

Potential Additional Savings Needed for Various Council Tax & Government Support Scenarios

For Consideration by Cabinet 16 February 2010

Note : The Savings Requirements shown below are after currently identified Savings and Growth proposals.

		2011/12						
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax Increase for 2011/12 ⇒		0%	+1%	+2%	+2.5%	+3%	+3.75%	+4%
	2010/11 Increase ↓							
Savings Requirement	3.75%	1,085	1,002	918	876	835	772	751
Change in Government Support		-6.0%	-4.5%	-3.0%	-2.0%	-1.5%	-1.0%	0.0%
Additonal or (Reduced) Savings Requirement		491	246	0	(164)	(246)	(328)	(491)
<i>Current projections based on a reduction of 3%</i>								

		2012/13						
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax Increase for 2011/12 & 2012/13 ⇒		0%	+1%	+2%	+2.5%	+3%	+3.75%	+4%
	2010/11 Increase ↓							
Savings Requirement	3.75%	1,905	1,737	1,568	1,482	1,396	1,263	1,223
Change in Government Support		-6.0%	-4.5%	-3.0%	-2.0%	-1.5%	-1.0%	0.0%
Additonal or (Reduced) Savings Requirement		447	226	0	(159)	(238)	(318)	(477)
<i>Current projections based on a reduction of 3%</i>								

Best case scenario from above:

Council Tax increase of 3.75% for 2010/11 then 4% per year, and no reduction in Government Support per year resulting in a savings requirement over the 3 year period of **£515K** (cumulative total value, not each year).

Current Assumed Scenario :

Council Tax increase of 3.75% for 2010/11 and then 4% per year, and Government Support reduced by 3% per year resulting in a savings requirement over the 3 year period of **£1.974M**.

Worst case scenario from above:

0% increase in Council Tax per year and Government Support reduced by 6% per year resulting in a savings requirement over the 3 year period of **£4.420M**.