

**MOVEMENT IN BUDGET GAP**

	2024/25 £'000	2025/26 £'000	2026/27 £'000
Opening Budget Gap per budget report - February 2023	401	1,844	3,292
Additional cost of 2023/24 pay award	478	478	478
Additional inflation pressure	400	400	400
Surplus on Council Tax collection	(127)		
Remove transfers to equalisation reserves	(345)	(345)	(345)
Income generation proposals	(563)	(619)	(624)
Budget Pressures	162	152	152
Change to core spending grant assumption		(724)	
Assumed deferral of business rates re-set		(200)	(1,000)
Other changes	44	167	177
	<b>450</b>	<b>1,153</b>	<b>2,530</b>

**BUDGET FORECAST 2024/25**  
**SCENARIO PLANNER**

	Budget Forecast Best 2024/25 £'000	Budget Forecast Middle 2024/25 £'000	Budget Forecast Worst 2024/25 £'000
Service Requirements	11,471.4	11,471.4	11,471.4
Unallocated Inflation	800.0	1,200.0	1,500.0
	<b>12,271.4</b>	<b>12,671.4</b>	<b>12,971.4</b>
<b><u>Corporate Requirements</u></b>			
Contingency Provision	339.9	339.9	339.9
Investment Income	(4,311.2)	(3,748.9)	(3,374.0)
Borrowing Costs	140.4	140.4	140.4
Small Business Rate Relief	(2,061.9)	(2,061.9)	(2,061.9)
Other Government Grants	(1,600.5)	(1,600.5)	(1,600.5)
New Homes' Bonus	(1,199.8)	(1,199.8)	(1,199.8)
Provision for NDR Levy	2,080.1	2,080.1	2,080.1
100% Retention of NDR from Renewable Energy	(505.1)	(505.1)	(505.1)
<b>Net General Fund Expenditure</b>	<b>5,153.3</b>	<b>6,115.6</b>	<b>6,790.5</b>
Contribution to Earmarked Reserves	3,349.5	3,349.5	3,349.5
Contribution to Asset Management Reserves	2,000.0	2,000.0	2,000.0
Contribution to Capital Reserves	3,645.0	3,645.0	3,645.0
<b>Total General Fund Expenditure</b>	<b>14,147.8</b>	<b>15,110.1</b>	<b>15,785.0</b>
Revenue Pressures	162.0	162.0	562.0
Income Generation & Savings Proposals	(800.0)	(563.0)	(350.0)
<b>Revised Net Budget</b>	<b>13,509.8</b>	<b>14,709.1</b>	<b>15,997.0</b>
<b>SURPLUS / (SAVINGS) TO BE IDENTIFIED</b>	<b>1,749.1</b>	<b>(450.2)</b>	<b>(2,750.4)</b>
<b>General Fund Requirements</b>	<b>15,258.9</b>	<b>14,258.9</b>	<b>13,246.6</b>

**ASSUMPTIONS IN DEVELOPING THE BUDGET FORECAST**

<u>Council Tax</u>			
Rate assumed	£5 increase	£5 increase	0.0%
Impact	262,300	262,300	0
<u>NNDR</u>			
Change in retained earnings assumption	1,000,000	0	(750,000)
<u>Investment Income</u>			
Income Levels	15%	0.0%	-10.00%
	4,311,235	3,748,900	3,374,010
<u>Inflation</u>			
	800,000	1,200,000	1,500,000
<u>Budget Pressures / Income Generation &amp; Savings</u>			
Pressures	162,000	162,000	562,000
Income Generation and Savings	800,000	563,000	350,000
<u>Earmarked Reserves</u>			
No draws assumed			

**SUMMARY OF SAVINGS & INCOME GENERATION PROPOSALS**

<b>Service</b>	<b>Function</b>	<b>Income Generation Option Proposed</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>
Prop & Asset Mgmt	Car Parks	Additional income from car park charges based on last year's actuals and profile variance to date in current year	93	93	93
Prop & Asset Mgmt	Rental Income	Additional income from property rents across the whole portfolio.	178	213	218
Legal & Dem	Legal Fee Income	Additional income based on previous years	5	5	5
Fin & Rev	Employee costs	Shared service & post regrade	15	15	15
Fin & Rev	Finance	Increase in government grant for transparency disclosures	8	8	8
Env Serv	EST Technical	Sale of glass and dry mixed recycling. Additional income in line with current market expectations	90	0	0
Env Serv	Waste Collection	Non-packaging income share from HCC	0	111	111
Env Serv	Garden Waste	Increase in income due to increase in number of subscriptions	10	10	10
Plan & Build	Planning	Expectation that fees for planning applications will increase by between 25-35% in 2024/25. This additional income takes into account current income levels being below amounts included in the budget	100	100	100
Comm & Leis	The Lights	Creation of Performing Right Society Fee charge to recover PRS costs	8	8	8
Comm & Leis	Sports Facilities	Increase in income from sports facilities	40	40	40
Various	Various	Various small savings across services	16	16	16
<b>Total Income Generation Proposals</b>			<b>563</b>	<b>619</b>	<b>624</b>

