

**MEDIUM TERM FINANCIAL STRATEGY TABLES**

**Core Planning Assumptions**

The table below sets out the core planning assumptions included in the MTF5 projections:-

	2022/23	2023/24	2024/25
<b>Pay inflation and pay related matters:</b>			
- Provision for pay award	1.50%	1.50%	2.00%
- Employers pension contribution rate change	-0.50%	0.00%	0.00%
<b>General inflation:</b>			
- Inflation on social care third party payments	2.00%	2.00%	2.00%
- Inflation on non pay expenditure	0.75% - 1.00%	0.75% - 1.00%	1.00% - 2.00%
- Inflation on waste PFI	3.50%	2.00%	2.00%
- Inflation on income	1.50%	1.50%	2.00%
- Inflation on parking income	1.50%	1.50%	2.00%
- Inflation on penalty charge notices	0.00%	0.00%	0.00%
<b>Resources:</b>			
Change in Settlement Funding Assessment	0.00%	0.00%	0.00%
Change to Revenue Support Grant (RSG)	0.00%	0.00%	0.00%
Business rates poundage inflation uplift	1.00%	1.00%	1.00%
Assumed council tax threshold increase	1.99%	1.99%	1.99%
Adult Social Care Precept	0.00%	0.00%	0.00%
Council Tax Base	1.25%	0.75%	0.75%

## Summary of MTFS projections

The table below sets out the savings /budget gap taking into account the anticipated expenditure over the MTFS period and the funding resources available

	2022/23	2023/24	2024/25
	£m	£m	£m
<b>Net Budget Requirement B/Fwd</b>	<b>184.807</b>	<b>226.531</b>	<b>232.210</b>
Remove net one off short term funding and expenditure	35.442	4.000	
<b>Net Budget Requirement B/Fwd</b>	<b>220.249</b>	<b>230.531</b>	<b>232.210</b>
Pay and Inflation – Salaries, Wages & Expenditure	6.885	6.483	7.639
Inflation – Income	-1.582	-1.607	-2.104
Commitments - impact of previous decisions	2.406	0.858	3.637
Change in employer pension contributions	-0.450		
Remove 2021/22 Covid support grant	8.023		
Assumed increase in social care grant funding	-2.000	-1.000	-1.000
Assumed additional Covid-19 Homelessness one-off funding 2022/23	-1.000		
Assumed additional Covid-19 one-off grant 2022/23	-3.000		
Demand-Led demographic and cost pressures in Adult Social Care and Adult Learning Disabilities	6.000	4.250	4.000
Demand-Led demographic and cost pressures for Children’s Disability, Children in Care and Care Leavers	2.400	1.000	0.750
Demand-Led demographic and cost pressures for Homelessness temporary and emergency accommodation	2.500		
Demand-Led demographic cost and pressures for Home to School Transport	0.200		
Potential Budget Strategy cost management of Demand-led services	-5.100	-1.850	-1.500
New investment, demographic and/or cost pressures for all other services (recurrent)	1.000	0.750	0.750
Orbis disaggregation	0.500		
New Investment in Corporate Plan priorities	0.500	0.500	0.500
Carbon Neutral Investment	0.500	0.500	0.500
One off pressures – ongoing Covid-19 impact	2.200		
Use of reserves/financial smoothing for 2022/23 Covid Impact pressures (10 year repayment)	-2.200	0.220	
Pay award 2021/22	1.680		
Reduction in repayments for the 2021/22 financial smoothing due to improved 2020/21 outturn	-0.250		
Budget Gap (Savings Requirement)	-12.930	-8.425	-4.612
<b>Budget Requirement C/Fwd</b>	<b>226.531</b>	<b>232.210</b>	<b>240.770</b>
<b>Funded by:</b>			
Revenue Support Grant	6.666	6.666	6.666
Locally retained Business Rates	59.247	60.461	62.908
Council Tax (including general increases at 1.99%)	160.618	165.083	171.196
<b>Total Funding</b>	<b>226.531</b>	<b>232.210</b>	<b>240.770</b>