

MEDIUM TERM FINANCIAL PLAN 2013 to 2017**1. PURPOSE OF REPORT**

To consider the development of the Medium Term Financial Plan 2013 to 2017 and the factors that will influence its delivery and that of the annual budget strategy.

2. BACKGROUND

The development of the Medium Term Financial Plan is driven by the Council's Corporate Plan and work of the Portfolios to deliver the stated aims and priorities. The backdrop to development of the Council's current financial plan is "Austerity" and associated national measures attempting to address the economic conditions which prevail.

Central government grant reductions continue to restrict the level of funding available to the Council to support the provision of services and delivery of corporate aims and priorities.

The challenge for the Council's Medium Term Financial Plan is to set out resources to support actions proposed, in order to deliver an appropriate balance of service and budget which is sustainable in the medium term and meets with corporate objectives.

3. DRAFT RESOURCE PLANS (Appendix 1)

Each Portfolio Holder has developed a draft Resource Plan to support the Medium Term Financial Plan. This provides not only the link to the Corporate Plan but is the driver for the financial plan which supports all activity. These Resource Plans identify the aims, performance, challenges and plans for each Portfolio and are supported by draft financial plans that aid the development of the annual budget.

4. FUNDING FORECAST (Appendix 2)

During the period of the Medium Term Financial Plan, up to 2017, funds available are expected to reduce by over £2.4 million, a reduction from the current year of more than 11%.

The most significant reduction is expected in Formula Funding which by 2016/17 is anticipated to have reduced by £3.2 million per annum. The reduction levels announced for both 2014/15 and 2015/16 are expected to be in the region of 25% each year.

The Council's priority for Council Tax is to protect council taxpayers from increases in the current economic climate by maintaining the current Band D level of £155.56. The Government has indicated that this action will be supported by the provision of Council Tax Freeze Grant but full details of arrangements are awaited. The Council Taxbase is assumed to grow by approximately 200 properties per annum and

collection performance levels are anticipated to improve back to 98.5% from those set out in 2013/14 of 98.3%. The local Council Tax Support Scheme is currently based upon the 2013/14 scheme. A final decision on the scheme for 2014/15 will need to be taken by Council in December.

Business Rates retention due to the limited opportunities for significant expansion in the district will result in increases only, in line with inflation from the Government's baseline position.

New Homes Bonus (NHB) is assumed to continue over the period of the plan and grow in line with the current projections of 200 properties per annum. Following the consultation paper "New Homes Bonus and the Local Growth Fund – July 2013" the assumption is that in 2015/16 18.9% of NHB will be redirected to Local Enterprise Partnerships (LEP's) and not directly available to the Council.

More detail on all Government funding levels is expected to be received in December 2013 as part of the draft Local Government Finance Settlement. On receipt of this information a further update report will be provided to the Cabinet and members.

5. ADDITIONAL BUDGET REQUIREMENT (Appendix 3)

Portfolio Holders together with Heads of Service have been working on the development of their plans for the medium term. In addition, work is taking place across the Council to deliver the Service Review programme agreed earlier in the year. This work will continue and the plan will be regularly updated and next reported to the Cabinet and the Council as part of the draft 2014/15 budget in February 2014.

The Medium Term Financial Plan provides for assumed general Pay & Price increases as follows:

- a. An annual Pay award of 1% per annum for all staff as headlined in the Chancellor's Spending Review Statement made earlier in the year.
- b. Contractual Increments.
- c. Pension cost increase in line with advice received from Hampshire County Council of future service costs remaining unchanged at the current rate of contribution (13.1% pay) and the fixed sum which looks to recover past service shortfalls identified during the 2010 valuation increasing by 12% per annum from 2014/15 and by a further 5.3% per annum as a result of the 2013 valuation from 2015/16.
- d. Fuel and Energy costs increase to be 2% per annum
- e. All other costs to be absorbed within existing budgets
- f. Interest Base Rate to remain at 0.5% over the period of the plan.

Town and Parish Grant payments are in accordance with the recommendation set out in the separate report elsewhere on this agenda.

Fixed Asset and Equipment funding will be in line with the strategy set out in the recommendation to the separate report on this agenda.

Overall in 2014/15 savings of £1.321 million have already been made that reduce the net budget requirement from 2013/14 by £662,000 and the projected "Budget Gap" to just £68,000.

