GENERAL FUND - MEDIUM TERM FINANCIAL PLAN										
SUMMAF	RY August 2	2011 Versio	n			1				
	20010/11 Actual	2011/12	2012/13	2013/14	2014/15	2015/16				
	£'000	£'000	£'000	£'000	£'000	£'000				
Net Cost of Services	7,790	15,651	15,689	16,634	17,588	18,554				
Interest Payments	661	662	662	662	662	662				
Interest & Investment Income	-871	-1,175	-1,830	-2,140	-2,412	-2,634				
Pensions Interest/Return on Assets	1,007	1,424	1,424	1,424	1,424	1,424				
Fees & Charges			-124	-236	-350	-463				
Growth Items			25	94	147	147				
Special Items			25							
Efficiency Savings - Existing plans			-1,019	-1,539	-1,794	-1,794				
Efficiency Savings - New						-704				
Balancing Figure			626	495	429	344				
One off Savings			-15	-6	-15					
Known Changes			248	229	428	826				
Planning Contingency			161	470	779	1,000				
RCCO/Internal Interest	25	26	26	26	26	26				
Net Expenditure	8,612	16,588	15,898	16,112	16,912	17,387				
Contribution to / from Earmarked Reserves	162	-124	249	249	249					
Contribution to/ from Interest Equalisation reserve Cost of change Contingency	-1,185	17	27 200	115	-72	-72				
Use of General Reserve	993	-66		145						
Movement on Pension Reserve	8,817	-888	-888	-888	-888	-888				
Net Expenditure after reserves	17,399	15,527	15,486	15,734		16,676				
Formula Grant/NNDR	-8,182	-6,079	-5,306	-5,390	-5,390	· -				
Council Tax Freeze Grant	-0,102	-0,079	-230	-5,590	-5,590	-5,590				
New Homes Bonus		200	-615	-815	-1,015	-1,215				
Area Based Grant	-37		-010	-010	-1,013	-1,210				
Transfer (from)/to Collection Fund	16	31	-62							
Demand on Collection Fund	9,196	9,249	9,273	9,529	9,796	10,071				
Council Taxbase	57,791	58,123	58,268	58,414						
Council Tax at Band D	159.13	159.13	159.13	163.11	167.19					
Council Tax at Ballu D	155.13	155.15	159.15	103.11	107.19	171.37				
Percentage Increase		0.00%	0.00%	2.50%	2.50%	2.50%				
Revision to interest assumption subsequent to CBS			_	_		_				
Existing rate %			2.7	3.4						
Revised rate %			2.1	2.6	3.0	4.0				
			£'000	£'000	£'000	£'000				
Reduction in income			406	503	603	240				
Offsetting adjustments										
Planning contingency			-161	-8						
Balancing Figure			-245	-495	-429	-240				
Resulting assumptions and provisions										
Interest & Investment Income revised			-1,424	-1,637						
Planning contingency			0	462						
Balancing figure			381	0	0	104				

