

Managing the Environment PDG
Decent & Affordable Homes PDG
Community Well Being PDG
Cabinet

Budget 2015/16

Portfolio Holder Cllr Peter Hare-Scott
Responsible Officer Head of Finance

Reason for Report: To consider options available in order for the Council to set a balanced budget for 2015/16 and agree a future strategy for further budget reductions for 2016/17 onwards.

RECOMMENDATION: To consider the draft budget proposals for 2015/16 and start to plan for additional savings as identified in the Medium Term Financial Plan.

Relationship to Corporate Plan: To deliver our Corporate Plan's priorities within existing financial resources.

Financial Implications: Since 2010/11 the Council has seen its Formula Grant reduce by circa £2.6m or 42% from £6.2m to the provisional figure of £3.6m announced for 2015/16. Going forward the current Government maintains its pledge to continue the austerity programme, with most public sector commentators estimating further cuts of at least 10% per annum for the next 3 – 4 years. Once this is factored in to the Councils Medium Term Financial Plan we have predicted a funding deficit of circa £2.1m by 2018/19. This highlights the need to take steps to plan for further reductions to our ongoing expenditure levels.

Legal Implications: It is a statutory requirement for the Local Authority to set a balanced budget.

Risk Assessment: Service Managers and Finance staff have assessed volatility in income and large contractor budgets, taking account of current and estimated future demand patterns. In addition prudent levels of reserves will also continue to be maintained.

1.0 Introduction

- 1.1 The summer savings exercise, that was first undertaken in the summer of 2010, which included Service Managers, Heads of Service, Accountants, the Head of Finance and the Chief Executive challenges all services to look at reducing costs/increasing income, but still deliver the same level of service (especially the front-line services).
- 1.2 This exercise doesn't just focus on balancing the next financial year, it also looked at where savings could be delivered over a rolling three year period. Although this year's exercise has been successful in identifying £983k of savings for 2015/16 (see Appendix 3a), there has been very little proposed for subsequent financial years (only £541k). This fact, emphasises the comments I have been making for the past 18 months that we can no longer expect service managers to continue to reduce cost and still expect "business as usual".
- 1.3 The proposed savings shown in Appendix 3a of £983k will need to be agreed by Members, as for every proposed saving that is rejected will need to be matched by a suggestion of where a similar saving could be made. Members will be aware that the budget is an evolving process. I have already made a range of assumptions relating to: pay awards, inflation, fees/charges, demand for services, property increases, etc. More information may well change/alter my assumptions in the months leading up to February, when the budget has to be finalised. So the current budget gap of £650k will be revised over the next few months, but it is based on the most current information, in conjunction with professional guidance, that is available.
- 1.4 An updated Medium Term Financial Plan was presented to the Cabinet at its October meeting, which further explored the challenging financial position that the Council is facing over the next 4 years. However, it should be stressed that the Council has placed itself in a very strong position to deal with situation and continues to look into opportunities to further reduce operational costs without immediately reducing service levels. But it remains a real possibility moving forward that some difficult decisions will have to be made relating to what the Council can and can't afford to deliver/support in the future. This is further evidenced by the low level of service savings estimated from 2016/17 onwards.

2.0 The Draft 2015/16 Budget

- 2.1 The first detailed draft budget figures have now been returned from all Service Managers. In compiling the draft 2015/16 budget, Service Managers and Finance Staff were acutely aware of the worsening financial environment that the Council was now going to have to operate within. A provisional Formula Grant cut of £656k, coupled with an uncertain economic position adversely affecting a number of key income streams (including our treasury return), the continuing need to modernise much of our existing vehicle fleet and the budget volatility associated with the new Council Tax Support scheme and the localisation of Business Rates.
- 2.2 The initial aggregation of all service budgets (which also includes assumptions surrounding predictions of interest receipts, contributions to our capital

programme, transfers from/to reserves and Council Tax levels) currently indicates a GFund budget gap of £650k (see Appendix 1).

- 2.3 At this point it is worth summarising how we have arrived at this deficit. The table shown below shows the main budget variances affecting the 2015/16 draft budget, which has included nearly all of the savings identified at Appendix 3a.

