

APPENDIX A

BUDGET 2012/13 AND MEDIUM TERM PLAN 2013 - 2017 Report by the Head of Financial Services)

1. PURPOSE

- 1.1 The purpose of this report is to allow the Cabinet to determine its recommendations to Council on 22nd February in relation to the Council's Budget and Council Tax for 2012/13, Medium Term Plan for 2013/17 and associated matters.

2. BACKGROUND

- 2.1 Both the Financial Strategy in September and the Draft Budget in December were considered by Overview & Scrutiny and Cabinet before being approved by Council. Both reports highlighted a continuing high level of uncertainty on a number of issues, affecting the financial position of the Authority.

3. OVERVIEW

A combination of:

- expected progress in controlling payroll costs,
- a buoyant forecast for New Homes Bonus,
- continuing efficiency savings, and
- a Council Tax rise

result in a budget for 2012/13 that maintains a higher level of reserves and reductions in the service savings still to be identified for the future.

Government proposals for funding in 2012/13 are slightly higher (£37k) than expected. New Homes Bonus provides an increasingly significant element (£1.9M) of the Council's funding and this is expected to rise over the next few years to over £6M. Whilst of significant benefit it does increase the Council's reliance on the buoyancy of the house building industry.

Since December, some changes have been made to the Draft Budget. These include:

- greater savings on pay including the decision to have no pay increase again in April 2012.
- a £188k per year increase in the level of Voluntary Sector grants previously proposed.
- review of the risk provision and an increase in the minimum level of revenue reserves to £4.5M.

Uncertainty continues to be a major problem for Local Authorities whether as a result of the world, European or UK economies or Government proposed changes to their funding or responsibilities. It will be some years before there is any chance of greater certainty. Allowance for a risk provision has been made in the budget but higher end assumptions could result in extra costs of up to £2.1M by 2016/17.

The Government have offered a one year grant equivalent to 2.5% to any Council that does not raise its Council Tax for 2012/13. Huntingdonshire, together with a significant number of other Authorities, does not propose to accept this as there is a significant likelihood that it will simply result in the need to cut services when the grant ceases the following year.

The Government are proposing a limit on Council Tax increases of 3.5% with the requirement to get a majority result from a referendum for any higher level.

The Council's Tax Level for the current year is £124.17 per year for Band D properties with 66% of residents on lower bands paying a lower tax. This is significantly less than the District Council average of £168. Lower taxing Districts are at a severe disadvantage from percentage limits which have minimal cash value and the Leader has written to the Secretary of State proposing that future limits should reflect a cash value based on the District Council average.

In order to protect the services that local residents value, such as voluntary sector grants which result in significant support for some of the most vulnerable, and to ensure that our budgets take proper recognition of current uncertainties a Council Tax increase of £4.34 per year (8p per week) is proposed for a Band D property. This equates to a rise of 3.5% and equivalent increases in future years mean that the Council has a lower target of future savings to achieve. This reduces the chances of reductions in the services that local residents need and value.

The following table shows the key figures:

PROPOSED	FORECAST	BUDGET	MTP			
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000	£000
NEW FORECAST	21,435	21,722	22,299	22,842	23,611	24,365
FUNDING						
Use of revenue reserves	-2,409	-2,547	-1,954	-1,909	-1,122	0
Remaining revenue reserves EOY	12,032	9,485	7,531	5,622	4,500	4,500
New Homes Grant	-832	-1,913	-2,857	-3,704	-4,845	-6,095
Special Council Tax Grant 2011/12	-184	-184	-184	-184	0	0
Formula Grant (RSG)	-10,522	-9,288	-9,235	-8,630	-8,846	-9,067
Collection Fund Deficit	-105	-63	0	0	0	0
Council Tax	-7,383	-7,727	-8,068	-8,415	-8,797	-9,202
COUNCIL TAX LEVEL	£124.17	£128.51	£133.01	£137.66	£142.48	£147.47
£ increase	£0.00	£4.34	£4.50	£4.66	£4.82	£4.99
Unidentified Spending Reductions	0	0	-337	-550	-616	-891
Extra savings if higher risks		-100	-800	-1,000	-1,600	-2,100
DRAFT BUDGET						
Unidentified Spending Reductions		0	-500	-800	-1,338	-1,409
LAST YEAR						
Unidentified Spending Reductions		-751	-961	-1,524	-1,975	-2,028

4. CHANGES SINCE THE DRAFT BUDGET – SPENDING AND RISK PROVISION

4.1 The tables below shows the key changes that have been made to spending and the risk provision since the Draft Budget was considered in December. Annex A provides further detail.

REVENUE SPENDING	REVENUE					
	F'CAST	BUDGET	MTP			
	2011	2012	2013	2014	2015	2016
	2012	2013	2014	2015	2016	2017
	£000	£000	£000	£000	£000	£000
DRAFT excluding Unidentified Savings	21,362	21,696	22,749	23,624	24,227	25,231
Pay and Allowances		-295	-464	-509	-533	-638
Voluntary Sector Grants			188	188	188	188
Other Service Variations	241	394	330	103	137	142
Technical Variations	-168	-73	-168	-14	208	332
TOTAL VARIATIONS	73	26	-113	-232	0	25
PROPOSED excl. Unidentified Savings	21,435	21,722	22,636	23,392	24,227	25,256

CAPITAL SPENDING	NET CAPITAL					
	F'CAST	BUDGET	MTP			
	2011	2012	2013	2014	2015	2016
	2012	2013	2014	2015	2016	2017
	£000	£000	£000	£000	£000	£000
DRAFT	5,506	12,198	4,067	2,851	3,736	2,699
Other Service Variations	-1,225	-456	-75	112	152	152
Technical Variations	1,041	-972	-2	6	12	16
TOTAL VARIATIONS	-184	-1,428	-77	118	164	168
PROPOSED	5,322	10,770	3,990	2,969	3,900	2,867

4.2 The most significant adjustments relate to:

Pay and allowances – Over the last year there has been substantial consultation with staff on pay and pay systems which led to agreement for a pay freeze for April 2012. Over the coming year management will be working with staff to identify a revised pay system that will enable the Council to better control costs whilst ensuring the fair and attractive salaries necessary to recruit and retain quality staff.

Inevitably there is a need to include planning assumptions for future pay awards whilst stressing that these are only planning assumptions and must not be taken as an indication of the actual level of pay awards that will be negotiated and approved.

The 2013 financial planning assumption is based on cost of living of 2%. Future years assumptions mirror the assumed Council Tax rise, both being influenced by general levels of inflation.

Voluntary Sector Grants – An extra £188k per year of grants, compared to the provision in the draft budget, has now been included.

Other Service and Technical Variations - These include provision for an A14 Inquiry, reduction in the saving from letting PFH space to reflect levels expected, review of the risk contingency and removal of the savings anticipated from PV panel installation pending assessment of how far market prices have fallen (reinstatement of one scheme is imminent under the Invest to Save procedure but will give a much lower saving).

5. CHANGES SINCE THE DRAFT BUDGET - FUNDING

- 5.1 The Council Tax base has now been finalised for 2012/13 and this provides an increase of 201 Band D properties on the assumption used in the Draft Budget.
- 5.2 The Government has proposed a New Homes Bonus of £1.913M which is £37k greater than previously forecast. There is no change proposed to the Formula Grant level.
- 5.3 There will be a surplus of £464k on the Collection Fund due to the Council's success in collecting the Council Tax. This is required to be shared pro rata across precepts and so £63k will be this Council's share.

