

Line	<b>Appendix B - Council Tax is increased by the higher of £5 or 1.99% each year</b>	<b>BASE</b>	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>
		<b>Amended 2020/21 Budget £</b>	<b>2021/22 £</b>	<b>2022/23 £</b>	<b>2023/24 £</b>	<b>2024/25 £</b>	<b>2025/26 £</b>
No.	Modelling for the financial years 2021/22 onwards						
1	Base budget brought forward	8,832,752	9,410,672	9,676,767	9,467,832	9,630,639	9,804,930
2	Budget pressures (as per Appendix A)	1,600,640	696,761	330,000	355,000	380,000	380,000
	One -off budget shortfall identified for 2020-21 (as per Amended Budget report)	1,313,000	(1,313,000)				
3	Savings already identified (as per Appendix A)	(1,275,877)	122,191	(228,100)	(60,100)	(2,100)	(2,100)
4	Changes in contributions to Earmarked Reserves (App A)	(747,843)	448,143	200,000	155,000	180,000	126,000
6	Funding from Unearmarked Reserves (Amended Budget 2020-21) (£200,000 plus £112,000 Statement of Accounts for 2019-20 Accounts)	(312,000)	312,000				
<b>7</b>	<b>Projected Net Expenditure:</b>	<b>9,410,672</b>	<b>9,676,767</b>	<b>9,978,667</b>	<b>9,917,732</b>	<b>10,188,539</b>	<b>10,308,830</b>
	<b>Funded By:-</b> (See Note 1 below regarding New Homes Bonus funding)						
8	<b>Council Tax income</b> - Modelling a £5 increase in 2021/22 onwards	6,562,617	6,718,291	6,945,867	7,175,442	7,407,018	7,640,594
9	Collection Fund Surplus/(Deficit)	60,000	(30,397)	(9,087)	(9,087)	0	0
10	Localised Business Rates (estimate of business rates resources received in the year)	2,155,000	2,353,544	2,360,000	2,370,000	2,380,000	2,390,000
11	Tariff/Top Up Adjustment amount (negative RSG - phased in from 2022/23)		0	(270,000)	(360,000)	(450,000)	(500,000)
12	Business Rates Pooling Gain	225,000	125,000	0	0	0	0
13	Rural Services Delivery Grant (assumes a 3% increase in future years)	408,055	428,206	441,052	454,284	467,912	481,950
14	Lower Tier Services Grant	0	82,123	0	0	0	0
<b>15</b>	<b>Total Projected Funding Sources</b>	<b>9,410,672</b>	<b>9,676,767</b>	<b>9,467,832</b>	<b>9,630,639</b>	<b>9,804,930</b>	<b>10,012,544</b>
	<b>Budget Gap per year</b>						
<b>16</b>	<b>(Projected Expenditure line 7 - Projected Funding line 15)</b>	<b>0</b>	<b>0</b>	<b>510,835</b>	<b>287,093</b>	<b>383,608</b>	<b>296,287</b>
	<b>Actual Predicted Cumulative Budget Gap</b>	<b>0</b>	<b>0</b>	<b>510,835</b>	<b>797,928</b>	<b>1,181,537</b>	<b>1,477,823</b>
	<b>Aggregated Budget Gap</b> <b>(if no action is taken in each individual year to close the budget gap annually)</b>	<b>0</b>	<b>0</b>	<b>510,835</b>	<b>1,308,763</b>	<b>2,490,300</b>	<b>3,968,123</b>
	<b>Modelling Assumptions:</b>						
	Council Tax (Band D) (Modelling the higher of £5 or a 1.99% increase)	170.42	175.42	180.42	185.42	190.42	195.42
	Council Tax Base (Assumes an increase in Band D Equivalent properties of 200 per annum)	38,508.49	38,298.32	38,498.32	38,698.32	38,898.32	39,098.32

**Note 1 - New Homes Bonus Funding**

The modelling for 2021/22 includes a contribution of £746,000 from New Homes Bonus (NHB) funding to fund the Base Budget. This reduces to £546,000 in 2022/23 and a phased reduction in 2023/24 onwards. Although the NHB scheme is due to be replaced in 2022/23, it is assumed that a successor scheme will be implemented that will also be based on housing growth.