

## REVENUE BUDGET FOUR YEAR FORECAST

Status: Financial Planning Based Updated for 2022/23 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
<b>NET SPEND B/F FROM PREVIOUS YEAR</b>	6,387	9,743	8,612	8,627	10,370	10,828	11,392	11,812	12,238	12,670	13,108
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	1,476	150	100	50	0	0	0	0
<b>Net Expenditure on Services before changes (Base Budget excluding use of interest on Balances and use of working balance)</b>	<b>8,328</b>	<b>8,609</b>	<b>9,447</b>	<b>10,183</b>	<b>10,700</b>	<b>11,228</b>	<b>11,842</b>	<b>12,312</b>	<b>12,738</b>	<b>13,170</b>	<b>13,608</b>
<b>Allowance for Pay and Price Inflation</b>											
General Inflation - price base	+190	+50	+290	+194	+198	+202	+206	+210	+214	+218	+223
General Inflation - pay base	+400	+240	+516	+424	+433	+442	+450	+459	+469	+478	+488
Other											
<b>Prices Increases net of Increased Fees &amp; Charges</b>	<b>+590</b>	<b>+290</b>	<b>+806</b>	<b>+618</b>	<b>+631</b>	<b>+643</b>	<b>+656</b>	<b>+669</b>	<b>+683</b>	<b>+696</b>	<b>+710</b>
<b>Increases in costs / Reductions in income</b>											
Pension Fund Valuations 2019 & 2022	+150		+129	+100	+100	+100					
Contingency for the impact of Covid		+950	-350								
Increase in cost of waste collection	+61										
Revised cost of building control service			+161								
Increased cost of maintaining ditches and reservoir			+16								
Increase in national insurance contributions			+150								
Net reduction in income from commercial property			+755								
Increase in debt repayments			+41								
Increase in provision for property maintenance	+50	+50	+50	+50							
Property and Regeneration Manager	+50										
Local elections	-70			+80	-80						
Funding of projects within the capital programme	+100	+100	+100	+100	+100	+100	+50				
Other	-83	-71	+28								
Reduced contributions to the Property Equalisation Reserve			-500								
Increased cost of homelessness	+391										
<b>Increases in costs / Reductions in income</b>	<b>+649</b>	<b>+1,029</b>	<b>+580</b>	<b>+330</b>	<b>+120</b>	<b>+200</b>	<b>+50</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>
<b>Changes to External Funding</b>											
Bourne Hall (SCC)	+80										
2022/23 Government Services Grant			-98								
<b>Changes to External Funding</b>	<b>+80</b>	<b>+0</b>	<b>-98</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>
<b>New Home Bonus</b>											
Estimated New Homes Bonus	-385	-240	-174	-21	-21	-21	-21	-21	-21	-21	-21
Transfer to Corporate Project Reserve	+385	+240	+174	+21	+21	+21	+21	+21	+21	+21	+21
<b>NHB Funding used to support General Fund services</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>
<b>Cost Reduction Plan</b>											
Star Chamber	-585	-144	-249	-215							
Service review		-173	-93								
EEPIC Dividend	-100										
<b>Cost Reduction Plan</b>	<b>-685</b>	<b>-317</b>	<b>-342</b>	<b>-215</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>

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
<b>Contributions from Reserves/Provisions</b>											
Funding from business rates equalisation reserve of retained business rates income deficit	+1,380	-308	-459	-150	-100	-50					
Contribution from Property Income Equalisation Reserve			-755								
Funding of increased homelessness from Flexible Housing Support Grant	-116	-116									
Funding from Corporate Projects Reserve		-306	-262								
	<b>+1,264</b>	<b>-730</b>	<b>-1,476</b>	<b>-150</b>	<b>-100</b>	<b>-50</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>
<b>Fees and Charges</b>											
Increased yield on discretionary Fees and Charges	-290	-164	-210	-216	-223	-229	-236	-243	-251	-258	-266
	<b>-290</b>	<b>-164</b>	<b>-210</b>	<b>-216</b>	<b>-223</b>	<b>-229</b>	<b>-236</b>	<b>-243</b>	<b>-251</b>	<b>-258</b>	<b>-266</b>
<b>Interest on Balances (excludes interest credited to strategic reserves)</b>											
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
<b>Interest credited to General Fund to Finance Services</b>	<b>-130</b>	<b>-105</b>	<b>-80</b>	<b>-180</b>	<b>-300</b>	<b>-400</b>	<b>-500</b>	<b>-500</b>	<b>-500</b>	<b>-500</b>	<b>-500</b>
<b>SUMMARY OF FORECASTS</b>											
<b>Net Expenditure on Services before changes (Base Budget excluding use of interest on Balances and use of working balance)</b>	<b>8,328</b>	<b>8,609</b>	<b>9,447</b>	<b>10,183</b>	<b>10,700</b>	<b>11,228</b>	<b>11,842</b>	<b>12,312</b>	<b>12,738</b>	<b>13,170</b>	<b>13,608</b>
Price Increases (inflation)	+590	+290	+806	+618	+631	+643	+656	+669	+683	+696	+710
Increases in costs / Reductions in income	+649	+1,029	+580	+330	+120	+200	+50	+0	+0	+0	+0
Changes to External Funding	+80	+0	-98	+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	-1,476	-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
<b>Forecast Net Cost of Services</b>	<b>9,743</b>	<b>8,612</b>	<b>8,627</b>	<b>10,370</b>	<b>10,828</b>	<b>11,392</b>	<b>11,812</b>	<b>12,238</b>	<b>12,670</b>	<b>13,108</b>	<b>13,552</b>
<b>SETTLEMENT ASSESSMENT FUNDING FORECAST</b>											
RSG	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0
Lower Tier Services Grant	+0	+60	+64	+60	+60	+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	1,606	1,638	1,671	1,554	1,435	1,314	1,190	1,054	915

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	Budget	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Formula Grant / Business Rate Retention</b>	1,617	2,016	1,670	1,698	1,731	1,554	1,435	1,314	1,190	1,054	915
Base Income from Council Tax	6,525	6,713	6,904	7,090	7,297	7,480	7,667	7,860	8,057	8,259	8,467
Increase in council tax base	+25	+27	+21	+35	+36	+37	+38	+39	+40	+41	+42
	6,550	6,740	6,925	7,126	7,333	7,517	7,706	7,899	8,097	8,301	8,509
Forecast for increase in Council Tax income (£5 per Band D Property)	+163	+164	+165	+171	+147	+150	+154	+158	+162	+166	+170
<b>Council Tax Income Forecast</b>	6,713	6,904	7,090	7,297	7,480	7,667	7,860	8,057	8,259	8,467	8,679
Surplus / (Deficit) on Retained Business Rates	1,402	-302	-180	0	0	0	0	0	0	0	0
Council Tax Surplus / (Deficit )	11	-6	47	0	0	0	0	0	0	0	0
<b>Assumed Collection Fund Income (Formula Grant + Council Tax)</b>	9,743	8,612	8,627	8,995	9,211	9,222	9,295	9,371	9,450	9,521	9,594
<b>Forecast Budget Shortfall (required use of working balance)</b>	43	0	0	1,375	1,617	2,170	2,517	2,867	3,220	3,587	3,958
<b>GENERAL FUND WORKING BALANCE PROJECTION: AFTER SERVICE COST REDUCTION</b>											
Estimated Working Balance b/f	3,426	3,383	3,383	3,383	2,008	391	-1,779	-4,296	-7,163	-10,383	-13,970
Resulting Working Balance c/f	3,383	3,383	3,383	2,008	391	-1,779	-4,296	-7,163	-10,383	-13,970	-17,928