GENERAL FUND - MEDIUM TERM FINANCIAL PLAN

SUB - SUMMARY August 2011 Version

Chief Executive & PAs 221 218 221 230 239 225		2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Strategic Direction		£'000	£'000	£'000	£'000	£'000	£'000
Director of Neighbourhood services	Chief Executive & PAs	221	218	221	230	239	249
Planning & Building Control 1,119 1,264 1,310 1,413 1,515 1,666 1,651 1,582 1,647 1,711 1,771 1,772 1,773 1,665 1,551 1,582 1,647 1,711 1,773 1,774 1,775 1,665 1,551 1,582 1,647 1,711 1,775 1,775 1,667 1,647 1,711 1,775 1,675 1,647 1,711 1,775 1,675 1,647 1,711 1,775 1,675 1,647 1,711 1,775 1,675 1,647 1,711 1,775 1,675 1,675 1,647 1,711 1,775 1,675 1,647 1,711 1,775 1,675 1,647 1,711 1,775 1,675 1,647 1,715 1,675 1,647 1,715 1,675 1,647 1,715 1,675 1,647 1,715 1,675 1,647 1,715 1,675 1,647 1,256 1,338 1,475 1,247 1,33 1,355 1,411 1,46 1,475 1,256 1,338 1,475 1,475 1,375 1,475 1,375 1,475 1,375 1,475 1,375 1,475 1,375 1,475 1,375 1,475 1,375 1,475	Strategic Direction	432	337	343	357	371	385
Health & Housing	Director of Neighbourhood services	125	125	127	132	137	143
Licensing & Community Safety 228 249 261 284 305 33 336 347 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 117 12 12	Planning & Building Control	1,119	1,264	1,310	1,413	1,515	1,624
Director of Customer & Community	Health & Housing	1,565	1,551	1,582	1,647	1,711	1,779
Environment	Licensing & Community Safety	228	249	261	284	305	328
Customer & New Media	Director of Customer & Community	109	106	108	112	117	121
Cultural & Community 2,592 1,229 1,167 1,256 1,338 1,44 Director of Internal Services 147 133 135 141 146 18 People & Organisational Development 341 317 323 336 348 36 Business Support 3,468 3,115 3,243 3,360 3,473 3,58 Revenues & Benefits 267 292 296 334 375 42 Financial Support Services 188 143 139 150 162 17 Democratic & Legal Services 469 605 608 642 675 7 Programme Director 107 32 1,000 1,000 1,051 1,03 Other (& Adjustment) 901 1,346 974 1,008 1,051 1,03 Not Distributed Costs -9,728 -186 -186 -186 -186 -186 -186 -186 -186 -186 -186 -186 1,051	Environment	6,129	5,385	5,609	5,877	6,157	6,461
Director of Internal Services	Customer & New Media	-702	-610	-574	-460	-345	-224
People & Organisational Development 341 317 323 336 348 368 34	Cultural & Community	2,592	1,229	1,167	1,256	1,338	1,425
Business Support 3,468 3,115 3,243 3,360 3,473 3,555 Revenues & Benefits 267 292 296 334 375 445	Director of Internal Services	147	133	135	141	146	152
Revenues & Benefits 267 292 296 334 375 445 Financial Support Services 188 143 139 150 162 175 Democratic & Legal Services 469 605 608 642 675 775 Programme Director 107 32	People & Organisational Development	341	317	323	336	348	361
Financial Support Services	Business Support	3,468	3,115	3,243	3,360	3,473	3,590
