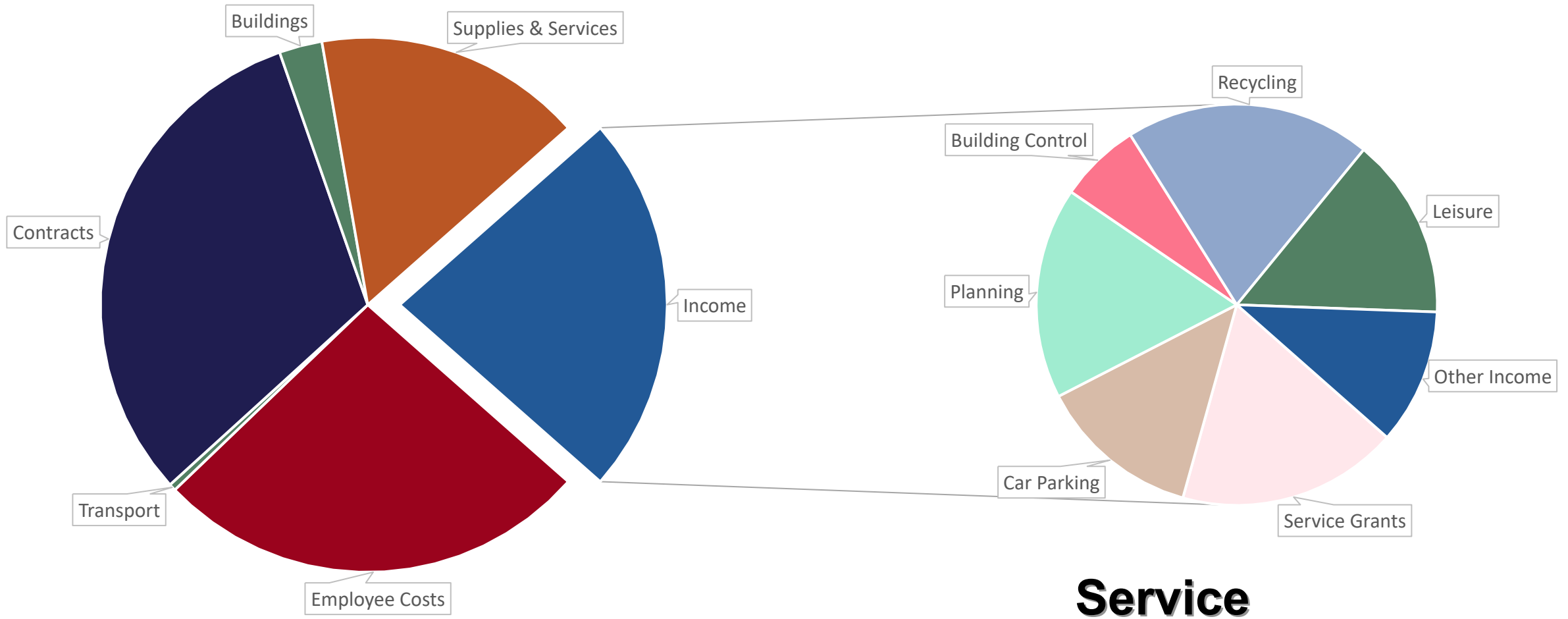
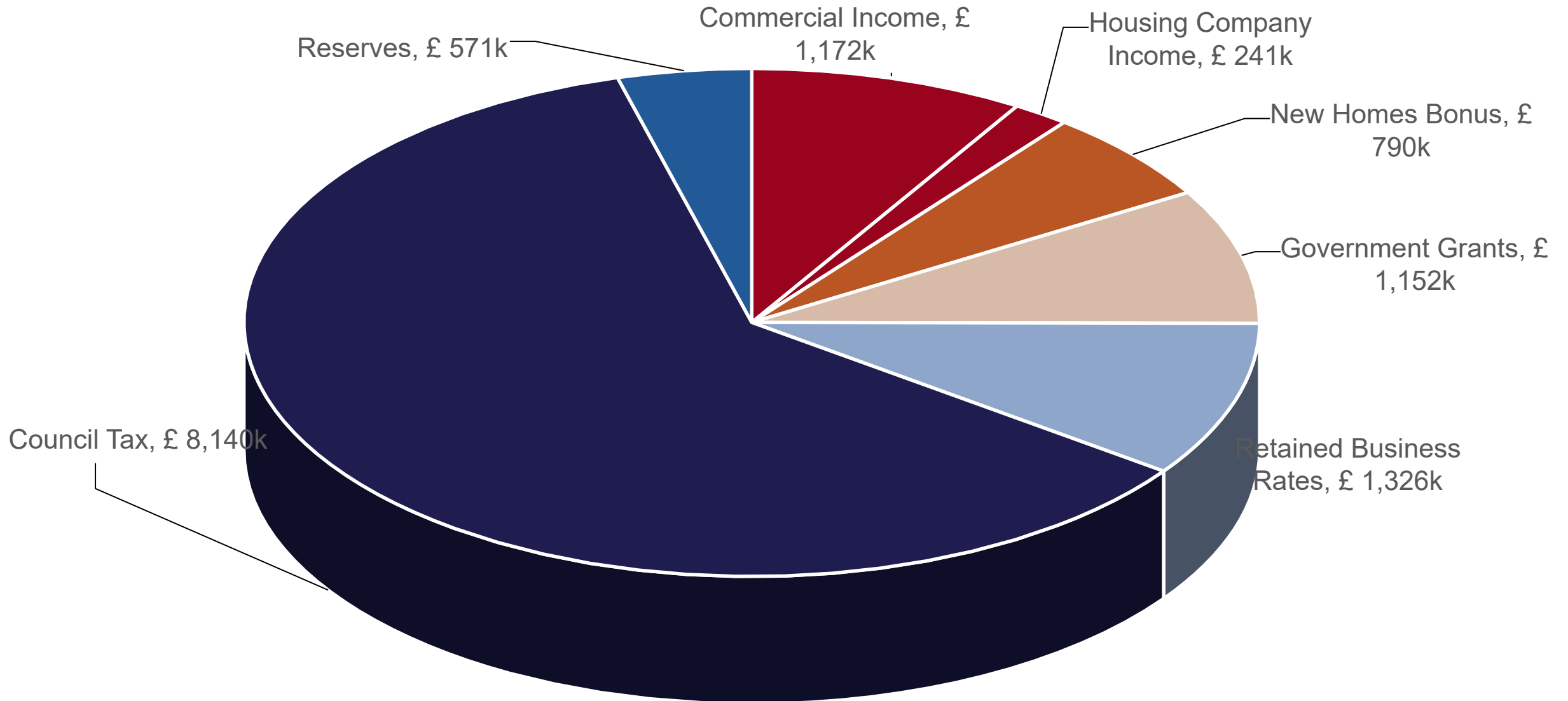