6. SAVINGS PLAN (Appendix 4)

Increases in additional expenditure need and reductions in Government funding create an annual budget shortfall (before savings) in 2014/15 of £1.4 million and £1.9 million in 2015/16. This requires a cumulative saving requirement over the next 2 years of £3.3 million representing approximately 16% of 2013/14 net budget spending.

The Council's approach to planned Service Reviews continues to deliver savings and efficiencies. Already work in 2012/13 and 2013/14 has identified ongoing savings. It is planned that this approach continues in order to close the present budget gap of £68,000 in 2014/15 and £1,673,000 in 2015/16.

7. PORTFOLIO HOLDER COMMENTS

The budget for next year reflects the massive cuts in Government funding being suffered by Councils across the country. Based on the best estimates we can make with the information available it is necessary over the next 3 years to save a further £4.7 million from the approved 2013/14 original budget level.

8. RECOMMENDATIONS

- 8.1 That the Cabinet approve the emerging draft Medium Term Financial 2013 to 2017 as set out within this report and the principles on which its being developed.

For further information contact:

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Background Papers:

Published documents

Resource Plan by Portfolio

Leader's Portfolio 2014/15

Aims of the Portfolio

- Engaging the public
- Delivering through people
- Supporting local businesses
- Dealing with local emergencies

Performance

Performance across the portfolio continues to be good.

The Brand New Forest Broadband Campaign continues to work with local businesses and partner organisations to improve coverage of 24mb plus superfast connections throughout the district.

In challenging employment markets for young people the Brand New Forest Doing Better Business Programme and the New Forest Business Partnership have actively promoted apprenticeships to local businesses and school/college leavers.

Visitors to the destination website have increased by 24%.

The total number of employees continues to fall overall, with a reduction of 24 full time equivalents between 2011/12 and 2012/13.

Senior management savings achieved from 2011/12 to 2013/14 equate to £400,000, this includes a reduction of two posts at Heads of Service level.

Changes to employee terms and conditions generated savings of £40,000 with an additional £30,000 savings earmarked for future years.

The employee survey received a 43% response rate (20% in 2010) with 72% of responders stating that they are proud to work for the Council. The survey was complemented by six focus groups to explore the emerging issues in more detail and findings from the survey itself and the groups have been used to develop an action plan for future improvements.

The Emergency Plan has been reviewed and successfully tested with appropriate actions taken. A review of the Control Room accommodation has also been completed with changes made to ensure a fit for purpose resource.

Challenges

Austerity will continue to be an overriding challenge for each Portfolio and a number of Service Reviews have been identified to help meet this challenge. These reviews form part of the Portfolio's plan for the future.

Broadband provision remains a key issue in developing a low impact, high value economy as well as helping to

encourage investment and maintain the competitiveness of existing companies.

Other challenges include the introduction on pension auto enrolment and the implementation of the Local Government Pension Scheme changes from 1st April 2014. The financial implications are as yet unknown.

The highest risk identified for the Portfolio is that economic conditions limit growth and employment in the district. Attempts will be made to mitigate against this risk by reviewing the approach to growth, engaging with the relevant Local Enterprise Partnerships to identify funding opportunities and developing a web based business portal to offer a single point of contact with the Council to support businesses within the district.

Plan for the future

- Investigate how the Council can best support and help stimulate economic growth both by direct action and work with partner organisations.
- Electoral Review to investigate decreasing expenditure through the number of Councillors
- Senior management review savings of a further £100,000 (shown in other Portfolios).
- Support services review to ensure quality, resilience and efficiency of the Human Resources service including the implementation of Pension changes.
- Review of pay systems including future pay award assumptions of 1% and increase cost of Pensions of 1%
- Changes to the existing CCTV Service and accommodation to maximise the benefits available by providing an extended and improved localised in house service including the handling of calls to deal with local emergencies.

