

Medium Term Financial Strategy - 2021 to 2025				
Years	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000
Budget (Opening Balance)	13,639	13,639	13,642	14,109
Cost Pressures / savings:				
Salaries costs		255	265	275
Pensions costs - 2022 revaluation (3 years from 1st April 2023)			150	
Borrowing costs		419	52	202
Existing Leisure Centre maintenance budget		(115)		
Revenue subsidy from new Leisure Centre		(381)		
Reserves:				
Vacancy savings target				
Strategic contingency				
Vehicle replacements				
Improvement programme				
Savings Plans:				
Review of Fees and Charges		(175)		
Net Revenue Budget Requirement	13,639	13,642	14,109	14,586

Assumes 1% increase plus cost of annual increments
2019 revaluation resulted in a cost decrease of £176k. (2016 revaluation cost increase of circa £250k); assumptions factored in as part of this revaluation have taken into account future long-term forecasts. Prudently assumed future cost of £150k in case actual results differ from assumptions for 2022 triennial review.
Borrowing costs of £644k already in base - borrowing model forecast to 2024/25 (increase to £1.3m). <u>Note:</u> Without any further capital receipts this increases to £1.6m in 2025/26.
New 20-year Leisure Contract (full repair obligations). Removal of current maintenance budget from 2022-23 year.
New 20-year Leisure Contract (planned opening April 2022). First full year subsidy from 2022-23 year.
Budget 2020-21 had a target of £200k (currently reporting £388k being achieved). For 2021-22 have increased this target slightly to £225k which is prudent level for the medium term.
Base Budget 2019-20 had a contribution of £62k - reserve balance @ 31 March 2021 estimated to be £77k. Reserve balance is more than sufficient level for the medium term.
Base Budget 2021-22 has a contribution of £250k which is planned for fleet replacement. Assumption this continues for period.
Base Budget 2021-22 has a contribution of £0k - reserve has sufficient balance @ 31 March 2021 estimated to be £43k.
Review of fees and charges (garden waste, commercial waste) has incorporated in 2021-22. Review of Car Parks moved back to 2022-23 to enable full review of charging structure by Car Parks Manager in light Covid-19 impact.

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Funding	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	
Government Settlement (SFA)					
Revenue Support Grant	16	0	0	0	Final year of RSG 2021-22.
Baseline Funding Level	2,991	3,600	3,700	3,770	Fair Funding Review now delayed by further 12 months and could be implemented for 2022-23 onwards; will significantly change the level of funding received. Baseline Funding will be reset following a review of relative needs and resources; with current growth to date reset and incorporated within overall Baseline Funding Level. (Current £1.5m is made up of; £0.9m growth; £0.35m renewable energy schemes; £0.25m pooling gain). LG Futures forecasting model assumed for 2022-23 year onwards (<i>albeit there will be transitional arrangements in place</i>).
Business Rates Retention - Growth / (decline)	1,509	0	0	0	
Other Funding:					
Rural Services Delivery Grant	326	330	330	340	Assuming RSDG continues into 2024-25
New Homes Bonus	1,354	435	0	0	Potential changes to scheme in 2022-23; details still to be released by MHCLG. Government intend to consult on future of the housing incentive in Spring and move towards new; targeted approach that rewards Councils where ambitious in delivering new homes and which aligned with other measures on planning performance. Current projections for 2022 are legacy payments from 2019-20 <u>only</u> (no new scheme figures included). Note: 2021-22 in year one off allocation was £540k.
Lower Tier Services Grant	139	0	0	0	One-off grant for 2021-22
Covid-19 Support Grant	537	0	0	0	One-off grant for 2021-22
Local:					
Council tax	6,651	6,823	6,995	7,167	£5 Band D increase for 2021-22; assuming £5 annual increase 2022-23 to 2024-25
Council tax - base	0	109	224	344	Council Tax Base reduced for 2021-22 by -172; (impact of LCTS and collection rate decrease). Ongoing assuming growth again based on 550 additional properties per year (2020-21 was 621) thus prudently assumed -10% lower for future years.
Collection fund surplus / (deficit)	116	75	75	75	Prior year CF surpluses (2019-20 £77k; 2020-21 £57k; 2021-22 £116k)
Total Funding	13,639	11,372	11,324	11,696	
Budget Gap / (Surplus)	0	2,270	2,785	2,890	