

APPENDIX 1

MTFP Summary	Forecast 2025/26			Forecast 2026/27			Forecast 2027/28		
	Low Gap	Medium Gap	High Gap	Low Gap	Medium Gap	High Gap	Low Gap	Medium Gap	High Gap
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Pay Pressure	2,769	3,462	4,154	2,880	3,635	4,403	2,995	3,817	4,668
Pay Grades Pressure	-1,760	-1,760	-1,760	1,760	1,760	1,760	1,300	1,300	1,300
Price Inflation	250	250	250	250	250	500	250	250	500
CTRS	500	500	950	350	500	700	350	500	700
Fire Levy	500	600	700	200	300	400	200	300	400
Adults Social Care	2,565	4,165	5,969	1,500	2,000	4,000	1,500	2,500	3,500
Childrens Services	2,600	4,284	5,900	2,000	3,000	4,000	2,000	3,000	4,000
Schools Inflation	3,000	4,000	5,000	3,000	4,000	5,000	3,000	4,000	5,000
Schools Demography	350	700	800	350	700	800	350	700	800
Investment in Priorities	0	250	500	967	967	1,500	892	892	1,000
Additional Service Pressures	1,000	1,875	3,197	1,000	1,500	2,000	1,000	1,500	2,000
Total Pressures	11,774	18,326	25,660	14,257	18,612	25,063	13,837	18,759	23,868
Inc/dec in Revenue Support Grant	-2,008	602	2,008	-2,002	1,001	2,002	-2,002	0	2,002
Council Tax Increase	-8,944	-6,822	-4,700	-4,764	-4,764	-4,764	-5,055	-5,055	-5,055
Total Increase in Revenue	-10,952	-6,219	-2,692	-6,766	-3,763	-2,762	-7,057	-5,055	-3,053
Annual Budget Gap	822	12,107	22,968	7,491	14,849	22,301	6,780	13,704	20,815
Cumulative Budget Gap	822	12,107	22,968	8,313	26,955	45,269	15,093	40,659	66,084

Note on Main Assumptions:

- Pay: based on 4% (L), 5%(M) and 6% (H) increase for each year
- Pay Grading: Pressure has been moved 2 years due to WG commitment to a revised national pay spine
- Priorities: 25/26 - Carbon Project only
26/27 - Carbon (£250k), and Coastal Schemes (£717)
27/28 - Carbon (£250k), Schools Building (£506k) and Archives (£136k)
- Childrens Pressure: 25/26 - Forecasts updated in October based on current placements and estimates for inflationary uplifts. Worst case assumes additional new complex placements will occur
- Adults Social Care Pressure: 25/26 - Forecasts updated in October assuming real living wage increase Oct 2024 at 3.75% and CPI at 2.2%. Includes pressures for Complex Disabilities - re-contracting and a forecast increase in demand, and Extra Care Housing at Llys Awelon Ruthin
- Additional Service Pressures: 25/26 - Waste (£1.067m), Winter Maintenance (£600k), Indexation on corporate contracts (£165k), Strategic Assets cost increases (£45k)
- Schools Pressure: No detailed calculation done yet but broadly in line with pay pressure elsewhere (most of inflation is pay)
- Revenue Support Grant: Based on Wales Fiscal Analysis data (-0.3%, -0.5%, 0%). Further analysis likely available after UK Gov Budget in
- Council Tax: 25/26: 6% (L), 9% (M) & 12% (H)
26/27 and 27/8: all scenarios based on the long term average of 5.5%