

Line <b>Appendix B - Council Tax is increased by the higher of £5 or 2.99% each year</b>		BASE	Yr1	Yr 2	Yr 3	Yr4	Yr 5
No. Modelling for the financial years 2018/19 onwards		2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
1	Base budget brought forward	8,751,722	8,346,074	8,983,194	8,329,529	8,520,104	8,746,331
2	Budget pressures (as per Appendix A)	1,215,000	895,700	712,500	410,000	335,000	335,000
3	Savings already identified (as per Appendix A)	(877,800)	(689,350)	(268,250)	(237,250)	(32,250)	(61,250)
4	Changes in contributions to Earmarked Reserves (App A)	362,000	143,497	(458,916)	(60,000)	(13,000)	66,000
5	Reversal of one-off contribution made to the Budget Surplus Contingency Reserve in the 2016/17 Budget - This is reversed in 2017/18 as the contribution was only a one-off contribution and not an annual contribution.	(767,995)					
6	<b>Reverse Use of Reserves to close 2017/18 Budget gap</b>						
6	Transfer from Budget Surplus Contingency Earmarked Reserve	(287,273)	287,273				
7	Transfer from New Homes Bonus Earmarked Reserve	(49,581)					
8	<b>Projected Net Expenditure:</b>	<b>8,346,074</b>	<b>8,983,194</b>	<b>8,968,528</b>	<b>8,442,279</b>	<b>8,809,854</b>	<b>9,086,081</b>
<b>Funded By:-</b>							
(See Note 1 below regarding New Homes Bonus funding)							
9	<b>Council Tax income</b> - Modelling a £5 increase in 2018/19	5,809,541	6,072,207	6,335,905	6,604,104	6,880,331	7,167,086
10	Collection Fund Surplus	143,000	73,000	70,000	70,000	70,000	70,000
11	Revenue Support Grant (RSG - Nil from 2018/19 onwards)	245,393	0	0	0	0	0
12	Localised Business Rates (baseline funding level - includes Rural Services Delivery Grant of £408,055 in 2018/19 due to Pilot status)	1,764,799	2,262,987	1,896,073	1,946,000	1,996,000	2,046,000
13	Tariff/Top Up Adjustment amount (negative RSG)			(399,900)	(400,000)	(500,000)	(500,000)
14	Business Rates Pilot Gain plus estimated growth for 2018/19		575,000				
15	Business Rates - estimated growth			100,000	100,000	100,000	100,000
16	Rural Services Delivery Grant	327,451	0	327,451	200,000	200,000	200,000
17	Transition Grant	55,890	0	0	0	0	0
18	<b>Total Projected Funding Sources</b>	<b>8,346,074</b>	<b>8,983,194</b>	<b>8,329,529</b>	<b>8,520,104</b>	<b>8,746,331</b>	<b>9,083,086</b>
<b>Budget Gap per year</b>							
19	(Projected Expenditure line 8 - Projected Funding line 18)	<b>0</b>	<b>0</b>	<b>638,998</b>	<b>-77,825</b>	<b>63,523</b>	<b>2,994</b>
<b>Actual Predicted Cumulative Budget Gap</b>		<b>0</b>	<b>0</b>	<b>638,998</b>	<b>561,175</b>	<b>624,698</b>	<b>627,691</b>

**Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)**

**0      638,998      1,200,173      1,824,871      2,452,562**

Modelling Assumptions:	An assumption of an additional 450 Band D equivalent properties per year has been included in the Tax Base and modelling above for 2018/19 onwards					
Council Tax (Band D) (Modelling the higher of £5 or a 2.99% increase)	155.42	160.42	165.42	170.42	175.51	180.75
Council Tax Base	37,379.62	37,851.93	38,301.93	38,751.93	39,201.93	39,651.93

#### Note 2 - New Homes Bonus Funding

The modelling for 2018/19 includes a contribution of £641,084 from New Homes Bonus funding to fund the Base Budget. This is shown in Appendix C and Appendix A shows the movement between years of the funding from New Homes Bonus. Funding from NHB has increased from £549,581 in 17/18 to £641,084 in 18/19 - an increase of £91,503.