

**Eden District Council**  
**Executive**  
**9 December 2008**  
**General Fund Revenue Estimates 2009-10**  
**Draft Budget Proposal**  
**Report of the Director of Finance**

**1. Introduction**

- 1.1 This report considers the Council's General Fund revenue estimates so as to be able to recommend a draft 2009-10 budget for consultation.
- 1.2 The capital budget is dealt with in a separate report elsewhere on the agenda.

**2. Constitutional Requirements**

- 2.1 This is the first budget to be prepared under the Leader and Executive arrangements that were adopted in June this year. One major change consequent upon new arrangements is that the Executive must agree a draft budget by 15 December each year for Scrutiny review. Scrutiny must respond to the Executive with any comments by 22 January. This is set out in the Council's Constitution.
- 2.2 The arrangements for the Scrutiny of the budget have been agreed by the Scrutiny Board. This will ensure that the appropriate scrutiny will take place within the required timescale.

**3. The Financial and Economic Backdrop to the Budget**

- 3.1 The last few months have seen remarkable financial events. The economic consequences of this are now starting to become increasingly apparent. Throughout this report, reference will be made to how Eden has been affected and how it may be affected.
- 3.2 Preparing a budget is an attempt to predict the future. Whilst it may not have seemed it at the time, the last ten or so years have been fairly stable and setting budgets one year in advance has not been too difficult. The situation this year is very different and there is a real risk that a number of the predictions included within this budget will prove to be some way off the mark. A number of the larger budgets that are most subject to change will be reviewed again in early January. This may result in updated estimates which will feed into the final budget report. The main budgets to be reviewed are:

- Interest receipts;
- fee income for Development Control, Building Control and Land Charges;
- provision for inflation – especially in the blue collar contracts.

#### **4. The Annual Government Cash Grant**

- 4.1 Every local authority gets an annual cash grant (Revenue Support Grant (RSG)) from the Government. This provides over half of the Council's funding.
- 4.2 This year is the second year of a three year settlement as part of the Government's Comprehensive Spending Review 2007 (CSR07). The Government's provisional announcement of grant in 2009-10 has been received. This also includes indicative figures for RSG in 2010-11. Both figures are essentially the same as indicated last year. The summary Medium Term Financial Plan (MTFP), as set out at Appendix D, includes these figures. In the light of the pressures on the Government to reduce future expenditure to curtail its ballooning borrowing, there is a risk that the indicative RSG for 2010-11 could be revisited. Indications are that this is unlikely. It is thought that the main impact will be on the next three year settlement. The MTFP shows a cash freeze for 2011-12 onwards - this is a guess.
- 4.3 The final RSG figure will be included in the report to Council when it agrees the Budget Requirement on 12 February 2009. The final figure is usually very close to the provisional one.

#### **5. Interest Receipts**

- 5.1 Interest receipts are important for funding General Fund expenditure. The estimate for such receipts in 2009-10 is £355,000. This is below the previous MTFP forecast for 2009-10. Whilst cash balances are higher than predicted, interest rates have moved dramatically downwards and it is anyone's guess how far they will fall. Base rates of 1.5% have been assumed throughout the year. The Council's return is normally about 0.5 of a percentage point above base rates, making an average 2% return. The actual return will be a bit higher than this, as some cash is locked into deposits at higher rates that mature in 2009-10.
- 5.2 The Resources Plan identified interest receipts as one of the major elements of sensitivity in the MTFP.
- 5.3 Assuming interest rates pick up slightly in 2011-12, receipts and beyond, as shown in the MTFP, are broadly stable. It is likely that the dramatic fall in interest receipts will be a common problem amongst districts who have, in the past, used interest receipts to make significant contributions to their finances.

#### **6. Use of Balances**

- 6.1 The Council's revenue reserves are expected to be:

	<b>£'000</b>
Actual at 1 April 2008	5.8
Less: Projected Deficit 2008-9	0.6
Estimated balance at 31 March 2009	<u>5.2</u>

6.2 The Council has built up strong revenue reserves over the last few years, largely because of high interest receipts. In the budget report last year it was stated that,

*'the argument for maintaining such high balances is:*

- (a) to cope with fluctuations in interest rates: this is very important, given the importance of this source of income and likely volatility of interest rates in the coming year;*
- (b) to help the Council address the longer term funding imbalance;*
- (c) to enable the Council to cope with unexpected costs, such as the costs of responding to an emergency event. For example, the Government has recently reminded local authorities that the first call for funding in the event of flooding should be on local authority reserves; and*
- (d) to deal with variations from income budgets. This is now particularly relevant, as the rental from New Squares is entering into the Council's MTFP.'*

The strength of the Council's reserves will be crucial to its ability to respond to the challenges of the current financial and economic issues, such as unexpected increases in expenditure, and decreases in income, whilst maintaining its service provision to the public.

6.3 Notwithstanding the above, balances must not be used to support ongoing recurring expenditure. It is perfectly prudent to use reserves in the medium term to arrive at a position of long term sustainability and this approach is central to the Balancing the Budget (BTB) exercise. In addition, dealing with the current financial and economic difficulties may mean drawing more on reserves in the medium term than previously anticipated. However, it would only be financially sustainable to reduce balances through new expenditure, or reducing the projected level of Council Tax, once the budget is balanced.

6.4 The Council has set a policy for use of balances: see F87/08 (Resources Portfolio Meeting, 16 September 2008).

## **7. Integration of Business Planning and Budgeting**

7.1 It is accepted good practice that an organisation's business plans should be reflected in its budgetary process. As part of the new corporate planning process, service plans are drawn up for all of the Council's activities. These were drafted prior to commencement of the budget process. In addition, the refreshment of the Council's corporate priorities, which has been the central plank of Taking Eden Forward, has ensured that the resources required to achieve these priorities are reflected in its budgets.

7.2 The budget for 2009-10 has also been strongly shaped by the major exercise to eliminate the revenue budget deficit (Balancing the Budget). This was agreed by Council on 7 February 2008: how it is reflected in the budget is dealt with in section 14 below.

## 8. Revised General Fund Revenues Estimates for 2008-9

8.1 The Revised Estimates at Appendix A show a projected deficit of £620,091.

This reconciles broadly to the Original Estimate as follows:

	£'000	£'000	Note
Original Estimate: Deficit		237	
Supplementary Estimates			
Brought Forward Budgets*	+165		1
Other	<u>+70</u>	235	
Interest receipts higher than budget		-60	2
Lower than expected salary vacancies		+20	
Additional cost of energy		+30	
Reduction in Land Charges income		+87	3
Provision for wind-up costs of ECCP		+40	4
Collection Fund Deficit		+57	5
Increased Development Control Income		-102	6
Increase in benefits cost		+20	
Other		<u>+56</u>	
Revised Estimate: Deficit		<u>620</u>	

### Notes

1. Equivalent underspend in 2007-8. These are a little lower than those agreed by this Committee, as they were restricted to the actual underspend.
2. This has arisen because, during the first six months of the year, performance was substantially above budget, as market rates were higher than predicted and cash balances were above projected levels.
3. Land Charges income has declined dramatically due to three factors:
  - the impact of much delayed regulations on the level of fees;
  - the increase in 'personal searches': often done by search agents;
  - the slump in the housing market.

A potential fall of £70,000 was highlighted in last year's budget report.
4. The Executive agreed, at its meeting on 12 August 2008, to withdraw from the East Cumbria Countyside Partnership (ECCP) at the end of the year. The total estimated share of liabilities is estimated at £53,000. £13,000 is an agreed supplementary estimate to account for the first phase. £40,000 is the provision made for the full wind-up. It should be noted that the wind-up allows the Council to delete its recurring revenue contribution of £6,000 and its 2009-10 capital contribution of £52,000.
5. This is the Council's share of the deficit on the Collection Fund. This has arisen over a number of years due to over-estimation of the tax base. The Collection Fund is back in balance on an annual basis. However, the deficit needs to be recovered.

6. This is the increase in planning fees, less any consequent increase in bought-in support for the larger applications. The increase is due to two factors:
- the national increase in fee levels from 1 April 2008;
  - a number of large applications.

## 9. General Fund Revenue Estimates for 2009-10

### 9.1 Level of Expenditure

#### 9.1.1 Reconciliation to Original 2008-9 Estimate

The estimates for 2009-10 (Appendix A) show a deficit of £321,108. These are the estimates as proposed by the portfolio holders. This compares to a deficit of £236,690 in the Original Estimates for 2008-9. The increase in deficit is broadly explained as follows:

	£'000	Note
Deficit per original estimates 2008-9	237	
Inflation/pay award	+316	1
Non-recurring items fall out	-138	
BTB savings	-130	2
Increase in Government cash support	-59	
Additional pension cost	+52	3
Increased car parking income	-64	4
Council Tax	-165	5
Decrease in interest receipts	+304	6
Land Charges	+83	7
Development Control Fees	-63	8
Other	-52	
Deficit per estimates 2009-10	321	

#### Notes

1. Staff salaries are estimated to increase by 2.5%. Inflation reflects the cost of specific services, such as energy costs and the cost of the Council's blue collar and leisure management contracts. The cost of these contracted services is budgeted to rise by about 6% because of the impact of fuel and energy increases on the contractual price index. For the remainder of the Council's budget, a 2% inflation uplift was allowed (zero last year) if requested.
2. This is a list of specific savings achieved as part of the BTB process (see 14.2 below).
3. Employers' pension contributions increased by 1 percentage point.
4. This reflects the agreed increases in charges and the buoyancy of demand.
5. This represents the proposed 4.99% increase in Council Tax (as included in the MTFP). The tax base is assumed to stay the same.
6. See paragraph 5.1 above.
7. See paragraph 8.1, note 3.
8. Fee level increase from April 2008 (not included in 2008-9 estimate).

## 9.2 Growth Items

The only growth currently included in the estimates in Appendix A is committed growth. Uncommitted growth lists have been agreed by the relevant portfolio holders (see Appendix B). These are summarised below:

		£
Recurring Growth	• Starting in 2009-10	123,480
	• Starting in 2010-11	216,590
Non-Recurring Growth	• In 2009-10	167,460
	• In 2010-11	90,040

In drawing up the estimates, Management Team and the portfolio holders have sought to minimise proposed growth as far as possible. There are two major influences on the level of proposed growth;

- Council priorities - part of 'Taking Eden Forward' has involved the identification of the resource requirement to achieve these;
- short-term funded staff - the Council has historically had capacity problems. Over the last few years, temporary funding sources have been used to bridge this gap. These are now ending, or changing, and the Council needs to decide which of these posts it needs to retain on a permanent basis. This is also linked to the achievement of Corporate Priorities, as above.