Supporting Information

The following documents support this plan:

- 1) The Delivery Plan of Corporate Aims 2012-2016 for the Portfolio
- 2) The Portfolio's Performance Scorecard
- 3) Strategic Risk Register
- 4) Service Reviews 2013 Onwards
- 5) Summary Budget for the Portfolio

Further information is available on the council's website newforest.gov.uk/corporateplan

Resource Plan by Portfolio

Environment 2014/15

Aims of the Portfolio

- Ensuring streets and public spaces are clean
- Protecting the environment and promoting the wise use of natural resources
- Delivering the waste collection service people want
- Managing our coastline
- Protecting communities from health hazards

Performance

The Portfolio continues to perform well. The amount of waste per household continues to reduce, although slightly higher than target, with costs being driven down year on year (£40.82 in 2012/13 against £49.37 in 2008/09). Consistent with the national trend recycling rates have seen a decline although the Council's performance has not declined as greatly as neighboring authorities. Economic conditions and increased recycling at source are contributory factors. The successful bid of £1.8 million for the introduction of kerbside glass collection across the district should help to make it easier for residents to recycle and improve the amount of waste sent for reuse, recycling and composting locally.

The Council continues to reduce the impact of its business on CO² emissions and energy costs through energy efficiency initiatives (solar PV, lighting, thermal upgrades) to its buildings and operations. Externally the Council has been an active partner in the Insulate Hampshire scheme and recently the collective energy switching scheme.

There have been notable improvements in air quality not least the revocation of the Fawley Air Quality Management Area earlier in the year.

The protection of the coastline continues to be an important role for the Council and maintenance works have been undertaken at Calshot, Milford on Sea and Barton on Sea. The Regional Coastal Monitoring Programme continues to be successfully delivered by the Channel Coastal Observatory team based at the Southampton Oceanography Centre.

A food hygiene rating system is being rolled out for food establishments in the district enabling consumers to make informed choices through a consistent and transparent scoring system.

The Council continues to invest approximately £200,000 per annum in its public conveniences, designed to reduce vandalism and enhance the appearance of the facilities. This investment has also reduced running costs with the annual average cost of maintaining a public convenience, including repairs has falling by 17% to £2,632.

Challenges

Austerity will continue to be an overriding challenge for each portfolio and a number of service reviews have been identified to help meet this challenge. These reviews form part of the Portfolio's plan for the future.

Other challenges include the introduction and delivery of the kerbside glass collection scheme, the need to identify additional burial space, the implementation of the Scrap Metal Dealers Act and internal integration of Animal Welfare Licensing functions across Environmental Health and Licensing.

The highest risk identified for the Portfolio is the continued protection of the coastline given the changes to the Government funding of coastal projects. A Task & Finish Group is to be established to look at options for partnership funding to enable the future maintenance programme delivery.

Plan for the future

- The operational pressures on existing depot facilities has led to a joint review with Finance & Efficiency
- Waste Strategy 2018 to review Council operation and ensure that the service continues to meet the needs of residents*
- Implementation review following the introduction of kerbside glass collection
- Sign up as promoter for the Hampshire wide Solent Green Deal.
- Development of a corporate Tree Strategy
- Explore potential opportunities to increase space for burials
- Review to optimise operations at Keyhaven River
- Management reviews of shared service arrangements with HCC to deliver Land Drainage, Coastal services and local transport projects (Highways Engineering)
- Management review of Public Health and Community Safety
- Annual review of community grants
- Support services review to ensure quality, resilience and efficiency including the review of workshops

Supporting Information

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Resource Plan by Portfolio

Finance & Efficiency 2014/15

Aims of the Portfolio

- Managing our finances
- Managing our physical assets
- Delivering customer benefits through technology
- Maintaining strong governance

Performance

The Portfolio continues to perform well. Collection rates for council tax and non-domestic rates and administrative costs per dwelling rank amongst the best in the country against a continued Council Tax freeze.

A budget review of base budget following the 2012/13 outturn has been undertaken resulting in the identification of ongoing savings.

Members have recently reviewed and updated the Council's policies for discretionary rate relief.

Opportunities have been taken to optimise assets including arrangements for the development of the Cussens Centre site, sale of the now closed Ringwood public offices and negotiations to determine the lease for Unit 8 Hardley Industrial Estate and to exploit savings opportunities through collaborative procurement with other Hampshire LA's.

Partnership working with neighboring authorities has contributed to the reduction in overheads.

Technology has been used to meet customer needs and improve efficiency including the launch of the Council's mobile application 'In Touch' enabling smarter contact with council services through mobile devices.

Governance arrangements have been enhanced by the establishment of a new Audit Committee during 2012/13.

Challenges

Austerity will continue to be an overriding challenge for each portfolio and a number of service reviews have been identified to help meet this challenge. These reviews form part of the Portfolio's plan for the future.

