

Future Financial Gaps and the Impact on Reserve Balances

Appendix D

	Est @ end 16/17	2017/18	2018/19	2019/20	2020/21
Gap as per MTFS Draft January 2017		(321,801)	(1,018,631)	(1,658,968)	(1,815,652)
Council Tax increase at £5		162,243			
County Council Recycling Credits			(500,000)		
Revised Gap		(159,558)	(1,518,631)	(1,658,968)	(1,815,652)
Reserves to release included in MTFS		(400,000)	(200,000)	(200,000)	(200,000)
Refurbishment of offices - reserve release		(200,000)			
Depleting Reserves Balance	5,524,814	4,765,256	3,046,625	1,187,657	(827,995)

Note:

Waste Recycling - In 2018/19 the Pickles grant ceases, £232k is already built into the 2018/19 Gap for this. In the same year County Council are to remove recycling credits - this is a further gap of £500k.

New Homes Bonus - The provisional NHB figures for 2017/18 are £303k better than in the MTFS of 2016/17. There will be further a further reduction of NHB to 4 years in 2018/19 and this has been built into the draft MTFS. Even so, if house building continues at the current rate it will continue to be a major source of income (£2m-£2.2m) for the Council to utilise to underpin the budget.

Depleting Reserves - The starting balance of £5.5m are those reserves that may be used to underpin the budget. The balance is shown to reduce should the financial gaps not be filled and reserves used to support the budget. It should be noted that whilst some release is allowed for in the MTFS it does not allow for the Council utilising further reserve funding to support spend to save activity.