

APPENDIX A

Isle of Wight Council Medium Term Financial Plan

	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000
Net Revenue Budget b/fwd	124,244	122,806	120,149	120,963
Change Each Year				
1. Cost Increases (-increase/decrease)				
Pay Awards/Pension	1,236	1,053	1,053	1,053
National Insurance changes	1,000	0	0	0
Contract Costs	665	413	533	533
Capital Financing	1,164	900	900	900
Adult Social Care - Increased need/care packages/living wage	5,188	4,304	4,113	4,664
	9,253	6,670	6,599	7,150
2. Changes in Specific Grants/New Homes Bonus (-increase/decrease)				
New Homes Bonus	-864	0	1,420	100
Education Services Grant (net loss after estimate of reduced burdens)	132	273	0	0
Better Care Fund increase	0	-100	-2,100	-2,000
Other Grants	24	0	0	0
	-708	173	-680	-1,900
3. Changes in Revenue Support Grant (-increase/decrease)				
Revenue Support Grant	8,021	6,654	4,183	4,324
Care Act Funding Transferred to RSG	-1,088	-204	-13	-564
Net RSG Change	6,933	6,450	4,170	3,760
4. Changes in Business Rates and Council Tax (-increase/decrease)				
Business Rates	-641	-928	-1,496	-1,293
Council Tax base changes/collection fund + 1.99% increase	-3,486	-1,429	-1,981	-2,360
Council Tax Adult Social Care 2% increase	-1,367	-1,436	-1,508	-1,584
	-5,494	-3,793	-4,985	-5,237
5. Budget Gap (section 1+2+3+4) resulting from LG Finance Settlement				
	9,984	9,500	5,104	3,773
Total Net Budget	122,806	120,149	120,963	122,441
Savings Required				
Budget Gap (as above)	9,984	9,500	5,104	3,773
Reserves and balances used in previous years	4,367	4,000	1,000	0
Gap Brought Forward from one-off savings identified in previous year	2,402	0	0	0
Total Budget Gap *	16,753	13,500	6,104	3,773
Further Use of Reserves in Current year	-4,000	-1,000	0	0
Total Savings Required	12,753	12,500	6,104	3,773

* The original total budget gap was £17,386k, changes to the Local Council Tax Support Scheme agreed at 20 January Full Council have reduced this by £633k, the remaining gap is therefore £16,753k