

Assumes no change in Council Tax rates each year
GENERAL FUND ESTIMATES FOR 2016/17 TO 2020/21

Appendix 1

2014/15 Outturn	2015/16			2016/17		2017/18		2018/19		2019/20		2020/21	
	£	£		% change	£	% change	£	% change	£	% change	£	% change	£
			Expenditure:										
28,470,900	27,827,800		B/Fwd Budget before in year changes	27,962,800		27,969,000		29,428,700		29,881,600		30,560,600	
96,967	-33,400		Base Budget adjustments	1 -409,300		221,700		-357,100		-51,000		0	
-464,500	113,500		Carry Forwards	-464,500									
-128,000	0		Superannuation Contributions increase	2 0		558,000		100,000		0		0	
0	0		NI increase	3 100,000		0		0		0		0	
98,000	187,000		Pay Inflation & Increments	4 120,000		130,000		140,000		150,000		150,000	
396,000	231,900		Other Contractual Inflation	5 380,000		400,000		420,000		430,000		440,000	
0	-170,000		Apprenticeship Scheme	6 130,000									
170,000	209,000		Investment allowance	7 150,000		150,000		150,000		150,000		150,000	
-1,254,000	-403,000		Efficiencies required	0		0		0		0		0	
27,385,367	27,962,800		Total Gross Expenditure (net of Housing Benefit Subsidy)	27,969,000		29,428,700		29,881,600		30,560,600		31,300,600	
			Funding of Gross Expenditure:										
			Income Generation Required										
-8,267,716	-7,994,200	2.86	Sales, Fees and Charges	5 -8,082,100	1.10	-8,268,000	2.30	-8,516,000	3.00	-8,780,000	3.10	-9,052,200	3.10
-1,608,362	-1,424,700	-8.94	Interest and Commercial Rental Income	8 -1,424,700	0.00	-1,424,700	0.00	-1,424,700	0.00	-1,424,700	0.00	-1,424,700	0.00
-2,318,403	-2,228,100	-14.73	Specific Grants and Contributions	9 -2,252,600	1.10	-2,304,400	2.30	-2,373,500	3.00	-2,447,100	3.10	-2,523,000	3.10
14,794,886	16,277,800	4.39	Net Expenditure (before taxation and grant funding)	16,209,600	-0.42	17,431,600	7.54	17,567,400	0.78	17,908,800	1.94	18,300,700	2.19
			Taxation and Grant Funding:										
-2,734,620	-1,931,100	-29.38	Revenue Support Grant	10 -1,158,660	-40.00	-695,196	-40.00	-417,118	-40.00	0	-100.00	0	0.00
-2,674,966	-2,474,100	1.91	Retained Business Rates (baseline)	11 -2,501,300	1.10	-2,558,800	2.30	-2,635,600	3.00	-2,717,300	3.10	-2,801,500	3.10
-5,409,586	-4,405,200	-14.67	Sub-total: Start-up Funding Assessment	-3,659,960	-16.92	-3,253,996	-11.09	-3,052,718	-6.19	-2,717,300	-10.99	-2,801,500	3.10
79,900	67,200		Less: Grant paid to Parish Councils for Ctax Reduction Scheme	55,800		49,600		46,500		41,400		42,700	
-1,990,562	-2,393,200	20.72	New Homes Bonus	12 -2,651,700	10.80	-2,692,200	0.00	-2,693,600	0.00	-2,640,900	0.00	-2,410,100	0.00
-647,514	-44,000	-94.47	Other Non-Specific Government Grants	13 -121,000	0.00	-121,000	0.00	-121,000	0.00	-121,000	0.00	-121,000	0.00
180,795	330,000	-12.61	Retained Business Rates over and above baseline less levy	0		0		0		0		0	
0	1,117,000		Collection Fund Surplus (-) / deficit (+)	14 0		0		0		0		0	
493,425	-1,530,000		Transfer to/from earmarked reserve for S31 grants	0		0		0		0		0	
-9,589,599	-9,853,700	2.75	District Precept	15 -9,902,900	0.50	-9,952,500	0.50	-10,002,200	0.50	-10,052,200	0.50	-10,102,500	0.50
-16,883,141	-16,711,900	-0.21	Total Funding	-16,279,760	-2.59	-15,970,096	-1.90	-15,823,018	-0.92	-15,490,000	-2.10	-15,392,400	-0.63
2,088,255	434,100	-62.43	Use of Balances (-) / Contribution to Balances (+)	70,160	-83.84	-1,461,504	-2,183.10	-1,744,382	19.36	-2,418,800	38.66	-2,908,300	20.24
204.13	208.01	1.90	Average Band D Council Tax	208.01	0.00	208.01	0.00	208.01	0.00	208.01	0.00	208.01	0.00
1.9%	1.9%		Council Tax increase	0.0%		0.0%		0.0%		0.0%		0.0%	
46,705	47,372	0.84	Tax base	16 47,608	0.50	47,846	0.50	48,086	0.50	48,326	0.50	48,568	0.50
95,339	96,699		1% on Council Tax	99,029		99,525		100,022		100,522		101,025	
			General Fund Reserve Balances at Year End:										
6,021,576	6,455,700	26.89	GF Balance	17 6,525,900	1.09	5,064,396	-22.40	3,320,014	-34.44	901,214	-72.86	-2,007,086	-322.71
1,719,910	1,719,900	-1.27	GF Special Reserve	18 1,719,900	0.00	1,719,900	0.00	1,719,900	0.00	1,719,900	0.00	1,719,900	0.00
7,741,486	8,175,600	19.70	Total Balances	8,245,800	0.86	6,784,296	-17.72	5,039,914	-25.71	2,621,114	-47.99	-287,186	-110.96
1,200,000	1,673,000		Allowance for Known Financial Risks (incl. in GF balance)	1,673,000		1,673,000		1,673,000		1,673,000		1,673,000	

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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. November 2014 RPI was 2% and the OBR forecast of 1.1% for 2016/17, 2.3% for 2017/18, 3.0% for 2018/19, 3.1% for 2019/20 and 2020/21.
- 6 Apprenticeship scheme in the base budget from 2013/14 and 2014/15 only with a new investment bid for 2015/16 and onwards.
- 7 An investment allowance of £150k per annum over the life of the New Homes Bonus.
- 8 The base rate is anticipated 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 2014. 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 2014. 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 and assumes an average award of £1,100 per new property. The assumption for 2016/17 has been updated to reflect the actual of 236 homes Oct 14 - Oct 15. Estimates provided by Planning Officers for 17/18 are based on the Local Plan not materialising but will need to be updated as data is published. 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.
- 13 Includes the settlement adjustment for the 2% cap on the Business Rate multiplier and returned NHB funding. Also Ctax Freeze grant assumed at 1% per annum.
- 14 The NHDC share of the Collection Fund deficit was £1.2million at 31 March 2015. 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 Estimated tax base increase of 0.83% for 2015/16. Assumed tax base increase of 0.5% per annum for each year thereafter 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.