

## Tabled Paper – Agenda Item 8

### **Medium Term Financial Plan (MTFP) 2024-2029**

#### **Cabinet – 26 October 2023**

1. Changes to MTFP have been made as a result of increased uncertainty surrounding the proposed move to International House, and the possibility of the savings previously identified not being delivered, and the need to spend on the Civic Centre being allowed for.
2. The changes made have increased the deficit in the 5 year plan from £8.9m to £15.2m representing an increase of £6.3m over the 5 years.
3. To mitigate this emerging risk, members may wish to propose that savings in the region of £2.8m per annum are now developed, as opposed to the £1.5m previously proposed.
4. Summary of changes made to MTFP Assumptions:-
  - Remove £700,000 of operational Savings (£250,000 in 2024/25 and £450,000 in 2025/26).
  - Remove £1.5m to Capital Plan for International House refurbishment works for proposed move.
  - Add long term financing costs of £295,000, £590,000 and £885,000 (ongoing) to 2024/25, 2025/26 and 2026/27 (then ongoing) respectively to allow for capital works necessary for updating the civic centre which are forecast to be £10.8m.
5. The presented and revised MTFP forecast is shown on the next page for comparative purposes.

### Original MTFP Forecast (with move to International House)

GENERAL FUND REVENUE FORECAST 2024/25 to 2028/29					
	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Government Grant	(1,019)	(1,083)	(503)	(443)	(377)
Retained Business Rates	(9,590)	(10,100)	(7,385)	(7,739)	(8,117)
New Homes Bonus (100% transferred to Improvement & Project Fund)	(1,000)	(500)	(500)	(500)	(500)
Government Funding	(11,609)	(11,683)	(8,388)	(8,682)	(8,994)
Council Tax	(9,376)	(9,850)	(10,347)	(10,869)	(11,418)
Total Income Receipts (Including Specific Grants)	(50,964)	(51,479)	(51,654)	(51,798)	(51,943)
Base Budget Gross Expenditure	68,132	70,447	72,005	72,991	74,133
Net Interest and MRP costs	5,412	6,433	7,065	6,934	6,484
Company and Commercial income (excl. debt)	(2,191)	(3,442)	(5,346)	(6,278)	(6,247)
Reserve Transfers	1,450	0	0	0	0
<b>BUDGET GAP</b>	<b>854</b>	<b>426</b>	<b>3,335</b>	<b>2,298</b>	<b>2,015</b>
<b>Cumulative GAP</b>	<b>854</b>	<b>1,280</b>	<b>4,615</b>	<b>6,913</b>	<b>8,928</b>

### Revised MTFP Forecast (without move to International House)

GENERAL FUND REVENUE FORECAST 2024/25 to 2028/29					
	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Government Grant	(1,019)	(1,083)	(503)	(443)	(377)
Retained Business Rates	(9,590)	(10,100)	(7,385)	(7,739)	(8,117)
New Homes Bonus (100% transferred to Improvement & Project Fund)	(1,000)	(500)	(500)	(500)	(500)
Government Funding	(11,609)	(11,683)	(8,388)	(8,682)	(8,994)
Council Tax	(9,376)	(9,850)	(10,347)	(10,869)	(11,418)
Total Income Receipts (Including Specific Grants)	(50,964)	(51,479)	(51,654)	(51,798)	(51,943)
Base Budget Gross Expenditure	68,382	71,147	72,705	73,691	74,833
Net Interest and MRP costs	5,663	6,950	7,858	7,735	7,289
Company and Commercial income (excl. debt)	(2,191)	(3,442)	(5,346)	(6,278)	(6,247)
Reserve Transfers	1,450	0	0	0	0
<b>BUDGET GAP</b>	<b>1,355</b>	<b>1,643</b>	<b>4,828</b>	<b>3,799</b>	<b>3,520</b>
<b>Cumulative GAP</b>	<b>1,355</b>	<b>2,998</b>	<b>7,826</b>	<b>11,625</b>	<b>15,145</b>