

Modelling a 2.5% Increase in Council Tax for 2012-13					
	Base 2011/12 £	Yr1 2012/13 £	Yr2 2013/14 £	Yr3 2014/15 £	Yr4 2015/16 £
1 Base budget brought forward (line 6)	7,788,503	7,788,503	7,529,105	7,288,688	7,127,912
2 Budget pressures (as per Appendix A)		197,500	187,000	186,000	187,000
3 Discretionary Bids (as per Appendix A)		12,500			
4 Savings and Income generation already identified (as per Appendix A)		469,398	30,000	30,000	30,000
5 Projected Net Expenditure:	7,788,503	7,529,105	7,686,105	7,444,688	7,284,912
Government Formula Grant (7% reduction in grant modelled for 2013/14 onwards)	3,429,597	3,074,762	2,859,529	2,659,362	2,473,206
Council Tax income (assumes a 2.5% increase for 2012-13 and a Nil annual increase thereafter for modelling purposes only, and a 200 Band D Equivalent increase in taxbase in future years)	4,006,481	4,139,769	4,179,159	4,218,549	4,257,939
Council Tax Freeze Grant for freezing council tax in 2011/2012 - included within the Formula Grant from 2012/13 onwards	100,162	0	0	0	0
Collection Fund surplus	52,263	114,574	50,000	50,000	50,000
Funding from Earmarked Reserves	50,000				
Funding from New Homes Bonus (see 7.2)	150,000	200,000	200,000	200,000	200,000
6 Total Projected Income	7,788,503	7,529,105	7,288,688	7,127,912	6,981,145
7 Budget gap per year (line 5 - line 6)	0	0	397,417	316,776	303,767

Note - Figures shown in 2013/14, 2014/15 and 2015/16 are estimates

Sensitivity Analysis

Changes in spending decisions have the following percentage change on council tax.

1.00%	£40,389
1.50%	£60,584
2.00%	£80,778
2.50%	£100,973
3.00%	£121,167
3.50%	£141,362
4.00%	£161,556
5.00%	£201,945

Note. Any approved increase in Council Tax for 2013-14 onwards would reduce the budget gap shown by the amount shown in the sensitivity analysis above eg a 2.5% increase would reduce the budget gap by £100,973