

GENERAL FUND - MEDIUM TERM FINANCIAL PLAN

SUMMARY Model for Scrutiny - Executive

	2009/10 Actual	2010/11	2011/12	2012/13	2013/14	2014/15
	£'000	£'000	£'000	£'000	£'000	£'000
Net Cost of Services	18,444	18,889	16,143	16,702	17,581	18,535
Interest Payments	675	662	662	662	662	662
Interest & Investment Income	-2,481	-1,650	-1,175	-1,422	-1,620	-1,947
Pensions Interest/Return on Assets	1,562	505	1,424	1,424	1,424	1,424
Fees & Charges			-22	-131	-243	-357
Growth Items			75	100	169	222
Special Items			123	25		
Efficiency Savings			-1,167	-2,139	-2,660	-2,915
Contribution of vacancies						
Balancing Figure			4	239	470	702
One off Savings				-15	-6	-15
Known Changes			34	-154	-463	-514
Planning Contingency				169	245	330
RCCO/Internal Interest	29	26	26	26	26	26
Net Expenditure	18,229	18,432	16,127	15,486	15,585	16,153
Contribution to / from Earmarked Reserves	614	33	-124	249	249	249
Contribution to/ from Interest Equalisation reserve	-1,019	-778	17	27	115	-72
Cost of change Contingency			400	200		
Use of General Reserve	233	-41	-38		145	
Movement on Pension Reserve	-835	-34	-888	-888	-888	-888
Net Expenditure after reserves	17,222	17,612	15,494	15,074	15,206	15,442
Formula Grant/NNDR	-8,141	-8,182	-6,046	-5,315	-5,160	-5,100
Council Tax Freeze Grant			-230	-230	-230	-230
Local Area Agreement Grant	-217	-250				
Area Based Grant	-23					
Transfer (from)/to Collection Fund	131	16	31			
Demand on Collection Fund	8,972	9,196	9,249	9,529	9,816	10,112
Council Taxbase	57,734	57,791	58,123	58,414	58,706	58,999
Council Tax at Band D	155.41	159.13	159.13	163.11	167.19	171.37

Percentage Increase

2.40% 0.00% 2.50% 2.50% 2.50%

OTHER KNOWN REDUCTIONS AND INCREASES

	2011/12	2012/13	2013/14	2014/15
	£'000	£'000	£'000	£'000
Causeway deal		-74	-74	-74
increase in pension costs				92
Jackson Square Contract - Rent	75	83	91	99
Income Shortfall 2009/10 reducing effect	-50	-100	-150	-150
Changes to Terms and Conditions			-267	-440
New Refuse, Recycling & Street Cleansing Contract		-100	-100	-100
Joint Mgt team for Revenues and Benefits with Stevenage	-37	-37	-37	-37
Post regraded in Revenues & Benefits		-2	-2	-2
Markets - marketing & maintenance	6	6	6	28
Annual Licence fee - Benefits System	40	40	40	40
Additional plastic recycling - full year effect		22	22	22
Homelessness grant continuation (reduction in income from 11/12)		19	19	19
Hertford Theatre Hydro Income		-11	-11	-11
Total	34	(154)	(463)	(514)

Pay and Price Assumptions for Medium Term Financial Plan

Data Table	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Overall salary increase (Inclusive of everything)*	4.75%	4.75%	0.65%	1.70%	1.45%	2.80%	3.15%
Members Allowances		0.00%	0.00%	2.68%	2.61%	1.80%	2.40%
Inflation	2.50%	2.50%	2.00%	2.10%	2.30%	2.60%	2.70%
NNDR	2.50%	3.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Fuel	2.50%	5.00%	5.00%	2.50%	2.50%	2.50%	2.50%
Contract Index - All Contracts	3.50%	2.50%	2.00%	2.70%	2.70%	2.70%	2.70%
Contract Index - Street Cleansing	3.50%	2.50%	2.00%	2.70%	2.70%	2.70%	2.70%
Contract Index - Refuse Only	3.50%	2.50%	2.50%	3.20%	3.20%	3.20%	3.20%
Contract Index - Parking	3.00%	2.00%	1.50%	2.20%	2.20%	2.20%	2.20%
Contract Index - Leisure	2.50%	2.00%	1.50%	2.20%	2.20%	2.20%	2.20%
Contract Index - Community Meals	3.50%	3.00%	3.00%	3.70%	3.70%	3.70%	3.70%
Formula Grant/NNDR Redistribution	1.00%	0.50%	0.50%	-5.00%	-5.00%	-5.00%	-5.00%
Tax Base Increase	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Income							
Increase for Fees & Charges	3.50%	3.50%	3.50%	2.50%	2.50%	2.50%	2.50%
Increase for car parks	5.00%	5.00%	5.00%	2.50%	2.50%	2.50%	2.50%
Interest on investment	5.30%	2.75%	2.46%	1.81%	2.30%	2.70%	3.30%
1. Street cleansing / Grounds Maintenance - April RPI applied in April							
2. Refuse & Recycling - April AEI (public sector) applied in August							
3. Parking - April RPIx applied in January							
4. Community Meals - April RPI applied in April (contract ends July '09)							
5. Leisure - January RPIx applied in January							
*Salary Increase							
Pay award original budget **	2.50	2.25	0.00	0.20	0.20	1.80	2.4
Pay allowance - increments and local award	2.25	2.25	0.65	1.50	1.25	1.00	0.75
	4.75	4.50	0.65	1.70	1.45	2.80	3.15
** Pay award actuals and now reflected in future plans	2.75	1.00					

