
Draft Budget 2012/13 and MTP

Report by the Head of Financial Services

1. PURPOSE

- 1.1 This report updates the approved budget and MTP for all of the currently known changes and proposals so that Members can approve a draft 2012/13 budget and MTP. Inevitably there are still uncertainties but approval of the draft allows detailed disaggregation of costs to manager and service level, ready for the final report in February.

2. BACKGROUND

- 2.1 This report is the second stage of the process leading up to the formal approval of the 2012/13 budget and Medium Term Plan (MTP) next February.
- 2.2 The September Forecast report set the scene by considering the impact of last year's actual spending and other variations on the approved MTP. It highlighted the nature and degree of a range of uncertainties and concluded by providing a range of savings that might still need to be found.
- 2.3 This report now includes all the variations proposed to the existing MTP schemes, latest assumptions on inflation and interest rates, forecasts of what will be achieved from the identified savings proposals and highlights the continuing areas of uncertainty.

3. SUMMARY

Key Points

Strong action and a positive strategy towards growth have resulted in:

- **Higher than anticipated revenue reserves due to underspending last year and forecast for this year.**
- **Savings and efficiency improvements being higher than targeted.**
- **New Homes Bonus being significantly higher than previously forecast.**
- **The gap in our 2012/13 budget being closed with no increase in the use of reserves.**
- **Increase in minimum level of general reserves from £3M to £4M.**

Current Savings Targets

- The target for Reorganisation savings should be exceeded in 2012/13 and it is expected that future years' targets will be met.
- The Pay and Allowances target would be exceeded by the current consultation proposals.
- Leisure continues to deliver its efficiency targets.
- This report is based on CCTV being operated on a part-time basis rather than being mothballed.
- Discussion continues on the level of savings that can be achieved from Voluntary Sector Grants. The risk assumptions are based on some funding still being made available.

Further Savings Required

Last year's approved plan estimated that a further £0.8m of savings would be required in 2012/3. This draft budget shows that, due to the savings and additional income already identified, no further savings are required for 2012/3 in order to meet the plan. This is based on taking no extra funds from reserves and after providing extra funding in a limited number of areas that members have indicated as priorities.

However there is more uncertainty in later years and the Council will still need to make further savings. For example, in 2014/15 a range of £0.8M to £2.6M is forecast but this is significantly lower than the £1.2M to £4.1M range included in the September Forecast report.

Issues for Members:

The Draft Budget assumes Council Tax rises of 2.5% per year. Members will need to consider the implications of the latest Council Tax freeze grant proposal and whether 2.5% is still appropriate. Decisions will need to be made in February.

Uncertainty is likely to prevail for some years and so it continues to be important that Members resolve any outstanding uncertainties on existing proposals and agree a process for identifying further savings which can be "called off" as information emerges that confirms the need.

4. 2010/11 OUTTURN

- 4.1 The Council was successful in keeping spending £1M below forecast last year, due mainly to one-off savings partially offset by lower planning fees. £1.6M was used from the Special Reserve to fund redundancies leaving a balance of £0.3M. £1.9M was taken from general reserves to fund the spending deficit leaving Revenue Reserves (including the £0.6M delayed spending reserve) of £14.2M at 1st April 2011.

5. SPENDING VARIATIONS

5.1 The following table summarises the spending variations that have been included:

SPENDING VARIATIONS	REVENUE						NET CAPITAL					
	F'Cast	Budget	MTP				F'Cast	Budget	MTP			
	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016
	2012	2013	2014	2015	2016	2017	2012	2013	2014	2015	2016	2017
	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M
VARIATIONS												
Rephasing	-0.1	-0.1	0.1				-4.4	2.7	2.6	0.1	1.1	-0.7
Savings	-0.2	-0.4	-0.7	-0.9	-0.6	-0.7	-2.5	4.1	0.1	-0.2	-0.2	0.4
Extra Cost	0.3	0.5	0.7	0.7	0.7	0.7	1.6	2.0	-1.8	0.4	0.1	2.6
Capital/Revenue							0.1					
Technical	-1.3	-0.5	-0.1	-0.1	0.1	0.1	-1.1	0.1	0.1	0.1		-3.7
Low Risk Assumption		0.1	0.8	0.9	1.1	1.4						
Total Variations	-1.2	-0.4	0.8	0.6	1.3	1.4	-6.4	8.9	1.1	0.4	1.0	-1.4

5.2 Annex A1 shows a more detailed summary, Annex A2 gives the individual items in each category and is followed by cross referenced brief notes for each significant item.

5.3 There is limited opportunity for reducing extra cost items as the majority are unavoidable, required to maintain or replace assets or reflect forecasts to cover potential (contingent) costs that are likely to flow from Government proposals to change the way certain services are delivered.

5.4 One of the variations relates to the Huntingdon multi-storey car park for which the agreements need to be signed in December. Annex A3 therefore details the change and seeks formal approval.

6. FUNDING

6.1 The table below shows the funding now included in the approved MTP and the succeeding paragraphs provide details of the changes:

FUNDING	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Funding in Approved MTP	-18,626	-19,394	-19,717	-20,649	-21,793
New Homes Bonus	-1,876	-2,837	-3,685	-4,826	-6,076
Formula Grant (RSG)	-9,288	-9,235	-8,630	-8,846	-9,067
Council Tax Freeze Grant 2011/12	-184	-184	-184	0	0
Council Tax					
Proceeds	-7,627	-7,878	-8,137	-8,404	-8,679
Level	£127.27	£130.46	£133.72	£137.06	£140.49
TOTAL FUNDING	-18,975	-20,135	-20,636	-22,076	-23,822
Increase	-349	-741	-919	-1,427	-2,029

6.2 New Homes Bonus

NEW HOMES BONUS	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Approved MTP	-1,527	-2,129	-2,745	-3,377	-4,025
Draft Budget	-1,876	-2,837	-3,685	-4,826	-6,076
VARIATION (- = better)	-349	-708	-940	-1,449	-2,051

A clear indication of the New Homes Bonus for 2012/13 is now available and £1,876k should be received. Succeeding years are based on the planning profile but there are two risks to these sums being achieved. Firstly that growth is slower than forecast and secondly that the Government will have to reduce Formula Grant to fully fund the New Homes Bonus. The total cost of New Homes Bonus is forecast to be in the region of £1,500M but only £185M new money has been provided and so the remainder will have to be top-sliced from Formula Grant or Localised Business Rates. The impacts of these risks on this Council are not accurately calculable and so are dealt with in the Risks and Uncertainties section.

Members have expressed interest in the use of the Bonus. It is not ring-fenced for specific communities but there is ample evidence within this report that it will be used to enable the protection of services and for investment in key growth areas.

6.3 Formula Grant

FORMULA GRANT	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Approved MTP	-9,288	-9,203	-8,651	-8,867	-9,089
Draft Budget	-9,288	-9,235	-8,630	-8,846	-9,067
VARIATION (- = better)		-32	+21	+21	+22

The Formula Grant assumptions have been based on illustrations produced by the LGA. However there is still an element of risk which is compounded by the Government proposal to move to Localisation of Business Rates in 2013/14 to replace Formula Grant.

This will have a major impact on all Councils but until definite proposals are confirmed post-consultation it is impossible to make a reliable assessment. Some possible assumptions are included in the Risks and Uncertainties section.

6.4 Council Tax Freeze Grant

There is no change to the 4 year Reward Grant for not increasing Council Tax Last year. However the Government have now decided to offer a one year reward grant equivalent to a 2.5% increase to any authority that does not raise its tax level in 2012/13.

6.5 Such temporary reward grants for not raising the Council Tax are implicitly service cuts **unless the Government provides head room to**

allow higher Tax increases in future. The table below shows the extra cuts required as a result of the rewards if this headroom is not provided. Annex B provides greater detail.

COUNCIL TAX FREEZE REWARD GRANT	2011/	2012/	2013/	2014/	2015/
	2012	2013	2014	2015	2016
February 2011 MTP with first reward <i>Extra Savings required</i>	0	-7	-13	-19	-210
February 2012 MTP IF second reward taken <i>Extra Savings required</i>	0	-7	-205	-218	-415

6.6 Council Tax

The Council currently raises £7.4m through Council Tax by charging the average band D tax payer £124.17. It is the 20th lowest of the 201 District Councils which have an average of £168 and a maximum of £310.

