

Medium Term Financial Forecast							
		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Details
	Director	£'000	£'000	£'000	£'000	£'000	
Forecast resources							
Revenue Support Grant	SMc	(9,881)	(10,177)	(10,483)	(10,797)	(11,121)	Assumes continuation of 3% p.a. floor increase
Housing Benefit Admin Subsidy	SMc	(344)	(344)	(344)	(344)	(344)	Assumes no change due to caseload volatility
Council Tax @ 2002-2003 rate	SMc	(4,405)	(4,405)	(4,405)	(4,405)	(4,405)	2002-2003 Band D of £131.14 multiplied by 2003-2004 taxbase of 33,596
Council Taxbase	SMc	0	(91)	(183)	(277)	(372)	Assumes taxbase growth @1.5% p.a.
		(14,630)	(14,926)	(15,232)	(15,546)	(15,870)	
Current spend		14,275	14,275	14,275	14,275	14,275	Based on 2002-03 net expenditure
Available Resources		(355)	(651)	(957)	(1,271)	(1,595)	

Unavoidable cost increases:							
Pay awards	SMc	383	679	984	1,298	1,621	National agreements
National Insurance	SMc	71	71	71	71	71	From April 2003 (Chancellor's budget)
Pension costs	SMc	65	133	204	279	358	Increase in employer's rate @ 0.3% pa
Contract price inflation	SMc	40	81	123	167	212	Annual RPI increase in contract prices
Business rates changes and inflation	SMc	9	27	45	64	84	2003-2004 uplift 1.7%, then 3% pa
Other price inflation	SMc	30	38	50	62	75	
Insurance premia	SMc	66	96	129	165	204	2003-2004 uplift 15%, then 10% pa
Cost of borrowing	SMc	50	100	150	200	250	Increase in General Fund share
Unavoidable cost increases		714	1,225	1,756	2,306	2,875	
Unavoidable contract pressures:							

New public convenience contracts contract	NK	2	8	14	20	26	Cabinet 5th December 2002 + 3% pa
New dog litter bins contract	NF	13	15	15	16	17	Cabinet 5th December 2002 + 3% pa
New cleansing contract	NK	1,617	1,712	1,810	1,911	2,015	Cabinet 5th December 2002 + 3% pa
Less - increase in recycling credits	NK	0	(65)	(65)	(65)	(65)	Cabinet 5th December 2002
Cems & Crem Grounds Maint. contract	NF	25	30	35	40	46	Cabinet 5th December 2002 + 3% pa
Unavoidable contract pressures		1,657	1,700	1,809	1,922	2,039	
One-off & time limited items:							
Conference facilities consultancy	RC	(15)	(15)	(15)	(15)	(15)	One off consultants/f easibility study

VAT on theatres	RC	(10)	(10)	(10)	(10)	(10)	Short term compensation
Christmas lights	RC	(3)	(3)	(10)	(10)	(10)	
Contaminated land strategy	NF	17	0	(18)	(18)	(18)	Additional post for 2 years
HERS	NK	(8)	(8)	(16)	(16)	(16)	Match funding for Seaside Road schemes
Borough plan	NK	(47)	(64)	(64)	(64)	(64)	Unavoidable cost of Plan & Inquiry
Lottery officer	RC/NK	0	(30)	(30)	(30)	(30)	Additional temporary post due to the Hub
One-off & time limited items		(66)	(130)	(163)	(163)	(163)	
Committed growth items:							
County Cricket	RC	0	10	10	10	10	Contribution from 2004-05 onwards
Parking Fees	NK	13	13	13	13	13	Free disabled parking (Cabinet 1.7.02)

Designation Order-Prohibiting Alcohol	NK	0	2	1	2	0	Signage - Cabinet 10th April 2002
Voluntary Grant - CAB	NK	6	9	12	12	12	Cabinet 9th January 2002
The Cultural Hub	RC/SMc	3	47	47	97	50	Cabinet 10th April 2002
Committed growth items		22	81	83	134	85	
Best value reviews:							
Collection services	SMc	(4)	(9)	(14)	(14)	(14)	
Printing services	MR	(1)	(3)	(3)	(3)	(3)	
Highways management agreement	NK	44	44	44	44	44	
Building Control Best Value	NK	0	(19)	(19)	(19)	(19)	
Sports and leisure	RC	(11)	(11)	(11)	(11)	(11)	Scrutiny 8th April, Cabinet 10th April 2002
Best value reviews		28	2	(3)	(3)	(3)	