Democratic & Legal Services	Revenues & Benefits	267	292	296	334	375	420
Programme Director	Financial Support Services	188	143	139	150	162	176
Other (& Adjustment) 901 1,346 974 1,008 1,051 1,03 Non Distributed Costs -9,728 -9,728 -186 <td>Democratic & Legal Services</td> <td>469</td> <td>605</td> <td>608</td> <td>642</td> <td>675</td> <td>711</td>	Democratic & Legal Services	469	605	608	642	675	711
Non Distributed Costs	Programme Director	107	32				
Environment Capital Salaries -186 -1	Other (& Adjustment)	901	1,346	974	1,008	1,051	1,038
Capital Salaries -186 -281 -281 -281 -281	Non Distributed Costs	-9,728					
Adjustment 7,790 15,651 15,689 16,634 17,588 18,58 Interest Payments 661 662 462 424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 249 249 249 249 249 249 249 249 249 249 249 </td <td>Environment</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Environment						
Net Cost of Services	Capital Salaries	-186	-186	-186	-186	-186	-186
Interest Payments	Adjustment						
Interest & Investment Income	Net Cost of Services	7,790	15,651	15,689	16,634	17,588	18,554
Pensions Interest/Return on Assets	Interest Payments	661	662	662	662	662	662
Known Changes 248 229 428 82 Contribution to Earmarked Reserves 748 249 249 249 249 Contribution to/ from Interest Equalisation reserve -1,185 17 27 115 -72 -72 Contribution from Earmarked Reserves -586 -373 200	Interest & Investment Income	-871	-1,175	-1,830	-2,140	-2,412	-2,634
Contribution to Earmarked Reserves 748 249	Pensions Interest/Return on Assets	1,007	1,424	1,424	1,424	1,424	1,424
Contribution to/ from Interest Equalisation reserve	Known Changes			248	229	428	826
reserve Contribution from Earmarked Reserves -586 -373	Contribution to Earmarked Reserves	748	249	249	249	249	249
Cost of change Contingency 200 Contribution of Vacancies 626 Balancing Figure 626 Planning Contingency 161 Savings 2012/13 -1,019 Savings 2013/14 -521	•	-1,185	17	27	115	-72	-72
Contribution of Vacancies 626 495 429 34 Planning Contingency 161 470 779 1,00 Savings 2012/13 -1,019 -1,019 -1,019 -1,019 Savings 2013/14 -521 -521 -521	Contribution from Earmarked Reserves	-586	-373				
Balancing Figure 626 495 429 34 Planning Contingency 161 470 779 1,00 Savings 2012/13 -1,019 -1,019 -1,019 -1,019 Savings 2013/14 -521 -521 -521	Cost of change Contingency			200			
Balancing Figure 626 495 429 34 Planning Contingency 161 470 779 1,00 Savings 2012/13 -1,019 -1,019 -1,019 -1,019 Savings 2013/14 -521 -521 -521	Contribution of Vacancies						
Planning Contingency Savings 2012/13 Savings 2013/14 161 470 779 1,00 -1,019 -1,019 -1,019 -521 -521 -521				626	495	429	344
Savings 2012/13 Savings 2013/14 -1,019 -1,019 -1,019 -1,019 -521 -521 -521					470		1,000
Savings 2013/14 -521 -521 -521							-1,019
	~			, -			-521
Savings 2014/15 -255 -25							-255