6.7 The current MTP and this report are based on keeping the annual Council Tax increase down to 2.5% per year.

6.8 Any consideration of higher increases will need to take account of the current legislation for limiting increases. There are suggestions that the new regulations, requiring a positive referendum result before tax increases in excess of a pre-determined level can be made, could be delayed until 2013/14. If this were to be the case then capping, at a level that might be determined retrospectively, could continue for 2012/13.

6.9 A number of different scenarios could be considered and all would lead to a reduction in the savings still to be identified. Some examples are given below:

Reduction in unidentified savings required if Council Tax increase is raised from 2.5% per year to:	2013/14 £M	2014/15 £M	2015/16 £M	2016/17 £M
Tax rise % Reduction in savings required £M	2.5%	2.5%	5.0%	2.5%
<i>This compensates for the fall out of the 2011/12 Council Tax freeze reward grants</i>			0.2	0.2
Tax rise % Reduction in savings required £M	3.5%	3.5%	5.0%	3.5%
	0.1	0.2	0.4	0.5
Tax rise % Reduction in savings required £M	4.5%	4.5%	5.0%	4.5%
	0.2	0.3	0.5	0.7

6.10 A decision does not need to finally be made on the Council Tax level until February when further information should be available on the limitation regime that will be applicable (capping or referendum) and the general reaction of Authorities to the new single year freeze grant.

6.11 Reserves

£359k remained in the Special Reserve at 1 April and it is estimated that around £190k will be required for currently expected redundancy and savings related consultancy costs leaving £169k for any further up-front costs required to achieve further savings.

6.12 Given the major levels of uncertainty that exist for local authorities it is currently considered prudent to increase the minimum level of general reserves to £4M. This will be reviewed as and when significant uncertainties are resolved.

7. ASSUMPTIONS

7.1 Annex C Provides information on some key assumptions.

8. RISKS AND UNKNOWNNS

8.1 The most fundamental issue continues to be the economic impact of the various international financial issues. There are many conflicting views on the scale of the problems ahead for the UK, the eurozone or the USA. There may be further financial impacts on the UK and, if so, there could be impacts on the Council due to:

- Lower income from planning fees, building control fees and leisure charges.
- Lower New Homes Bonus
- More applicants for housing and council tax benefit
- Higher homelessness
- Reductions in Government Grant

8.3 The final detail of the Government's proposals resulting from the Hutton review of public sector pensions is still awaited. There are clear indications that changes will emerge that will reduce the cost from options such as introducing increases to employee contribution rates, basing pensions on career averages and altering the age at which pensions become payable. Some benefit has implicitly already been taken in the Actuary's approach last year but it is not yet possible to gauge what further financial impact there might be and in what time-scale.

8.4 Other issues include:

- Delivery of the items contained in the savings list (Annex A2)
- Levels of pay awards, inflation and interest rates
- Ability to maintain income levels
- Grant changes for 2013/14 onwards
- Impact of growth in Business Rates
- Impact of slower home building on New Homes Bonus
- Loss of Formula Grant (or Localised Business Rates) to fund New Homes Bonus
- Costs of demographic growth
- Change in Pension Fund contributions

- Impact of changes to the benefits systems as outlined in the Forecast report
- High priority service developments not already in the MTP and any unavoidable spending requirements not referred to in this report emerging e.g. planning appeals
- The potential for costs relating to “orphan” contaminated land sites
- Repayment of past land charge fees
- Low demand for office property in Huntingdon – Sale of Castle Hill House and rental of spare capacity in Pathfinder House

8.5 Annex E attempts to quantify a lower and higher end assumption of the costs of these items. The table below highlights the results:

	Budget	MTP			
	12/13 £M	13/14 £M	14/15 £M	15/16 £M	16/17 £M
Proposed Range					
• Lower End	0.1	0.8	0.9	1.1	1.3
• Higher End	0.3	2.3	2.7	3.4	4.1

9. UNIDENTIFIED SAVINGS REQUIREMENT

9.1 Based on the items referred to in previous paragraphs including Council Tax rises of 2.5% and the Lower End risk assumptions the table below shows the forecast net spending and the unidentified savings that are required.

SHORTFALL	Budget	MTP			
	12/13 £M	13/14 £M	14/15 £M	15/16 £M	16/17 £M
Net Spending	21.7	22.7	23.6	24.2	25.2
Funded by:					
Government Grants	-11.3	-12.3	-12.5	-13.7	-15.1
Council Tax	-7.6	-7.9	-8.1	-8.4	-8.7
Reserves	-2.7	-2.1	-2.2	-0.8	-0.0
Unidentified Savings	-0.0	-0.5	-0.8	-1.3	-1.4

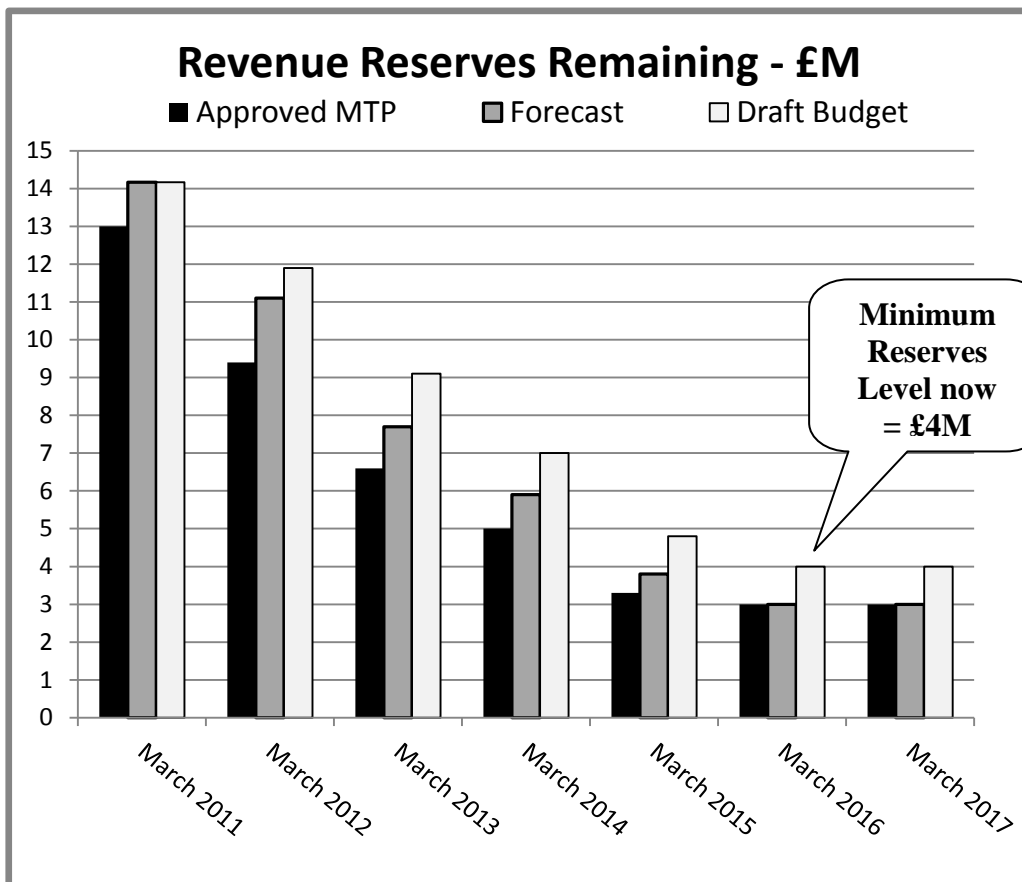
Savings for Higher End assumption	-0.2	-2.0	-2.6	-3.6	-4.2
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Further detail and additional years are shown in Annex D.

9.2 The following table shows how this has reduced when compared with the approved MTP and the Forecast report considered in September.