Table 1 – Reconciliation of 2015/16 budget variances

Variances	Amount £000
Savings identified in savings exercise	(983)
Cost pressures identified in savings exercise	659
Formula grant cut	656
Leisure savings not realised	218
Waste and recycling currently at 14/15 budget and known service pressures	97
Pay and price inflation – incl. pensions & NI	160
Interest adjustment from HRA	41
Council Tax property growth + 1.5% and reduction in Council Tax reduction grant	(136)
Transfer from New Homes Bonus to fund 2 new officers	(99)
Other costs	37
Draft budget gap for 2015/16	650

- 2.4 The above table clearly demonstrates how a budget gap of £650k has been arrived at and without the hard work undertaken by Service Managers to propose further savings during the summer months we would now be facing a budget deficit of £1,633k for 2015/16 (i.e. £650k + £983k). Appendix 3a shows those potential savings which were identified earlier in the year, amounting to £983k.
- 2.5 In compiling the 2015/16 draft budget we have also examined budget performance during 2014/15 and then made any relevant budget corrections for staffing changes, levels of income, changes in legislation, increases in inflation, etc.
- 2.6 Due to the need to get budget information to all of the PDG and Cabinet meetings during November and early December there are still a few key issues that have not been resolved or are still to be fully evaluated. These issues may either improve or worsen the summary budget position currently reported.

3.0 The Future

- 3.1 It is clear that a lot of hard work has already been undertaken in order to deliver a draft budget gap of £650k. We now are set with two tasks: firstly, to deliver a balanced GFund budget by February 2015 in order to formally set the Council Tax and secondly, and of equal importance, begin to plan how our future spending plans can be financed. The MTFP tabled at the October Cabinet meeting shows that the challenge of balancing our ongoing revenue commitments with our available funding. The summary figures from the MTFP

highlighted a £2.1m budget gap over the next 4 years assuming 10% reduction in Government funding year on year. (See table 2 below) This further assumes that all of the £983k saving proposals suggested by Service Managers are accepted by Members.

- 3.2 Due to the future uncertainty over the exact level of Formula Grant reduction going forward it is imperative that Management Team, Service Managers and Members give consideration to matching future service provision to likely levels of financial resources. Table 2 below summarises the projected shortfall over the next four years.

Table 2 – MTFP General Fund Summary

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Total Gross Expenditure	36,710	37,012	37,623	38,037	38,520
Total Income	(27,618)	(28,130)	(28,591)	(28,307)	(28,551)
Net Cost of Services	9,092	8,882	9,032	9,730	9,969
Investment Interest/MRP	(44)	45	(12)	(43)	(75)
Cont. to/(from) Reserves		(99)	(99)		
Contribution to Capital	125	125	125	125	125
Total Budget Requirement	9,173	8,953	9,046	9,812	10,019
Funded by:					
Collection Fund Surplus	(75)	(50)	(50)	(50)	(50)
Formula Grant ⁽¹⁾	(4,181)	(3,525)	(3,128)	(2,816)	(2,534)
Council Tax	(4,917)	(5,114)	(5,168)	(5,253)	(5,339)
Total Funding	(9,173)	(8,689)	(8,346)	(8,119)	(7,923)
Cumulative (Surplus)/Deficit	Nil	264	700	1,693	2,096

⁽¹⁾ Formula Grant in 2015/16 includes £49k of Council Tax Freeze grant awarded in respect of 2014/15.

- 3.3 In addition to this revenue funding pressure, is our ongoing commitment to future capital programmes, not helped by the current low levels of capital receipts. Even greater pressure may be placed on future programmes if additional borrowing was made to fund new Council Houses, Depots, Sport Centre enhancements, Town Centre enhancement works, Vehicle replacements, etc.
- 3.4 The draft Capital Programme for 2015/16 is attached as Appendix 4 and currently shows balanced funding over the next 4 years. However this has required much of the NHB receipts (totalling circa £3.2m) and a continuing revenue contribution from the General Fund of £125 k per annum to reach this position. The size of our current and future capital programmes has substantially reduced, due to the reductions in funding and level of sale receipts and now only includes projects that are essential maintenance, asset replacement or income generating/cost reducing.

4.0 The November/December PDGs and Cabinet meetings

- 4.1 The first round of draft budget meetings will allow discussions with Members, Senior Management, Service Managers and Finance Officers in order to review the proposed draft 2015/16 budget – see Appendix 2. This will include scrutinising and challenging the initial position (and confirming acceptance of all proposed savings put forward) and discussing any other budget areas that Members would like to see additional savings from.
- 4.2 Before the next round of PDGs and Cabinet in January the Council will receive formal confirmation regarding its; Formula Grant (n.b. active rural lobby on-going), Council Tax Freeze Grant, other emerging legislative changes, more information regarding the 2014/15 budget performance, etc. At this point if any of the initial assumptions/estimates significantly worsen, then we will need to bring further savings options for consideration.

