

MEDIUM TERM FINANCIAL STRATEGY TABLES

Core Planning Assumptions

The table below sets out the core planning assumptions included in the MTFS projections:-

	2023/24	2024/25	2025/26	2026/27	2027/28
Pay inflation and pay related matters:					
- Provision for pay award	3.50%	3.00%	2.50%	2.50%	2.50%
- Employers pension contribution rate change	0.00%	0.00%	0.00%	0.00%	0.00%
General inflation:					
- Inflation on social care third party payments	2.00%*	3.50%	3.00%	2.50%	2.50%
- Inflation on non pay expenditure	0.75% - 2.00%*	1.00% - 3.00%	1.00% - 3.00%	1.00% - 3.00%	1.00% - 3.00%
- Inflation on waste PFI	2.00%*	3.50%	3.50%	3.50%	3.50%
- Inflation on income	3.00%	3.50%	3.00%	3.00%	3.00%
- Inflation on parking income	3.00%	3.50%	3.00%	3.00%	3.00%
- Inflation on penalty charge notices	0.00%	0.00%	0.00%	0.00%	0.00%
Resources:					
Change to Revenue Support Grant (RSG)	2.00%	5.40%	1.00%	0.00%	0.00%
Business rates poundage inflation uplift	10.00%	5.40%	1.00%	0.00%	0.00%
Assumed council tax threshold increase	2.99%	2.99%	1.99%	1.99%	1.99%
Adult Social Care Precept	2.00%	2.00%	0.00%	0.00%	0.00%
Council Tax Base	0.79%	0.90%	0.60%	0.75%	0.75%

*Inflation costs above these assumptions are included in the revised estimates for service pressures

Summary of MTFS projections

The table below sets out the savings /budget gap taking into account the anticipated expenditure over the MTFS period and the funding resources available: -

Medium Term Financial Strategy 2024 to 2028	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m
Net Budget Requirement B/Fwd	232.385	262.181	268.279	274.003
Remove net one off short term funding and expenditure	2.631	0.000	0.000	0.000
Net Budget Requirement B/Fwd	235.016	262.181	268.279	274.003
Standard Pay and Inflation – Expenditure	14.006	12.580	11.783	12.015
Standard Inflation - Income	(3.622)	(3.546)	(3.648)	(3.754)
Demographic and inflationary pressures in Adult Social Care and Adult Learning Disabilities	12.272	7.000	5.500	5.500
Demographic and inflationary pressures for Children’s disability, CiC, and Care Leavers	3.645	2.000	1.750	1.750
Temporary Accommodation and Rough Sleepers - cost and demand pressures	2.050	0.000	0.000	0.000
PFI contract inflation (Waste and Schools PFI)	1.093	0.300	0.300	0.300
General Fund energy contract inflation	0.500	0.000	0.000	0.000
Home to School Transport - cost and demand pressures	0.927	0.000	0.000	0.000
Housing Benefit Subsidy shortfall	0.700	0.000	0.000	0.000
Income and Commercial Rent pressures (due to falling demand)	2.020	0.000	0.000	0.000
All other pressures across council services	2.799	3.750	3.500	3.500
Assumed additional government funding	(2.500)	0.000	0.000	0.000
Commitment - Increase in Social Care Grant and Better Care Fund	(5.390)	0.000	0.000	0.000
Commitment - Reduction/loss of Services Grant/New Homes Bonus	0.669	0.079	0.000	0.000
Commitment -Change in S31 Grants	11.458	(0.252)	(0.108)	(0.108)
Commitment - Pay award 2023/24 above 3.75%	3.809	0.000	0.000	0.000
Commitment - Change in contributions to/from reserves	2.454	(0.274)	(0.876)	(1.125)
Commitments - impact of previous decisions	5.581	4.221	1.864	1.714
Budget Gap (Savings Requirement)	(25.306)	(19.775)	(14.348)	(13.907)
Budget Requirement C/Fwd	262.181	268.279	274.003	279.898

Funded by:				
Revenue Support Grant	8.355	8.439	8.439	8.439
Locally retained Business Rates	70.245	71.470	71.996	72.526
Collection Fund position	0.000	0.000	0.000	0.000
Council Tax including Adult Social Care Precept	183.581	188.370	193.568	198.933
Total Funding	262.181	268.279	274.003	279.898

