

Appendix 2

The Table below gives an overall summary of the Council's General Fund MTFP position (which includes a wide range of assumptions).

MTFP General Fund Summary

2021/22 £'000		Notes	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
13,667	Net Direct Cost of Services		12,870	12,789	12,918	13,125	13,335
(1,501)	Net recharge to HRA		(1,558)	(1,589)	(1,621)	(1,653)	(1,686)
732	Provision for Repayment of Borrowing	1	819	980	794	789	787
12,898	Net Service Costs		12,131	12,180	12,091	12,261	12,436
(539)	Net Interest Costs/(Receipts)	2	(802)	(698)	(571)	(623)	(495)
159	Finance Lease Interest Payable		169	177	170	174	164
(648)	Net Transfers to/(from) Earmarked Reserves	3	153	(48)	219	230	230
11,870	Total Budget Requirement		11,651	11,612	11,909	12,041	12,335
	Funded By:						
(3,150)	Retained Business Rates	4	(3,306)	(2,859)	(2,904)	(2,950)	(3,002)
(179)	Lower Tier Services Grant	5	0	0	0	0	0
0	Revenue Support Grant	6	0	0	0	0	0
(490)	Rural Services Delivery Grant		(467)	(467)	(467)	(467)	(467)
(978)	Covid-19 Funding	7	0	0	0	0	0
(959)	New Homes Bonus	8	(460)	0	0	0	0
(6,114)	Council Tax–MDDC	9	(6,346)	(6,606)	(6,807)	(7,012)	(7,223)
(11,870)	Total Funding		(10,579)	(9,932)	(10,178)	(10,429)	(10,692)
0	Annual Gap – Increase/(Decrease) In-year		1,072	607	52	(119)	30
0	Cumulative Gap		1,072	1,680	1,732	1,612	1,643

Notes:

1. The Provision for repayment of borrowing incorporates the financial implications of the proposed Capital Programme shown in Appendix 3.
2. The reduction in Net Interest Costs/(Receipts) reflects a prudent assumption of the interest earned from 3 Rivers Developments Ltd. Once each new loan becomes live, the true interest due will be incorporated into the assumptions, until such point only 60% is included to offset the cost of the loan.
3. Net Transfers to/(from) Earmarked Reserves reflects planned contributions to, or drawdowns from reserves. The movement in 2023/24 reflects the loss of New Homes Bonus that has been previously added to an Earmarked Reserve prior to be utilised to fund the Capital Programme.
4. The Retained Business Rates income drops in 2023/24 to reflect the potential changes the Government might implement to the Business Rates Retention Scheme. These include Revaluation, Re-Baselining and Resource Equalisation.
5. Lower Tier Services Grant was announced as one-off, so has not be include within future years. MDDC is hopeful that this funding stream may continue.

6. Revenue Support Grant is shown despite MDDC not receiving it any longer. This is because MDDC may get it again in the future once the Government has concluded the Fair Funding Review and established the new funding mechanisms for the sector.
7. All funding for Covid-19 support has ceased.
8. New Homes Funding is due to cease in 2022/23 hence no inclusion in future years. MDDC is hopeful that this funding stream may continue in some form.
9. Council Tax income is forecast assuming Band D charge increases in line with assumed referendum limits, and a prudent return to Pre-Covid-19 collection rates