

## REVENUE BUDGET FOUR YEAR FORECAST

Status: Financial Planning Updated for 2024/25 Budget

FOUR YEAR BUDGET PROFILES	BUDGET	NEW MTFS				FORECAST					
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Budget	Forecast	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>	<b>8,627</b>	<b>8,290</b>	<b>8,809</b>	<b>11,041</b>	<b>11,243</b>	<b>11,502</b>	<b>11,622</b>	<b>12,199</b>	<b>12,783</b>	<b>13,434</b>	<b>13,821</b>
add back: Use of New Homes Bonus in Previous Year	174	0	225	0	0	0	0	0	0	0	0
add back: Interest on Balances as credited to the revenue account in previous year	240	720	1,125	1,000	875	750	750	750	750	750	750
add back: Use of Reserves/Provisions in Previous Year	1,476	2,383	2,298	0	0	0	250	150	50	0	0
<b>Net Expenditure on Services before changes (Base Budget excluding use of interest on balances and use of working balance)</b>	<b>10,517</b>	<b>11,394</b>	<b>12,457</b>	<b>12,041</b>	<b>12,118</b>	<b>12,252</b>	<b>12,622</b>	<b>13,099</b>	<b>13,583</b>	<b>14,184</b>	<b>14,571</b>
<b>Allowance for Pay and Price Inflation</b>											
General Inflation - price base	+454	+500	+210	+214	+218	+223	+227	+232	+236	+241	+246
General Inflation - pay base	+446	+982	+489	+499	+509	+519	+530	+540	+551	+562	+573
<b>Prices Increases net of Increased Fees &amp; Charges</b>	<b>+900</b>	<b>+1,482</b>	<b>+699</b>	<b>+713</b>	<b>+728</b>	<b>+742</b>	<b>+757</b>	<b>+772</b>	<b>+788</b>	<b>+803</b>	<b>+819</b>
<b>Increases in costs / Reductions in income</b>											
Pension Fund Valuation 2022	-53	-57	-61								
Provision for members allowances		+94									
Impact of Covid	-90										
Change in national insurance contributions	-150										
Net reduction in income from commercial property	+210										
Increase in debt repayments	+26	+26	+27	+27	+28	+29	+29	+30	+31	+32	+32
Increase in provision for property maintenance	+50										
Local elections	+80	-80			+100	-100			+110	-110	
Provision for increased IT revenue costs		+209	-55	+10							
Funding of projects within the capital programme	+100	+0	+90	-40							
Provision for increased cost of living		+0	+100	+100							
Loss of 70 East Street tenant	+600										
Parkside House income		-566									
Increased cost of homelessness		+300									
Reduced planning fee income		+100									
Loss of on-street parking income	+250	-137									
Changes to EEPIC Dividend	-100	+674	-727	-27	-28	-29	-29	-30	-31	-32	-32
Increased cost of external audit fees nationally	+115										
Contingency for elevated utilities and contract inflation	+360										
Other	+59	-170									
Savings to be identified to finance rebasing exercise	+85										
<b>Increases in costs / Reductions in income</b>	<b>+1,642</b>	<b>+393</b>	<b>-626</b>	<b>+70</b>	<b>+100</b>	<b>-100</b>	<b>+0</b>	<b>+0</b>	<b>+110</b>	<b>-110</b>	<b>+0</b>
<b>Changes to External Funding</b>											
2023/24 & 2024/25 Surrey Business Rates Pool	-150	+0	+150								
Removal of Local Council Tax Support Admin Grant	+50										
2022/23 Government Services Grant	+98										