Service changes:							
Cash office closure	SMc	(8)	(8)	(8)	(8)	(8)	Full year effect of earlier closure
Beachy Head Countryside Centre	RC	15	15	15	15	15	Income target reversed for 2003-04.
Service changes		7	7	7	7	7	
Forecast spend		16,637	17,160	17,764	18,478	19,115	
Initial Gap to close or finance		2,007	2,233	2,532	2,931	3,245	
Unavoidable pressures in S&FP:							
unachievable income targets							
- Members IT, extra telephone costs	MR	6	6	6	6	6	
- Press Office, filming fees income	MR	4.4	4.4	4.4	4.4	4.4	

- Estates, fee income	SMc	1	1	1	1	1	
- Towner Art Gallery, income target	RC	4	4	4	4	4	
- Hampden Park S. C. income target	RC	6	6	6	6	6	
- Open Downland, filming fees	RC	2	2	2	2	2	
- Sovereign Centre, income target	RC	42	42	42	42	42	
- Events, Funfairs/Cir cus income target	RC	3	3	3	3	3	
coastline caterers	RC	200	200	200	200	200	
benefits payments subsidy	NF	371	371	371	371	371	
incorrect benefits subsidy	NF	70	70	70	70	70	
concessionar y fares	NK	67	67	67	67	67	

Increase payment costs	NF	10	10	10	10	10	
Contingency budget required	SMc	60	60	60	60	60	
Sub-total: unavoidable pressures in S&FP		846.4	846.4	846.4	846.4	846.4	
Other growth:							
Corporate Governance review	SMc	10	10	10	10	10	
Disposals consultancy	SMc	10	10	10	10	10	
Homelessness	NF	10	10	10	10	10	
Planning/development control 1 FTE	NK	30	30	30	30	30	
Equalities	MR	6	6	6	6	6	
Cultural hub fundraising	RC	33.6	0	0	0	0	
Consultation	MR	10	10	10	10	10	

Community strategy	MR	5.5	5.5	5.5	5.5	5.5	
Sports Park staffing	RC	20	20	20	20	20	
Allotments Society grant	RC	1.5	1.5	1.5	1.5	1.5	
Inflation on voluntary sector Grants	NK	3.5	3.5	3.5	3.5	3.5	
Loss of rental income on asset disposals	SMc	30	30	30	30	30	
NNDR cost of collection allowance reduced	NF	4	4	4	4	4	
Beachy Head Countryside Centre	RC	6	6	6	6	6	
Sub-total: other growth		<i>180.1</i>	<i>146.5</i>	<i>146.5</i>	<i>146.5</i>	<i>146.5</i>	
Savings in S &FPs:							
Increases in fees and charges:							
increase land charges fees	SMc	(67)	(67)	(67)	(67)	(67)	

Increase sports park charges	RC	(1)	(1)	(1)	(1)	(1)	
Increase sovereign centre prices	RC	(42)	(42)	(42)	(42)	(42)	
Holywell chalet income (net of investment)	NK	(17.5)	(17.5)	(17.5)	(17.5)	(17.5)	
Additional land charges income in amenities	NK	(5)	(5)	(5)	(5)	(5)	
Car parking income (based on actual)	NK	(60)	(60)	(60)	(60)	(60)	
Car parking charges (increase net of costs)	NK	(105)	(105)	(105)	(105)	(105)	
Taxi & Private Hire	NF	(3)	(3)	(3)	(3)	(3)	
Env Health licence fees	NF	(2)	(2)	(2)	(2)	(2)	
Pest control	NF	(1)	(1)	(1)	(1)	(1)	
Cems and crems	NF	(10)	(20)	(20)	(20)	(20)	
Business rates summons costs	NF	(4)	(4)	(4)	(4)	(4)	

