

REVISED MEDIUM TERM FINANCIAL STRATEGY
General Fund Budget Projections 2010/11 – 2014/15
As at 1st December 2010

APPENDIX 1

	2010/11	2011/12	2012/13	2013/14	2014/2015
Base Budget	16,812,000	16,832,000	14,991,000	14,462,000	14,508,000
New Initiatives : Corporate Plan	(130,000)	0	0	0	0
Reduced investment interest	200,000	150,000	50,000	50,000	50,000
Commercial Rents shortfall/ reinstate	300,000	(300,000)	(200,000)	(100,000)	0
Land Charges	20,000	40,000	10,000	10,000	0
VFM -not achieved	100,000	0	0	0	0
SLM- utility costs/ management fee	(130,000)	0	0	0	0
Subsidy provision for Colosseum	0	(34,000)	(110,000)	0	0
Elections	0	(70,000)	0	(80,000)	150,000
Pay Inflation/ Increments	0	380,000	380,000	380,000	380,000
Pensions Fund Revaluation	0	0	250,000	0	0
Miscellaneous savings	(60,000)	0	0	0	0
Projected Expenditure	17,112,000	16,998,000	15,371,000	14,722,000	15,088,000
Concessionary Fares-transfer to HCC	0	(750,000)	0	0	0
Community Centres	0	(80,000)	0	0	0
Shared Services-Operating Costs	0	(103,000)	0	0	0
Shared Services - implementation Costs	0	(429,000)	(11,000)	(19,000)	0
Earmarked Reserves	(280,000)	280,000	0	0	0
Housing Benefit Subsidy	0	180,000	0	0	0
Price Inflation to Estimates		200,000	200,000	200,000	200,000
Service Efficiencies	0	(1,305,000)	(1,098,000)	(395,000)	(1,080,000)
Net Expenditure	16,832,000	14,991,000	14,462,000	14,508,000	14,208,000

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LESS					
Use of General reserves	(300,000)	0	0	0	0
Formula Grant	(8,072,000)	(6,425,000)	(6,033,000)	(6,023,000)	(5,723,000)
Area based Grant re Council Tax Freeze	0	(200,000)	(200,000)	(200,000)	(200,000)
Collection Fund	(109,000)	(178,000)	0	0	0
General Fund	(346,000)	0	0	0	0
Council Tax Requirement	(8,005,000)	(8,188,000)	(8,229,000)	(8,285,000)	(8,285,000)

Council Tax Base	32,041	32,771	32,939	33,160	33,160
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The Council Tax for 2010/2011 at Band D is £249.84

For 2011/2012 and future years it reflects £249.84

no increase in council tax and the council tax base is geared to a 97.5% collection level in 2011/12 and 98% thereafter.

There is likely to be a collection fund surplus

In 2010/2011 available to support 2011/2012

Notes to the MTFS:

Formula Grant calculations are based upon the profile of front loaded reductions indicated within the CSR. For 2011/2012, it is assumed to fall initially by the transferring of concessionary fares to Herts County Council and the grant loss has been estimated to be £1,100k to £6,972k. This is then further reduced by 10% in 2011/2012 to £6,274k and an inflation factor of 2.4% is then applied to give Formula Grant of £6,425k. This is the base figure for future years. For 2012/13, there is an 8.3% reduction, offset by 2.4% inflation which equates to £6,033k. In 2013/2014, a 2.5% reduction, offset by 2.4% inflation giving £6,023k. Finally 2014/2015, a 7.2% reduction less 2.4% inflation equating to £5,723k. The total cumulative percentage loss of grant (excluding the concessionary fares adjustment and inflation uplift) is 28%.

Efficiency savings required in the four year period 2011/ 2015 are: £1.305m; £1.098m; £0.395m and £1.080m respectively. This cumulative total of £3.878m represents a reduction of 23% compared to the projected spend (£16.832m) for 2010/2011.