

London Borough of Croydon - 2024-28 Medium Term Financial Plan

Assumes continued capitalisation directions of £38m per annum

	2024-25	2025-26	2026-27	2027-28
	£'m	£'m	£'m	£'m
Departmental and Corporate Base Budget	383.702	383.702	383.702	383.702
Demand and demographic pressures	10.717	22.292	27.232	32.369
Provision for future demand and demographic growth		2.425	11.485	20.348
Legacy budget corrections	0.806	1.306	1.806	2.306
Proposed Savings	-23.731	-30.706	-35.725	-35.751
Saving in borrowing costs from asset disposals	-6.684	-9.167	-9.947	-9.947
Future savings target beyond 2024-25 (assumes overall increase in incremental savings of £20m per annum)		-13.025	-28.006	-47.980
Provision for inflation	18.183	30.183	42.183	54.183
Net cost of borrowing (interest, MRP & investment income)	65.766	67.506	67.336	67.356
Risk/contingency provision	5.000	5.000	5.000	5.000
Economic demand pressures contingency	0.000	5.000	10.000	15.000
Council Tax Hardship fund	0.500	0.500	0.500	0.500
Transformation investment	5.000	5.000	5.000	5.000
Gross Budget Requirement	459.259	470.016	480.566	492.086
Core grant funding	-43.929	-44.368	-44.812	-45.260
Use of the capitalisation directive	-38.000	-38.000	-38.000	-38.000
Business Rates - compensation grant for under indexing the business rates multiplier	-16.063	-16.384	-16.712	-17.046
Net Budget Requirement (as per the budget book)	361.267	371.263	381.042	391.780
Financing				
<i>Government Grants:</i>				
Revenue Support Grant	-17.818	-17.996	-18.176	-18.358
<i>Croydon Resources</i>				
Business rates top-up grant	-38.146	-38.909	-39.687	-40.481
Business rates income	-43.744	-42.885	-43.743	-44.617
Council tax (4.99% increase modelled for 24/25, a 2.99% increase per annum thereafter),	-259.761	-269.459	-279.140	-289.171
Prior year collection fund surplus	-1.798	0.000	0.000	0.000
Total Financing	- 361.267	- 369.249	- 380.746	- 392.627

Budget deficit excluding new savings	- 0.000	2.015	0.296	- 0.848
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Cumulative (surplus) / deficit	- 0.000	2.015	2.311	1.464
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