

**Future Years' Budgets, Provisional Settlement and associated Council Tax Rates
For Consideration by Cabinet 22 January 2008**

	2007/08 Original £000	2008/09 Estimate £000	2009/10 Projection £000	2010/11 Projection £000
Original Revenue Budget Projection	22,309	23,713	25,028	0
Projection per MTFS Review Sept 2007 (excl.Star Chamber Proposals)	22,309	23,425	25,091	0
Base Budget Amendments : Changes resulting from Budget review to January 2008	-96	-103	-353	+26,257
Additional Contributions to (+) / From (-) Balances	+96	-48	-32	-15
Latest Revenue Budget Projection	22,309	23,274	24,706	26,242
Provisional Government Support	14,932	15,523	15,993	16,376
Collection Fund Deficit / (-) Surplus	-60	+0	+0	+0
Amount met by Council Tax	7,317	7,751	8,713	9,866

Original Tax Base Estimates	42,950	43,150	43,350	43,550
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COUNCIL TAX IMPLICATIONS :

Band D Average Council Tax (across district)	£170.36	£179.63	£200.99	£226.54
Percentage Increase Year on Year	4.0%	5.4%	11.9%	12.7%

As Compared with:

Original Projections for average Council Tax	£196.58 15.4%	£218.98 11.4%
MTFS Original Targets	£177.99 4.5%	£185.11 4.0%

Assumed Target Year on Year Average Council Tax Increase	In % terms	4.5%	4.0%	4.0%
	In £ terms (Band D)	£7.67	£7.12	£7.41
Target Average City Council Tax Rate across the District		£178.03	£185.15	£192.55
Budget assumptions to achieve these targets:		£'000	£'000	£'000
Current Revenue Budget Projection (from above table)		23,274	24,706	26,242
Net Growth (+) / Savings (-) Requirement		-69	-687	-1,480
Target Revenue Budget Requirement		23,205	24,019	24,762

The above net savings requirements would need to be increased to cover any growth proposals.

NOTES :

- The tax base for 2008/09 has now been finalised (no change from estimate).
- The Council Tax figures in the shaded boxes relate to the average City Council Tax payable across the district. This is the rate that the Secretary of State considers when deciding whether to use his capping powers.
- The variance analysis is still being reviewed and therefore figures are subject to change.
- To achieve a Council Tax increase of 4.5%, savings of £69,000 will be required, assuming no further growth is required (ie the savings target would need to increase to provide for this).
- Currently it is estimated that 1% change in Council Tax represents circa. £74K.
- The assumptions on the use of surplus balances are in line with current MTFS phasing.
- No Star Chamber savings proposals have been included in the above projections.
- For exemplification purposes only, a 4% Council Tax target is shown for 2009/10 and 2010/11.