

**Appendix B**
**Medium Term Financial Strategy - Summary Position 2020/21- 2023/24**

	2020/20 £000 Feb' 20	2021/22 £000 Revised	2022/23 £000 Revised	2023/24 £000 Revised
<b>Prior Year (Surplus) / Deficit</b>				
<b>Budget Increases</b>				
<b>Corporate Growth</b>				
Investment in the capital programme	450	450	450	450
ELWA levy increase	725	740	765	800
Extra cost of Capital borrowing (6% for MRP & 3% for Interest)	750			
Pensions remove advance payment element	200	1,000		
Capital Financing Costs	340	(340)		
<b>Cross Cutting Items</b>				
Staff pay award and capacity building	2,000	2,000	2,000	2,000
Non staff inflation	1,000	1,000	1,000	1,000
<b>Service Pressures</b>				
Public Realm	400		530	
Childrens TOM	1,500			
LAC/Care	3,000	600	600	600
Adults	3,000	1,000	1,000	1,000
Adults Fourth Locality				250
Disabilities	3,000	500	500	500
Community Solutions	260	260	260	260
Participation & Engagement	400	(110)	(50)	
Parks		600		
Welfare Reform Impact	800			
London Fraud Hub Subscription	70			
Community Safety	150			
Legal Services	240			
Further recurrent pressures - Disabilities	2,000			
Care Leavers Council Tax Exemption	151			
Census Information Scheme 2021		18		
<b>Total Additional Costs</b>	<b>20,436</b>	<b>7,718</b>	<b>7,055</b>	<b>6,860</b>
<b>Changes in Income &amp; Funding</b>				
Business Rates/RSG	(1,134)	(1,884)	(2,315)	(2,392)
Income from Business Rates Pooling	(314)	314		
Increase in Council Tax Base	(1,477)	(987)	(1,031)	(1,078)
General Council Tax Increase	(1,259)	(1,997)	(2,087)	(2,182)
2% Adult Social Care Precept	(1,265)			
Business Rates Levy Surplus 18/19 roll forward	871			
Local Council Support Administration Subsidy	30	26	23	23
Housing Benefit Administration Subsidy	115	80	76	76
Homelessness Reduction Act Grant-New Burdens		318		
New Homes Bonus Grant	3,007			
New Homes Bonus Grant - Loss of Legacy payments		2,102	3,267	3,695
Collection Fund (Surplus)/Deficit	(1,745)	1,745		
New Social Care Grant 2020	(3,805)	3,805		
<b>Total Changes in Income</b>	<b>(6,976)</b>	<b>3,522</b>	<b>(2,067)</b>	<b>(1,858)</b>
<b>Savings</b>				
Savings approved by Cabinet	(12,696)			
Non-Delivery of Savings				
Additional Savings			(2,000)	(2,000)
<b>Total Savings</b>	<b>(12,696)</b>	<b>-</b>	<b>(2,000)</b>	<b>(2,000)</b>
<b>In-Year Budget Gap after savings</b>	<b>764</b>	<b>11,240</b>	<b>2,988</b>	<b>3,002</b>
<b>Technical Adjustments</b>				
MRP policy change	(1,000)			
Additional MRP changes	(500)	150	150	150
<b>Commercial Income</b>				
Investment Income	(762)	50	(165)	(2,000)
Company Dividends	(1,909)	(3,410)	(505)	188
<b>Revised Budget Gap after Technical Adj &amp; Commercial Income</b>	<b>(3,407)</b>	<b>8,030</b>	<b>2,468</b>	<b>1,340</b>
<b>Cumulative Budget Gap</b>	<b>(3,407)</b>	<b>8,030</b>	<b>2,468</b>	<b>1,340</b>
Transfer To/(From) Earmarked Reserves	3,407	(3,407)		
<b>Budget Gap</b>	<b>-</b>	<b>4,623</b>	<b>2,468</b>	<b>1,340</b>