

| Line | <b>Appendix B - Assumes Council Tax is increased by £5 each year</b>  | <b>BASE</b>          | <b>Yr 1</b>          | <b>Yr 2</b>          | <b>Yr 3</b>          |
|------|---|----------------------|----------------------|----------------------|----------------------|
| No.  | Modelling for the financial years 2023/24 onwards   | <b>2022/23<br/>£</b> | <b>2023/24<br/>£</b> | <b>2024/25<br/>£</b> | <b>2025/26<br/>£</b> |
| 1    | Base budget brought forward   | 9,676,767            | 10,464,367           | 11,738,067           | 11,488,505           |
| 2    | Budget pressures (as per Appendix A)  | 1,044,600            | 4,107,700            | 990,000              | 970,000              |
| 3    | Savings already identified (as per Appendix A)  | (404,000)            | (2,422,000)          | (970,000)            | (200,000)            |
| 4    | Changes in contributions to Earmarked Reserves (App A)  | 147,000              | (412,000)            | 30,000               | 0                    |
| 5    | <b>Projected Net Expenditure:</b>   | <b>10,464,367</b>    | <b>11,738,067</b>    | <b>11,788,067</b>    | <b>12,258,505</b>    |
|      | <b>Funded By:-</b><br>(See Note 1 below regarding New Homes Bonus funding)  |                      |                      |                      |                      |
| 6    | <b>Council Tax income</b> - Modelling a £5 increase in 2023/24 onwards  | 7,061,585            | 7,407,344            | 7,702,299            | 8,002,254            |
| 7    | Collection Fund Surplus   | 181,000              | 332,000              | 200,000              | 200,000              |
| 8    | Localised Business Rates (estimate of business rates resources received in the year)  | 2,274,139            | 2,447,681            | 2,450,000            | 2,500,000            |
| 9    | Negative Revenue Support Grant (RSG) Adjustment - Change to Baseline Need from 25/26 onwards  | 0                    | 0                    | 0                    | (450,000)            |
| 10   | Revenue Support Grant   | 0                    | 138,000              | 146,000              | 146,000              |
| 11   | Business Rates Pooling Gain   | 300,000              | 300,000              | 0                    | 0                    |
| 12   | Rural Services Delivery Grant   | 428,206              | 428,206              | 428,206              | 428,206              |
| 13   | Funding from Funding Guarantee (3% increase in Core Spending Power) - this is a new grant for 23/24 onwards. Assume discontinued when the Fair Funding Review is implemented in 25-26.    | 0                    | 747,929              | 700,000              | 0                    |
| 14   | Less grants rolled into the Funding Guarantee amount  | 0                    | (138,000)            | (138,000)            | 0                    |
| 15   | Transitional funding - assume the introduction of the business rates baseline reset and the Fair Funding Review will translate into some transitional funding being available to Councils |                      |                      |                      | 800,000              |
| 16   | Lower Tier Services Grant   | 86,501               | 0                    | 0                    | 0                    |
| 17   | Services Grant  | 132,936              | 74,907               | 0                    | 0                    |
| 18   | <b>Total Projected Funding Sources</b>  | <b>10,464,367</b>    | <b>11,738,067</b>    | <b>11,488,505</b>    | <b>11,626,460</b>    |
|      | <b>Budget Gap per year</b>  |                      |                      |                      |                      |
| 19   | (Projected Expenditure line 5 - Projected Funding line 18)  | <b>0</b>             | <b>0</b>             | <b>299,562</b>       | <b>632,045</b>       |
|      | <b>Actual Predicted Cumulative Budget Gap</b>   | <b>0</b>             | <b>0</b>             | <b>299,562</b>       | <b>931,607</b>       |
|      | <b>Aggregated Budget Gap</b><br>(if no action is taken in each individual year to close the budget gap annually)  | <b>0</b>             | <b>0</b>             | <b>299,562</b>       | <b>1,231,169</b>     |
|      | Modelling Assumptions:  |                      |                      |                      |                      |
|      | Council Tax (Band D) (Modelling a £5 increase per year)   | 180.42               | 185.42               | 190.42               | 195.42               |
|      | Council Tax Base (Assumes an increase in Band D Equivalent properties of 500 per annum)   | 39,139.70            | 39,949.00            | 40,449.00            | 40,949.00            |

**Note 1 - New Homes Bonus Funding**

The modelling for 2023/24 onwards includes a contribution of £500,000 from New Homes Bonus to fund the Base Budget. Although the NHB scheme is due to be replaced after 2023/24, it is assumed that a successor scheme will be implemented that will also be based on housing growth.