UNIDENTIFIED SAVINGS	Budget	MTP			
	12/13 £M	13/14 £M	14/15 £M	15/16 £M	16/17 £M
Approved plan (February 2011)	0.8	1.0	1.5	2.0	2.0
Forecast Report					
Lower End	0.5	1.2	1.2	1.2	1.1
Higher End	1.3	3.6	4.1	5.5	6.0
Draft Budget including risk assumptions					
Lower Risk		0.5	0.8	1.3	1.4
Higher Risk	0.2	2.0	2.6	3.6	4.2

- 9.3 Annex F shows the resulting controllable budgets by Manager which is the basis on which budgets are controlled on a day to day basis. It should be noted that there are a number of items that cannot be allocated to relevant services at this stage (e.g. the 2012/13 inflation provision) but this will be carried out in time for the February report which can then also provide a service based budget summary.
- 9.4 The Council's revenue reserves, in accordance with past practice, have been used to produce the smooth savings profile shown in the above table before they reach the new minimum recommended level of £4M. The chart below shows the total remaining each year:



10. TIMETABLE FOR BUDGET APPROVAL

10.1 The key dates in the process are shown below:

December	Draft Budget and MTP
1	Overview & Scrutiny
8	Cabinet
14	Council
February	Final Budget, MTP and Council Tax Level for 2012/13
2	Overview & Scrutiny
16	Cabinet
22	Council

11. CONCLUSIONS

11.1 Savings and efficiencies, together with the New Homes Bonus, allow next year's budget to be balanced, after the previously planned use of reserves, with only minor savings needing to be found.

11.2 Given the significance of New Homes Bonus it is critical that it is regularly reviewed.

11.3 Many uncertainties remain and it may be some years before they are significantly reduced.

11.4 It is important that the Council focuses on the items that it can influence and the most significant aspects are:

- Agreement or otherwise of any optional variations in Annex A2.
- Clarification of any uncertain outstanding savings items as soon as possible.
- Considering appropriate levels of Council Tax increase (taking account of the Government's latest freeze offer and the limitation mechanism) ready for debate in February.
- Identification of a list of further acceptable savings that can be ready to introduce at short notice depending on the resolution of some of the unknown items.

12. RECOMMENDATIONS

Cabinet is requested to:

Note the contents of this report

Consider any comments from Overview & Scrutiny (Economic Well-being)

Make appropriate comments and recommendations to Council on this year's budget.

Approve a supplementary capital budget of £300k as explained in Annex A3.

Council is requested to recommend accordingly.

ACCESS TO INFORMATION ACT 1985

Source Documents:

Working papers in Financial Services

Financial Forecast (September 2011), 2010/11 Outturn, 2011/12 Revenue Budget and the 2012/16 MTP

Project Appraisals

<http://www.huntingdonshire.gov.uk/Councils%20and%20Democracy/Council/Council%20Finance/Pages/2011MTPReview.aspx>

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ANNEXES

A1 and A2	Spending Variations Summary and Detail
A3	Huntingdon Multi-storey Car Park
B	Impact of Council Tax Freeze Grants
C	Assumptions
D	Summary Forecast (including Lower End Risks)
E	Risks and Unknowns
F	Controllable Budgets by Manager

SPENDING VARIATIONS	REVENUE						NET CAPITAL					
	F'Cast	Budget	MTP				F'Cast	Budget	MTP			
	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016
	2012	2013	2014	2015	2016	2017	2012	2013	2014	2015	2016	2017
	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M
Approved Net Budget/MTP												
Net Spending	22.6	21.3	21.0	21.5	20.9	21.8	11.9	3.3	3.0	2.4	2.8	4.1
Add back savings**		0.8	1.0	1.5	2.0	2.0						
Gross Spending	22.6	22.1	22.0	23.0	22.9	23.8						
VARIATIONS												
Rephasing	-0.1	-0.1	0.1				-4.4	2.7	2.6	0.1	1.1	-0.7
Savings												
Variations	0.1	0.0	-0.2	-0.1	0.1	0.0						
Other	-0.4	-0.4	-0.6	-0.7	-0.7	-0.7	-2.5	4.1	0.1	-0.2	-0.2	0.4
Extra Cost												
Unavoidable	0.1	0.1	0.2	0.2	0.2	0.2	0.7	0.7	-0.5	0.3	0.2	1.0
Assets					0.1		0.2		0.1	0.1	-0.1	1.4
Contingent		0.3	0.5	0.5	0.5	0.5						
Highly Desirable	0.2	0.1	0.1	0.1			0.6	1.3	-1.4			0.1
Other							0.1					0.1
Capital/Revenue							0.1					
Technical	-1.3	-0.5	-0.1	-0.1	0.1	0.1	-1.1	0.1	0.1	0.1		-3.7
Low Risk Assumption		0.1	0.8	0.9	1.1	1.4						
Total Variations	-1.2	-0.4	0.8	0.6	1.3	1.4	-6.5	8.9	1.1	0.4	1.0	-1.5
Draft Budget/MTP												
Gross Spending	21.4	21.7	22.7	23.6	24.2	25.2						
Less Savings			0.5	0.8	1.3	1.4						
Net Spending	21.4	21.7	22.2	22.8	22.9	23.8	5.5	12.2	4.1	2.9	3.7	2.7

Bid No.	Scheme	REVENUE						NET CAPITAL						CAPITAL GRANTS & CONTRIBUTIONS					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2011 2012 £000	2012 2013 £000	2013 2014 £000	2014 2015 £000	2015 2016 £000	2016 2017 £000	2011 2012 £000	2012 2013 £000	2013 2014 £000	2014 2015 £000	2015 2016 £000	2016 2017 £000	2011 2012 £000	2012 2013 £000	2013 2014 £000	2014 2015 £000	2015 2016 £000	2016 2017 £000
	Housing Benefits																		
626	Wireless Working (Benefits and Revenues)							-24											
	Transportation Strategy																		
#	Transport efficiencies – to planning efficiencies		95	95	95	95	95												
	Environmental Improvements																		
920	East of Sapley - Preliminary Costs													15					
	Environmental Strategy																		
879	Environment Strategy Funding							-47											
988	PV Panels - Eastfield House							47											
	IT related																		
495	Corporate EDM							25											
891	Business Systems							-15											
891	Business Systems							-25											
	Customer Services																		
#	Reduce call centre system costs		10	30	30	30	30												
981	Call Centre CRM Replacement		-10	-30	-30	-30	-30												
983	Automated Telephone Payments							24											
983	Automated Telephone Payments							15											
	TOTAL	0	0	0	0	0	0	-8	0	0	0	0	0	0	0	250	0	0	0
	EXTRA COST																		
	UNAVOIDABLE																		
	Drainage & Sewers																		
985	Internal Drainage Board Levies (20)	10	10	10	10	10	10												
	Planning Policy and Conservation																		
999	Woolley Hill Wind Farm, Appeal Costs (21)	60																	
	Economic Development																		
657	Creative Industries Centre, St Neots (22)			30	6	3	3												
	Housing Services																		
947	Loss of Mortgage Interest (23)	32	42	41	40	40	39	-549						549					
	Private Housing Support																		
866	Disabled Facilities Grants (24)							1,229	793	324	324	174		-148				50	
866	Disabled Facilities Grants (25)											956							400

Bid No.	Scheme	REVENUE						NET CAPITAL						CAPITAL GRANTS & CONTRIBUTIONS					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016
		2012	2013	2014	2015	2016	2017	2012	2013	2014	2015	2016	2017	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Car Parks																		
480	Implementation of car park strategy (26)			14	28	52	42												
1004	St Neots and Hinchingsbrooke Car Park income (27)	20	20	20	20	20	20												
	Environmental Improvements																		
703	Heart of Oxmoor (28)								-1,197						1,197				
	Environmental Strategy																		
918	Building Efficiency Improvements (Salix Grant) (29)	17						19			17	9	72	37					
918	Building Effic. Imps (Potential LC proportion) (29)	-5		24	31	38	44												
	Democratic Representation																		
885	District Elections - No elections every 4th year			7															
826	Electoral Administration Act	-8	8	2	2	2	-6												
	Offices																		
890	Headquarters (30)								1,060	-830					-1,060	830			
	Other																		
982	Reduction in NNDR administration grant	17	17	17	17	17	17												
	MAINTENANCE/REPLACEMENT OF ASSETS																		
	Refuse and Recycling																		
948	Provision for Bin Replacements (31)							19					75						
	Parks and Open Spaces																		
854	Play Equipment & Safety Surface Renewal (31)							20					20						
	Leisure Centres																		
861	Future maintenance (31)												535						
	Operations Division																		
886	Vehicle fleet replacements. (31)							191	-15	125		-117	592						
	Offices																		
986	Major repairs and replacements (32)											50							
	IT related																		
891	Business Systems (33)		30	30	30	50	20	-26	-10	5		-5							
891	Business Systems (31)												195						

