

## TRAIL OF MTFP DEVELOPMENT

<b><u>MTFP Approved February 2010</u></b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
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
<b>Net expenditure</b>	<b>81.647</b>	<b>83.132</b>	<b>85.011</b>
Assumed reductions in specific grants & ABG	0.889	1.778	2.667
Future efficiencies & savings programme	(4.300)	(6.900)	(10.400)
<b>Total Net Expenditure</b>	<b>78.236</b>	<b>78.010</b>	<b>77.278</b>

<b><u>Grant Changes</u></b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>
<b>Initial Net expenditure</b>	<b>81.647</b>	<b>83.132</b>	<b>85.011</b>	<b>86.378</b>
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
<b>Net Expenditure after grant changes</b>	<b>92.822</b>	<b>94.296</b>	<b>96.175</b>	<b>97.542</b>

<b><u>Changes included in draft budget</u></b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>
<b>Net Expenditure after grant changes</b>	<b>92.822</b>	<b>94.296</b>	<b>96.175</b>	<b>97.542</b>
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)
<b>Net Expenditure Before Savings</b>	<b>94.798</b>	<b>98.294</b>	<b>100.921</b>	<b>102.650</b>
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)
<b>Draft Net Expenditure</b>	<b>91.468</b>	<b>94.488</b>	<b>97.536</b>	<b>99.278</b>

<b><u>Resource Projections</u></b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>
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
<b>Total General Grant Resources</b>	<b>42.543</b>	<b>39.334</b>	<b>38.739</b>	<b>35.826</b>
Council Tax	39.847	41.042	42.485	43.978
<b>Total Projected Resources</b>	<b>82.390</b>	<b>80.376</b>	<b>81.224</b>	<b>79.804</b>

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

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

<b><u>Reserves</u></b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>
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)			
<b>Projected Closing Balance (Excluding Risk Reserves)</b>	<b>1.184</b>	<b>1.184</b>	<b>1.184</b>	<b>1.184</b>