6. RISKS AND SENSITIVITY

- 6.1 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 and the eurozone. 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
- 6.2 Other issues include:
 - Delivery of the items contained in identified savings
 - Identification and delivery of unidentified savings in future years.
 - 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 on homelessness levels and the ability to collect Council Tax.
- 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 e.g. assumed sale of Castle Hill House.

6.3 Annex B provides some specific examples of potential impacts on the Council’s financial position. These have been used to establish a lower end figure for inclusion in the budget as the Risk Provision and a higher end figure to provide a feel for the potential extra level of risk that could emerge.

RISKS	Budget	MTP			
	12/13 £M	13/14 £M	14/15 £M	15/16 £M	16/17 £M
Proposed Range					
Lower End (Budgeted risk provision)	0.0	0.8	1.0	1.3	1.5
Higher End	0.1	1.6	2.0	2.9	3.6
Extra savings required if higher end assumptions correct	0.1	0.8	1.0	1.6	2.1

7. RESERVES

7.1 Overview and Scrutiny felt that it would be prudent to increase revenue reserves even further than the uplift from £3M to £4M proposed in the draft budget. The Proposed Budget/MTP is therefore based on not allowing reserves to fall below £4.5M.

7.2 It is very difficult to theoretically calculate the appropriate level of reserves but the following factors are all relevant:

- The new rules that require a positive referendum result before a Council can increase its tax level above the limit set by the Secretary of State has the potential to make it very difficult to replenish reserves once they are used. Reserves therefore need to be sufficient to allow a savings programme to be introduced to replenish reserves before they run out.
- The level of New Homes Bonus is forecast as £6.1M by 2016/17 and although a risk provision of £0.9M has been made there is still potential for significant variations depending on how quickly the world, European and UK economies recover.
- 2013/14 sees the planned move to the localisation of Business Rates to replace the current Formula Grant regime. There is potential for volatility in the new starting point as well as the variations thereafter.

- Individual items that could have significant revenue impacts include Planning Inquiries, higher than planned pay awards, significant rises in homelessness, reduced Government spending allocations to Local Government and falling income levels due to recession.

7.3 The graph at Annex C shows the levels of Reserves forecast to be held by District Councils at March 2012. It shows net spending (including parish precepts) compared with the level of reserves. Although there is a vast variety of results it demonstrates that, for our size and the likelihood that we have higher vulnerability, due to higher than average income levels and New Homes Bonus assumptions, £4.5M would not be excessive.

7.4 The position will be reviewed annually and the levels of reserves held by similar sized authorities will be monitored where possible. If, once some of the risks have stabilised, it were considered that reserves could be reduced then it would be possible to use the resources for one-off projects.

8. RESERVES AND THE ROBUSTNESS OF THE 2012/13 BUDGET

8.1 The Local Government Act 2003 requires the Managing Director (Resources), as the Council's Chief Financial Officer, to report to the Council on the robustness of the estimates and the adequacy of reserves when it considers its budget and the consequent Council Tax. His comments are contained in Annex D and confirm that the budget is adequately robust and that the level of revenue reserves is currently above the minimum level required.

9. COUNCIL TAX LEVELS

9.1 Huntingdonshire continues to have a very low level of Council Tax. In the current year the Council's £124.17 charge (Band D) was 20th lowest of the 201 District Councils which have an average of £168 and a maximum of £310.

9.2 The following table shows the current number of properties in each tax band and demonstrates that 66% of properties have tax levels lower than band D.

Tax Band	Percentage at band (rounded)	2011/12 Council Tax
A	16%	£82.78
B	26%	£96.58
C	24%	£110.37
D	16%	£124.17
E	12%	£151.76
F	5%	£179.36
G	2%	£206.95
H	<1%	£248.34

- 9.3 The Secretary of State has announced that Council Tax increases in excess of 3.5% will have to be supported by a positive referendum result as a replacement to the previous capping regime. This seems unfair to Councils with low tax levels as they will effectively be caught in a “poverty trap” of very small cash increases thus requiring higher levels of service reductions than in the high taxing Councils. The Leader has therefore written to the Secretary of State proposing that the referenda limit be based on a cash sum equivalent to a percentage of the average District Council level.
- 9.4 The Secretary of State has also offered a grant for just one year equivalent to a Council Tax rise of 2.5% for any Council that does not increase its Council Tax for 2012/13.
- 9.5 Overview & Scrutiny recommended that the Council should not accept the freeze grant as future referenda limits may prevent the Council ever being able to increase its Tax level to compensate for the freeze.
- 9.6 They also recommended that any decision to increase the Tax level more than 2.5% should consider the service reductions that could thus be avoided.
- 9.7 Paragraph 4.1 above illustrates one such particular saving, reducing the cut in grants to the voluntary sector, which will cost £188k. This alone represents a Council Tax increase of £3.13 or 2.5%.
- 9.8 The Council believes that local residents will wish to preserve these grants, recognise the Councils need to meet unavoidable inflation (there will be no pay rises again in April) and preserve valued services as far as possible both this year and in future. In order to do this the plan is based on increasing Council Tax next year by £4.34 per year for a band D property (£3.86 for Band C and £3.38 for Band B). This represents a percentage increase of 2.6% of the average District Council tax level, and 3.5% of this Council’s lower tax level.
- 9.9 The table below shows the proposals for subsequent years:

	2013/14	2014/15	2015/16	2016/17
Planned Tax Level	£133.01	£137.66	£142.48	£147.47
Cash Increase per year	£4.50	£4.65	£4.82	£4.99

10. PROPOSED BUDGET AND MTP

- 10.1 The table below shows the overall budget and funding for the next five years with an extended version being included in Annex E. The important points to note are that it has been possible to:
- stop relying on reserves to subsidise spending after 2015/16
 - provide added security from higher reserve levels
 - reduce the level of future savings still needing to be found.

PROPOSED	FORECAST	BUDGET	MTP			
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000	£000
NEW FORECAST	21,435	21,722	22,299	22,842	23,611	24,365
FUNDING						
Use of revenue reserves	-2,409	-2,547	-1,954	-1,909	-1,122	0
Remaining revenue reserves EOY	12,032	9,485	7,531	5,622	4,500	4,500
New Homes Grant	-832	-1,913	-2,857	-3,704	-4,845	-6,095
Special Council Tax Grant 2011/12	-184	-184	-184	-184	0	0
Formula Grant (RSG)	-10,522	-9,288	-9,235	-8,630	-8,846	-9,067
Collection Fund Deficit	-105	-63	0	0	0	0
Council Tax	-7,383	-7,727	-8,068	-8,415	-8,797	-9,202
COUNCIL TAX LEVEL	£124.17	£128.51	£133.01	£137.66	£142.48	£147.47
£ increase	£0.00	£4.34	£4.50	£4.66	£4.82	£4.99
Unidentified Spending Reductions	0	0	-337	-550	-616	-891
Extra savings if higher risks		-100	-800	-1,000	-1,600	-2,100

Unidentified Spending Reductions on lower risk basis						
DRAFT BUDGET		0	-500	-800	-1,338	-1,409
LAST YEAR'S BUDGET		-751	-961	-1,524	-1,975	-2,028

10.2 The following Annexes provide more detail:

- Annex F: Budget by service area including full recharges of support costs.
- Annex G: Summary of Budgets controllable by each senior manager.
- Annex H: Annex G expanded with individual services and highlighting service variations.

10.3 A colour coding is used in Annex G to denote those service developments that require further approvals before they can commence.

11. CONSULTATION AND COMMENTS

11.1 This report will be considered at a meeting of the Overview and Scrutiny (Economic Wellbeing) Panel on 2nd February and a consultation meeting with members of the business community on 6th February. Comments from both meetings will be reported to Cabinet.

