

Medium Term Financial Strategy - Summary Position 2017/18- 2020/21

Appendix A

	2017/18 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
	Nov ' 16	Dec ' 16	Revised	Revised	Revised
<b>Prior Year (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,954</b>	<b>18,886</b>
<b>Budget Increases</b>					
Investment in the capital programme	1,400	1,400	900	900	900
Staff pay award and capacity building	200	200	1,000	1,000	1,000
ELWA levy increase	650	650	440	350	350
Increased contribution to Pension Fund deficit	-	-	650	325	325
Apprenticeship levy	675	675	-	-	-
Non staff inflation	-	-	2,100	2,100	2,100
Delaying of interest costs	900	900	2,000	-	-
Children's demand led increase	700	700	1,300	1,200	1,100
Increased demand for Adult social care	-	-	500	700	800
Homelessness demand pressures	1,800	1,800	-	-	-
Implications of the Care Act 2014	119	119	45	377	-
Increase in employers' NI contributions	-	-	-	-	-
Adults precept 3% Ctax increase	1,028	1,529	1,629		
Participatory City		300			
Crowd Funding Programme		120	(120)		
Events team and programme		420			
Delayed implementation of Leisure Trust	-	-	-	-	-
Oracle and ICT hosting, LLW	-	-	-	-	-
Clean and Green Establishment Pressure	591	591	-	-	-
National minimum wage - corporate contracts	-	-	-	-	-
Potential impact of funding and levy changes	-	-	-	-	-
Potential impact of new legislation	-	-	2,000	2,000	2,000
Potential impact of demographic pressures	581	581	1,225	1,133	1,760
CAB & Thurrock	500	500			
Strategy	750	750			
Education costs transfer to DSG	(611)	(607)			
Land development acquisition	1,000	1,000	500		
MRP charge increase	-	-	-	-	-
London Living Wage April 2017	-	66	-	-	-
<b>Total Additional Costs</b>	<b>10,283</b>	<b>11,694</b>	<b>14,169</b>	<b>10,085</b>	<b>10,335</b>

<b>Changes in Income &amp; Funding</b>					
Government Grants	7,230	6,947	4,456	7,380	7,002
Reduction in HB admin grant			-	-	-
Education Services Grant	3,400	3,440			
Better Care Fund Grant	(400)	(400)			
<b>ESG Transitional Protection</b>	(500)	(995)			
<b>New Homes Bonus Grant</b>	-	1,060	1,722	703	2,173
<b>ASC Grant 2017-18</b>		(900)			
Reversal of Council tax and NNDR surplus	-	-	-	-	-
Increase in rates retention income	-	-	-	-	-
Business Rates Retention	667	667			
Business Rates Surplus loss		-			
Council Tax and NNDR surplus	-	-	-	-	-
1.99% increase in Council Tax	(1,023)	(1,014)	(1,081)	(1,119)	(1,158)
3% increase in Council Tax Adult social care precept	(1,028)	(1,529)	(1,629)		
Increase in Council Tax Base	(2,104)	(1,648)	(589)	(608)	(628)
Income from Business Rates Pooling	-	-	-	-	-
Transfer of industrial sites for residential use	-	-	-	-	-
Extra cost of Capital borrowing		83	1,120	275	95
<b>Total Changes in Income</b>	<b>6,242</b>	<b>5,711</b>	<b>3,999</b>	<b>6,631</b>	<b>7,484</b>
<b>In year Budget Gap</b>	<b>16,525</b>	<b>17,405</b>	<b>18,168</b>	<b>16,716</b>	<b>17,819</b>
<b>A2020 Savings</b>					
Savings approved by Cabinet	(9,275)	(9,276)	(11,344)	(12,784)	(14,538)
<b>Total Savings</b>	<b>(9,275)</b>	<b>(9,276)</b>	<b>(11,344)</b>	<b>(12,784)</b>	<b>(14,538)</b>
<b>In Year Budget Gap Including Savings</b>	<b>7,250</b>	<b>8,129</b>	<b>6,824</b>	<b>3,932</b>	<b>3,281</b>
<b>Other Adjustments</b>					
Cashable savings VR	(1,800)	(1,798)	1,798		
Cashable in year 16/17 savings	-	-	-		
Drawdown from Reserves	(2,300)	(2,300)	2,300		
Use of Collection Fund Surplus	(3,150)	(3,500)	3,500		
One off reduction in Elevate client team costs		(531)	531		
<b>Revised Budget Gap after other adjustments</b>	<b>-</b>	<b>-</b>	<b>14,953</b>	<b>3,932</b>	<b>3,281</b>
<b>Cumulatative Budget Gap including Savings</b>	<b>0</b>	<b>0</b>	<b>14,954</b>	<b>18,886</b>	<b>22,167</b>