

Medium Term Financial Strategy - 2022 to 2028						
Years	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000
Budget (Opening Balance)	13,722	13,722	14,389	14,819	15,551	16,655
Cost Pressures / savings:						
Salaries costs		410	420	430	440	450
Pensions costs - 2022 revaluation (3 years from 1st April 2023)		150			200	
Borrowing costs (PWLB & Vehicle finance lease)		454	403	195	122	(55)
Revenue subsidy from new Leisure Centre		(48)				
Recycling service (savings sharing scheme)					269	
Reserves:						
Vacancy savings target						
Strategic contingency						
Economic development						
Collection Fund Reserve - Council Tax		106				
Improvement programme						
Transformation reserve						
Savings Plans / Additional Income:						
Review of Fees and Charges		(325)				
Additional Revenue - Future High Streets Programme			(246)			
Additional Revenue - Green Lanes		(80)	(147)	107	73	10
Net Revenue Budget Requirement	13,722	14,389	14,819	15,551	16,655	17,060

Assumes 2% increase plus cost of annual increments

2019 revaluation resulted in a cost decrease of £176k. (2016 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-£200k in case actual results differ from assumptions for 2022 & 2025 triennial reviews.

Refer to separate borrowing model analysis for external borrowing (PWLB). Forecast figures included within MTFs include finance lease movements in future years that previously were included within the external borrowing MRP repayments.

New 20-year Leisure Contract (planned opening May 2022). 2022-23 budget has 10.5 months subsidy built in; remaining to build into 2023-24 base budget.

Original estimated figures from DCC of (£310k) through to 2025-26 resulting from the service changes implemented June 2017. Current base budget based on actual activity is income of (£269k) - assumption that scheme will end in 2025-26.

Budget 2021-22 had a target of £225k (currently reporting £264k being achieved). For 2022-23 have increased this target slightly to £250k which is prudent level for the medium term.

Base Budget 2019-20 had a contribution of £62k - reserve balance @ 31 March 2022 estimated to be £119k. Reserve balance is more than sufficient level for the medium term.

Base Budget 2022-23 has a contribution of £0k - reserve has sufficient balance @ 31 March 2022 estimated to be £148k. New separate reserve for regeneration projects set up for 2022-23 with contribution of £100k.

Reserve created in 2020-21 to deal with C-19 impacts on 2020-21 Council Tax income and timing differences from that year upon the 2022-23 budget.

Base Budget 2022-23 has a contribution of £0k - reserve has sufficient balance @ 31 March 2022 estimated to be £68k.

Base Budget 2022-23 has a contribution of £0k - reserve has sufficient balance @ 31 March 2022 estimated to be £197k. New separate reserve for programme delivery set up in 2021-22 with a forecast reserve balance to be £125k.

Review of fees and charges (carparks) moved back to 2023-24 to enable full review of charging structure by Car Parks Manager in light Covid-19 impact. Planned further £5 increase to Garden Waste charge in 2023-24.

FHSF loan costs on £4.4m built into above annual borrowing costs; additional income forecast as part of financial model option 5b (Pannier Market growth on current income of £180k to £273k; Boutport Street new net income of £153k).

Net rental income for Green Lanes has been built into 2022-23 base budget at (£954k) - Praxis 'cashflow modelling' forecasts additional net income for following financial years. Base budget has already built in £175k annual contribution into two earmarked reserves for income volatility and further regeneration projects.

Medium Term Financial Strategy - 2022 to 2028

Funding	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000	
Government Settlement (SFA)							
Revenue Support Grant	17	0	0	0	0	0	Final year of RSG 2022-23.
Baseline Funding Level	2,991	3,700	3,850	4,000	4,200	4,400	Fair Funding Review now delayed by further 12 months and could be implemented for 2023-24 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 £1.75m is made up of; £1.2m growth; £0.350m renewable energy schemes; £0.200m pooling gain). LG Futures forecasting model assumed for 2023-24 year onwards (<i>albeit there will be transitional arrangements in place</i>).
Business Rates Retention - Growth / (decline)	1,756	0	0	0	0	0	
Other Funding:							
Rural Services Delivery Grant	326	326	326	326	326	326	Assuming RSDG continues into 2027-28
New Homes Bonus	1,451	506	506	506	506	506	Potential changes to scheme in 2023-24; details still to be released by Government. Current projections for 2023 based upon LG Futures modelling and assumption of £250million left in the scheme nationally and NDC's %share. Note: 2022-23 in year one off allocation was £1.016m.
Lower Tier Services Grant	134	340	134	134	134	134	LG Futures forecast modelling - assumed funding retained in the system.
Services Grant	206	206	206	206	206	206	LG Futures forecast modelling - assumed funding retained in the system.
Local:							
Council tax	6,895	7,069	7,243	7,416	7,590	7,764	£5 Band D increase for 2022-23; assuming £5 annual increase 2023-24 to 2027-28
Council tax - base	0	92	188	288	393	503	Council Tax Base increased for 2022-23 by 364; (2021-22 impact of LCTS and collection rate decreased). Ongoing assuming growth based on 450 additional properties per year based upon prior year averages (average was 545 and prudently built in 450).
Collection fund surplus / (deficit)	(54)	80	80	80	80	80	Prior year CF surpluses (2019-20 £77k; 2020-21 £57k; 2021-22 £116k); 2022-23 deficit due to C-19 timings which offset by Collection Fund reserve credit (£106k)
Total Funding	13,722	12,319	12,533	12,956	13,435	13,919	
Budget Gap / (Surplus)	0	2,070	2,286	2,595	3,220	3,141	