<b>Changes to External Funding</b>	<b>-2</b>	<b>+0</b>	<b>+150</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 Homes Bonus</b>											
Estimated New Homes Bonus	-135	-498	+0	+0	+0	+0	+0	+0	+0	+0	+0
Transfer to Corporate Project Reserve	+135	+273	+0	+0	+0	+0	+0	+0	+0	+0	+0
<b>NHB Funding used to support General Fund services</b>	<b>+0</b>	<b>-225</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>											
2020 Star Chambers	-215										
2022 Star Chambers	-688										
Efficiency/Cost Reduction Plan		-356	-156	-450	-430						
Homelessness savings target	-243										
<b>Cost Reduction Plan</b>	<b>-1,246</b>	<b>-356</b>	<b>-156</b>	<b>-450</b>	<b>-430</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>

FOUR YEAR BUDGET PROFILES	BUDGET	NEW MTFS					FORECAST					
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	Budget £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	
<b>Contributions from Reserves/Provisions</b>												
Funding from Collection Fund Equalisation Reserve	-1,090	-974				-250	-150	-50				
Contribution from Property Income Equalisation Reserve	-1,127	-700										
Funding from Corporate Projects Reserve	-166	-624										
	<b>-2,383</b>	<b>-2,298</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>-250</b>	<b>-150</b>	<b>-50</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	
<b>Fees and Charges</b>												
Increased yield on discretionary Fees and Charges	-417	-456	-483	-256	-264	-272	-280	-288	-297	-306	-315	
	<b>-417</b>	<b>-456</b>	<b>-483</b>	<b>-256</b>	<b>-264</b>	<b>-272</b>	<b>-280</b>	<b>-288</b>	<b>-297</b>	<b>-306</b>	<b>-315</b>	
<b>Interest on Balances (excludes interest credited to strategic reserves)</b>												
Cash Investments (average)	18,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
Assumed return	4.00%	4.50%	4.00%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Total Interest Forecast	-720	-1,125	-1,000	-875	-750	-750	-750	-750	-750	-750	-750	
<b>Interest credited to General Fund to Finance Services</b>	<b>-720</b>	<b>-1,125</b>	<b>-1,000</b>	<b>-875</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</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>10,517</b>	<b>11,394</b>	<b>12,457</b>	<b>12,041</b>	<b>12,118</b>	<b>12,252</b>	<b>12,622</b>	<b>13,099</b>	<b>13,583</b>	<b>14,184</b>	<b>14,571</b>	
<b>Price Increases (inflation)</b>	<b>+900</b>	<b>+1,482</b>	<b>+699</b>	<b>713</b>	<b>+728</b>	<b>+742</b>	<b>+757</b>	<b>+772</b>	<b>+788</b>	<b>+803</b>	<b>+819</b>	
<b>Increases in costs / Reductions in income</b>	<b>+1,642</b>	<b>+393</b>	<b>-626</b>	<b>70</b>	<b>+100</b>	<b>-100</b>	<b>+0</b>	<b>+0</b>	<b>+110</b>	<b>-110</b>	<b>+0</b>	
<b>Changes to External Funding</b>	<b>-2</b>	<b>+0</b>	<b>+150</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>NHB Funding used to support General Fund services</b>	<b>+0</b>	<b>-225</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>	<b>-1,246</b>	<b>-356</b>	<b>-156</b>	<b>-450</b>	<b>-430</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	
