

**MID DEVON DISTRICT COUNCIL GENERAL FUND  
MEDIUM TERM FINANCIAL PLAN 2017-18 TO 2021-22**

	Current Base								
	2017-18	Infl	2018-19	Infl	2019-20	Infl	2020-21	Infl	2021-22
	£	%	£	%	£	%	£	%	£
<b>Employee costs</b>									
Cost pressures			93,000		20,000		30,000		30,000
Savings			(57,526)		0		0		0
Base budget	12,735,560		12,862,916		13,059,619		13,275,814		13,505,401
<i>Inflation base</i>	12,735,560	<b>1.0%</b>	12,898,390	<b>1.3%</b>	13,079,619	<b>1.5%</b>	13,305,814	<b>1.5%</b>	13,535,401
<b>Total in year cost</b>	<b>12,735,560</b>		<b>12,898,390</b>		<b>13,079,619</b>		<b>13,305,814</b>		<b>13,535,401</b>
<b>Premises costs</b>									
Cost pressures			239,336		0		0		0
Savings			0		0		0		0
Base budget	1,690,690		1,724,504		2,012,936		2,063,259		2,114,841
<i>Inflation base</i>	1,690,690	<b>2.00%</b>	1,963,840	<b>2.5%</b>	2,012,936	<b>2.5%</b>	2,063,259	<b>2.5%</b>	2,114,841
<b>Total in year cost</b>	<b>1,690,690</b>		<b>1,963,840</b>		<b>2,012,936</b>		<b>2,063,259</b>		<b>2,114,841</b>
<b>Transport related costs</b>									
Cost pressures			0		0		0		0
Savings			(12,570)		0		0		0
Base budget	1,020,430		1,020,430		1,033,057		1,058,883		1,085,355
<i>Inflation base</i>	1,020,430	<b>0.00%</b>	1,007,860	<b>2.5%</b>	1,033,057	<b>2.5%</b>	1,058,883	<b>2.5%</b>	1,085,355
<b>Total in year cost</b>	<b>1,020,430</b>		<b>1,007,860</b>		<b>1,033,057</b>		<b>1,058,883</b>		<b>1,085,355</b>
<b>Supplies and services</b>									
Cost pressures			0		50,000		0		0
Savings			0		0		0		0
Base budget	3,625,800		3,699,520		3,792,008		3,938,058		4,036,510
<i>Inflation base</i>	3,625,800		3,699,520	<b>2.5%</b>	3,842,008	<b>2.5%</b>	3,938,058	<b>2.5%</b>	4,036,510
<b>Total in year cost</b>	<b>3,625,800</b>		<b>3,699,520</b>		<b>3,842,008</b>		<b>3,938,058</b>		<b>4,036,510</b>
<b>Housing Benefit payments</b>	18,225,770	<b>0%</b>	18,225,770	<b>0%</b>	18,225,770	<b>0%</b>	18,225,770	<b>0%</b>	18,225,770
<b>Sub total</b>	<b>37,298,250</b>		<b>37,795,379</b>		<b>38,193,390</b>		<b>38,591,784</b>		<b>38,997,876</b>
<b>Support service recharge</b>	(1,245,730)	<b>1%</b>	(1,353,660)	<b>1.3%</b>	(1,370,581)	<b>1.5%</b>	(1,391,139)	<b>1.5%</b>	(1,412,007)
<b>Total gross expenditure</b>	<b>36,052,520</b>		<b>36,441,719</b>		<b>36,822,809</b>		<b>37,200,645</b>		<b>37,585,870</b>
<b>Fees, charges and grants</b>									
Cost pressures			75,000		25,000		25,000		25,000
Savings			(211,000)		(85,000)		(70,000)		0
Base budget	(9,377,760)		(9,488,540)		(9,865,154)		(10,173,282)		(10,473,739)
<i>Inflation base</i>	(9,377,760)		(9,624,540)	<b>2.5%</b>	(9,925,154)	<b>2.5%</b>	(10,218,282)	<b>2.5%</b>	(10,448,739)
One off initiatives (See note 1)	0		0		0		0		0
<b>Total in year cost</b>	<b>(9,377,760)</b>		<b>(9,624,540)</b>		<b>(9,925,154)</b>		<b>(10,218,282)</b>		<b>(10,448,739)</b>
Housing benefit subsidy	(18,300,770)	<b>0%</b>	(18,275,770)	<b>0%</b>	(18,275,770)	<b>0%</b>	(18,275,770)	<b>0%</b>	(18,275,770)
<b>Total income</b>	<b>(27,678,530)</b>		<b>(27,900,310)</b>		<b>(28,200,924)</b>		<b>(28,494,052)</b>		<b>(28,724,509)</b>
<b>NET COST OF SERVICES</b>	<b>8,373,990</b>		<b>8,541,409</b>		<b>8,621,886</b>		<b>8,706,592</b>		<b>8,861,360</b>
Interest Payable	143,680		143,370		146,000		260,000		258,000
Interest payable on new loans for Leisure equipment	0		45,000		45,000		45,000		45,000

