

Line	Appendix B - Assumes Council Tax is increased by £5 each year	BASE	Yr 1	Yr 2	Yr 3
No.	Modelling for the financial years 2023/24 onwards	2022/23 £	2023/24 £	2024/25 £	2025/26 £
1	Base budget brought forward	9,676,767	10,464,367	11,738,067	11,488,505
2	Budget pressures (as per Appendix A)	1,044,600	4,107,700	990,000	970,000
3	Savings already identified (as per Appendix A)	(404,000)	(2,422,000)	(970,000)	(200,000)
4	Changes in contributions to Earmarked Reserves (App A)	147,000	(412,000)	30,000	0
5	Projected Net Expenditure:	10,464,367	11,738,067	11,788,067	12,258,505
	Funded By:- (See Note 1 below regarding New Homes Bonus funding)				
6	Council Tax income - Modelling a £5 increase in 2023/24 onwards	7,061,585	7,407,344	7,702,299	8,002,254
7	Collection Fund Surplus	181,000	332,000	200,000	200,000
8	Localised Business Rates (estimate of business rates resources received in the year)	2,274,139	2,447,681	2,450,000	2,500,000
9	Negative Revenue Support Grant (RSG) Adjustment - Change to Baseline Need from 25/26 onwards	0	0	0	(450,000)
10	Revenue Support Grant	0	138,000	146,000	146,000
11	Business Rates Pooling Gain	300,000	300,000	0	0
12	Rural Services Delivery Grant	428,206	428,206	428,206	428,206
13	Funding from Funding Guarantee (3% increase in Core Spending Power) - this is a new grant for 23/24 onwards. Assume discontinued when the Fair Funding Review is implemented in 25-26.	0	747,929	700,000	0
14	Less grants rolled into the Funding Guarantee amount	0	(138,000)	(138,000)	0
15	Transitional funding - assume the introduction of the business rates baseline reset and the Fair Funding Review will translate into some transitional funding being available to Councils				800,000
16	Lower Tier Services Grant	86,501	0	0	0
17	Services Grant	132,936	74,907	0	0
18	Total Projected Funding Sources	10,464,367	11,738,067	11,488,505	11,626,460
	Budget Gap per year				
19	(Projected Expenditure line 5 - Projected Funding line 18)	0	0	299,562	632,045
	Actual Predicted Cumulative Budget Gap	0	0	299,562	931,607
	Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)	0	0	299,562	1,231,169
	Modelling Assumptions:				
	Council Tax (Band D) (Modelling a £5 increase per year)	180.42	185.42	190.42	195.42
	Council Tax Base (Assumes an increase in Band D Equivalent properties of 500 per annum)	39,139.70	39,949.00	40,449.00	40,949.00

Note 1 - New Homes Bonus Funding

The modelling for 2023/24 onwards includes a contribution of £500,000 from New Homes Bonus to fund the Base Budget. Although the NHB scheme is due to be replaced after 2023/24, it is assumed that a successor scheme will be implemented that will also be based on housing growth.