

## London Borough of Croydon - Medium Term Financial Plan

	2023/24	2024/25	2025/26
	£'m	£'m	£'m
Base Budget (Departmental)	317.055	317.055	317.055
Base Budget (Corporate Items)	-0.946	-0.946	-0.946
Demand Pressures	11.283	19.161	24.985
Legacy Budget Corrections	49.037	49.537	50.037
Planned Savings	-33.098	-40.400	-41.114
Future Savings target	0.000	-20.000	-40.000
Provision for inflation	32.946	49.946	61.946
net cost of borrowing (interest, MRP & investment income)	57.919	64.432	63.461
Risk/contingency provision	5.000	10.000	15.000
Set aside of new adult social care grants	3.734	6.319	6.319
Economic Demand Pressures	5.500	5.500	5.500
Council Tax - Hardship Support	2.000	2.000	2.000
Transformation Investment	10.000	5.000	5.000
<b>Gross Budget Requirement</b>	<b>460.430</b>	<b>467.604</b>	<b>469.243</b>
Use of earmarked reserve (Council tax income guarantee)	-1.715	0.000	0.000
Core grant funding	-38.651	-42.648	-42.648
Additional Adult Social Care Grants	-3.734	-6.319	-6.319
Use of the capitalisation directive	-63.000	-38.000	-38.000
Business Rates - compensation grant for underindexing the business rates multiplier	-12.419	-12.419	-12.419
<b>Net Budget Requirement (as per the budget book)</b>	<b>340.911</b>	<b>368.218</b>	<b>369.857</b>
<b>Financing</b>			
<i>Government Grants:</i>			
Revenue Support Grant	-16.711	-17.628	-17.628
<i>Croydon Resources</i>			
Business rates top-up grant	-35.921	-37.864	-40.005
Business rates income	-42.506	-45.388	-45.388
Council tax (4.99% increase modelled in 2024/25 and a freeze in 2025/26)	-247.759	-263.061	-266.034
Prior year collection fund deficit	1.986	0.000	0.000
<b>Total Financing</b>	<b>-340.911</b>	<b>-363.941</b>	<b>-369.055</b>
<b>Budget deficit/(surplus)</b>	<b>0.000</b>	<b>4.277</b>	<b>0.802</b>