

REVISED MEDIUM TERM FINANCIAL STRATEGY
General Fund Budget Projections 2009/10 – 2013/14
As at 1st June 2010

APPENDIX 2

	<i>2009/10</i>	<i>2010/11</i>	<i>2011/12</i>	<i>2012/13</i>	<i>2013/14</i>
Base Budget	18,167,000	18,167,000	16,775,000	15,764,000	15,381,000
New Initiatives : Corporate Plan	-	130,000	250,000	250,000	250,000
Reduced investment interest	-	434,000	100,000	100,000	-
Subsidy provision for Colosseum	-	107,000	-107,000	-	-
Elections	-	150,000	-70,000	-	-80,000
Pay Inflation & Job Evaluation	-	532,000	380,000	380,000	380,000
Commercial Rents shortfall/ reinstate	-	406,000	-	-300,000	-106,000
Pensions Fund Revaluation	-	-	-	250,000	-
Service Growth	-	415,000	-	-	-
Projected Expenditure	18,167,000	20,341,000	17,328,000	16,444,000	15,825,000
SLM I	-	-120,000	-	-	-
Value for Money studies (5%)	-	-114,000	-150,000	-50,000	-50,000
Procurement savings	-	-354,000	-100,000	-100,000	-100,000
Community Centres	-	-80,000	-80,000	-	-120,000
New Commercial Rents	-	-152,000	-300,000	-	-
Concessionary Fares	-	-240,000	-	-	-
Shared Services-Operating Costs	-	-538,000	-103,000	-	-
Shared Services - implementation Costs	-	-662,000	-456,000	-29,000	-
Service Efficiencies	-	-726,000	-485,000	-834,000	-438,000
Accommodation reductions	-	-300,000	-70,000	-50,000	-50,000
Outturn 2008/2009 variations-net	-	-100,000	-	-	-
Housing Benefit Subsidy	-	-180,000	180,000	-	-
Net Expenditure	18,167,000	16,775,000	15,764,000	15,381,000	15,067,000
Budget Shortfall	-	(243,000)	-	-	-
Net Expenditure	18,167,000	16,532,000	15,764,000	15,381,000	15,067,000

Net Expenditure	18,167,000	16,532,000	15,764,000	15,381,000	15,067,000
LESS					
Use of General reserves	-1,906,000	0	0	0	0
Formula Grant reduced 5% yr on yr	-8,032,000	-8,072,000	-7,668,000	-7,285,000	-6,921,000
Collection Fund	-157,000	-109,000	0	0	0
General Fund		-346,000	0	0	0
Council Tax Requirement	8,072,000	8,005,000	8,096,000	8,096,000	8,146,000
Council Tax Base	31,841	32,041	32,405	32,405	32,605
Formula Grant reduced by additional 2.5%			7,476,000	7,103,000	6,748,000
Additional Savings required			192,000	182,000	173,000
Formula Grant reduced by additional 5%			7,285,000	6,921,000	6,575,000
Additional Savings required			383,000	364,000	346,000

The Council Tax for 2009/2010 at Band D is £253.50

For 2010/2011 it is £249.84

For 2011/12 & 2012/13 the Council tax base is geared to a 98% Collection Level (97.5% in 2010/11) and with an additional 200 CT Base for new properties coming in. £249.84 £249.84

For 2013/2014 a further 200 new CT Base properties £249.84

Notes to the Revised MTFS

New Initiatives: the £130k in 2010/2011 and £250k per annum thereafter is not 'committed' and can be deleted from the MTFS.

Forecast Savings in 2010/2011: most of the forecast savings are likely to be achieved. We still have to deliver on the VFM £114k of saving but the remainder appear, at this time, to be achievable. It is the intention however that The Managing Director, Executive Directors and Head of Strategic Finance regularly review progress in delivering a 2010/2011 revenue budget within the approved control total. If corrective actions are required then they will be reported to Budget Panel and Cabinet.

Forecast Savings in 2011/12: by reference to the figures within this MTFS the target for efficiencies includes the following which have yet to be identified:

	£k
Value for Money	150
Procurement	100
Community Centres (full year saving)	80
Shared Services Operating	103
Services Efficiencies (unidentified)	485
Accommodation Reductions (part)	50
Sub total	968
Expenditure currently funded from Specific grants	350
Delete Provision for New Initiatives	250

Total 1,068 (which represents approx 6.3% of current year's budget)

Further Government Grant reduction:

If 7.5% cash reduction	192
If 10 % cash reduction	383

Bernard Clarke, HOSF, 25th June 2010.