

GROWTH PRESSURES AFFECTING 2011/12 AND BEYOND NOT IN SELF ASSESSMENT SERVICE REVIEWS
APPENDIX B

Saving description	£	Notes
<u>Salaries</u>		
Additions		
Pay Award 2011/12	55,000	Based on a £250 p.a. increase for staff earning less than £21,000 p.a.
Increments for Year	103,000	Increments are due to staff who are not at the top of their salary grade and are usually paid on 1 April annually.
Increase in pensions contributions due to actuarial review	164,000	Reflects the increase in employers pensions contribution rate from 17.3% to 20.1% with effect from 1 April 2011 following the recent 3 -year actuarial review.
National Insurance increase 1.4.2011	30,000	1% increase in employers NI rate introduced as part of the March 2010 budget
Pensions Increases	130,000	Payment to the Pension Fund in respect of early retirements previously reserve funded.
Vacancy Management Budget	250,000	Vacancy management budget not included in the 2011/12 budget
	732,000	
<u>Deductions</u>		
Stage 1 service reviews	-101,000	Agreed at RPWG 11 June 2010 and the Executive of 24 August 2010.
2010/11 pay award provision no longer required	-73,100	Deletion of the budget for a potential 2010/11 pay award, which is not now to be paid.
Delete budgets for pay & workforce strategy	-141,000	Budget for job evaluation costs, which is no longer needed as claims have been settled.
	-315,100	
Net increase on salaries	416,900	
<u>Non-salary related changes</u>		
<u>Additions</u>		
Treasury Management - reduced income yields	317,000	Adjusted by £18,000 for forecasted improved yields due to larger balances available for investment.
Reduction in Housing & Council Tax Admin. Grant	18,000	Reduced grant notified by DCLG as part of the grant settlement in December 2010.
Loss of Planning Delivery Grant income	63,000	Budget adjustment following overstated provision of grant in 2010/11.
Loss of income for seconded staff L & DS	20,000	Budget adjustment following overstated expected level of income in 2010/11.
Beacon -additional business rates	15,000	Subject to appeal and may therefore reduce.
Reduced car park income	40,000	Reduction due to economic climate.
Loss of grant for fraud investigations	23,000	Budget adjustment following withdrawal of grant in 2011/12.
Increase in the net cost of Housing Benefits	167,000	Recalculation of housing benefits grant which is paid at 98% of cost - a reduction of 1% over the budget provision.
Inflationary increases on contracts, utilities & rates	61,000	Inflation has only been provided on known contractual commitments.
	724,000	

Saving description	£	Notes
<u>Deductions</u>		
Stage 1 service reviews	-252,000	Agreed at RPWG 11 June 2010 and the Executive of 24 August 2010.
Revenues & Benefits Shared Service	-95,000	Saving calculated using revised staffing forecasts and the costs of IT within the business plan.
Home Housing contract (Parks)	-15,000	Additional work acquired as part of the contract.
Reduction in bank charges	-11,000	Over-provision within the 2010/11 budget.
Increased income from property rents	-10,000	Better than forecast income returns.
Increased income from market rents	-15,000	Under-provision within the 2010/11 budget
Increased Development Control Fees	-30,000	Better than forecast income returns.
Reduced spending on Copeland Care & Repair	-2,500	
	-430,500	
Net increase on non-salary-related costs	293,500	
<u>Special item</u>		
Concessionary Travel	-555,915	Statutory function transferred to Cumbria CC (offset by loss of grant £676k)

Net Overall Change 2010/11 - 2011/12

154,485