

**Local Government Implementation Reserve – Criteria to determine eligibility (Draft)**

1. To deliver the creation of 2 unitary authorities within Cumbria, a single Local Government implementation reserve will be created.
2. The following principles will be used to determine expenditure eligible to be met from the reserve:
  - a) Costs of creating the shadow unitary authorities (test: would this cost be incurred if LGR were not occurring?); or
  - b) Costs of establishing the safe and legal new unitary authorities including the aggregation and disaggregation of services, assets, liabilities and funding; or
  - c) Costs of staff seconded to the LGR programme team.
  - d) Examples of eligible expenditure against the reserve being, but not limited to, the following:
    - i. Additional staff capacity to deliver the programme
    - ii. Procurement of specialist support and advisory services
    - iii. Communication and public consultation
    - iv. Systems and Information Technology
    - v. Election costs with regards to the two new unitary authorities
    - vi. Running costs related to the shadow authorities
    - vii. Rebranding, implementation and creating the two new unitary authorities
3. The following costs will **not** be eligible for funding from implementation funding:
  - i. Costs of continued functioning of Council services and operations to vesting day; or
  - ii. Costs relating to transformation and investment to deliver savings; or
  - iii. To clarify, costs of creation of new entities including parish or town councils ahead of decisions by shadow authorities are not eligible.
  - iv. Costs beyond 1 April 2023 unless otherwise approved and falling into 2) above.
4. Any changes to the scope of the activity which can be funded from the reserve will only be made with the agreement of the County Council and all the District Councils.