

|   | Note | 2010/11<br>Actual<br>£ | 2011/12<br>Working Budget<br>£ | 2012/13<br>Estimate<br>£ | 2013/14<br>Estimate<br>£ | 2014/15<br>Estimate<br>£ | 2015/16<br>Estimate<br>£ | 2016/17<br>Estimate<br>£ |
|---|------|------------------------|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>B/Fwd Budget before in year changes</b>                  |      | 18,215,950             | 18,112,000                     | 16,327,000               | 15,411,435               | 15,066,435               | 14,766,436               | 14,666,436               |
| Add:  |      |                        |                                |                          |                          |                          |                          |                          |
| Base Budget adjustments                                     | 1    | -883,000               | -31,010                        | 38,435                   | 55,000                   |                          |                          |                          |
| Carry Forwards  |      | 251,000                | 290,000                        | -390,000                 |                          |                          |                          |                          |
| Superannuation Contributions increase                       | 2    | 0                      | 0                              | 0                        | 0                        | 100,000                  | 100,000                  | 100,000                  |
| Pay Inflation & Increments                                  | 3    | 218,000                | 152,565                        | 100,000                  | 250,000                  | 250,000                  | 250,000                  | 250,000                  |
| Investment interest income decrease / (increase)            | 4    | 1,200,000              | 0                              | -100,000                 | 0                        | 0                        | 0                        | 0                        |
| Other Contractual Inflation                                 | 5    | 226,000                | 361,390                        | 450,000                  | 400,000                  | 400,000                  | 400,000                  | 400,000                  |
| Income Increases on discretionary income                    | 6    | 0                      | -50,000                        | -70,000                  | -50,000                  | -50,000                  | -50,000                  | -50,000                  |
| New homes bonus   | 7    |                        | -552,405                       | -489,000                 | -450,000                 | -450,000                 | -450,000                 | -450,000                 |
| Additional Planning Fees income                             |      |                        | -25,000                        | -25,000                  |                          |                          |                          |                          |
| Allowance for redundancy costs                              |      |                        | 150,000                        |                          |                          |                          |                          |                          |
| Investment allowance  | 8    | 201,430                | 100,000                        | 150,000                  | 150,000                  | 150,000                  | 150,000                  | 150,000                  |
| <b>Efficiencies required to maintain the GF Balance</b>     |      | <b>-1,313,000</b>      | <b>-1,889,560</b>              | <b>-580,000</b>          | <b>-700,000</b>          | <b>-700,000</b>          | <b>-500,000</b>          | <b>-400,000</b>          |
| <b>Total Net Expenditure</b>                                |      | <b>18,116,380</b>      | <b>16,617,980</b>              | <b>15,411,435</b>        | <b>15,066,435</b>        | <b>14,766,436</b>        | <b>14,666,436</b>        | <b>14,666,436</b>        |
| <b>Funding of Net Expenditure:</b>                          |      |                        |                                |                          |                          |                          |                          |                          |
| Government Support  | 9    | -8,069,703             | -5,950,444                     | -5,112,789               | -5,015,646               | -4,664,551               | -4,664,551               | -4,664,551               |
| % Reduction in Government Support from one year to the next |      |                        | -16.2%                         | -14.1%                   | -1.9%                    | -7.0%                    | 0.0%                     | 0.0%                     |
| District Precept  |      | -9,779,987             | -9,884,697                     | -9,944,498               | -9,994,221               | -10,044,192              | -10,094,413              | -10,144,885              |
| Use of Balances (-) / Contribution to Balances (+)          |      | -266,690               | -536,017                       | -107,024                 | -56,569                  | -57,693                  | 92,528                   | 142,999                  |
| Government Funding for a Council Tax freeze                 | 10   | 0                      | -246,822                       | -247,124                 | 0                        | 0                        | 0                        | 0                        |
| <b>Total Funding</b>  |      | <b>-18,116,380</b>     | <b>-16,617,980</b>             | <b>-15,411,435</b>       | <b>-15,066,435</b>       | <b>-14,766,436</b>       | <b>-14,666,436</b>       | <b>-14,666,436</b>       |
| Average Band D Council Tax                                  |      | 196.59                 | 196.59                         | 196.59                   | 196.59                   | 196.59                   | 196.59                   | 196.59                   |
| Council Tax increase  |      | <b>1.5%</b>            | <b>0.0%</b>                    | <b>0.0%</b>              | <b>0.0%</b>              | <b>0.0%</b>              | <b>0.0%</b>              | <b>0.0%</b>              |
| Tax base  | 11   | 49,749                 | 50,282                         | 50,586                   | 50,839                   | 51,093                   | 51,349                   | 51,606                   |
| 1% on Council Tax   |      |                        | 98,847                         | 99,445                   | 99,942                   | 100,442                  | 100,944                  | 101,449                  |
| <b>General Fund Reserve Balances at Year End:</b>           |      |                        |                                |                          |                          |                          |                          |                          |
| GF Balance -cr  | 12   | 1,923,730              | 1,460,250                      | 1,660,572                | 1,643,322                | 1,628,322                | 1,623,322                | 1,623,322                |
| GF Special Reserve -cr                                      |      | 967,364                | 894,827                        | 587,481                  | 548,163                  | 505,470                  | 602,997                  | 745,997                  |
| <b>Total Balances</b>                                       |      | <b>2,891,094</b>       | <b>2,355,077</b>               | <b>2,248,053</b>         | <b>2,191,485</b>         | <b>2,133,791</b>         | <b>2,226,319</b>         | <b>2,369,319</b>         |
| Allowance for Known Financial Risks                         |      |                        | 669,000                        | 890,000                  | 890,000                  | 890,000                  | 890,000                  | 890,000                  |

**Notes**

- 1 Base adjustments to reflect previously agreed changes to the budget.
- 2 Superannuation percentages are based on the 2010 valuation of the fund. The contribution rate has been fixed from 2011/12 to 2013/14 and a limited increase of 1% per annum is anticipated thereafter.
- 3 Contractual increase (increments) only in 2011/12 and 2012/13. Assumed pay award of 1% in 2013/14 and onwards (as per Chancellor's announcement in the Autumn Statement)
- 4 Interest income from cash investments assumes any new long term investments in 2012/13 will be at 2%. Short term investments will be an average of 0.9%. (Each additional 1% is roughly £400k)
- 5 Inflation based on relevant indices as per contracted arrangements. Average RPI of 5.6% for 2012/13 (1% is roughly £100k)
- 6 Assumed increase in discretionary income in-line with RPI (5.6%).
- 7 New Homes Bonus based on estimate of new properties built between October and October of the previous year and a 80:20 split between the District and County. Assumption for 2012/13 of 416 new homes and 350 new homes per year thereafter. A total of £150k per annum of the bonus is being used to provide an allowance for new investment over the life of the new homes bonus.
- 8 From 2012/13 onwards an investment allowance of £150k per annum over the life of the New Homes Bonus.
- 9 The provisional settlement for 2012/13 is a reduction of 14.1% on the 2011/12 settlement. Reduction in 2013/14 and 2014/15 based on the CSR review.
- 10 Government funding equivalent to a 2.5% Council Tax increase from 2011/12 for four years. A further one-off grant in 2012/13 also equivalent to a 2.5% Council Tax increase.
- 11 Tax Base increase from 2011/12 to 2012/13 of 0.6%. Assumed tax base increase of 0.5% per annum thereafter.
- 12 Minimum general fund reserve balance includes an allowance for known risks and 5% of net expenditure for unknown risks.