	-10,000				10,000	0	Agreed with Head of Service - no longer required
Cultural Services	Project slippage due to job evaluation and staff turnover [not specific]	From 2008/09 out-turn due to delayed project start.	Exec 30/6/09	-1,834				1,834	0	Agreed with Head of Service - no longer required
Cultural Services	Leisure deductions as outlined in contract	Leisure deductions as specified	Exec 30/6/09	-374				374	0	Agreed with Head of Service - no longer required
Streetscene	Footway Lighting	Installation of equipment in 2006/07	Exec 23/5/06	-40,843				40,843	0	Agreed with Head of Service - no longer required
Parks & Open Spaces	Greenbank Trust Play Area	Set aside to meet council liabilities		-10,000				10,000	0	Agreed with Head of Service - no longer required
Parks & Open Spaces	St.Nicholas Memorial			-236				236	0	Agreed with Head of Service - no longer required
<b>TOTAL</b>		<b>TOTAL</b>		-79,590	0	0	0	79,590	0	
<b>DEVELOPMENT STRATEGY</b>										
Economic Development	Economic Development Grants	N/A		-3,597				3,597	0	Agreed with Head of Service - no longer required
Economic Development	Community Development posts	To fund staffing	Exec 12/8/08	-52,556				52,556	0	Agreed with Head of Service - no longer required
Economic Development	Rural Projects Fund	Carry forward from 2007/08	Exec 12/8/08	-500				500	0	Agreed with Head of Service - no longer required
Economic Development	Other events	Carry forward from 2007/08		-500				500	0	Agreed with Head of Service - no longer required
Economic Development	Employment Initiatives Fund			-14,602				14,602	0	Agreed with Head of Service - no longer required
Economic Development	Environmental Works	Works due to be carried out 2007/08	Exec 12/8/08	-5,100				5,100	0	Agreed with Head of Service - no longer required
South Whitehaven Neighbourhood Management	Set up from grant taken to GF balances 2007/08	To fund works 2008/09	Exec 17/11/09	-66,208				66,208	0	Duplicate provision - funding from Working Neighbourhood Reserve
<b>TOTAL</b>				-143,063	0	0	0	143,063	0	
<b>DEVELOPMENT OPERATIONS</b>										
Admin Buildings	Maintenance of signs	From 2008/09 out-turn to be used for staff car parking	Exec 30/6/09	-6,000				6,000	0	Agreed with Head of Service - no longer required
Development Control	Photography Conservation Area Policy	From 2008/09 for aerial photography to support the development of Conservation Area Policy	Exec 30/6/09	-5,200				5,200	0	Agreed with Head of Service - no longer required
Development Services	Vacancies			-17,570				17,570	0	Agreed with Head of Service - no longer required
DoE Capital Grants	DoE Grants			-16,313				16,313	0	Actual transfer is to capital grants unapplied rather than GF
<b>TOTAL</b>				-45,083	0	0	0	45,083	0	
				-1,071,407	-166,784	0	154,822	1,083,369	0	

## DRAFT CAPITAL PROGRAMME BUDGET 11/12

2011/12					Funding							Existing borrowing
Existing programme March 10 Council £'000	Slippage £'000 approval sought Exec 10/11	Draft bids submitted Nov 10 £'000	TOTAL 11/12 including slippage	UCRR	Cameo	WNF	Preserved Rights To Buy Sales (post stock transfer)	Residual Rights To Buy	External			
Management Information Systems												
New Financial Management System	15,000		15,000	15,000								
Mosaic	6,195		6,195				6,195					
Website Redevelopment		60,000	60,000	60,000								
Building Control Data Capture		46,700	46,700	46,700								
8 Management Information Systems Total	21,195	-	106,700	127,895	121,700	-	6,195	-	-	-	-	
Public Buildings												
Public Buildings Condition Survey Backlog	200,000		200,000	200,000								
Energy Efficiency Measures	52,800		52,800	52,800								
Land Purchase at Millom	140,000		(105,000)	35,000	35,000							
Phoenix Enterprise Centre Disabled Access Improvements		100,000	100,000	100,000								
Public Buildings Total	392,800	-	(6,000)	387,800	387,800	-	-	-	-	-	-	
Property												
New Cremators	13,150		13,150			13,150						
Surveys, Cleansing, Repairs, Adopt Drains	192,651		192,651	192,651								
Copeland Centre		125,000	125,000	125,000								
The Beacon			36,500	36,500								
Property Total	205,801	125,000	36,500	367,301	354,151	13,150	-	-	-	-	-	
Leisure and Environmental Services												
Whitehaven Cemetery			100,000	100,000	100,000							
Fuel Tanker and Servicing/Washing Area at Moresby Parks			50,000	50,000	50,000							
Leisure and Environmental Services	-	-	150,000	150,000	150,000							
Regeneration												
Mount Pleasant (Retention Only)	13,000		13,000							13,000		
Regeneration Total	13,000	-	-	13,000						13,000		
TOTAL CAPITAL PROGRAMME - OTHER	632,796	125,000	288,200	1,045,996	1,013,651	13,150	6,195	-	-	13,000		
Housing												
Grants & Financial Assistance & Empty Properties:												
Renewal Grants										554,000		
Empty Properties	1,410,000		90,000	1,500,000						210,000		
Disabled Facilities Grants												
TOTAL CAPITAL PROGRAMME - HOUSING	1,410,000		90,000	1,500,000					736,000	764,000		
Schemes under development												
Albion Square		2,000,000		2,000,000							2,000,000	
TOTAL CAPITAL PROGRAMME - SCHEMES UNDER DEVELOPMENT	-	2,000,000		2,000,000							2,000,000	
TOTAL CAPITAL PROGRAMME EXPENDITURE												
	2,042,796	2,125,000	378,200	4,545,996	1,013,651	13,150	6,195	-	736,000	777,000	2,000,000	

Funding summary	2011/12	2012/13	21013/14	Total
UCRR	1,013,651	374,800	881,013	2,269,464
Cameo	13,150			13,150
WNF	6,195			6,195
Preserved Rights to Buy	115,201			115,201
Residual Rights to Buy	620,799	736,000	107,787	1,464,586
External Funding	777,000	764,000	764,000	2,305,000
Existing Borrowing	2,000,000			2,000,000
	4,545,996	1,874,800	1,752,800	8,173,596

Funding from - CAP receipts only      1,762,801      1,110,800      988,800      3,862,401