

## APPENDIX 4

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

| <b>Factor</b>                                     | <b>Assumption</b>                                                                                                         |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| <b>Resources</b>                                  |                                                                                                                           |
| 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.                                |
| <b>Expenditure</b>                                |                                                                                                                           |
| 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.                                         |
| <b>Financing Costs</b>                            |                                                                                                                           |
| 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.                                                  |
| <b>Income</b>                                     |                                                                                                                           |
| Inflationary increases                            | Various based on individual service considerations                                                                        |