Bid No.	Scheme	REVENUE						NET CAPITAL						CAPITAL GRANTS & CONTRIBUTIONS					
		F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP				F'CAST	BUDGET	MTP			
		2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016
		2012	2013	2014	2015	2016	2017	2012	2013	2014	2015	2016	2017	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
CONTINGENT ITEMS																			
	Leisure Centres																		
1005	One Leisure - Reduced price increases (34)		150	150	150	150													
	Housing Benefits																		
996	Loss of Fraud Team Funding (35)			75	75	75	75												
	Operations Division																		
991	Agency Worker Regulations (36)	30	129	129	129	129	129												
	Other																		
994	Localisation of Council Tax Benefit (Reductions) (37)			76	76	76	76												
995	Localisation of Council Tax Benefit (Admin Subsidy) (38)			30	30	30	30												
HIGHLY DESIRABLE																			
	Planning Policy and Conservation																		
997	RAF Alconbury Development (39)	50	50																
	Economic Development																		
998	St Neots Development (40)	75																	
	Private Housing Support																		
867	Repairs Assistance (41)					10	10												100
	Homelessness																		
993	Maintain Service Level (Advice and Homelessness) (42)		35																
	Car Parks																		
923	Extra Car Parking, Huntingdon Town Centre (43)	-10	-73					90	1,317	-1,000					-1,300	1,000			
	Environmental Strategy																		
880	Sustainable Homes Retrofit (44)							485		-415				-485		415			
989	St Neots District Heating Scheme (45)								30	40	40								
	Other																		
1002	Business Continuity Review (46)	10	10																
1001	Cover for Staff Side Representatives (47)	25	50	50	50	25	25												
OTHER																			
	Refuse and Recycling																		
979	Wheeled Bins for New Properties (48)							80											65
TOTAL		323	478	705	694	727	684	1,558	1,978	-1,751	431	61	2,610	-47	-1,163	2,245	0	50	400

Notes on Significant Spending Variations

SAVINGS

1	Increased charges for bulky waste Deleted – not achievable
2	Reduce refuse collection by one round Deferred start date to avoid bank holidays
3	Transfer Countryside to a trust Deleted as unlikely to result in any significant savings. Potential alternative £100k saving included in the low end risk assumption.
4	Transfer Leisure Centres to a Trust Deleted as reducing costs without transfer to a trust is regarded as the priority.
5	Mothball CCTV £100k saving assumed based on maintaining a part- time service. More accurate savings figure, potentially higher should be available for final budget report.
6	Customer Services – Range of variations that overall increase savings level
7	Reorganisation - Senior managers 2012/13 figure based on redundancies already achieved plus the proposed changes to PPP which are currently being consulted on with the relevant employees. It is assumed that further reorganisations will take place and the 2013/14 target will be achieved.
8	Pay & allowances Review Draft budget figures are based on the proposals that are currently under consultation with the staff side.
9	Small scale environmental improvements staff saving Deleted - Included in error
10	Recycling Gate Fees – Continuation of current year benefits from jointly negotiated gate fee reductions. The charge is related to various indices so may rise.
11	Community Infrastructure Levy – Preparations Net income from allowable CIL admin fee offset by start up costs and a contingency for extra admin costs.
12	St Neots LC Development – additional revenue savings
13	St Ivo LC Redevelopment – delayed start resulting in extra revenue cost initially but then an estimated increase in savings
14	Additional efficiency savings One Leisure expectation of extra savings in 2012/13
15	Ramsey Development – Proposed development that estimates a revenue surplus.
16	Mobile Home Park, Eynesbury Sale of a unit bought to allow site works.
17	PV Panels - Eastfield House and Other locations. Proposals based on existing feed-in tariff but the Government has now issued a consultation on reducing this for any scheme not commissioned by early December. This and other elements of the proposals mean that the sites and sizes of installation need to be re-assessed to identify the schemes that will give optimum savings. These bids will be adjusted accordingly in the final budget report.
18	Network and ICT Services – additional savings
19	ICT Replacements and Virtualisation – modest capital saving after providing funding for new year 5 bid.

EXTRAS Please note that new capital bids for year 5 (2016/17) replace the general provision previously provided in the MTP which is deleted at note 50.

Unavoidable	
20	Internal Drainage Board Levies – Legislative requirement
21	Woolley Hill Wind Farm, Appeal Costs – Estimated costs of defending appeal
22	Creative Industries Centre, St Neots – Less rental income than anticipated
23	Loss of mortgage interest – Impact of a Housing Association repaying a large mortgage.
24	Disabled Facilities Grants – Legislative requirement, Cabinet determined that a temporary delay in the extra cost should not be taken because of the impact on this disadvantaged group
25	Disabled Facilities Grants – Legislative requirement, Inclusion of provision for new year 5 of plan.
26	Implementation of car park strategy – Less income from previous round of price increases than originally forecast
27	St Neots and Hinchingsbrooke Car Park income - Less income from introduction of charges at 2 St Neots car parks and Hinchingsbrooke Country Park than originally forecast

28	Heart of Oxmoor – delay in receiving capital receipt
29	Building Efficiency Improvements (Salix Grant) – rephasing, additional bid for year 5 and higher proportion likely to be on Leisure Centres which increases the offset to avoid double-counting against Leisure savings target.
30	Headquarters – Reduced forecast of capital receipt for Castle Hill House

Maintenance/Replacement of Assets	
31	Various - Provision for new year 5 of MTP
32	Major repairs and replacements – New provision for Pathfinder House
33	Business Systems – Some capital savings but increased revenue costs recognising the requirement to test the market even if the likelihood of cost effective replacement is low
Contingent Items	
34	One Leisure - Reduced price increases – Current indications that the normal January price increase may be counter-productive. Situation will be kept under review.
35	Loss of Fraud Team Funding – Potential loss of government funding when benefit changes introduced.
36	Agency Worker Regulations – New legislation increases cost of agency workers but attempts will be made to rebalance use of permanent employees to reduce the impact
37	Localisation of Council Tax Benefit (Reductions) – Potential loss of government funding when benefit changes introduced. This will also have an impact on County, Police and Fire.
38	Localisation of Council Tax Benefit (Admin Subsidy) – Potential loss of government funding when benefit changes introduced.
Highly Desirable	
39	RAF Alconbury Development - Funding for assessments and specialist work projects.
40	St Neots Development – Development briefs, commercial viability assessments and traffic management studies
41	Repairs Assistance Provision for new year 5 of MTP
42	Maintain Service Level (Advice and Homelessness) – Cost of maintaining homelessness prevention support. Annual bid dependent on economic situation.
43	Extra Car Parking, Huntingdon Town Centre – See Annex A3
44	Sustainable Homes Retrofit – Deferral of sale of houses and reduced values
45	St Neots District Heating Scheme – Provision for design and project management
46	Business Continuity Review – To update and maintain the Council's plans
47	Cover for Staff Side Representatives – degree of consultation that has been and will continue to be necessary at least until forecast savings have been delivered is having a serious impact on service provision in some specific areas.
Other	
48	Wheeled Bins for New Properties – It is possible that in future some of the cost can be passed on to developers but this is likely to be a low priority within S106 provision.

TECHNICAL

50	Future Capital Provision (outturn prices) – Deletion of year 5 provision to be replaced by various bids above
51	2011/12 Outturn – general adjustment for expected savings not identified above
52	Schemes brought forward – replaced by actual variations on individual schemes
53	Reduction of T/O allowance – Assumed that as current and future savings are achieved that turnover will fall and that it will be more difficult to cope without employing temporary staff to cover any recruitment delay
54	Low End Risk Assumptions – See annex F for more information
55	Savings to be found in February – There are some items that it was not possible to finalise in time for this report that should be sufficient to balance 2012/13 spending such that no increase in the use of revenue reserves will be required.