5.0 Public Consultation

- 5.1 This year's public consultation once again highlighted the three most valued services:
- REFUSE COLLECTION & RECYCLING - First
 - PARKS, OPEN SPACES & PLAY AREAS - Second
 - ENVIRONMENTAL HEALTH - Third

The three services valued the lowest comprised:

- COMMUNITY GRANTS - First
 - PUBLIC CONVENIENCES - Equal second
 - COMMUNITY SAFETY - Equal second
- 5.2 This consultation response has been considered when compiling the 2015/16 draft budget, but will be of even greater use from 2016/17 onwards when the Council will have to make more challenging decisions with regard to service prioritisation.

6.0 Conclusion

- 6.1 The feedback from all three budget PDGs and the Cabinet will be reported to the January Cabinet for consideration in order to set a balanced 2015/16 budget and agree a forward plan. Early in the New Year Management Team will meet to establish a strategic plan of how £2.1m of savings in the next four years can be achieved. This process will be based upon giving Members a series of options, some of which may require short term investment, to generate medium or long term savings. The savings options will need to be considered across all Member meetings, based upon the new corporate plan. Having identified possible savings, there will need to be careful consideration of their potential impact, probable lead times for delivery of that saving and any associated disengagement costs or possible 'spend to save' implications that would arise.

Contact for more information:	Andrew Jarrett – Head of Finance
Background Papers:	Draft 2015/16 Budget Papers MTFP report - Oct 2014 Cabinet
File Reference:	
Circulation of the Report:	Management Team, Members & Relevant Service Managers

**GENERAL FUND REVENUE ACCOUNT
DRAFT BUDGET SUMMARY 2015/16**

	Net Direct Costs Budget 2014/15 £	Budget Changes £	Draft Net Direct Costs Budget 2015/16 £
Managing the Environment	3,384,230	36,880	3,421,110
Decent & Affordable Homes	420,360	(72,210)	348,150
Community Well Being	2,755,730	48,131	2,803,861
Cabinet	3,743,760	122,250	3,866,010
TOTAL NET DIRECT COST OF SERVICES	10,304,080	135,051	10,439,131
Net recharge to HRA	(1,211,320)	(12,113)	(1,223,433)
NET COST OF SERVICES	9,092,760	122,938	9,215,698
Provision for the financing of capital spending	122,520	28,440	150,960
Finance Lease interest	8,110	(8,110)	0
Interest from Funding provided for HRA	(110,000)	40,910	(69,090)
Interest Received on Investments	(65,000)	0	(65,000)
Contribution to Capital Programme	125,000	0	125,000
TOTAL BUDGETED EXPENDITURE	9,173,390	184,178	9,357,568
Funded by:-			
Formula Grant	(4,230,060)	656,000	(3,574,060)
NNDR revenue based on last year actuals + 54K		(54,000)	(54,000)
Council Tax freeze - for 2014/15	(49,000)	0	(49,000)
CTS Funding Parishes	98,000	(33,000)	65,000
Collection Fund Surplus	(75,000)	25,000	(50,000)
Council Tax - 27,289.8 x £184.88	(4,917,330)	(128,000)	(5,045,330)
TOTAL FUNDING	(9,173,390)	466,000	(8,707,390)
REQUIREMENT TO BALANCE THE BUDGET	0	650,178	650,178

Current Assumptions :

- 1 Formula Grant reduced by £656k based on provisional figure rec'd 12 months ago.
- 2 A Council Tax income based on a 1.5% rise for illustrative purposes only. A 1% rise in Council Tax will generate circa £50k. It is assumed any Council Tax freeze grant given in 2014/15 will be added into the final settlement for 2015/16.
- 3 Most of the savings and cost pressures proposed in the budget review meetings have been included.
- 4 2015/16 salary budgets include an increase of 1%.
- 5 All income flows have been reviewed and adjusted for changes in demand and unit price.
- 6 Investment income has been based upon the existing lending criteria now in force.
- 7 Nil transfer from the General Fund Balance .
- 8 Support services have been inflated in accordance with the pay award.
- 9 Budget for car parking income based on fee structure currently on place and 14/15 level of usage.
- 10 Budget for refuse and recycling is based on 14/15 scheme and reviewed for known budget pressures.
- 11 The grants budget has been left at the 2014/15 level prior to the special Community Well Being PDG meeting.

