

## FINANCIAL STRATEGY

| Line No.  | Example B2 - Council Tax is frozen every year from 16/17 onwards<br>Modelling for the financial years 2016/17 onwards | Base<br>2015/16<br>£ | Yr1<br>2016/17<br>£ | Yr2<br>2017/18<br>£ | Yr3<br>2018/19<br>£ | Yr4<br>2019/20<br>£ | Yr5<br>2020/21<br>£ |
|-----------|---|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 1         | Base budget brought forward (line 4/line11)   | 7,798,625            | 7,262,325           | 7,177,525           | 7,330,999           | 7,256,677           | 7,418,355           |
| 2         | Budget pressures (as per Appendix A)  | 484,400              | 670,200             | 360,000             | 340,000             | 340,000             | 340,000             |
| 3         | Savings already identified (as per Appendix A)<br>Further Savings Identified  | (1,020,700)          | (755,000)           | (40,000)            | (55,000)            | (30,000)            | (15,000)            |
| <b>4</b>  | <b>Projected Net Expenditure:</b>   | <b>7,262,325</b>     | <b>7,177,525</b>    | <b>7,497,525</b>    | <b>7,615,999</b>    | <b>7,566,677</b>    | <b>7,743,355</b>    |
| 5         | <b>Council Tax income</b> - Assumes Council Tax is frozen in 2016/17 and thereafter (Taxbase 15/16 = 19,457)          | 4,054,644            | 4,096,322           | 4,138,000           | 4,179,678           | 4,221,356           | 4,263,034           |
| 6         | Council Tax Freeze modelled for 16/17 onwards - (assumed built into the baseline thereafter)                          |                      | 42,000              | 84,000              | 126,000             | 168,000             | 210,000             |
| 7         | Collection Fund Surplus   | 60,589               | 280,000             | 80,000              | 80,000              | 80,000              | 80,000              |
| 8         | Revenue Support Grant   | 1,215,323            | 892,000             | 621,000             | 371,000             | 311,000             | 0                   |
| 9         | Localised Business Rates  | 1,579,000            | 1,591,000           | 1,635,000           | 1,687,000           | 1,740,000           | 1,795,000           |
| 10        | Funding from New Homes Bonus  | 1,224,769            | 1,000,000           | 1,000,000           | 1,000,000           | 1,000,000           | 1,000,000           |
| 11        | Less: Contribution to Strategic Change Earmarked Reserve (T18)  | -872,000             | -192,000            | -227,000            | -187,000            | -102,000            | 0                   |
| <b>12</b> | <b>Total Projected Income</b>   | <b>7,262,325</b>     | <b>7,709,322</b>    | <b>7,331,000</b>    | <b>7,256,678</b>    | <b>7,418,356</b>    | <b>7,348,034</b>    |
|           | <b>Budget (surplus)/gap per year</b>  |                      |                     |                     |                     |                     |                     |
| <b>13</b> | <b>(Projected Expenditure line 4 - Projected Income line 12)</b>  | <b>0</b>             | <b>-531,797</b>     | <b>166,525</b>      | <b>359,321</b>      | <b>148,321</b>      | <b>395,321</b>      |

|  |   |          |          |        |         |         |
|--|---|----------|----------|--------|---------|---------|
| Cumulative Budget (Surplus)/Budget Gap - There is a budget surplus in 2016/17 and budget gaps in the years thereafter. | 0 | -531,797 | -365,272 | -5,951 | 142,370 | 537,691 |
|--|---|----------|----------|--------|---------|---------|

An assumption of an additional 200 Band D equivalent properties per year has been included in the TaxBase and modelling above for 16/17 onwards

**Memorandum Note - NHB remaining to fund the Revenue Budget, after funding the Capital Programme**

|  |           |           |           |         |           |           |
|--|-----------|-----------|-----------|---------|-----------|-----------|
| This line shows the amount of New Homes Bonus (NHB) available to fund the Revenue Budget, after the funding for the Capital Programme has been deducted. | 1,090,682 | 1,337,449 | 1,265,209 | 948,267 | 1,066,692 | 1,095,375 |
|--|-----------|-----------|-----------|---------|-----------|-----------|