Other challenges include the management and delivery of the changes introduced by the Local Government Finance Bill and other welfare legislative reforms. These include monitoring the impact of business rates growth, where opportunities are particularly limited in the New Forest, and the future implications of incorporating Housing Benefit within the new Universal Credit and the corresponding grant reductions.

The highest risk identified for the Portfolio is the continued financial austerity, lower levels of government funding and the introduction of legislative changes. The Medium Term Financial Plan, including service review programme and introduction of welfare and finance reforms, should help mitigate this risk.

Plan for the future

- Review of discretionary grants to Town & Parish Councils
- Review of local council tax reduction scheme and confirm the policy of not levying an empty homes premium, following a comprehensive survey of all the empty homes in the District.
- Ongoing review of local offices and arrangements with Town & Parish Councils, following the transfer of some information services to local councils and disposal of associated property.
- Review of customer access to services across all access channels (telephone, web and personal visit) to provide choice and promote the lowest cost of engagement.
- Review the opportunities to utilise the electronic document records
- Introduction of new building works ICT system resulting in estimated £130k ongoing business efficiencies (HRA) and better services to customers. Tender to be awarded in October at which time the investment cost will be known
- Unit 8, Hardley Industrial Estate, conclude negotiations and explore options for future use and opportunities for development of the site to stimulate the local economy and create local employment
- Annual community grants review
- Support services review to ensure quality, resilience and efficiency and continuing to look at reducing overheads through partnership working
- Producing a comprehensive ICT Strategy and investment plan for 2014/2019
- Depot review to explore future options to optimise assets and provide more modern and appropriate facilities. Projected ongoing savings £90k
- Implementation of the changes from household to individual electoral registration will require additional resources although some government funding has been made available to support the transition.

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Resource Plan by Portfolio

Health & Leisure 2014/15

Aims of the Portfolio

- Encouraging active communities through leisure and culture
- Helping improve people's health
- Managing our leisure facilities well
- Promoting opportunities for children and young people
- Valuing and supporting older people (new responsibility)

Performance

There has been a continuing trend of improved performance with Health & Leisure Centres. The Centres are required to meet both financial and social objectives. Recent trends have continued with income projections exceeded last year by £334,000 and now users contribute 78% to operating costs, with 22% coming from Council Tax subsidy. Usage also continues to rise with over 1.6 million customer visits. Development of the dedicated website has continued with increasing use of social media, including Facebook and Twitter to help customer interaction.

The refurbishment of New Milton Health & Leisure Centre is underway and will be completed this year.

In the first year of Dibden Golf Course being managed and operated by the Council's external partner MyTime Golf, it has been difficult to maintain the number of rounds played due to the poor weather. This is in contrast to the notable success of the clubhouse for events and functions and satisfaction levels amongst course users have been maintained.

A key feature of last year was the engagement across the district in the London 2012 Olympic and Paralympic Games. This was coupled with the 'Local Heroes' project showcasing local Olympians, the outdoor table tennis project 'Ping' and the 'Hampshire Welcomes the World' project for the Cultural Olympiad.

Over the past year the Council has also been part of projects to help with dementia, sports volunteering, minimising falls in older people and programmes for young people who are vulnerable and disadvantaged.

Challenges

Austerity will continue to be an overriding challenge for each Portfolio and a number of Service Reviews have been identified to help meet this challenge. These reviews form part of the Portfolio's plan for the future. This is particularly the case in a Portfolio which has to achieve significant levels of earned income each year and strives to reduce the level of subsidy contributed by Council Tax payers.

As well as financial challenges, the District presents a range of service challenges. Factors such as relatively low household income and high indices of child poverty; high rates of dementia; an elderly population

at risk of falls; high levels of skin cancer; a need to address overweight across the population; safeguarding children and vulnerable adults and engaging young people in positive activities are all examples of where the Portfolio is active in making a difference. This takes place through activities and information programmed delivered directly by Services but also indirectly through support the voluntary sector.

The highest risk identified for the Portfolio is in maintaining five quality Health & Leisure Centres. Business performance is monitored to support current spending and help to mitigate this risk.