Appendix 2

Summary of Decent and Affordable Homes PDG

Service Unit		2013/14 Actuals	2014/15 Budget	2015/16 Budget	Movement £
SES15 Private Sector Housing Grants		(165,152)	110,460	129,590	19,130
SHG02 Housing Advice		97,601	103,710	0	(103,710)
SHG03 Homelessness Accommodation		105,498	206,190	218,560	12,370
TOTALS		37,947	420,360	348,150	(72,210)

SES15 Private Sector Housing Grants

Group	Description	2013/14 Actuals	2014/15 Budget	2015/16 Budget	Movement £
1000	Employees	100,416	105,790	122,420	16,630
3000	Transport	6,644	4,020	5,610	1,590
4000	Cost Of Goods And Services	5,147	650	1,560	910
7000	Income	(277,357)	0	0	0
	TOTALS	(165,152)	110,460	129,590	19,130

Cost Centre	Cost Centre Name
ES350	Mandatory Dfgs
ES353	Rro Grants
ES354	Private Sector Housing Team

Major Budget Movements

The salaries has increased to reflect an additional part-time Private Sector Housing Officer.

SHG02 Housing Advice

Group	Description	2013/14 Actuals	2014/15 Budget	2015/16 Budget	Movement £
1000	Employees	90,541	95,610	0	(95,610)
3000	Transport	6,476	6,750	0	(6,750)
4000	Cost Of Goods And Services	584	1,350	0	(1,350)
	TOTALS	97,601	103,710	0	(103,710)

Cost Centre	Cost Centre Name
HG374	Housing Needs Team

Major Budget Movements

This service unit has been amalgamated with Homelessness (SHG03).

SHG03 Homelessness Accommodation

Group	Description	2013/14 Actuals	2014/15 Budget	2015/16 Budget	Movement £
1000	Employees	89,414	92,030	192,560	100,530
2000	Premises	5,602	7,810	7,800	(10)
3000	Transport	5,066	4,880	12,290	7,410
4000	Cost Of Goods And Services	176,450	246,620	174,410	(72,210)
7000	Income	(171,035)	(145,150)	(168,500)	(23,350)
	TOTALS	105,498	206,190	218,560	12,370

Cost Centre	Cost Centre Name
HG320	Housing & Homelessness Advice
HG373	Housing Options Staff

Major Budget Movements

This service unit now includes the staffing and other budgets previously set on Housing Advice (SHG02).

Staffing - Reorganisation of staff posts and provision of a new 0.5FTE post to undertake Homelessness work previously undertaken by outside organisations. (This post is subject to job evaluation and Management Team approval.)

Reduction in bad debt provision of (£57.5K) based on detailed review of repayments to previous years debts

Reduction in Grant funding (£13K) as looking to move more work in house (still subject to Management Team approval).

Devon County Council funding (£20K) towards a Youth Homelessness Post.

