

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	2027/28	2028/29	2029/30	2030/31
	Actual £000	Actual £000	Budget £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
NET SPEND B/F FROM PREVIOUS YEAR	6,387	9,743	8,612	8,627	8,290	10,246	10,716	11,312	11,714	12,503	12,968
add back: Interest on Balances as credited to the revenue account in previous year	96	130	105	240	720	830	880	830	830	500	500
add back: Use of Reserves/Provisions in Previous Year	1,845	-1,264	730	1,476	2,383	266	150	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	10,517	11,394	11,342	11,746	12,142	12,544	13,003	13,468
Allowance for Pay and Price Inflation											
General Inflation - price base	+190	+50	+290	+454	+199	+203	+207	+211	+215	+220	+224
General Inflation - pay base	+400	+240	+516	+446	+458	+467	+476	+486	+496	+505	+516
Other											
Prices Increases net of Increased Fees & Charges	+590	+290	+806	+900	+657	+670	+683	+697	+711	+725	+740
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	+28	+28	+29	+29
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	+28	+28	+29	+29

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	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Actual	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£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	+0	+0	+0	+0
New Home Bonus											
Estimated New Homes Bonus	-385	-240	-174	-135	-21	-21	-21	-21	-21	-21	-21
Transfer to Corporate Project Reserve	+385	+240		+135	+21	+21	+21	+21	+21	+21	+21
NHB Funding used to support General Fund services	+0	+0	-174	+0	+0	+0	+0	+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	-28	-28	-29	-29
Cost Reduction Plan	-685	-317	-342	-1,246	-83	-65	-27	-28	-28	-29	-29

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	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Actual	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Contributions from Reserves/Provisions											
Funding from business rates equalisation reserve	+1,380	-308	-459	-1,090		-150	-100	-50			
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	-2,383	-266	-150	-100	-50	+0	+0	+0
Fees and Charges											
Increased yield on discretionary Fees and Charges	-290	-164	-238	-417	-442	-469	-238	-245	-252	-260	-268
	-290	-164	-238	-417	-442	-469	-238	-245	-252	-260	-268
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	20,000	20,000	20,000	20,000
Interest rate used	1.00%	0.75%	1.50%	4.00%	4.00%	4.00%	4.00%	4.00%	2.50%	2.50%	2.50%
Total Interest Forecast	-130	-105	-240	-720	-830	-880	-830	-830	-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	-240	-720	-830	-880	-830	-830	-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	10,517	11,394	11,342	11,746	12,142	12,544	13,003	13,468
Price Increases (inflation)	+590	+290	+806	+900	+657	+670	+683	+697	+711	+725	+740
Increases in costs / Reductions in income	+649	+1,029	+942	+1,642	-334	+148	+77	+28	+28	+29	+29
Changes to External Funding	+80	+0	-98	-2	+150	+119	+0	+0	+0	+0	+0
NHB Funding used to support General Fund services	+0	+0	-174	+0	+0	+0	+0	+0	+0	+0	+0
Cost Reduction Plan	-685	-317	-342	-1,246	-83	-65	-27	-28	-28	-29	-29
Contributions from Reserves/Provisions	+1,264	-730	-1,476	-2,383	-266	-150	-100	-50	+0	+0	+0
Fees and Charges	-353	-164	-238	-417	-442	-469	-238	-245	-252	-260	-268
Interest credited to General Fund to Finance Services	-130	-105	-240	-720	-830	-880	-830	-830	-500	-500	-500
Forecast Net Cost of Services	9,743	8,612	8,627	8,290	10,246	10,716	11,312	11,714	12,503	12,968	13,440
SETTLEMENT ASSESSMENT FUNDING FORECAST											
RSG	+0	+0	+0	+53	+53	+0	+0	+0	+0	+0	+0
Lower Tier Services Grant	+0	+60	+64	+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	1,606	1,653	1,692	1,243	1,268	1,293	1,169	1,032	893

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	Actual	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Services Grant	0	0	0	57	57	0	0	0	0	0	0	
CSP Minimum Guaranteed Funding	0	0	0	223	223	0	0	0	0	0	0	
Formula Grant / Business Rate Retention	1,617	2,016	1,670	1,986	2,025	1,243	1,268	1,293	1,169	1,032	893	
Base Income from Council Tax	6,525	6,713	6,904	7,090	7,361	7,620	7,811	8,007	8,208	8,414	8,625	
Increase in council tax base	+25	+27	+21	+57	+37	+38	+39	+40	+41	+42	+43	
	6,550	6,740	6,925	7,147	7,398	7,658	7,850	8,047	8,249	8,456	8,668	
Forecast for increase in Council Tax income (3% to 2024/25, 2% from 2025/26)	+163	+164	+165	+214	+222	+153	+157	+161	+165	+169	+173	
Council Tax Income Forecast	6,713	6,904	7,090	7,361	7,620	7,811	8,007	8,208	8,414	8,625	8,841	
Surplus / (Deficit) on Retained Business Rates	1,402	-302	-180	-1,085	0	0	0	0	0	0	0	
Council Tax Surplus / (Deficit)	11	-6	47	27	0	0	0	0	0	0	0	
Assumed Collection Fund Income (Formula Grant + Council Tax)	9,743	8,612	8,627	8,290	9,645	9,054	9,275	9,501	9,583	9,658	9,734	
Actual/Forecast Budget Shortfall (required use of working balance)	43	530	0	0	601	1,662	2,037	2,213	2,920	3,311	3,706	
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	-1,446	-3,659	-6,578	-9,889	
Resulting Working Balance c/f	3,383	2,853	2,853	2,853	2,252	591	-1,446	-3,659	-6,578	-9,889	-13,595	