

Three Year Forecast

Appendix 7

The table below sets out the three-year financial forecast position. As detailed in the report, the Council is in a position to set a balanced budget in 2019/20 based on the latest information and if savings proposals are agreed. However, there remains a significant budget gap for future years – almost £25m for 2020/21 and a further £15m for 2021/22.

| | 2019/20 £'000 | 2020/21 £'000 | 2021/22 £'000 |
|--|------------------|------------------|------------------|
| Council Tax Requirement (January 2019) | 81,421 | 81,421 | 81,421 |
| Inflation | 4,929 | 10,343 | 15,843 |
| Savings Proposals | (10,128) | (15,742) | (17,547) |
| Growth and Spending Pressures | 13,394 | 26,263 | 40,063 |
| Increase in Financing Charges | 1,457 | 5,902 | 6,252 |
| Increase (-) Reduction (+) in Government Funding | (966) | 8,045 | 6,536 |
| Use Collection Fund Surplus | (3,000) | (1,000) | (1,000) |
| Other Funding | (1,500) | (1,000) | (1,000) |
| One off Adjustments | 846 | (797) | (397) |
| Revised Council Tax Requirement | 86,453 | 113,435 | 130,171 |
| Expected Council Tax Yield | 86,453 | 88,608 | 90,814 |
| Budget Shortfall (cumulative savings requirement) | - | 24,828 | 39,357 |
| Budget Shortfall (Year on Year savings requirement) | - | 24,828 | 14,529 |

Note:

Expected Council Tax yield is based on estimated Council Tax base and average band d council tax level, as calculated by the table below:

| | 2019/20 | 2020/21 | 2021/22 |
|---------------------------|---------|---------|---------|
| Council Tax base - number | 97,428 | 97,908 | 98,388 |
| Council Tax (Band D) - £ | 887.35 | 905.01 | 923.02 |