GENERAL FUND SUMMARY	FTE	Budget Direct Cost	+ - %	Budget Meeting Savings	Target Savings	Target Savings	
(Direct costs)	2015/16	2014/15		2015/16	2016/17	2017/18	Comments
Cabinet							
Chief Executive	2.0	159,080	0.0%				
Corporate Fees/Charges	0.1	153,110	0.0%				
Pension Backfunding	1.0	738,310	0.0%				
Accountancy Services	8.5	400,930	-1.5%	-6,000			0.21 FTE staff saving
Internal Audit	2.7	98,870	-3.5%	-3,500			Reduced hours in team
Procurement	1.6	51,910	0.0%				
Purchase Ledger	1.5	45,100	0.0%				
Sales Ledger	1.5	34,710	0.0%				
Human Resources	4.8	203,160	0.0%				
Mddc Staff Training	0.0	119,730	-20.9%	-25,000			Reduced based on last yrs actuals and commitment to new system by L&D
Payroll	2.0	58,950	0.0%				
Learning And Development	0.8	39,850	0.0%				
It Gazetteer Management	2.0	63,810	0.0%				
It Information Management	1.0	27,450	0.0%				
It Information Technology	12.7	822,400	-5.3%	-43,900	-5000		Phone lines, IDOX licences, taken out vacant post, allowing for trainee, paper
Electoral Registration	4.0	111,040	0.0%				
Election Costs	0.0	20,000	0.0%				
Democratic Rep And Management	2.8	414,720	0.0%				
Legal Services	5.0	187,150	-4.3%	-8,000			New fee structure to be implemented 1/10/14
54		3,750,280	-2.3%	-86,400	-5,000	0	
Community Well Being PDG							
Community Development	5.2	419,900	-6.8%	-28,500	-20000		Reduce grants by £20k. Reduction staff hrs £6k. Citizen panel (£2.5k)
Economic Development	2.0	-21,910	18.3%	-4,000			Agreed to recruit Market Officer for 30 hrs pw not 37hrs as budgeted.
Customer Services Admin	3.5	154,910	0.0%				
Customer First	23.0	642,450	-1.9%	-12,000			Not renewing MD Talk -£12k. Push comms through web site
Emergency Planning	0.0	0					
Community Safety - C.C.T.V.	0.2	3,100	0.0%				
Pool Cars	0.0	6,480	0.0%				
Es Staff Units/Recharges	14.1	609,390	-13.0%	-79,000			Restructure
Community Safety	1.7	55,440	0.0%				
Food Safety	0.0	-1,530	0.0%				
Health And Safety At Work	1.0	22,710	0.0%				
Health Education	0.0	0					
Licensing	2.8	-12,500	0.0%				
Pest Control	0.0	5,500	0.0%				
Pollution Reduction	0.0	2,710	0.0%				
Building Regulations	5.0	11,640	-618.6%	-72,000			Restructure
Enforcement	2.5	97,800	0.0%				
Development Control	23.2	75,160	-33.3%	-25,000			Restructure and increase in income (incl pre app advice)
Local Land Charges	1.8	-20,450	0.0%				
Economic Development	2.5	-60,360	39.8%	-24,000			Member of staff going part time - see cost pressures - staff restructure
Tourism Pol, Marketing & Devel	0.0	0					
Forward Planning	7.2	249,310	0.0%				
Regional Planning	0.0	62,520	0.0%				
Collection Of Council Tax	8.8	275,020	-4.4%	-12,000			Additional Court Costs Income from £73k to £85k - JC to work on forecast
Collection Of Business Rates	1.0	-58,400	77.1%	-45,000			NNDR Charity Rate Relief no longer required under new NNDR Scheme
Housing Benefit Admin & Fraud	13.5	56,760	0.0%				
Housing Benefit Subsidy	0.0	0					
Debt Recovery	1.5	38,170	0.0%				
Council Tax Benefit Subsidy	0.0	0					
Recreation And Sport	53.9	141,910	-211.4%	-300,000			Target for service (EV enhancement?, pricing policy, increase off peak activity & corp members)
174		2,755,730	-21.8%	-601,500	-20,000	0	
Decent and Affordable Housing PDG							
Private Sector Housing Grants	4.1	110,460	0.0%				
Housing Advice	0.0	103,710	0.0%				
Homelessness Accommodation	6.5	206,190	-12.1%	-25,000			20k DCC grant for Yth Homelessness post, 5k cut Dom Violence grant.
11		420,360	-5.9%	-25,000	0	0	
Managing the Environment PDG							
Parking Services	0.0	-434,000	0.0%				Consider including amenity car parks on charging order? Review of current year income from P and D and overnight charging.
Cemeteries	1.1	-39,670	0.0%				
Public Health	0.0	2,160	0.0%				
Open Spaces	2.2	156,900	0.0%				
Grounds Maintenance	18.5	542,680	0.0%				
Asset Management	0.0	8,750	0.0%				
Flood Defence And Land Drain	0.0	26,430	0.0%				
Street Naming & Numbering	0.2	8,280	0.0%				
Administration Buildings	0.1	243,500	-4.1%	-10,000			Rates reduction P/House, increase rent from Prospect
Mddc Depots	0.0	58,610	-10.2%	-6,000			Rent from leasing Lords Meadow Depot
Public Transport	0.0	-17,440	0.0%				
Office Building Cleaning	3.1	54,930	0.0%				
Property Services Staff Unit	8.9	256,860	0.0%				
Tourist Information Centre	0.0	-7,360	40.8%	-3,000			Rent for 1 Phoenix Lane more than budgeted for
Public Conveniences	1.7	122,870	-41.8%	-51,340	-16340		PDG report on PC provision
Street Cleansing	8.2	342,880	-2.2%	-7,500			Recharge for sweeping Market Walk
Waste Collection	30.8	1,203,760	-3.6%	-43,000	-500000		Estimated income for charging for Garden Waste
Recycling	25.8	623,400	-24.0%	-149,500			Sinking fund savings, glass income, rates at 16 shop, est saving on vehicle maint
Recycling - OCT 15 New Scheme							
Waste Management	5.3	230,220	0.0%				
106		3,383,760	-8.0%	-270,340	-516,340	0	
GRAND TOTAL	345	10,310,130	-9.5%	-983,240	-541,340	0	

