

APPENDIX 4

**KEY ASSUMPTIONS USED IN PROJECTED
RESOURCES, EXPENDITURE AND INCOME 2023/24-2026/27**

Factor	Assumption
Resources	
Council Tax base	Variable depending on projected additional properties.
Council Tax	2.99% increase in 2023/24 to 2026/27
Adult Social Care Precept	2% increase in 2023/24 to 2026/27
Council Tax collection	99% collected
Government Grants	Government grants for 2023/24 as indicated in 2022 spending review and indicative figures for 2024/25 – 2026/27.
	Increase in Business Rates Scheme Top Up Grant of 10.1% in 2023/24 & 2.00% in 2024/25, 2025/26 & 2026/27 (projected CPI).
	Revenue Support Grant 2023/24 uplifted for 2% inflation to 2026/27.
	Continuation of Improved Better Care Fund (iBCF) at 2022/23 rates.
	Continuation of 2022/23 Social Care Support Grant of £3.753m in total, flatlined and assumed to continue to 2026/27.
	Spending Review 21 Government Funding assumed to be continued at 22/23 rates until 2026/27
	2022/23 Services Grant assumed to continue until 2026/27 at same rate as 2022/23
	Social Care Grant of £0.728m in 2023/24 & £1.237m in 2024/25
	Lower Tier Services Grant assumed to continue until 2026/27 at same rate as 2022/23
	New Homes Bonus (NHB) legacy payments will continue but no new ones assumed after 2023/24.
Expenditure	
Pay inflation	2023-24 5% and thereafter 2% in line with national scheme.
Price inflation	Only contractual inflation on running costs
Local Government Pension Scheme	Contribution rate of 18.3% for 2023/24 until next triennial revaluation in 25/26.
Financing Costs	
Interest rates payable	Average rate on existing debt 2023/24 of 3.24%; 2024/25 of 3.22%, 2025/26 of 3.10% & 2026/27 of 3.15%.
Interest rates payable on new debt – 10 year rate	2023/24 of 4.20%; 2024/25 of 3.45%, 2025/26 of 3.13% & 2026/27 of 2.68%.
Interest rates receivable	4.60% in 2023/24, 3.20% in 2024/25, 2.80% in 2025/26 & 2.80% in 2026/27.
Income	
Inflationary increases	Various based on individual service considerations