

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	£	% change
			<b>Expenditure:</b>											
28,470,900	27,827,800		B/Fwd Budget before in year changes	28,326,800		28,496,700		29,574,700		29,630,700		29,794,600		
96,967	330,600		Base Budget adjustments	1	-327,600	140,000		-354,000		-166,100		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	217,000	0		0		0		0		
98,000	187,000		Pay Inflation & Increments	4	180,000	130,000		140,000		150,000		150,000		
396,000	231,900		Other Contractual Inflation	5	89,000	400,000		420,000		430,000		440,000		
0	-170,000		Apprenticeship Scheme	6	130,000									
170,000	209,000		Investment allowance	7	460,000	150,000		150,000		150,000		150,000		
<b>-1,254,000</b>	<b>-403,000</b>		<b>Efficiencies required</b>		<b>-114,000</b>	<b>-300,000</b>		<b>-400,000</b>		<b>-400,000</b>		<b>-400,000</b>		
<b>27,385,367</b>	<b>28,326,800</b>		<b>Total Gross Expenditure (net of Housing Benefit Subsidy)</b>		<b>28,496,700</b>	<b>29,574,700</b>		<b>29,630,700</b>		<b>29,794,600</b>		<b>30,134,600</b>		
			<b>Funding of Gross Expenditure:</b>											
			<b>Income Generation Required</b>		<b>-243,000</b>									
-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
<b>14,794,886</b>	<b>16,572,500</b>	6.28	<b>Net Expenditure (before taxation and grant funding)</b>		<b>16,494,300</b>	-0.47	<b>17,577,600</b>	6.57	<b>17,316,500</b>	-1.49	<b>17,142,800</b>	-1.00	<b>17,134,700</b>	-0.05
			<b>Taxation and Grant Funding:</b>											
-2,734,620	-1,923,100	-29.68	Revenue Support Grant	10	-1,153,860	-40.00	-692,316	-40.00	-415,390	-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
<b>-5,409,586</b>	<b>-4,397,200</b>	-14.82	<b>Sub-total: Start-up Funding Assessment</b>		<b>-3,655,160</b>	-16.88	<b>-3,251,116</b>	-11.05	<b>-3,050,990</b>	-6.16	<b>-2,717,300</b>	-10.94	<b>-2,801,500</b>	3.10
79,900	67,200		Less: Grant paid to Parish Councils for Ctax Reduction Scheme		55,900		49,700		46,600		41,500		42,800	
-1,990,562	-2,401,100	21.11	New Homes Bonus	12	-2,659,600	10.77	-2,700,100	0.00	-2,701,500	0.00	-2,648,800	0.00	-2,418,000	0.00
-647,514	0		Other Non-Specific Government Grants	13	-21,000	0.00	-21,000	0.00	-21,000	0.00	-21,000	0.00	-21,000	0.00
180,795	169,000	-55.24	Retained Business Rates over and above baseline less levy		0		0		0		0		0	
0	1,301,713		Collection Fund Surplus (-) / deficit (+)	14	0		0		0		0		0	
493,425	-1,470,713		Transfer to/from earmarked reserve for S31 grants		0		0		0		0		0	
-9,589,599	-9,853,700	2.75	District Precept	15	-10,077,000	2.27	-10,319,800	2.41	-10,568,500	2.41	-10,823,100	2.41	-11,083,900	2.41
<b>-16,883,141</b>	<b>-16,584,800</b>	-0.97	<b>Total Funding</b>		<b>-16,356,860</b>	-1.37	<b>-16,242,316</b>	-0.70	<b>-16,295,390</b>	0.33	<b>-16,168,700</b>	-0.78	<b>-16,281,600</b>	0.70
2,088,255	12,300	-98.94	Use of Balances (-) / Contribution to Balances (+)		-137,440	-1,217.40	-1,335,284	871.54	-1,021,110	-23.53	-974,100	-4.60	-853,100	-12.42
204.13	208.01	1.90	Average Band D Council Tax		211.96	1.90	215.99	1.90	220.09	1.90	224.27	1.90	228.53	1.90
<b>1.9%</b>	<b>1.9%</b>		Council Tax increase		<b>1.9%</b>		<b>1.9%</b>		<b>1.9%</b>		<b>1.9%</b>		<b>1.9%</b>	
46,705	47,372	0.84	Tax base	16	47,542	0.36	47,780	0.50	48,019	0.50	48,259	0.50	48,500	0.50
95,339	96,699		1% on Council Tax		98,891		101,274		103,714		106,213		108,772	
			<b>General Fund Reserve Balances at Year End:</b>											
6,021,576	6,033,900	18.60	GF Balance	17	5,896,500	-2.28	4,561,216	-22.65	3,540,106	-22.39	2,566,006	-27.52	1,712,906	-33.25
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
<b>7,741,486</b>	<b>7,753,800</b>	13.53	<b>Total Balances</b>		<b>7,616,400</b>	-1.77	<b>6,281,116</b>	-17.53	<b>5,260,006</b>	-16.26	<b>4,285,906</b>	-18.52	<b>3,432,806</b>	-19.90
1,200,000	1,673,000		Allowance for Known Financial Risks (incl. in GF balance)		1,669,000		1,669,000		1,669,000		1,669,000		1,669,000	

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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.
- 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 0.36% for 2016/17. 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.