

Assumes a 1.9% Council Tax increase in each year
GENERAL FUND ESTIMATES FOR 2015/16 TO 2019/20

APPENDIX 2

2013/14 Outturn	2014/15			2015/16		2016/17		2017/18		2018/19		2019/20	
	£	£ % change		£ % change	£ % change	£ % change	£ % change	£ % change	£ % change	£ % change			
			Expenditure:										
28,131,150	27,907,000		B/Fwd Budget before in year changes	27,657,590		27,422,590		28,063,590		29,014,590		29,524,590	
-326,488	91,590		Base Budget adjustments	64,000	1	0		0		0		0	
-351,000	351,000		Carry Forwards	-351,000									
85,000	-128,000		Superannuation Contributions increase	0	2	0		558,000		100,000		0	
0	0		NI increase	0	3	0		0		0		0	
80,000	98,000		Pay Inflation & Increments	187,000	4	120,000		130,000		140,000		150,000	
315,000	396,000		Other Contractual Inflation	300,000	5	380,000		400,000		420,000		430,000	
200,000	0		Apprenticeship Scheme	-170,000	6	130,000							
105,000	170,000		Investment allowance	209,000	7	150,000		150,000		150,000		150,000	
-881,000	-1,346,000		Efficiencies required	-474,000		-239,000		-287,000		-300,000		-100,000	
27,357,662	27,539,590		Total Gross Expenditure (net of Housing Benefit Subsidy)	27,422,590		28,063,590		29,014,590		29,524,590		30,154,590	
			Funding of Gross Expenditure:										
	-157,000		Income Generation Required	-42,000		-3,000							
-8,135,267	-7,435,000	-8.61	Sales, Fees and Charges	-7,606,005	2.30	-7,857,003	3.30	-8,139,855	3.60	-8,449,170	3.80	-8,770,238	3.80
-1,772,159	-1,539,530	-13.13	Interest and Commercial Rental Income	-1,539,530	0.00	-1,539,530	0.00	-1,539,530	0.00	-1,539,530	0.00	-1,539,530	0.00
-2,031,226	-2,411,820	18.74	Specific Grants and Contributions	-2,271,820	-5.80	-2,346,790	3.30	-2,431,275	3.60	-2,523,663	3.80	-2,619,562	3.80
15,419,010	15,996,240	3.74	Net Expenditure (before taxation and grant funding)	15,963,235	-0.94	16,320,267	2.24	16,903,930	3.58	17,012,227	0.64	17,225,260	1.25
			Taxation and Grant Funding:										
-3,579,507	-2,734,620	-23.60	Revenue Support Grant	-1,873,636	-31.48	-1,442,000	-23.04	-1,068,000	-25.94	-705,000	-33.99	-356,000	-49.50
-2,381,348	-2,427,738	1.95	Retained Business Rates (baseline)	-2,494,746	2.76	-2,577,073	3.30	-2,669,847	3.60	-2,771,301	3.80	-2,876,611	3.80
-5,960,855	-5,162,358	-13.40	Sub-total: Start-up Funding Assessment	-4,368,382	-15.38	-4,019,073	-8.00	-3,737,847	-7.00	-3,476,301	-7.00	-3,232,611	-7.01
90,850	79,850		Less: Grant paid to Parish Councils for Ctax Reduction Scheme	67,569		62,166		57,816		53,771		50,001	
-1,554,106	-1,982,455	27.56	New Homes Bonus	-2,431,000	22.63	-2,884,000	18.63	-2,782,000	-3.54	-2,782,000	0.00	-2,782,000	0.00
-465,000	-796,043	71.19	Other Non-Specific Government Grants	-47,000	-94.10	-21,000	0.00	-21,000	0.00	-21,000	0.00	-21,000	0.00
-211,108	377,686		Retained Business Rates greater (-) or less (+) than baseline	0	-100.00	0		0		0		0	
	0		Collection Fund Surplus (-) / deficit (+)	1,000,000		0		0		0		0	
445,000	325,043		Transfer to/from earmarked reserve for S31 grants	-770,043		0		0		0		0	
-9,355,702	-9,589,619	2.50	District Precept	-9,820,681	2.41	-10,057,310	2.41	-10,299,641	2.41	-10,547,811	2.41	-10,801,961	2.41
-17,010,921	-16,747,896	-1.55	Total Funding	-16,369,537	-6.69	-16,919,217	3.36	-16,782,672	-0.81	-16,773,342	-0.06	-16,787,570	0.08
1,591,911	751,656	-52.78	Use of Balances (-) / Contribution to Balances (+)	406,302	-71.58	598,950	47.42	-121,258	-120.25	-238,885	97.01	-437,689	83.22
200.32	204.13	1.90	Average Band D Council Tax	208.01	1.90	211.96	1.90	215.99	1.90	220.09	1.90	224.27	1.90
0.0%	1.9%		Council Tax increase	1.9%		1.9%		1.9%		1.9%		1.9%	
46,705	46,978	0.58	Tax base	47,213	0.50	47,449	0.50	47,686	0.50	47,925	0.50	48,164	0.50
93,559	94,106		1% on Council Tax	96,376		98,698		101,076		103,511		106,006	
			General Fund Reserve Balances at Year End:										
3,932,525	4,684,181	19.11	GF Balance	5,768,213	7.58	6,367,163	10.38	6,245,906	-1.90	6,007,020	-3.82	5,569,331	-7.29
1,767,000	1,767,000	0.00	GF Special Reserve	1,767,000	0.00	1,767,000	0.00	1,767,000	0.00	1,767,000	0.00	1,767,000	0.00
5,699,525	6,451,181	13.19	Total Balances	7,535,213	5.70	8,134,163	7.95	8,012,906	-1.49	7,774,020	-2.98	7,336,331	-5.63
890,000	1,200,000		Allowance for Known Financial Risks (incl. in GF balance)	1,200,000		1,200,000		1,200,000		1,200,000		1,200,000	

