

GENERAL FUND - MEDIUM TERM FINANCIAL PLAN

SUMMARY Model after Council

	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			-7	-131	-243	-357
Growth Items			80	105	174	227
Special Items			137	25		
Efficiency Savings			-1,121	-2,139	-2,660	-2,915
Contribution of vacancies						
Balancing Figure						
One off Savings			-15	-15	-6	-15
Known Changes			34	-154	-463	-514
Planning Contingency				161	470	779
RCCO/Internal Interest	29	26	26	26	26	26
Net Expenditure	18,229	18,432	16,188	15,244	15,345	15,905
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	-66		145	
Movement on Pension Reserve	-835	-34	-888	-888	-888	-888
Net Expenditure after reserves	17,222	17,612	15,527	14,832	14,966	15,194
Formula Grant/NNDR	-8,141	-8,182	-6,079	-5,306	-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	9,296	9,576	9,864
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	159.13	163.11	167.19

Percentage Increase

2.40%

0.00%

0.00%

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		-5,000			
- cease Hsg Advice		-16,000			
- cease Handyperson service		-33,000			
- cease funding HIA core and associated services					
Reduce hours of Hsg Dev Officer and increase fees	-13,000				
Scale back rent support scheme					
Reduction in housing resources	-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 (As per 8/02/11 Executive decision moved from 11/12 to 12/13)		-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) together these		87,000	87,000	
Strategic Direction) add up to £87K				
	-1,107,000	-414,000	-122,000	-313,000
Total Savings	-1,120,500	-1,018,679	-520,786	-255,000
	-1,120,500	-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
Agreed at 8 February 2011 Executive				
CCTV - Developer contribution (removed from 2011/12 f&c)	-14,700			
Total	-14,700			
Total one off savings	-14,700	-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
Agreed at Council 23 February 2011				
leaf clearance (11/12 only)	14,000			
	14,000	0	0	0
Total SIs	136,800	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 - Rebate to Leisure Centre Users			40,000	
Grange Paddocks Project - Maintenance of pay and display machines			3,600	
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
Agreed at 8 February 2011 Executive				
Part of the savings from deleting support for non statutory meetings approved by the Council in September be redirected to support for member development	5,000			
	5,000	0	0	0
Total Growth	80,250	25,000	68,600	53,000
Cumulative Total Growth				
	80,250	105,250	173,850	226,850