

Appendix A
General Fund Budget Parameters 2019/20 – 2021/22

February 2018 Assumption		Proposed Change
Costs		
Pay inflation	2.0% per annum onwards in line with government Announcements.	No Change.
National Insurance	Rates were increased effective from April 2016	No Change
General inflation	Only applied where contractually/statutorily required	No change
Staff vacancy savings target	2% p.a.	No change.
Pension Fund triennial revaluation March 2017	Reflects actuarial recommendations	No Change.
Income		
Fees & charges	Income budgets to increase in line with price inflation where possible and budgets increased accordingly	No Change.
Council Tax increase (for financial planning purposes only)	No increase in 2018/19 then assume 1.99% increase for each year across the MTFP period	No Change
Other Assumptions		
Government Funding Revenue Support Grant increase	RSG will end – Government Funding Assumed to be aligned with 4 year funding offer made as part of the 2016/17 settlement	No change pending announcements regarding BRR and subject to central adjustment for –ve RSG in 2019/20
Borrowing		
Prudential borrowing	HRA - No repayment of Self Financing Debt due to rent reduction imposed by Gov. Non HRA - MRP to cover	No change.

	£2m borrowing per annum incorporated in MTFP.	
Transfer to/from Reserves - Insurance Fund	Annual contribution to Insurance fund increasing by £17k each year.	No Change.
General Reserves	No change, Minimum General fund balance to be maintained at £2.5m over the current MTFS Period to manage increased risks to be managed locally under Government plans.	No Change.