

Appendix A

General Fund Budget Parameters 2020/21 – 2022/23

February 2019 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	2019 review incorporated in to the MTFP and budget including option to make one off deficit payment for period 2020/21 – 2022/23.
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)	1.99 % increase in each year across the MTFP period	No Change
Other Assumptions		
Government Funding Revenue Support Grant increase	Pending announcements regarding BRR and subject to central adjustment for –ve RSG in 2019/20	One year deal for 2020/21 reflected in MTFP and small 1% annual reduction assumed thereafter pending BRR review announcements.
Borrowing		
Prudential borrowing	HRA - No repayment of Self Financing Debt due to rent reduction imposed	Non Housing MRP increased to provide provision for £3m of

	by Gov. Non HRA - MRP to cover £2m borrowing per annum incorporated in MTFP.	annual borrowing to cover the requirements of the stock condition survey results.
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.