## 9.3 Contingencies

### 9.3.1 Central Contingency

The estimates include a central contingency which is made up as follows:

	£'000
3% provision for staff vacancies	-155
Second homes' income already included in estimates (this relates to the Council's own share of second homes' monies): this is to produce a net nil effect	+80
Reduction in Legal Services budget: not reflected yet in Support Service charges	-20
Provision for 'over-budgeting'*	-100
<b>Total</b>	<b>-195</b>

\*Based on previous years, there is a tendency for a degree of underspend. This is a function of having a large number of budgets, some of which are not always fully used due to circumstances.

### 9.3.2 Other Contingencies

Estimates for contingencies have been reduced as far as possible. Budgets have only been set up where there is a strong probability of a budget being required. Whilst this may lead to additional supplementary estimate requests, it should lead to outturn expenditure being closer to budget. An example of this is the Professional Fees budget for development control. This has been set at a level to cover day-to-day use of planning advice and consultancy and any agreed one-off costs: any additional costs, for example, for planning appeals, will require separate reports to Members.

## 9.4 Capital Accounting Adjustment

The estimates include capital charges which are made to service accounts. The application of capital charges increases the cost of services. The Capital Accounting Adjustment is to ensure that the total effect on the General Fund is nil. This results in no extra cost to the Council Tax payer because these charges are notional. The only exception to this is the capital charges that reflect contributions to the Repairs and Renewals Fund: these are real, not notional charges.

## 10. Special Expenses

- 10.1 It is Council policy to charge certain categories of revenue expenditure as Special Expenses. The estimated cost of each area for 2009-10 is estimated to be:

	£
Maintenance of sport pitches	58,925
Maintenance of sports facilities	12,315
Play area maintenance	13,782
Maintenance of public open spaces	76,626
Seats	1,040
Hanging Baskets	3,844
Town Clocks	915
	<u>167,447</u>

The figures for 2009-10 include adjustments, where necessary, for any difference between actual and estimate in 2007-8.

- 10.2 When the Council Tax is set, the above costs will be charges to tax payers in the appropriate parishes/areas.

## 11. Level of Demand on Council Tax Payers

### 11.1 The Budget Requirement

- 11.1.1 The Council's Budget Requirement is its total net expenditure, plus (or minus) any contribution to (from) balances. The Council Tax (expressed as £ per Band D property) is calculated by aggregating the Council's Budget Requirement and parish precepts, then deducting Central Government funding and any Collection Fund surplus. This is then divided by the Tax Base.
- 11.1.2 For the purpose of this report, parish precepts are ignored, so that the focus is on the Council's own expenditure and that element of the Council Tax for which it is responsible.

### 11.2 Capping

In recent years, the Government has shown it is willing to exercise its capping powers. For several years the de facto cap has been 5%. It is assumed the 'cap' will remain at 5% for 2009-10. In announcing the RSG on 26 November 2008, the Local Government Minister said that increases should be 'substantially below 5%'. This is what the then Minister said last year. It is assumed this relates to the average rise and 5% remains the cap for individual councils.

### **11.3 Determining the Level of Council Tax**

11.3.1 Members will be aware that the County Council and the Police Authority shares currently account for 88% of the total Council Tax bill for Eden residents. The County Council had been planning a rise in its Council Tax, below the cap, following its very good settlement last year. Following the recent change of political control, it is likely the increase will be reduced further, to about 2.5% to 3%.

11.3.2 The Council's MTFP assumes a Council Tax rise of 5% per annum, which is in line with the indicative increase given when last year's Council Tax was set. An increase of 4.99% has been included in the projected deficit of £321,108 (paragraph 9.1.1). This includes no growth. As the Government does not say what its capping level is, it is not possible to be certain that any particular level of increase will not be capped. The judgement is that 5% will again be the limit. However, there is clearly a degree of risk in setting a level almost at the assumed limit. When the Executive makes its final decision on the budget recommendation in January, the Government's view will be clearer.

An initial draft budget proposal from the Leader and Resources Portfolio Holder is set out in section 19 below. This considers the proposed uncommitted growth, set out at paragraph 9.2 above.

### **11.4 Council Tax 2010-11 and Beyond**

11.4.1 2010-11 is the final year of a three year settlement as part of CSR07.

11.4.2 The difficult settlements over the CSR07 period, coupled with the Council's underlying budget deficit, mean that upwards pressure will continue on the Council's own share of Council Tax. As part of the BTB exercise, Members were asked to increase Council Tax up to the assumed maximum (5%) allowed until the budget is balanced. At that point, increases below the maximum can be considered. However, as noted above, the Government maximum is not explicitly stated. Each year a judgement will be needed on what is the maximum. However, the impact of the recession on the Council has clearly delayed the point at which the Council will be able to balance its budget.

## **12. Income from Second Homes**

12.1 Since April 2004, all districts have received a grant from the County Council, representing 50% of the extra Council Tax they get because the districts chose to reduce the discount on second homes from 50% to 10% (the minimum). The grant was given under a rolling three year agreement made between the County and the districts. The County has ended that agreement. A new agreement is being negotiated. At this stage, all parties have agreed, in principle, that this should be on the basis of a 33<sup>1</sup>/<sub>3</sub>% grant under a ten year rolling agreement. If such an agreement is reached, it is proposed that the total second homes' monies that the Council will receive (the grant plus its own 'of right' share) should be considered as base income on the grounds that ten years is long-term. The annual amount receivable will be about £260,000.

12.2 It is imperative that the agreement is concluded quickly, so as to give certainty for the budget. It needs to be agreed and signed by Christmas. This Council has been active, and continues to be so, in pressing for a final agreement to be concluded expeditiously.



12.3 As yet, the monies are not reflected in the estimates because, until the agreement is concluded, there is no certainty and the Council may have to resort to its key bargaining tool of reinstating the discount: neither Eden nor the County would get any monies in this case. However, the initial budget proposal set out in section 19 is framed on the basis that this money is received in 2009-10 and beyond.

### **13. Uncertainties in the Estimates Look at Resources Plan**

#### **13.1 2009-10**

There are a number of particular uncertainties in 2009-10:

- recycling costs – the collapse of the market for recyclables will have some cost impact on the Council;
- further falls in interest rates – the good news is that interest rates cannot be negative, therefore, the maximum fall is from the assumed 1.5% to 0%. Even so, this would be yet another blow;
- second homes' income – as noted above;
- concessionary travel – the Council has no control over future demand.

#### **13.2 2010-11 and Beyond**

Uncertainties in the longer term are:

- rental income from the New Squares development - whilst it is hoped to restart the stalled scheme, the Council's income from the scheme will not be certain until the development is concluded;
- Revenue Support Grant (RSG) – it is clear that, from 2011-12, Government spending will be curtailed . Local Authorities are likely to bear the brunt of this;
- concessionary travel – there is a suggestion that, after 2010-11, this will go to the County. This will entail a major revision to the Council's RSG (where part of the concessionary travel funding comes from). In any major revision of the RSG, there are also winners and losers: often, there is no obvious logic to who wins and who loses;
- employer's superannuation costs – new rates will be set from April 2011, following the triennial revaluation. It doesn't take a financial genius to work out that pension fund assets have fared badly in the last few months. If losses aren't recovered, this will lead to higher contribution costs from employers;
- tendering of long-term contracts – the existing blue collar and leisure management contracts have to be re-tendered, with new contracts coming into force in April 2012. The Council spends some £2 million annually under these contracts. The re-tendering will expose the Council to a degree of uncertainty on a very significant area of expenditure.

## 14. Balancing the Budget Savings

- 14.1 The BTB exercise identified a number of savings which were included in the 2008-9 estimates.
- 14.2 In addition, five Budget Efficiency Reviews were agreed where officers were to identify target annual savings. The target for each review for savings in 2009-10 and the savings included in the budget, are as follows;

Review	Savings 2009-10	
	Target £	In budget £
Arts and Leisure	33,000	43,190
Parks and Open Spaces	28,000	47,560
Tourist Information Centres	5,000	To be agreed
Public Toilets	20,000	28,120
Licensing	11,000	10,960
	<b>97,000</b>	<b>129,830</b>

The total annual savings to be achieved by 2010-11 is £182,000, which means a further £52,000 savings are required to be incorporated into the 2010-11 budgets next year. It is predicted that these savings will be achieved.

## 15. Policy Framework

- 15.1 The Council has four corporate priorities which are:

Affordable Housing  
Quality Environment  
Economic Vitality  
Quality Council

Council, on 7 February 2008, agreed fifteen strategic actions to achieve these priorities.

- 15.2 The annual budget forms an essential part of the Council's budgetary and policy framework.

## 16. Legal Implications

- 16.1 The Council is required to set a balanced budget which sets out how expenditure is to be funded from income and any required contribution from balances.
- 16.2 This reports complies with the timescale set out in the Constitution for the budget process.

## 17. Financial Implications

- 17.1 The Council has agreed an action plan to carry through the Balancing the Budget exercise. A key part of this is the Resource Allocation Categorisation, which is designed to ensure that resource allocation reflects the Council's priorities. The full categorisation was agreed at Council on 7 February 2008 and the financial implications of any report must be consistent with this.

17.2 The financial implications are dealt with in the report as a whole, including the interaction of the budget with the BTB exercise.

## **18. Risk Management Implications**

18.1 The Council's ongoing financial deficit is a key medium term risk for the Council. The BTB exercise is addressing this. This will require Members to take, and stick with, a number of difficult decisions. If these difficult decisions are not taken, and the resultant savings delivered, the budget deficit will remain. At some point it will need to be addressed and the later it is the more difficult it will be. The financial position has been adversely affected by the financial and economic situation. Whilst this may make the elimination of the budget deficit more difficult and could delay it, its achievement should remain the clear and stated objective of the Council.

18.2 There is also a risk that, in seeking to reduce expenditure, the Council is unable to perform a number of roles that are deemed to be essential to a 'modern' local authority, as defined by the Government.

