

Table 6

MEDIUM TERM FINANCIAL STRATEGY 2008/09 TO 2013/14							
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	Note
	£	£	£	£	£	£	
NET COST OF SERVICES B/F FROM PREVIOUS YEAR		16,138,733	16,409,975	16,681,017	16,958,889	17,243,780	
IN YEAR BUDGET VARIATIONS							
INCREASED COSTS OF EXISTING SERVICES							
Estimated general inflation / leasing costs / utilities		200,000	200,000	200,000	200,000	200,000	1
Pay awards		584,400	576,300	582,800	590,200	606,000	2
Phasing out of pension reserve contribution - 2004 Revaluation		50,000	50,000				3
Phasing out of pension reserve contribution - 2007 Revaluation		50,000	50,000	15,500			4
Capital salaries charged to revenue		21,700					5
Landfill Tax		45,000	45,000				6
Loss of CBH Fleet		14,500					7
Loss of Planning Delivery Grant Funding			200,000				8
GROWTH							9
Proposed Business Plan Growth - 2006/07 PATs:							
PAT 4a - Expansion of Lifeline service		(6,000)	(6,000)				
PAT 158 - Electoral registration - new regulations		2,000					
Proposed Business Plan Growth - 2008/09 PATs:							
CORP1 - Secure Sockets Layer		2,000					
Invest to Save Initiatives		(42,000)					
Recycling Initiatives		130,000					10
SAVINGS							
Amortisation costs savings		(12,700)	(5,200)				11
Procurement		(100,000)	(100,000)	(100,000)			12
INCOME							
Fees & charges - inflation		(246,800)	(271,600)	(278,300)	(285,500)	(292,500)	13
Investment interest		33,500	32,400	32,400	32,400	32,400	14
RESERVES							
* Increased property repair and renewal fund contributions		100,000	100,000	100,000	100,000	100,000	15
* Increased contribution to Capital reserve (RCCO)		100,000	100,000	100,000	100,000	100,000	16
** FUNDING GAP		(654,358)	(699,858)	(374,528)	(452,209)	(453,795)	17
PROJECTED NET COST OF SERVICES	16,138,733	16,409,975	16,681,017	16,958,889	17,243,780	17,535,885	18
*** Government Grant support	(8,731,327)	(8,774,984)	(8,818,859)	(8,862,953)	(8,907,268)	(8,951,804)	19
Collection Fund surplus contribution	(31,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	20
Council tax income assuming council tax increases by 2.5% per annum	(7,376,406)	(7,596,991)	(7,824,158)	(8,057,936)	(8,298,512)	(8,546,081)	21
	<u>(16,138,733)</u>	<u>(16,409,975)</u>	<u>(16,681,017)</u>	<u>(16,958,889)</u>	<u>(17,243,780)</u>	<u>(17,535,885)</u>	
Cummulative Funding Gap		(654,358)	(1,354,216)	(1,728,744)	(2,180,953)	(2,634,748)	
Projected Council Tax at annual 2.5% rise (assuming gap is reduced by savings or additional income)	177.24	181.67	186.21	190.87	195.64	200.53	22
Projected annual % rise to assuming funding gap is met	3.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
* Assumed level for estimating - subject to either a policy decision or confirmation of legal framework / Statute							
** Funding gap may include Gershon efficiency savings of 2.5% which deliver non-cashable or cashable savings							
*** Assumed increase in government grant support		0.5%	0.5%	0.5%	0.5%	0.5%	
Funding Gap projections at:							
3.5% tax increase		(580,241)	(620,564)	(289,789)	(361,745)	(357,313)	
5% tax increase		(469,066)	(498,829)	(156,747)	(216,596)	(199,210)	
Cummulative Funding Gap projections at:							
3.5% tax increase		(580,241)	(1,200,805)	(1,490,594)	(1,852,339)	(2,209,652)	
5% tax increase		(469,066)	(967,895)	(1,124,642)	(1,341,238)	(1,540,448)	