12. PRUDENTIAL CODE

12.1 The Prudential Code sets various limits relating to the budget and this has been included as an annex to the Treasury Management Strategy elsewhere on the Cabinet's agenda.

ANNEXES

- A Total Spending Variations since Draft Budget Report
- B Risk Ranges
- C District Council Reserves
- D Robustness of the 2012/13 Budget
- E Overall Financial Summary to 2024/25
- F Proposed Budget – Full service cost basis after the apportionment of overheads
- G Proposed MTP – Controllable basis – Budget Holder Summary
- H Proposed MTP – Controllable basis. Those MTP schemes, where further approval is required before they can commence, are highlighted.

TOTAL SPENDING VARIATIONS SINCE DRAFT BUDGET	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
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
DRAFT net of Unidentified Savings	21,362	21,696	22,249	22,824	22,889	23,822	5,506	12,198	4,067	2,851	3,736	2,699
Add back forecast unidentified savings			500	800	1,338	1,409						
DRAFT before Unidentified Savings	21,362	21,696	22,749	23,624	24,227	25,231	5,506	12,198	4,067	2,851	3,736	2,699
Pay and Allowances												
Pay & allowances Review adjustment	244	549	555	688	846	938						
Replaced by Pay Inflation adjustment	-244	-844	-1,019	-1,197	-1,379	-1,576						
net variation	0	-295	-464	-509	-533	-638						
Voluntary Sector Grants			188	188	188	188						
Other Service Variations	241	394	330	103	137	142	-1,225	-456	-75	112	152	152
Technical Variations	-168	-73	-168	-14	208	332	1,041	-972	-2	6	12	16
TOTAL VARIATIONS	73	26	-113	-232	0	25	-184	-1,428	-77	118	164	168
PROPOSED before Unidentified Savings	21,435	21,722	22,636	23,392	24,227	25,256	5,322	10,770	3,990	2,969	3,900	2,867
Less forecast unidentified savings			337	550	616	891						
PROPOSED net of Unidentified Savings	21,435	21,722	22,299	22,842	23,611	24,365	5,322	10,770	3,990	2,969	3,900	2,867

Scheme	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
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Other Service Variations												
St Neots Development	-70	25										
Local Development Framework examinations		130	-10	-70	-25	-25						
A14 Inquiry		25	175									
RAF Alconbury Development	-90	90										
Customer Services - Staff savings			18	18	18	18						
Environment Strategy Funding							47					
PV Panels - Other locations	2	44	62	62	62	62	-174	-249	-187			
PV Panels - Eastfield House		20	20	19	19	19	-158					
St Neots District Heating Scheme									-40	-40		
Rental of space in PFH		31	62	62	62	62						
New Industrial Units		28										
Recycling Gate Fees		10										
Reduce call centre hours		20	20	20	20	20						
Ramsey Rural Renewal	-5	2	3				-63	63				
Town Centre Developments	86						-86					
Disabled Facilities Grants							-715	-295	152	152	152	152
Community Infrastructure Levy - Preparations	97	-56	-70	-58	-69	-64	23	25				
Community Infrastructure Levy - Preparations		25	50	50	50	50						
Wheeled Bins for New Properties							-99					
2011/12 Forecast Outturn	221											
	241	394	330	103	137	142	-1,225	-456	-75	112	152	152

Scheme	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
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Technical Variations												
Interest	-3	-10	-119	-106	-116	-38						
MRP	0	-37	-81	-74	-64	-54						
VAT Partial Exemption							21	128				
Formula Grant reduction due to New Homes Bonus		-107										
Revenue staff charged to capital	-164						164					
Schemes carried forward							856					
Schemes brought forward								-1,100				
Savings expected in February Report		82										
Inflation - Capital							0	0	-2	6	12	16
Inflation - Non-Pay base items	0	0	-15	-39	-74	-110						
Inflation - MTP Developments	0	0	38	75	150	208						
Inflation - Unidentified Savings price base			7	30	113	127						
Risk provision changes				100	200	200						
Rounding	-1				-1	-1						
	-168	-73	-168	-14	208	332	1,041	-972	-2	6	12	16

RISK RANGES

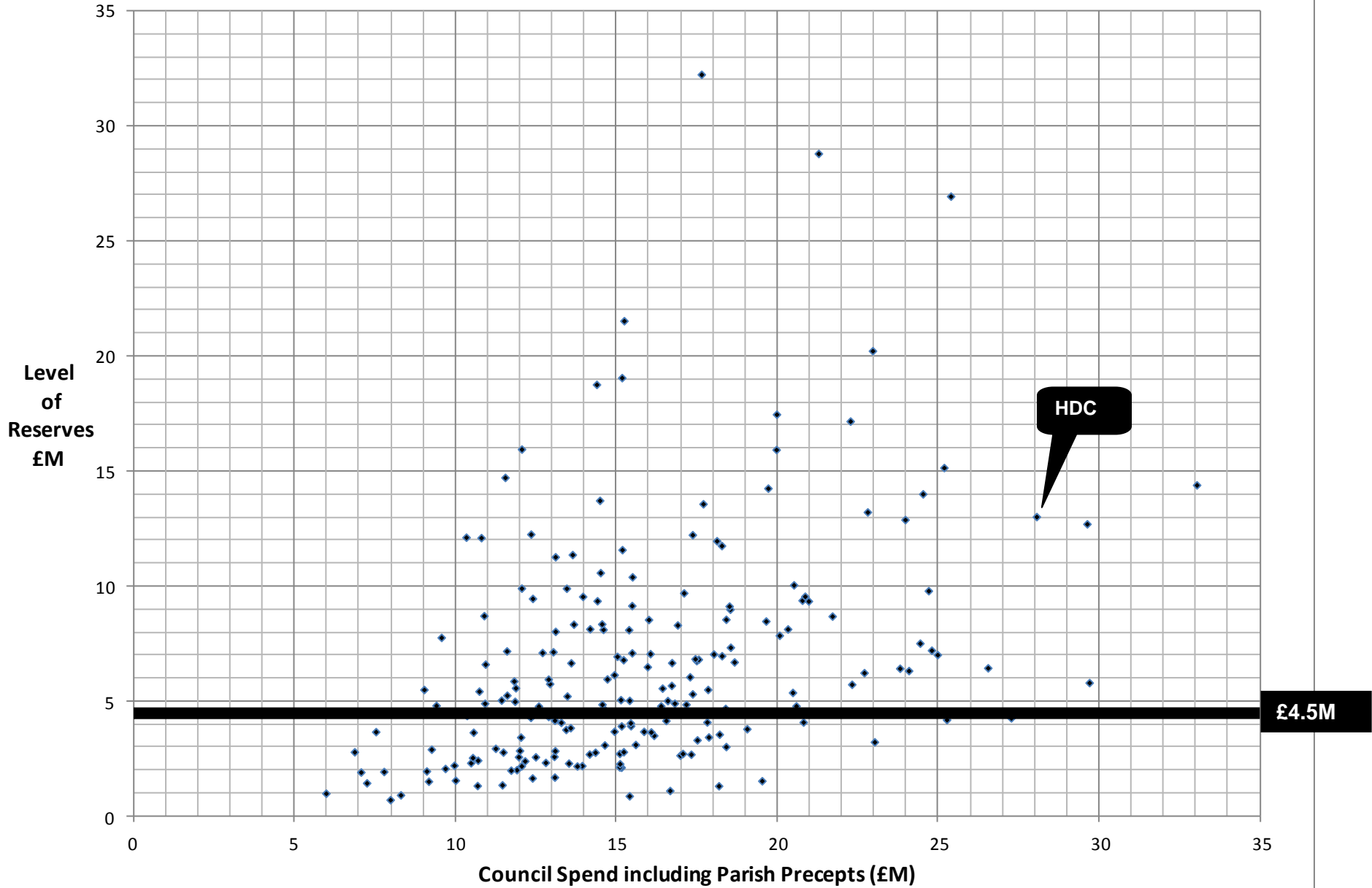
The Low end assumption is included in the Budget/MTP.