## **19. Suggested Draft Budget Proposal from the Leader: Councillor C Nineham and the Resoures Portfolio Holder: Councillor K Phillips**

19.1 We have drawn up a draft budget proposal for the Executive's consideration. We have assumed that the draft second homes' agreement will be satisfactorily concluded and this income is included in the proposal as base budget income. If agreement is not concluded, this proposal will need to be revisited.

19.2 Whilst it is important that new growth is minimised, it is important that the Council's services meet the needs of the people of Eden, the requirements of the Government, and, in particular, the Council's statutory obligations. It is therefore proposed that the draft budget to be consulted upon is as follows:

(a) uncommitted growth items are agreed and funded as follows:

		£	
Recurring:	From 2009-10	86,600	)
	From 2010-11	98,520	)
Non-recurring:	From 2009-10	153,290	)
	From 2010-11	89,010	)

See Appendix C

(b) Council Tax be increased by 4.99% from £161.59 to £169.65.

19.3 The level of Council Tax increase is reasonable, given the additional pressures being faced by the Council. The increase is also consistent with increases of between 3.8% to 4.99% over the last six years. The new Council Tax is still likely to be lower than the average for Cumbrian districts. We are aware that there is a substantial contribution of £300,990 from balances. This level of contribution from balances cannot be funded in the longer term. The BTB exercise was seeking to produce a balanced budget in 2010-11. The BTB is proceeding well and should deliver the targeted savings. However, the savings achieved have been more than cancelled out by the fall in interest rates.

19.4 The current budget deficit is not sustainable. However, the Council's balances are strong enough to ensure there is no immediate problem in 2009-10. We believe that any knee-jerk reaction to fund major savings before the budget is finalised in February will be counter-productive. There are no big fat budgets that can easily be reduced. The Council has successively delivered savings over the last four years through first, the Financial Review and then, Balancing the Budget. This success has been due to proper planning, consultation and execution. However, another review of the Council will be required, in which nothing will be ruled out. It must commence at the start of the next financial year (ie April 2009). At that point, the future progress of the Penrith New Squares scheme will be clearer. That is an important piece in the jigsaw that is the Council's MTFP.

## 20. Comment on Draft Budget Proposal

20.1 The deficit to be funded is as follows:

	£
Deficit per Appendix A	321,100
Less: Extra Council Tax from Second Homes' Agreement	<u>260,000</u>
Amended Deficit	61,100
Plus: Recurring Growth	86,600
Non-Recurring Growth	<u>153,290</u>
Deficit to be funded from balances	<u>300,990</u>

20.2 The proposals are also included in the MTFP, summarised at Appendix D. This also includes the growth proposals that relate to 2010-11 onwards.

20.3 The level of withdrawal from balances is sizeable. The strength of the Council's balances means this does not create any immediate difficulties. As the Leader and Resources Portfolio Holder have noted above, the short-term deficit is not a problem, as long as the Council commits to a plan that will balance the budget within the medium term.

20.4 It is not thought that the proposed Council Tax increase would be viewed as 'excessive' by the Government, though this remains a risk. It is important that an increase of this order is agreed, as the medium term projection shows that, without such an increase, the Council would be further in deficit.

## 21. Agreement of Final Budget Proposal

21.1 At its meeting on 29 January 2009, the Executive will agree the budget proposal which it wishes to submit to Council on 12 February 2009.

At its meeting the Executive will consider;

- an updated version of this report - in the intervening seven weeks, a number of elements will have changed and these will updated;
- the comments of Scrutiny;
- comments from other consultees – the key consultee groups, as set out in the Resources Plan, are Eden LSP, Eden Economic Forum, CVS, and Eden Association of Local Councils.

## 22. Recommendation

Members are asked to agree a draft budget proposal.

**See end of document (page 69) for the agreed Executive recommendation**

D J Rawsthorn  
Director of Finance

### Governance Checks:

Seen by Chief Finance Officer	✓
Seen by Monitoring Officer	✓

### Background Papers:

Estimates Working Papers 2008-9

Estimates Working Papers 2009-10

ODPM information on the draft local government finance settlement 26 November 2008  
([www.local.communities.gov.uk/finance/0910/grant.htm](http://www.local.communities.gov.uk/finance/0910/grant.htm))

Officer Contact: David Rawsthorn  
Telephone Number (01768) 212211

**Intentionally Blank**

## **Appendix A**

**Intentionally Blank**



## General Fund Summary Budget for 2009-10

Outturn		2008-9 Original Estimate	2008-9 Revised Estimate	2009-10 Original Estimate
£	Portfolios	£	£	£
149,053	Leader	99,390	89,250	91,310
3,045,331	Resources	2,445,510	2,650,800	2,472,390
2,838,047	Environment and Sustainability	3,195,160	3,454,140	3,404,920
367,357	Economy	579,800	985,490	597,980
1,113,669	Housing	985,350	842,830	920,010
2,240,991	Community	2,253,680	2,641,300	2,194,760
120,244	Performance and Improvement	140,570	155,590	127,590
9,874,692		9,699,460	10,819,400	9,808,960
-1,548,300	Adjustment for notional capital charges	-1,226,990	-1,810,880	-1,065,960
130,609	Renewals Fund	156,950	165,430	134,010
0	Central Contingency	47,319	-53,440	-195,040
-840,186	Net Interest Receivable	-609,750	-670,120	-305,820
<b>7,616,815</b>	<b>Net Cost of Services</b>	<b>8,066,989</b>	<b>8,450,390</b>	<b>8,376,150</b>
	Financed By :			
4,426,465	Revenue Support Grant	4,512,260	4,512,260	4,571,433
0	Collection Fund Surplus	0	0	
3,121,373	Council Tax Payers	3,318,039	3,318,039	3,483,609
<b>68,977</b>	<b>Deficit</b>	<b>236,690</b>	<b>620,091</b>	<b>321,108</b>
	<b>General Fund Balances</b>			
5,849,327	As at April	6,028,540	5,780,350	5,160,259
68,977	Less: Deficit in Year	236,690	620,091	321,108
<b>5,780,350</b>		<b>5,791,850</b>	<b>5,160,259</b>	<b>4,839,151</b>

The summary for each portfolio follows. The 'Budget Book' detail is available on the Budget Consultation page of the web site at <http://www.eden.gov.uk/your-council/council-finances/consultation-on-the-2009-2010-budget>

**Intentionally Blank**

**Budget 2009-10  
Leader Portfolio**

<b>Actual</b>	<b>Service</b>	<b>Original Estimate</b>	<b>Revised Estimate</b>	<b>Estimates</b>	<b>Notes</b>
<b>2007-8</b>		<b>2008-9</b>	<b>2008-9</b>	<b>2009-10</b>	
<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>	
<b>Summary of Estimates</b>					
<b>Revenue Estimates</b>					
<b>Services</b>					
38999	Emergency Planning	47600	48730	51120	
105975	Local Strategic Partnership	46830	35560	35230	
4079	Civic Duties	4960	4960	4960	
<u>149053</u>	Net Charge to General Fund Summary	<u>99390</u>	<u>89250</u>	<u>91310</u>	
<b>Business Units</b>					
104528	Chief Executive	139550	136110	140710	
158800	Director of Finance	166800	164880	171940	
129158	Director of Corporate and Legal Services	140950	134030	141970	
112563	Director of Technical Services	113000	112350	113660	
137924	Director of Policy and Performance	141080	140760	144030	
149259	Strategic Partnerships	151120	168550	183020	
<u>-792232</u>	Less: Recharge to Services	<u>-852500</u>	<u>-856680</u>	<u>-895330</u>	
<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	
<b>Memo Note: Change in Controllable Expenditure</b>					
149053	Total Net Expenditure (as above)	99390	89250	91310	
40018	Less: Support Services	56270	47830	47350	
0	Capital Charges	0	0	0	
<u>792232</u>	Add: Internal Recharges	<u>852500</u>	<u>856680</u>	<u>895330</u>	
<u>901267</u>	Net Controllable Expenditure	<u>895620</u>	<u>898100</u>	<u>939290</u>	

**Budget 2009-10**  
**Resources Portfolio**

Actual 2007-8	Service	Original Estimate 2008-9	Revised Estimate 2008-9	Estimates 2009-10	Notes
£		£	£	£	
<b>Summary of Estimates</b>					
<b>Revenue Estimates</b>					
<b>Services</b>					
1127864	Corporate Costs	1056120	1157770	1084820	
528728	Committee and Member Costs	525250	522690	517640	
115587	Elections	86260	55320	49900	
80787	Registration of Electors	76990	74570	77190	
410042	Cost of Local Taxation Collection	328040	391590	384480	
255158	Benefits	302710	355510	362360	
6403	Land Charges	-44310	84030	78900	
263443	Land Management	100200	-15880	-107850	
254263	Miscellaneous	14250	25200	24950	
3056	Insurance	0	0	0	
0	Administrative Buildings	0	0	0	
<u>3045331</u>	<b>Service Expenditure</b>	<u>2445510</u>	<u>2650800</u>	<u>2472390</u>	
-840186	Treasury Management / Interest	-609750	-670120	-305820	
<b>Business Units</b>					
267081	Legal and Committee Services	289620	274860	268240	
566217	Corporate Services	587170	624810	665870	
64754	Human Resources	68560	76710	72560	
562249	Information Technology	538510	552220	539620	
302626	Financial Services	308520	324020	288710	
777499	Revenues and Benefits	796340	800730	811840	
132852	Central Expenses	144240	144820	151540	
-2673278	Less: Recharge to Services	-2732960	-2798170	-2798380	
<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	
<b>Memo Note: Change in Controllable Expenditure</b>					
2205145	Total Net Expenditure (as above)	1835760	1980680	2166570	
2811482	Less: Support Services	2430170	2742200	2714910	
348199	Capital Charges	214750	304820	180740	
3220023	Add: Internal Recharges	3148010	3347210	3222260	
<u>2265487</u>	<b>Net Controllable Expenditure</b>	<u>2338850</u>	<u>2280870</u>	<u>2493180</u>	

