

	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 LGR 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%