LOW END ASSUMPTION Risk Provision in MTP	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
Extra reduction in Government Grant in 2013/14											
2%		0.2	0.2	0.2	0.2	2%		0.2	0.2	0.2	0.2
Extra reduction in Government Grant in 2015/6 and 2016/17											
						0.9% per year accumulated				0.1	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		0.2	0.3	0.4	0.5	Local Authorities share loss		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
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	Based on 8.4% of £900k		0.1	0.1	0.1	0.1
Increase in pay award:											
						1% per year		0.2	0.4	0.7	0.9
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
	0.0	0.7	0.9	1.1	1.3		0.2	1.6	2.0	2.8	3.5
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
Lower increase in car park charges		0.1	0.2	0.3	0.3	Lower increase in car park charges		0.1	0.2	0.3	0.3
	0.0	0.1	0.1	0.2	0.2		-0.1	0.0	0.0	0.1	0.1
PROPOSED RANGE FROM. .	0.0	0.8	1.0	1.3	1.5	TO....	0.1	1.6	2.0	2.9	3.6
						Extra cost of high end assumption	0.1	0.8	1.0	1.6	2.1

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 if fees and charges adjusted appropriately each year&&	0	0	0	0.1	0.1
2% change in Pension Fund contributions from 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
Increase Council Tax rise to 5% from 2013/14 onwards		-0.1	-0.2	-0.4	-0.5

&& Excludes income items where above inflation increases already assumed

DISTRICT COUNCIL RESERVES - Forecast levels at March 2012 (DCLG)



RESERVES AND THE ROBUSTNESS OF THE 2011/12 BUDGET

The Local Government Act 2003 requires me, as the Council's Chief Financial Officer, to report on the robustness of the 2012/13 budget and the adequacy of reserves when you consider it and the consequent Council Tax.

Robustness

The Council has tended in recent years to underspend its budget. This demonstrates that it has budgeted prudently and that managers have taken a mature approach to budgetary control rather than simply spending any spare sums on low priority items. This is expected to continue but the scale may fall due to the requirement for budget savings and the uncertain size and duration of the current recession.

The Internal Audit and Risk Manager considers that our internal financial controls are working adequately. There is also a sound system of financial monitoring and identification of any necessary budget variations that feeds into the budget/MTP process.

The 2012/13 budget has been prepared using the budget for 2011/12 as a base, and amending it for known changes, particularly:

- Inflation but no provision for pay awards other than a non-consolidated performance provision – the most significant element.
- The impact of MTP schemes

There will always be some items that emerge after the budget has been prepared. These are normally met by compensating savings elsewhere in the budget, or, if necessary, the use of revenue reserves.

The most significant potential risks to the budget are:

- higher inflation
- further reductions in income due to the recession
- non-achievement of planned savings
- failure of a borrower
- an emergency (e.g. flooding)
- increased demands on housing services due to increased homelessness.

Reduced Income

A 1% loss of income from fees, rents and charges would amount to around £170k. The Council is budgeting to receive income of:

- Car Parks £1.8M
- Leisure Centres £6.5M
- Property £2.0M
- Planning and Building Control Fees £1.8M

Treasury Management

The maximum permitted with one counterparty is £8M but this is only possible where £3M of the sum is held in a liquidity account with that body. Liquidity Accounts allow recovery of investments on the same working day which substantially reduces the risk. Thus the practical limit is probably £5M which is limited to bodies with the highest credit rating or Building Societies with more than £2 billion in assets.

Emergencies

Certain types of eventuality are mitigated in other ways. Many significant risks are insured against, so losses are limited to the excesses payable. The Government's Bellwin Scheme meets a large proportion, over a threshold, of the costs of any significant peacetime emergencies (e.g. severe flooding).

Inflation

A ½% increase in general and pay inflation, assuming no compensating increase in fees and charges was possible, would result in a net cost of approximately £180k.

Interest Rates

A change in interest rates is not material.

Revenue Reserves

These are estimated to be £12m at April 2012 and reduce to £9.5m by March 2013 in order to support revenue spending. This is still significantly above what would be considered a safe minimum level when considering the 2012/13 budget in isolation but clearly not excessive given their planned use over the next few years.

Therefore, even if a number of unexpected additional costs emerged there would still be sufficient funding to cover the deficit for 2012/13.

Conclusion

Considering all these factors, I believe that the combination of a robust budget process and our current level of reserves should give Members no concerns over the Council's financial position for 2012/13.

However, it remains critical that due consideration is given to changes in funding levels from formula grant, the localisation of business rates, the localisation of Council Tax benefits and other changes to the benefits regime that may significantly affect the Council's budget in future years.

Terry Parker
Managing Director (Resources)

PROPOSED	FORECAST	BUDGET	MTP				FORECAST							
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
NEW FORECAST	21,435	21,722	22,299	22,842	23,611	24,365	25,363	26,171	27,068	28,001	28,663	28,998	29,065	28,886
FUNDING														
Use of revenue reserves	-2,409	-2,547	-1,954	-1,909	-1,122	0	0	0	0	0	0	0	0	0
Remaining revenue reserves EOY	12,032	9,485	7,531	5,622	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
New Homes Grant	-832	-1,913	-2,857	-3,704	-4,845	-6,095	-6,452	-6,594	-6,808	-7,042	-6,983	-6,591	-5,936	-5,027
Special Council Tax Grant 2011/12	-184	-184	-184	-184	0	0	0	0	0	0	0	0	0	0
Special Council Tax Grant 2012/13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Formula Grant (RSG)	-10,522	-9,288	-9,235	-8,630	-8,846	-9,067	-9,294	-9,526	-9,764	-10,008	-10,259	-10,515	-10,777	-11,047
Collection Fund Deficit	-105	-63	0	0	0	0	0	0	0	0	0	0	0	0
Council Tax	-7,383	-7,727	-8,068	-8,415	-8,797	-9,202	-9,617	-10,051	-10,495	-10,950	-11,421	-11,892	-12,352	-12,811
COUNCIL TAX LEVEL	£124.17	£128.51	£133.01	£137.66	£142.48	£147.47	£152.63	£157.97	£163.50	£169.22	£175.15	£181.28	£187.62	£194.19
£ increase	£0.00	£4.34	£4.50	£4.66	£4.82	£4.99	£5.16	£5.34	£5.53	£5.72	£5.92	£6.13	£6.34	£6.57
% increase	0	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Unidentified Spending Adjustments	0	0	-337	-550	-616	-891	-846	-1,187	-1,330	-1,478	-1,785	-2,418	-2,970	-3,797

DRAFT BUDGET

Use of revenue reserves	-2,335	-2,721	-2,115	-2,188	-813	0	0	0	0	0	0	0	0	0
Remaining revenue reserves EOY	11,837	9,116	7,001	4,813	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Unidentified Spending Adjustments	0	0	-500	-800	-1,338	-1,409	-1,473	-1,987	-2,335	-2,666	-3,114	-3,775	-4,364	-5,172

