



DRAFT

2015/16 Budget

&

Medium Term Financial

Strategy

2016/17

to

2019/20

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Strategic Budget Summary

➤ Savings and Growth

The 2015/16 budget and the Medium Term Financial Strategy has been constructed following a Zero Based Budgeting approach. For the 2015/16 budget, the following services have been subject to a “ZBB Heavy” approach, in that the budgets have been fundamentally rebuilt from the “bottom to the top”:

- Resources; Accountancy, Audit & Risk, Procurement and Legal
- Operations; Car Parking and Green Space
- Community; Health Protection and Animal Welfare (including Pest Control)
- Leisure & Health; One Leisure

For all other services, they have been subject to a “ZBB Light” approach, which has effectively been a table-top review of service budgets. Over the next year, all services that have only received a “Light” approach will be subject to a “Heavy” review.

The breakdown of how costs have been reduced or income increased by subjective type and service is shown below, further detailed analysis is shown in the service budget papers later in this report:

Table A	Impact of ZBB across Services										
	2014/15	2015/16							Variance		
		Expenditure changes					Income changes	Non ZBB changes	Total	2014/15 to 2015/16	
	Updated Budget	Employee	Premises	Supplies & Services	Transport	Benefit & Transfer Payments	Fees & Charges		Budget		
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	%
Directors and Corporate	2,605	(126)	(8)	(84)	(26)	1	12	11	2,385	(220)	(8.5)
Resources	95	(312)	(95)	(122)	(15)	0	104	(14)	(359)	(453)	(479.1)
Customer Services	5,159	(249)	(48)	(195)	(25)	(1,475)	1,634	(167)	4,635	(524)	(10.2)
Operations	5,478	(129)	96	(425)	(243)	(1)	(78)	76	4,773	(705)	(12.9)
Development	1,930	57	1	(197)	(28)	1	(21)	158	1,902	(29)	(1.5)
Community	2,529	(63)	(33)	30	(19)	(2)	(273)	16	2,185	(344)	(13.6)
Leisure & Health	291	(490)	53	(323)	(18)	0	637	12	163	(128)	(44.2)
Corporate Finance	3,619	347	0	(134)	0	(14)	423	0	4,241	623	17.2
Net Expenditure	21,706	(964)	(34)	(1,449)	(374)	(1,490)	2,438	92	19,925	(1,781)	(8.2)
				(4,311)							

• Facing the Future

In addition to the savings that have been identified via ZBB, the Facing the Future programme continues and where projects and programmes have been included in the previous Medium Term Plan process, or where new Facing the Future projects and programmes have been developed, these have been included within this Medium Term Financial Strategy. The changes to service budgets are shown

in Table B below. This also includes savings of £0.224m for shared services as a consequence of the Strategic Partnership with South Cambridgeshire District Council and Cambridge City Council.

Table B	How Facing the Future has impacted on the 2015/16 Budget	
	Change in Facing the Future Initiatives	Reason for Change
	£ 000's	
Resources	(23)	Shared Services Savings in respect of Legal Services
Customer Services	(228)	CallCentre and IMD Shared Services
Operations	15	Reduction in grant income.
Development	127	Additional salaries, reduction in supplies expenditure, correction to fees and charges and savings from Building Control Shared Services.
Total	(109)	

- Growth

In the main, service growth expenditure has not been included; however inflation has been applied in respect of Pay and a reflection of the additional costs relating to statutory changes to employers contributions from 2016/17.

There are items of expenditure where growth is unavoidable and where these have occurred, the ZBB process requires that they are recognised and included. Also within growth are such items as inflation and adjustments to corporate related expenditure (e.g. minimum revenue provision and pension contributions); these are detailed in Table C below where such growth exceeds £50,000.

Table C	Corporate Budget Items and the impact on the 2015/16 budget (value > £50,000)					
Item of Unavoidable Growth	Forecast 2014/15	Updated Budget 2014/15	Budget 2015/16	Amount of Growth in 2015/16		Reason for Growth
	£ 000's	£ 000's	£ 000's	Against Forecast £ 000's	Against Updated Budget £ 000's	
Minimum Revenue Provision	1,331	1,623	1,574	243	(49)	Additional capital spend due to the Council not funding capital expenditure from other sources (grants/capital receipts)
Pension Contribution	789	789	1,135	346	346	Actuarial revaluation
Insurance	366	335	394	28	59	Additional premium costs

- Summary Impact of ZBB, Facing the Future and Growth

Overall, ZBB, Facing the Future and Growth have resulted in a net reduction in the Councils budget of £0.286m (1%) and £1.781m (8%) when compared to the 2014/15 Forecast Outturn and the Updated budget respectively. A service by service summary is shown in Table D below.