Plan for the future

- Review of Health and Leisure Centre instructor recruitment and terms and conditions: to develop a more efficient and effective mechanism to employ instructors, which is better for the business and also clear and fair for employees.
- Open Space Management Review: to introduce a simpler and more effective arrangement for the management of public open space functions of the Council.
- Annual community grants funding: to review the impact of Council funding in 2013/14 and a clear statement of proposals for the funding of community grants in 2014/15 in order to support Council objectives.
- Health and Leisure ICT annual development and investment programme: to assess the impact of previous ICT investment and clear proposals for the continued use of ICT investment to support service and financial delivery targets
- Continue to increase the recovery rate for Health & Leisure operations and consequently reduce subsidy to operating costs from Council Tax, whilst meeting broader objectives.
- Develop the New Forest Health and Wellbeing Boards role in supporting and delivering on the local challenges in Public Health as outlined in the Joint Strategic Needs Assessment.

Supporting Information

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Resource Plan by Portfolio

Housing & Communities 2014/15

Aims of the Portfolio

- Managing our housing
- Helping provide affordable housing for local people
- *Valuing and supporting older people
- Working with partners to keep crime and anti-social behavior low

Performance

The housing service continues to perform well although the length of stay in B&B accommodation has deteriorated slightly to an average of 7 weeks

All Council owned properties in the district now meet the Government's Decent Home Standard following the completion of the £6.8 million housing refurbishment of the North Milton Estate. The recent review of the Housing Revenue Account and the implementation of a new Housing Strategy has led to an increase in affordable housing stock through the purchase of 36 new homes. In addition 58 new affordable homes were provided by Registered Providers through support from the Council and 89 empty properties were brought back into use.

Updated tenancy and allocations policies have been introduced in line with the Localism Act providing greater flexibilities to effectively manage housing needs.

Community First continue to provide valuable support to the delivery of the housing service through Nightstop, the Home Improvement Agency and a floating support service for older people.

Although the Portfolio has continued to support older people the changes in sheltered housing provision has meant this is increasingly through health initiatives.

Incidents of crime continued to fall with 1,028 less occurring in 2012/13, a reduction of 11.3%. The Council has contributed to the delivery of the statutory requirements of an Annual Community Safety Strategic Assessment and a rolling Partnership Plan outlining how the priorities are to be delivered.

Challenges

Austerity continues to be an overriding challenge for each portfolio and a number of service reviews have been identified to help meet this challenge. These reviews form part of the Portfolio's plan for the future.

The impact of welfare reform is likely to put additional pressure on the service in terms of increasing rent arrears and the subsequent impact upon overall income. Other challenges include the implementation

*This will now become the responsibility of the Portfolio Holder for Health & Leisure

of introductory tenancies, the planned commencement of new build council properties and the management and resource implications arising from the new Anti-Social Behavior Bill.

The highest risk identified for the Portfolio continues to be that affordable housing numbers do not meet the needs of the district. The implementation of introductory tenancies and acquisition and construction of new properties alongside continued work with partner registered providers to deliver additional homes in the district should help mitigate this risk.

Plan for the future

- Continue to follow the agreed Housing Strategy by identify further properties for acquisition on the open market and commencing new build properties on council land including the construction of 8 new properties in Totton and Milford
- Review the current housing enabling role to reflect the increase in direct provision of housing and less reliance on Registered Providers
- Review finance strategy and its implications for additional affordable housing units
- Increase rent in line with existing strategy and note the possibility that the Council may have greater control of rent setting in the future
- Keep under review the impact of welfare reform on rent arrears levels and the need for additional resources (possibly 1 FTE) to ensure arrears performance remains acceptable
- The strategy to ensure we continue to achieve the Decent Homes Standard remains unchanged and the 10 year maintenance programme reflects this
- Management review of CCTV, Community Alarms & Out of Hours service to deliver an integrated more cost effective service which can grow to meet the increasing needs of the older population
- Annual review of community grants funding with a view to maintaining existing arrangements

Supporting Information

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Resource Plan by Portfolio

Planning & Transportation 2014/15

Aims of the Portfolio

- Enabling development which meets local aspirations
- Using planning to protect the environment and maintain local distinctiveness
- Securing appropriate sites for employment and housing in line with the core strategy
- Improving transport and traffic management

Performance

The planning service has seen improvement across its performance measures, a particular achievement with budget pressures increasingly impacting on the work of the team.

