

## APPENDIX 3A

### MEDIUM TERM FINANCIAL STRATEGY - equalised savings but further savings still needed in 2012/13

|   | Actual<br>2005/06<br>£'000 | Projected<br>Estimate<br>2006/07<br>£'000 | Projected<br>Estimate<br>2007/08<br>£'000 | Projected<br>Estimate<br>2008/09<br>£'000 | Projected<br>Estimate<br>2009/10<br>£'000 | Projected<br>Estimate<br>2010/11<br>£'000 | Projected<br>Estimate<br>2011/12<br>£'000 |
|---|----------------------------|---|---|---|---|---|---|
| Base Budget   | 15,428                     | 17,041                                    | 17,012                                    | 17,443                                    | 18,319                                    | 18,818                                    | 19,288                                    |
| Transformation Project  |                            |   |   |   |   |   |   |
| Business Process Review (80% General Fund / 20% Housing Revenue Account)                          | 0                          | 124                                       | (191)                                     | (196)                                     | (201)                                     | (207)                                     | (224)                                     |
| Senior Management Team (80% General Fund / 20% Housing Revenue Account)                           | 343                        | (108)                                     | (144)                                     | (148)                                     | (152)                                     | (155)                                     | (159)                                     |
| <b>Further savings required</b>   | <b>0</b>                   | <b>0</b>                                  | <b>(1,223)</b>                            | <b>(1,445)</b>                            | <b>(1,481)</b>                            | <b>(1,518)</b>                            | <b>(1,556)</b>                            |
| Proposed new posts  |                            | 42  | 266                                       | 232                                       | 243                                       | 254                                       | 318                                       |
| <b>Additional service costs due to population growth, etc.</b>                                    | <b>0</b>                   | <b>0</b>                                  | <b>400</b>                                | <b>700</b>                                | <b>1,000</b>                              | <b>1,300</b>                              | <b>1,500</b>                              |
| <b>Net Portfolio Expenditure</b>  | <b>15,771</b>              | <b>17,099</b>                             | <b>16,120</b>                             | <b>16,586</b>                             | <b>17,728</b>                             | <b>18,492</b>                             | <b>19,167</b>                             |
| IDBs, Interest and Financing Charges  | (3,832)                    | (3,196)                                   | (2,626)                                   | (2,062)                                   | (1,809)                                   | (1,806)                                   | (1,792)                                   |
| <b>Net District Council General Fund Expenditure</b>  | <b>11,939</b>              | <b>13,903</b>                             | <b>13,494</b>                             | <b>14,524</b>                             | <b>15,919</b>                             | <b>16,686</b>                             | <b>17,375</b>                             |
| Appropriations to/from Balances   |                            |   |   |   |   |   |   |
| General Fund  | (474)                      | (1,357)                                   | (0)                                       | (347)                                     | (1,021)                                   | (1,029)                                   | (922)                                     |
| Earmarked Reserves  | 0                          | 0   | (111)                                     | (111)                                     | (111)                                     | (111)                                     | (111)                                     |
| ICT Reserve for nonrecurring revenue  | (92)                       | 0   | 0   | 0   | 0   | 0   | 0   |
| Formula Grant amendment for population in earlier years   | (24)                       | (60)                                      | 0   | 0   | 0   | 0   | 0   |
| <b>Budget Requirement for capping purposes (excluding parishes)</b>                               | <b>11,349</b>              | <b>12,486</b>                             | <b>13,382</b>                             | <b>14,066</b>                             | <b>14,787</b>                             | <b>15,546</b>                             | <b>16,342</b>                             |
| Formula Grant <b>(2.5% inflation plus 50% of growth in tax base)</b>                              | (6,266)                    | (7,114)                                   | (7,562)                                   | (7,830)                                   | (8,108)                                   | (8,396)                                   | (8,690)                                   |
| (Surplus)/Deficit on Collection Fund  | 34                         | 82  | 0   | 0   | 0   | 0   | 0   |
| <b>Demand on Collection Fund</b>  | <b>5,118</b>               | <b>5,454</b>                              | <b>5,820</b>                              | <b>6,236</b>                              | <b>6,679</b>                              | <b>7,150</b>                              | <b>7,652</b>                              |
|   | Number                     | Number                                    | Number                                    | Number                                    | Number                                    | Number                                    | Number                                    |
| Tax Base for Tax Setting Purposes   | 55,076                     | 55,954                                    | 56,909                                    | 58,130                                    | 59,352                                    | 60,574                                    | 61,796                                    |
| Basic Amount of Council Tax   | £                          | £   | £   | £   | £   | £   | £   |
| District only   | 92.93                      | 97.48                                     | 102.26                                    | 107.27                                    | 112.53                                    | 118.04                                    | 123.82                                    |
| Underlying Council Tax with no appropriations from the General Fund Balance or Earmarked Reserves | £                          | £   | £   | £   | £   | £   | £   |
|   | 103.62                     | 122.80                                    | 104.24                                    | 115.16                                    | 131.60                                    | 136.85                                    | 140.54                                    |
| <b>Balances at Year End</b>   | <b>£'000</b>               | <b>£'000</b>                              | <b>£'000</b>                              | <b>£'000</b>                              | <b>£'000</b>                              | <b>£'000</b>                              | <b>£'000</b>                              |
| General Fund  | (6,179)                    | (4,822)                                   | (4,822)                                   | (4,475)                                   | (3,454)                                   | (2,425)                                   | (1,503)                                   |