Extra Car Parking, Huntingdon Town Centre

	REVENUE						NET CAPITAL				CAPITAL GRANTS & CONTRIBUTIONS		
	F'CAST	BUDGET		MTP				F'CAST	BUDGET	MTP	F'CAST	BUDGET	MTP
	2011	2012	2013	2014	2015	2016	2010	2011	2012	2013	2011	2012	2013
	2012	2013	2014	2015	2016	2017	2011	2012	2013	2014	2012	2013	2014
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Approved 2011 Budget/MTP	20	150	150	57	-129	-314	380	900	2,450			1,550	
Proposed Variation	-10	-73					-107	90	1,317	-1,000		-1,300	1,000
Draft 2012 Budget/MTP	10	77	150	57	-129	-314	273	990	3,767	-1000		250	1,000

The reasons for the variations are as follows:

- Later opening date provides some revenue savings in 2011/12 and 2012/13 and rephasing of capital costs.
- A £300k overall increase in capital cost due to not needing to sell all of Trinity Place Car Park.
- Church Manor Estates now intend to transfer the Chequers way Disabled Car Park to the Council at nil cost.
- Firm costs have been received from the tenders received for the construction work

The variations proposed in this report would not normally be formally approved until the February meeting of Council. However, there is a need to sign various legal agreements in December under delegated powers, following consultation with the Executive Leader, to ensure that the car park will be completed on time.

It is therefore necessary to obtain Cabinet approval to a supplementary capital estimate of £300k.

COUNCIL TAX FREEZE REWARD GRANT - AN ILLUSTRATION	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
Tax base		59,460	59,924	60,388	60,852	61,316
MTP before Reward Grant Introduced						
Council Tax	£124.17	£127.27	£130.46	£133.72	£137.06	£140.49
Increase (%)		2.5%	2.5%	2.5%	2.5%	2.5%
Council Tax Income (£000)		7,568	7,817	8,075	8,340	8,614
Special Government Grant		0	0	0	0	0
Total Income		7,568	7,817	8,075	8,340	8,614
February 2011 MTP with first reward						
Council Tax	£124.17	£124.17	£127.27	£130.46	£133.72	£137.06
Increase (%)		0.0%	2.5%	2.5%	2.5%	2.5%
Council Tax Income (£000)		7,383	7,627	7,878	8,137	8,404
Special Government Grant		184	184	184	184	0
Total Income		7,567	7,811	8,062	8,321	8,404
Extra Savings required		0	-7	-13	-19	-210
February 2012 MTP IF second reward taken						
Council Tax	£124.17	£124.17	£124.17	£127.27	£130.46	£133.72
Increase (%)		0.0%	0.0%	2.5%	2.5%	2.5%
Council Tax Income (£000)		7,383	7,441	7,686	7,939	8,199
Special Government Grant		184	370	184	184	0
Total Income		7,567	7,811	7,870	8,123	8,199
Extra Savings required		0	-7	-205	-218	-415

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UNIDENTIFIED SAVINGS RANGE

Section 8 and Annex E of the Report are largely based on those issues where it is reasonably straightforward to make an assessment of the financial impact of the items.

Section 9 highlights the many items where this is not possible and the following table indicates a possible range for this uncertainty. The lower level has been included in the central assumption on a contingent basis.

LOW END ASSUMPTION	Extra savings needed (+) ##:					HIGH END ASSUMPTION	Extra savings needed (+) ##:				
	12/13	13/14	14/15	15/16	16/17		12/13	13/14	14/15	15/16	16/17
	£M	£M	£M	£M	£M		£M	£M	£M	£M	£M
Initial level (Section 8 of the report)	0.0	0.0	0.0	0.0	0.0	Initial level (Section 8 of the report)	0.0	0.0	0.0	0.0	0.0
Increase in pay award:											
1% in 2013/14		0.2	0.2	0.2	0.2	2% in 2013/14 then 1% per year		0.4	0.6	0.8	1.1
Extra reduction in Government Grant in 2013/14											
1%		0.1	0.1	0.1	0.1	2%		0.2	0.2	0.2	0.2
Growth per year in funding from Business Rates growth											
1% per year			-0.1	-0.2	-0.3	2% per year			-0.2	-0.3	-0.5
Reduction in New Homes Bonus grant due to slower housing completions from 2013/14											
10% lower		0.1	0.2	0.3	0.4	20% lower		0.2	0.4	0.6	0.8
Reduction in Government Grant due to insufficient New Homes Bonus funding											
All bodies share loss	0.1	0.2	0.3	0.4	0.5	Local Authorities share loss	0.2	0.3	0.5	0.6	0.8
Increase in net spending every year to cover cost of increased population. There is no provision for demographic growth in the forecast.											
0.425%		0.1	0.2	0.3	0.4	0.85%		0.2	0.4	0.6	0.8
Cost of taking 2012/13 Council Tax Freeze Grant if Council Tax rise not increased to compensate in 2013/14											
								0.2	0.2	0.2	0.2
Potential reduction in tax base from non-collectable Council Tax following localisation reductions											
						Based on 8.4% of £900k		0.1	0.1	0.1	0.1
Loss of income in 2012/13 and 2013/14 excluding leisure											
						2.5%	0.2	0.2			
No leisure price increase											
						in 2013/14		0.2	0.2	0.2	0.2
	0.1	0.7	0.9	1.1	1.3		0.4	2.0	2.4	3.0	3.7
Savings Items						Savings Items					
						CCTV – further savings	-0.1	-0.1	-0.1	-0.1	-0.1
Countryside savings			-0.1	-0.1	-0.1	Countryside savings			-0.1	-0.1	-0.1
Community Grants – less saving		0.1	0.1	0.1	0.1	Community Grants reductions – less saving		0.2	0.2	0.2	0.2
						Less rental of space in PFH		0.1	0.1	0.1	0.1
						Lower increase in car park charges		0.1	0.2	0.3	0.3
	0.0	0.1	0.0	0.0	0.0		-0.1	0.3	0.3	0.4	0.4
PROPOSED RANGE FROM . .	0.1	0.8	0.9	1.1	1.3	TO...	0.3	2.3	2.7	3.4	4.1
						Extra cost of high end assumption	0.2	1.5	1.8	2.3	2.8

\$\$ Subject to staff consultation, excludes any redundancy costs

NOT INCLUDED IN EITHER ASSUMPTION	Extra savings needed (+) ##:				
	12/13	13/14	14/15	15/16	16/17
	£M	£M	£M	£M	£M
1% increase in non-pay inflation rate if fees and charges adjusted appropriately each year&&					+0.1
2% change in Pension Fund contributions in 2013/14		+/-0.3	+/-0.3	+/-0.3	+/-0.3
1% increase in all interest rates from 2012/13 onwards	+0.1	+0.1	+0.1	+0.1	+0.1
Increase Council Tax rise to 5% in 2013/14 and 2015/16		-0.2	-0.2	-0.4	-0.4
Increase Council Tax rise to 5% from 2013/14		-0.2	-0.4	-0.6	-0.9

&& Excludes income items where above inflation increases already assumed

SAVINGS	DRAFT BUDGET					NOTES
	2012	2013	2014	2015	2016	
	2013	2014	2015	2016	2017	
Scheme	£000	£000	£000	£000	£000	
Rental of space in PFH	-75	-150	-150	-150	-150	Problematic - no current interest
Increase in car park charges	-150	-300	-300	-500	-500	This is in addition to the three yearly inflation increases of 10% this year and in 2014/15. Subject to review in the light of the car parking management plan which is being updated.
Community Grants reductions	-51	-294	-294	-294	-294	Saving unlikely to be fully achieved. Modified proposals should be available for final budget report. Assumed £100k will not be achieved in the low end risk assumption.
Licensing - efficiency and higher charges	-14	-21	-28	-35	-35	Later years uncertain
Document Centre - efficiency and external work	-40	-50	-60	-75	-75	Later years uncertain

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CONTROLLABLE BUDGET BY HEAD OF SERVICE