LAST YEAR

Use of revenue reserves	-3,589	-2,722	-1,604	-1,735	-300	0	0	0	0	0	0	0	0	0
Remaining revenue reserves EOY	9,371	6,649	5,045	3,310	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010
Unidentified Spending Adjustments	-751	-751	-961	-1,524	-1,975	-2,028	-2,632	-3,215	-3,759	-4,071	-4,535	-5,121	-5,381	-5,776

SERVICE BUDGET SUMMARY	2011/12		2012/13
	Original	Forecast	Budget
	£000	£000	£000
Environmental Services			
Refuse Collection	3,253	3,096	3,202
Recycling	533	188	283
Drainage & Sewers	600	569	667
Public Conveniences	53	56	57
Environmental Health	2,214	2,127	2,123
Closed Churchyards	9	9	6
Street Cleaning & Litter	1,474	1,290	1,388
	8,136	7,334	7,726
Planning			
Development Control	1,193	1,358	1,050
Building Control	195	175	108
Planning Policy & Conservation	1,332	1,059	1,228
Economic Development	-364	-621	-977
Planning Delivery Grant	9	0	0
	2,365	1,971	1,409
Community Services			
Countryside	575	488	449
Tourism	100	0	0
Community Initiatives	1,019	998	886
Parks	1,825	1,603	1,593
Leisure Policy	391	381	330
Leisure Centres	2,856	2,385	2,347
Community Facilities	25	25	21
	6,791	5,880	5,626
Community Safety			
Community Safety	908	583	404
	908	583	404
Housing Services			
Housing Services	884	976	905
Private Housing Support	1,664	2,784	2,384
Homelessness	587	462	758
Housing Benefits	1,381	1,245	1,266
	4,516	5,467	5,313
Highways & Transportation			
Transportation Strategy	368	878	402
Public Transport	229	204	221
Highways Services	129	118	145
Car Parks	-608	-154	-343
Environmental Improvements	344	312	347
	462	1,358	772
Corporate Services			
Local Taxation & Benefits	1,271	1,240	1,217
Corporate Management	1,490	1,390	1,193
Democratic Services	1,434	1,451	1,436
Central Services	612	400	506
Non Distributed Costs	252	270	297
	5,059	4,751	4,649
Other Expenditure			
Contingency	-90	-1	-134
Other Expenditure	-5,361	-5,708	-4,220
Investment Interest and Borrowing Costs	-93	-199	177
Unallocated Grants	-78	0	0
	-5,622	-5,908	-4,177
Council Total	22,615	21,435	21,722

The Service Based Budget includes direct expenditure plus the recharge of all support costs (e.g. HR, finance, legal and offices) plus depreciation on assets.

SERVICE BUDGET		2011/12		2012/13
		Budget	Forecast	Budget
		£000	£000	£000
Environmental Services				
Refuse Collection	Abandoned Vehicles	59	37	37
	Domestic Refuse	3,209	3,078	3173
	Trade Refuse	-15	-18	-8
		3,253	3,096	3,202
Recycling	Recycling	616	271	376
	Recycling Sites	-83	-84	-93
		533	187	283
Drainage & Sewers	Internal Drainage Boards	367	378	387
	Nightsoil Collection	11	7	11
	Watercourses	222	184	269
		600	569	667
Public Conveniences	Public Conveniences	53	56	57
		53	56	57
Environmental Health	Air Quality	141	128	127
	Animal Welfare	153	148	152
	Contaminated Land	142	106	108
	Health & Safety	239	194	205
	Energy Efficiency	374	404	404
	Environmental Health General	12	12	-18
	Food Safety	471	460	486
	Health Promotion	31	37	43
	Licences	43	46	4
	Nuisances	254	286	291
	Pest Control	144	101	111
	Private Sector Housing	195	200	203
	Travellers	15	7	7
		2,214	2,129	2,123
Closed Churchyards	Closed Churchyards	9	9	6
		9	9	6
Street Cleaning & Litter	Littering	88	69	88
	Street Cleaning	1,386	1,221	1,300
		1,474	1,290	1,388
Environmental Services		8,136	7,334	7,726
Planning				
Development Management	Advice	652	574	605
	Application Processing	265	562	219
	Enforcement	276	222	226
		1,193	1,358	1,050
Building Control	Promotion & Enforcement	216	216	229
	Applications	-21	-41	-121
		195	175	108
Planning Policy & Conservation	A14 Inquiry	0	0	25
	Conservation & Listed Buildings	156	129	143
	Local Plan	718	525	672
	Planning Projects/Implementation	250	221	211
	Trees	208	184	177
		1,332	1,059	1,228

SERVICE BUDGET		2011/12		2012/13
		Budget	Forecast	Budget
		£000	£000	£000
Economic Development	Business & Enterprise Support	308	357	328
	Markets	-44	6	-45
	NNDR Discretionary Relief	29	23	30
	Property Development and Management	-964	-1,179	-1,349
	Town Centre Management	307	171	59
		-364	-622	-977
Planning Delivery Grant	Planning Grant Unallocated	9	0	0
	Planning	2,365	1,970	1,409
Community Services				
Countryside	Barford Road Pocket Park			
	Countryside Management	189	114	132
	Hinchingbrooke Country Park	244	216	198
	Paxton Pits	112	121	102
	Miscellaneous Countryside sites	30	37	17
		575	488	449
Tourism	Tourism	100	0	0
		100	0	0
Community Initiatives	Community Projects	170	150	117
	Community Initiatives Mgt	266	408	344
	Equal Opportunities	75	56	57
	Sustainable Communities	75	0	0
	Miscellaneous Grants	433	383	368
		1,019	997	886
Parks	Parks & Open Spaces	1,755	1,536	1,526
	Pavilions	68	66	67
	Unallocated Land Survey	2	2	0
		1,825	1,604	1,593
Leisure Policy	Arts Development	60	23	17
	Leisure Development	331	358	313
		391	381	330
Leisure Centres	One Leisure Huntingdon	621	561	599
	One Leisure Ramsey	405	414	403
	One Leisure Sawtry	460	382	416
	One Leisure St Ives	726	592	500
	One Leisure St Neots	627	400	378
	Leisure Centres Overall	17	36	51
		2,856	2,385	2,347
Community Facilities	Leisure Grants	4	4	0
	Priory Centre	21	21	21
		25	25	21
	Community Services	6,791	5,880	5,626

SERVICE BUDGET		2011/12		2012/13
		Budget	Forecast	Budget
		£000	£000	£000
Community Safety				
Community Safety	C C T V	558	322	171
	Community Safety	350	261	233
		908	583	404
	Community Safety	908	583	404
Housing Services				
Housing Services	Choice Based Lettings	23	15	30
	Housing Advice	311	344	284
	Housing Strategy	193	157	149
	Waiting List	274	240	328
	Other housing services	83	221	114
		884	977	905
Private Housing Support	Home Improvement Agency	106	79	67
	Housing Associations	356	202	160
	Housing Surveys	27	28	25
	Renovation/Improvement Grants	1,150	2,449	2,107
	Safer homes scheme	25	25	25
		1,664	2,783	2,384
Homelessness	Accommodation For Homeless	23	25	63
	Homelessness Management	312	257	404
	Homeless Prevention	148	76	185
	Hostel Support	104	104	106
		587	462	758
Housing Benefits	Housing Benefits Admin	1,512	1,407	1,402
	Rent Allowance Local Scheme	14	14	14
	Rent Allowance National Scheme	-285	-335	-293
	Temporary Accommodation Support	140	160	143
		1,381	1,246	1,266
	Housing Services	4,516	5,468	5,313
Highways & Transportation				
Transportation Strategy	Cycling	26	29	31
	Transportation Management	195	226	245
	Transport Schemes	147	622	126
		368	877	402
Public Transport	Bus Shelters	123	85	97
	Bus Stations	78	98	109
	Concessionary Fares	28	21	15
		229	204	221
Highways Services	Street naming	129	118	145
		129	118	145
Car Parks	Car Park Assets	120	94	117
	Car Park Management	-752	-302	-515
	Car Park Policy	24	54	55
		-608	-154	-343
Environmental Improvements	Management Schemes	96	60	102
		248	252	245
		344	312	347
	Highways & Transportation	462	1,357	772

