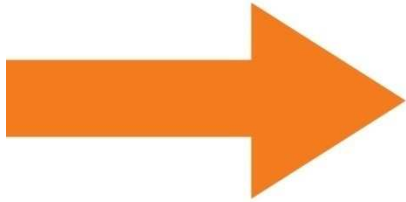


Presentation to ROSP


Medium Term Budget Considerations
2013/14 – 2017/18
Direction of Travel

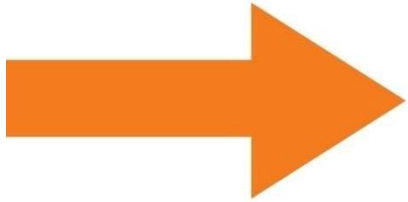




Revenue Budget

Key Assumptions in Budget Projections Paper:

- Includes all items identified as part of the Budget Monitoring process
 - Assumes prudent level of reserves of £2.6m as per risk assessment in MTFP
 - All budget pressures over £30,000
 - Any budget savings identified
- 

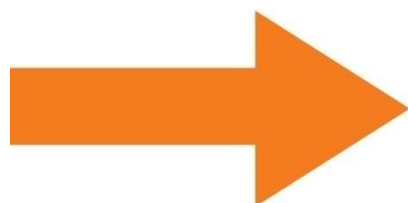


Revenue Budget

Key Assumptions in Budget Projections Paper:

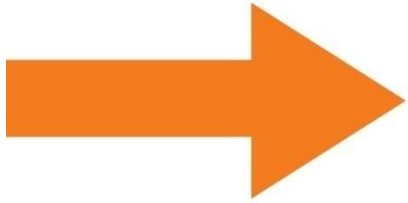
- Assumes Council Tax Freeze is not taken from 2014/15 onwards;
- The level of Council Tax increase allowed before referendum will be announced in December 2013;
- Budget projections assume a 2.6% increase for 2014/15 with a 1.99% annual increase from 2015/16






Revenue Budget Pressures

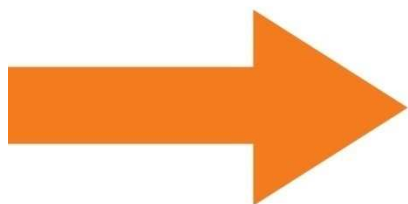
Issue Description	Para	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Recurring Revenue Pressures						
Treasury Management		1,020	1,364	1,220	1,437	1,592
Asset Review income		342	430	785	785	785
Pensions Auto Enrolment		127	127	127	127	127
RSG reductions		0	250	250	250	250
Additional National Insurance Costs		0	0	250	250	250
New Homes Bonus 2012/13		0	0	0	0	408
Sub Total Recurring Revenue Pressures		1,489	2,171	2,632	2,849	3,412
Non Recurring						
Apprentice Scheme		32	56	0	0	0
Income shortfalls		439	0	0	0	0
New Water charges		30	0	0	0	0
New Homes Refuse & Recycling Scheme		58	0	0	0	0
Rapid Response Team		87	0	0	0	0
Events		130	0	0	0	0
Local Plan Inquiry		175	0	0	0	0
Continuation of temporary posts		38	0	0	0	0
Sub Total Non Recurring Pressures		989	56	0	0	0



Revenue Budget

Items still to be considered:

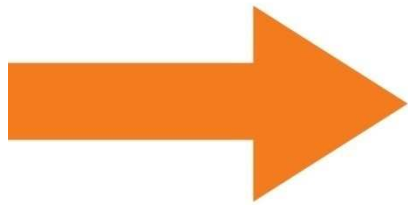
- Government Finance Settlement - RSG and NNDR
 - Welfare Reform Act
 - Triennial Revaluation of the Pension Fund
 - Transformation savings medium to long term
- 



Revenue Budget

Actions to mitigate pressures:

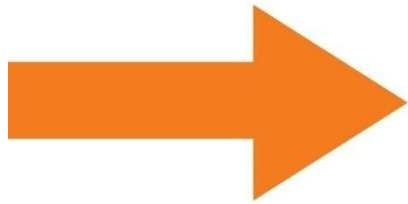
Detail	Note	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
<u>Savings Proposed</u>						
Pay Award Savings (2014 & 2015)		(223)	(454)	(466)	(478)	(490)
Inflation savings		(200)	(200)	(200)	(200)	(200)
Completed invest to save schemes		0	0	(35)	(35)	(35)
Transformation Savings		(1,000)	(1,000)	(1,000)	(2,100)	(3,100)
New Homes Bonus 2011/12		0	0	(243)	(243)	(243)
Bring Site Recyclate income		(64)	0	0	0	0
Retained Business Rates & Pooling		(600)	(600)	(600)	(600)	(600)
Total of Savings		(2,087)	(2,254)	(2,544)	(3,656)	(4,668)
Total Recurring		(1,023)	(2,254)	(2,544)	(3,656)	(4,668)
Total Non-Recurring		(1,064)	0	0	0	0



Transformational Savings

Savings required 2014/15 = £1million

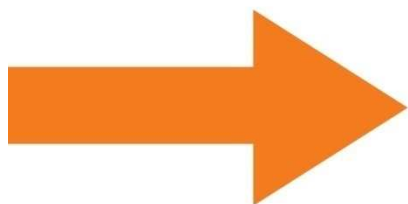
- First call on
 - 2013/14 under spends
 - Additional business rate income 2013/14
 - New Homes Bonus 2014/15
- Any subsequent shortfall funded from general fund reserves



Transformational Savings

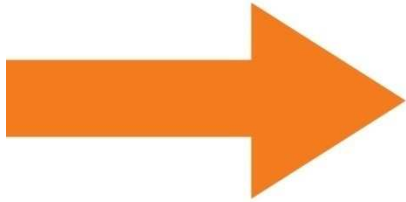
Savings required 2015/16 = £1.839million

- Major review of Waste Services
- Reduction in funding to Tullie House
- Call for Voluntary Redundancies
- Digital by default
- Other saving initiatives co-ordinated by the Transformation Board



Capital Budget

Capital Scheme	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
<u>Current Commitments:</u>					
Disabled Facilities Grants	863	863	863	863	863
Planned Enhancements to Council Property	350	300	300	300	300
Vehicles & Plant	220	1,109	1,221	1,113	383
Arts Centre	1,015	0	0	0	0
Harraby School and Community Campus Capital Contribution	500	500	0	0	0
Old Town Hall/Greenmarket	1,400	38	0	0	0
Leisure Facilities	0	5,000	0	0	0
Public Realm Work S106	360	0	0	0	0
Castle Way S106	300	0	0	0	0
Total Existing Commitments	5,008	7,810	2,384	2,276	1,546
<u>New Spending Proposals</u>					
Sheepmount Road	30	0	0	0	0
Bits Park Access	10	0	0	0	0
ICT Shared Service	210	197	205	204	195
Asset Management Plan	1,800	0	1,500	0	0
Enterprise/West Walls	70	0	0	0	0
Total New Proposals	2,120	197	1,705	204	195
TOTAL POTENTIAL PROGRAMME	7,128	8,007	4,089	2,480	1,741



Capital Budget

• Capital Receipts balance with all pressures

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Net Reserves (In hand)	(2,405)	(1,912)	0	0	0
Borrowing Requirement	0	5,000	0	0	0
New Potential Borrowing requirement	0	0	1,038	2,379	3,163