ANNEX F

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Managing Directors and Corporate Office																
Corporate Services	Corporate Management															
	TOTAL	266	158	151	158	158	158	158	158							
Management Units	Director of Central Services															
	TOTAL	173	184	177	184	184	184	184	184							
Management Units	MD - Env. & Comm. Services															
	TOTAL	170	178	172	178	178	178	178	178							
Management units	MD - Resources															
	TOTAL	134	131	126	131	131	131	131	131							
Former PPP																
Planning	Economic Development															
	MTP Variation				153	153	153	153	153							
#	Town Centre Partnerships - reduced funding				-40	-60	-60	-60	-60							
	TOTAL	163	153	153	113	93	93	93	93							
	Community initiatives															
	TOTAL	-29	36	68	36	36	36	36	36							
Corporate Services	Corporate Management															
	TOTAL	104	59	55	59	59	59	59	59							
	Non-Distributed Costs (pensions)															
	TOTAL	231	218	188	218	218	218	218	218							

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Management Units	Policy People & Partnerships															
	MTP Variations				1,212	1,212	1,212	1,212	1,212							
	# Central Services - Reorganisation				-50	-50	-100	-100	-100							
	TOTAL	1,170	1,212	959	1,162	1,162	1,112	1,112	1,112							
Internal Services	Human Resources															
	TOTAL	172	202	219	202	202	202	202	202							
		2,554	2,531	2,268	2,441	2,421	2,371	2,371	2,371							
Head of Legal & Democratic Services																
Environmental Services	Environmental Health (Licensing)															
	MTP Variations				-267	-267	-267	-267	-267							
	# Licensing - efficiency and higher charges				-7	-14	-21	-28	-28							
	TOTAL	-262	-267	-267	-274	-281	-288	-295	-295							
Planning	Economic Development (Estates)															
	MTP Variation				-1,529	-1,529	-1,529	-1,529	-1,529							
	239 New Industrial Units				-28	-28	-28	-28	-28							
	657 Creative Industries Centre, St Neots												-3	-3		
	509 Industrial Estate Repairs									16	8					
TOTAL	-1,386	-1,529	-1,420	-1,557	-1,557	-1,557	-1,560	-1,560	16	8						
Corporate Services	Corporate Management															
	TOTAL		2	2	2	2	2	2	2							
Corporate Services	Democratic representation															
	MTP Variations				534	534	534	534	534							
	825 Members Allowances Review							4								
	826 Electoral Administration Act				-8		-6	-6	-6							
	Reduced number of cabinet posts				-27	-27	-27	-27	-27							
	Twinning				-4	-4	-4	-4	-4							
	TOTAL	501	534	491	503	497	501	497	497							

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Central services (elections/land charges)															
	MTP Variation				10	10	10	10								
885	District Council Elections - No elections every fourth year					-73										
	TOTAL	-48	10	-36	10	-63	10	10	10							
Internal Services	Document Centre															
	MTP Variation				604	604	604	604	604							
380	Replacement Printing Equip.										70			208		
894	Replacement Equipment Document Centre									78	3	70	29	11	45	5
895	Multi-functional Devices									45	10		80			80
#	Document Centre - efficiency and external work				-7	-17	-27	-42	-42							
	TOTAL	489	604	535	597	587	577	562	562	123	13	140	109	11	253	85
Management Units	Legal & Democratic Services															
	TOTAL	1,282	1,137	927	1,137	1,137	1,137	1,137	1,137							
		576	491	232	418	322	382	353	353	139	21	140	109	11	253	85
Head of Housing Services																
Housing Services	Housing Services															
	MTP Variations				-5	-5	-5	-5	-5							
702	Mobile Home Park, Eynesbury				3	3	3	3	3							-73
	TOTAL	-23	-5	-9	-2	-2	-2	-2	-2							-73
	Private housing support															
	MTP Variation				29	29	29	29	29							
947	Mortgage Fall-out			32	43	43	43	43	43							-549
866	Disabled Facilities Grants									800	2,029	1,593	1,124	1,124	1,124	956
867	Repairs Assistance									100	100	100	100	100	100	100
932	Decent Homes - Thermal Efficiency and Category 1 H&S													11	53	
869	Social Housing Grant										133	237				
	TOTAL	-51	29	3	72	72	72	72	72	900	1,713	1,930	1,224	1,235	1,277	1,056

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Management Units	Homelessness															
	MTP Variations				173	173	173	173								
	945 Priority Needs Scheme (End of temporary Savings)				31	33	33	33								
	## Homelessness Grant					85	85	85								
	TOTAL	209	173	154	204	291	291	291	291							
	Housing															
	MTP Variations				1,095	1,095	1,095	1,095	1,095							
	993 Maintain Service Level (Advice and Homelessness)				35											
	# Housing staff efficiency savings				-55	-55	-55	-55	-55							
	TOTAL	1,045	1,095	1,067	1,075	1,040	1,040	1,040	1,040	1,040						
		1,180	1,292	1,215	1,349	1,401	1,401	1,401	1,401	900	1,640	1,930	1,224	1,235	1,277	1,056
Head of Environmental and Community Services																
Environmental Services	Environmental Health															
	MTP Variations				176	176	176	176	176							
	911 House Condition Survey							55								
	927 Air Quality Monitoring Equipment				-30							30				
	TOTAL	195	176	191	146	176	176	231	176			30				
Planning Policy & Conservation	MTP Variations				8	8	8	8	8							
	953 Parish Planning							-7	-7							
	TOTAL	8	8	8	8	8	8	1	1							
Community Services	Community initiatives															
	MTP Variation				409	409	409	409	409							
	423 Community Information Project									11	11					
	992 Ramsey Library Development										40					
	952 Loves Farm Community Centre									45	37	-45				
	863 Community Facilities Grants				-51	-294	-294	-294	-294							
TOTAL	407	409	387	358	115	115	115	115	56	88	-45					

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Leisure policy															
	MTP Variation				213	213	213	213								
845	Physical Activity Initiatives for Adults					-7	-9	-9	-9							
	TOTAL	232	213	257	213	206	204	204	204							
Community safety	Community Safety															
	TOTAL	46	114	45	114	114	114	114	114							
Management Units																
	MTP Variation				1,517	1,517	1,517	1,517	1,517							
#	Environmental & Community Health savings					-75	-75	-75	-75							
	TOTAL	1,504	1,517	1,424	1,517	1,442	1,442	1,442	1,442							
		2,384	2,437	2,312	2,356	2,061	2,059	2,107	2,052	56	88	-15				
Head of Operations																
Environmental Services	Refuse collection & Recycling															
	MTP Variations				2,188	2,188	2,188	2,188	2,188							
969	Recycling Gate Fees				-157	-106	-100	-93	-87							
948	Provision for Bin Replacements									31	50	33	38	48	340	75
979	Wheeled Bins for New Properties									126	206	143	143	139	79	65
#	Increased charges for bulky waste				20	20	20	20	20							
#	Reduce refuse collection by one round				-82	-100	-100	-100	-100							
	TOTAL	1,737	2,188	1,902	1,969	2,002	2,008	2,015	2,021	157	256	176	181	187	419	140
	Drainage and sewers															
	TOTAL	6	11	7	11	11	11	11	11							
	Street cleaning and litter															
	TOTAL	910	1,002	943	1,002	1,002	1,002	1,002	1,002							
Planning	Markets															
	TOTAL	-122	-165	-136	-165	-165	-165	-165	-165							

BUDGET Controllable basis

		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Community safety	CCTV															
	MTP Variations				365	365	365	365								
865	CCTV - Camera replacements									20	27	28	28	28	28	
#	Reduce CCTV to a basic service				-43	-43	-43	-43								
#	Mothball CCTV				-100	-100	-100	-100								
	TOTAL	430	365	356	222	222	222	222	222	20	27	28	28	28	28	
Community Services	Countryside															
	MTP Variations				384	384	384	384	384							
#	Countryside - reduce staff and increase income				-48	-98	-98	-98	-98							
	TOTAL	357	384	367	336	286	286	286	286							
	Parks															
	MTP Variations				11	11	11	11	11							
854	Play Equipment & Safety Surface Renewal									50	70	20	20	20	20	
	TOTAL	-29	11	11	11	11	11	11	11	50	70	20	20	20	20	
Highways & Transportation	Car parks															
	MTP Variations				-1,220	-1,220	-1,220	-1,220	-1,220							
480	Implementation of car park strategy				-10	-20	-30	-40	-84							
1004	St Neots and Hinchbrooke Car Park income			20	20	20	20	20	20							
	TOTAL	-1,063	-1,220	-1,125	-1,210	-1,220	-1,230	-1,240	-1,284							
Corporate Services	Central services (emergency planning)															
	TOTAL	29	30	13	30	30	30	30	30							
Management Units	Operations															
	MTP Variations				1,423	1,423	1,423	1,423	1,423							
#	Operations Division Reorganisation				-54	-54	-54	-54	-54							
991	Agency Worker Regulations (to be allocated)			30	129	129	129	129	129							
	TOTAL	1,410	1,423	1,307	1,498	1,498	1,498	1,498	1,498							