<b>Contributions from Reserves/Provisions</b>	<b>-2,383</b>	<b>-2,298</b>	<b>+0</b>	<b>0</b>	<b>+0</b>	<b>-250</b>	<b>-150</b>	<b>-50</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	
<b>Fees and Charges</b>	<b>-417</b>	<b>-456</b>	<b>-483</b>	<b>-256</b>	<b>-264</b>	<b>-272</b>	<b>-280</b>	<b>-288</b>	<b>-297</b>	<b>-306</b>	<b>-315</b>	
<b>Interest credited to General Fund to Finance Services</b>	<b>-720</b>	<b>-1,125</b>	<b>-1,000</b>	<b>-875</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	<b>-750</b>	
<b>Forecast Net Cost of Services</b>	<b>8,290</b>	<b>8,809</b>	<b>11,041</b>	<b>11,243</b>	<b>11,502</b>	<b>11,622</b>	<b>12,199</b>	<b>12,783</b>	<b>13,434</b>	<b>13,821</b>	<b>14,325</b>	
<b>Projected Outturn variance</b>	<b>98</b>											
<b>Revised Net cost of Services</b>	<b>8,388</b>	<b>8,809</b>	<b>11,041</b>	<b>11,243</b>	<b>11,502</b>	<b>11,622</b>	<b>12,199</b>	<b>12,783</b>	<b>13,434</b>	<b>13,821</b>	<b>14,325</b>	
<b>SETTLEMENT ASSESSMENT FUNDING FORECAST</b>												
<b>RSG</b>	+53	+56	+58	+59	+60	+62	+63	+64	+65	+67	+68	
<b>Lower Tier Services Grant</b>	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0	
<b>Retained Business Rates</b>	1,653	1,749	1,784	1,820	1,856	1,392	1,260	1,125	1,148	1,171	1,194	
Business Rate Multiplier Underindexation Grant	0	292	301	306	312	318	325	331	338	345	351	
Services Grant	57	9	9	9	9	9	9	9	9	9	9	
CSP Minimum Guaranteed Funding	223	46	412	347	354	354	354	354	354	354	354	
<b>Formula Grant / Business Rate Retention</b>	<b>1,986</b>	<b>2,152</b>	<b>2,564</b>	<b>2,541</b>	<b>2,592</b>	<b>2,135</b>	<b>2,011</b>	<b>1,884</b>	<b>1,914</b>	<b>1,945</b>	<b>1,977</b>	
Base Income from Council Tax	7,090	7,361	7,636	7,904	8,182	8,470	8,767	9,075	9,394	9,724	10,066	
Increase in council tax base (0.5% per annum from 2025/26)	+57	+53	+38	+40	+41	+42	+44	+45	+47	+49	+50	
	<b>7,147</b>	<b>7,414</b>	<b>7,674</b>	<b>7,944</b>	<b>8,223</b>	<b>8,512</b>	<b>8,811</b>	<b>9,120</b>	<b>9,441</b>	<b>9,773</b>	<b>10,116</b>	
Forecast for increase in Council Tax income (3% per annum)	+214	+222	+230	+238	+247	+255	+264	+274	+283	+293	+303	
<b>Council Tax Income Forecast</b>	<b>7,361</b>	<b>7,636</b>	<b>7,904</b>	<b>8,182</b>	<b>8,470</b>	<b>8,767</b>	<b>9,075</b>	<b>9,394</b>	<b>9,724</b>	<b>10,066</b>	<b>10,419</b>	
Surplus / (Deficit) on Retained Business Rates	-1,085	-1,037	0	0	0	0	0	0	0	0	0	
Council Tax Surplus / (Deficit )	27	58	0	0	0	0	0	0	0	0	0	
<b>Assumed Collection Fund Income (Formula Grant + Council Tax)</b>	<b>8,290</b>	<b>8,809</b>	<b>10,468</b>	<b>10,723</b>	<b>11,061</b>	<b>10,902</b>	<b>11,085</b>	<b>11,278</b>	<b>11,638</b>	<b>12,011</b>	<b>12,396</b>	
<b>Actual/Forecast Budget Shortfall (required use of working balance)</b>	<b>98</b>	<b>0</b>	<b>573</b>	<b>520</b>	<b>440</b>	<b>720</b>	<b>1,114</b>	<b>1,505</b>	<b>1,796</b>	<b>1,811</b>	<b>1,930</b>	
<b>GENERAL FUND WORKING BALANCE PROJECTION: AFTER SERVICE COST REDUCTION</b>												
Estimated Working Balance b/f	3,117	3,019	3,019	2,446	1,926	1,485	765	-349	-1,854	-3,650	-5,460	
Resulting Working Balance c/f	3,019	3,019	2,446	1,926	1,485	765	-349	-1,854	-3,650	-5,460	-7,390	