

## DRAFT MEDIUM TERM FINANCIAL FORECAST

	Outturn 2007/08	Budget 2008-09	Projection 2008-09	Budget 2009-10	FC 2010-11	FC 2011-12	FC 2012-13	FC 2013-14	Rec
<b>SERVICE EXPENDITURE</b>									
<b>Services Sub-Total</b>	<b>26,143,031</b>	<b>22,325,765</b>	<b>22,893,373</b>	<b>22,770,096</b>	<b>22,808,388</b>	<b>23,264,555</b>	<b>23,753,111</b>	<b>24,251,926</b>	<b>38,292</b>
Capital Charges Reversed	(2,504,576)	(1,228,310)	(1,228,310)	(2,446,965)	(2,491,010)	(2,540,831)	(2,594,188)	(2,648,666)	(44,045)
<b>Net Expenditure Services</b>	<b>23,638,455</b>	<b>21,097,455</b>	<b>21,665,063</b>	<b>20,323,131</b>	<b>20,317,377</b>	<b>20,723,725</b>	<b>21,158,923</b>	<b>21,603,261</b>	<b>(5,754)</b>
<b>Other Issues</b>									
Full Year Effects 2009/10					(35,000)	(35,700)	(36,414)	(37,142)	(35,000)
Admin Review					(85,000)	(86,700)	(88,434)	(90,203)	(85,000)
VFM Reviews already actioned in 09/10					(550,000)	(561,000)	(572,220)	(583,664)	(550,000)
Improvement - end of 3 yr fixed post					(100,000)	(102,000)	(104,142)	(106,329)	(100,000)
Job Evaluation Set Up Costs - only in 08/09 & 09/10					(150,000)	(153,000)	(156,060)	(159,181)	(150,000)
17% target reduction in Voluntary Sector Grants				(104,000)					(104,000)
Planned 7% reduction in net costs of Health & Recreation				(136,000)					
Accommodation / Asset Management				(100,000)					
Design & Print Expenditure Efficiencies				(25,000)					
<b>New Fees and Charges</b>									
Recession end - Impact on Planning / Land Charge Fees							(200,000)	(204,000)	0
Pension Revaluation	0	200,000	138,000	138,000	140,484	143,294	146,303	149,375	2,484
Pension Compensation Payments	0	253,928	253,928	253,928	200,000	204,000	208,284	212,658	(53,928)
Capital Cost of Pensions	0	342,516	0	0	0	0	0	0	0
Job Evaluation					500,000	510,000	520,710	531,645	500,000
VAT Shelter	0	(400,000)	(400,000)	(450,000)	(300,000)	(150,000)	(100,000)	(100,000)	150,000
Planned Transfer to Balance Sheet	4,908,605	1,079,236	1,060,236	647,700	659,359	672,546	686,669	701,089	11,659
Other Adjustments	2,974,019	(451,689)	(451,689)	90,434	92,062	93,903	95,875	97,888	1,628
	<b>7,882,624</b>	<b>1,023,991</b>	<b>600,475</b>	<b>315,062</b>	<b>371,904</b>	<b>535,343</b>	<b>400,571</b>	<b>412,136</b>	<b>56,842</b>
	<b>31,521,079</b>	<b>22,121,446</b>	<b>22,265,538</b>	<b>20,638,193</b>	<b>20,689,282</b>	<b>21,259,067</b>	<b>21,559,494</b>	<b>22,015,397</b>	<b>51,089</b>
Planned Transfer From Balance Sheet	(7,771,081)	(941,563)	(780,047)	(901,628)	(700,000)	(714,000)	(728,994)	(744,303)	201,628
Investment Income	(6,892,106)	(5,030,455)	(4,939,455)	(2,825,631)	(1,172,611)	(1,393,439)	(1,846,820)	(1,666,820)	1,653,020
Government Grant	(9,947,783)	(10,310,045)	(10,310,045)	(10,637,130)	(10,966,881)	(11,186,219)	(11,421,129)	(11,660,973)	(329,751)
Collection Fund	(195,652)	(101,591)	(101,591)	(108,313)	(101,591)	(101,591)	(101,591)	(101,591)	6,722
Council Tax	(5,807,252)	(5,961,360)	(5,961,360)	(6,165,491)	(6,307,852)	(6,466,179)	(6,634,978)	(6,808,184)	(142,361)
	<b>(30,613,874)</b>	<b>(22,345,014)</b>	<b>(22,092,498)</b>	<b>(20,638,193)</b>	<b>(19,248,935)</b>	<b>(19,861,427)</b>	<b>(20,733,513)</b>	<b>(20,981,871)</b>	<b>1,389,258</b>
<b>Potential (Surplus)/Shortfall</b>	<b>907,205</b>	<b>(223,568)</b>	<b>173,040</b>	<b>0</b>	<b>1,440,347</b>	<b>1,397,640</b>	<b>825,982</b>	<b>1,033,525</b>	<b>1,440,347</b>
Govt Efficiency Target (3.1%) : to be identified					included above	(629,839)	(642,435)	(655,927)	(669,701)
Reserves									
<b>Projected Overspend/(Underspend)</b>	<b>907,205</b>	<b>(223,568)</b>	<b>173,040</b>	<b>0</b>	<b>810,508</b>	<b>755,205</b>	<b>170,055</b>	<b>363,824</b>	<b>810,508</b>

<b>Council Tax</b>								
Relevant Tax Base	49,214	49,678	49,678	49,923	50,173	50,423	50,676	50,929
Council Tax Rate for Band "D"	£118.00	£120.00	£120.00	£123.50	£125.72	£128.24	£130.93	£133.68
<b>Council Tax Collection</b>	<b>5,807,252</b>	<b>5,961,360</b>	<b>5,961,360</b>	<b>6,165,491</b>	<b>6,307,852</b>	<b>6,466,179</b>	<b>6,634,978</b>	<b>6,808,184</b>

Opening Cash Balance			110,000,000	83,000,000	64,340,601	52,920,501	48,420,501	43,920,501
Capital Expenditure - as per programme			(27,000,000)	(22,912,399)	(13,920,100)	(5,000,000)	(5,000,000)	(5,000,000)
External Capital Financing				3,253,000	2,500,000	500,000	500,000	500,000
Reserves - to be calculated			(1,000,000)					
Cashflow - to be calculated			1,000,000	1,000,000				
Closing Cash Balance			83,000,000	64,340,601	52,920,501	48,420,501	43,920,501	39,420,501
<b>Average Balance</b>				<b>73,670,301</b>	<b>58,630,551</b>	<b>50,670,501</b>	<b>46,170,501</b>	<b>41,670,501</b>

<b>Interest Rate Assumptions - Butlers 221208</b>				as per investment deals	2.0%	2.8%	4.0%	4.0%
<b>Inflation Rate Assumptions CPI - Butlers</b>					1.8%	2.0%	2.1%	2.1%
<b>Inflation Rate Assumptions Salaries</b>					3.00%	1.25%	1.50%	2.00%