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Internal services	Grounds Maintenance															
	MTP Variations				917	917	917	917	917							
#	Reduced grounds maintenance standards				-150	-150	-150	-150	-150							
	TOTAL	827	917	821	767	767	767	767	767							
	Other internal services (vehicles & plant)															
	MTP Variations															
886	Vehicle fleet replacements.									551	742	792	1,046	908	942	592
	TOTAL	25		14						551	742	792	1,046	908	942	592
		4,517	4,946	4,480	4,471	4,444	4,440	4,437	4,399	758	1,088	1,015	1,275	1,143	1,409	780
Head of Planning Services																
Planning	Development control															
	MTP Variations				-948	-948	-948	-948	-948							
904	Community Infrastructure Levy - Preparations				-5	-60	-135	-160	-185							
997	RAF Alconbury Development			50	50											
999	Woolley Hill Wind Farm, Appeal Costs			60												
	TOTAL	-556	-948	-738	-903	-1,008	-1,083	-1,108	-1,133							
	Planning policy and conservation															
	MTP Variations				410	410	410	410	410							
903	Local Development Framework examinations				-62	-80	-160	-200	-200							
358	Ramsey Rural Renewal				-2	-5	-5	-5	-5		63					
909	Great Fen Project - Governance arrangements						-20	-20	-20							
	TOTAL	141	410	388	346	325	225	185	185		63					
	Economic Development															
	MTP Variations				2	2	2	2	2							
401	Huntingdon Town Centre Development									12	12					
224	Town Centre Developments									210	296	80				
850	Huntingdon West Development (Housing Growth Fund)									4,723		902	2,136	-700	-700	-700
998	St Neots Development			75												
	TOTAL		2	88	2	2	2	2	2	4,945	308	982	2,136	-700	-700	-700

BUDGET Controllable basis

		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Planning delivery grant															
	TOTAL		9	9	9	9	9	9								
Highways & Transportation	Transportation Strategy															
	MTP Variation				95	95	95	95								
	871 Safe Cycle Routes														68	
	351 St Neots Pedestrian Bridges														501	
	363 Ramsey Transport Strategy														5	
	977 Perry Cycle Scheme														-36	
	TOTAL	76	95	96	95	95	95	95	95							538
		Public transport incl. concessionary fares														
		MTP Variations				10	10	10	10							
	818	Railway Stations - Improvements														26
	TOTAL	598	10	17	10	10	10	10	10	26	22	20				
	Car parks (policy)															
	MTP Variation															
#	Increase in car park charges				-150	-300	-300	-500	-500							
923	Extra Car Parking, Huntingdon Town Centre			-10	57	130	37	-149	-334	900	990	3,767	-	1,000	-	
	TOTAL				-93	-170	-263	-649	-834	900	990	3,767	1,000			
Management units	Planning															
	MTP Variations				2,251	2,251	2,251	2,251	2,251							
	#	Planning efficiencies				-95	-95	-95	-95	-95						
	739	Proposed use of Planning Delivery Grant				-73	-73	-73	-73	-73						
	655	Electronic Document Imaging				4	4	4	4	4						
	656	Planning Enforcement Monitoring Officer				4	4	4	4	4						
		TOTAL	2,169	2,251	1,965	2,091	2,091	2,091	2,091	2,091						
		2,428	1,829	1,825	1,557	1,354	1,086	635	425	5,871	1,921	4,769	1,136	-700	-700	-700

BUDGET Controllable basis

		REVENUE							NET CAPITAL							
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Head of Environmental Management																
Environmental Services	Drainage and sewers															
	MTP Variations				425	425	425	425	425							
985	Internal Drainage Board Levies			10	10	10	10	10	10							
	TOTAL	425	425	436	435	435	435	435	435							
	Public conveniences															
	MTP Variations				20	20	20	20	20							
1003	South Street, St Neots										5	-15				
	TOTAL	31	20	20	20	20	20	20	20		5	-15				
	Environmental Health (energy efficiency)															
	MTP Variations				83	83	83	83	83							
879	Environment Strategy Funding									55	55	55	55	55		
880	Sustainable Homes Retrofit				-10	-10	-10	-10	-10	-485			-415			
882	Energy and Water Efficiency					-20	-20	-20	-20							
918	Building Efficiency Improvements (Salix Grant)			17	-33	-52	-78	-104	-124	55	74	58	77	95	71	72
918	Building Effic. Imps (Potential LC proportion)			-5	21	37	57	78	94							
987	PV Panels - Other locations				-44	-62	-62	-62	-62		174	249	187			
988	PV Panels - Eastfield House				-20	-20	-19	-19	-19		158					
989	St Neots District Heating Scheme											30	40	40		
	TOTAL	84	83	86	-3	-44	-49	-54	-93	-375	461	392	-56	190	71	72
	Closed Churchyards															
	TOTAL	5	5	5	5	5	5	5	5							
Planning	Building Control															
	TOTAL	-456	-530	-495	-530	-530	-530	-530	-530							
Community Services	Community initiatives															
	TOTAL	6	6	6	6	6	6	6	6							

BUDGET Controllable basis

		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
H'ays & Transportation	Public transport															
	MTP Variations				101	101	101	101								
	625 Huntingdon Bus Station								40	61						
	TOTAL	126	101	92	101	101	101	101	40	61						
	Highways Services (street naming)															
	MTP Variations				45	45	45	45								
	844 Street naming and numbering				-5	-5	-5	-5								
	TOTAL	25	45	25	40	40	40	40								
	Car parks (assets)															
	MTP Variations				45	45	45	45								
461 Car Park Repairs								86	86	60	60	31				
166 St Neots - Cambridge Road Car Park								80		89						
TOTAL	46	45	45	45	45	45	45	166	86	149	60	31				
Environmental Improvements																
MTP Variations				42	42	42	42									
703 Heart of Oxmoor											-1,366					
TOTAL	130	42	42	42	42	42	42				-1,366					
Management units																
Environmental Management																
MTP Variations				1,698	1,698	1,698	1,698	1,698								
831 Technical Services Restructuring				-39	-39	-39	-39	-39								
TOTAL	1,557	1,698	1,423	1,659	1,659	1,659	1,659	1,659								
H D C Offices																
Offices																
MTP Variations				1,012	1,012	1,012	1,012	1,012								
890 Headquarters									2		-900	-830				
986 Major repairs and replacements													50			
# Rental of space in PFH				-75	-150	-150	-150	-150								
TOTAL	781	1,012	946	937	862	862	862	862	2		-900	-830	50			
Internal Services																
Pool Cars																
TOTAL	17	19	16	19	19	19	19	19								
		2,777	2,971	2,641	2,776	2,660	2,655	2,650	2,611	-167	613	-1,740	-826	271	71	72

BUDGET Controllable basis

		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Head of Customer Services																
Planning	Economic Development (NNDR relief)															
	TOTAL	44	29	23	29	29	29	29	29							
Housing Services	Housing benefits															
	MTP Variations				-592	-592	-592	-592	-592							
813	Reduction in Benefits Admin Grant (Part)				35	35	35	35	35							
984	E Forms								52							
996	Loss of Fraud Team Funding (Part)				53		53	53	53							
	TOTAL	-757	-592	-701	-557	-504	-504	-504	-504	52						
Corp'rate Services	Local Taxation & Benefits															
	MTP Variations				-942	-942	-942	-942	-942							
996	Loss of Fraud Team Funding (Part)				22		22	22	22							
813	Reduction in Benefits Admin Grant (Part)				16	16	16	16	16							
982	Reduction in NNDR administration grant	17			17	17	17	17	17							
994	Localisation of Council Tax Benefit (Reductions)				76		76	76	76							
995	Localisation of Council Tax Benefit (Admin Subsidy)				30		30	30	30							
	TOTAL	-994	-942	-967	-909	-781	-781	-781	-781							
Internal Services	Call Centre															
	MTP Variations				641	641	641	641	641							
#	Reduce call centre hours				-44	-44	-44	-44	-44							
981	Call Centre CRM Replacement				-71		-71	-71	-71	20	136					
983	Automated Telephone Payments				-7	-14	-14	-14	-14	39						
	TOTAL	575	641	613	590	512	512	512	512	59	136					
Internal Services	Customer Service Centres															
	MTP Variations				622	622	622	622	622							
#	Yaxley Customer Service Centre Savings				14	14	14	14	14							
#	Ramsey Customer Service Centre Savings				8	8	8	8	8							
#	Close St Ives Customer Service Centre				-2	-9	-9	-9	-9							
#	Reduce hours at Huntingdon CSC				-7		-14	-14	-14							
#	St Neots Customer Service Centre Savings				-25	-25	-25	-25	-25							
	TOTAL	674	622	598	617	603	596	596	596							

