

Meeting:	NuLeAF Annual General Meeting, 12 Oct 06
Agenda Item:	4
Subject:	Finances
Author:	Fred Barker
Purpose:	To provide a financial statement for 05-06 and report on the prospects for future funding

Introduction

This report provides a financial statement for 05-06 and reports on prospects for funding from the NDA, Nirex, DEFRA and member authorities.

Recommendations

It is recommended that the AGM:

- agree the out-turn statement for 2005/06
- decide whether an increase in requested payments from contributing authorities should be put in place for the next financial year and, if so, to what level.

Out-turn for Financial Year 2005/06

The out-turn statement for FY 05-06 is attached. This shows an expenditure of £30,245 and income of £94,500. Adding the surplus of £64,255 to reserves of £29,300 produces reserves carried forward of £93,555.

Expenditure in 05-06 was significantly lower than anticipated because of delay in appointment of the Executive Director.

Prospects for Funding in 2006/07 and 2007/08

Projections for the current and next financial years show increases in anticipated income to £121,750 and £130,000 respectively.

These increases are projected to arise mainly from an increased level of contributions from member authorities and from funding from DEFRA.

The basis for the 06/07 estimates is as follows:

- NDA: In principle the NDA is minded to make a financial contribution for this financial year, but this is likely to be at a reduced level because of a funding

request from the new Scottish group on nuclear legacy management. A reduction from £60,000 to £30,000 has been assumed.

- Nirex: The secretariat has been informed that a payment of £40,000 will be made for this financial year.
- DEFRA: The possibility of funding has been pursued with DEFRA. Indications are that a positive response will be forthcoming after the Government response to CoRWM has been announced. An annual payment of £40,000 has been assumed.
- Member Authorities: the request to member authorities for contributions for this financial year was made following the last meeting of the Steering Group. Two authorities are making contributions for the first time – Hampshire County Council and South Gloucestershire District Council. A modest increase in income from member authorities to £11,750 has been assumed.

Projections for 2006/07 and 2007/8

Substantial increases in expenditure are projected for the current and next financial years, based largely on the need to meet salary and on-costs for NuLeAF staff. Expenditure related to the appointment of a Project Officer has been included in the projections.

The Steering Group will note that a small surplus of £6,350 is estimated for 06/07, but that a deficit of £36,300 is projected for the next financial year. This deficit can be met from reserves, but in subsequent years income will have to be increased so that it is closer to anticipated levels of expenditure.

Level of Annual Contributions

The level of requested annual payments has remained the same over the last two financial years. Members are asked to consider whether an increase should now be put in place and, if so, to what level.

Current payment levels and illustrative potential increases are as follows:

Population	Current rate	10% increase	20% increase	50% increase	100% increase
Up to 100k	£500	£550	£600	£750	£1000
100k – 200k	£750	£825	£900	£1125	£1500
200k – 500k	£1000	£1100	£1200	£1500	£2000
500k – 1m	£1500	£1650	£1800	£2250	£3000
Above 1m	£2000	£2200	£2400	£3000	£4000
Increase (current payees)	NA	£1175	£2350	£5875	£11,750

When considering potential increases in payment levels, Members should bear in mind the need to retain existing, and attract new, contributors.

NuLeAF Out-turn for FY 05-06 and Projections for 06/07 and 07/08			
Expenditure	05/06 actual	06/07 estimates	07/08 estimates
Exec Director	5,835.00 ¹	45,000.00 ⁷	66,000.00
Project Officer	-----	15,000.00 ⁸	43,000.00
Personal Asst	-----	23,500.00 ⁹	25,400.00
Exec Dir & PA Support	-----	9,000.00 ¹⁰	12,000.00
Secretariat Services	15,600.00 ²	8,000.00	5,000.00
Consultancy	4,350.00 ³	6,000.00	6,000.00
Expenses	1,585.00 ⁴	3,000.00	2,000.00
Room Hire/Catering	1,000.00 ⁵	3,000.00	3,000.00
Print & Design	1,705.00 ⁶	2,500.00	3,500.00
Postage	170.00	400.00	400.00
TOTAL	30,245.00	115,400.00	166,300.00
INCOME			
NDA	60,000.00	30,000.00	45,000.00
NIREX	25,000.00	40,000.00	25,000.00
Local Authorities	9,500.00	11,750.00	20,000.00
DEFRA	-----	40,000.00	40,000.00
TOTAL	94,500.00	121,750.00	130,000.00
Surplus +/-	64,255.00	6,350.00	-36,300.00
Reserves b/f	29,300.00	93,555.00	99,905.00
Reserves c/f	93,555.00	99,905.00	63,605.00

Notes

1. Actual costs for Exec Director salary and 'on costs' (pension and NI) are much lower than originally projected because of delay in appointment. The costs include a charge from Suffolk County Council for costs incurred for establishing and advertising Exec Director post. 100% estimated costs apply in 2007/08.
2. 2005/06 charge arises from the Joint Cumbria & Manchester Secretariat staff hours logged, apportioned employers costs and office overheads. It is anticipated that these costs will decrease in current and next financial years.
3. NuLeAF contributed £4,000 to Enviro Community Benefit research. Small fees were paid on two occasions for presentations to the April 2005 and July 2005 NuLeAF meeting.
4. Travel, hotel and out-of-pocket expenses paid to speakers invited to NuLeAF meetings and to Secretariat staff conducting NuLeAF business.
5. Room hire and meeting catering charges (7 items totalling £1,000 precisely!).

6. Production of letterhead, folders and NuLeAF displays.
7. Post not filled on a full-time basis until 1 September 2006 therefore salary and 'on costs' are not for a full year.
8. Projected salary, pension/NI and office costs for Project Officer, starting in December 06.
9. Post commenced on 15 May 2006 therefore salary and 'on costs' are not for a full year.
10. Estimates for Exec Director & PA travel and expenses and other ED office overheads.