

REVENUE BUDGET FORECAST

Status: Financial Planning Based on 2020/21 Budget										
FOUR YEAR BUDGET PROFILES	NEW MTFS				FORECAST					
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
NET SPEND B/F FROM PREVIOUS YEAR	6,387	9,743	9,656	9,310	9,732	10,315	10,879	11,249	11,675	12,107
add back: Use of New Homes Bonus in Previous Year	0	0	0	0	0	0	0	0	0	0
add back: Interest on Balances as credited to the revenue account in previous year	96	130	105	160	225	300	400	500	500	500
add back: Use of Reserves/Provisions in Previous Year	1,845	0	0	0	0	0	0	0	0	0
Net Expenditure on Services before changes (Base Budget excluding use of interest on Balances and use of working balance)	8,328	9,873	9,761	9,470	9,957	10,615	11,279	11,749	12,175	12,607
Allowance for Pay and Price Inflation										
General Inflation - price base	+190	+190	+190	+194	+198	+202	+206	+210	+214	+218
General Inflation pay bill base	+400	+408	+416	+424	+433	+442	+450	+459	+469	+478
Other	-83									
Prices Increases net of Increased Fees & Charges	+507	+598	+606	+618	+631	+643	+656	+669	+683	+696
Increases in costs / Reductions in income										
Pension Fund Valuations 2019 & 2022	+150			+100	+100	+100				
Contingency for the impact of Covid		+950								
Increase in cost of waste collection	+61									
Change in corporate contingencies										
Increase in provision for property maintenance	+50	+50	+50	+50						
Property and Regeneration Manager	+50									
Local elections	-70									
Funding of projects within the capital programme	+100	+100	+100	+100	+100	+100	+50			
Increased cost of homelessness	+391									
Increases in costs / Reductions in income	+732	+1,100	+150	+250	+200	+200	+50	+0	+0	+0
Changes to External Funding										
Bourne Hall (SCC)	+80									
Use of Flexible Homeless Support Grant										
Loss of Housing Benefit Admin Grant										
Grant funding from DCLG for Local Council Tax Admin Subsidy										
Remove funding from Property Company towards funding capital programme										
Higher Needs										
Changes to External Funding	+80	+0	+0	+0	+0	+0	+0	+0	+0	+0
New Home Bonus										
Estimated New Homes Bonus	-385	-240	-21	-21	-21	-21	-21	-21	-21	-21
Transfer to Corporate Project Reserve	+385	+240	+21	+21	+21	+21	+21	+21	+21	+21
NHB Funding used to support General Fund services	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0
Cost Reduction Plan										
Star Chamber	-585	-336	-137	-215						
Acquisition of Commercial Property/ Increased income										
Base review										
EEPIC Dividend	-100									
Savings from Leadership Team restructure										

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	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost Reduction Plan	-685	-336	-137	-215	+0	+0	+0	+0	+0	+0
Contributions from Reserves/Provisions										
Funding from business rates equalisation reserve of retained business rates income deficit	+1,380	-1,380	-200	+50	+50	50				
Contribution from Corporate Prjects Reserve										
Funding of increased homelessness from Flexible Housing Support Grant	-116	+116								
Reduced contributions to the Property Equalisation Reserve			-500							
	+1,264	-1,264	-700	+50	+50	+50	+0	+0	+0	+0
Fees and Charges										
Increased yield on discretionary Fees and Charges	-290	-210	-210	-216	-223	-229	-236	-243	-251	-258
	-290	-210	-210	-216	-223	-229	-236	-243	-251	-258
Interest on Balances (excludes interest credited to strategic reserves)										
Average level of investments										
Investments (average)	13,000	14,000	16,000	18,000	20,000	20,000	20,000	20,000	20,000	20,000
Interest rate used (supplemented by interest equalisation reserve)	1.00%	0.75%	1.00%	1.25%	1.50%	2.00%	2.50%	2.50%	2.50%	2.50%
Total Interest Forecast	-130	-105	-160	-225	-300	-400	-500	-500	-500	-500
Add: Use of interest equalisation reserve	0	0	0	0	0	0	0	0	0	0
Interest credited to General Fund to Finance Services	-130	-105	-160	-225	-300	-400	-500	-500	-500	-500
SUMMARY OF FORECASTS										
Net Expenditure on Services before changes (Base Budget excluding use of interest on Balances and use of working balance)	8,328	9,873	9,761	9,470	9,957	10,615	11,279	11,749	12,175	12,607
Price Increases (inflation)	+507	+598	+606	+618	+631	+643	+656	+669	+683	+696
Increases in costs / Reductions in income	+732	+1,100	+150	+250	+200	+200	+50	+0	+0	+0
Changes to External Funding	+80	+0	+0	+0	+0	+0	+0	+0	+0	+0
NHB Funding used to support General Fund services	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0
Cost Reduction Plan	-685	-336	-137	-215	+0	+0	+0	+0	+0	+0
Contributions from Reserves/Provisions	+1,264	-1,264	-700	+50	+50	+50	+0	+0	+0	+0
Fees and Charges	-353	-210	-210	-216	-223	-229	-236	-243	-251	-258
Interest credited to General Fund to Finance Services	-130	-105	-160	-225	-300	-400	-500	-500	-500	-500
Forecast Net Cost of Services	9,743	9,656	9,310	9,732	10,315	10,879	11,249	11,675	12,107	12,545
Final Outturn variance										
Revised Net cost of Services	9,743	9,656	9,310	9,732	10,315	10,879	11,249	11,675	12,107	12,545
SETTLEMENT ASSESSMENT FUNDING FORECAST										
RSG	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0
Transitional Grant	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0
Tariff Adjustment	0	0	0	0	0	0	0	0	0	0
Retained Business Rates	1,617	1,448	925	959	828	695	559	420	278	124
Small Business Rate Relief Grant	0	0	0	0	0	0	0	0	0	0
Localism Relief Grant	0	0	0	0	0	0	0	0	0	0
Formula Grant / Business Rate Retention	1,617	1,448	925	959	828	695	559	420	278	124
Base Income from Council Tax	6,525	6,713	6,918	7,124	7,350	7,553	7,761	7,976	8,196	8,423

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Increase in council tax base	+25	+34	+35	+53	+55	+57	+58	+60	+61	+63
	6,550	6,747	6,952	7,178	7,405	7,609	7,820	8,035	8,258	8,486
Forecast for increase in Council Tax income (£5 per Band D Property)	+163	+171	+172	+172	+148	+152	+156	+161	+165	+170
Council Tax Income Forecast	6,713	6,918	7,124	7,350	7,553	7,761	7,976	8,196	8,423	8,656
Surplus / (Deficit) on Retained Business Rates	1,402	0	0	0	0	0	0	0	0	0
Council Tax Surplus	11	0	0	0	0	0	0	0	0	0
Assumed Collection Fund Income (Formula Grant + Council Tax)	9,743	8,366	8,049	8,309	8,381	8,456	8,534	8,616	8,701	8,780
Forecast Budget Shortfall (required use of working balance)	0	1,290	1,261	1,423	1,934	2,423	2,714	3,059	3,406	3,765
GENERAL FUND WORKING BALANCE PROJECTION: AFTER SERVICE COST REDUCTION										
Estimated Working Balance b/f	3,426	3,426	2,136	875	-548	-2,482	-4,905	-7,619	-10,678	-14,084
Resulting Working Balance c/f	3,426	2,136	875	-548	-2,482	-4,905	-7,619	-10,678	-14,084	-17,849