

## Medium Term Financial Plan 2022/25

### Funding Statement

	2024/25	2025/26	2026/27	2027/28	2028/29
	Base Budget £000	Base Budget £000	Base Budget £000	Base Budget £000	Base Budget £000
<b>Estimated Funding</b>					
Business Rates	(22,428)	(22,787)	(23,152)	(23,546)	(23,946)
Business Rates - Top Up	(26,289)	(26,708)	(27,135)	(27,596)	(28,065)
Revenue Support Grant	(16,734)	(16,734)	(16,734)	(16,734)	(16,734)
Improved Better Care Fund Grant	(8,349)	(8,349)	(8,349)	(8,349)	(8,349)
Social Care Grant	(8,813)	(8,813)	(8,813)	(8,813)	(8,813)
Market Sustainability and Fair Funding	(3,344)	(3,344)	(3,344)	(3,344)	(3,344)
Equalisation of 2% ASC Precept	(1,990)	(1,990)	(1,990)	(1,990)	(1,990)
Additional Social Care Grant Funding	(7,062)	(5,469)	(5,469)	(5,469)	(5,469)
Independent Living Fund	(386)	(386)	(386)	(386)	(386)
Discharge Fund	(1,951)	(1,951)	(1,951)	(1,951)	(1,951)
BSF PFI Grant	(8,472)	(8,472)	(8,472)	(8,472)	(8,472)
Council Tax Income (incl Social Care Precept)	(69,377)	(73,690)	(78,268)	(83,128)	(88,290)
Council Tax Income - Town and Parish Precepts	(186)	(186)	(186)	(186)	(186)
Transfer from/to Collection Fund - Council Tax	(1,073)	(200)	(200)	(200)	(200)
Transfer from/to Collection Fund - NNDR	(1,678)	(200)	(200)	(200)	(200)
<b>Total Estimated Funding</b>	<b>(178,132)</b>	<b>(179,279)</b>	<b>(184,649)</b>	<b>(190,364)</b>	<b>(196,395)</b>
<b>Forecast Expenditure</b>					
Portfolios	170,143	168,419	167,915	167,915	167,915
<b>Corporate Income and Expenditure</b>					
Contingencies	10,563	19,701	29,571	39,113	48,696
RCCO	9,537	-	-	-	-
Debt Charges	18,533	19,298	19,097	19,494	19,494
Investment Income	(2,990)	(1,000)	(750)	(750)	(750)
Recharges to Schools	(1,383)	(1,273)	(1,198)	(1,123)	(1,123)
Benefit Admin Grants	(417)	(431)	(409)	(389)	(370)
New Homes Bonus	(830)	-	-	-	-
Lower Tier Services Grant	-	-	-	-	-
Services Grant	(311)	-	-	-	-
Business Rates s31 Grant	(14,486)	(14,718)	(14,954)	(15,193)	(15,436)
Town and Parish Precepts (incl Grants)	213	213	213	213	213
<b>Net Expenditure</b>	<b>188,572</b>	<b>190,209</b>	<b>199,485</b>	<b>209,280</b>	<b>218,639</b>
<b>Contributions to/(from) Reserves</b>					
R&M Sinking Fund	80	-	-	-	-
Welfare Reform Reserves	(36)	(36)	(36)	(36)	(36)
NNDR Reserve	-	-	-	-	-
Other Earmarked Reserves	(7,534)	-	-	-	-
Invest to Save Reserve	(1,410)	-	-	-	-
Use of Budget Strategy Reserve	(1,540)	(1,000)	(500)	-	-
	-	-	-	-	-
<b>Budget Requirement (excl GF Balance)</b>	<b>178,132</b>	<b>189,173</b>	<b>198,949</b>	<b>209,244</b>	<b>218,603</b>
Contribution to/from GF Balance	-	-	-	-	-
<b>Budget Requirement</b>	<b>178,132</b>	<b>189,173</b>	<b>198,949</b>	<b>209,244</b>	<b>218,603</b>
<b>Net Shortfall/(Surplus)</b>	<b>0</b>	<b>9,894</b>	<b>14,300</b>	<b>18,880</b>	<b>22,208</b>
<b>Net Shortfall/(Surplus) - In Year</b>		<b>9,894</b>	<b>4,406</b>	<b>4,580</b>	<b>3,328</b>