Notes/assumptions

- 1 Base adjustments to reflect previously agreed changes to the budget and the ongoing impact of budget proposals
- 2 The Lump Sum contribution in 2013/14 of £2.4million reduced the annual lump sum contribution to £565k per annum until 2017/18. The contribution rate on pay to fund the cost of future accrued benefits is to be maintained at 15.5%.
- 3 In April 2016 the government has announced the introduction of the Single Tier Pension - estimated annual cost of £100k.
- 4 Contractual increase (increments) and 1% pay award in 2016/17 and each year thereafter. There was a 2.2% pay award to cover 2014/15 and 2015/16.
- 5 Inflation based on relevant indices as per contracted arrangements. 2015/16 based on Sept 14 RPI of 2.3%. National Forecast of 3.3% for 2016/17 and 3.6% for 2017/18 and 3.8% for 2018/19 and 2019/20.
- 6 Apprenticeship scheme in the base budget from 2013/14 and 2014/15 only
- 7 An investment allowance of £150k per annum over the life of the New Homes Bonus.
- 8 The base rate is assumed to remain at the low 0.5%.
- 9 Specific grants and contributions largely consist of SLA and Agency agreements with other bodies. Assume contributions will increase in line with inflation. Reduction in the HB Admin Grant in 2015/16.
- 10 2015/16 reflects provisional settlement announcement in December 2013. The Spending Round 2013 suggested further reductions in 2016/17 and 2017/18 and further announcements suggest an extended period of austerity to 2020.
- 11 2015/16 reflects provisional settlement announcement in December 2013. For 2016/17 onwards Increase in baseline retained business rates assumed by the scheme in line with inflation forecast.
- 12 New Homes Bonus based on estimate of new properties built between October and October of the previous year and a 80:20 split between the District and County. The assumption for 2015/16 and onwards of 350 new homes per year will need to be updated as data is published. The Government has announced a review of the scheme in spring 2014. A total of £150k per annum of the bonus is being used to provide an allowance for new investment over the life of the new homes bonus. An apprentice scheme is being funded for three
- 13 Includes the settlement adjustments and returned NHB funding.
- 14 The NHDC share of the Collection Fund deficit was £742k at 31 March 2014. This will be charged to the general fund in 2015/16.
- 15 District precept is the band D tax rate multiplied by the taxbase. The taxbase incorporates the Council Tax Reduction Scheme. An overspend on the scheme will create a deficit on the Collection Fund.
- 16 Assumed tax base increase of 0.5% per annum and collection rate of 99%
- 17 Minimum general fund reserve balance includes an allowance for known risks and a 5% of net expenditure for unknown risks.
- 18 Special Reserve maintained to fund invest to save projects and to support unavoidable fluctuations in contract prices as contracts are renewed.