

## Medium Term Financial Strategy (MTFS) Summary 2024-27

Appendix 1A

	2024-25 £'000	2025-26 £'000	2026-27 £'000
<b>Net Service Costs</b>	<b>487,880</b>	<b>467,705</b>	<b>454,080</b>
Growth - New	17,770	(4,400)	4,246
Grants and Funding impact on services - New	(21,643)	(3,557)	644
Inflation - New	6,250	(60)	6,510
Savings - Unachievable	1,213	-	-
Savings - New	(32,808)	(5,607)	(3,997)
<b>Total Funding Requirement</b>	<b>458,661</b>	<b>454,080</b>	<b>461,483</b>
Core Grants:			
- Revenue Support Grant	(41,984)	(43,243)	(43,935)
- New Homes Bonus	(2,171)	(2,171)	(2,171)
- Services Grant	(2,429)	(2,429)	(2,429)
- Improved Better Care Fund	(16,810)	(16,810)	(16,810)
- Social Care Grant	(30,082)	(30,082)	(33,282)
- ASC Discharge Fund	(3,928)	-	-
- ASC Market Sustainability & Improvement Fund	(5,158)	(5,158)	(5,158)
- Public Health Grant	(39,099)	(40,272)	(40,916)
<b>Core Grants</b>	<b>(141,662)</b>	<b>(140,166)</b>	<b>(144,702)</b>
<b>Business Rates</b>	<b>(172,744)</b>	<b>(174,347)</b>	<b>(162,631)</b>
<b>Council Tax</b>	<b>(134,233)</b>	<b>(140,266)</b>	<b>(147,006)</b>
<b>Total Funding</b>	<b>(448,638)</b>	<b>(454,779)</b>	<b>(454,338)</b>
<b>Budget Gap / (Surplus) before Reserves</b>	<b>10,023</b>	<b>(698)</b>	<b>7,145</b>
<b>Previously Approved Drawdown from Reserves</b>	<b>(15,622)</b>	<b>(4,822)</b>	<b>-</b>
<b>Budget Gap / (Surplus) after Approved Reserves Drawdown</b>	<b>(5,599)</b>	<b>(5,520)</b>	<b>7,145</b>
<b>Contribution to Reserves / (Drawdown from Reserves)</b>	<b>5,599</b>	<b>5,520</b>	<b>(7,145)</b>
<b>Increase in Reserves Over Life of MTFS</b>			<b>3,974</b>

**Assumptions:**

- Adult Social Care (ASC) precept increase of 2% allocated to help fund demographic pressures in Adult Social Care.
- Business Rates income - assumes reset to occur in 2026-27.
- Core Grants allocations are based on the Local Government Finance Policy Statement announced in December 2023.
- Pay and contractual Inflation at Autumn Statement (Office of Budget Responsibility) figures – 3.0% for 2024-25; 1.6% for 2025-26 and 1.5% for 2026-27.