

ESSENTIAL REFERENCE PAPER C

Planning assumptions for July 2015 MTFP Update:

FACTOR	NOTE	2016/17	2017/18	2018/19	2019/20
Council Tax Increase		0.00%	1.00%	1.00%	1.00%
Pay Settlement	1	2.25%	2.25%	2.25%	2.25%
Members Allowances	2	1.50%	1.50%	1.50%	1.50%
Price inflation	3	1.20%	1.70%	1.90%	2.00%
Contract inflation	4	1.20%	1.70%	1.90%	2.00%
Council Tax Base	5	1.00%	1.00%	1.00%	1.00%
Fees and Charges	6	2.50%	2.50%	2.50%	2.50%

Notes:

1. Based on continued pay restraint through the life of the MTFP period. Includes an annual 0.75% increase to allow for increments and local award.
2. Members allowances are set by an Independent Remuneration Panel but for MTFP planning purpose this is assumed to be in line with officer pay awards.
3. Price inflation is based upon OBR inflation forecasts for future years as at March 2015 (CPI).
4. Contract inflation is based upon OBR inflation forecasts for future years as at March 2015 (CPI).
5. Council Tax base increases have been calculated using trend information. Further revisions may occur once certainty around the scale and timing of future developments becomes clear.
6. Fees and Charges are assumed to increase by 2.5% year on year. This may be achieved through a combination of appropriate price increases or new sources of income being identified.