Table D	2014/15		2015/16				Variance: 2015/16 Budget to 2014/15	
	Forecast Outturn	Updated Budget	ZBB	Facing the Future	Growth	Budget	Forecast Outturn	Updated Budget
Service	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	%	%
Directors and Corporate	2,471	2,605	(231)	0	11	2,385	(3%)	(8%)
Resources	(118)	95	(440)	(23)	9	(359)	203%	(479%)
Customer Services	4,867	5,159	(337)	(228)	41	4,635	(5%)	(10%)
Operations	5,293	5,478	(780)	15	60	4,773	(10%)	(13%)
Development	1,655	1,930	(177)	127	21	1,902	15%	(1%)
Community	2,356	2,529	(360)	0	16	2,185	(7%)	(14%)
Leisure & Health	451	291	(141)	0	12	162	(64%)	(44%)
Corporate Finance	3,235	3,619	623	0	0	4,242	31%	17%
Net Expenditure	20,211	21,706	(1,843)	(109)	171	19,925		

Forecast Outturn **20,211** \longrightarrow **(286)** \longleftarrow **19,925** **(1%)**

Updated Budget **21,706** \longrightarrow **(1,781)** \longleftarrow **19,925** **(8%)**

Revenue spending and sources of income

Income

The Council generates a considerable proportion of its own funding from the various services it provides; these range from income from One Leisure and Car Parking through to charging for the use of the Document Centre and Licensing and Planning Services. Service specific income is shown later in this report within the service budget pages.

In addition the Council also generates income from corporate activity, this mainly centres around Treasury Management; however this is considerably less than in recent years because of the current extremely low interest rate environment.

Government Grant

The government provides a fair proportion of the core funding of the Council. Some of this funding is in relation to specific services e.g. Housing Benefit; but some of the funding is in support of general activity. With regard to

- New Homes Bonus (NHB), on the 16th December the government made an announcement on in respect of New Homes Bonus and that the 2015/16 settlement would be £4.403m.
- Council Tax Freeze Grant (CTFG), the Council knows its allocation for 2015/16 as this was agreed in the 2014/15 settlement, this was for £82,000.
- On the 18th December the government announced the Revenue Support Grant (RSG) and Non-Domestic Rates (NDR) 2015/16 provisional settlement for the Council. The relative allocations for RSG and NDR are £3.183m and £4.160m respectively.

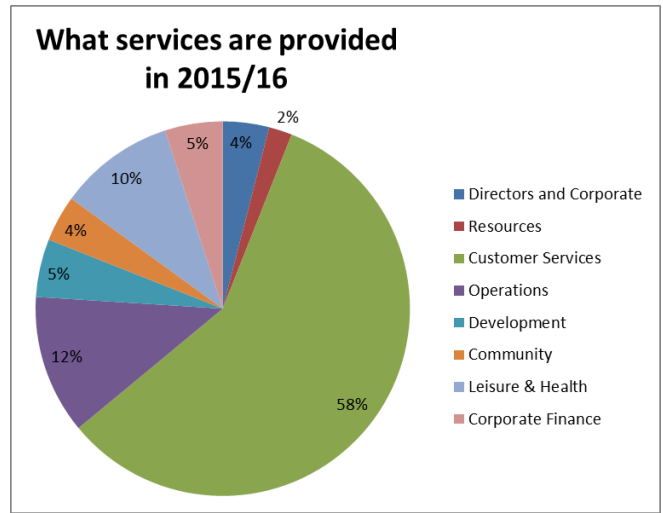
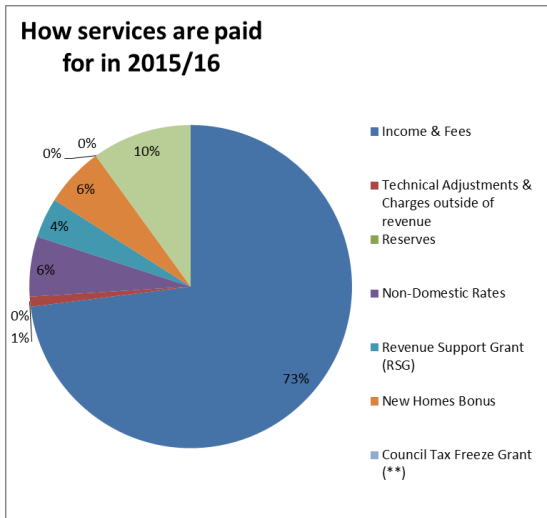
Council Tax

Members will recall that at the Full Council meeting held in July 2014, the Portfolio Holder for Resources announced that the Council was aiming to freeze Council Tax for 2015/16. Subject to the outcome of the 2015/16 general election and reasonable economic forecasts, the intention will be to freeze Council Tax for the period of the MTF5; thus Council Tax would remain at £133.18 from 2016/17 through to 2019/20 as well as 2015/16.

Summary Budget

Considering the commitment made to Freeze Council Tax for 2015/16 and over the MTFs period and the ZBB process followed for the budget setting process, this results in the funding statement shown in Table E below.