SERVICE BUDGET		2011/12		2012/13
		Budget	Forecast	Budget
		£000	£000	£000
Corporate Services				
Local Taxation & Benefits	Council Tax	995	950	941
	Council Tax Benefits	288	302	297
	N N D R Administration	-12	-12	-21
		1,271	1,240	1,217
Corporate Management	Chief Executive & Management Team	641	560	421
	External Audit	158	173	164
	Public Accountability	574	538	482
	Treasury Management	117	118	126
		1,490	1,389	1,193
Democratic Services	Corporate Committees	522	563	546
	Member Allowances & Support	912	888	890
		1,434	1,451	1,436
Central Services	Elections	531	385	441
	Emergency Planning	90	58	92
	Land Charges	-9	-44	-27
		612	399	506
Non Distributed Costs	Pensions	218	188	225
	ICT services to other organisations	34	22	11
	Unused Capacity of assets	0	59	61
		252	269	297
	Corporate Services	5,059	4,748	4,649
Other Expenditure				
Contingency	Other Contingencies	-90	-1	-134
		-90	-1	-134
Other Expenditure	Capital Charges Reversed	-5,497	-6,973	-6,183
	Deferred Expenditure	0	-222	0
	MRP (Provision for repaying borrowing)	682	618	718
	Items still to be allocated or recharged to Services	-586	108	320
	Pensions Lump Sum	0	660	896
	Other Expenditure	40	101	29
		-5,361	-5,708	-4,220
Investment Interest and borrowing costs	Interest Paid	523	440	793
	Interest Received	-616	-639	-616
		-93	-199	177
Unallocated grants	Area Based Grant	-78	0	0
		-78	0	0
	Other Expenditure	-5,622	-5,908	-4,177
COUNCIL TOTAL		22,615	21,435	21,722

ANNEX G

SUMMARY 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
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Managing Directors and Corporate Office	1,168	1,002	896	454	406	406	403	403	16	8					
Head of Legal & Democratic Services	1,962	2,020	1,713	1,779	1,683	1,743	1,717	1,717	123	13	140	109	11	253	85
Head of Housing Services	1,180	1,292	1,202	1,300	1,352	1,352	1,352	1,352	900	925	1,635	1,376	1,387	1,429	1,208
Head of Environmental and Community Services	2,384	2,437	2,317	2,249	2,142	2,140	2,188	2,133	56	88	-15				
Head of Operations	4,517	4,946	4,501	4,298	4,261	4,257	4,254	4,216	758	989	1,015	1,275	1,143	1,409	780
Head of Planning Services	2,428	1,829	1,965	1,583	1,287	793	376	171	5,871	1,795	4,857	1,136	-700	-700	-700
Head of Environmental Management	2,777	2,971	2,588	2,609	2,542	2,536	2,531	2,492	-167	328	-1,989	1,053	231	71	72
Head of Customer Services	1,800	1,962	1,817	1,760	1,834	1,827	1,827	1,827	24	111	136				
Head of Financial Services	1,602	2,434	2,908	3,651	4,356	5,008	5,444	5,826	182	203	147	53	34	96	
Head of IMD	2,120	2,103	2,070	1,917	1,900	1,941	1,906	1,876	587	797	565	252	252	352	572
General Manager, Leisure	880	1,030	543	497	157	-90	-286	-279	3,706	251	4,329	697	422	672	535
Non-Allocated Items		-1,411	-1,085	-375	379	929	1,899	2,631	-123	-186	-50	145	189	318	315
TOTAL BUDGET	22,818	22,615	21,435	21,722	22,299	22,842	23,611	24,365	11,933	5,322	10,770	3,990	2,969	3,900	2,867

CONTROLLABLE BUDGET

The Controllable budget disaggregates the Service Budget so that each element is allocated to the Head of Service or, in a few cases, Managing Director responsible for managing and controlling the spending. For example: Leisure Centres in the Service budget includes support services such as HR and accountancy whilst in the Controllable Budget these support service costs are shown under the Head of Service that controls them.

The Controllable Budget is the fundamental focus of budgetary control within the authority.

It shows the individual variations included in the MTP allocated to each budget area and colour codes those schemes where further approval is required before they can commence.

Approval required by:

COMT and then Cabinet
Head of Service following consultation with MDs and Executive Councillors for Service and Finance.
COMT
Head of Service for any unshaded items

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	141												
Management Units	Director of Central Services															
	TOTAL	173	184	173												
Management Units	MD - Env. & Comm. Services															
	TOTAL	170	178	173	187	187	187	187								
Management units	MD - Resources															
	TOTAL	134	131	126	176	176	176	176								
Former PPP																
Planning	Economic Development															
	MTP Variation															
#	Town Centre Partnerships - reduced funding				-40	-60	-60	-60	-60							
	TOTAL	163	153	148	110	90	90	90	90							
	Community initiatives															
	TOTAL	-29	36	68	37	37	37	37	37							
Corporate Services	Corporate Management															
	TOTAL	104	59	57	59	59	59	59	59							
	Non-Distributed Costs (pensions)															
	TOTAL	231	218	188	223	223	223	223	223							

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	
Corporate Services	Democratic representation															
	MTP Variations															
	825	Members Allowances Review					4									
	826	Electoral Administration Act			-8	-6	-6	-6	-6							
		Reduced number of cabinet posts				-27	-27	-27	-27							
		Twinning				-4	-4	-4	-4							
		TOTAL	501	534	488	506	500	504	500	500						
		Central services (elections/land charges)														
		MTP Variation														
	885	District Council Elections - No elections every 4th year					-73									
	TOTAL	-48	10	-63	3	-70	3	3	3							
Internal Services	Document Centre															
	MTP Variation															
	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	473	500	490	480	465	465	123	13	140	109	11	253	85
Management Units	Legal & Democratic Services															
	MTP Variation															
	#	Central Services - Reorganisation (part)				-33	-33	-33	-33	-33						
	TOTAL	1,282	1,137	1,074	1,049	1,049	1,049	1,049	1,049							
		1,962	2,020	1,713	1,779	1,683	1,743	1,717	1,717	123	13	140	109	11	253	85

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL							
			2010	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
				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
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Head of Housing Services																	
Housing Services	Housing Services																
	MTP Variations																
702	Mobile Home Park, Eynesbury				3	3	3	3	3							-73	
	TOTAL	-23	-5	-11	-2	-2	-2	-2	-2							-73	
	Private housing support																
	MTP Variation																
947	Mortgage Fall-out			32	43	43	43	43	43							-549	
866	Disabled Facilities Grants									800	1,314	1,298	1,276	1,276	1,276	1,108	
867	Repairs Assistance									100	100	100	100	100	100	100	
932	Decent Homes - Thermal Efficiency & Category 1 H&S													11	53		
869	Social Housing Grant										133	237					
	TOTAL	-51	29	28	61	61	61	61	61	900	998	1,635	1,376	1,387	1,429	1,208	
	Homelessness																
	MTP Variations																
945	Priority Needs Scheme (End of temporary Savings)				31	33	33	33	33								
##	Homelessness Grant					85	85	85	85								
	TOTAL	209	173	129	236	323	323	323	323								
Management Units	Housing																
	MTP Variations																
993	Maintain Service Level (Advice and Homelessness)				35												
#	Housing staff efficiency savings				-55	-55	-55	-55	-55								
	TOTAL	1,045	1,095	1,056	1,005	970	970	970	970								
		1,180	1,292	1,202	1,300	1,352	1,352	1,352	1,352	900	925	1,635	1,376	1,387	1,429	1,208	

