

**Hereford & Worcester Fire Authority**  
**Policy & Resources Committee: 27-Jan-2016**  
**Budget Planning Assumptions**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
Core Grant (reduction)	-12.70%	-17.70%	-10.00%	-5.50%
Council Tax-base (increase)	1.80%	1.35%	1.27%	1.25%
Council Tax Band D (increase)	1.96%	1.96%	1.96%	1.96%
Business Rate Yield (increase)	0.80%	1.90%	1.90%	1.90%
Pay Awards	2.00%	2.00%	2.00%	2.00%
General Inflation	2.00%	2.00%	3.00%	3.00%
Long Term Interest Rates	4.00%	4.00%	4.00%	4.00%

**Hereford & Worcester Fire Authority**  
**Policy & Resources Committee: 27-Jan-2016**  
**Updated MTFP**

		Col 2 2016/17 Forecast £m	Col 3 2017/18 Forecast £m	Col 4 2018/19 Forecast £m	Col 5 2019/20 Forecast £m
Line 1	<b>Budget Gap in MTFP</b>	<b>0.300</b>	<b>1.627</b>	<b>2.493</b>	<b>3.346</b>
	<b>Change to Resources</b>				
Line 2	Adjustment to Band D Projection	0.008	0.016	0.024	0.032
Line 3	Probable 2016/17 Council Tax-base Increase	(0.273)	(0.280)	(0.287)	(0.294)
Line 4	Revision to future tax-base growth forecasts		(0.182)	(0.354)	(0.534)
Line 5	H&W Grant Settlement	0.136	0.574	0.386	(0.046)
Line 6	Revised Firelink Grant Assumptions		(0.102)	0.023	0.148
Line 7	Business Rate growth	0.030	0.030	0.030	0.030
Line 8		<b>(0.099)</b>	<b>0.056</b>	<b>(0.178)</b>	<b>(0.664)</b>
Line 9		<b>0.201</b>	<b>1.683</b>	<b>2.315</b>	<b>2.682</b>
	<b>Change to Net Expenditure</b>				
Line 10	NI Contracting Out - Phasing	0.380			
Line 11	FireControl - additional costs	0.090	0.090	0.090	0.090
Line 12	unrelated additional income	(0.080)	(0.080)	(0.080)	(0.080)
Line 13	"Apprentice" Levy		0.070	0.070	0.070
Line 14	2015/16 Inflation Saving	(0.125)	(0.125)	(0.125)	(0.125)
Line 15	Revised 2016/17 Inflation Projection	(0.100)	(0.100)	(0.100)	(0.100)
Line 16	Revised 2017/18 Inflation Projection		(0.100)	(0.100)	(0.100)
Line 17	2015/16 Pay Award Savings	(0.275)	(0.275)	(0.275)	(0.275)
Line 18	Capital Financing Adjustment	(0.200)	(0.200)	(0.200)	(0.150)
Line 19					
Line 20		<b>(0.310)</b>	<b>(0.720)</b>	<b>(0.720)</b>	<b>(0.670)</b>
Line 21		<b>(0.109)</b>	<b>0.963</b>	<b>1.595</b>	<b>2.012</b>
Line 22	Use of CSR Reserve		(0.574)	(0.386)	
Line 23	Re-phase approved use of Balances	0.150	(0.150)		
Line 24	<b>Residual Gap</b>	<b>0.041</b>	<b>0.239</b>	<b>1.209</b>	<b>2.012</b>
Line 25	DCP Continuation		0.154	0.154	0.154
Line 26	<b>Potential Gap</b>	<b>0.041</b>	<b>0.393</b>	<b>1.363</b>	<b>2.166</b>