Table E	Forecast	Updated Budget	Budget	Medium Term Financial Strategy			
	2014/15 £ 000's	2014/15 £ 000's	2015/16 £ 000's	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's
What services are provided							
Directors and Corporate Resources	2,769	2,894	2,662	2,662	2,675	2,692	2,701
Customer Services	44,310	44,735	42,559	42,684	42,740	42,797	42,850
Operations	9,334	9,512	8,863	8,991	9,043	9,095	9,148
Development	3,703	3,992	3,805	3,932	3,787	3,791	3,820
Community	2,947	3,138	3,067	3,058	3,078	3,098	3,118
Leisure & Health	7,427	7,961	7,196	7,283	7,296	7,404	7,450
Corporate Finance	3,744	4,285	4,481	5,207	5,866	6,265	6,536
Gross Expenditure	76,109	78,694	74,254	75,467	76,147	76,815	77,308
Where the money comes from to provide services							
Income & Fees	(55,899)	(56,986)	(54,329)	(54,289)	(54,256)	(54,318)	(54,323)
Technical Adjustments & Charges outside of revenue	(611)	(611)	(510)	(510)	(510)	(510)	(510)
Net Expenditure	19,599	21,097	19,415	20,668	21,381	21,987	22,475
Reserves	266	(1,232)	181	(1,096)	(2,247)	(2,801)	(3,109)
Budget Requirement	19,865	19,865	19,596	19,572	19,134	19,186	19,366
Non-Domestic Rates	(4,218)	(4,218)	(4,160)	(4,661)	(4,868)	(5,084)	(5,308)
Revenue Support Grant (RSG)	(4,562)	(4,562)	(3,183)	(1,900)	(921)	(442)	0
New Homes Bonus	(3,344)	(3,344)	(4,403)	(5,126)	(5,342)	(5,537)	(5,814)
Council Tax Freeze Grant (**)	(82)	(82)	(82)	0	0	0	0
Collection Fund Deficit (***)	(21)	(21)	0	0	0	0	0
Council Tax Requirement	7,638	7,638	7,768	7,885	8,003	8,123	8,244
- Base (*)	57,357	57,357	58,329	59,204	60,092	60,993	61,908
- Per Band D	133.18	133.18	133.18	133.18	133.18	133.18	133.18
Assumptions	<p>* Increase in Council Tax Base Assumed there is an annual increase in the base of 1.5%.</p> <p>** Council Tax Freeze Grant Assumed that this does not continue as a separate grant (could be "rolled-up" within RSG).</p> <p>*** Collection Fund Deficit For 2015/16 and the MTFs period this has not yet been calculated.</p> <p>**** New Homes Bonus Based on 2014/15 housing trajectory adjusted for CLG notified reduced new build. 2015/16 housing trajectory will be used post Christmas.</p>						

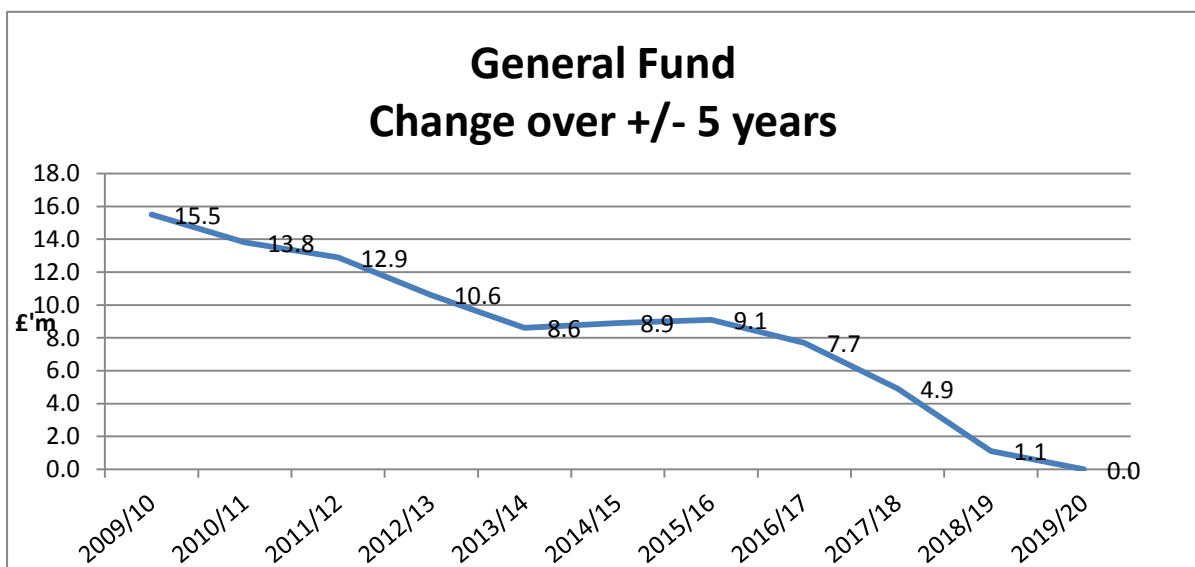


➤ Revenue Reserves

The previous section has shown that the Council has met its stated commitment to freeze Council Tax from 2015/16 through to 2019/20. However, this commitment has required the extensive use of Revenue Reserves as is shown in Table F below.