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	Current Base									
	2017-18	Infl	2018-19	Infl	2019-20	Infl	2020-21	Infl	2021-22	
	£	%	£	%	£	%	£	%	£	
Net transfers to / (from) earmarked reserves	1,645,010		1,368,280		1,841,970		1,691,970		1,691,970	
Interest Receivable	(49,000)		(49,000)		(41,520)		(37,970)		(42,770)	
Interest receivable/payable on other activities	0		(25,000)		(25,000)		(25,000)		(25,000)	
Dividends Receivable	(205,000)		(205,000)	2.5%	(210,125)	2.5%	(215,378)	2.5%	(220,763)	
Interest Receivable HRA to GF	(54,000)		(50,540)		(48,480)		(46,360)		(44,200)	
New Homes Bonus	(1,721,980)		(1,200,000)		(1,100,000)		(950,000)		(950,000)	
Principal Timing Adjustment	44,690		49,634		53,804		35,435		33,435	
Capital Financing	353,680		345,936		429,268		618,736		806,306	
<b>TOTAL BUDGET EXPENDITURE</b>	<b>8,531,070</b>		<b>8,964,089</b>		<b>9,712,802</b>		<b>10,083,026</b>		<b>10,413,339</b>	
<b>Funded by:</b>										
Average property growth (Council Tax)					(40,000)		(80,000)		(120,000)	
Growth in Business Rates from Premier Inn					(30,000)		(70,000)		(70,000)	
Growth in Business Rates					(30,000)		(60,000)		(75,000)	
Reduction in CTR grant to TC/PCs	46,960	-15%	39,920	-15%	33,930	-15%	28,840	-15%	24,514	
NNDR Appeals	0		0		50,000		50,000		50,000	
NNDR movement to 100% localisation	0		0		(220,000)		(225,000)		(229,000)	
Transition Grant	(31,510)		0		0		0		0	
Revenue Support Grant	(497,550)		(179,260)		0		0		0	
Rural Services Delivery Grant	(374,510)		(288,084)		(288,084)		(288,084)		(288,084)	
NNDR	(2,265,210)		(2,300,000)	2.0%	(2,346,000)	2.0%	(2,392,920)	2.0%	(2,440,778)	
Collection fund surplus	(52,860)		(50,520)		(50,520)		(50,520)		(50,520)	
Council Tax	(5,356,390)		(5,568,720)		(5,709,951)		(5,851,181)		(5,992,412)	
<b>TOTAL FUNDING</b>	<b>(8,531,070)</b>		<b>(8,346,664)</b>		<b>(8,630,625)</b>		<b>(8,938,865)</b>		<b>(9,191,280)</b>	
<b>Budget (Surplus) / Deficit</b>	<b>0</b>		<b>617,425</b>		<b>1,082,178</b>		<b>1,144,161</b>		<b>1,222,059</b>	
Opening balance 01 April	(2,241,085)		(2,021,862)		(1,404,437)		(322,259)		821,902	
Net Monitoring Forecast Variance	219,223									
<b>Closing balance 31 March</b>	<b>(2,021,862)</b>		<b>(1,404,437)</b>		<b>(322,259)</b>		<b>821,902</b>		<b>2,043,961</b>	
<b>Savings to be found</b>			<b>617,425</b>		<b>1,082,178</b>		<b>1,144,161</b>		<b>1,222,059</b>	
<b>25% of Net Budget Requirement</b>	<b>(2,132,768)</b>		<b>(2,086,666)</b>		<b>(2,157,656)</b>		<b>(2,234,716)</b>		<b>(2,297,820)</b>	
<b>Deficit/Surplus</b>	<b>110,906</b>		<b>682,229</b>		<b>1,835,397</b>		<b>3,056,618</b>		<b>4,341,781</b>	

