

REVENUE BUDGET FOUR YEAR FORECAST

Status: Financial Planning Based on 2020/21 Budget

FOUR YEAR BUDGET PROFILES	MTFS				FORECAST						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/21
	Budget	Draft	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
NET SPEND B/F FROM PREVIOUS YEAR	6,387	9,743	9,028	8,791	9,213	9,796	10,360	10,730	11,156	11,588	12,026
add back: Use of New Homes Bonus in Previous Year	0	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	500
add back: Use of Reserves/Provisions in Previous Year	1,845	0	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	9,133	8,951	9,438	10,096	10,760	11,230	11,656	12,088	12,526
Allowance for Pay and Price Inflation											
General Inflation - price base	+190	+50	+190	+194	+198	+202	+206	+210	+214	+218	+223
General Inflation pay bill base	+400	+240	+416	+424	+433	+442	+450	+459	+469	+478	+488
Other	-83	-25									
Prices Increases net of Increased Fees & Charges	+507	+265	+606	+618	+631	+643	+656	+669	+683	+696	+710
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										
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	+0
Changes to External Funding											
Bourne Hall (SCC)	+80										
Changes to External Funding	+80	+0	+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	-21
Transfer to Corporate Project Reserve	+385	+240	+21	+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	+0
Cost Reduction Plan											
Star Chamber	-585	-144	-249	-215							
Service review		-173	-93								
EEPIC Dividend	-100										
Cost Reduction Plan	-685	-317	-342	-215	+0	+0	+0	+0	+0	+0	+0
Contributions from Reserves/Provisions											
Funding from business rates equalisation reserve of retained business rates income deficit	+1,380	-1,694	+114	+50	+50	+50					
Funding of increased homelessness from Flexible Housing Support Grant	-116	+116									
Reduced contributions to the Property Equalisation Reserve			-500								
	+1,264	-1,578	-386	+50	+50	+50	+0	+0	+0	+0	+0
Fees and Charges											
Increased yield on discretionary Fees and Charges	-290	-210	-210	-216	-223	-229	-236	-243	-251	-258	-266
	-290	-210	-210	-216	-223	-229	-236	-243	-251	-258	-266
Interest on Balances (excludes interest credited to strategic reserves)											

FOUR YEAR BUDGET PROFILES	MTFS				FORECAST						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Budget £000	Draft £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
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	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%	2.50%
Total Interest Forecast	-130	-105	-160	-225	-300	-400	-500	-500	-500	-500	-500
Add: Use of interest equalisation reserve	0	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	-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	9,133	8,951	9,438	10,096	10,760	11,230	11,656	12,088	12,526
Price Increases (inflation)	+507	+265	+606	+618	+631	+643	+656	+669	+683	+696	+710
Increases in costs / Reductions in income	+732	+1,100	+150	+250	+200	+200	+50	+0	+0	+0	+0
Changes to External Funding	+80	+0	+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	+0
Cost Reduction Plan	-685	-317	-342	-215	+0	+0	+0	+0	+0	+0	+0
Contributions from Reserves/Provisions	+1,264	-1,578	-386	+50	+50	+50	+0	+0	+0	+0	+0
Fees and Charges	-353	-210	-210	-216	-223	-229	-236	-243	-251	-258	-266
Interest credited to General Fund to Finance Services	-130	-105	-160	-225	-300	-400	-500	-500	-500	-500	-500
Forecast Net Cost of Services	9,743	9,028	8,791	9,213	9,796	10,360	10,730	11,156	11,588	12,026	12,470
Final Outturn variance											
Revised Net cost of Services	9,743	9,028	8,791	9,213	9,796	10,360	10,730	11,156	11,588	12,026	12,470
SETTLEMENT ASSESSMENT FUNDING FORECAST											
RSG	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0
Lower Tier Services Grant	+0	+60	+0	+0	+0	+0	+0	+0	+0	+0	+0
Covid-19 Support Grant	0	+304	+0	+0	+0	+0	+0	+0	+0	+0	+0
Retained Business Rates	1,617	1,617	925	959	828	695	559	420	278	124	0
Formula Grant / Business Rate Retention	1,617	1,981	925	959	828	695	559	420	278	124	0
Base Income from Council Tax	6,525	6,713	6,903	7,109	7,334	7,537	7,745	7,960	8,179	8,406	8,638
Increase in council tax base	+25	+26	+35	+53	+55	+57	+58	+60	+61	+63	+65
	6,550	6,739	6,938	7,162	7,389	7,593	7,804	8,019	8,241	8,469	8,702
Forecast for increase in Council Tax income (£5 per Band D Property)	+163	+164	+171	+172	+148	+152	+156	+160	+165	+169	+174
Council Tax Income Forecast	6,713	6,903	7,109	7,334	7,537	7,745	7,960	8,179	8,406	8,638	8,876
Surplus / (Deficit) on Retained Business Rates	1,402	-308	0	0	0	0	0	0	0	0	0
Council Tax Surplus	11	-6	0	0	0	0	0	0	0	0	0
Assumed Collection Fund Income (Formula Grant + Council Tax)	9,743	8,570	8,034	8,293	8,365	8,440	8,518	8,599	8,684	8,761	8,876
Forecast Budget Shortfall (required use of working balance)	0	458	758	920	1,431	1,920	2,212	2,557	2,904	3,265	3,594
GENERAL FUND WORKING BALANCE PROJECTION: AFTER SERVICE COST REDUCTION											
Estimated Working Balance b/f	3,426	3,426	2,968	2,210	1,290	-141	-2,060	-4,272	-6,828	-9,733	-12,997
Resulting Working Balance c/f	3,426	2,968	2,210	1,290	-141	-2,060	-4,272	-6,828	-9,733	-12,997	-16,591