Table F	Forecast	Budget	Medium Term Financial Strategy			
	2014/15 £ 000's	2015/16 £ 000's	2016/17 £ 000's	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's
General Fund						
Brought forward	8,684	8,950	9,131	8,035	5,788	2,987
Contribution (to)/from	266	181	(1,096)	(2,247)	(2,801)	(3,109)
Carried forward	8,950	9,131	8,035	5,788	2,987	(122)

What this table shows is that if the Council takes no further action, then the current financial position of the Council is not sustainable over the medium term. Further extensive service rationalisation is required to ensure that there is an adequate level of reserves.



➤ **Service Budgets by Head of Service**

Directors and Corporate Management													
Actual 2013/14	Subjective Analysis : Controllable only		Forecast 2014/15	Budget 2014/15	Budget 2015/16					Medium Term Financial Strategy			
					FtF New	FtF System	ZBB	Inflation	2015/16 Budget	2016/17	2017/18	2018/19	2019/20
	☐ Employees												
14,266	Hired Staff		13,871	13,871			(3,871)	10,000	10,000	10,000	10,000	10,000	
4,934	Other staff costs		13,354	13,354			21,856	35,210	35,210	35,210	35,210	35,210	
185,654	Pension & NI		241,291	243,065	0		15,866	258,931	280,169	282,971	285,801	288,659	
19,168	Recruitment		20,633	20,633			(20,633)	0	0	0	0	0	
802,489	Salary		975,832	1,125,724	0		(123,294)	9,654	1,012,084	1,022,205	1,032,427	1,042,751	1,053,179
31,734	Training		44,598	44,598			(15,775)	28,823	28,823	28,823	28,823	28,823	
1,058,245			1,309,579	1,461,245	0		(125,851)	9,654	1,345,048	1,376,407	1,389,431	1,402,585	1,415,870
	☐ Premises												
22,334	Rents		18,809	18,809			(7,609)	11,200	11,200	11,200	11,200	11,200	
22,334			18,809	18,809			(7,609)	11,200	11,200	11,200	11,200	11,200	
	☐ Transport												
11,245	Car Allowance		7,330	7,330			(7,330)	0	0	0	0	0	
19,563	Mileage Allowance		23,164	25,464			(6,214)	19,250	19,250	19,250	19,250	19,250	
209	Pool Car		2,643	2,643			(1,643)	1,000	1,000	1,000	1,000	1,000	
4,191	Public Transport		4,566	4,566			(2,926)	1,640	1,640	1,640	1,640	1,640	
3,844	Operating Costs		7,759	7,759			(7,759)	0	0	0	0	0	
39,053			45,462	47,762			(25,872)	21,890	21,890	21,890	21,890	21,890	
	☐ Supplies & Services												
12,640	Catering		2,357	2,357			4,893	7,250	7,250	7,250	7,250	7,250	
93,806	Communication and computing		140,993	154,993			(22,982)	132,011	100,011	100,011	100,011	100,011	
81,831	Equipment, furniture & materials		100,454	100,454			(36,011)	64,443	64,443	64,443	64,443	64,443	
(51)	Expenses		1,336	1,336			(1,336)	0	0	0	0	0	
134,065	Office expenses		151,550	137,550			(4,536)	133,014	133,014	133,014	133,014	133,014	
668,165	Services		598,600	569,756			(11,465)	558,291	558,291	558,291	558,291	558,291	
6,167	Insurance - service related		6,378	6,378				7,515	7,515	7,515	7,515	7,515	
379,493	Members Allowances		392,236	392,236			(12,686)	379,550	379,550	379,550	379,550	379,550	
1,376,115			1,393,904	1,365,060			(84,123)	1,137	1,282,074	1,250,074	1,250,074	1,250,074	
	☐ Benefit & Transfer Payments												
1,075	Grants		1,371	1,371			629	2,000	2,000	2,000	2,000	2,000	
1,075			1,371	1,371			629	2,000	2,000	2,000	2,000	2,000	
	☐ Income & Fees												
(537,905)	Fees & charges		(276,213)	(266,813)			2,812	(264,001)	(264,001)	(264,001)	(264,001)	(264,001)	
(81,529)	Government grants		(22,000)	(22,000)			9,000	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)	
(619,434)			(298,213)	(288,813)			11,812	(277,001)	(277,001)	(277,001)	(277,001)	(277,001)	
1,877,389	Service Net Expenditure		2,470,912	2,605,434	0		(231,014)	10,791	2,385,211	2,384,570	2,397,594	2,414,748	2,424,033
2,496,823	Gross Service Expenditure		2,769,125	2,894,247	0	0	(242,826)	10,791	2,662,212	2,661,571	2,674,595	2,691,749	2,701,034
(619,434)	Gross Service Income		(298,213)	(288,813)	0	0	11,812	0	(277,001)	(277,001)	(277,001)	(277,001)	(277,001)
1,877,389	Net Service Expenditure		2,470,912	2,605,434	0	0	(231,014)	10,791	2,385,211	2,384,570	2,397,594	2,414,748	2,424,033