\* **Approved Council policy is to maintain General Fund balance at 25% of the net budget requirement**

**Notes:**

1. A £5 increase in Council Tax year on year is assumed purely for illustrative purposes - please note a 1% increase in Council Tax generates circa £56k per annum.
2. Property growth based on a prudent assumption after reviewing figures quoted in Forward Planning's housing supply data - obviously if achieve higher level we receive more Council Tax income but some of our costs will increase and some on a stepped basis (e.g. refuse/recycling, etc.).
3. Most of the New Homes Bonus is used to support current and future Capital Programmes - mainly this money is earmarked towards future capital projects.
4. The Council Tax reduction grant passed to Town and Parish Council's will be reduced in line with the level of central government grant cuts received by Mid Devon.
5. Too early to model impact of new 100% NNDR funding proposals - but have assumed we are granted 100% Pilot status.
6. Rural Services Delivery Grant is to be removed from 2019/20, but the Government are stating this would be subsumed into the future Business Rates allocations.

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COST PRESSURES SUMMARY**

	2018-19 £	2019-20 £	2020-21 £	2021-22 £
<b>Employee costs</b>				
Pension costs	20,000	20,000	30,000	30,000
New posts	73,000			
<b>Employees total to summary</b>	<b>93,000</b>	<b>20,000</b>	<b>30,000</b>	<b>30,000</b>
<b>Premises costs</b>				
Service cost pressures				
Leisure	165,400			
Shops, Depot, Open Spaces	73,936			
<b>Premises total to summary</b>	<b>239,336</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transport costs</b>				
<b>Transport total to summary</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Supplies and services</b>				
New Homelessness legislation		50,000		
<b>Supplies and Services total to summary</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
<b>Fees, charges and grants</b>				
Void pressure at Market Walk	50,000			
HB Admin Grant	25,000	25,000	25,000	25,000
<b>Fees, charges and grants summary</b>	<b>75,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Net Total</b>	<b>407,336</b>	<b>95,000</b>	<b>55,000</b>	<b>55,000</b>

**MEDIUM TERM FINANCIAL PLAN 2018-19 TO 2021-22  
SAVINGS SUMMARY**

	2018-19 £	2019-20 £	2020-21 £	2021-22 £
<b>Employee costs</b>				
Establishment reductions	(57,526)			
<b>Employees total to summary</b>	<b>(57,526)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Premises costs</b>				
<b>Premises total to summary</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transport related costs</b>				
	(12,570)			
<b>Transport total to summary</b>	<b>(12,570)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Supplies and services</b>				
<b>Supplies and Services total to summary</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fees, charges and grants</b>				
Coggans Well	(21,000)			
Profit from 3 Rivers Developments	(50,000)	(50,000)	(50,000)	
Premier Inn car parking		(35,000)	(20,000)	
Development Control fees	(140,000)			0
<b>Fees, charges and grants summary</b>	<b>(211,000)</b>	<b>(85,000)</b>	<b>(70,000)</b>	<b>0</b>
<b>Total Initiatives</b>	<b>(281,096)</b>	<b>(85,000)</b>	<b>(70,000)</b>	<b>0</b>