**Budget 2009-10**  
**Environment and Sustainability Portfolio**

Actual 2007-8	Service	Original Estimate 2008-9	Revised Estimate 2008-9	Estimates 2009-10	Notes
£		£	£	£	
<b>Summary of Estimates</b>					
<b>Revenue Estimates</b>					
<b>Services</b>					
238603	Local Plans and Policy	135540	148730	146810	
15052	Development Control and Enforcement	274770	246310	278970	
230687	Environmental Enhancement and Conservation	147990	148740	148840	
41741	Building Regulations	16940	70890	76210	
64204	Other Building Control	54180	63470	62860	
-1669	Licensing	56880	45400	44810	
-310853	Vehicle Parking -Off Street	-345840	-255250	-226410	
-24703	Vehicle Parking - On Street	30360	37520	40840	
17312	Support of Passenger Transport	1090	1130	1150	
336449	Concessionary Travel	275730	272470	272590	
17800	Land Drainage and Flood Relief	6290	6940	6870	
269404	Street Cleaning	312070	318040	332780	
122988	Provision of Amenities	83020	131910	131600	
91436	Footway Lighting	130320	119000	108460	
344106	Recycling	388340	512440	445800	
683775	Refuse Collection	798080	741360	782920	
18837	Pest Control	22680	20780	22070	
53044	Community Wardens	63640	64930	60810	
45181	Appleby Fair	47460	63670	66250	
98066	Health and Safety	122650	114540	113400	
35286	Pollution Control	47820	45030	44140	
45715	Investigation of Nuisances	48540	55530	53380	
295490	Food Safety	342600	309260	305470	
58782	Other Environmental Health	78920	69270	46630	
26874	Sustainability	42090	36010	35840	
24440	Countryside Management	13000	66020	1830	
<u>2838047</u>		<u>3195160</u>	<u>3454140</u>	<u>3404920</u>	

**Budget 2009-10**  
**Economy Portfolio**

Actual 2007-8	Service	Original Estimate 2008-9	Revised Estimate 2008-9	Estimates 2009-10	Notes
£		£	£	£	
<b>Summary of Estimates</b>					
<b>Revenue Estimates</b>					
<b>Services</b>					
30143	Economic Development and Promotion	205290	545640	232990	
-52372	Industrial Estates	-41910	-42560	-49550	
128570	Tourist Information Centres	169680	216590	147990	
157038	Tourism Promotion	152280	155560	156360	
95764	Town Centres	85010	92700	92550	
8214	Markets	9450	17560	17640	
<u>367357</u>		<u>579800</u>	<u>985490</u>	<u>597980</u>	
<b>Business Units</b>					
257058	Economic Development and Tourism	256650	247540	232850	
-257058	Less: Recharge to Services	-256650	-247540	-232850	
<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	
<b>Memo Note: Change in Controllable Expenditure</b>					
367357	Total Net Expenditure (as above)	579800	985490	597980	
361644	Less: Support Services	466700	483720	478880	
-210484	Capital Charges	31350	412350	41300	
300627	Add: Internal Recharges	304180	295070	280380	
<u>516824</u>	Net Controllable Expenditure	<u>385930</u>	<u>382540</u>	<u>358180</u>	

**Budget 2009-10**  
**Housing Portfolio**

Actual 2007-8	Service	Original Estimate 2008-9	Revised Estimate 2008-9	Estimates 2009-10	Notes
£		£	£	£	
<b>Summary of Estimates</b>					
31194	Staying Put Scheme	45620	32250	32530	
698527	Renovation Grants	531910	381150	456840	
383948	Other Housing	407820	429430	430640	
<u>1113669</u>	Net charge to General Fund Summary	<u>985350</u>	<u>842830</u>	<u>920010</u>	
<b>Memo Note: Change in Controllable Expenditure</b>					
1113669	Total Net Expenditure (as above)	985350	842830	920010	
336985	Less: Support Services	377170	389930	386030	
621132	Capital Charges	452000	302000	377000	
<u>155552</u>	Net Controllable Expenditure	<u>156180</u>	<u>150900</u>	<u>156980</u>	

**Budget 2009-10**  
**Community Portfolio**

Actual 2007-8	Service	Original Estimate 2008-9	Revised Estimate 2008-9	Estimates 2009-10	Notes
£		£	£	£	
<b>Summary of Estimates</b>					
<b>Revenue Estimates</b>					
<b>Services</b>					
97396	Museum	96600	105230	100800	
808714	Eden Leisure Centre and Appleby Swimming Pool	807280	876460	793440	
264132	Arts and Leisure	190200	206820	204330	
528685	Parks and Open Spaces	549290	622280	544760	
87202	Cemeteries	63670	94940	85770	
25491	Closed Churchyards	39990	39510	36730	
1652	War Memorials	2080	1620	1650	
328242	Public Conveniences	404650	591430	325020	
29110	Community Legal Services	33050	32320	32740	
68567	Community Safety	65140	68190	67510	
1800	Rural Issues	1730	1980	2010	
<u>2240991</u>	<b>Net Charge to General Fund Summary</b>	<u>2253680</u>	<u>2641300</u>	<u>2194760</u>	
<b>Business Units</b>					
521087	Community Services	655910	632070	649760	
-521087	Less:Recharge to Services	-625910	-632070	-649760	
<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	
<b>Memo Note: Change in Controllable Expenditure</b>					
2240991	Total Net Expenditure (as above)	2253680	2641300	2194760	
388443	Less:Support Services	489900	564340	558760	
455495	Capital Charges	405010	639300	378630	
528048	Add:Internal Recharges	633640	639800	657490	
<u>1925101</u>	<b>Net Controllable Expenditure</b>	<u>1992410</u>	<u>2077160</u>	<u>1914860</u>	

1



**Budget 2009-10**  
**Performance and Improvement Portfolio**

Actual 2007-8	Service	Original Estimate 2008-9	Revised Estimate 2008-9	Estimates 2009-10	Notes
£		£	£	£	
<b>Summary of Estimates</b>					
<b>Revenue Estimates</b>					
66257	Communications and Consultation	81810	85160	57010	
490	Member Development	2200	7890	8040	
41266	Council Centres	44470	44620	44620	
12231	Development Themes	12090	17920	17920	
120244	Net Charge to General Fund Summary	140570	155590	127590	
<b>Central Services</b>					
160901	Development Support	175550	170890	170720	
160901		175550	170890	170720	
160901	Recharged to Services	175550	170890	170720	
0		0	0	0	
<b>Memo Note: Change in Controllable Expenditure</b>					
120244	Total Net Expenditure (as above)	140570	155590	127590	
27587	Less:Support Services	39050	32320	32000	
0	Capital Charges	0	0	0	
196726	Add:Recharges to Services	215350	210690	210520	
289383	Net Controllable Expenditure	316870	333960	306110	

**Intentionally Blank**

## **Appendix B**

**Intentionally Blank**

### Summary of Growth: After Portfolio Holder Meetings

Portfolio	Recurring		Non Recurring	
	Starting in 2009/10	Starting in 2010/11	2009/10	2010/11
	£	£	£	£
Leader		13580		25960
Resources	20800		23750	
Environment	55330	153280	87080	45080
Economy			23880	9000
Housing	36150	49730	9750	
Community	10000		10000	10000
Performance and Imp	1200		13000	
<b>Total</b>	<b>123480</b>	<b>216590</b>	<b>167460</b>	<b>90040</b>

**Intentionally Blank**

### Uncommitted Growth Items: After Portfolio Meeting

Service	Leader Portfolio			Identified Strategic Action Costs	Resource Allocation Category	Notes
	Recurring £	Non-Recurring 2009-2010 £	Non-Recurring 2010-11 £			
1 Local Strategic Partnership			25,960	✓	M	1
2 Strategic Partnerships Business Unit	13,580	*		✓	M	2

\*From April 2010 onwards

#### Notes

1. Fund eight months' extension for the Local Strategic Partnership Officer Post until November 2010. This is funded from second homes until March 2010. The Council would find it difficult to fulfill its statutory duty to produce and implement a Community Strategy, co-ordinate a Local Strategic Partnership and co-operate in the delivery of the Cumbria-Wide Local Area Agreement targets that affect Eden without a dedicated officer working to progress the LSP.

As Eden LSP is now established and progress is being made on delivering actions via the thematic working groups, there is scope to revise the role to incorporate other duties requiring similar strategic level skills. The post recently became vacant and Management Team has agreed to rebrand the post as Policy and Partnerships Officer and to recruit to the post on a temporary basis until a decision on the continuation of the post is made, as there are a number of high profile corporate initiatives that the post holder will contribute to and which require policy support, eg reporting on the Council's Strategic Actions and implementing proposals in the Local Government Act – Strong and Prosperous Communities. It is also important not to lose LSP momentum and to continue to co-ordinate activity and disseminate information on the Council's contributions to the LAA. The proposal is to extend the temporary nature of the post until November 2010, to bring it into line with other temporary posts in the Council so that its role can be reviewed in the light of any potential future Government policy changes.

2. Make the part-time Consultation Officer post permanent. This is funded from second homes until March 2010. Consultation and engagement are seen as vital elements of a modern council. Councils are expected to consult on service changes and to engage citizens even more in planning for the delivery of services. The post holder has made great strides in moving this agenda forward, but much work remains to be done, including reaching out more effectively to hard to reach groups, such as young people, as well as expanding the use of e-Consultation. Recent consultations have informed both Scrutiny reviews and key corporate initiatives. The Citizens Voice remains a well established tool. There is a Consultation and Stakeholder Engagement Strategy which guides the work of the post holder and its Action Plan drives the work forward. New software provides a comprehensive database of consultation undertaken across the Council to avoid duplication and maximise efficiency.



