

DRAFT MEDIUM TERM FINANCIAL STRATEGY

Appendix A

	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s
Expenditure base budget	20,666	20,926	21,167	21,625
Inflation - Salaries	140	140	140	140
- Contracts	250	250	250	250
Total Inflationary Increases	390	390	390	390
Unavoidable budget pressures	186	202	402	75
Savings Target	(316)	(351)	(334)	(274)
Total Expenditure	20,926	21,167	21,625	21,816
Income base budget	(11,653)	(10,132)	(10,132)	(10,252)
Inflation	0	0	(120)	(120)
Other Growth - see Unavoidable budget pressures	147	0	0	0
Transfer New Homes Bonus to Funding Section	1,374			
Total Income	(10,132)	(10,132)	(10,252)	(10,372)
Net cost of service	10,795	11,036	11,374	11,445
Funding Analysis				
RSG	(2,003)	(1,404)	(1,100)	(800)
Estimated reduction in RSG	463	599	304	300
Estimated reduction in RSG %	-19%	-30%	-22%	-27%
Net Business Rates	(1,723)	(2,173)	(2,241)	(2,308)
Overall Central Government Funding	(3,726)	(3,577)	(3,341)	(3,108)
Estimated Council Tax Base	36,907	37,276	37,648	38,025
Band D Council Tax	137.16	137.16	139.89	142.67
Council Tax	(5,062)	(5,113)	(5,267)	(5,425)
	0.00%	0.00%	1.99%	1.99%
Council Tax Freeze Grant	(52)	(104)	(104)	(104)
Additional Grant for SPARSE authorities	(15)			
Collection Fund Surplus - Council Tax	(84)			
New Homes Bonus	(1,950)	(2,350)	(2,800)	(3,000)
Overall Funding Position	(10,889)	(11,144)	(11,512)	(11,637)
Budget (Surplus)/Deficit	(94)	(108)	(138)	(193)

Unavoidable Budget Pressures	2014/15	2015/16	2016/17	2017/18
Expenditure				
Increased contributions to GCC Pension Fund - Actuarial Valuation March 2013	202,000	202,000	202,000	
Savings on the disposal of Old Memorial Hospital	(9,000)			
Town and Parish Council Tax Support Grant	(40,000)			
Provision for increased costs of pensions auto-enrolment	100,000			
Increased NI as a result of changes to state pension scheme			200,000	
NDR Provision for leisure facilities current in base budget - move to Business Rates Financing Line	(124,500)			
Budget to reflect full cost of leisure and cultural services contract - Budget savings were based upon average contact sums - savings will be available in future years in accordance with contractor bid	57,000			
Partially funding Disabled Facilities Grants from revenue rather than capital				75,000
TOTAL	185,500	202,000	402,000	75,000
Income				
Realign budget to reflect change in relation to investment in new commercial property	50,000			
Loss of Rental income from Commercial Properties	4,000			
Reduction in Benefits Admin Subsidy from central government	8,000			
Council Tax Transition Grant - removal of funding from central government	15,808			
Share of Ctax Transition Grant to Town and Parish Councils - removal of funding from central government	(4,439)			
Council Tax Freeze Grant 2013/14 now in RSG	55,334			
Efficiency Grant for Rural Districts now in RSG	18,408			
TOTAL	147,111	0	0	0

Unavoidable Budget Pressures	2014/15	2015/16	2016/17	2017/18
Expenditure				
Increased contributions to GCC Pension Fund - Actuarial Valuation March 2013	202,000	202,000	202,000	
Savings on the disposal of Old Memorial Hospital	(9,000)			
Town and Parish Council Tax Support Grant	(40,000)			
Provision for increased costs of pensions auto-enrolment	100,000			
Increased NI as a result of changes to state pension scheme			200,000	
NNDR Provision for leisure facilities current in base budget - move to Business Rates Financing Line	(124,500)			
Budget to reflect full cost of leisure and cultural services contract - Budget savings were based upon average contact sums - savings will be available in future years in accordance with contactor bid	57,000			
Partially funding Disabled Facilities Grants from revenue rather than capital				75,000
TOTAL	185,500	202,000	402,000	75,000
Income				
Realign budget to reflect change in relation to investment in new commercial property	50,000			
Loss of Rental income from Commercial Properties	4,000			
Reduction in Benefits Admin Subsidy from central government	8,000			
Council Tax Transition Grant - removal of funding from central government	15,808			
Share of Ctax Transition Grant to Town and Parish Councils - removal of funding from central government	(4,439)			
Council Tax Freeze Grant 2013/14 now in RSG	55,334			
Efficiency Grant for Rural Districts now in RSG	18,408			
TOTAL	147,111	0	0	0

Capital and earmarked reserves				
	14/15	15/16	16/17	17/18
	£000s	£000s	£000s	£000s
Capital Reserves				
Opening Balance of UCR	(4,935)	(6,444)	(6,109)	(5,807)
Expenditure:				
Environmental Services Depot	2,195			
PSHR Capital Grant	942	942	942	942
ICT Capital funding	250	250	250	250
Other approved schemes	60	80		
Potential new schemes [currently unapproved]:	335	310	300	100
Provision for financing of Ubico Ltd waste vehicles	700			
Flood works	70			
Income:				
Capital Financed from Revenue - ICT Equipment	(250)	(250)	(250)	(250)
Capital Financed from Revenue - Part fund Dis Fac Grants				(75)
DFG Central Gov Grant	(422)	(422)	(422)	(422)
Expected capital receipts from asset sales	(4,875)			
Right to Buy and other misc. capital receipts	(150)	(150)	(150)	(150)
Loan repayment from LA Company	(364)	(425)	(368)	(343)
Estimated Closing Balance of Capital Receipts	(6,444)	(6,109)	(5,807)	(5,755)
Revenue Reserves				
<u>Council Priorities Fund (and CPF allocations)</u>				
Opening balance	(2,535)	(2,073)	(1,696)	(1,344)
Expenditure				
Leisure Schools One Off Payments			267	
Leisure and Cultural Services Price Freeze	62	127	85	42
Public Protection Legal Case	100			
Local Plan Development and Examination	250	250		
Projects to support transformational change	50			
Closing balance	(2,073)	(1,696)	(1,344)	(1,302)
<u>Other Earmarked Reserves (excluding CPF)</u>				
Opening balance	(1,254)	(945)	(849)	(837)
Expenditure	309	96	12	12
Income				
Closing balance	(945)	(849)	(837)	(825)
Total of Earmarked reserves	(3,018)	(2,545)	(2,181)	(2,127)
<u>General fund working balance</u>				
Opening balance	(1,934)	(2,028)	(2,137)	(2,275)
Expenditure				
Income				
Revenue budget (surplus)/deficit for the year	(94)	(108)	(138)	(193)
Closing balance	(2,028)	(2,137)	(2,275)	(2,467)