Savings 2015/16 NEW ***						-704
One Off Savings			-15	-6	-15	
Growth 2012/13			25	25	25	25
Growth 2013/14				69	69	69
Growth 2014/15					53	53
Growth 2015/16						
Special Item			25			
RCCO/Internal Interest	25	26	26	26	26	26
Use of General Reserve	993	-66		145		
Movement on Pension Reserve	8,817	-888	-888	-888	-888	-888
Car Parking Fees & Charges			-78	-158	-240	-320
Other fees & Charges			-46	-78	-110	-143
Net Expenditure	17,399	15,527	15,486	15,734	16,201	16,676
Formula Grant/NNDR	-8,182	-6,079	-5,306	-5,390	-5,390	-5,390
Council Tax Freeze Grant		-230	-230			
Area Based Grant	-37					
New Homes Bonus			-615	-815	-1,015	-1,215
Transfer (from)/to Collection Fund	16	31	-62			
Demand on Collection Fund	9,196	9,249	9,273	9,529	9,796	10,071
Council Taxbase	57,791	58,123	58,268	58,414	58,589	58,765
Council Tax at Band D	159.13	159.13	159.13	163.11	167.19	171.37
Percentage Increase		0.00%	0.00%	2.50%	2.50%	2.50%

^{***} Set at 4% of 2014/15 Net cost of Service £17588K

Pay and Price Assumptions for Medium Term Financial Plan

Data Table	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Overall salary increase (Inclusive of eveything)*	0.65%	1.70%	1.45%	4.10%	4.05%	4.15%
Members Allowances	0.00%	2.68%	IRP	IRP	IRP	IRP
Inflation	2.00%	2.10%	3.00%	3.20%	2.70%	2.70%
NNDR	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Fuel	5.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Contract Index - All Contracts	2.00%	2.70%	3.00%	3.20%	2.70%	2.70%
Contract Index - Street Cleansing	2.00%	2.70%	3.40%	3.50%	3.60%	3.80% * assumed RPIx 25/7/11
Contract Index - Refuse Only	2.50%	3.20%	3.40%	3.50%	3.60%	3.80% * assumed RPIx 25/7/11
Contract Index - Parking	1.50%	2.20%	3.40%	3.50%	3.60%	3.80%
Contract Index - Leisure	1.50%	2.20%	3.40%	3.50%	3.60%	3.80%
Tax Base Increase	0.50%	0.50%	0.25%	0.25%	0.30%	0.30%
Income						
Increase for Fees & Charges	3.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Increase for car parks	5.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Interest on investment	2.46%	1.81%	2.70%	3.40%	4.00%	4.40%
Street cleansing / Grounds Maintanence - April RPI app	lied in April					
2. Refuse & Recyling - April AEI (public sector) applied in	August					
3. Parking - April RPIx applied in January						
4. Leisure - January RPIx applied in January						
*Salary Increase						
Pay award original budget **	0.00	0.20	0.20		3.3	3.4
Pay allowance - increments and local award	0.65 0.65	1.50 1.70	1.25 1.45		0.75 4.05	0.75 4.15
** Day award actuals and now reflected in future plans	0.00	1.70	1.40	7.10	4.00	7.10

^{**} Pay award actuals and now reflected in future plans

OTHER KNOWN REDUCTIONS AND INCREASES

	2012/13	2013/14	2014/15	2015/16
	£'000	£'000	£'000	£'000
Causeway deal	-74	-74	-74	-74
increase in pension costs			92	184
Jackson Square Contract - Rent	8	16	24	24
Income Shortfall 2009/10 reducing effect	-50	-100	-100	-100
Changes to Terms and Conditions		-267	-440	-440
New Refuse, Recycling & Street Cleansing Contract				
Joint Mgt team for Revenues and Benefits with Stevenag	je			
Post regraded in Revenues & Benefits				
Markets - marketing & maintenance			22	22
Additional plastic recyling - full year effect	22	22	22	22
Homlessness grant continuation (reduction in income fro	50	50	50	50
Hertford Theatre Hydro Income	-11	-11	-11	-11
National Insurance rebate	25	25	25	231
Local Services Support Grant (LSSG)	-40			
Strategic Direction Adjustment	11	11	11	11
Reduction in Alternate Financial Model (AFM) income		150	300	300
Application of New Homes Bonus	307	407	507	607
Total _	248	229	428	826

Items already built in

	Rate	Income £000's	
2011/12	1.81%		£1,175
2012/13	2.70%		£1,830
2013/14	3.40%		£2,140
2014/15	4.00%		£2,412
2015/16	4.40%		£2,634

£10m (structured deposit) based on 3.72% until April 2015.

FORMULA GRANT AND NNDR GRANT

Formula Grant & NNDR Grant - Figures from A Madin

Actual	Provisiona	MTFP Assumption					
				_			
11/12	12/13	13/14	14/15	15/16			
£'000	£'000	£'000	£'000	£'000			
6.079	5.306	5.390	5.390	5390			

New Homes bonus - Income (expenditure shown on known changes sheet)

• •	2012/13	2013/14	2014/15	2015/16
New Homes Bonus 11/12 (to be received 11/12 to 16/17)	-415	-415	-415	-415
New Homes Bonus 12/13 (to be received 12/13 to 17/18)	-200	-200	-200	-200
New Homes Bonus 13/14 (to be received 13/14 to 18/19)		-200	-200	-200
New Homes Bonus 14/15 (to be received 14/15 to 19/20)			-200	-200
New Homes Bonus 15/16 (to be received 15/16 to 20/21)				-200
-	-615	-815	-1015	-1215
-	-013	-013	-1015	-1215

Calculation of Council Tax base Updated

	06/07 £	07/08 £	08/09 £	09/10 £	10/11 £	11/12 £	12/13 £	13/14 £	14/15 £	15/16 £
Council Tax Base	55,857	57,122	57,952	57,734			58,123	58,268	58,414	58,589
Assume increase of 0.5% per annum							145	146	175	176
Adjusted Council Tax Base Allowing for Changes	55,857	57,122	57,952	57,734	57,791	58,123	58,268	58,414	58,589	58,765