

General Fund Forecast Adjustments (details)

The following notes relate to the adjustments made to the forecast set out in **appendix C**:

	Key Area	Comment
	Impact of Outturn 2021/2022 and forecast extension	
i	Slippage from 2021/2022	Slippage of £2.125m relating to underspends in 2021/22.
ii	2026/27 Forecast Extension	The impact of adding a year to the financial forecast
ii	Other unavoidable spending pressures & changes to assumptions	
iii	Release of Earmarked Reserves	Use of Earmarked Reserves to fund income losses and additional expenditure
iv	Underspend challenge	£300k increase in underspend target in addition to the existing £350k pa target for 2022/23 to reflect savings achieved in preceding years. Savings proposal to increase this by £200k pa to £500k pa from 2023/24.
v	Fuel costs	Increasing fuel costs associated with operational vehicle fleet
vi	Utilities	Utility costs are to rise significantly from next financial year
vii	Insurance	Insurance costs have risen significantly due to market conditions and inflation
viii	Audit Fees	External Audit fees are rising as part of the national contract award process led by PSAA Ltd.
ix	Increased in vehicle maintenance costs and vehicle hire	Increase in vehicle maintenance costs as a result of the fleet being not yet being replaced and incurring higher unscheduled maintenance costs
x	Contribution from vehicle set aside to fund additional costs	This set aside is for funding the borrowing costs of vehicles however as delays to the purchasing the vehicle means the fund has not been called upon fully therefore available for funding the above costs.
xi	Other Price Inflation	General price inflation, particularly on maintenance costs
xii	National Insurance % increase reversal	The increase set by the Government last year as been reversed
xiii	Pay award	The national local government pay award negotiations resulted in a £1,925 increaser on all salary scales.
xiv	Pensions Triennial Review Revaluation	The 2022 revaluation of the Pension Fund has resulted in a surplus eliminating the need for additional payments previously required to cover the deficit.
xv	Added Years & AVC Savings	Savings due to changes in assumptions for retired pensioners, and existing staff AVC salary sacrifice scheme
xvi	Urgent additional Tree maintenance	Rephasing of urgent tree maintenance required
xvii	Reports to be brought to Members	The impact of various reports brought to members during 2022/23
xviii	Interest payable and MRP re-phasing	Re-phasing of interest and MRP budgets
xix	Investment Income increases	Increase in investment income returns due to increase in interest rates set by the Bank of England
xx	Transfer to Treasury Reserve for future borrowing costs	Transfer of additional investment income returns to Treasury Reserve to fund future borrowing costs

xxi	Fees and charges	Various minor changes to fees and charges budgeted income
xxii	Vacancy savings	Increase in vacancy savings target over the forecast period
xxiii	New Homes Bonus	New Homes Bonus set aside for future investment
xxiv	Business Rates Revaluation 2023	Impact of the 2023 business rates valuation list changes on our own properties
xxv	Business Rates - Harris	Reduction in Business Rates due to the Harris Museum being closed for refurbishment
xxvi	City Centre Assets	Cost of city centre regeneration schemes
xxvii	ICT – Strategy Reserve	Transfer to the ICT Strategy Reserve to fund future investment in ICT infrastructure
xxviii	Rephasing and project slippage	Rephasing of 2022/23 budgets to future years where projects have been delayed
xxix	Technical adjustment, release of contingency, & misc.	Various budget adjustments including technical accounting changes, corrections to budgets, transfers from earmarked reserves and release of contingency amounts not required
xxx	New Council Tax Support Fund	Expenditure relating to the new government Local Council Tax Support Fund
xxxi	New Council Tax Support Fund Grant	Grant income relating to the new government Local Council Tax Support Fund