

| | 2007/2008 Budget £'000 | 2008/2009 Budget £'000 | 2009/2010 Budget £'000 | 2010/2011 Budget £'000 |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| Base Budget | 118,285 | 122,371 | 131,920 | 138,602 |
| Inflation - Staff | 1,152 | 1,159 | 1,290 | 1,362 |
| Inflation - Income | (534) | (308) | (316) | (323) |
| | 118,903 | 123,622 | 132,895 | 139,640 |
| Deliverable Efficiency Gains | | | | |
| - Audit Fees/bank charges/insurance | 0 | (100) | 0 | 0 |
| - Employee savings | 0 | (500) | 0 | 0 |
| - Supplies & Services savings | 0 | (200) | 0 | 0 |
| - Pertemps Saving | 0 | (100) | 0 | 0 |
| - Improved procurement practices | 0 | (750) | 0 | 0 |
| Transfers to/from RSG | | | | |
| - Children's Services Grant | 0 | 490 | 0 | 0 |
| - Delayed Discharge | 0 | 384 | 0 | 0 |
| - Access Systems Capacity | 0 | 2,059 | 0 | 0 |
| - Waste PEG | 0 | 183 | 0 | 0 |
| - Gower Review | 0 | 13 | 0 | 0 |
| - Food Hygiene Enforcement on Farms | 0 | 28 | 0 | 0 |
| - Animal feed | 0 | 4 | 0 | 0 |
| - Contaminated land | 0 | 1 | 0 | 0 |
| - New conduct regime | 0 | 9 | 0 | 0 |
| - Student Finance | 0 | 12 | (18) | (63) |
| MTFMS changes | | | | |
| - Waste management - PFI Contract (net of £2m reserve) | 550 | 450 | 500 | 500 |
| - Whitecross PFI requirement (net of schools contribution) | 451 | 0 | 0 | 168 |
| - Queenswood Park | 25 | 0 | 0 | 0 |
| - Procurement & Efficiency Staff | 55 | 0 | 0 | 0 |
| - Herefordshire Matters | 50 | 0 | 0 | 0 |
| - Chief Executives Development Fund | 150 | 0 | 0 | 0 |
| - HB & CT Benefit Administration | 150 | 0 | 0 | 0 |
| - Support Services Review | 100 | 0 | 0 | 0 |
| - ESG | 225 | 0 | 0 | (225) |
| - Local Development Framework | 0 | 0 | 500 | 0 |
| Herefordshire Connects (revenue) | | | | |
| - Social Care System | 0 | 706 | (552) | 0 |
| - Core team costs | 0 | 450 | (150) | (100) |
| Capital Financing Costs | | | | |
| - Herefordshire Connects | 189 | (189) | 0 | 0 |
| - Accommodation Strategy | 0 | 146 | 254 | 492 |
| - Repayment of LGF SCA | 0 | (453) | (334) | (230) |
| - Existing SCE(R) & Prudential Borrowing | 210 | 470 | 633 | 303 |
| - New Prudential Borrowing Bids | 68 | 23 | 108 | 193 |
| - Cash flow implications of externally funded projects | 500 | 0 | 0 | 0 |
| - Social Care System | 0 | 246 | 89 | (13) |
| Funding Sources | | | | |
| - Use of existing Herefordshire Connects Reserve | (1,500) | 1,500 | 0 | 0 |
| - Transfer of Part of Social Care Contingency Reserve | (1,300) | 1,300 | 0 | 0 |
| - Transfer of Budget Management Reserve | (1,100) | 1,100 | 0 | 0 |
| - LABGI Grant | (2,000) | 2,000 | 0 | 0 |
| - Increased Cash Transactions Income | (500) | 0 | 0 | 0 |
| - Balance Sheet Review | (300) | 300 | 0 | 0 |
| - Procurement & Efficiency | (250) | 0 | 0 | 0 |
| - Use of 2008/09 capacity reserve | 0 | (1,500) | 1,500 | 0 |
| - Use of reserves to maintain capacity | 0 | 0 | 0 | 0 |
| Emerging Pressures | | | | |
| - Customer Services Division | 500 | 0 | (500) | 0 |
| - Corporate Capacity | 400 | 0 | 0 | 0 |
| - Community Network Upgrade | 0 | 1,100 | 0 | 0 |
| - ICT Strategy | 0 | 247 | 400 | 0 |
| - Adult social care | 0 | 596 | 0 | 0 |
| - Match funding contribution to proposed Modernisation Plans reserve | 0 | 300 | 0 | 0 |
| - Plough Lane Service Charge | 0 | 100 | 0 | 0 |
| - NNDR Empty Properties | 0 | 126 | 0 | 0 |
| - Rotherwas - loss of income | 0 | 201 | 0 | 0 |
| Capacity to achieve desired Tax increase | | | | |
| 2008/09 capacity reserve | 1,500 | (1,500) | 0 | 0 |
| Herefordshire Connects | 1,771 | (1,771) | 0 | 0 |
| Invest to save | 3,524 | 0 | 0 | 0 |
| Needs Analysis Mental Health/Physical Disabilities | 0 | 275 | 275 | 0 |
| Capacity | 0 | 542 | 3,002 | 4,689 |
| TOTAL BUDGET | 122,371 | 131,920 | 138,602 | 145,354 |
| Council Tax increase | 3.80% | 4.70% | 4.70% | 4.70% |
| Assumptions | | | | |
| Assumed Pay and Price Increases | | | | |
| - Employees | 2.0% | 2.5% | 2.0% | 2.0% |
| - Employers pension contributions - additional on basic pay | 0.6% | 0.6% | 0.5% | 0.6% |
| - Other Expenditure | 0.0% | 0.0% | 0.0% | 0.0% |
| - Income | 2.5% | 2.5% | 2.5% | 2.5% |
| Provisional Formula Grant increase on adjusted baseline | 2.4% | 5.1% | 4.0% | 4.0% |
| Assumed Collection Fund Surplus (£'000) | 256 | - | 300 | 300 |
| Assumed Taxbase Increase | 0.7% | 0.75% | 0.75% | 0.75% |
| New prudential borrowing (£m) | 0 | 1.00 | 1.00 | 1.00 |
| Dedicated Schools Grant b/fwd | 78,151 | 81,892 | 84,484 | 86,272 |
| Increase | 3,741 | 2,592 | 1,788 | 2,707 |
| Dedicated Schools Grant | 81,892 | 84,484 | 86,272 | 88,979 |
| DSG % increase | 4.8% | 3.2% | 2.1% | 3.1% |