Actual 2013/14	Objective Analysis : Controllable only		Forecast 2014/15	Budget 2014/15	Budget 2015/16					Medium Term Financial Strategy			
					FtF New	FtF System	ZBB	Inflation	Budget	2016/17	2017/18	2018/19	2019/20
208,166	Directors		356,191	356,191			103,533	3,501	463,225	472,516	477,148	481,826	486,551
735,749	Corporate		488,471	631,336			(87,891)	3,887	547,332	561,263	566,322	571,432	576,592
286,070	Democratic & Elec		1,038,263	1,029,920	0		(254,133)	3,403	779,190	755,298	758,601	765,936	765,305
647,404	HR & Payroll		587,987	587,987			7,476	595,463	595,493	595,523	595,554	595,585	595,585
1,877,389	Service Net Expen		2,470,912	2,605,434	0		(231,014)	10,791	2,385,211	2,384,570	2,397,594	2,414,748	2,424,033

Main changes from ZBB			
	£	£	£
Inflation on salary and Insurance			10,791
Removal of Elections Manager and Democratic Manager		(99,000)	
Childcare vouchers		25,000	
Realignment of budgets (removal of "just in case")		(157,014)	
	0	0	(231,014)

Head of Resources

Actual 2013/14	Subjective Analysis : Controllable only	Forecast 2014/15	Budget 2014/15	Budget 2015/16					Medium Term Financial Strategy				
				FtF New	FtF System	ZBB	Inflation	Budget	2016/17	2017/18	2018/19	2019/20	
	Employees												
19,481	Hired Staff	52,091	35,992			(10,992)		25,000	25,000	25,000	25,000	25,000	25,000
7,785	Other staff costs	390	16,588			(15,438)		1,150	1,150	1,150	1,150	1,150	1,150
373,879	Pension & NI	222,771	290,988			(63,950)		227,038	247,613	250,089	252,590	255,116	255,116
1,501,515	Salary	893,845	1,110,811			(214,496)	8,863	905,178	914,130	923,171	932,303	941,526	941,526
12,078	Training	17,043	29,880			(7,098)		22,782	22,782	22,782	22,782	22,782	22,782
1,914,738		1,186,139	1,484,259			(311,974)	8,863	1,181,148	1,210,675	1,222,192	1,233,825	1,245,574	1,245,574
	Premises												
7,739	Energy Costs	4,920	4,920			80		5,000	5,000	5,000	5,000	5,000	5,000
1,116	Premises Cleaning	1,230	1,230					1,230	1,230	1,230	1,230	1,230	1,230
50,628	Premises Insurance	45,623	45,623			(45,623)		0	0	0	0	0	0
36,608	Rates	30,140	30,140			(15,140)	300	15,300	15,300	15,300	15,300	15,300	15,300
169,554	Rents	150,299	150,299			(30,299)		120,000	120,000	120,000	120,000	120,000	120,000
62,842	Repairs & Maintenance	67,151	63,151	0		(3,673)		59,478	59,478	59,478	59,478	59,478	59,478
352	Water Services	247	247			(47)		200	200	200	200	200	200
328,839		299,610	295,610	0		(94,702)	300	201,208	201,208	201,208	201,208	201,208	201,208
	Transport												
12,850	Car Allowance	2,146	13,352			(13,352)		0	0	0	0	0	0
1,121	Mileage Allowance	1,100	1,226			524		1,750	1,750	1,750	1,750	1,750	1,750
1,284	Pool Car	450	982			(82)		900	900	900	900	900	900
4,445	Public Transport	2,273	4,282			(1,682)		2,600	2,600	2,600	2,600	2,600	2,600
19,700		5,969	19,842			(14,592)		5,250	5,250	5,250	5,250	5,250	5,250
	Supplies & Services												
1,165	Catering	435	196			(196)		0	0	0	0	0	0
8,339	Communication and computing	6,364	5,849			(1,469)		4,380	4,380	4,380	4,380	4,380	4,380
74,534	Equipment, furniture & materials	65,314	76,077			(17,117)		58,960	58,960	58,960	58,960	58,960	58,960
23	Insurance - service related	0	15,759			20,755		36,514	36,514	36,514	36,514	36,514	36,514
56,904	Office expenses	57,014	63,605			(11,652)		51,953	51,953	51,953	51,953	51,953	51,953
121,373	Services	130,518	92,455			(16,755)		75,700	75,700	75,700	75,700	75,700	75,700
262,338		259,646	253,941			(26,434)		227,507	227,507	227,507	227,507	227,507	227,507
	Benefit & Transfer Payments												
14,635	Irrecoverable V A T	28,243	28,243					28,243	28,243	28,243	28,243	28,243	28,243
	Shared Service Savings			(22,736)				(22,736)	(22,736)	(22,736)	(22,736)	(22,736)	(22,736)
14,635		28,243	28,243	(22,736)				5,507	5,507	5,507	5,507	5,507	5,507
	Income & Fees												
(180,649)	Fees & charges	(139,448)	(182,077)			52,331		(129,746)	(129,746)	(129,746)	(129,746)	(129,746)	(129,746)
0	Government grants	(373)	0					0	0	0	0	0	0
(1,802,492)	Rent	(1,853,813)	(1,900,813)			51,363		(1,849,450)	(1,849,450)	(1,849,450)	(1,849,450)	(1,849,450)	(1,849,450)
(1,983,141)		(1,993,634)	(2,082,890)			103,694		(1,979,196)	(1,979,196)	(1,979,196)	(1,979,196)	(1,979,196)	(1,979,196)
	Renewals Fund Contribution												
88,082	Repairs & Renewals	95,589	95,589			(95,589)		0	0	0	0	0	0
88,082		95,589	95,589			(95,589)		0	0	0	0	0	0
645,192	Service Net Expenditure	(118,437)	94,594	(22,736)		(439,597)	9,163	(358,576)	(329,050)	(317,532)	(305,900)	(294,151)	(294,151)
2,628,332	Gross Service Expenditure	1,875,197	2,177,484	(22,736)	0	(543,291)	9,163	1,620,620	1,650,146	1,661,664	1,673,296	1,685,045	1,685,045
(1,983,141)	Gross Service Income	(1,993,634)	(2,082,890)	0	0	103,694	0	(1,979,196)	(1,979,196)	(1,979,196)	(1,979,196)	(1,979,196)	(1,979,196)
645,192	Net Service Expenditure	(118,437)	94,594	(22,736)	0	(439,597)	9,163	(358,576)	(329,050)	(317,532)	(305,900)	(294,151)	(294,151)

