

Meeting:	NuLeAF Annual General Meeting, 20 Oct 2010
Agenda Item:	5
Subject:	Finances and Funding
Authors:	Fred Barker and Catherine Draper
Purpose:	To provide a financial statement for 2009-10, and report on the prospects for future funding

Introduction

This report provides a financial statement for 2009-10. It also outlines prospects for future funding.

Recommendations

It is recommended that the AGM agree:

- 1) the out-turn statement for 2009-10;
- 2) to hold the level of requested payments from contributing authorities in 2011-12 to the current rates; and
- 3) that the Steering Group keeps efforts to secure income under review at its meetings throughout 2011.

Out-turn for Financial Year 2009-10

The out-turn statement for FY 2009-10 is shown in the attached table. This shows an expenditure of £117,974.09 and income of £129,930.00. Adding the surplus of £11,955.91 to the reserves brought forward of £103,849.14 produces reserves carried forward of £115,805.05.

It was agreed at the AGM in October 07 that NuLeAF's accounts be audited by Suffolk County Council on an annual basis. The second annual audit confirms the out-turn for 2009-10 and comments that the overall management of NuLeAF finances is effective.

Estimates for FY 10-11

The attached table also shows the estimated expenditure and income for FY 10-11

The estimated expenditure for 2010-11 is £120,241, which is £2,267 more than in 09-10. This allows for inflationary increases in expenditure.

The estimated income is £95,015, including:

- A contribution of £50,000 from the NDA.
- An income of £24,015 from member authorities. This is lower than 09-10 due to the loss of two contributing members (Stroud DC and Tameside MBC)
- An anticipated income of £1,000 from registration fees from non-contributing members and other bodies from a seminar to take place in late March 2011.
- An anticipated income of £20,000 for 'commissioned work', carried out on behalf of the West Cumbria Managing Radioactive Wastes Partnership (regarding the process for siting a Geological Disposal Facility) and for potential work carried out on behalf of Somerset local authorities (regarding radioactive waste management aspects of the proposed Hinkley Point C station).

The Secretariat has been advised that there will be no grant income from DECC in this financial year.

The anticipated shortfall of £25,226 can be met from reserves. Taking into account the redundancy reserve contingency this generates an available end of year reserve of £75,579.05.

Payments from Contributing Authorities in 2011-12

In view of the current financial climate it is proposed to hold the level of requested payments from contributing authorities in 2011-12 to the current rates. This means that the levels would be:

Population	Annual Contribution 11-12
Up to 100k	£665
100k-200k	£995
200k-500k	£1330
500k-1m	£2035
Above 1m	£2660

Estimates for FY 2011-12

The attached table shows estimates for FY 2011-12 based on pessimistic assumptions about income, including no receipt of monies from Government and NDA. On these assumptions, NuLeAF could continue to employ its staff until only the end of January 2012. At that point it would have to draw on its redundancy reserve of £17,500.

At its meeting on 1 October, the Strategy Review Group agreed that steps should be taken to seek to maintain existing funding and to raise new income. The steps include:

- Representations to Ministers and NDA
- Exploring the possibility of securing funding from Site Licensee Companies
- Increasing ‘commissioned’ income from work carried out for member authorities

Preparatory work for these steps is underway.

It is recommended that the Steering Group keeps efforts to secure income under review at its meetings throughout 2011.

NuLeAF out-turn for FY 2009-10 and projections for 2010-11 and 2011-12

	2009-10 Actuals	2010-11 Estimates	2011-12 Estimates
EXPENDITURE			
Salaries and wages ¹	97,423.21	97,810.00	98,120.00
Travel, accommodation and subsistence ²	11,481.66	13,950.00	14,648.00
Room hire and catering ³	3,517.94	4,800.00	5,040.00
Hospitality ⁴	0	100.00	100.00
Printing, postage & stationery	459.61	700.00	736.00
Staff office costs and expenses ⁵	4,004.98	2,290.00	2,405.00
Audit costs	1,086.69	591.00	650.00
Total	117,974.09	120,241.00	121,699.00
INCOME			
NDA ⁶	50,000.00	50,000.00	0.00
Local authorities ⁷	26,010.00	24,015.00	12,000.00
DECC ⁸	50,000.00	0.00	0.00
NuLeAF seminars ⁹	2,100.00	1000.00	2,000.00
'Commissioned' work ¹⁰	1,820.00	20,000.00	20,000.00
Total	129,930.00	95,015.00	34,000.00
Balance b/fwd	103,849.14	115,805.05	90,579.05
+ / (-): Surplus / (loss) for financial year	11,955.91	(25,226)	(87,699.00)
Reserve c/fwd	115,805.05	90,579.05	2,880.05
Redundancy reserve contingency ¹¹	10,000.00	15,000.00	17,500.00
Available reserve	105,805.05	75,579.05	(14,619.95)

¹Includes all 'on-costs' i.e. National Insurance and pension contributions. National Insurance contributions will rise by 0.5% wef April 2011. Salaries remain frozen.

²Travel, accommodation and subsistence costs are for NuLeAF staff

³Includes expenditure for Steering Group, Working Groups and Regional Seminars.

⁴Provision for modest hospitality costs associated with guest speakers at NuLeAF events

⁵Included in office costs are telephone charges, mobile calls, website costs and sundry expenses.

⁶NDA income for 2010-11 has been received, but for 2011-12 is highly uncertain

⁷Given the financial restrictions on local government it is considered likely that there will be a sharp drop off in numbers of contributing members in FY 2011-12.

⁸Given the restrictions on public sector funding, it is assumed that no DECC funding will be available in 2010-11 and 2011-12

⁹A seminar on LLW management and planning is scheduled for the end of FY 2010-11

¹⁰This includes income from the West Cumbria Managing Radioactive Wastes Partnership (regarding the process for siting a Geological Disposal Facility) and for potential work carried out on behalf of Somerset local authorities (regarding radioactive waste management aspects of new nuclear build)

¹¹The projected increase in 2010-11 and thereafter accounts for the inclusion of NuLeAF's Business Support Coordinator