**SUMMARY OF REVENUE PRESSURES**

<b>Service</b>	<b>Function</b>	<b>Item</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>
Strat & Innov	Project Management	Making a temporary Project Support Officer post permanent.	38	38	38
IT	Shared Service	Net salary pressure arising from additional resource in the IT shared service across both TVBC and WCC.	79	69	69
Strat & Innov	Communications	Increase in hours of a Communications Officer post to make full-time.	20	20	20
Comm & Leis	Events	Additional budget required to make Events Officer post full time.	25	25	25
<b>Total Pressures</b>			<b>162</b>	<b>152</b>	<b>152</b>

**MEDIUM TERM FINANCIAL PLAN**

	Budget Forecast 2024/25 £'000	Base Changes £'000	Budget Forecast 2025/26 £'000	Base Changes £'000	Budget Forecast 2026/27 £'000
Service Requirements	11,262.5	884.3	12,146.8	1,099.2	13,246.0
Inflation	1,200.0	800.0	2,000.0	800.0	2,800.0
<b>Net Cost of Services</b>	<b>12,462.5</b>	<b>1,684.3</b>	<b>14,146.8</b>	<b>1,899.2</b>	<b>16,046.0</b>
<b>Corporate Requirements</b>					
Contingency Provision	339.9		339.9		339.9
Investment Income	(3,748.9)	748.9	(3,000.0)	451.1	(2,548.9)
Borrowing Costs	140.4	(5.7)	134.7	(5.8)	128.9
Minimum Revenue Provision	208.9	4.7	213.6	4.8	218.4
Small Business Rate Relief & other S31 grants	(2,061.9)		(2,061.9)	2,061.9	0.0
Other Government Grants	(1,600.5)	724.1	(876.4)	724.2	(152.2)
New Homes' Bonus	(1,199.8)	1,199.8	0.0		0.0
Provision for NDR Levy	2,080.1		2,080.1	(2,080.1)	0.0
100% retention of NDR from Renewable Energy	(505.1)		(505.1)		(505.1)
<b>Net General Fund Expenditure</b>	<b>6,115.6</b>	<b>4,356.1</b>	<b>10,471.7</b>	<b>3,055.3</b>	<b>13,527.0</b>
Transfer to / (from) Earmarked Reserves	3,349.5	(2,818.3)	531.2	(2,588.3)	(2,057.1)
Transfer to Asset Management Reserves	2,000.0	(48.9)	1,951.1	(451.1)	1,500.0
Transfer to Capital Reserves	3,645.0	(500.0)	3,145.0		3,145.0
<b>Total General Fund Expenditure</b>	<b>15,110.1</b>	<b>988.9</b>	<b>16,099.0</b>	<b>15.9</b>	<b>16,114.9</b>
Revenue Pressures	162.0	(10.0)	152.0	0.0	152.0
Savings Options & Income Generation Proposals	(563.0)	(56.0)	(619.0)	(5.0)	(624.0)
<b>Revised Net Budget</b>	<b>14,709.1</b>	<b>922.9</b>	<b>15,632.0</b>	<b>10.9</b>	<b>15,642.9</b>
<b>FURTHER SAVINGS TO BE IDENTIFIED</b>	<b>(450.2)</b>	<b>(702.9)</b>	<b>(1,153.1)</b>	<b>(1,377.1)</b>	<b>(2,530.2)</b>
<b>General Fund Requirements</b>	<b>14,258.9</b>	<b>220.0</b>	<b>14,478.9</b>	<b>(1,366.2)</b>	<b>13,112.7</b>
Council Tax - TVBC	8,943.7	346.8	9,290.5	351.8	9,642.3
Council Tax - surplus from prior years	126.7	(126.7)	0.0		0.0
Business Rates - baseline	2,470.4		2,470.4		2,470.4
Business Rates - retained growth	2,718.1	(0.1)	2,718.0	(1,718.0)	1,000.0
<b>Funding of General Fund Requirement</b>	<b>14,258.9</b>	<b>220.0</b>	<b>14,478.9</b>	<b>(1,366.2)</b>	<b>13,112.7</b>