Actual 2013/14	Objective Analysis : Controllable only	Forecast 2014/15	Budget 2014/15	Budget 2015/16					Medium Term Financial Strategy				
				FtF New	FtF System	ZBB	Inflation	Budget	2016/17	2017/18	2018/19	2019/20	
122,360	Head of Service	65,347	96,177			(9,985)	590	86,782	88,574	89,354	90,142	90,938	90,938
1,053,040	Legal	276,862	317,851	(22,736)		(137,170)	1,209	159,153	163,407	164,985	166,578	168,187	168,187
83,757	Procurement	80,559	83,825			(2,372)	493	81,946	83,622	84,265	84,914	85,570	85,570
186,735	Audit & Risk Manager	201,964	290,995			(59,223)	1,269	233,041	237,100	238,747	240,411	242,091	242,091
680,148	Finance	663,900	795,015			(154,258)	4,491	645,248	660,039	665,843	671,705	677,626	677,626
(1,480,847)	Commercial Estates	(1,407,069)	(1,489,269)	0		(76,587)	1,111	(1,564,745)	(1,561,792)	(1,560,726)	(1,559,650)	(1,558,563)	(1,558,563)
645,192	Service Net Expenditure	(118,437)	94,594	(22,736)		(439,597)	9,163	(358,576)	(329,050)	(317,532)	(305,900)	(294,151)	(294,151)

Main changes from ZBB		£	£	£	£
Inflation on salary and NDR					9,163
Legal services shared service savings @ 12.5%		(22,736)			
Removal of Accountancy Assistant and part time Senior Accountant posts				(45,000)	
Principal Accountants posts changed to Senior Accountants post				(19,100)	
Removal of the Legal Service Manager, Legal Assistant and 2 Legal Support Officers				(122,000)	
Associated pension and NI for above changes				(51,160)	
Insurance now included in Corporate finance for budgeting purposes				(45,623)	
Removal of leased cars				(13,352)	
Removal of Repairs and Renewal funds - now within maintenance budgets				(95,589)	
Realignment of budgets (removal of "just in case")				(47,773)	
		(22,736)	0	(439,597)	9,163

