

**MEDIUM TERM FINANCIAL STRATEGY TABLES**

**Core Planning Assumptions**

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

	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Pay inflation and pay related matters:</b>					
- Provision for pay award	3.00%	2.75%	2.50%	2.50%	2.50%
- Employers pension contribution rate change	0.00%	0.00%	0.00%	0.00%	0.00%
<b>General inflation:</b>					
- Inflation on social care third party payments	3.50%	3.00%	2.50%	2.50%	2.50%
- Inflation on non-pay expenditure	1.00% - 3.00%	1.00% - 3.00%	1.00% - 3.00%	1.00% - 3.00%	1.00% - 3.00%
- Inflation on waste PFI	3.50%	3.50%	3.50%	3.50%	3.50%
- Inflation on income	3.50%	3.00%	3.00%	3.00%	2.50%
- Inflation on parking income	3.50%	3.00%	3.00%	3.00%	2.50%
- Inflation on penalty charge notices	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Resources:</b>					
Change to Revenue Support Grant (RSG)	6.70%	1.64%	1.63%	1.64%	2.00%
Business rates poundage inflation uplift	6.70%	1.64%	1.63%	1.64%	2.00%
Assumed council tax threshold increase	2.99%	2.99%	2.99%	2.99%	2.99%
Adult Social Care Precept	2.00%	0.00%*	0.00%	0.00%	0.00%
Council Tax Base	0.90%	1.50%**	0.75%	0.75%	0.50%

\*The assumption for additional funding for Adult social Care is the equivalent to a 2% precept in 2025/26, currently assumed to be in the form of additional grant.

\*\*Includes the introduction of Second Homes Premium which is equivalent to a 0.9% increase in the tax base

## 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 2025 to 2029	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m
<b>Net Budget Requirement B/Fwd</b>	<b>246.355</b>	<b>269.489</b>	<b>278.339</b>	<b>287.503</b>
Remove net one off short term funding and expenditure	0.000	0.000	0.000	0.000
<b>Net Budget Requirement B/Fwd</b>	<b>246.355</b>	<b>269.489</b>	<b>278.339</b>	<b>287.503</b>
Standard Pay and Inflation – Expenditure	13.093	12.161	12.450	12.811
Standard Inflation - Income	(3.283)	(3.613)	(3.718)	(3.260)
Demographic and inflationary pressures in Adult Social Care including Adult Learning Disabilities	9.193	13.863	14.666	15.019
Demographic and inflationary pressures for Children’s disability, Children in Care, and Care Leavers	3.732	3.444	3.337	3.249
Temporary Accommodation and Rough Sleepers - cost and demand pressures	2.340	0.193	0.198	0.204
Home to School Transport - cost and demand pressures	0.513	0.133	0.138	0.143
Schools PFI contract commitments	0.180	0.561	0.596	0.000
Dedicated Schools Grant (DSG) - High Needs Block - review of usage	3.044	0.000	0.000	0.000
Income Pressures – falling demand	3.026	0.000	0.000	0.000
Increased cost of public realm maintenance and food waste pilot	2.000	0.000	0.000	0.000
Concessionary Bus Fares - increased burden due to change in calculation	1.000	0.000	0.000	0.000
All other pressures across council services	6.905	4.383	4.385	3.590
Mainstream Digital and Transformation Support Functions	2.000	0.000	0.000	0.000
Commitment - Reduction/loss of Services Grant/New Homes Bonus	0.133	0.160	0.000	0.000
Commitment - Change in S31 Grants	10.149	(0.400)	(0.411)	(0.486)
Commitment - Change in contributions to/from reserves	0.320	0.000	(1.125)	0.000
Commitment - Change in financing Costs	4.223	1.033	(0.195)	0.953
Commitment - Pay award 2024/25 above 3% inflation assumption	1.300	0.000	0.000	0.000
Commitment - impact of previous decisions, grant changes and assumptions	(0.004)	0.860	0.350	0.242
Budget Gap (Savings Requirement)	(36.730)	(23.982)	(21.543)	(23.247)
<b>Budget Requirement C/Fwd</b>	<b>269.489</b>	<b>278.339</b>	<b>287.503</b>	<b>296.721</b>

<b>Funded by:</b>				
Revenue Support Grant	8.592	8.732	8.875	9.051
Locally retained Business Rates	67.477	68.911	70.382	72.126
Collection Fund position	0.000	0.000	0.000	0.000
Council Tax including Adult Social Care Precept	193.420	200.696	208.246	215.544
<b>Total Funding</b>	<b>269.489</b>	<b>278.339</b>	<b>287.503</b>	<b>296.721</b>