GENERAL FUND SUMMARY SAVINGS SCHEDULE	FTE	Budget Direct Cost	+ - %	Budget Meeting Savings / Cost Pressures	Target Savings / Cost Pressures	Target Savings / Cost Pressures	
(Direct costs)	2015/16	2014/15		2015/16	2016/17	2017/18	Comments
Cabinet							
Chief Executive	2.0	159,080	0.0%				
Corporate Fees/Charges	0.1	153,110	0.0%				
Pension Backfunding	1.0	738,310	5.4%	40,000	45000	50000	New pension contribution rates/LEP contribution of £5k ongoing/ Review other corp fees
Accountancy Services	8.5	400,930	0.0%				
Internal Audit	2.7	98,870	0.0%				
Procurement	1.6	51,910	0.0%				
Purchase Ledger	1.5	45,100	0.0%				
Sales Ledger	1.5	34,710	0.0%				
Human Resources	4.8	203,160	7.4%	15,000			Selling services income reduced
Mdccc Staff Training	0.0	119,730	0.0%				
Payroll	2.0	58,950	8.5%	5,000			Impact of JE
Learning And Development	0.8	39,850	0.0%				
It Gazetteer Management	2.0	63,810	0.0%				
It Information Management	1.0	27,450	0.0%				
It Information Technology	12.7	822,400	0.0%				
Electoral Registration	4.0	111,040	0.0%				
Election Costs	0.0	20,000	5.0%	1,000			Impact of JE
Democratic Rep And Management	2.8	414,720	2.4%	10,000			£2.5k for members transport, £7k for Mod.Gov but this should be cost neutral although savings will show against print budget in ICT
Legal Services	5.0	187,150	4.0%	7,500			Appointment of higher grade solicitor
54		3,750,280	2.1%	78,500	45,000	50,000	
Community Well Being PDG							
Community Development	5.2	419,900	0.5%	2,300			JE Regrade
Economic Development	2.0	-21,910	-109.5%	24,000			Not achieving increased income budget at market. JE regrades.
Customer Services Admin	3.5	154,910	0.0%				
Customer First	23.0	642,450	3.0%	19,500			Maintenance for new Kiosk 1.5k & 5k new EMR for replacement fund. Impact of JE and staff transfer
Emergency Planning	0.0	0					
Community Safety - C.C.T.V.	0.2	3,100	0.0%				
Pool Cars	0.0	6,480	0.0%				
Es Staff Units/Recharges	14.1	609,390	0.0%				
Community Safety	1.7	55,440	0.0%				
Food Safety	0.0	-1,530	0.0%				
Health And Safety At Work	1.0	22,710	0.0%				
Health Education	0.0	0					
Licensing	2.8	-12,500	-72.0%	9,000			Increase in staff hrs -agreed 13-14 wasn't included in budget. LW still to review fees
Pest Control	0.0	5,500	0.0%				
Pollution Reduction	0.0	2,710	0.0%				
Building Regulations	5.0	11,640	515.5%	60,000			Review income during year to check performance vs budget
Enforcement	2.5	97,800	0.0%				
Development Control	23.2	75,160	0.0%				
Local Land Charges	1.8	-20,450	0.0%				
Economic Development	2.5	-60,360	-164.0%	99,000			Economic Dev Post. Town Centre Manager £41k and Economic development officer £21k- poss fund from NHB?
Tourism Pol, Marketing & Devel	0.0	0					
Forward Planning	7.2	249,310	0.0%				
Regional Planning	0.0	62,520	0.0%				
Collection Of Council Tax	8.8	275,020	0.0%				
Collection Of Business Rates	1.0	-58,400	0.0%				
Housing Benefit Admin & Fraud	13.5	56,760	54.6%	31,000			Assumed 10% cut on DWP Admin grant. Info at this time DWP will not remove fraud element as planned transfer of May 15 is after 1/5/15 - note if view changes this grant reduction could be up to 20% circa £62k.
Housing Benefit Subsidy	0.0	0					
Debt Recovery	1.5	38,170	0.0%				
Council Tax Benefit Subsidy	0.0	0					
Recreation And Sport	53.9	141,910	0.0%				
174		2,755,730	8.9%	244,800	0	0	
Decent and Affordable Housing PDG							
Private Sector Housing Grants	4.1	110,460	16.2%	17,900			Half post not budgeted for in E/health Restructure
Housing Advice	0.0	103,710	0.0%				
Homelessness Accommodation	6.5	206,190	0.0%				
11		420,360	4.3%	17,900	0	0	
Managing the Environment PDG							
Parking Services	0.0	-434,000	-10.1%	44,000			Income below profile and not looking to achieve additional £44k - review vs budget
Cemeteries	1.1	-39,670	-28.3%	11,220			Additional salary costs
Public Health	0.0	2,160	0.0%				
Open Spaces	2.2	156,900	0.0%				
Grounds Maintenance	18.5	542,680	1.1%	6,000			Sinking fund of new Tractor.
Asset Management	0.0	8,750	0.0%				
Flood Defence And Land Drain	0.0	26,430	0.0%				
Street Naming & Numbering	0.2	8,280	0.0%				
Administration Buildings	0.1	243,500	0.0%				
Mdccc Depots	0.0	58,610	0.0%				
Public Transport	0.0	-17,440	0.0%				
Office Building Cleaning	3.1	54,930	0.0%				
Property Services Staff Unit	8.9	256,860	2.0%	5,100			Apprentice to work along side Technical officer. Could be more depending on cost of Agency for the Technical Officer
Tourist Information Centre	0.0	-7,360	0.0%				
Public Conveniences	1.7	122,870	0.0%				
Street Cleansing	8.2	342,880	0.0%				
Waste Collection	30.8	1,203,760	1.8%	21,500			1 additional member of staff
Recycling	25.8	623,400	11.5%	71,980			Rent, forklifts, 1 add staff, baler loan+sfund+annual maint
Recycling - OCT 15 NEW SCHEME				158,000	95,000		Pwlb loan recycling receptacles + estimated cost of administrating new scheme
Waste Management	5.3	230,220	0.0%				Funding for new recycling vehicles??
106		3,383,760	9.4%	317,800	95,000	0	