Head of Leisure & Health

Actual 2013/14	Subjective Analysis : Controllable only	Forecast 2014/15	Budget 2014/15	Budget 2015/16				Medium Term Financial Strategy					
				FtF New	FtF System	ZBB	Inflation	Budget	2016/17	2017/18	2018/19	2019/20	
	Employees												
13,862	Hired Staff	23,916	15,376			(1,376)		14,000	14,000	14,000	14,000	14,000	14,000
38,236	Other staff costs	24,555	30,381			(10,464)		19,917	19,917	19,917	19,917	19,917	19,917
622,172	Pension & NI	635,075	694,240	0		(51,368)		642,872	721,841	729,059	736,350	743,714	743,714
4,779	Recruitment	500	3,304			(2,804)		500	500	500	500	500	500
3,936,417	Salary	3,897,213	4,191,667	0		(424,326)	3,022	3,770,363	3,808,023	3,846,059	3,884,475	3,923,276	3,923,276
48,304	Training	59,011	58,426			110		58,536	58,536	58,536	58,536	58,536	58,536
4,663,770		4,640,270	4,993,394	0		(490,228)	3,022	4,506,188	4,622,817	4,668,071	4,713,778	4,759,942	4,759,942
	Premises												
520,132	Energy Costs	544,841	525,668			20,882		546,550	546,550	546,550	546,550	546,550	546,550
11,698	Rents	15,669	15,749			(9)		15,740	15,740	15,740	15,740	15,740	15,740
289,797	Repairs & Maintenance	213,629	209,425			55,822		265,247	265,247	265,247	265,247	265,247	265,247
81,427	Water Services	90,944	108,613			(12,152)		96,461	96,461	96,461	96,461	96,461	96,461
8,811	Fixtures & Fittings	10,119	4,040			(1,014)		3,026	3,026	3,026	3,026	3,026	3,026
136,039	Premises Cleaning	116,734	129,111			(15,556)		113,555	113,555	113,555	113,555	113,555	113,555
14,714	Ground Maintenance Costs	12,875	10,669			(8,469)		2,200	2,200	2,200	2,200	2,200	2,200
457,282	Rates	467,781	454,116			13,933	9,361	477,410	477,410	477,410	477,410	477,410	477,410
1,519,901		1,472,592	1,457,311			53,437	9,361	1,520,189	1,520,189	1,520,189	1,520,189	1,520,189	1,520,189
	Transport												
4,790	Car Allowance	1,265	270			(270)		0	0	0	0	0	0
19,815	Mileage Allowance	17,072	20,880			(9,300)		11,580	11,580	11,580	11,580	11,580	11,580
16,172	Operating Costs	9,298	15,824			(6,751)		9,073	9,073	9,073	9,073	9,073	9,073
32	Pool Car	205	205					205	205	205	205	205	205
4,717	Public Transport	3,710	4,122			(1,612)		2,510	2,510	2,510	2,510	2,510	2,510
45,526		31,550	41,301			(17,933)		23,368	23,368	23,368	23,368	23,368	23,368
	Supplies & Services												
21,671	Catering	20,975	24,450			(3,000)		21,450	21,450	21,450	21,450	21,450	21,450
70,571	Communication and computing	66,470	75,747			(8,740)		67,007	67,007	67,007	67,007	67,007	67,007
757,118	Equipment, furniture & materials	741,708	788,981			(135,205)		653,776	653,776	653,776	653,776	653,776	653,776
1,096	Expenses	728	448			(448)		0	0	0	0	0	0
155,576	Office expenses	151,018	154,032			(17,882)		136,150	136,150	136,150	136,150	136,150	136,150
136,553	Services	176,260	293,993			(151,997)		141,996	111,996	79,996	141,996	141,996	141,996
9,849	Uniform & laundry	9,893	15,767			(5,212)		10,555	10,555	10,555	10,555	10,555	10,555
4,000	Insurance - service related	0	0			0		0	0	0	0	0	0
1,156,433		1,167,052	1,353,418			(322,484)		1,030,934	1,000,934	968,934	1,030,934	1,030,934	1,030,934
	Benefit & Transfer Payments												
3,750	Grants	0	0					0	0	0	0	0	0
86,826	Irrecoverable V A T	90,369	90,347			108		90,455	90,455	90,455	90,455	90,455	90,455
90,576		90,369	90,347			108		90,455	90,455	90,455	90,455	90,455	90,455
	Income & Fees												
(5,949,980)	Fees & charges	(6,000,189)	(6,648,200)			570,306		(6,077,894)	(6,067,894)	(6,035,894)	(6,097,894)	(6,097,894)	(6,097,894)
(5,000)	Rent	(5,000)	(5,125)			125		(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
(814,853)	Sales	(851,020)	(897,413)			18,084		(879,329)	(879,329)	(879,329)	(879,329)	(879,329)	(879,329)
(98,643)	Other grants and contributions	(119,721)	(119,721)			48,341		(71,380)	(71,380)	(71,380)	(71,380)	(71,380)	(71,380)
(6,868,476)		(6,975,930)	(7,670,459)			636,856		(7,033,603)	(7,023,603)	(6,991,603)	(7,053,603)	(7,053,603)	(7,053,603)
	Renewals Fund Contribution												
25,000	Repairs & Renewals	25,000	25,625			(625)		25,000	25,000	25,000	25,000	25,000	25,000
25,000		25,000	25,625			(625)		25,000	25,000	25,000	25,000	25,000	25,000
632,730	Service Net Expenditure	450,903	291,017	0		(140,869)	12,382	162,531	259,159	304,414	350,121	396,285	396,285
7,501,206	Gross Service Expenditure	7,426,833	7,961,476	0		0 (777,725)	12,382	7,196,134	7,282,762	7,296,017	7,403,724	7,449,888	7,449,888
(6,868,476)	Gross Service Income	(6,975,930)	(7,670,459)	0		0 636,856	0	(7,033,603)	(7,023,603)	(6,991,603)	(7,053,603)	(7,053,603)	(7,053,603)
632,730	Net Service Expenditure	450,903	291,017	0		0 (140,869)	12,382	162,531	259,159	304,414	350,121	396,285	396,285

