

Appendix 2 - Medium Term Financial Strategy	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Budget brought forward	282,927	268,020	257,081	253,238
Statutory/cost drivers				
Inflation (pay)	1,097	1,108	1,119	1,130
Inflation (non-pay)	3,309	3,376	3,443	3,512
North London Waste Authority (NLWA) levy	1,366	937	758	1,035
Capital financing costs	1,500	1,500	1,000	1,500
Public Health	(1,003)			
Statutory/cost drivers sub-total	6,269	6,921	6,320	7,177
Central Expenses				
Contingency - general risks	491	943	1,170	918
Concessionary Fares	227	255	292	346
Central Expenses sub-total	718	1,198	1,462	1,264
Balances to/(from) reserves				
Specific reserves contribution 2015/16 NHB	(7,416)			
Specific reserves contribution 2016/17 NHB	10,735	(10,735)		
Specific reserves contribution 2017/18 NHB		10,548	(10,548)	
Specific reserves contribution 2018/19 NHB			9,897	(9,897)
Specific reserves contribution 2019/20 NHB				7,583
Service Development Reserve	955			
Reserves sub-total	4,274	(187)	(651)	(2,314)
Total expenditure	294,188	275,952	264,212	259,365
New Formula grant funding				
Business Rates	35,352	35,697	37,130	38,656
Business Rates- Top up	18,712	19,404	20,141	20,927
Revenue Support Grant (RSG)	33,760	21,130	13,350	6,920
New Formula grant sub-total	87,824	76,231	70,621	66,502
Council Tax				
Council Tax (CT)	146,481	149,566	152,501	155,918
CT freeze grant 15-16	1,670			
Core grants				
Private Finance Initiative (PFI) credit	2,235	2,235	2,235	2,235
Education Services Grant	3,521	3,169	2,852	2,567
NHB	10,735	10,548	9,897	7,583
Unallocated RSG				
Housing and CT Benefit Administration Grant	2,223	2,001	1,801	1,621
Public Health	13,332	13,332	13,332	13,332
Other funding sub-total	180,196	180,850	182,617	183,255
Total Income from grant and Council Tax	268,020	257,081	253,238	249,758
Proposed Pressures	4,332	3,953	3,466	3,726
Budget Gap before savings & pressures	26,168	18,871	10,974	9,607
Proposed Savings	(20,603)	(12,269)	(10,677)	(8,109)
Budget Gap after savings	9,897	10,555	3,763	5,224