

**DRAFT MEDIUM TERM FINANCIAL FORECAST**

	Budget 2008-09	Projection 2008-09	Budget 2009-10	FC 2010-11	FC 2011-12	FC 2012-13	FC 2013-14	Rec	
<b>Baseline</b>									
<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>22,494,476</b>	<b>22,899,377</b>	<b>23,357,364</b>	<b>23,847,869</b>	<b>24,348,674</b>	<b>404,901</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>20,047,511</b>	<b>20,408,366</b>	<b>20,816,534</b>	<b>21,253,681</b>	<b>21,700,008</b>	<b>360,855</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)
<b>Low Priority Services - Action Plan</b>				(246,000)	<b>Further analysis &amp; action plans required</b>				(245,000)
<b>VFM - 09/10 Projects</b>					<b>Further analysis &amp; action plans required</b>				
<b>Organisational Developments</b>					<b>Further analysis &amp; action plans required</b>				
<b>Other Funding</b>					<b>Further analysis &amp; action plans required</b>				
<b>New Fees and Charges</b>					<b>Further analysis &amp; action plans required</b>				
Recession end - Impact on Planning / Land Charge Fees							(200,000)	(204,000)	0
Pension Revaluation	0	200,000	138,000	247,200	251,650	256,683	262,073	267,576	4,450
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	500,000
VAT Shelter	0	(400,000)	(400,000)	(440,000)	(200,000)	(150,000)	(100,000)	(100,000)	240,000
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)	132,855	135,246	137,951	140,848	143,806	2,391
	<b>7,882,624</b>	<b>1,023,991</b>	<b>600,475</b>	<b>596,683</b>	<b>626,255</b>	<b>692,780</b>	<b>561,314</b>	<b>576,255</b>	<b>29,572</b>
	<b>31,521,079</b>	<b>22,121,446</b>	<b>22,265,538</b>	<b>20,644,194</b>	<b>21,034,621</b>	<b>21,509,313</b>	<b>21,814,995</b>	<b>22,276,263</b>	<b>390,427</b>
Planned Transfer From Balance Sheet	(7,771,081)	(941,563)	(780,047)	(917,028)	(700,000)	(714,000)	(728,994)	(744,303)	217,028
Investment Income	(6,892,106)	(5,030,455)	(4,939,455)	(2,774,248)	(1,153,661)	(1,316,081)	(1,684,580)	(1,504,580)	1,620,587
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)	(101,591)	(101,591)	(101,591)	(101,591)	(101,591)	0
Council Tax	(5,807,252)	(5,961,360)	(5,961,360)	(6,170,483)	(6,312,959)	(6,471,415)	(6,640,351)	(6,813,697)	(142,476)
	<b>(30,613,874)</b>	<b>(22,345,014)</b>	<b>(22,092,498)</b>	<b>(20,600,479)</b>	<b>(19,235,092)</b>	<b>(19,789,305)</b>	<b>(20,576,645)</b>	<b>(20,825,144)</b>	<b>1,365,387</b>
<b>Potential (Surplus)/Shortfall</b>	<b>907,205</b>	<b>(223,568)</b>	<b>173,040</b>	<b>43,715</b>	<b>1,799,528</b>	<b>1,720,008</b>	<b>1,238,350</b>	<b>1,451,119</b>	<b>1,755,814</b>
Govt Efficiency Target (3.1%) : to be identified				included above	(632,659)	(645,313)	(658,864)	(672,700)	(632,659)
Reserves									
<b>Projected Overspend/(Underspend)</b>	<b>907,205</b>	<b>(223,568)</b>	<b>173,040</b>	<b>43,715</b>	<b>1,166,869</b>	<b>1,074,695</b>	<b>579,486</b>	<b>778,419</b>	<b>1,123,155</b>
<b>UNCIL TAX</b>									
evant Tax Base	49,214	49,678	49,678	49,923	50,173	50,423	50,676	50,929	
ncil Tax Rate for Band "D"	£118.00	£120.00	£120.00	£123.60	£125.82	£128.34	£131.04	£133.79	
<b>ncil Tax Collection</b>	<b>5,807,252</b>	<b>5,961,360</b>	<b>5,961,360</b>	<b>6,170,483</b>	<b>6,312,959</b>	<b>6,471,415</b>	<b>6,640,351</b>	<b>6,813,697</b>	
Opening Cash Balance			110,000,000	83,000,000	64,015,601	51,350,501	44,364,501	39,864,501	
Capital Expenditure - as per 17/12/08 programme			(27,000,000)	(23,237,399)	(15,165,100)	(7,486,000)	(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	64,015,601	51,350,501	44,364,501	39,864,501	35,364,501	
<b>Average Balance</b>				<b>73,507,801</b>	<b>57,683,051</b>	<b>47,857,501</b>	<b>42,114,501</b>	<b>37,614,501</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 221208</b>				2.2%	1.8%	2.0%	2.1%	2.1%	