

## APPENDIX 7 – Medium Term Financial Projections (MTFP)

|   | 2023/24<br>£'000 | 2024/25<br>£'000 | 2025/26<br>£'000 | Total<br>£'000  |
|---|------------------|------------------|------------------|-----------------|
| <b>Funding</b>  |                  |                  |                  |                 |
| Base change in WG Revenue Support Grant ( +3.5% in 23/24, +2.4% in 24/25 and 2.95% in 25/26)                    | (9,296)          | (6,598)          | (8,304)          | (24,198)        |
| Increased share of the total Revenue Support Grant due to data changes showing increased relative spending need | (2,565)          | -                | -                | (2,565)         |
| Increase in tax base - C.Tax @ 22/23 rate   | (161)            | -                | -                | (161)           |
| C. Tax @ 9.5% pa  | (7,368)          | (3,397)          | (3,533)          | (14,298)        |
| Less consequential increase in benefits   | 1,205            | 544              | 565              | 2,314           |
| <b>Change in Income/Funding</b>   | <b>(18,186)</b>  | <b>(9,451)</b>   | <b>(11,272)</b>  | <b>(38,909)</b> |
| <b>Revenue Investments / Increased Costs</b>  |                  |                  |                  |                 |
| Pricing - Pay Inflation & Increments (non schools)  | 7,200            | 2,611            | 2,521            | 12,332          |
| Pricing - Contract/ Income Inflation (non schools)  | 17,969           | 12,530           | 11,050           | 41,549          |
| Pricing - Pay Inflation & Increments (schools)  | 4,503            | 4,116            | 5,259            | 13,878          |
| Pricing - Contract/ Income Inflation (schools)  | 3,941            | 3,463            | 1,745            | 9,149           |
| Demand - Schools  | 785              | 1,221            | 1,164            | 3,170           |
| <b>Standstill/ 'committed' position</b>   | <b>34,398</b>    | <b>23,941</b>    | <b>21,739</b>    | <b>80,078</b>   |
| Demand - Social Care  | 3,328            | 451              | 105              | 3,884           |
| Demand - Other  | 3,500            | 336              | 11               | 3,847           |
| Policy change   | 32               | -                | 490              | 522             |
| Investments - Inc. Corporate Plan Promise   | -                | -                | 300              | 300             |
| Capital Financing - other   | -                | 208              | -                | 208             |
| Other   | 4,004            | 698              | 595              | 5,297           |
| <b>Total Pressures</b>  | <b>45,262</b>    | <b>25,634</b>    | <b>23,240</b>    | <b>94,136</b>   |
| <b>General budget transfer to / (from) Reserves</b>   | <b>563</b>       | <b>-</b>         | <b>-</b>         | <b>563</b>      |
| <b>Gap Before Cost Reduction Plans</b>  | <b>27,639</b>    | <b>16,183</b>    | <b>11,968</b>    | <b>55,790</b>   |
| <b>Cost Reduction - Transformation / Change Programme</b>   |                  |                  |                  |                 |
| Cost reduction - new savings  | 11,561           | 284              | -                | 11,845          |
| Cost reduction - previously agreed savings  | -                | -                | -                | -               |
| <b>Total Savings</b>  | <b>11,561</b>    | <b>284</b>       | <b>-</b>         | <b>11,845</b>   |
| <b>Balance - @ WG +3.5% and +2.4%</b>   | <b>16,078</b>    | <b>15,899</b>    | <b>11,968</b>    | <b>43,945</b>   |

The MTFP represents the current budget position.