Council tax summons costs	NF	(11)	(11)	(11)	(11)	(11)	
Business rates raise summons costs	NF	(4)	(4)	(4)	(4)	(4)	
Council tax raise summons costs	NF	(11)	(11)	(11)	(11)	(11)	
Sub-total: increases in fees and charges		<i>(343.5)</i>	<i>(353.5)</i>	<i>(353.5)</i>	<i>(353.5)</i>	<i>(353.5)</i>	
Efficiency improvements:							
Increase show account surplus	RC	(10)	(10)	(10)	(10)	(10)	
Changes to coastline caterers service	RC	<i>(87.5)</i>	<i>(87.5)</i>	<i>(87.5)</i>	<i>(87.5)</i>	<i>(87.5)</i>	
Restructure fraud investigation team	NF	(29)	(29)	(29)	(29)	(29)	
Additional highways supervisory income	NK	(9)	(9)	(9)	(9)	(9)	

Courier service FYE	MR	(5.5)	(5.5)	(5.5)	(5.5)	(5.5)	
Devonshire Park tennis stand rental income	RC	(2)	(2)	(2)	(2)	(2)	
Reduce DBA budget by	SMc	(25)	0	0	0	0	
Reduce pc replacements	SMc	(20)	0	0	0	0	
Lifeline net saving	NF	(12)	(12)	(12)	(12)	(12)	
Reduce business rates costs w/o budget	NF	(1)	(1)	(1)	(1)	(1)	
Reduce council tax costs w/o budget	NF	(10)	(10)	(10)	(10)	(10)	
IT freeze microfiching budget	NF	(10)	(10)	(10)	(10)	(10)	
Development control increase fee income	NK	(5)	(5)	(5)	(5)	(5)	
Building control increase fee income	NK	(5)	(5)	(5)	(5)	(5)	
Regeneration savings	NK	(10)	(10)	(10)	(10)	(10)	

Sports Pavilions saving on water	RC	(5)	(5)	(5)	(5)	(5)	
Seafront Kiosks increased rental income	RC	(2)	(2)	(2)	(2)	(2)	
Reduce Conference Marketing advertising	RC	(3)	(3)	(3)	(3)	(3)	
Reduce Conf Hospitality 'meet & greet'	RC	(6)	(6)	(6)	(6)	(6)	
No inflation for Members allowances	MR	(3.3)	0	0	0	0	
Reduce Civic activities	MR	(3)	(3)	(3)	(3)	(3)	
Reduce T&L strategic review budget	RC	(1)	(1)	(1)	(1)	(1)	
Salary savings	SMc	(62.6)	0	0	0	0	
Salary increases funded by partners	SMc	(8.6)	0	0	0	0	
JOF funding for benefits post	NF	(20)	(5)	0	0	0	

Sub-total: efficiency improvement s		(355.5)	(221)	(216)	(216)	(216)	
Overstated budgets:							
Working time directive overprovisio n	RC	(13)	(13)	(13)	(13)	(13)	
One off surplus on IT budget (to be repaid)	SMc	(45)	0	0	0	0	
Community finance internal loan repaid	NF	(30)	(30)	(30)	(30)	(30)	
Emergency planning saving on internal loan	MR	(2)	(2)	(2)	(2)	(2)	
Emergency planning additional rental	MR	(3)	(3)	(3)	(3)	(3)	
Unfunded pensions surplus budget	MR	(5)	(5)	(5)	(5)	(5)	
Sub-total: overstated budgets		(98)	(53)	(53)	(53)	(53)	

Service changes:							
Hanging baskets	RC	(7.5)	(7.5)	(7.5)	(7.5)	(7.5)	
Close Devonshire Park Fitness Centre	RC	(12)	(12)	(12)	(12)	(12)	
Review Theatres programmes	RC	(23)	(23)	(23)	(23)	(23)	
Reduce housing grants	NF	(10)	(10)	(10)	(10)	(10)	
Reduce discretionary rate relief budget	NF	(5)	(5)	(5)	(5)	(5)	
Sub-total: service changes		(57.5)	(57.5)	(57.5)	(57.5)	(57.5)	
Invest to save:							
IT investment	SMc	(131)	(131)	(131)	(131)	(131)	
Accommodation strategy	SMc	(280)	0	0	0	0	
Sub-total: invest to save		(411)	(131)	(131)	(131)	(131)	

Other:							
Collection fund surplus	SMc	(82)	0	0	0	0	
Sub-total: other		(82)	0	0	0	0	
<u>Revised Gap</u>		1,686	2,410	2,714	3,113	3,427	
Council Tax increase		(1,686)	(1,686)	(1,686)	(1,686)	(1,686)	
Final Gap		0	724	1,028	1,427	1,741	