

REVENUE BUDGET FOUR YEAR FORECAST

Status: Financial Planning Updated for 2025/26 Budget										
FOUR YEAR BUDGET PROFILES	MTFS				FORECAST					
	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
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
NET SPEND B/F FROM PREVIOUS YEAR	8,290	8,905	11,041	11,243	11,502	11,622	12,199	12,783	13,434	13,821
add back: Use of New Homes Bonus in Previous Year	0	225	0	0	0	0	0	0	0	0
add back: Interest on Balances as credited to the revenue account in previous year	720	1,125	1,000	875	750	750	750	750	750	750
add back: Use of Reserves/Provisions in Previous Year	2,383	2,202	0	0	0	250	150	50	0	0
Net Expenditure on Services before changes (Base Budget excluding use of interest on balances and use of working balance)	11,394	12,457	12,041	12,118	12,252	12,622	13,099	13,583	14,184	14,571
Allowance for Pay and Price Inflation										
General Inflation - price base	+500	+210	+214	+218	+223	+227	+232	+236	+241	+246
General Inflation - pay base	+982	+489	+499	+509	+519	+530	+540	+551	+562	+573
Prices Increases net of Increased Fees & Charges	+1,482	+699	+713	+728	+742	+757	+772	+788	+803	+819
Increases in costs / Reductions in income										
Pension Fund Valuation 2022	-57	-61								
Provision for members allowances	+94									
Impact of Covid										
Change in national insurance contributions										
Net reduction in income from commercial property										
Increase in debt repayments	+26	+27	+27	+28	+29	+29	+30	+31	+32	+32
Increase in provision for property maintenance										
Local elections	-80			+100	-100			+110	-110	
Provision for increased IT revenue costs	+209	-55	+10							
Funding of projects within the capital programme	+0	+90	-40							
Provision for increased cost of living	+0	+100	+100							
Loss of 70 East Street tenant										
Parkside House income	-566									
Increased cost of homelessness	+300									
Reduced planning fee income	+100									
Loss of on-street parking income	-137									
Changes to EEPIC Dividend	+674	-727	-27	-28	-29	-29	-30	-31	-32	-32
Increased cost of external audit fees nationally										
Contingency for elevated utilities and contract inflation										
Other	-170									
Savings to be identified to finance rebasing exercise										
Increases in costs / Reductions in income	+393	-626	+70	+100	-100	+0	+0	+110	-110	+0
Changes to External Funding										
2023/24 & 2024/25 Surrey Business Rates Pool	+0	+150								
Removal of Local Council Tax Support Admin Grant										
2022/23 Government Services Grant										
Changes to External Funding	+0	+150	+0	+0	+0	+0	+0	+0	+0	+0
New Homes Bonus										
Estimated New Homes Bonus	-498	+0	+0	+0	+0	+0	+0	+0	+0	+0
Transfer to Corporate Project Reserve	+273	+0	+0	+0	+0	+0	+0	+0	+0	+0
NHB Funding used to support General Fund services	-225	+0	+0	+0	+0	+0	+0	+0	+0	+0
Cost Reduction Plan										
2020 Star Chambers										
2022 Star Chambers										
Efficiency/Cost Reduction Plan	-356	-156	-450	-430						
Homelessness savings target										
Cost Reduction Plan	-356	-156	-450	-430	+0	+0	+0	+0	+0	+0

FOUR YEAR BUDGET PROFILES	MTFS				FORECAST					
	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
Contributions from Reserves/Provisions										
Funding from Collection Fund Equalisation Reserve	-974				-250	-150	-50			
Contribution from Property Income Equalisation Reserve	-700									
Funding from Corporate Projects Reserve	-528									
	-2,202	+0	+0	+0	-250	-150	-50	+0	+0	+0
Fees and Charges										
Increased yield on discretionary Fees and Charges	-456	-483	-256	-264	-272	-280	-288	-297	-306	-315
	-456	-483	-256	-264	-272	-280	-288	-297	-306	-315
Interest on Balances (excludes interest credited to strategic reserves)										
Cash Investments (average)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Assumed return	4.50%	4.00%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Total Interest Forecast	-1,125	-1,000	-875	-750	-750	-750	-750	-750	-750	-750
Interest credited to General Fund to Finance Services	-1,125	-1,000	-875	-750	-750	-750	-750	-750	-750	-750
SUMMARY OF FORECASTS										
Net Expenditure on Services before changes (Base Budget excluding use of interest on balances and use of working balance)	11,394	12,457	12,041	12,118	12,252	12,622	13,099	13,583	14,184	14,571
Price Increases (inflation)	+1,482	+699	713	+728	+742	+757	+772	+788	+803	+819
Increases in costs / Reductions in income	+393	-626	70	+100	-100	+0	+0	+110	-110	+0
Changes to External Funding	+0	+150	0	+0	+0	+0	+0	+0	+0	+0
NHB Funding used to support General Fund services	-225	+0	0	+0	+0	+0	+0	+0	+0	+0
Cost Reduction Plan	-356	-156	-450	-430	+0	+0	+0	+0	+0	+0
Contributions from Reserves/Provisions	-2,202	+0	0	+0	-250	-150	-50	+0	+0	+0
Fees and Charges	-456	-483	-256	-264	-272	-280	-288	-297	-306	-315
Interest credited to General Fund to Finance Services	-1,125	-1,000	-875	-750	-750	-750	-750	-750	-750	-750
Forecast Net Cost of Services	8,905	11,041	11,243	11,502	11,622	12,199	12,783	13,434	13,821	14,325
Projected Outturn variance										
Revised Net cost of Services	8,905	11,041	11,243	11,502	11,622	12,199	12,783	13,434	13,821	14,325
SETTLEMENT ASSESSMENT FUNDING FORECAST										
RSG	+56	+58	+59	+60	+62	+63	+64	+65	+67	+68
Lower Tier Services Grant	+0	+0	+0	+0	+0	+0	+0	+0	+0	+0
Retained Business Rates	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	292	301	306	312	318	325	331	338	345	351
Services Grant	10	9	9	9	9	9	9	9	9	9
CSP Minimum Guaranteed Funding	141	412	347	354	354	354	354	354	354	354
Formula Grant / Business Rate Retention	2,248	2,564	2,541	2,592	2,135	2,011	1,884	1,914	1,945	1,977
Base Income from Council Tax	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)	+53	+38	+40	+41	+42	+44	+45	+47	+49	+50
	7,414	7,674	7,944	8,223	8,512	8,811	9,120	9,441	9,773	10,116
Forecast for increase in Council Tax income (3% per annum)	+222	+230	+238	+247	+255	+264	+274	+283	+293	+303
Council Tax Income Forecast	7,636	7,904	8,182	8,470	8,767	9,075	9,394	9,724	10,066	10,419
Surplus / (Deficit) on Retained Business Rates	-1,037	0	0	0	0	0	0	0	0	0
Council Tax Surplus / (Deficit)	58	0	0	0	0	0	0	0	0	0
Assumed Collection Fund Income (Formula Grant + Council Tax)	8,905	10,468	10,723	11,061	10,902	11,085	11,278	11,638	12,011	12,396
Actual/Forecast Budget Shortfall (required use of working balance)	0	573	520	440	720	1,114	1,505	1,796	1,811	1,930
GENERAL FUND WORKING BALANCE PROJECTION: AFTER SERVICE COST REDUCTION										
Estimated Working Balance b/f	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	2,446	1,926	1,485	765	-349	-1,854	-3,650	-5,460	-7,390