Savings

2011/12	2012/13	2013/14	2014/15
£	£	£	£

Recommendations to Council**CUSTOMER & COMMUNITY****Community & Cultural**

Reduce funding for museum services HCC and partnership funding

Customer & New Media

Cancel free parking days at Christmas

Ware Amwell End - Revision of rent payable by Hertford regional College for student car park spaces

-1,000

Grange Paddocks Project

Elm Road income

-7,500

Postponing of Sunday Charging - income until 2011/12

INTERNAL SERVICES**Democratic & Legal Services**

Reduce support for Chairman

Total recommendations to Council

-8,500

0

0

0

Other savings**CUSTOMER & COMMUNITY****Community & Cultural**

C&C - MOW

-45,761

-15,269

Leisure Savings

-86,000

39,000

118,000

Review minor grants

-12,500

Castle Hall - new business plan (subject to approval)

-83,085

-57,671

-45,000

Environment

Do not replace Area Environment Inspector & delete lease van after 12 month contract expires

-30,000

Delete Business Support Assistant Part Time Post FTE Grade 3 - 18.5 hours)

-12,175

Delete Business Support Assistant Part Time Post FTE Grade 3 - 22.5 hours)

-12,922

Reduce Recycling advertising and promotion budget

-31,300

Customer & New Media

Ware Amwell End - Revision of rent payable by Hertford regional College for student car park spaces

-1,000

-1,000

Introduce On Street Charging

Grange Paddocks Project

Elm Road income

-10,000

-10,000

Rye St/Grange Paddocks income

-50,000

-50,000

Link Road resulting from redesignation as short stay

-50,000

Northgate End resulting from redesignation as short stay

-56,000

Grange Paddocks Project - Resident permit income		-2,500	-2,500	
NEIGHBOURHOOD SERVICES				
Planning & Building Control				
Cessation or very minimal provision of remaining discretionary elements of service		-71,305	-71,305	
CHIEF EXECUTIVE				
Strategic Direction & Corporate Support Team				
Restructuring within Strategic Direction		-16,041	-16,041	
INTERNAL SERVICES				
Democratic & Legal Services				
Land Charges - staffing reductions		-4,000	-23,000	
People & Organisational Services				
Reduction in corporate training budget pro rata to staff reduction			-6,000	
Financial Support Services				
Phased reduction in hours of estates staffing		-16,000	-15,000	-15,000
Business Support Services				
Staffing efficiencies on completion of C3W programme		-56,090		
Revenues & Benefits				
Invest to save option		-64,000	-64,000	
Total other savings	0	-604,679	-398,786	58,000
Review of 09/10 outturn				
Community Safety - reduction in supplies & services	-5,000			
Total review of 09/10 outturn	-5,000	0	0	0
2011/12 budget round additional savings				
CHIEF EXECUTIVE				
Strategic Direction & Corporate Support Team				
Public Consultation Budget reduction to base	-14,000			
Deletion of Graduate Trainee post	-15,000			
Reduction of Supplies & Services	-1,000			
Reduce performance and communications activity	-85,000			

