

| Line     | <b>Appendix B - Council Tax is increased by the higher of £5 or 2.99% each year</b>   | BASE             | Yr 1             | Yr 2             | Yr 3             | Yr 4             | Yr 5             |
|----------|---|------------------|------------------|------------------|------------------|------------------|------------------|
| No.      | Modelling for the financial years 2019/20 onwards   | 2018/19          | 2019/20          | 2020/21          | 2021/22          | 2022/23          | 2023/24          |
|          |   | £                | £                | £                | £                | £                | £                |
| 1        | Base budget brought forward   | 8,346,074        | 8,983,194        | 8,771,429        | 8,520,104        | 8,746,331        | 9,083,086        |
| 2        | Budget pressures (as per Appendix A)  | 895,700          | 1,042,500        | 860,000          | 385,000          | 335,000          | 335,000          |
| 3        | Savings already identified (as per Appendix A)  | (689,350)        | (157,000)        | (286,000)        | (145,000)        | (76,000)         | 0                |
| 4        | Changes in contributions to Earmarked Reserves (App A)  | 143,497          | (458,916)        | 40,000           | 137,000          | 166,000          | 100,000          |
|          | <b>Reverse Use of Reserves to close 2017/18 Budget gap</b>  |                  |                  |                  |                  |                  |                  |
| 5        | Transfer from Budget Surplus Contingency Earmarked Reserve  | 287,273          |                  |                  |                  |                  |                  |
| <b>6</b> | <b>Projected Net Expenditure:</b>   | <b>8,983,194</b> | <b>9,409,778</b> | <b>9,385,429</b> | <b>8,897,104</b> | <b>9,171,331</b> | <b>9,518,086</b> |
|          | <b>Funded By:-</b>  |                  |                  |                  |                  |                  |                  |
|          | (See Note 1 below regarding New Homes Bonus funding)  |                  |                  |                  |                  |                  |                  |
| 7        | <b>Council Tax income</b> - Modelling a £5 increase in 2019/20  | 6,072,207        | 6,335,905        | 6,604,104        | 6,880,331        | 7,167,086        | 7,464,974        |
| 8        | Collection Fund Surplus   | 73,000           | 112,000          | 70,000           | 70,000           | 70,000           | 70,000           |
| 9        | Revenue Support Grant (RSG - Nil from 2018/19 onwards)  | 0                | 0                | 0                | 0                | 0                | 0                |
| 10       | Localised Business Rates (baseline funding level - includes Rural Services Delivery Grant of £408,055 in 2018/19 due to Pilot status) | 2,262,987        | 1,896,073        | 1,946,000        | 1,996,000        | 2,046,000        | 2,096,000        |
| 11       | Tariff/Top Up Adjustment amount (negative RSG)  |                  |                  | (400,000)        | (500,000)        | (500,000)        | (500,000)        |
| 12       | Business Rates Pilot Gain plus estimated growth for 2018/19   | 575,000          |                  |                  |                  |                  |                  |
| 13       | Business Rates - estimated growth   |                  | 100,000          |                  |                  |                  |                  |
| 14       | Rural Services Delivery Grant   | 0                | 327,451          | 300,000          | 300,000          | 300,000          | 300,000          |
| 15       | <b>Total Projected Funding Sources</b>  | <b>8,983,194</b> | <b>8,771,429</b> | <b>8,520,104</b> | <b>8,746,331</b> | <b>9,083,086</b> | <b>9,430,974</b> |
|          | <b>Budget Gap per year</b>  |                  |                  |                  |                  |                  |                  |
| 16       | (Projected Expenditure line 6 - Projected Funding line 15)  | 0                | 638,348          | 865,325          | 150,773          | 88,244           | 87,112           |
|          | <b>Actual Predicted Cumulative Budget Gap</b>   | 0                | 638,348          | 1,503,674        | 1,654,447        | 1,742,691        | 1,829,803        |
|          | <b>Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)</b>                         | 0                | 638,348          | 2,142,022        | 3,796,469        | 5,539,160        | 7,368,963        |

| Modelling Assumptions:  | <i>An assumption of an additional 450 Band D equivalent properties per year has been included in the Tax Base and modelling above for 2019/20 onwards</i> |           |           |           |           |           |
|---|---|-----------|-----------|-----------|-----------|-----------|
| Council Tax (Band D) (Modelling the higher of £5 or a 2.99% increase) | 160.42  | 165.42    | 170.42    | 175.51    | 180.75    | 186.15    |
| Council Tax Base  | 37,851.93   | 38,301.93 | 38,751.93 | 39,201.93 | 39,651.93 | 40,101.93 |

**Note 2 - New Homes Bonus Funding**

The modelling for 2019/20 includes a contribution of £500,000 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 decreased from £641,084 in 18/19 to £500,000 in 19/20 - a decrease of £141,084.