Notes to Medium Term Financial Forecast

1   *Net Council Budget* – *This represents the net expenditure prior to the Budget Framework savings.*

2   *Forecast Resources* – *These are the Council's main funding streams (excluding fees and charges which are incorporated into Line 1). This illustrates the significant reduction in Central Government funding. To enable the total resources required to balance the budget to be identified, no assumptions have been made regarding future council tax increases. The small increase in revenue each year reflects anticipated housing growth in the borough.*

         The level of government grant is known for 2018/19.

         The future levels of government grant for the period 2019/20 are based on indicative figures provided as part of the 2018/19 financial settlement which form part of the 'four year settlement' figures

2a / 2b   *Revenue Support Grant / Business Rates - Following the introduction of the Business Rates Retention Scheme the local share of business rates will be uplifted by RPI each year until the system is reset in 2020 this is shown in line 2b. The full reduction in grant is therefore applied to the element that is provided through the Revenue Support Grant, which is detailed in Line 2a. This Council's Revenue Support Grant reduces to nil in 2019/20. The Government made a further adjustment in 2019/20 whereby the Council rather than receiving a grant is making a payment to the Government of £250,000 this is reflected in line 2a.*

3   *Budget (Surplus) / Deficit* – *This illustrates the gap between the budget and the total resources available before identifying budget framework savings.*

5   *Savings to be identified* – *This identifies the total resources that are required to balance the budget in future years after 2018/19.*

8   *Town Centre Initiatives* – *This relates to parking incentives and / or other town centre related items. Due to the short term nature this is being funded from the General Fund working balance rather than forming part of the base budget.*