

Appendix 1

Medium Term Financial Strategy - Summary Position 2016/17- 2020/21 - July 2016

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Prior Year (Surplus) / Deficit	(565)	0	5,344	4,930	9,133
Budget Increases					
Investment in the capital programme	1,000	1,400	900	900	900
Staff pay award and capacity building	2,000	1,000	1,000	1,000	1,000
ELWA levy increase	626	320	440	350	350
Increased contribution to Pension Fund deficit	650	-	650	325	325
Apprenticeship levy	-	675	-	-	-
Non staff inflation	-	-	2,100	2,100	2,100
Delaying of interest costs	-	1,000	2,000	-	-
Children's demand led increase	1,000	1,200	1,300	1,200	1,100
Increased demand for Adult social care	-	400	500	700	800
Implications of the Care Act 2014	1,044	219	45	377	-
Increase in employers' NI contributions	2,000	-	-	-	-
Adults precept 2% Ctax increase	890	919	949	980	1,012
Delayed implementation of Leisure Trust	1,000	-	-	-	-
Oracle and ICT hosting, LLW	690	-	-	-	-
National minimum wage - corporate contracts	120	-	-	-	-
Potential impact of funding and levy changes	1,269	-	-	-	-
Potential impact of new legislation	-	-	2,000	2,000	2,000
Potential impact of demographic pressures	-	(19)	1,225	1,133	1,760
CAB & Thurrock	-	500	-	-	-
Strategy	-	750	-	-	-
Total Additional Costs	12,289	8,364	13,109	11,065	11,347
Changes in Income & Funding					
Government Grants	8,452	7,230	4,410	7,380	7,002
Reduction in HB admin grant	96	-	-	-	-
Education Services Grant	(140)	1,440	1,000	1,000	270
New Homes Bonus Grant	(3,184)	-	2,137	100	428
Reversal of Council tax and NNDR surplus	1,718	-	-	-	-
Increase in rates retention income	(1,485)	-	-	-	-
Council Tax and NNDR surplus	-	-	-	-	-
1.99% increase in Council Tax	(890)	(919)	(949)	(980)	(1,012)
2% increase in Council Tax Adult social care precept	(890)	(919)	(949)	(980)	(1,012)
Increase in Council Tax Base	(3,346)	(570)	(589)	(608)	(628)
Income from Business Rates Pooling	300	-	-	-	-
Transfer of industrial sites for residential use	500	-	-	-	-
Total Changes in Income	1,131	6,262	5,060	5,912	5,048
In year Budget Gap	12,855	14,626	18,169	16,977	16,395
Savings					
Savings approved by Cabinet Dec 2014	(12,855)	(9,282)	(13,239)	(7,844)	(15,155)
Total Savings	(12,855)	(9,282)	(13,239)	(7,844)	(15,155)
In Year Budget Gap Including Savings	0	5,344	4,930	9,133	1,240
Other Adjustments					
Cashable savings VR	-	(2,100)	2,100	-	-
Cashable in year 16/17 savings	-	(944)	944	-	-
Drawdown from Reserves	-	(2,300)	2,300	-	-
Revised Budget Gap after other adjustments	0	0	10,274	9,133	1,240
Cumulative Budget Gap including Savings	0	0	10,274	19,407	20,647