INTERNAL SERVICES				
Reduce and consolidate management resources	-75,000			
Human Resources				
Reduce HR support	-20,000	-60,000		
Business Support Services				
Internal Audit efficiencies from partnership working	-15,000	-30,000		
Restructuring within facilities services	-70,000	-50,000		
Reduce ICT contract payment	-30,000			
Restate property budgets		-13,000		
Revenues & Benefits				
Further shared service savings	-36,000			
Discretionary Rate Relief		-30,000		
Reductions in supplies & services - printing	-11,000			
Increase in recoverable overpayments of Housing Benefits	-100,000			
Financial Support Services				
Review of Financial Support Services				-40,000
Democratic & Legal Support Services				
Efficiency measures for electoral canvass				-13,000
Restructuring of Democratic & Legal Services		-4,000	-23,000	
NEIGHBOURHOOD SERVICES				
Planning & Building Control				
Building control fees		-50,000	-50,000	-50,000
Development Control BPI led savings				-22,000
DC miscellaneous costs		-10,000	-10,000	
Planning administration				-68,000
LDF funding		-10,000	-100,000	
Planning policy resources			-12,000	
Health & Housing				
Restructuring the services delivered by Licensing, Community Safety and Environmental Health leading to a reduction in resources	-100,000			-106,000
Cease funding Hsg Improvement Agency core & associated services				
- cease Hsg Advice		-5,000		
- cease Handyperson service		-16,000		
- cease funding HIA core and associated services		-33,000		
Reduce hours of Hsg Dev Officer and increase fees	-13,000			
Scale back rent support scheme				
Reduction in housing resouces	-54,000			
Community Safety				
Set taxi licence fees to recover full costs	-13,000	-13,000	-14,000	-14,000

Taxi marshals - withdrawal of funding	-5,000			
Cease contribution to PCSO's	-46,000			
CUSTOMER & COMMUNITY				
Environment				
Reduce ancillary admin spend for Environmental Services	-3,000			
Reduce ancillary admin spend for Community & Cultural	-4,000			
Additional Income from sale of recycleables	-200,000			
Reduce total staff support across Environmental Services	-20,000			
Review / reduce level of environmental coordination and advice	-25,000	-25,000		
increase charges for bulky waste collection service	-10,000			
Join the Consortium contract for the provision of textile banks	-30,000			
Community & Cultural				
Reduce and consolidate senior management resource	-60,000			
Rationalise and consolidate the range of community and culture activities and projects undertaken	-41,000	-41,000		
Review the Hertford Theatre management structure	-7,000	-15,000		
Reduce total spend on Community & Culture, grants, subscriptions & discretionary commissioning by approx 5%	-20,000			
Customer Services & New Media				
Reduce / consolidate ongoing web support	-15,000			
Corporate costs				
Reduce corporate management	-15,000	-50,000		
Deletion of existing savings options in the MTFP replaced by items above				
Planning Service		87,000	87,000	
Strategic Direction				
	-1,153,000	-368,000	-122,000	-313,000
Total Savings	-1,166,500	-972,679	-520,786	-255,000
Cumulative Total Savings	-1,166,500	-2,139,179	-2,659,965	-2,914,965

One Off Savings	2011/12	2012/13	2013/14	2014/15
	£	£	£	£
INTERNAL SERVICES				
Financial Support Services				
Rural Development Project Income Stream		-5,000		
Total	0	-5,000	0	0
Review of 09/10 outturn				
CHIEF EXECUTIVE				
Strategic Direction				
Public Consultation & Research		-9,700	-5,700	-14,700
Total	0	-9,700	-5,700	-14,700
Total one off savings	0	-14,700	-5,700	-14,700

Special Items

2011/12	2012/13	2013/14		
£	£	£		

CUSTOMER & COMMUNITY**Community & Cultural**

LSP

60,000

Customer & New Media

Consultancy re parking retender

12,000

Grange Paddocks Project -

6,300

0

0

Grange Paddocks Project - Resident permit

20,000

0

0

Total

98,300**0****0****0****Review of 09/10 outturn**

Bldg Control - Supplements

9,000

9,000

0

0

Dev Plans - Supplements

6,500

6,500

0

0

Dev Control - Supplements

9,000

9,000

0

0

Total

24,500**24,500****0****0****Total SIs****122,800****24,500****0****0**

Growth	2011/12	2012/13	2013/14	2014/15
	£	£	£	£
CUSTOMER & COMMUNITY				
Customer & New Media				
On Street Charging - Maintenance and Monitoring of Pay and Display Machines				
Sunday & Bank Holiday charging				
Grange Paddocks Project - Maintenance of pay and display machines			43,600	
Hartham Lane car park extension - Maintenance and monitoring of pay and display machines	250			
Environment				
Refuse Service - Property Growth				53,000
Growth from capital programme	25,000	25,000	25,000	
Total	25,250	25,000	68,600	53,000
Review of 09/10 outturn				
Dev Control - Appeals & Consultancy	50,000	0	0	0
Total	50,000	0	0	0
Total Growth	75,250	25,000	68,600	53,000
Cumulative Total Growth	75,250	100,250	168,850	221,850