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL												
			Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP									
						2010	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
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000							
Head of Environmental and Community Services																						
Environmental Services	Environmental Health																					
	MTP Variations																					
911	House Condition Survey																					
927	Air Quality Monitoring Equipment																					
	TOTAL	195	200	191	166	196	196	251	196													
	Planning Policy & Conservation																					
	MTP Variations																					
953	Parish Planning																					
	TOTAL		8	8	8	8	8	1	1													
Community Services	Community initiatives																					
	MTP Variation																					
423	Community Information Project																					
992	Ramsey Library Development																					
952	Loves Farm Community Centre																					
863	Community Facilities Grants																					
	TOTAL	407	409	387	368	313	313	313	313	56	88	-45										
	Leisure policy																					
	MTP Variation																					
845	Physical Activity Initiatives for Adults																					
	TOTAL	232	213	250	202	195	193	193	193													
Community safety	Community Safety																					
	TOTAL	46	114	58	32	32	32	32	32													

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	
Internal Services	Health and Safety															
	MTP Variation															
#	Central Services - Reorganisation (part)				33	33	33	33	33							
	TOTAL				33	33	33	33	33							
Management Units																
	MTP Variation															
#	Environmental & Community Health savings					-75	-75	-75	-75							
	TOTAL	1,504	1,493	1,423	1,440	1,365	1,365	1,365	1,365							
		2,384	2,437	2,317	2,249	2,142	2,140	2,188	2,133	56	88	-15				
Head of Operations																
Environmental Services	Refuse collection & Recycling															
	MTP Variations															
969	Recycling Gate Fees				-147	-106	-100	-93	-87							
948	Provision for Bin Replacements									31	50	33	38	48	340	75
979	Wheeled Bins for New Properties									126	107	143	143	139	79	65
991	Agency Worker Regulations (part)			20	85	85	85	85	85							
#	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	1,898	2,027	2,050	2,056	2,063	2,069	157	157	176	181	187	419	140
	Drainage and sewers															
	TOTAL	6	11	7	11	11	11	11	11							
	Street cleaning and litter															
	MTP Variations															
991	Agency Worker Regulations (part)			9	38	38	38	38	38							
	TOTAL	910	1,002	943	1,031	1,031	1,031	1,031	1,031							

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	Markets															
	TOTAL	-122	-165	-120	-167	-167	-167	-167								
Community safety	CCTV															
	MTP Variations															
	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	219	219	219	219	219	20	27	28	28	28	28	
Community Services	Countryside															
	MTP Variations															
	#	Countryside - reduce staff and increase income				-48	-98	-98	-98							
	TOTAL	357	384	379	311	261	261	261	261							
Highways & Transportation	Parks															
	MTP Variations															
	854	Play Equipment & Safety Surface Renewal								50	70	20	20	20	20	
	TOTAL	-29	11	12	13	13	13	13	13	50	70	20	20	20	20	
Highways & Transportation	Car parks															
	MTP Variations															
	480	Implementation of car park strategy				-10	-20	-30	-40	-84						
	1004	St Neots and Hinchingsbrooke Car Park income			20	20	20	20	20	20						
	TOTAL	-1,063	-1,220	-1,129	-1,221	-1,231	-1,241	-1,251	-1,295							
Corporate Services	Central services (emergency planning)															
	TOTAL	29	30	13	32	32	32	32	32							

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	Operations															
	MTP Variations															
#	Operations Division Reorganisation				-54	-54	-54	-54	-54							
	TOTAL	1,410	1,409	1,307	1,258	1,258	1,258	1,258	1,258							
Internal services	Grounds Maintenance															
	MTP Variations															
991	Agency Worker Regulations (part)			1	6	6	6	6	6							
#	Reduced grounds maintenance standards				-150	-150	-150	-150	-150							
	TOTAL	827	917	821	770	770	770	770	770							
	Other internal services (vehicles & plant)															
	MTP Variations															
886	Vehicle fleet replacements.									551	742	792	1,046	908	942	
	TOTAL	25	14	14	14	14	14	14	14	551	742	792	1,046	908	942	
		4,517	4,946	4,501	4,298	4,261	4,257	4,254	4,216	758	989	1,015	1,275	1,143	1,409	
Head of Planning Services																
Planning	Development control															
	MTP Variations															
904	Community Infrastructure Levy - Preparations			97	-61	-130	-193	-229	-249		23	25				
904A	Community Infrastructure Levy - Ongoing				25	50	50	50	50							
997	RAF Alconbury Development			-40	140											
999	Woolley Hill Wind Farm, Appeal Costs			60												
	TOTAL	-556	-948	-663	-993	-1,177	-1,240	-1,276	-1,296	23	25					

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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 policy and conservation																
MTP Variations																
903	Local Development Framework examinations				68	-90	-230	-225	-225							
358	Ramsey Rural Renewal			-5		-2	-5	-5	-5			63				
	A14 Inquiry				25	175										
909	Great Fen Project - Governance arrangements							-20	-20	-20						
TOTAL		141	410	387	505	495	157	162	162	63						
Economic Development																
MTP Variations																
401	Huntingdon Town Centre Development									12	12					
224	Town Centre Developments			86						210	210	80				
850	Huntingdon West Development (Housing Growth Fund)									4,723		902	2,136	-700	-700	
998	St Neots Development			5	25											
TOTAL			2	163	27	2	2	2	2	4,945	222	982	2,136	-700	-700	
Highways & Transportation																
Transportation Strategy																
MTP Variation																
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	98	98	98	98	98	538						
Public transport incl. concessionary fares																
MTP Variations																
818	Railway Stations - Improvements									26	22	20				
TOTAL		598	10	17	10	10	10	10	10	26	22	20				

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	
	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															
#	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	2,260	1,965	2,029	2,029	2,029	2,029	2,029							
		2,428	1,829	1,965	1,583	1,287	793	376	171	5,871	1,795	4,857	1,136	-700	-700	
Head of Environmental Management																
Environmental Services	Drainage and sewers															
	MTP Variations															
985	Internal Drainage Board Levies			10	10	10	10	10	10							
	TOTAL	425	425	436	446	446	446	446	446							
	Public conveniences															
	MTP Variations															
1003	South Street, St Neots										5	-15				
	TOTAL	31	20	20	20	20	20	20	20		5	-15				

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	
	Environmental Health (energy efficiency)															
	MTP Variations															
879	Environment Strategy Funding									55	102	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			2												
989	St Neots District Heating Scheme											30				
	TOTAL	84	83	78	68	45	39	34	-5	-375	176	143	-283	150	71	72
	Closed Churchyards															
	TOTAL	5	5	5	5	5	5	5	5							
Planning	Building Control															
	TOTAL	-456	-530	-458	-581	-581	-581	-581	-581							
Community Services	Community initiatives															
	TOTAL	6	6													
Highways & Transportation	Public transport															
	MTP Variations															
625	Huntingdon Bus Station									40	61					
	TOTAL	126	101	84	106	106	106	106	106	40	61					
	Highways Services (street naming)															
	MTP Variations															
844	Street naming and numbering				-5	-5	-5	-5	-5							
	TOTAL	25	45	25	41	41	41	41	41							

