

General Fund Forecast Assumptions

Key Area	Assumption	Comment
Pay Award	£1,925 for 2022/23. 4.5% for 2023/24 then 2% annually	The assumption for the pay award £1,925 on each salary point for 2022/23 then 4.5% 2023/24 and 2% p.a. thereafter. For information, an additional 1% pay award increase equates to c£225k per annum.
General Prices Inflation		Freeze on all general revenue expenditure with the exception of pay, fuel, insurance, utility budgets and maintenance costs. High inflation increases in these areas.
Slippage	£2.055m initially included in 2022/23 and a further £0.070m subsequently agreed	Underspend from 2021/22 agreed by Cabinet (July 2022) slipped into 2022/23.
Employers Pension Contribution	Currently includes 18.4% pa plus deficit recovery payment for 2022/23. Includes 12.8% pa including surplus for 2023/24 to 2025/26.	Figures included as per the outcome of the 2019 Triennial Review which covers 2020/21 to 2022/23 and draft figures for the 2022 Triennial Review covering the period 2023/24 to 2025/26 which is currently being finalised.
Employer National Insurance Contributions	Employer's standard rate reduced back to 13.8% from November 2022.	9.4% is the average employer's percentage for the Council in 2023/24. The previous increase of 1.25% to the standard rate announced by Government for 2022/23 is reversed from November 2022.
Government Grant Support	Based on the Local Government Settlement figures	Based on the Local Government Finance Settlement figures received February 2022 for 2022/23 and figures received in February 2023 for 2023/24 onwards.
Council Tax Increase	1.99% in 2022/23 2.99% in 2023/24 to 2026/27	The increase set for 2022/23 was 1.99%. This council tax principles have been amended to allow District Councils to increase the council tax up to 3% for 2023/24 onwards.
New Homes Bonus Grant	One off allocation for 2022/23 One-off allocation for 2023/24 (draft)	The income received from New Homes Bonus reflects the Government's allocations as announced February 2022 and .
Fees and Charges	Various	The 2023/24 Fees and Charges are in the process of being reviewed by the Cabinet Members. Increases to fees and charges are agreed by Cabinet Members annually in line with delegations.
Vacancy Savings	£350k per annum from 2023/24 Plus an additional £100k pa put forward in Savings proposals	Estimated savings from vacant posts. Forecast increased to £675k for 2022/23 then to £350k pa ongoing based on current vacancy rate. It is also put forward in the Savings proposals to increase this by a further £100k per annum from 2023/24.

Capital Borrowing	Various	Provision has been made for all Capital Programme borrowing unless indicated in the Programme.
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