

## MEDIUM TERM FINANCIAL STRATEGY

Equalised savings but **further savings needed of £0.4 million in 2012/13 and £0.9 million in 2013/14** when balances are no longer available

**EXCLUDING all the substantial costs** for redundancy, early retirement and appointment of new staff resulting from the proposed restructuring of the second and third tier and the fixed term contract of the present Chief Executive

	Actual 2005/06 £'000	Projected Estimate 2006/07 £'000	Projected Estimate 2007/08 £'000	Projected Estimate 2008/09 £'000	Projected Estimate 2009/10 £'000	Projected Estimate 2010/11 £'000	Projected Estimate 2011/12 £'000	Projected Estimate 2012/13 £'000
Base Budget	15,428	16,803	17,012	17,443	18,319	18,818	19,288	20,102
Transformation Project								
Business Process Review (80% General Fund / 20% Housing Revenue)	0	324	(221)	(227)	(232)	(238)	(244)	(250)
Senior Management Team (80% General Fund / 20% Housing Revenue)	343	(108)	(144)	(148)	(152)	(155)	(159)	(163)
<b>Savings Proposals to be approved at cash outturn prices, i.e.inc.inflation</b>	<b>0</b>	<b>0</b>	<b>(1,133)</b>	<b>(1,107)</b>	<b>(1,134)</b>	<b>(1,163)</b>	<b>(1,192)</b>	<b>(1,222)</b>
<b>Additional Savings required to maintain minimum balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(402)</b>
New posts - State of the Nation report, Cabinet 14/09/06		42	266	232	243	254	318	326
<b>Provision for Spending Pressures 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>1,700</b>
<b>Net Portfolio Expenditure</b>	<b>15,771</b>	<b>17,061</b>	<b>16,180</b>	<b>16,893</b>	<b>18,044</b>	<b>18,816</b>	<b>19,511</b>	<b>20,091</b>
IDBs, Interest and Financing Charges	(3,832)	(3,531)	(3,026)	(2,612)	(2,284)	(2,106)	(2,042)	(2,038)
<b>Net District Council General Fund Expenditure</b>	<b>11,939</b>	<b>13,530</b>	<b>13,154</b>	<b>14,281</b>	<b>15,760</b>	<b>16,710</b>	<b>17,469</b>	<b>18,053</b>
Appropriations to/from Balances								
General Fund	(474)	(984)	339	(127)	(885)	(1,078)	(1,042)	(901)
Earmarked Reserves	0	0	(111)	(111)	(111)	(111)	(111)	0
ICT Reserve for nonrecurring revenue	(92)	0	0	0	0	0	0	0
Formula Grant amendment for population in earlier years	(24)	(60)	0	0	0	0	0	0
<b>Budget Requirement for capping purposes (excluding parishes)</b>	<b>11,349</b>	<b>12,486</b>	<b>13,381</b>	<b>14,043</b>	<b>14,763</b>	<b>15,521</b>	<b>16,316</b>	<b>17,152</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)	(8,994)
(Surplus)/Deficit on Collection Fund	34	82	0	0	0	0	0	0
<b>Demand on Collection Fund</b>	<b>5,118</b>	<b>5,454</b>	<b>5,820</b>	<b>6,213</b>	<b>6,655</b>	<b>7,125</b>	<b>7,626</b>	<b>8,158</b>
	Number	Number	Number	Number	Number	Number	Number	Number
Tax Base for Tax Setting Purposes	55,076	55,954	56,909	57,921	59,143	60,365	61,587	62,809
Basic Amount of Council Tax	£	£	£	£	£	£	£	£
District only	92.93	97.48	102.26	107.27	112.53	118.04	123.82	129.89
Underlying Council Tax with no appropriations from the General Fund Balance or Earmarked Reserves	£	£	£	£	£	£	£	£
	103.62	116.13	98.26	111.38	129.37	137.73	142.55	144.24
<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>	<b>£'000</b>
General Fund	(6,179)	(5,195)	(5,534)	(5,407)	(4,522)	(3,444)	(2,402)	(1,500)