Actual 2013/14	Objective Analysis : Controllable only	Forecast 2014/15	Budget 2014/15	Budget 2015/16				Medium Term Financial Strategy					
				FtF New	FtF System	ZBB	Inflation	Budget	2016/17	2017/18	2018/19	2019/20	
0	Head of Service	54,900	54,900			22,538	590	78,028	79,820	80,600	81,388	82,184	82,184
181,926	Sports and Active Lifestyle	270,091	270,091	0		50,903	2,432	323,426	332,578	336,510	340,481	344,492	344,492
450,804	Leisure Centres	125,912	(33,974)			(214,309)	9,361	(238,923)	(153,238)	(112,696)	(71,748)	(30,391)	(30,391)
632,730	Service Net Expenditure	450,903	291,017	0		(140,869)	12,382	162,531	259,159	304,414	350,121	396,285	396,285

Corporate Finance

Actual 2013/14	Subjective Analysis : Controllable only	Forecast 2014/15	Budget 2014/15	Budget 2015/16					Medium Term Financial Strategy					
				FtF New	FtF System	ZBB	Inflation	Budget	2016/17	2017/18	2018/19	2019/20		
	Benefit & Transfer Payments													
0	Grants		8,925			(8,925)		0		0	0	0	0	0
381,694	Levies	399,305	399,305			(5,014)		394,291	394,291	394,291	394,291	394,291	394,291	394,291
381,694		399,305	408,230			(13,939)		394,291	394,291	394,291	394,291	394,291	394,291	394,291
	Income & Fees													
(703,624)	Government grants	(542,654)	(68,449)			449		(68,000)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
123,961	General bad debt provision	124,899	11,269			48,731		60,000	60,000	60,000	60,000	60,000	60,000	60,000
(247,151)	Interest earned	(91,289)	(606,110)			374,096		(232,014)	(286,014)	(285,014)	(285,014)	(285,014)	(290,014)	(290,014)
(826,813)		(509,044)	(663,290)			423,276		(240,014)	(249,014)	(248,014)	(248,014)	(248,014)	(253,014)	(253,014)
	Supplies & Services													
94,320	Contributions paid	0	0					0	0	0	0	0	0	0
(9,490)	Interest	0	0					0	0	0	0	0	0	0
68,077	External audit fees	90,000	116,682			(26,682)		90,000	90,000	90,000	90,000	90,000	90,000	90,000
1,118,000	Minimum Revenue Provision	1,331,000	1,623,000			(49,000)		1,574,000	1,905,000	2,354,000	2,577,000	2,577,000	2,902,000	2,902,000
2,496	Council tax booklet printing	1,700	2,619			(619)		2,000	2,000	2,000	2,000	2,000	2,000	2,000
435,260	Interest paid	449,300	900,300			(334,300)		566,000	586,000	732,000	908,000	908,000	854,000	854,000
9,750	External fund consultants	8,850	9,033			717		9,750	9,750	9,750	9,750	9,750	9,750	9,750
(295,868)	Contributions received	0	0					0	0	0	0	0	0	0
0	Vehicle sale under £10k	(6,634)	0					0	0	0	0	0	0	0
3,459	Burials Under Health Act	0	0					0	0	0	0	0	0	0
0	Contingencies & provisions	0	(225,277)			225,277		(0)	(0)	(0)	(0)	(0)	(0)	(0)
99,539	Income collection costs	110,752	117,209			(7,919)		109,290	109,290	109,290	109,290	109,290	109,290	109,290
393,321	Insurance	366,146	335,458			58,687		394,145	394,145	394,145	394,145	394,145	394,145	394,145
1,918,864		2,351,114	2,879,024			(133,839)		2,745,185	3,096,185	3,691,185	4,090,185	4,090,185	4,361,185	4,361,185
	Employees													
1,140,898	Additional pension payments	789,000	789,011			345,989		1,135,000	1,510,000	1,574,000	1,574,000	1,574,000	1,574,000	1,574,000
804,970	Severance costs	204,949	205,726			1,274		207,000	207,000	207,000	207,000	207,000	207,000	207,000
1,945,868		993,949	994,737			347,263		1,342,000	1,717,000	1,781,000	1,781,000	1,781,000	1,781,000	1,781,000
3,419,613	Service Net Expenditure	3,235,324	3,618,701			622,761		4,241,462	4,958,462	5,618,462	6,017,462	6,017,462	6,283,462	6,283,462
4,246,427	Gross Service Expenditure	3,744,368	4,281,991	0	0	199,485	0	4,481,476	5,207,476	5,866,476	6,265,476	6,265,476	6,536,476	6,536,476
(826,813)	Gross Service Income	(509,044)	(663,290)	0	0	423,276	0	(240,014)	(249,014)	(248,014)	(248,014)	(248,014)	(253,014)	(253,014)
3,419,613	Net Service Expenditure	3,235,324	3,618,701	0	0	622,761	0	4,241,462	4,958,462	5,618,462	6,017,462	6,017,462	6,283,462	6,283,462

Main changes from ZBB	£	£	£	£
Increase in bad debt provision in line with year end values and current debt			48,731	
Increase in pension payments from triannual actuary valuation			345,989	
Removal of contingency budgets			225,277	
Net change in interest costs			39,796	
Realignment of budgets (removal of "just in case")			(37,032)	
			622,761	0