

REVENUE BUDGET FOUR YEAR FORECAST

Status: Financial Planning Updated for 2023/24 Budget							
FOUR YEAR BUDGET PROFILES	MTFS				FORECAST		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Actual	Budget	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000
NET SPEND B/F FROM PREVIOUS YEAR	6,387	9,743	8,612	8,627	8,296	10,246	10,716
add back: Interest on Balances as credited to the revenue account in previous year	96	130	105	240	720	830	880
add back: Use of Reserves/Provisions in Previous Year	1,845	-1,264	730	1,476	2,378	266	150
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	10,517	11,394	11,342	11,746
Allowance for Pay and Price Inflation							
General Inflation - price base	+190	+50	+290	+454	+199	+203	+207
General Inflation - pay base	+400	+240	+516	+446	+458	+467	+476
Other							
Prices Increases net of Increased Fees & Charges	+590	+290	+806	+900	+657	+670	+683
Increases in costs / Reductions in income							
Pension Fund Valuations 2019 & 2022	+150		+129	-53	+0	+0	
Impact of Covid		+950	+169	-90	+20	+21	
Revised cost of building control service			+161				
Increased cost of maintaining ditches and reservoir			+16				
Change in national insurance contributions			+150	-150			
Net reduction in income from commercial property			+655	+210			
Increase in debt repayments			+41	+26	+26	+27	+27
Increase in provision for property maintenance	+50	+50	+50	+50			
Property and Regeneration Manager	+50						
Local elections	-70			+80	-80		
Verge maintenance							
Reduction in savings on Ebbisham Centre							
Community Safety							
Funding of projects within the capital programme	+100	+100	+100	+100	+100	+100	+50
Health and Wellbeing							
Verge maintenance							
Provision for increased cost of living	+0				+200		
Loss of 70 East Street tenant				+600	-600		
Contingency for loss of on-street parking income				+250			
Increased cost of external audit fees nationally				+115			
Contingency for elevated utilities and contract inflation				+360			
Other	-83	-71	+56	+59			
Reduced contributions to the Property Equalisation Reserve			-500				
Savings to be identified to finance rebasing exercise			-85	+85			
Increased cost of homelessness	+391						
Increases in costs / Reductions in income	+649	+1,029	+942	+1,642	-334	+148	+77

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	£000	£000	£000	£000	£000	£000	£000
Changes to External Funding							
Bourne Hall (SCC)	+80						
2023/24 Surrey Business Rates Pool				-150	+150		
Contingency for loss of homelessness reduction act grant income						+119	
Loss of Housing Benefit Admin Grant							
Grant funding from MHCLG for Local Council Tax Admin Subsidy							
Remove funding from Property Company towards funding capital programme							
Removal of Local Council Tax Support Admin Grant				+50			
2022/23 Government Services Grant			-98	+98			
Higher Needs							
Changes to External Funding	+80	+0	-98	-2	+150	+119	+0
New Home Bonus							
Estimated New Homes Bonus	-385	-240	-174	-135	-21	-21	-21
Transfer to Corporate Project Reserve	+385	+240		+135	+21	+21	+21
NHB Funding used to support General Fund services	+0	+0	-174	+0	+0	+0	+0
Cost Reduction Plan							
2020 Star Chambers	-585	-144	-249	-215			
2021 Service reviews		-173	-93				
2022 Star Chambers				-688	-57	-38	
Homelessness savings target				-243			
EEPIC Dividend	-100			-100	-26	-27	-27
Cost Reduction Plan	-685	-317	-342	-1,246	-83	-65	-27

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	£000	£000	£000	£000	£000	£000	£000
Contributions from Reserves/Provisions							
Funding from business rates equalisation reserve	+1,380	-308	-459	-1,085		-150	-100
Contribution from Property Income Equalisation Reserve			-755	-1,127			
Funding of increased homelessness from Flexible Housing Support Grant	-116	-116					
Funding from Corporate Projects Reserve		-306	-262	-166	-266		
	+1,264	-730	-1,476	-2,378	-266	-150	-100
Fees and Charges							
Increased yield on discretionary Fees and Charges	-290	-164	-238	-417	-442	-469	-238
	-290	-164	-238	-417	-442	-469	-238
Interest on Balances (excludes interest credited to strategic reserves)							
Average level of investments							
Investments (average)	13,000	14,000	16,000	18,000	20,750	22,000	20,750
Interest rate used (supplemented by interest equalisation reserve)	1.00%	0.75%	1.50%	4.00%	4.00%	4.00%	4.00%
Total Interest Forecast	-130	-105	-240	-720	-830	-880	-830
Add: Use of interest equalisation reserve	0	0	0	0	0	0	0
Interest credited to General Fund to Finance Services	-130	-105	-240	-720	-830	-880	-830
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	10,517	11,394	11,342	11,746
Price Increases (inflation)	+590	+290	+806	+900	+657	+670	+683
Increases in costs / Reductions in income	+649	+1,029	+942	+1,642	-334	+148	+77
Changes to External Funding	+80	+0	-98	-2	+150	+119	+0
NHB Funding used to support General Fund services	+0	+0	-174	+0	+0	+0	+0
Cost Reduction Plan	-685	-317	-342	-1,246	-83	-65	-27
Contributions from Reserves/Provisions	+1,264	-730	-1,476	-2,378	-266	-150	-100
Fees and Charges	-353	-164	-238	-417	-442	-469	-238
Interest credited to General Fund to Finance Services	-130	-105	-240	-720	-830	-880	-830
Forecast Net Cost of Services	9,743	8,612	8,627	8,296	10,246	10,716	11,312
SETTLEMENT ASSESSMENT FUNDING FORECAST							
RSG	+0	+0	+0	+53	+53	+0	+0
Lower Tier Services Grant	+0	+60	+64	+0	+0	+0	+0
Covid-19 Support Grant	0	+304	+0	+0	+0	+0	+0
Retained Business Rates	1,617	1,652	1,606	1,659	1,692	1,243	1,268

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Small Business Rate Relief Grant	0	0	0	0	0	0	0
Services Grant	0	0	0	55	55		
CSP Minimum Guaranteed Funding	0	0	0	225	225	0	
Formula Grant / Business Rate Retention	1,617	2,016	1,670	1,992	2,025	1,243	1,268
Base Income from Council Tax	6,525	6,713	6,904	7,090	7,361	7,620	7,811
Increase in council tax base	+25	+27	+21	+57	+37	+38	+39
	6,550	6,740	6,925	7,147	7,398	7,658	7,850
Forecast for increase in Council Tax income (£5 per Band D Property)	+163	+164	+165	+214	+222	+153	+157
Council Tax Income Forecast	6,713	6,904	7,090	7,361	7,620	7,811	8,007
Surplus / (Deficit) on Retained Business Rates	1,402	-302	-180	-1,085	0	0	0
Council Tax Surplus / (Deficit)	11	-6	47	27	0	0	0
Assumed Collection Fund Income (Formula Grant + Council Tax)	9,743	8,612	8,627	8,296	9,645	9,054	9,275
Actual/Forecast Budget Shortfall (required use of working balance)	43	530	0	0	601	1,662	2,037
GENERAL FUND WORKING BALANCE PROJECTION: AFTER SERVICE COST REDUCTION							
Estimated Working Balance b/f	3,426	3,383	2,853	2,853	2,853	2,252	591
Resulting Working Balance c/f	3,383	2,853	2,853	2,853	2,252	591	-1,446