**Uncommitted Growth Items: After Portfolio Meeting**  
**Resources Portfolio**

Service	Recurring £	Non- Recurring 2009-2010 £	Non- Recurring 2010-11 £	Identified Strategic Action Costs	Resource Allocation Category	Notes
1 Electoral Registration	800	3,750		x	M	1
2 Legal Services		20,000		x	M	2
3 Committee and Member Costs	20,000			x	M	3

**Notes**

1. Postal Vote Identifier checking software as it is becoming necessary to match signatures on returned documentation.
2. The professional fees budget was increased by £20,000 or so two years ago in view of the perceived lack of resource or capacity within the legal services section. The uplift was temporary and on the understanding that the position would be reassessed at the end of this interim period. The professional fees budget has been used substantially in the previous financial year and is anticipated to be so in the current financial year (the gross expenditure in 2007/8 was £32,000 and £19,500 net; in the current year it is £20,000 gross and £13,000 net). The budget has been used for external solicitors to undertake prosecutions, to employ counsel and obtain advice. In this year the budget has been used, in effect, to employ someone temporarily to undertake legal work because of capacity constraints. The legal services section does support the Council's priorities particularly in relation to affordable housing in the preparation of Section 106 Agreements and such work would be affected were the legal section not able to have recourse to additional assistance from time to time. The legal services section operates very much at the minimal level and I cannot envisage operating with lesser staff if an effective service is to be maintained and provided. A budget in the region of £5,000 would be insufficient in itself for counsel to be engaged on any planning inquiry. A budget of £5,000 could only be used for what were effectively emergency elements. It can be expected that any advice from counsel would be in the region of £1,500 so that the budget would enable between 3 and 4 advices in any year. The £20,000 is included as a non-recurring growth item. The overall resources and staffing of the Legal Section will be reviewed over the coming year.
3. When the Independent Remuneration Panel (IRP) suggested a Scheme of Allowances following the introduction of the new arrangements, Members reduced the cost of the proposal by £20,000 to fit in with the existing budget, but asked the IRP to review the scheme prior to the 2009-10 Municipal Year. The growth item is suggested to accommodate the increase in costs that would arise if a similar scheme were to be proposed.

### Uncommitted Growth Items: After Portfolio Meeting

#### Environment Portfolio

Service	Recurring £	Non- Recurring 2009-2010 £	Non- Recurring 2010-2011 £	Identified Strategic Action Costs	Resource Allocation Category	Notes
1 Development Control Planning Technician x 2	48,790 *			✓	M	1
2 Enforcement Technician	26,650			✓	M	2
3 Appleby Fair Recycling	3,000	7,000		X	M	3
4 Garden Waste Kerbside	7,850			X	B	4
5 Technical Officer (Part-Time) Contaminated Land	17,830			X	M	5
6 Support Officer Building Regulations		30,000	30,000	✓	M	6
7 Building Control Officer Local Plans and Policy	35,170 *			✓	M	7
8 Local Plans Officer	36,150 *			✓	M	8
9 Environment Sustainability Officer Vehicle Parking	33,170 *			✓	M	9
10 Parking Assistant x 0.7		15,080	15,080	✓	M	10
11 Environmental Enhancement		1,000		X	M	11
12 Support Passenger Transport		10,000		X	Z	12
13 Provision of Amenities		10,000		X	Z	13

\*From April 2010

NB: Report on resourcing LDF being taken to January Executive: will have some growth implications.

## Notes

1. Planning Technician Staff x 2 - The first of the Planning Technicians was approved at Establishment Committee on 14 November 2002 and, in fact, it was intended that a permanent Planning Technician post be created in place of the two previous permanent Planning Students. The proposal was almost cost-neutral, with a net cost of around £4,000. With the advent of Planning Delivery Grant (PDG), which was reported to Council on 3 April 2003, it would appear that the new post was to be funded through PDG and thus became temporary. As such, this move provided a significant saving on the permanent establishment. It was considered that a Planning Technician would provide greater support for Development Control than the two planning students.

The second Planning Technician was approved at Council on 22 April 2004 and this was to provide cover for the monitoring role and deal with general correspondence and support for Development Control work. This post was also to provide support at Planning Committee, particularly in preparing plans, PowerPoint etc.

These posts are now integral to the Planning Service. It is worth reflecting upon the Planning Service pre-2002. The service was poorly rated and was regularly subject to complaint, including the Ombudsman and, due to the lack of resources, little correspondence was answered. The situation in planning raised such a concern for the Chief Executive that he both reviewed the service personally and brought in consultants to address various issues and organise assessment centre interviews for all staff. There is no doubt that the Planning Service today is much improved and, whilst this is due to a number of factors, it is certainly a reflection of the investment the Council has made.

The removal of one or both Planning Technicians would risk reversing the improvements in the service and place unreasonable burdens upon the Development Control Officers. The loss of the monitoring role would also require this element to revert to the Planning Policy unit.

It is also worth noting that the Government increased planning fees from 1 April 2008 by 22%, partly a replacement for the performance element of Development Control within Planning Delivery Grant. With planning income at £330,000 for 2007-8, this increase generates an additional £72,600, which could reasonably be used to support the additional planning staff (this includes the Enforcement Technician; see 3 below).

2. Enforcement Technician - The temporary Enforcement Officer was approved by Council on 22 April 2004. The principle justification was to tackle the ongoing backlog of cases and relieve pressure on other planning officers so that they could concentrate on new applications.

Enforcement is, without doubt, the most difficult part of the planning system. It is not an add-on but a central element without which the planning system would be ineffective. The work of enforcement can be summarised: Site Visit; Case Recording; Preparation of Enforcement Report; Enforcement Appeals; Negotiations; Customer Care; Monitoring compliance to planning conditions and/or identifying breaches of planning control.

A breakdown of the numbers of cases is as follows: 2002: 82 cases; 2003: 59 cases; 2004: 130 cases; 2005: 146 cases; 2006: 114 cases; 2007: 180 cases.

The introduction of the additional enforcement officer in 2004 had a marked effect on the performance of cases.

The overall caseload is a mixture of general enforcement cases and the high profile cases like Greenhollows and Glendowlin. It is also interesting to note that the Enforcement Officer does generate a number of retrospective planning applications and the consequent fees. In 2008 there have been eighteen such applications, generating £5,885, and four applications are awaited which would generate £1,010.

Not continuing with this post would have a significant impact upon the planning service. There would be a severe reduction in the number of cases being handled and many complaints from the public would not be able to be taken forward. Some cases would, inevitably, fall to the Development Control Officers, thus placing additional burdens on those officers which would almost certainly impact further on the performance of achieving DC targets. However, it is considered that a post of Enforcement Technician, rather than Enforcement Officer, would be sufficient to adequately resource enforcement work. It is considered this post is covered by the increased fee levels (see 2 above).

3. Appleby Fair - This is made up of:

£1,000 Ramp - annual installation, removal and storage of temporary horse ramp.

£5,000 Toilets - annual provision of temporary public toilets for the duration of the Fair.

£2,000 Litter Clearing - increase litter clearance to replace voluntary work by Environmental Health personnel.

£2,000 Water Buoy - annual provision of water safety measures during the Fair.

4. Garden Waste Kerbside - In order to achieve the recycling target set by the CSWP of 48%, the tonnage of biodegradable household waste recycled in Eden would need to be increase by approximately 200 tonnes per annum. The most cost-effective means of achieving this target would be by increasing the number of households in Eden which were able to participate in the kerbside collection of garden waste. The current scheme is operated in partnership with Carlisle City Council and is undertaken by the Carlisle City Council Direct Works Department. As the result of a rationalisation of operations, Carlisle have identified some spare capacity in the deployment of the refuse fleet which could be used to extend the kerbside garden waste collection scheme.

Based on a collection rate of 0.2444 tonnes per household, per annum, the collection of an additional 200 tonnes per annum would need the participation of an extra 820 households. As the participation rate is about 80%, some 1,025 households would need to be included on the new collection round(s). The net cost per annum, per household, is £7.66. The revenue cost is, therefore, 1,025 x £7.66 = £7,850. There would be a one-off capital cost for the provision of wheelie bins of £25,630.

It is suggested that discussions are held with Carlisle City Council, this Council's partner in the operation and provision of the garden waste kerbside collection scheme, and that a report is prepared for the consideration of Members indicating the estimated costs of an extension to the current scheme.

5. Technical Officer (Part-Time) - The emerging climate change agenda is placing increasing demands on the Council which cannot be fulfilled within existing staffing resources. Eden has been active in this area for some time and has demonstrated considerable environmental credentials, eg the adoption by the Council in January 2006 of an Environmental Policy and Action Plan.

A Member training seminar on Climate Change was held in November 2007 following the publication of the North West Regional Climate Change Action Plan "Rising to the Challenge", and in January 2008, the Council supported, in principle, the draft Climate Change Strategy for Cumbria.

One of the new indicators in the National Indicator set, NI 188, refers to "Adoption to Climate Change". This new indicator will measure progress on assessing and managing climate risks and opportunities, and on incorporating appropriate action into local authority strategic planning.

Local authorities will be required to report the level they have reached on a scale from 0 to 4. Currently, the Council would be hard-pressed to demonstrate progress on this indicator. The NI 188 score will be taken into account in the assessment of the Council's "Use of Resources".

Existing staffing resources have been sufficient to address the issues to date, but to take forward the “outward facing” elements of climate change, additional staff resources will be needed. It is envisaged that the lead will come from the Assistant Director (Environmental Services) and the Senior Environmental Health Officer, as Section Head and Team Leader, and that the Climate Change role will be taken by the Recycling and Environment Officer. To enable sufficient time to be freed up for this extra work to be undertaken, it is proposed that an additional half-time post of Technical Officer level (plus MFS), be provided. This post would take on a significant element of managing the tonnage and recycling reward calculations for the recycling contracts, and to provide monitoring support for the recycling contracts, including data quality assurance. This would enable the Recycling and Environment Officer to devote half of her time to the Council’s developing responsibilities in this area, and, in particular:

- a) to prepare and deliver a Climate Change Strategy for the Council;
- b) to interpret and co-ordinate Eden’s response to international, national and regional legislative and policy development;
- c) to be the lead for NI 188;
- d) to contribute to the development and implementation of the Cumbria Climate Change Strategy;
- e) to work with partner organisations to deliver a public engagement programme, including the production of educational and promotional materials; and
- f) to work with existing established groups, including the internal Environmental Policy Group, and other external groups, as appropriate.

6. Support Officer - The Council is the lead regulator on contaminated land within its district.

The Council is required to have a Contaminated Land Inspection Strategy under Part II A of the Environmental Protection Act 1990. The strategy sets out the strategic approach that the Council will take to the identification and remediation of land where contamination is causing unacceptable risks to human health, or the wider environment. The Council has a statutory duty to produce the Strategy and then to undertake the work detailed within it.

