

## 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>	26,143,031	22,325,765	22,893,373	22,770,096	22,808,388	23,264,555	23,753,111	24,251,926	38,292
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>	23,638,455	21,097,455	21,665,063	20,323,131	20,317,377	20,723,725	21,158,923	21,603,261	(5,754)
<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
	7,882,624	1,023,991	600,475	315,062	371,904	535,343	400,571	412,136	56,842
	31,521,079	22,121,446	22,265,538	20,638,193	20,689,282	21,259,067	21,559,494	22,015,397	51,089
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)
	(30,613,874)	(22,345,014)	(22,092,498)	(20,638,193)	(19,248,935)	(19,861,427)	(20,733,513)	(20,981,871)	1,389,258
<b>Potential (Surplus)/Shortfall</b>	907,205	(223,568)	173,040	0	1,440,347	1,397,640	825,982	1,033,525	1,440,347
Govt Efficiency Target (3.1%) : to be identified					included above	(629,839)	(642,435)	(655,927)	(669,701)
Reserves									
<b>Projected Overspend/(Underspend)</b>	907,205	(223,568)	173,040	0	810,508	755,205	170,055	363,824	810,508

<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>	5,807,252	5,961,360	5,961,360	6,165,491	6,307,852	6,466,179	6,634,978	6,808,184

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>				73,670,301	58,630,551	50,670,501	46,170,501	41,670,501

				as per investment deals				
<b>Interest Rate Assumptions - Butlers 221208</b>				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%	1.75%	2.00%