GRAND TOTAL	345	10,310,130	6.4%	659,000	140,000	50,000
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Cost Pressures

Salary inflation 1% from 1/4/15
Other inflation - 3% per annum on supp and serv + utilities
Interest received
Contracted out pension rebate abolished
Capital funding/borrowing costs of new equip/vehicles/mp/??
Review RCCO requirement - currently £125k in 14/15 budget

Month 3 monitoring forecast Issues

Funding Adjusts

Reduced Formula Grant £656k (from prov grant settlement)
Council Tax Freeze grant from 14/15
C Tax 1.5% increase pa
C Tax addl properties
Reduction in CTR grant to TC/PCs
Collection Fund surplus decrease
Finance lease interest
PWLb interest payable
Contribution from EMR/NHB to fund TCM and econ dev post
Total Budgeted Cost Pressures

	110,000		
	50,000		
A	50,000		
		137,000	137,000
B	656,000		
C	-49,000		
D	-78,000		
D	-40,000		
E	-33,000		
F			
G			
H			
	-99,000		
	1,226,000		

Based on est of 250 new props per annum
35% reduction for 15/16

Total Budget Meeting Savings (See other sheet)

-983,240		
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Projected Budget Gap

242,760		
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GF Balance B/F

-2,460,711

GF Balance C/F

-2,217,951

Medium Term Financial Plan 2015/16 - 2018/19 - Capital

Appendix 4

	Provisional Capital Programme 2015/16 £k	Estimated Capital Programme 2016/17 £k	Estimated Capital Programme 2017/18 £k	Estimated Capital Programme 2018/19 £k	Total £k
Estates Management					
Leisure - Site Specific					
<u>Lords Meadow leisure centre</u>					
Main car park resurfacing	50				50
Replace main filters -including access arrangements		70			70
Tennis Court resurfacing and lining (subject to need)		25			25
Swimming pool tiling and balance tank fabrication			50		50
Squash Court roof -valleys steps	20				20
<u>Exe Valley leisure centre</u>					
* Fitness gym extension	500				500
Inflatable dome for tennis courts (subject to business case)	0			80	80
<u>Culm Valley sports centre</u>					
* Fitness gym extension	0			500	500
Total	570	95	50	580	1,295
0					
* Figures included per Leisure consultants report - further work required & subject to Business Case demonstrating acceptable payback period					
Other MDDC Buildings					
<u>Pannier Market</u>					
Pannier Market paving resurfacing (subject to planning)		150			150
Pannier Market decoration -whole building out of hours				60	60
<u>Town Hall</u>					
Secondary means of escape-improved use of chamber			30		30
High level maintenance on the structure -repointing etc			50		50
<u>General Car parks</u>					
<u>Pay and Display and Amenity Car Parks</u>					
Beck Square car park -resurface and lining			50		50
William Street Car Park-resurface and reline		50			50
<u>MSCP Improvements</u>					
Planned replacement expansion joint replacement	40		40		80
Surfacing Road past M & S to MSCP		50			50
<u>MDDC Depot sites</u>					
Lords Meadow Depot -Replace/repair asbestos roof				50	50
Old Road Depot -Yard resurfacing and lining (subject to move)		35			35
Station Yard- Yard resurfacing and lining (subject to move)			35		35
Old Road roof - permanent repairs				50	50
Depot relocation land purchase and fit out		2,500			2,500
<u>Play Areas</u>					
Play area refurbishment district wide	50	50	50	50	200
<u>Cemeteries</u>					
Chapel roofs Tiverton and Creden			40		40
<u>Other Projects</u>					
Land drainage flood defence schemes	50	50	50	50	200
Sewage Pumping Stations (HRA)	50	50	50	50	200
Total	190	2,935	395	310	3,830
0					
<u>HRA Projects</u>					
Housing Maintenance Fund	3,500	3,500	3,500	3,500	14,000
Disabled Facilities Grants - Council Houses	291	297	303	309	1,200
Palmerston Park Tiverton - affordable dwellings	4,000				4,000
Culmstock	700				700
Conversion of Shapland Place garages Tiverton - dwellings or starter units		1,000			1,000
Round Hill Tiverton site development			3,000		3,000
Total	8,491	4,797	6,803	3,809	23,900
0					
<u>ICT Projects</u>					
Replacement of PC estate 330s	40	0	40	0	80
Server farm expansion/upgrades	20	0	20	0	40
Unified Comms/telephony	50	25			75
Digital Transformation		50	100	100	250
Mobile Working NDL MX	30				30
Members Mobile	25				25
SQL/Oracles refreshes	20	50			70
HRA Digital Transformation (HRA)	30				30
InCab	60				60
E-Financials Technical refresh	20				20
Uniform Technical refresh	20				20
Misc items in future years		175	140	200	515
Total	315	300	300	300	1,215
0					