The first stage of the process of identification and remediation is the identification, mapping and assessment of potential sites. In 2001, when the Council published its first Strategy, it brought in a temporary post to assist with the compilation of data and the building up of a land database and GIS based mapping system. The officer was employed as a 0.5 FTE. This post continued with several changes of staff which hindered the data collection process. Since 2005, the current officer has been in post, and has been working on the data collection process. However, over this period, the duties have evolved and this has resulted in a significant increase in workload. The current workload is divided between the requirements of collating data described within this document for Part II A purposes and ensuring that those sites passing through the development process are dealt with appropriately. As a consequence of the complexity of assessing potentially contaminated site, the time spent dealing with development sites accounts for an estimated 80%+ of the Contaminated Land Officer's time.

As a result, only around 1,200 sites out of 5-6,000 have been mapped and entered onto the Council's FastGCIS contaminated land system (database + GIS system) in the seven years since the Strategy was produced. It is estimated that, without additional help, it will take in excess of ten years to complete this work.

The consequences of completing this work are two-fold, the Council will be able to fulfil its statutory duty and start on the next element required by the strategy, that it risk assesses and prioritises the sites on its systems, and then takes action to remediate those sites posing the highest risks to human health and the wider environment. In addition, once the work has been done, the Contaminated Land Officer will be able to respond much more quickly to planning questions, and the Planning Admin team will be able to validate planning applications much more accurately than currently happens at present. The net result should be an increase in the number of planning applications being decided within the 8 or 13 week deadline. At the moment, Contaminated Land issues are a significant delay on the planning process because, once a site has been identified as being of concern, desk-top studies or intrusive investigations are nearly always required to prove, or disprove, the matter, and these surveys inevitably take the application 'out of time'.

If the Council grants planning permission for a site that is potentially contaminated without having the necessary information to be able to determine the potential risks from any land quality issues, there is a risk that it could be sued for granting permission for an unviable or impracticable development. This is particularly important in the case of outline applications and, both locally and nationally, many other councils have been caught out in this area.

It is proposed that the Temporary Contaminated Land Support Officer is someone, not necessarily with a background in Environmental Health or Contaminated Land, but preferably a Science graduate with proven IT skills, particularly in relation to GIS systems and the use of databases. They will need to be methodical in their approach to identify, map and enter the potential sites onto the Council's systems. The officer will work very closely with the Council's systems and the Council's Contaminated Land Officer and will be placed in the Environmental Protection Team within Environmental Services. It is envisaged that the work will take a full-time officer two years to complete, at a cost of around £30,000 per annum.

7. Building Control Officer - The first Building Control Officer was appointed on 14 November 2002. It was in recognition of the significant increase in responsibilities through fire safety, radon barriers, electrical work and disabled access; and the fact that there were nine stages of inspection, but routinely, only four were being achieved and this was seen as failing in the Council's duty to inspect work, particularly when the Council only has a six months within which any sub-standard work has to be identified.

The initial intention was for this post to be funded through increased Building Control Income. The post holder is on a temporary contract until April 2010, the intention is for the post to become permanent after that date. The impact of deleting the post would seriously damage the service. It would revert the caseload per officer back to an unsustainable level with the consequences that even fewer site inspections would be achieved and arguably the Council would be failing in its duty to adequately inspect work and enforce the Building Regulations.

Building Control is largely financed through fees and the Council is required to operate a stand-alone account which should break even, although there are no obvious penalties for either generating an excess, or creating a loss.

- 8 & 9 Local Plans Officer and Environment Sustainability Officer - Both these posts are required to be continued and preferably to be made permanent as part of the general fund. There does not appear to be any lessening of the requirements necessary to produce the LDF under current legislation. As the Council progresses down the route to adoption of various planning policy documents, the extent and complexity of requirements becomes increasingly clear. The monitoring requirements are an onerous addition to the workload. There is a national shortage of policy planners and the market is very competitive. Making these posts permanent would enable us to better retain existing staff and recruit new staff.

The Local Plans Officer is the key responsible officer for the Housing Development Plan document, which is unlikely to be finally adopted by the Council before February 2011. The post became vacant in mid November, as the previous post holder has been offered a permanent and better paid position at a neighbouring council. It is necessary to fill the post as quickly as possible in order to continue the momentum on the production of the housing policies. A permanent position is likely to attract more applicants.



Each document of the LDF requires an Environmental Impact Assessment at each major stage, the Environmental Sustainability Officer researches and provides these. The post holder also contributes to other mandatory work of the section, including a range of monitoring requirements, including the production of the Annual Monitoring Report required by the Government Office.

- 10 Parking Assistant (26 Hour Post) - The post is currently covered by temporary maternity cover. The majority of the work centres round contract monitoring, recording of income and payments and dealing with public enquiries. The advent of the New Squares and the transfer of the Southend Road car park will make little difference to the workload as most PCNs are issued on-street. Disc parking areas have increased over the last few years. One discrete activity which has been transferred is the issuing of Season Tickets, which is now undertaken by the New Squares parking company. This does result in a small reduction in workload, which is mainly seasonal. It may be possible to negotiate a small reduction in the hours of the substantive post holder on her return from maternity leave to account for this, but this provides less cover in the office to deal with the routine enquiries and distribute discs. In the longer term, administration of certain parking functions may be carried out by a County-wide team. Some tasks could be carried out by the Contact Centre in the future. The proposal is to extend the post for two years.
- 11 Environmental Enhancement printing and Stationary - This would stem from the projected work programme for Conservation Area designation and the production of Management Plans for Conservation Areas.
- 12 Support Passenger Transport - Cumbria Rural Wheels programme, this is paid to Cumbria County Council to enable it to operate the service in Eden. The Council has previously taken the view that it is appropriate to extend this service to rural Eden in the light of the cessation of the Discretionary Concessionary Travel Scheme. The service appears to be increasingly well used and valued by isolated communities, particularly the elderly and those accessing medical services by this means. The existence of the Rural Wheels Service has, furthermore, enabled the Council to greatly increase the number of villages that are able to gain the status of Local Service Centres ie villages where mixed developments will not be seen as counter to national/regional planning policies. The Council has successfully incorporated this in its Core Strategy under the new planning system. This is currently funded from second homes monies.
- 13 Provision of Amenities: Appleby - Maintenance and refurbishment of town centre posts and chains, all the posts need repainting and a few are damaged, this work has not been undertaken for 15 years.

## Uncommitted Growth Items: After Portfolio Meeting

### Economy Portfolio

Service	Recurring £	Non- Recurring 2009-2010 £	Non- Recurring 2010-11 £	Identified Strategic Action Costs	Resource Allocation Category	Notes
1 Tourist Information Centres	0	6,720		x	B	1
2 Tourism Promotion	0	2,500		x	B	2
3 Economic Development and Tourism	0	5,660		✓	B	3
4 Industrial Estates	0	500	500	x	M	4
5 Business Support		5,500	5,500	✓	B	5
6 Economic Development		3,000	3,000	x	B	6

### Notes

- Subscription fees for Cumbria Destination Management System which includes DMS rental, hosting and technical support. The Destination Management System provided by New Vision is hosted by Cumbria Tourism and has been bought into by local authorities/tourism partnerships across Cumbria. The system is a complete tourism management solution which enables destination management organisations (DMOs) to co-ordinate a multitude of activities across a destination.

The power of the DMS lies in its interconnectivity. It enables the various organisations involved in tourism across Cumbria to share up-to-date information via one large database. It removes the need for tourism providers (accommodation operators, attraction owners etc) to update their information separately with different tourism organisations - one update can automatically be seen by all organisations using the DMS. Cumbria can also network with other UK destinations using the New Vision DMS (over 100 destination clients).

The DMS drives the accommodation, attraction and events pages of our tourism website [www.visiteden.co.uk](http://www.visiteden.co.uk) ensuring that the latest information is available to potential customers.

It also allows Eden District Councils' Tourist Information Centres to retrieve a whole range of up-to-date tourist information efficiently and effectively, handle enquiries and make accommodation bookings via advanced search facilities, which in turn, generates income (369 bookings in Penrith TIC during 2006-7 generating £26,715 for the local economy with the TIC receiving 10% of that figure). This was previously funded from second homes' monies.

2. Contribution to STEAM report (Scarborough Tourism Economic Activity Monitor). This gives the ability to commission annual conversion research which is essential in order to ensure marketing material is targeted and effective. It also provides valuable feedback for tourism businesses in the district and gives solid evidence of Eden Tourism Team's contribution to the economy of Eden. This was previously funded from second homes' monies.

3. This is made up as follows:

£2,500 required for the funding for the software and licence update requirements for the Evolutive database. This was previously funded from second homes monies.

£3,160 required to fund additional staff hours to maintain database.

Evolutive is provided by Alcium and is currently used by Carlisle, Eden, South Lakeland and Copeland Councils, plus Invest in Cumbria to provide an overall view of available commercial property and land. This software is used nationally. The Cumbrian partners meet regularly to discuss usage and new facilities as they are made available, in order to decide whether they would be of use to Cumbria

Invest in Cumbria will be the main partner with which Alcium contracts, and it will then sub-invoice the partners. Evolutive provides a one-stop-shop for the majority of property and land on the market – details are sourced from the local agents and put onto the system. Property/land that is not immediately recorded is anything with agents outside of Cumbria. Eden District Council is, therefore, able to answer any queries made by companies wishing to move into the area, expand, or new businesses to set up, and therefore compliments the two available grants for businesses – the marketing grant and expansion grant.

4. Grounds maintenance works to land being developed with adjacent verge at Eden Business Park.
5. The aim of the Enterprise Support project is to improve the viability and sustainability of small service-based enterprises in rural Eden through a programme of training, advice and support. This project would utilise the project days funded by the Council through its Service Level Agreement with Actions with Communities in Cumbria (formally known as VAC). It will be based on good practice approaches demonstrated through the activities of the Community Solutions, Rural Retail Advisory Partnership and Penrith MTI Term of Learning initiatives. Issues to be addressed through the programme will be developed in consultation with potential clients and are likely to include display and merchandising, finance, marketing and promotion and customer service training. The funding requested will be used to commission an expert consultant / trainer with a proven track record of delivering similar programmes in South Lakeland. The planned outputs include:
  - 4 x training events held
  - 35 x service businesses receiving support
  - 5 x new community / social enterprises receiving advice and support.Outcomes anticipated include for small rural retail enterprises to be equipped with the skills required to enhance their shopping offer eg to become 'destination shops' instead of 'last minute shops' and to improve the profitability and sustainability of more vulnerable rural outlets. This would assist in creating a stronger, more diverse and sustainable rural economy.
6. The Council has agreed, in principle, to support the creation of a joint Eden/South Lakeland Economic Development Team, including the County Council as well as the districts and the National Park Authority. The proposed growth item is the estimated cost of the Council's contribution to the management arrangements.

