

Medium Term Financial Strategy - 2020 to 2024				
Years	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000
Budget (Opening Balance)	13,380	13,380	13,415	13,754
Cost Pressures / savings:				
Salaries costs		390	400	410
Pensions costs - 2022 revaluation (3 years from 1st April 2023)				150
Borrowing costs		170	435	(27)
Existing Leisure Centre maintenance budget			(115)	
Revenue subsidy from new Leisure Centre			(381)	
Reserves:				
Vacancy savings target				
Strategic contingency				
Vehicle replacements				
Improvement programme				
Transformation reserve		(250)		
Savings Plans:				
Review of Fees and Charges		(275)		
Capital PAG bids revenue implications				
Net Revenue Budget Requirement	13,380	13,415	13,754	14,287

Assumes current 2-year pay award offer up to 2019-20 year continuing; 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 £700k already in base - borrowing model forecast to 2023/24 (increase to £1.3m). <u>Note:</u> Without any further capital receipts this increases to £1.5m 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 February 2022). First full year subsidy from 2022-23 year.
Budget 2019-20 had a target of £214k (currently reporting £231k being achieved). For 2020-21 have decreased this target to £200k which is prudent level for the medium term.
Base Budget 2019-20 had a contribution of £62k - reserve balance @ 31 March 2020 estimated to be £169k. Reserve balance is more than sufficient level for the medium term.
Base Budget 2020-21 has a contribution of £250k which is planned for fleet replacement. Assumption this continues for period.
Base Budget 2020-21 has a contribution of £0k - reserve has sufficient balance @ 31 March 2020 estimated to be £79k.
One-off contribution to reserve in 2020-21 year reversed to mitigate potential changes to NHB scheme funding in 2021-22.
Review of fees and charges (car parks, garden waste, commercial waste); was originally factored into MTFs 2020-21 this has been moved back to 2021-22 to enable full review of charging structure by new Carparks Manager.
Net savings generated from 2020 Capital business cases.

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Funding	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000
Government Settlement (SFA)				
Revenue Support Grant	16	0	0	0
Baseline Funding Level	2,991	3,642	3,741	3,843
Business Rates Retention - Growth / (decline)	1,658	0	0	0
Other Funding:				
Rural Services Delivery Grant	310	327	333	340
New Homes Bonus	1,837	815	435	0
Local:				
Council tax	6,511	6,684	6,857	7,030
Council tax - base	0	106	218	336
Collection fund surplus / (deficit)	57	60	60	60
Total Funding	13,380	11,634	11,644	11,609
Budget Gap / (Surplus)	0	1,781	2,110	2,678

Final year of RSG 2020-21.

Fair Funding Review was delayed by 12 months and will be implemented for 2021-22 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 £1.6m is made up of; £1.1m growth; £0.4m renewable energy schemes; £0.1m pooling gain). LG Futures forecasting model assumed for 2021-22 year onwards (albeit there will be transitional arrangements in place).

Assuming RSDG continues into 2023/24

Potential changes to scheme in 2021-22; details still to be released by MHCLG. Government intend to consult on future of the housing incentive in Spring 2020 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 2021 & 2022 are legacy payments from 2018-19 and 2019-20 only (no new scheme figures included). **Note: 2020-21 in year one off allocation was £723k.**

£5 Band D increase for 2020-21; assuming £5 annual increase 2021-22 to 2023-24

Prior year CF surpluses (2018-19 £69k; 2019-20 £77k; 2020-21 £57k)