

## 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
	Budget	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000
<b>NET SPEND B/F FROM PREVIOUS YEAR</b>	<b>8,290</b>	<b>8,905</b>	<b>10,269</b>	<b>11,476</b>	<b>12,235</b>
add back: Use of New Homes Bonus in Previous Year	0	225	0	0	0
add back: Interest on Balances as credited to the revenue account in previous year	720	1,125	1,000	875	750
add back: Use of Reserves/Provisions in Previous Year	2,383	2,202	129	0	0
<b>Net Expenditure on Services before changes (Base Budget excluding use of interest on balances and use of working balance)</b>	<b>11,394</b>	<b>12,457</b>	<b>11,398</b>	<b>12,351</b>	<b>12,985</b>
<b>Allowance for Pay and Price Inflation</b>					
General Inflation - price base	+500	+210	+214	+218	+223
General Inflation - pay base	+982	+489	+499	+509	+519
<b>Prices Increases net of Increased Fees &amp; Charges</b>	<b>+1,482</b>	<b>+699</b>	<b>+713</b>	<b>+728</b>	<b>+742</b>
<b>Increases in costs / Reductions in income</b>					
Pension Fund Valuation 2022	-57	-61			
Provision for members allowances	+94				
Net change in national insurance contributions	+0	+149			
Increase in debt repayments	+26	+27	+27	+28	+29
Local elections	-80			+100	-100
Provision for increased IT revenue costs	+209	-55	+10		
Provision for increased cost of living	+0	+100	+100		
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
Other	-170				
<b>Increases in costs / Reductions in income</b>	<b>+393</b>	<b>-567</b>	<b>+110</b>	<b>+100</b>	<b>-100</b>
<b>Changes to External Funding</b>					
2023/24 & 2024/25 Surrey Business Rates Pool	+0	+150			
Extended Employer Responsibility Funding	+0	-671	+500	+500	+500
<b>Changes to External Funding</b>	<b>+0</b>	<b>-521</b>	<b>+836</b>	<b>+500</b>	<b>+500</b>
<b>New Homes Bonus</b>					
Estimated New Homes Bonus	-498	+0	+0	+0	+0
Transfer to Corporate Project Reserve	+273	+0	+0	+0	+0
<b>NHB Funding used to support General Fund services</b>	<b>-225</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>
<b>Cost Reduction Plan</b>					
Efficiency/Cost Reduction Plan	-356	-123	-450	-430	
Utility efficiency savings		-64			
<b>Cost Reduction Plan</b>	<b>-356</b>	<b>-187</b>	<b>-450</b>	<b>-430</b>	<b>+0</b>
<b>Contributions from Reserves/Provisions</b>					
Funding from Collection Fund Equalisation Reserve	-974	-129			
Contribution from Property Income Equalisation Reserve	-700				
Funding from Corporate Projects Reserve	-528				
	<b>-2,202</b>	<b>-129</b>	<b>+0</b>	<b>+0</b>	<b>+0</b>
<b>Fees and Charges</b>					
Increased yield on discretionary Fees and Charges	-456	-423	-256	-264	-272
Additional income from other sources		-60			
	<b>-456</b>	<b>-483</b>	<b>-256</b>	<b>-264</b>	<b>-272</b>
<b>Interest on Balances (excludes interest credited to strategic reserves)</b>					
Cash Investments (average)	25,000	25,000	25,000	25,000	25,000
Assumed return	4.50%	4.00%	3.50%	3.00%	3.00%
Total Interest Forecast	-1,125	-1,000	-875	-750	-750
<b>Interest credited to General Fund to Finance Services</b>	<b>-1,125</b>	<b>-1,000</b>	<b>-875</b>	<b>-750</b>	<b>-750</b>

FOUR YEAR BUDGET PROFILES	MTFS				FORECAST
	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>
	Budget	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000
<b>SUMMARY OF FORECASTS</b>					
Net Expenditure on Services before changes (Base Budget excluding use of interest on balances and use of working balance)	11,394	12,457	11,398	12,351	12,985
Price Increases (inflation)	+1,482	+699	713	+728	+742
Increases in costs / Reductions in income	+393	-717	110	+100	-100
Changes to External Funding	+0	+150	500	+500	+500
Increased cost of NI - not offset by grant funding	+0	+149	0	+0	+0
EPR grant funding	+0	-671	336	+0	+0
NHB Funding used to support General Fund services	-225	+0	0	+0	+0
Cost Reduction Plan	-356	-187	-450	-430	+0
Contributions from Reserves/Provisions	-2,202	-129	0	+0	+0
Fees and Charges	-456	-483	-256	-264	-272
Interest credited to General Fund to Finance Services	-1,125	-1,000	-875	-750	-750
<b>Forecast Net Cost of Services</b>	<b>8,905</b>	<b>10,269</b>	<b>11,476</b>	<b>12,235</b>	<b>13,105</b>
Projected Outturn variance					
<b>Revised Net cost of Services</b>	<b>8,905</b>	<b>10,269</b>	<b>11,476</b>	<b>12,235</b>	<b>13,105</b>
<b>SETTLEMENT ASSESSMENT FUNDING FORECAST</b>					
RSG	+56	+72	+74	+76	+77
Lower Tier Services Grant	+0	+0	+0	+0	+0
Retained Business Rates	1,749	1,804	1,840	1,877	1,914
Business Rate Multiplier Underindexation Grant	292	305	306	312	318
Services Grant	10	0	0	0	0
CSP Minimum Guaranteed Funding	141	338	12	0	0
<b>Formula Grant / Business Rate Retention</b>	<b>2,248</b>	<b>2,519</b>	<b>2,232</b>	<b>2,265</b>	<b>2,310</b>
Base Income from Council Tax	7,361	7,636	7,889	8,166	8,453
Increase in council tax base (0.5% per annum from 2025/26)	+53	+20	+39	+41	+42
	<b>7,414</b>	<b>7,656</b>	<b>7,928</b>	<b>8,207</b>	<b>8,495</b>
Forecast for increase in Council Tax income (3% per annum)	+222	+228	+238	+246	+255
<b>Council Tax Income Forecast</b>	<b>7,636</b>	<b>7,884</b>	<b>8,166</b>	<b>8,453</b>	<b>8,750</b>
Surplus / (Deficit) on Retained Business Rates	-1,037	-171	0	0	0
Council Tax Surplus / (Deficit )	58	38	0	0	0
<b>Assumed Collection Fund Income (Formula Grant + Council Tax)</b>	<b>8,905</b>	<b>10,269</b>	<b>10,398</b>	<b>10,718</b>	<b>11,060</b>
<b>Actual/Forecast Budget Shortfall (required use of working balance)</b>	<b>0</b>	<b>0</b>	<b>1,078</b>	<b>1,517</b>	<b>2,045</b>