## Uncommitted Growth Items: After Portfolio Meeting

		Housing Portfolio					
Service	Recurring	Non-Recurring 2009-2010	Non-Recurring 2010-2011	Identified Strategic Action Costs	Resource Allocation Category	Notes	
	£	£	£				
1 Housing Standards		1,750		x	A	1	
2 Housing Enabling*	36,150			✓	A	2	
3 Housing Enabling*	13,580			✓	A	3	
4 Housing Enabling	36,150			✓	A	4	
5 Housing Enabling		8,000		✓	A	5	

\*From April 2010.

### Notes

1. It is proposed to relaunch and revamp the Accredited Landlord scheme, making it more attractive and useful to landlords, whilst enabling more effective communication and fostering relations with good landlords, freeing up resources to concentrate on the small minority of landlords who do not comply.

The aims of the re-launch will be to:

- update and provide information to currently accredited landlords, and allow them to give feedback on the scheme
- accredit all landlords of licensable HMOs
- publicise the scheme and its benefits widely to ensure greater uptake
- foster ownership of the scheme amongst landlords by providing an environment where they can communicate with each other
- provide educational sessions to ensure landlords are aware of their legal obligations.

2. Supported Housing Officer: The post is required to be permanent to deliver Strategic Action A2: Meet current and future housing needs. The post is currently temporary and funded until March 2010 from second homes' money. There is an ongoing need for this post to make an effective contribution towards the delivery of affordable housing, for example, through the proposal to establish and support a Developer Forum.
3. Housing Research Officer: The post is required to be permanent to deliver Strategic Action A2: 'Meet current and future housing needs'. There is a need for research into demonstrating the evidence of the requirement for specialist housing accommodation needs of, for example, vulnerable people. Funding is available from second homes until March 2010. There is a need for the work to continue into the future on the housing need in key service centres. Furthermore, the Local Area Agreement requires evidence of the existence of a balanced housing market which would be delivered by this post holder
4. The Affordable Housing Officer is a new full time post to take a lead on all housing applications to negotiate a level of affordable housing. Strategic Objective A1. Their role would include the following -
  - To take a proactive approach with developers and housing associations to make sure that the delivery of affordable housing in the District is done in a planned and strategic way.
  - To tie together housing needs information, strategic housing sites and planning policy.
  - To update and deliver the Affordable Housing Policies.
  - To work across and tie together the functions of planning policy, development control and housing.
  - To determine the viability of sites as specified in the Core Strategy and work with consultants and developers to maximise the amount of affordable housing on each site.
  - To look at other mechanisms for delivering affordable housing using community solutions, such as working more closely with parishes and communities.
  - To gain good practice examples from other similar local authorities.
5. Introduce a choice based letting scheme including properties from the private sector. By March 2009, prepare and send a bid to CLG for funding to develop a scheme and implement the scheme in 2009-10. The scheme was approved by the Housing Portfolio Holder, subject to funding being available on 18 September 2008 (Ref TS68/08)

### Uncommitted Growth Items: After Portfolio Meeting

Service	Community Portfolio			Identified Strategic Action Costs	Resource Allocation Category	Notes
	Recurring	Non-Recurring 2009-2010	Non-Recurring 2010-2011			
	£	£	£			
1 Parks and Open Spaces – Essential Maintenance		10,000	10,000	x	M	1
2 Rural Issues – Village Hall Grants	10,000			x	M	2

#### Notes

1. Essential maintenance to deal with dangerous trees. This would be a two year programme following the risk assessment carried out in 2008. The position would be assessed at the end of this period.
2. For many years the Council has provided a grants fund for improvement works to village halls. Applications are awarded up to a maximum of £4,000 or 40% of the project cost, whichever is smaller. As part of last year's Balancing the Budget exercise, it was proposed to delete this budget. This was on the grounds that the condition of village halls was of a good standard. However, Members resolved to retain the budget as they felt there was still a need to invest in village hall improvement and the Council's grant fund often enabled village halls to access other grants. The 2008-9 budget was funded on a one year basis, but Members felt it should be considered for permanent funding in the 2009-10 budget.

## Uncommitted Growth Items: Leader and Resources Portfolio

### Performance and Improvement Portfolio

Service	Recurring £	Non- Recurring 2009-2010 £	Non- Recurring 2010-11 £	Identified Strategic Action Costs	Resource Allocation Category	Notes
1 Communications and Consultation		13,000		x	M	1
2 Council Centres	1,500			x	M	2

#### Notes

1. The production and distribution of 26,000 copies of the Authority's A-Z of services. The former Joint Leaders suggested the production of this document on a biennial basis. This would replace the second issue of Eye on Eden.
2. For a number of years the Council has funded the maintenance of IT at the Kirkby Stephen Council Centre from the IT Section budget. This is no longer sustainable. However, the Centre provides a valuable range of services and a growth item is proposed.



## **Appendix C**

**Intentionally Blank**

### Summary of Growth: Leader and Resources Portfolio Holder Proposals

Portfolio	Recurring		Non Recurring	
	Starting in 2009/10	Starting in 2010/11	2009/10	2010/11
	£	£	£	£
Leader				32750
Resources	20800		23750	
Environment	29650	48790	79910	51260
Economy			18380	3500
Housing	36150	49730	9750	
Community			20000	
Performance and Imp			1500	1500
<b>Total</b>	<b>86600</b>	<b>98520</b>	<b>153290</b>	<b>89010</b>

**Intentionally Blank**

## Uncommitted Growth Items: Leader and Resources Portfolio Proposal

### Leader Portfolio

	<b>Service</b>	<b>Recurring</b>  £	<b>Non-Recurring</b> <b>2009-2010</b> £	<b>Non-Recurring</b> <b>2010-11</b> £	<b>ISAC**</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
1	Local Strategic Partnership – Policy and Partnership Officer			25,960	✓	M	No change. The Council needs to continue its support for the LSP.
2	Strategic Partnerships Business Unit – Consultation Officer			6,790	✓	M	The recurring growth from April 2010 is replaced with an extension of the post by six months until 30 September 2010. This allows the post to be considered in the 2010-11 estimate cycle.

\* From April 2010 onwards

\*\* Identified Strategic Action Costs

\*\*\* Resource Allocation Category

## Uncommitted Growth Items: Leader and Resources Portfolio Proposal

### Resources Portfolio

	<b>Service</b>	<b>Recurring</b>  £	<b>Non-Recurring</b> <b>2009-2010</b> £	<b>Non-Recurring</b> <b>2010-11</b> £	<b>ISAC**</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
1	Electoral Registration – Postal Vote Identifier Software	800	3,750		x	M	No change. Without this software it would not be possible to effectively improve the validity of postal votes.
2	Legal Services – Professional Fees		20,000		x	M	No change. However, it is noted that prior to the next estimate cycle a review will be undertaken of the Legal Services Section.
3	Committee and Member Costs – Scheme of Allowances	20,000			x	M	No change. Without some additional budget it is likely Members will not be able to fully respond to the proposals of the Independent Remuneration Panel when they review the scheme.

\* From April 2010 onwards

\*\* Identified Strategic Action Costs

\*\*\* Resource Allocation Category

**Uncommitted Growth Items: Leader and Resources Portfolio Proposal  
Environment Portfolio**

	<b>Service</b>	<b>Recurring £</b>	<b>Non- Recurring 2009-2010 £</b>	<b>Non-Recurring 2010-2011 £</b>	<b>ISAC**</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
1	Development Control - Planning Technician x 2 FTE	48,790 *			✓	M	) No change. When the Government ) increased fees from April 2008, it ) stated that the additional funding ) generated should be used to ) replace the Development Control ) element of Planning Delivery Grant ) (PDG). The latter has ceased and ) was previously used to increase the ) capacity of Development Control. In ) particular, these three posts were ) funded from PDG.
2	Development Control - Enforcement Technician	26,650			✓	M	
3	Appleby Fair  Ramp Installation (£1,000) Litter Clearing (£2,000) Toilets (5,000) Water Buoy (£2,000)	3,000	7,000		x	M	No change. The recurring element relates to items considered essential. The non-recurring element relates to items that will be considered in the next estimate cycle. By then, potential funding from other sources may be available.

**Uncommitted Growth Items: Leader and Resources Portfolio Proposal**  
**Environment Portfolio (continued)**

	<b>Service</b>	<b>Recurring</b>  £	<b>Non-Recurring</b> <b>2009-2010</b> £	<b>Non-Recurring</b> <b>2010-2011</b> £	<b>ISAC**</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
4	Recycling - Garden Waste Kerbside				x	B	Deleted. Whilst a priority area, recycling levels are at acceptable levels.
5	Technical Officer x 0.5 FTE – Climate Change		17,830		x	M	The recurring growth is replaced with a non-recurring growth. This resource is considered essential to enable the Council to address its role in climate change. However, during next year, a number of funding streams may become available, eg through the Cumbria Improvement and Efficiency Partnership. The resource needs will be reconsidered in the next estimate cycle. During the year a review of capacity within the recycling team will be undertaken to establish whether this resource is needed in the longer term.
6	Contaminated Land - Support Officer		30,000		✓	M	Non-recurring growth for 2010-11 deleted. The work requirement should be reassessed during 2009-10 when the detail is being undertaken. Future resourcing requirements will be reconsidered in the next estimate cycle.



**Uncommitted Growth Items: Leader and Resources Portfolio Proposal**  
**Environment Portfolio (continued)**

	<b>Service</b>	<b>Recurring</b>	<b>Non- Recurring 2009-2010</b>	<b>Non- Recurring 2010-2011</b>	<b>ISAC**</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
		£	£	£			
7	Building Regulations - Building Control Officer			17,590	✓	M	The recurring growth from April 2010 is replaced by a six month extension of the post until 30 September 2010. This allows the post to be reconsidered in the light of the impact of the economic downturn on the level of Building Control fees.
8	Local Plans and Policy - Local Plans Officer			18,080	✓	M	The recurring growth from April 2010 is replaced by a six month extension of the post until 30 September 2010. This allows the post to be reconsidered in the next estimate cycle.
9	Local Plans and Policy - Environment Sustainability Officer			15,590	✓	M	The recurring growth from April 2010 is replaced by a six month extension of the post until 30 September 2010. This allows the post to be reconsidered in the next estimate cycle.

