

APPENDIX 4

**KEY ASSUMPTIONS USED IN PROJECTED
RESOURCES, EXPENDITURE AND INCOME 2024/25-2027/28**

| Factor | Assumption |
|---|--|
| Resources | |
| Council Tax base | Variable depending on projected additional properties. |
| Council Tax | 2.99% increase in 2024/25 and then 1.99% to 2027/28 |
| Adult Social Care Precept | 2% increase in 2024/25 and then 1% to 2027/28 |
| Council Tax collection | 99% collected |
| Government Grants | Government grants, as indicated in the final Local Government Finance Settlement 2023/24 for 2024/25 and indicative figures for 2025/26 – 2027/28. |
| | Increase in Business Rates Scheme Top Up Grant of 4.3% in 2024/25, 5.6% in 2025/26, reset in 2026/27 & flatlined from 2027/28. |
| | Revenue Support Grant uplifted for 6% inflation in 2024/25 and then 2% to 2027/28. |
| | Continuation of Improved Better Care Fund (iBCF) at 2023/24 rates. |
| | Continuation of 2023/24 Adult Social Care Support Grant of £3.753m in total, flatlined and assumed to continue to 2027/28. |
| | Spending Review 21 Government Funding of £1.162m to continue at 2023/24 rates until 2027/28. |
| | Services Grant assumed to continue until 2027/28 at same rate as 2023/24 |
| | Social Care Grant, indicative from 2023 settlement at £4.872m in 2024/25 and flatlined to 2027/28. |
| | New Homes Bonus (NHB) legacy payments ended 2023/24. |
| | Supporting People Grant estimated at 2023/24 rate for 2024/25, then ceases. |
| Expenditure | |
| Pay inflation | 2024/25 4% 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 2024/25 until next triennial revaluation in 2025/26. |
| Financing Costs | |
| Interest rates payable | Average rate on existing debt 2024/25 of 3.87%; 2025/26 of 3.64%, 2026/27 of 3.45% & 2027/28 of 3.45%. |
| Interest rates payable on new debt – 10 year rate | 2024/25 of 4.50%; 2025/26 of 3.78%, 2026/27 of 3.53% & 2027/28 of 3.50%. |
| Interest rates receivable | 4.70% in 2024/25, 3.00% in 2025/26, 2.80% in 2026/27 & 3.05% in 2027/28. |
| Income | |
| Inflationary increases | Various based on individual service considerations |