

## 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

2023/24 £'000		Notes	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
<b>16,845</b>	<b>Net Direct Cost of Services</b>		<b>17,035</b>	<b>17,468</b>	<b>18,210</b>	<b>19,036</b>	<b>19,752</b>
(1,884)	Net recharge to HRA		(1,948)	(2,006)	(2,067)	(2,129)	(2,193)
703	Provision for Repayment of Borrowing	1	898	970	1,066	1,063	1,101
<b>15,665</b>	<b>Net Service Costs</b>		<b>15,986</b>	<b>16,432</b>	<b>17,210</b>	<b>17,969</b>	<b>18,659</b>
(1,032)	Net Interest Costs/(Receipts)	2	(1,030)	(1,000)	(900)	(900)	(900)
180	Finance Lease Interest Payable		200	126	116	106	99
(1,582)	Net Transfers to/(from) Earmarked Reserves	3	(59)	188	288	214	314
(625)	Net Transfers to/(from) General Reserves		0	0	0	0	0
<b>12,606</b>	<b>Total Budget Requirement</b>		<b>15,097</b>	<b>15,747</b>	<b>16,715</b>	<b>17,389</b>	<b>18,172</b>
	<b>Funded By:</b>						
(4,319)	Retained Business Rates	4	(4,449)	(4,138)	(4,218)	(4,301)	(4,385)
(98)	Revenue Support Grant		(98)	0	0	0	0
(547)	Rural Services Delivery Grant		(547)	(547)	(547)	(547)	(547)
(320)	New Homes Bonus	5	(320)	0	0	0	0
(90)	2022/23 Services Grant	5	(90)	0	0	0	0
(485)	2023/24 Funding Guarantee		(485)	0	0	0	0
(6,749)	Council Tax–MDDC	6	(7,007)	(7,330)	(7,560)	(7,795)	(8,037)
<b>(12,606)</b>	<b>Total Funding</b>		<b>(12,994)</b>	<b>(12,013)</b>	<b>(12,323)</b>	<b>(12,641)</b>	<b>(12,967)</b>
<b>0</b>	<b>Annual Gap – Increase/(Decrease) In-year</b>		<b>2,103</b>	<b>1,631</b>	<b>658</b>	<b>357</b>	<b>457</b>
<b>0</b>	<b>Cumulative Gap</b>		<b>2,103</b>	<b>3,733</b>	<b>4,392</b>	<b>4,749</b>	<b>5,206</b>

### Notes:

1. The Provision for repayment of borrowing incorporates the financial implications of the current Capital Programme.
2. The reduction in Net Interest Costs / (Receipts) reflects the removal of the possible interest earned from 3 Rivers Developments Ltd and is replaced by an assumption on interest earned through treasury investments. Assumption on interest rates to be reviewed.
3. Net Transfers to / (from) Earmarked Reserves reflects planned contributions to, or drawdowns from reserves. This is likely to change significantly during this budget process.
4. The Retained Business Rates increase is assumed to be 3% in 2024/25 and a 2% increase is assumed in future years. However income drops in 2025/26 to reflect the potential changes the Government might implement to the Business Rates Retention Scheme. These include Re-Baselining and Resource Equalisation. No use of the Smoothing Reserve has been factored in (currently £720k but dependent upon annual collection surplus/deficit).

5. The current assumption is for a cash freeze in grants for 2024/25. However in 2025/26, it is assumed that the long awaited implications for grant funding arising from the Fair Funding Review are implemented, i.e. those announced as one off / ceasing will have stopped. However, there is an expectation that these are replaced, at least in part, but forecasting that is impossible. Therefore it is hoped that this is the prudent / worst case forecast.
6. Council Tax income is forecast assuming Band D charge increases in line with referendum limits in 2024/25 and assumed referendum limits in future years, and an increase in the taxbase in line with the local plan requirements (c350 properties per annum) and a return to normal (98%) collection rate over the life of the MTFP.