

**MEDIUM TERM FINANCIAL STRATEGY**  
**(This shows the changes to the existing Base Budget)**

**APPENDIX A**

|                                                                                                   | Yr1<br>2017/18 | Yr2<br>2018/19 | Yr3<br>2019/20 | Yr4<br>2020/21 | Yr5<br>2021/22 |
|---------------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                                                                                   | £              | £              | £              | £              | £              |
| <b>BUDGET PRESSURES</b>                                                                           |                |                |                |                |                |
| Inflation and increases on goods and services (see 6.3 and 3.3)                                   | 310,000        | 270,000        | 270,000        | 270,000        | 270,000        |
| Triennial Pension revaluation (see 6.4)                                                           | 150,000        | 25,000         | 25,000         |                |                |
| Salaries - provision for pay award at 1% (see 6.5)                                                | 90,000         | 90,000         | 90,000         | 90,000         | 90,000         |
| National Living Wage and National Insurance (see 6.6)                                             | 50,000         | 50,000         | 50,000         | 25,000         | 25,000         |
| Sherford project team (see 6.7)                                                                   | 45,000         |                |                |                |                |
| Reduction in Housing Benefit administration subsidy and Council Tax Support Admin Grant (see 6.8) | 40,000         | 40,000         | 40,000         |                |                |
| Reduction in treasury management income (see 6.9)                                                 | 25,000         | 10,000         | 10,000         |                |                |
| Deferment of Waste Rounds review (see 6.10)                                                       | (85,000)       |                |                |                |                |
| Specialist resource - Waste and Cleansing options review and delivery (see 6.11) - one-off        | (30,000)       |                |                |                |                |
| <b>TOTAL BUDGET PRESSURES</b>                                                                     | <b>595,000</b> | <b>485,000</b> | <b>485,000</b> | <b>385,000</b> | <b>385,000</b> |

**Changes to contributions to Earmarked Reserves**

|                                                                                                                                                                |                |                 |                  |                 |          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------|------------------|-----------------|----------|
| Vehicle Fleet Replacement Reserve (see 6.13)                                                                                                                   | 146,000        | (43,000)        |                  |                 |          |
| Contribution to Land and Development Reserve (see 6.14)                                                                                                        | 50,000         |                 |                  |                 |          |
| Contribution to IT Development Reserve (see 6.15)                                                                                                              | 25,000         |                 |                  |                 |          |
| Contribution to Sustainable Waste Management Reserve (see 6.16)                                                                                                | 25,000         |                 |                  |                 |          |
| Contribution to Planning Policy and Major Developments Reserve (see 6.17)                                                                                      | 25,000         | 25,000          | 25,000           |                 |          |
| Transformation Project (T18) - Approved at 11 December 2014 Council<br><i>Contribution to Strategic Change Reserve to meet pension strain costs (see 6.18)</i> | 66,000         | (75,000)        | (150,000)        | (60,000)        |          |
| <b>Total changes in contributions to Earmarked Reserves</b>                                                                                                    | <b>337,000</b> | <b>(93,000)</b> | <b>(125,000)</b> | <b>(60,000)</b> | <b>0</b> |

**SAVINGS AND INCOME GENERATION IDENTIFIED**

|                                                                                      | Yr1<br>2017/18   | Yr2<br>2018/19   | Yr3<br>2019/20  | Yr4<br>2020/21   | Yr5<br>2021/22  |
|--------------------------------------------------------------------------------------|------------------|------------------|-----------------|------------------|-----------------|
|                                                                                      | £                | £                | £               | £                | £               |
| <b>Income from fees and charges (see 6.19)</b>                                       | <b>TBA</b>       |                  |                 |                  |                 |
| Savings from re-procurement of contracts (see 6.20)                                  | (695,000)        | 0                | (73,000)        | (146,000)        | (31,000)        |
| Income from commercial developments (see 6.21)                                       | 0                | (95,000)         |                 |                  |                 |
| Planning Income fees (meeting cost of Sherford team) (see 6.7)                       | (45,000)         |                  |                 |                  |                 |
| Reduced running costs at Follaton and additional rental income (see 6.22)            | (20,000)         | (20,000)         |                 |                  |                 |
| Income from business rated domestic properties for trade waste collection (see 6.23) | (25,000)         |                  |                 |                  |                 |
| <b>TOTAL SAVINGS AND INCOME GENERATION</b>                                           | <b>(785,000)</b> | <b>(115,000)</b> | <b>(73,000)</b> | <b>(146,000)</b> | <b>(31,000)</b> |

**MEMORANDUM**

|                                          | Yr1<br>2017/18 | Yr2<br>2018/19 | Yr3<br>2019/20 | Yr4<br>2020/21 | Yr5<br>2021/22 |
|------------------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                          | £              | £              | £              | £              | £              |
| <b>POSSIBLE FUTURE SAVINGS (see 7.6)</b> |                |                |                |                |                |
| Beach and Water Safety Changes           | (25,000)       |                |                |                |                |
| Dartmouth Lower Ferry                    | (100,000)      |                |                |                |                |

*Note: These savings have not yet been built into the Budget for 2017/18 but are shown for illustration purposes as to possible future savings. These areas are currently being worked upon by officers but are not yet confirmed.*