

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	2030/31
	Budget	Budget	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	8,612	8,521	8,908	9,446	10,010	10,430	10,856	11,288	11,726
add back: Interest on Balances as credited to the revenue account in previous year	96	130	105	80	180	300	400	500	500	500	500
add back: Use of Reserves/Provisions in Previous Year	1,845	-1,264	730	200	150	100	50	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	8,609	9,447	8,801	9,238	9,846	10,460	10,930	11,356	11,788	12,226
Allowance for Pay and Price Inflation											
General Inflation - price base	+190	+50	+190	+194	+198	+202	+206	+210	+214	+218	+223
General Inflation - pay base	+400	+240	+416	+424	+433	+442	+450	+459	+469	+478	+488
Other											
Prices Increases net of Increased Fees & Charges	+590	+290	+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	-350								
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				
Other	-83	-71									
Reduced contributions to the Property Equalisation Reserve			-500								
Increased cost of homelessness	+391										
Increases in costs / Reductions in income	+649	+1,029	-700	+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	-308	-200	-150	-100	-50					
Funding of increased homelessness from Flexible Housing Support Grant	-116	-116									
Funding from Corporate Projects Reserve		-306									
	+1,264	-730	-200	-150	-100	-50	+0	+0	+0	+0	+0

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	Budget £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
Fees and Charges											
Increased yield on discretionary Fees and Charges	-290	-164	-210	-216	-223	-229	-236	-243	-251	-258	-266
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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	20,000
Interest rate used (supplemented by interest equalisation reserve)	1.00%	0.75%	0.50%	1.00%	1.50%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Total Interest Forecast	-130	-105	-80	-180	-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	-80	-180	-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	8,609	9,447	8,801	9,238	9,846	10,460	10,930	11,356	11,788	12,226
Price Increases (inflation)	+590	+290	+606	+618	+631	+643	+656	+669	+683	+696	+710
Increases in costs / Reductions in income	+649	+1,029	-700	+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	-730	-200	-150	-100	-50	+0	+0	+0	+0	+0
Fees and Charges	-353	-164	-210	-216	-223	-229	-236	-243	-251	-258	-266
Interest credited to General Fund to Finance Services	-130	-105	-80	-180	-300	-400	-500	-500	-500	-500	-500
Forecast Net Cost of Services	9,743	8,612	8,521	8,908	9,446	10,010	10,430	10,856	11,288	11,726	12,170
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	1,652	1,420	959	828	695	559	420	278	124	0
Formula Grant / Business Rate Retention	1,617	2,016	1,420	959	828	695	559	420	278	124	0
Base Income from Council Tax	6,525	6,713	6,904	7,109	7,334	7,537	7,745	7,960	8,179	8,406	8,638
Increase in council tax base	+25	+27	+34	+53	+55	+57	+58	+60	+61	+63	+65
	6,550	6,740	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	6,904	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	-302	0	0	0	0	0	0	0	0	0
Council Tax Surplus / (Deficit)	11	-6	0	0	0	0	0	0	0	0	0
Assumed Collection Fund Income (Formula Grant + Council Tax)	9,743	8,612	8,529	8,293	8,365	8,440	8,518	8,599	8,684	8,761	8,876
Forecast Budget Shortfall (required use of working balance)	43	0	-7	615	1,081	1,570	1,912	2,257	2,604	2,965	3,294
GENERAL FUND WORKING BALANCE PROJECTION: AFTER SERVICE COST REDUCTION											
Estimated Working Balance b/f	3,426	3,383	3,383	3,391	2,776	1,695	125	-1,786	-4,043	-6,647	-9,612
Resulting Working Balance c/f	3,383	3,383	3,391	2,776	1,695	125	-1,786	-4,043	-6,647	-9,612	-12,906