## Changes in Medium Term Financial Plan since 26th February 2024

	<b>DRAFT BUDGET 2025/26 £000</b>	<b>DRAFT BUDGET 2026/27 £000</b>	<b>DRAFT BUDGET 2027/28 £000</b>	<b>DRAFT BUDGET 2028/29 £000</b>
<b>Report to Finance Council on 26th February 2024</b>	<b>9,115</b>	<b>13,199</b>	<b>16,569</b>	<b>17,752</b>
Roundings	(1)	(1)	(2)	(1)
Assume 1% Growth in Taxbase across all years	(214)	(676)	(1,190)	(1,763)
Assume loss of Services Grant	311	311	311	311
Assume HB Admin Subsidy reduces by 5% each year (not 15%)	(76)	(107)	(132)	(152)
Change in National Insurance Assumption	-	-	-	250
No inflation on Tariff Reconciliation	2	2	2	2
Adjustment to Inflation on NNDR	253	515	737	966
Revised Pay Inflation Assumptions	504	1,057	885	1,443
Adjustment to Energy Contingency	-	-	1,700	1,700
Amendment to Adult Social Care Uplift	-	-	-	1,700
<b>Report to Executive Board 13th June 2024</b>	<b>9,894</b>	<b>14,300</b>	<b>18,880</b>	<b>22,208</b>

# Appendix C

## Blackburn with Darwen Analysis of Balances and Reserves

	Balance at 31st December 2023 *1 £000	Redistribution of Reserves 2023/24 £000	Forecast Balance of Reserves 31st March 2024 £000	Budgeted Use of Reserves 2024/25 £000	Forecast Balance of Reserves 31st March 2025 £000	Budgeted Use of Reserves 2025/26 £000	Forecast Balance of Reserves 31st March 2026 £000	Budgeted Use of Reserves 2026/27 £000	Forecast Balance of Reserves 31st March 2027 £000	Budgeted Use of Reserves 2026/27 £000	Forecast Balance of Reserves 31st March 2028 £000
Minimum Working Balance (GF Balance)	6,009	-	6,009	-	6,009	-	6,009	-	6,009	-	6,009
Budget Support Reserve	1,985	1,185	3,170	(1,540)	1,630	(1,000)	630	(500)	130	-	130
Invest to Save Reserves	4,266	-	4,266	(1,410)	2,856	-	2,856	-	2,856	-	2,856
Insurance Reserve	-	4,000	4,000	-	4,000	-	4,000	-	4,000	-	4,000
Specific (Discretionary) Reserves - Committed											
- Welfare, Council Tax and Business Rate Reforms	6,204	(1,000)	5,204	(36)	5,168	(36)	5,132	(36)	5,096	(36)	5,060
- Investment in Assets and Infrastructure	4,143	-	4,143	(3,245)	898	-	898	-	898	-	898
- Support for Other Resources and Transformation Projects	375	-	375	-	375	-	375	-	375	-	375
- Support for People Services	6,897	(1,000)	5,897	1,593	7,490	-	7,490	-	7,490	-	7,490
- Support for Place Services	920	-	920	-	920	-	920	-	920	-	920
- Contingent Sums	7,438	(687)	6,751	(506)	6,245	-	6,245	-	6,245	-	6,245
- Slippage from Previous Years	4,441	(2,498)	1,943	-	1,943	-	1,943	-	1,943	-	1,943
- Amounts unspent from Grants and Contributions	648	-	648	-	648	-	648	-	648	-	648
- Amounts committed to Future Years Budgets	931	-	931	-	931	-	931	-	931	-	931
- Reserves held for Specific Purposes	6,374	-	6,374	(5,296)	1,078	-	1,078	-	1,078	-	1,078
<b>Total Specific (Discretionary) Reserves</b>	<b>38,371</b>	<b>(5,185)</b>	<b>33,186</b>	<b>(7,490)</b>	<b>25,696</b>	<b>(36)</b>	<b>25,660</b>	<b>(36)</b>	<b>25,624</b>	<b>(36)</b>	<b>25,588</b>
Other Earmarked Reserves	117	-	117	-	117	-	117	-	117	-	117
School Related Reserves	11,446	-	11,446	-	11,446	-	11,446	-	11,446	-	11,446
<b>Total Reserves</b>	<b>62,194</b>	<b>-</b>	<b>62,194</b>	<b>(10,440)</b>	<b>51,754</b>	<b>(1,036)</b>	<b>50,718</b>	<b>(536)</b>	<b>50,182</b>	<b>(36)</b>	<b>50,146</b>

\*1 - As reported to the Finance Council on 26th February 2024

## Scenario Analysis - Assumptions for Worse/Base/Better Case Position

Variable	Worse	Base	Better
Services Grant Retained	-	-	£311k Additional Income
New Homes Bonus	-	-	Scheme rolled forward 1 year £830k
Pay Award	5% in 2025/26 4% in 2026/27 3% in 2027/28	3% in 2025/26 2% in 2026/27 2% in 2027/28	2% in 2025/26 1.5% in 2026/27 1% in 2027/28
Provider Uplifts	10% in 2024/25 10% in 2025/26 10% in 2026/27	8% in 2024/25 8% in 2025/26 7.5% in 2026/27	6% in 2024/25 6% in 2025/26 6% in 2026/27
Retain Additional Social Care Funding	-	-	£1.593m Additional Income
Extended Producer Responsibility Income	- -	- -	£1.000m Additional Income
Children Services Additional Costs	£1.000m Additional Expenditure	-	-