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Management Units	Customer Services															
	MTP Variations				2,204	2,204	2,204	2,204	2,204							
	# Customer Services - Staff savings				-33	-66	-66	-66	-66							
	626 Wireless Working (Benefits and Revenues)									24						
TOTAL		2,258	2,204	2,181	2,171	2,138	2,138	2,138	2,138	24						
		1,800	1,962	1,747	1,941	1,997	1,990	1,990	1,990	24	111	136				
Head of Financial Services																
Highways & Transportation	Environmental Improvements															
	MTP Variations															
	920 East of Sapley - Preliminary Costs														-15	
TOTAL		3		7											-15	
Corporate Services																
Corporate Management																
TOTAL		184	209	219	209	209	209	209	209							
Other Expenditure																
Interest and borrowing costs																
MTP Variations					-93	-93	-93	-93	-93							
Interest					281	779	1,136	1,409	1,605							
TOTAL		-337	-93	-119	188	686	1,043	1,316	1,512							
Other expenditure																
MTP Variations					722	722	722	722	722							
Pension Fixed Sum					236	479	718	758	758							
VAT Partial Exemption					3	6	6	6	6	182	182	34	53	34	96	
Doubtful Debts Provision					-10	-20	-30	-40	-40							
Variation in MRP					74	198	244	377	475							
TOTAL		251	722	1,379	1,025	1,385	1,660	1,823	1,921	182	182	34	53	34	96	
Area based grant																
TOTAL		-95	-78		-78	-78	-78	-78	-78							

BUDGET Controllable basis		REVENUE								NET CAPITAL							
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP				
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016	
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Management units	Financial Services																
	MTP Variations				1,189	1,189	1,189	1,189	1,189								
	975 Procurement Support to ECDC				5	5	5	5	5								
	# Further Financial Services savings				-24	-24	-24	-24	-24								
	TOTAL	1,141	1,189	1,139	1,170	1,170	1,170	1,170	1,170								
Internal Services	Insurance																
	TOTAL	373	395	222	395	395	395	395	395								
	Financial services																
	TOTAL	82	90	58	90	90	90	90	90								
		1,602	2,434	2,905	2,999	3,857	4,489	4,925	5,219	182	182	19	53	34	96		
Head of IMD																	
Internal Services	Helpdesk & Network Services																
	MTP Variations				1,013	1,013	1,013	1,013	1,013								
	958 Help Desk Saving					75	75	75	75								
	495 Corporate EDM									42							
	959 Network and ICT Services				-130	-129	-129	-59	-59								
	# IMD Staff savings				-6	-19	-19	-84	-84								
	# IMD Contract Savings					-75		-40	-40								
	892 Government Connect				11	11	11	11	11	12	86						
	970 Telephony and ICT Network Renewal													100	100		
	976 ICT Replacements and Server Virtualisation									310	450	322	57	57	57	277	
	## IMD Infrastructure savings				-15	-15	-15	-15	-15								
		TOTAL	988	1,013	1,044	873	861	936	901	901	322	578	322	57	57	157	377
		Web & Business Systems															
		MTP Variations				254	254	254	254	254							
	913 Web Advertising income shortfall					-3	-3	-3	-3	-3							
# IMD Shared Service Income					-5	-10	-20	-20	-20								
	TOTAL	284	254	238	246	241	231	231	231								
	Corporate Systems																
	TOTAL	264	242	237	242	242	242	242	242								

BUDGET Controllable basis		REVENUE								NET CAPITAL						
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Business Analysis & Project Management																
MTP Variations																
					402	402	402	402	402							
891	Business Systems				-4	-4	-28	-28	-58	225	159	220	195	195	195	
900	Working Smarter				-21	-21	-21	-21	-21	40	30	23				
893	VoIP Telephony for Leisure Centres										30					
TOTAL		391	402	421	377	377	353	353	323	265	219	243	195	195	195	
Head of IMD																
TOTAL		193	192	184	192	192	192	192	192							
		2,120	2,103	2,124	1,930	1,913	1,954	1,919	1,889	587	797	565	252	252	352	
General Manager, Leisure																
Community Services																
Leisure Centres																
MTP Variations																
					820	820	820	820	820							
857	St Neots LC Development				-149	-149	-149	-209	-209	60					250	
858	Huntingdon LC Development				-11	-11	-11	-11	-11							
896	St Ivo LC - Football Improvements										173					
922	St Ivo LC Redevelopment				-176	-427	-541	-563	-561	2,500	200	3,080				
861	Future maintenance				-42	-42	-42	-42	-42	676	-197	612	422	422	422	
22	CCTV Improvements									10	15					
957	Reception Automation									60	60					
956	Replacement Fitness Equipment				20	-22	-22	-22	-22	400		77	275			
	Leisure Savings Target not yet identified				-1	78	55	40	46							
	Estimated need to rephase target				-25	-50	-50	-50	-50							
#	Leisure Savings				90	-190	-300	-400	-400							
	Overperformance				-200											
1000	Ramsey Development				-20	-40	-40	-40	-40			560				
1005	One Leisure - Reduced price increases				150	150	150	150	150							
TOTAL		681	820	344	456	117	-130	-327	-319	3,706	251	4,329	697	422	672	
Management units																
Leisure																
TOTAL		199	210	208	210	210	210	210	210							
		880	1,030	552	666	327	80	-117	-109	3,706	251	4,329	697	422	672	

BUDGET Controllable basis

Non-Allocated Items

		REVENUE							NET CAPITAL											
		Actual	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP							
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016				
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
Non-Allocated																				
Recharges to non-revenue accounts																				
MTP Variations																				
Revenue staff charged to capital									50	50	50	50	50	50	50					
Rule change re Capital Overheads									-117											
TOTAL		-848	-929	-848	-848	-848	-848	-848	-67	50	50	50	50	50	50					
Low End Risk Assumptions																				
MTP Variations																				
Increase in pay award in 2013/14																				
Reduction in Formula Grant in 2013/14																				
Business Rates Growth																				
Reduced New Homes Bonus (lower completions)																				
Formula Grant reduction due to New Homes Bonus									107	214	318	424	530							
Provision for demographic growth										94	195	297	409							
Countryside savings											-100	-100	-100							
Community Grants (reduced saving)											100	100	100	100						
TOTAL									107	792	897	1,129	1,379							
Other items																				
MTP Variations																				
#	Reorganisation - Senior managers								-306	-470	-470	-470	-470							
#	Pay & allowances Review								-24	-330	-463	-621	-713							
1002	Business Continuity Review								10	10										
1001	Cover for Staff Side Representatives								25	50	50	50	25	25						
919	E-Marketplace								-25	-28	-28	-28	-28							
Capital Inflation														97	133	256	249			
Revenue Inflation									474	1,390	2,145	2,934	3,849							
Spending Adjustments still to be identified									1	-500	-801	-1,339	-1,409							
Schemes brought forward														1,200		1,500	500	500	500	500
Schemes carried forward														-1,256	-1,256	-500	-500	-500	-500	
Roundings									-3	-1	-2	-1	-2							
Savings to be identified for February									-82											
TOTAL		-563	-10	-467	-452	-132	-63	689	-56	-1,256	1,000	97	133	256	249					
TOTAL BUDGET		22,818	22,615	21,362	21,696	22,249	22,824	22,889	23,822	11,933	5,506	12,198	4,067	2,851	3,736	2,699				