The new pre-application and other fee charging system introduced appears to be working well although the budgeted income of £75,000 for the first year was slightly below target at £60,000. Early indications for 2013/14 are positive with income levels exceeding the same period last year. Equally there appears to be strong income growth across planning, building control and land charges fees for the first quarter of this year.

Unfortunately the Council was unable to adopt or introduce a new Community Infrastructure Levy or progress 'Sites and Development Management' due to factors outside its control but the intention is that both will be achieved early in 2014.

Following the Lymington Parking Study additional parking spaces have been made available alongside a reallocation of long-stay bays to short-stay bays and the identification of a future coach drop off point. This should go some way to ease the parking pressures in the Town. Historic parking anomalies have now been removed ensuring a more consistent charging regime across the district.

The income from parking clocks has increased slightly this year and the better weather in June/July has seen an improvement in meter income, which hopefully will continue throughout the school holidays.

In October 2012 the Council commenced sharing its tree service with the National Park Authority. The initial indications are that this arrangement is working well.

Challenges

Austerity will continue to be an overriding challenge for each Portfolio and a number of Service Reviews have been identified to help meet this challenge. These reviews form part of the Portfolio's plan for the future.

Other challenges arise from the recent Court decision against Barnet Council, where the judge decided that Car Park charges should not be used to supplement general Council revenue (based on his interpretation of the relevant 1984 Act). NFDC already has a low charging regime and very low cost parking clocks. However, dependent on any challenge to the decision, or further Government guidance, we will undertake a

review of the costs and revenues attributable to our car parks.

Enforcing parking regulations on the highways, across the large District, remains a constant challenge. We will continue to progress new initiatives to maintain safety outside schools and at other 'hotspots'.

The viability of transportation schemes is largely dependent on ongoing funding from Hampshire County Council and although there is no current indication of threats to this funding there are no guarantees that this will be maintained.

The highest risk identified for the Portfolio is the external pressure for development that doesn't meet the aspirations of the local community. The delivery of the Sites and Development Management Plan during 2013/14 should help to mitigate this risk.

Plan for the future

- Transportation schemes to be brought in to new consultation and programming process during 2013 in line with Open Spaces
- Review opportunities for use of CCTV to monitor on street parking and provide out of hours support to enforcement officers
- Planning Review – management review of conservation and planning policy arrangements. The adoption of the Local Plan Part 2 will provide an opportunity to review the way in which future Plans are produced. The service will also look at whether a shared service arrangement can apply to other specialist services such as conservation.
- Undertake car park revenue and cost review as appropriate
- Annual review of Community Grants Funding
- Additional work associated with economic recovery will be managed within additional resources and a review of underspent budgets will result in some general savings against printing budgets for Planning
- Maintain pricing for parking clocks to support stimulation of the local economy whilst securing a fair contribution from visitors through increased meter income/charges
- Review any opportunities for the parking service following the latest senior management review.

Supporting Information

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Medium Term Financial Plan
Budget Forecasting 2013 to 2017

Appendix 2

Funding Forecast	Budget 2013/14 £000's	Budget 2014/15 £000's	Budget 2015/16 £000's	Budget 2016/17 £000's
Council Tax	10,545	10,600	10,630	10,661
Collection Fund Surplus	132	132	132	132
Formula Funding	5,249	3,937	2,677	2,050
Business Rates	3,492	3,562	3,633	3,706
Safety Net	-262	0	0	0
Specific Grants				
New Homes Bonus	1,018	1,219	1,449	1,679
Single Local Growth Fund Contribution (LEPs)	0	0	-274	-317
	<u>1,018</u>	<u>1,219</u>	<u>1,175</u>	<u>1,362</u>
Council Tax Freeze 2013/14 @ 1%	115	115	115	115
2014/15 @ 1%	0	115	115	0
2015/16 @ 1%	0	0	115	0
Council Tax Support Transitional Grant (one - off)	35	0	0	0
Other Grants inc new burdens	86	0	0	0
Specific Grants sub - total	<u>1,254</u>	<u>1,449</u>	<u>1,520</u>	<u>1,477</u>
Funds Available	20,410	19,680	18,592	18,026
Reduction in Funding Available		-730	-1,088	-566
% Reduction in Resources Available (year to year)		3.6%	5.5%	3.0%