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL								
			2010	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP				
				2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016	
				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		
	Car parks (assets)																	
	MTP Variations																	
461	Car Park Repairs									86	86	60	60	31				
166	St Neots - Cambridge Road Car Park									80		89						
	TOTAL	46	45	45	46	46	46	46	46	166	86	149	60	31				
	Environmental Improvements																	
	MTP Variations																	
703	Heart of Oxmoor																-1,366	
	TOTAL	130	42	4	43	43	43	43	43			-1,366						
Management units	Environmental Management																	
	MTP Variations																	
831	Technical Services Restructuring																	-39
	TOTAL	1,557	1,698	1,423	1,419	1,419	1,419	1,419	1,419									
H D C Offices	Offices																	
	MTP Variations																	
890	Headquarters									2								-900
986	Major repairs and replacements																	-830
#	Rental of space in PFH																	50
	TOTAL	781	1,012	910	976	932	932	932	932	2		-900	-830	50				
Internal Services	Pool Cars																	
	TOTAL	17	19	16	20	20	20	20	20									
		2,777	2,971	2,588	2,609	2,542	2,536	2,531	2,492	-167	328	-1,989	1,053	231	71	72		

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL							
			2010	2011	2011	2012	MTP				2011	2011	2012	MTP			
							2013	2014	2015	2016				2013	2014	2015	2016
£000	£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	30	30	30	30	30								
Housing Services	Housing benefits																
	MTP Variations																
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	-571	-518	-518	-518	-518	52							
Corporate Services	Local Taxation & Benefits																
	MTP Variations																
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	-948	-820	-820	-820	-820								
Internal Services	Call Centre																
	MTP Variations																
#	Reduce call centre hours				-24	-24	-24	-24	-24								
981	Call Centre CRM Replacement					-71	-71	-71	-71	20	136						
983	Automated Telephone Payments				-7	-14	-14	-14	-14	39							
	TOTAL	575	641	578	600	522	522	522	522	59	136						

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL						
			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	
Internal Services	Customer Service Centres															
	MTP Variations															
	# 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 Customer Service Centre					-7	-14	-14	-14							
	# St Neots Customer Service Centre Savings				-25	-25	-25	-25	-25							
	TOTAL	674	622	654	552	538	531	531	531							
Management Units	Customer Services															
	MTP Variations															
	# Customer Services - Staff savings				-33	-48	-48	-48	-48							
	626 Wireless Working (Benefits and Revenues)									24						
	TOTAL	2,258	2,204	2,230	2,097	2,082	2,082	2,082	2,082	24						
		1,800	1,962	1,817	1,760	1,834	1,827	1,827	1,827	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	213	213	213	213	213							

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL													
			2010	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP									
							2011	2011	2012	2013				2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
							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	£000								
Other expenditure	Interest and borrowing costs																						
	MTP Variations																						
	Interest			-3	271	660	1,030	1,293	1,567														
	TOTAL	-337	-93	-117	177	566	936	1,199	1,473														
	Other expenditure																						
	MTP Variations																						
	Pensions Fixed Sum				236	479	718	758	758														
	VAT Partial Exemption				3	6	6	6	6	182	203	162	53	34	96								
	Doubtful Debts Provision				-10	-20	-30	-40	-40														
	Variation in MRP				37	117	170	313	421														
TOTAL	251	722	1,379	1,644	1,960	2,242	2,415	2,523	182	203	162	53	34	96									
Area based grant																							
TOTAL	-95	-78																					
Management units	Financial Services																						
	MTP Variations																						
	975 Procurement Support to ECDC				5	5	5	5	5														
	# Further Financial Services savings				-24	-24	-24	-24	-24														
TOTAL	1,141	1,189	1,142	1,125	1,125	1,125	1,125	1,125															
Internal Services	Insurance																						
	TOTAL	373	395	220	405	405	405	405	405														
	Financial services																						
TOTAL	82	90	58	87	87	87	87	87															
		1,602	2,434	2,908	3,651	4,356	5,008	5,444	5,826	182	203	147	53	34	96								

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL							
			2010	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
				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
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
Head of IMD																	
Internal Services	Helpdesk & Network Services																
	MTP Variations																
958	Help Desk Saving					75	75	75	75								
893	VoIP Telephony for Leisure Centres										30						
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	1,007	874	862	937	902	902	322	566	322	57	57	157	377	
	Web & Business Systems																
	MTP Variations																
913	Web Advertising income shortfall				-3	-3	-3	-3	-3								
#	IMD Shared Service Income (part)				-3	-5	-10	-10	-10								
	TOTAL	284	254	271	267	265	260	260	260								
	Corporate Systems																
	TOTAL	264	242	237	237	237	237	237	237								
	Business Analysis & Project Management																
	MTP Variations																
891	Business Systems				-4	-4	-28	-28	-58	225	159	220	195	195	195	195	
900	Working Smarter				-21	-21	-21	-21	-21	40	30	23					
#	IMD Shared Service Income (part)				-2	-5	-10	-10	-10								
495	Corporate EDM										42						
	TOTAL	391	402	371	356	353	324	324	294	265	231	243	195	195	195	195	
	Head of IMD																
	TOTAL	193	192	184	183	183	183	183	183								
		2,120	2,103	2,070	1,917	1,900	1,941	1,906	1,876	587	797	565	252	252	352	572	

BUDGET Controllable basis		Actual	REVENUE							NET CAPITAL							
			2010	Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP			
				2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016
				2011	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	£000		
General Manager, Leisure																	
Community Services	Leisure Centres																
	MTP Variations																
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	422	535	
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	335	289	-51	-298	-487	3,706	251	4,329	697	422	672	535		
Management units	Leisure																
	TOTAL	199	210	208	208	208	208	208									
		880	1,030	543	497	157	-90	-286	-279	3,706	251	4,329	697	422	672	535	

BUDGET Controllable basis		Actual	REVENUE						NET CAPITAL								
			Budget	Forecast	Budget	MTP				Budget	Forecast	Budget	MTP				
		2010	2011	2011	2012	2013	2014	2015	2016	2011	2011	2012	2013	2014	2015	2016	2016
		2011	2012	2012	2013	2014	2015	2016	2017	2012	2012	2013	2014	2015	2016	2017	2017
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Non-Allocated Items																	
Non-Allocated Items	Recharges to non-revenue accounts																
	MTP Variations																
	Revenue staff charged to capital								50	214	50	50	50	50	50	50	
	Rule change re Capital Overheads								-117								
	TOTAL		-848	-862	-561	-561	-561	-561	-67	214	50	50	50	50	50	50	
	Risk Provision																
	MTP Variations																
	Risk Provision																
	TOTAL					792	997	1,329									
	Other items																
	MTP Variations																
#	Reorganisation - Senior managers																
#	Pay & allowances Review																
#	Central Services - Reorganisation (part)																
1002	Business Continuity Review																
1001	Cover for Staff Side Representatives																
919	E-Marketplace																
	Capital Inflation											95	139	268	265		
	Revenue Inflation																
	Spending Adjustments still to be identified																
	Schemes brought forward								1,200		400	500	500	500	500	500	
	Schemes carried forward								-1,256	-400	-500	-500	-500	-500	-500	-500	
	2011/12 Outturn																
	Roundings																
	TOTAL		-563	-223	186	148	493	1,132	-56	-400	-100	95	139	268	265		
			-1,411	-1,085	-375	379	929	1,899	-123	-186	-50	145	189	318	315		
TOTAL BUDGET		22,818	22,615	21,435	21,722	22,299	22,842	23,611	24,365	11,933	5,322	10,770	3,990	2,969	3,900	2,867	