**Uncommitted Growth Items: Leader and Resources Portfolio Proposal**  
**Environment Portfolio (continued)**

	<b>Service</b>	<b>Recurring</b>	<b>Non-Recurring 2009-2010</b>	<b>Non-Recurring 2010-2011</b>	<b>ISAC**</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
		£	£	£			
10	Parking Assistant x 0.7 FTE		15,080		✓	M	No change. It was noted that, by March 2011, the parking arrangements may have fundamentally changed across the County.
11	Environmental Enhancement – Management Plans for Conservation Areas				x	M	Non-recurring growth in 2009-10 deleted. This was not considered essential.
12	Support Passenger Transport – Contribution to Rural Wheels		10,000		x	Z	No change. This supports the transport provisions in the core strategy. The total cost of the scheme in 2008-9 is expected to be £34,000.
13	Provision of Amenities – Maintenance of Posts and Chains in Appleby				x	Z	Deleted – Category Z.

- \* From April 2010 onwards
- \*\* Identified Strategic Action Costs
- \*\*\* Resource Allocation Category

**Uncommitted Growth Items: Leader and Resources Portfolio Proposal**  
**Economy Portfolio**

	<b>Service</b>	<b>Recurring</b>	<b>Non-Recurring</b>	<b>Non-Recurring</b>	<b>ISAC**</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
		<b>£</b>	<b>2009-2010</b>	<b>2010-11</b>			
			<b>£</b>	<b>£</b>			
1	Tourist Information Centres – Destination Management System		6,720		x	B	) No change. Without this funding the level of service in a Council priority area would fall. However, prior to the next estimate cycle, prioritisation of expenditure should be undertaken to see if these can be funded on a recurring basis by viring from the existing base budget. ) ) )
2	Tourism Promotion – Report analysing Tourism Spend		2,500		x	B	
3	Economic Development and Tourism – Site Database		5,660		✓	B	
4	Industrial Estates – Verge Maintenance		500	500	x	M	No change. This item should fall out once Eden Business Park is fully sold.
5	Business Support – Support for Service-Based Businesses				✓	B	Deleted. It is proposed that the uncommitted LABGI monies in 2008-9 (£10,760) are rolled forward to fund this growth item.
6	Economic Development – Joint Funding of Management of New Arrangements: Collaboration of Eden, South Lakes and County.		3,000	3,000	x	B	No change. The Council has agreed, in principle, to participate.

\* From April 2010 onwards

\*\* Identified Strategic Action Costs

\*\*\* Resource Allocation Category

**Uncommitted Growth Items: Leader and Resources Portfolio Proposal  
Housing Portfolio**

	<b>Service</b>	<b>Recurring £</b>	<b>Non- Recurring 2009-2010 £</b>	<b>Non- Recurring 2010-2011 £</b>	<b>ISAC*</b>	<b>RAC***</b>	<b>Reason for Proposal</b>
1	Housing Standards – Relaunch of Accredited Landlord Scheme		1,750		x	A	) No change. Affordable housing is the Council’s top priority. ) ) ) ) )
2	Housing Enabling – Supported Housing Officer	36,150*			✓	A	
3	Housing Enabling – Housing Research Officer	13,580*			✓	A	
4	Housing Enabling – Affordable Housing Officer	36,150			✓	A	
5	Housing Enabling – Choice Based Letting Scheme		8,000		✓	A	

\* From April 2010 onwards

\*\* Identified Strategic Action Costs

\*\*\* Resource Allocation Category

**Uncommitted Growth Items: Leader and Resources Portfolio Proposal  
Community Portfolio**

	<b>Service</b>	<b>Recurring £</b>	<b>Non- Recurring 2009-2010 £</b>	<b>Non- Recurring 2010-2011 £</b>	<b>ISAC**</b>	<b>RAC***</b>	<b>Proposal and Reason</b>
1	Parks and Open Spaces – Tree Maintenance		10,000		x	M	The non-recurring growth of £10,000 in 2010-11 has been deleted. The overall requirement for this work can be assessed during 2009-10 and a growth item submitted, if required, in the 2010-11 estimate cycle.
2	Rural Issues – Village Hall Grants		10,000		x	M	The recurring growth of £10,000 has been deleted and replaced with a non-recurring item. If required, a growth item can be submitted in the 2010-11 estimate cycle.

\*From April 2010 onwards

\*\*Identified Strategic Action Costs

\*\*\*Resource Allocation Category

**Uncommitted Growth Items: Leader and Resources Portfolio Proposal**  
**Performance and Improvement Portfolio**

	<b>Service</b>	<b>Recurring</b>  £	<b>Non-Recurring</b> <b>2009-2010</b> £	<b>Non-Recurring</b> <b>2010-11</b> £	<b>ISAC**</b>	<b>RAC***</b>	<b>Proposal and Reason</b>
1	Communications and Consultation – A-Z of Services				x	M	Deleted.
2	Council Centres – Kirkby Stephen: IT Support	1,500			x	M	It was felt that this small amount enables the Council Centre to continue its services which strongly support those of the Council. However, it is understood that the County are considering this as a Local Links Centre.

\*From April 2010 onwards

\*\*Identified Strategic Action Costs

\*\*\*Resource Allocation Category

## **Appendix D**

**Intentionally Blank**



## Medium Term Financial Projection

	2009-10 £'000	2010-11 £'000	2011-12 £'000	2012-13 £'000	Assumptions
Base Budget	8,980	9,285	9,574	9,885	1
National Insurance	0	0	26	27	2
Extra Pension Costs	0	51	53	54	3
New Squares Rental	0	0	-228	-456	4
Tendering of Contracted Services	0	0	125	125	5
Local Elections	0	0	97	0	6
Statutory Consultation	0	10	0	10	
Non-Recurring Costs	25	0	0	0	
Proposed Growth: Recurring	87	188	194	200	7
: Non-Recurring	153	89	0	0	
BTB Savings	0	-52	-54	-55	8
Interest Receivable	-355	-263	-307	-344	9
Second Homes' Grant	-180	-189	-198	-208	10
Concessionary Travel Grant	-354	-363	-372	-381	
Net Expenditure	8,356	8,756	8,910	8,857	
Budget Requirement	8,055	8,304	8,486	8,678	11
Annual Deficit	301	452	424	179	

### Assumptions

1. Inflation runs at an average 3.25%. This is based on a 2.5% increase for salaries, a 6% increase for contracted services and a 2.0% for all other costs and income.
2. The Chancellor's pre-Budget statement increased employers' National Insurance from 1 April 2011 by 0.5 of a percentage point.
3. Following the triennial pension revaluation, employers' pension contributions will increase by 1 percentage point per annum cumulatively over 2008-11. This reflects the final increase for 2010-11. The 2009-10 increase is in the base budget.
4. The projected income (£415,000 per annum, plus inflation since July 2005) relates to the minimum ground rent included in the developer's proposal that was agreed at the Resources Committee meeting on 20 March 2003. Clearly, this income cannot be guaranteed until the development is complete. The income is assumed to arise from 1 October 2011 onwards.
5. £300,000 is the estimated one-off costs of tendering the blue collar and leisure management contracts, with new contracts to start in 2012. £50,000 was budgeted for in 2008-9.
6. This represents the extra direct cost of an all-out Eden only election.
7. Proposed growth per Leader and Resources Portfolio Holder.
8. This is the total target for Budget Efficiency reviews under Balancing the Budget for 2009-11, less those built into the detailed estimates for 2009-10.

9. Investment returns have been based on assumed base rate plus 0.5 of a percentage point as follows: 2009-10: 2%, 2010-11: 2%, 2011-12: 2.5% and 2012-13: 3%.
10. This is the grant from the County, assuming that negotiations are successfully concluded. In addition, there is £80,000 within the Council Tax income which is the Council's 'as of right' share.
11. The Budget Requirement has been set so as to produce a 4.99% annual Council Tax increase. This accords with the Government's expectation of increases below an average of 5%. However, there may come a point at which above inflation increases are no longer politically acceptable.

**See overleaf for the impact of the above on Council Tax**

## Impact of Estimated Revenue Outturn on Council Tax

	2009-10 £'000	2010-11 £'000	2011-12 £'000	2012-13 £'000	Notes
<b>Impact on Council Tax</b>					
Budget Requirement	8,055	8,304	8,486	8,678	See above
Less: Government Cash Support	4,571	4,646	4,646	4,646	1
Collection Fund surplus	0	0	0	0	
Borne by Council Tax	3,484	3,658	3,840	4,032	
Tax Base (properties)	20534	20534	20534	20534	
Band D Council Tax	169.65	178.12	187.00	196.33	
% Increase	4.99	4.99	4.99	4.99	

### Notes

- For 2009-10 and 2010-11, grant is shown at the indicative figure in CSR07: the former has now been confirmed as the provisional figure. Thereafter, it is assumed that, over the three year period of the next Comprehensive Spending Review, Government cash support will be frozen. This is in the light of the Government's clear message that once the recession ends, public spending will need to be curtailed.

**Intentionally Blank**

## Agreed Executive Recommendation

The Leader and Resources Portfolio Holder proposals set out in section 19 (pages 11 to 12) of the report were agreed, with the following changes to the proposed growth list set out in Appendix C (page 49):

Growth Item Reference		Description	Leader/Resources Portfolio Holder Proposal	Agreed by Executive
Page	Item No			
55	1	Planning Technicians x 2	Both posts to become permanent from April 2010	One post to become permanent from April 2010. The other to be extended by six months from April 2010 to September 2010.
57	7	Building Control Officer x 1	To be extended by six months from April 2010 to September 2010.	To be extended by twelve months from April 2010 to March 2011.
58	12	Support Rural Wheels	£10,000 contribution in 2009/10	£5,000 contribution in 2009/10 - County have confirmed this will not impact on service.