Medium Term Financial Plan
Budget Forecasting 2013 to 2017

Appendix 3

Net Expenditure Budget Requirement					
	Ref	Budget 2013/14 £000's	Budget 2014/15 £000's	Budget 2015/16 £000's	Budget 2016/17 £000's
Portfolio Spending					
<u>Expenditure</u>					
Employees including Support Costs	1	22,444	22,993	23,786	24,467
Premises	2	3,341	3,408	3,476	3,545
Transport	2	2,162	2,205	2,249	2,294
Supplies & Services	2	6,468	6,468	6,468	6,468
Benefit Payments		41,950	41,950	41,950	41,950
Outturn 2012/13 Savings	3	0	-125	-125	-125
Budget Monitoring 2013/14	4	0	-236	-241	-241
Specific Portfolio Items	5	0	-426	-578	-662
		76,365	76,237	76,985	77,697
<u>Income</u>					
Fees & Charges		-15,391	-15,391	-15,391	-15,391
Benefit Payments Grant		-42,248	-42,248	-42,248	-42,248
Other Grants		-1,832	-1,832	-1,832	-1,832
Outturn 2012/13 Savings	6	0	-219	-219	-219
Budget Monitoring 2013/14		0	0	0	0
Specific Portfolio Items	5	0	141	578	493
		-59,471	-59,549	-59,112	-59,197
Net Portfolio Spending Requirements (Exc. Asset/Equipment)		16,894	16,688	17,873	18,500
Asset & Equipment Resources	7	3,413	3,000	2,500	2,500
Net Portfolio Spending Requirements		20,307	19,688	20,373	21,000
<u>Other Expenditure/Income</u>					
Contribution to Town and Parishes	8	403	300	200	100
Interest Earnings	9	-300	-240	-240	-240
Net Budget Requirement		20,410	19,748	20,333	20,860
Movement in net budget requirement			-662	585	527

Analysis of Additional Budget Requirement					
	Ref	Budget 2014/15 £000's	Budget 2015/16 £000's	Budget 2016/17 £000's	
Pay & Price Increases					
Pay @ 1% per annum	1	210	214	219	
Increment	1	210	214	219	
Pensions 2010 valuation	1	129	144	162	
Pensions - 2013 valuation	1	0	220	83	
Prices (Fuel, Energy & Maintenance)	2	110	112	115	
Outturn 2012/13 Savings June Cabinet					
Expenditure - Planning & Transportation	3	-43	0	0	
- Health & Leisure	3	19			
- Housing & Communities	3	-59	0	0	
- Finance & Efficiency	3	-42	0	0	
Income - Environment	6	-20	0	0	
- Health & Leisure	6	-158	0	0	
- Housing & Communities	6	-41	0	0	
Budget Monitoring 2013/14					
Expenditure - Planning & Transportation	4	-30	0	0	
- Housing & Communities	4	-36	-5	0	
- Finance & Efficiency	4	-178	0	0	
- Environment	4	8	0	0	
Specific Portfolio Items					
Environment - Reduction in Kerbside Glass Govt Grant	5	178	519	0	
Environment - Reduction in Kerbside Glass net expenditure	5	-289	-70	0	
Finance & Efficiency - Reduction in Benefit Admin Grant	5	100	0	0	
Health & Leisure - Achievement of Target Recovery Rate	5	-274	-164	-169	
Other Items					
Towns and Parish Council Grant	8	-103	-100	-100	
Reduction in Interest Earnings	9	60	0	0	
Reduction in NHB impact on Asset Expenditure		0	-500		
Reduction in Asset and Equipment Resources	7	-413	0	0	
Total Additional Net Budget Requirement			-662	585	527

Medium Term Financial Plan
Budget Forecasting 2013 to 2017

Appendix 4

Savings Plan	Total	Budget 2014/15 £000's	Budget 2015/16 £000's	Budget 2016/17 £000's
Reduction in Funding Available (Appendix B)		730	1,088	566
Pay & Price Increases (Appendix C)		659	905	796
Total Net Savings Required	4,744	1,389	1,993	1,362
Net Savings Achieved to date (Analysed below)		-1,321	-320	-269
Current Budget "Gap"		68	1,673	1,093
Net Savings Achieved to date (Appendix C)				
Outturn 2012/13 Savings		-344	0	0
Budget Monitoring 2013/14		-236	-5	0
Specific Portfolio Items		-285	285	-169
Other Items		-456	-600	-100
		-1,321	-320	-269