Net Expenditure 23/24 - £13.4m



Financing - £13.4m



Government funding 2023/24 £000

	2022/23	2023/24	Notes
Retained business rates	1,400	1,326	Budgeted at safety net amount
New Homes Bonus	1,603	790	2023/24 is one year only
Revenue Support Grant	0	69	Rolled up amounts of other grants detailed below
Lower Tier Grant	62	0	
Services Grant	95	54	Reduced due to cancellation of National Insurance increase one year only
One-off funding guarantee	0	1,029	New one-off grant to ensure that LAs get 3% increase in overall Spending Power
CTax Support admin	50	0	See above
CTax Family Annexe discount	19	0	See above
Total	3,229	3,268	

MTFS as at February 2023

Forecast change from previous year's budget () indicates favourable variance	2024/25	2025/26	2026/27
£000	Change from 23/24 draft budget	Change from 24/25 forecast	Change from 25/26 forecast
Cost/Savings			
Net inflation *	560	400	240
External audit fees	100		
Waste contract and IAA changes		?	?
Capita 5C contract	?	?	?
Tier 1 savings **		250	
Additional Tier 2 savings ***	(154)		
MRP	11	4	11
Funding			
Council tax growth in base	(70)	(50)	(30)
Retained business rates #		200	200
Other Government funding #		200	200
NHB #	100	100	100
Budget shortfall – before council tax increase	547	1,104	721
Council tax increase ****	(240)	(210)	(220)
Budget shortfall	307	894	501

Forecast 23/24 outturn headlines

Estimated variation from 23/24 approved budget	£000 Favourable (F) or Adverse (A)	Certainty level at this stage
Investment interest	572(F)	High
Recycling income	192(F)	Medium
Green waste subscription income	120(F)	Low
Pay costs	76(F)	Low
Planning fees	173(A)	Medium
Building control fees	52(A)	Medium
Other	164(F)	Low
Total	899(F)	

Budget 2024/25

- Assumptions
 - Inflation, interest rates, Government funding
- Service pressure
 - Homelessness
 - Recruitment and retention
- Additional costs and income loss
 - Planning and building control income
 - Management staff cost and salary benchmarking
- Additional income and cost savings
 - Planning charges
 - Civic centre rental income
 - Pensions and pay award
- Fees and charges – CPI increase unless special case
- Capital programme – bids and budget profiles

Risks and Opportunities

- Waste – HCC's IAA, contract renewal and Environment Act
- Government funding – no short or long term certainty
- Land charges – income transfer to government
- Contracts – opportunities and risks
- Ability to deliver further efficiencies and cost savings without reducing services

MTFS revised forecast

Forecast change from previous year's budget () indicates favourable variance	2024/25	2025/26	2026/27	2027/28
£000	Change from 23/24 budget	Change from 24/25 forecast	Change from 25/26 forecast	Change from 26/27 forecast
Cost/Savings				
Net inflation	824	496	434	397
External audit fees	100			
Waste contract and IAA changes		100	200	200
Capita 5C contract	-	(50)	(100)	-
Tier 1 savings	100	100		
Additional Tier 2 savings approved Feb 2022	(154)			
Treasury interest	(300)			
Other budget savings/adjustments	(250)			
Funding				
Council tax growth in base	(77)	(50)	(30)	(30)
Retained business rates		200	200	200
Other Government funding		200	200	200
NHB		100	100	100
Budget shortfall – before council tax increase	243	1,096	1,004	1,067
Council tax increase	(243)	(210)	(220)	(220)
Budget shortfall	0	886	784	847

MTFS Assumptions

-Inflation

	24/25	25/26	26/27	27/28
Pay	3%	2%	2%	2%
Contracts	7%	4%	3%	3%
Other	5%	3%	3%	2%

-Council tax increase of 1% = £81k. 2.99% will be allowable in 24/25, uncertain beyond that but assumed revert to £5 per Band D

-No certainty provided regarding future years' grant and NHB beyond 2023/24 – assumed reductions apply from 25/26

-Assumed waste budget impact as per HCC's proposals and higher base cost from Sept 2026

-Interest rate reduces and stabilises from 25/26

Addressing budget gaps in future years

- Smooth impact with reserves
- Efficiency reviews – use reserves to meet project costs
- Income – new and increased
- Capita exit
- Vacancy target and control
- No-inflation on non-contract/staff budgets
- Property – new and rent reviews
- Treasury interest from broadening policy further