

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

For Consideration by Cabinet 19 January 2010

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

	2010/11				
	£'000	£'000	£'000	£'000	£'000
Council Tax Increase for 2010/11 ⇨	0%	+1%	+2%	+3%	+4%
Latest Savings Requirement	482	402	321	241	161

		2011/12				
		£'000	£'000	£'000	£'000	£'000
Council Tax Increase for 2011/12 ⇨		0%	+1%	+2%	+3%	+4%
	2010/11 Increase ↓					
Latest Savings Requirement	0%	2,259	2,178	2,098	2,017	1,937
<i>For example, a 0% increase for 2010/11 and a 2% increase for 2011/12 will require additional savings of £2.098M to be made.</i>	1%	2,178	2,097	2,016	1,935	1,853
	2%	2,098	2,016	1,934	1,852	1,769
	3%	2,017	1,935	1,852	1,769	1,686
	4%	1,937	1,853	1,769	1,686	1,602

Change in Government Support	-6.0%	-4.5%	-3.0%	-1.5%	0.0%
Additonal or (Reduced) Savings Requirement	491	246	0	(246)	(491)
<i>Current projections based on a reduction of 3%</i>					

		2012/13				
		£'000	£'000	£'000	£'000	£'000
Council Tax Increase for 2011/12 & 2012/13 ⇨		0%	+1%	+2%	+3%	+4%
	2010/11 Increase ↓					
Latest Savings Requirement	0%	3,127	2,965	2,801	2,636	2,469
<i>For example, a 0% increase for 2010/11 and a 2% increase for 2011/12 and 2012/13 will require additional savings of £2.801M to be made.</i>	1%	3,046	2,882	2,717	2,550	2,382
	2%	2,965	2,800	2,633	2,465	2,295
	3%	2,885	2,718	2,549	2,379	2,207
	4%	2,804	2,636	2,466	2,294	2,120

Change in Government Support	-6.0%	-4.5%	-3.0%	-1.5%	0.0%
Additonal Savings Requirement	447	226	0	(238)	(477)
<i>Current projections based on a reduction of 3%</i>					

Best case scenario from above:

Council Tax increase of 4% per annum and Government Support increase of 0% per annum resulting in reduced savings requirement of **£2.4M** over the 3 year period.

Current Assumed Scenario :

Council Tax increase of 4% per annum and Government Support reduced by 3% resulting in a savings requirement of **£3.9M** over the 3 year period.

Worst case scenario from above:

0% increase in Council Tax per annum and Government Support reduced by 6% per annum resulting in **£7.3M** savings requirement over the 3 year period (cumulative total value, not each year).