

TRAIL OF MTFP DEVELOPMENT

<u>MTFP Approved February 2010</u>	2011-12	2012-13	2013-14
	£M	£M	£M
Departmentally managed expenditure	74.647	76.172	77.152
Financing costs	4.784	3.979	4.613
Joint Bodies & Levies	0.616	0.631	0.646
National Insurance increase	0.600	0.600	0.600
Headroom	1.000	1.750	2.000
Net expenditure	81.647	83.132	85.011
Assumed reductions in specific grants & ABG	0.889	1.778	2.667
Future efficiencies & savings programme	(4.300)	(6.900)	(10.400)
Total Net Expenditure	78.236	78.010	77.278

<u>Grant Changes</u>	2011-12	2012-13	2013-14	2014-15
	£M	£M	£M	£M
Initial Net expenditure	81.647	83.132	85.011	86.378
ADD Mid year grant reductions	0.919	0.919	0.919	0.919
ADD Grants transferred into Formula Grant	8.137	8.137	8.137	8.137
ADD Reductions in specific grants & ABG	2.119	2.108	2.108	2.108
Net Expenditure after grant changes	92.822	94.296	96.175	97.542

<u>Changes included in draft budget</u>	2011-12	2012-13	2013-14	2014-15
	£M	£M	£M	£M
Net Expenditure after grant changes	92.822	94.296	96.175	97.542
LESS Headroom in 2010-14 MTFP	(1.000)	(1.750)	(2.000)	(2.000)
ADD Headroom in 2011-15 MTFP	0.000	1.500	1.750	2.000
ADD Pressures (Appendix 6)	3.096	2.760	3.845	3.851
ADD Contingencies (Appendix 6)	1.569	3.108	2.990	3.023
LESS Pay award provision included in contingencies	(0.575)	(1.425)	(1.425)	(1.425)
LESS Change in Financing costs	(0.814)	0.105	(0.114)	(0.041)
LESS Change in National Insurance	(0.300)	(0.300)	(0.300)	(0.300)
Net Expenditure Before Savings	94.798	98.294	100.921	102.650
LESS Mid year review	(1.399)	(1.399)	(1.399)	(1.399)
LESS Savings in draft budget (Appendix 7)	(1.931)	(2.407)	(1.986)	(1.973)
Draft Net Expenditure	91.468	94.488	97.536	99.278

<u>Resource Projections</u>	2011-12 £M	2012-13 £M	2013-14 £M	2014-15 £M
Formula Grant	41.271	38.062	37.467	34.554
Council Tax Freeze Grant	0.997	0.997	0.997	0.997
New Homes Bonus Grant	0.275	0.275	0.275	0.275
Total General Grant Resources	42.543	39.334	38.739	35.826
Council Tax	39.847	41.042	42.485	43.978
Total Projected Resources	82.390	80.376	81.224	79.804

<u>Projected Gap before Savings Proposals</u>	2011-12 £M	2012-13 £M	2013-14 £M	2014-15 £M
Draft Net Expenditure	91.468	94.488	97.536	99.278
Total Projected Resources	82.390	80.376	81.224	79.804
Initial Gap	9.078	14.112	16.312	19.474

<u>Savings Proposals and Targets</u>	2011-12 £M	2012-13 £M	2013-14 £M	2014-15 £M
Initial Gap	9.078	14.112	16.312	19.474
Savings Proposals (Appendix 8)	(6.983)	(11.147)	(11.795)	(11.790)
Remaining Gap	2.095	2.965	4.517	7.684
Proposed Use of Reserves	(2.095)	0	0	0
Future Savings Targets	0.000	2.965	4.517	7.684

<u>Reserves</u>	2011-12 £M	2012-13 £M	2013-14 £M	2014-15 £M
Projected Opening Balance (Excluding Risk Reserves)	7.519	1.184	1.184	1.184
LESS Redundancy and Decommissioning Reserve	(4.240)			
Proposed Use of Reserves	(2.095)			
Projected Closing Balance (Excluding Risk Reserves)	1.184	1.184	1.184	1.184