

Appendix 1 -Medium Term Financial Strategy 2016/17 - 2020/21

	2016/17 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Prior Year (Surplus) / Deficit	(565)	(565)	(35)	19,765	35,609	49,585
Budget Increases						
Investment in the capital programme	500	1,000	1,400	900	900	900
Staff pay award & capacity building	2,000	2,000	1,000	1,000	1,000	1,000
Apprenticeship levy			675			
Levy increases	265	626	320	440	350	350
London Living wage increase		150				
Non Staff Inflation	-	-	2,100	2,100	2,100	2,100
Delayed delivery of Leisure Trust saving		1,000	(1,000)			
Increased contribution to Pension Fund deficit	650	650	325	325	325	325
Implications of the Care Act 2014	670	1,044	219	45	377	
Increase in employers' NI contributions	2,000	2,000	-	-	-	-
Delaying of Interest Costs	-	-	3,000	-	-	-
Increase demand for Children's Social Care	1,000	1,000	1,200	1,300	1,200	1,100
Increase demand for Adults' Social Care/NWM	-	-	400	500	700	800
Adult social care precept		890	919	949	980	1,012
Potential impact of new legislation	-	-	2,000	2,000	2,000	2,000
Potential impact of demographic pressures	500	-	981	1,225	1,133	1,760
Oracle hosting costs + ICT hosting		540				
National minimum wage corporate contracts		120				
Total Additional Costs	7,585	11,020	13,539	10,784	11,066	11,347
Changes in Income & Funding						
Government Grants	10,962	8,452	7,230	4,410	4,380	4,002
Reduction in HB admin grant		100				
Education Services Grant	622	(140)	1,440	1,000	1,000	270
New Homes Bonus	-	(3,237)	-	2,137	100	428
Council Tax Increase at 1.99%	(890)	(890)	(919)	(949)	(980)	(1,012)
Council Tax Increase at 2% - Adult Social Care		(890)	(919)	(949)	(980)	(1,012)
Council Tax base increase (future years estimated at 1.25%)	(552)	(3,234)	(570)	(589)	(608)	(628)
Council Tax Surplus	1,404	1,404	-	-	-	-
Transfer for industrial sits for residential use		500				
Loss of income from NNDR rates pool		300				
Total Changes in Income	11,546	2,365	6,261	5,059	2,911	2,047
Savings approved by Cabinet Dec 14	(12,855)	(12,855)				
In Year Budget Gap	6,276	530	19,800	15,844	13,976	13,395
Cumulative Budget Gap	5,711	(35)	19,765	35,609	49,585	62,980