

FINANCIAL STRATEGY

APPENDIX B2

Line No.	<b>Example B2 - Council Tax is frozen</b> Modelling for the financial years 2016/17 onwards	<b>Base 2015/16 £</b>	<b>Yr1 2016/17 £</b>	<b>Yr2 2017/18 £</b>	<b>Yr3 2018/19 £</b>	<b>Yr4 2019/20 £</b>	<b>Yr5 2020/21 £</b>
1	Base budget brought forward (line 4/line11)	9,027,727	8,839,401	8,205,825	7,740,511	7,682,342	7,875,075
2	Budget pressures (as per Appendix A)	2,513,000	1,725,000	480,000	640,000	640,000	575,000
3	Savings already identified (as per Appendix A)	(2,306,326)	(1,252,000)	(118,000)	(96,000)	(40,000)	(40,000)
4	Additional requirement from NHB in 15/16	(395,000)					
5	Reverse T18 contributions to reserves		(1,950,000)				
6	Reduce New Homes Bonus contribution from £969,126 to £500,000 for years 16/17 to 19/20 - further reduce to £450,000 in 20/21		469,126				50,000
7	Contribution to T18 Strategic Change Reserve		219,000	66,000	(75,000)	(75,000)	(75,000)
8	Reversal of budget surplus in the following year (assumes budget surpluses are only used to fund one-off investment in the year that they occur and that they do not permanently increase the base budget)			(155,298)			
<b>9</b>	<b>Projected Net Expenditure:</b>	<b>8,839,401</b>	<b>8,050,527</b>	<b>8,478,527</b>	<b>8,209,511</b>	<b>8,207,342</b>	<b>8,385,075</b>
	<b>Funded By:-</b>						
10	<b>Council Tax income</b> - Modelling freezing council tax each year	5,323,372	5,381,120	5,439,288	5,497,456	5,555,624	5,613,792
11	Council Tax Freeze Grant	57,789	0	0	0	0	0
12	Collection Fund Surplus	100,000	210,000	80,000	80,000	80,000	80,000
13	Revenue Support Grant	1,406,240	749,451	245,393	0	0	0
14	Localised Business Rates	1,952,000	1,764,500	1,799,510	1,853,000	1,912,000	1,962,000
15	Rural Services Delivery Grant		100,754	176,320	251,886	327,451	350,000
<b>16</b>	<b>Total Projected Funding Sources</b>	<b>8,839,401</b>	<b>8,205,825</b>	<b>7,740,511</b>	<b>7,682,342</b>	<b>7,875,075</b>	<b>8,005,792</b>
	<b>Budget (surplus)/ gap per year</b>						
<b>17</b>	<b>(Projected Expenditure line 9 - Projected Funding line 16)</b>	<b>0</b>	<b>-155,298</b>	<b>738,016</b>	<b>527,169</b>	<b>332,267</b>	<b>379,283</b>

Cumulative Budget (Surplus)/Gap - There is a budget surplus in 2016/17 and budget gaps in the remaining years.	0	-155,298 (one-off)	738,016	1,265,185	1,597,452	1,976,735
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Modelling Assumptions:	An assumption of an additional 400 Band D equivalent properties per year has been included in the TaxBase and modelling above for 2016/17 onwards					
Council Tax (Band D)	145.42	145.42	145.42	145.42	145.42	145.42
Council TaxBase	36,606.88	37,003.99	37,403.99	37,803.99	38,203.99	38,603.99