	Provisional Capital Programme 2015/16 £k	Estimated Capital Programme 2016/17 £k	Estimated Capital Programme 2017/18 £k	Estimated Capital Programme 2018/19 £k	Total £k
Affordable Housing Projects					
Grants to housing associations to provide houses (covered by Commuted Sums)	0	300	300	300	900
Affordable Housing 0.67 FTE	26	26	26	26	104
Alexandra Lodge - contribution to Care Home Provision	300				300
Total	326	326	326	326	1,304

Private Sector Housing Grants

Work in Default /Discretionary Grants	0	0	0	0	0
Loans Scheme (Wessex Reinvestment Trust)	0	0	0	0	0
Empty Homes	102	104	106	108	420
Disabled Facilities Grants–P/Sector	459	468	477	487	1,891
Total	561	572	583	595	2,311

Economic Development Projects

Schemes as yet to be identified	100	100	100	100	400
Total	100	100	100	100	400

Replacement Vehicles

Grounds Maintenance	58	0	30	35	123
Housing Repairs (HRA)	59	0	24	0	83
Street Cleansing	50	0	0	67	117
Refuse Collection	195	320	160	165	840
Trade Waste	160	0	0	0	160
Recycling	0	0	0	0	0
CCTV Initiatives	40	0	0	0	40
Total	562	320	214	267	1,363

Waste & Recycling

No Costs included for new Refuse & Recycling scheme Oct '15 prior to PDG recommendations					0
Total	0	0	0	0	0
Grand Total	11,115	9,445	8,771	6,287	35,618

Funding

	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k	Total
Council House sales	-300	-300	-300	-300	-1,200
Council House sales (1 for 1 receipts - replacement Homes)	-300	-300	-300	-300	-1,200
Misc Land/Property sales	-80	-80	-80	-80	-320
Disabled Facility Grants - Mandatory - Private Sector	-254	-254	-254	-254	-1,016
HRA Revenue Contribution	-139	-50	-74	-50	-313
HRA Revenue Contribution - Council House Building	-4,400	-700	-2,700		-7,800
Housing Maintenance Fund	-3,500	-3,500	-3,500	-3,500	-14,000
Decent Homes Backlog Funding					0
Affordable Housing S106s - matched to spend	-326	-326	-326	-326	-1,304
General Capital Reserve	-65	-65	-65	-65	-260
2014/15 capital programme forecast net u/spends	0	0	0	0	0
Regional Housing Pot Reserve	-12	-12	-11	-11	-46
Revenue Contribution from General Fund	-125	-125	-125	-125	-500
Amounts req'd from New Homes Bonus	-1,039	-732	-606	-822	-3,199
Contribution from UCR	-25	-25	-25	-25	-100
Contribution from sinking funds	-161	-190	-120	-144	-615
Contribution from Private Sector Housing Grant EMR	-311	-286	-285	-285	-1,167
Contribution from CGU non specific reserve	-78				-78
PWLB Borrowing	0	-1,500			-1,500
Capital Receipt for Town Hall & depot Rationalisation		-1,000			-1,000
Total Funding	-11,115	-9,445	-8,771	-6,287	-35,618
Funding Gap	0	0	0	0	0