

## SENSITIVITY ANALYSIS

<u>OPTIMISTIC SCENARIO</u>	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Baseline Scenario – Budget Gap	14.6	17.1	24.3	21.0
Council Tax Housing Growth - 1500 Band D p.a.	(0.8)	(1.7)	(2.6)	(3.5)
CTR Claimant Numbers - return to pre-COVID levels by 2023/24	-	(1.1)	(0.6)	-
Council Tax Collection Rate - recover by 2022/23	(2.6)	(1.9)	(1.1)	(1.1)
<b>Net Impact on Council Tax Base</b>	<b>(3.4)</b>	<b>(4.7)</b>	<b>(4.3)</b>	<b>(4.6)</b>
Economic Impact on Council Share of Business Rates - recover by 2022/23	(1.5)	(1.5)	-	-
Business Rates Collection Rate - recover by 2023/24	(0.5)	(0.5)	-	-
<b>Net Impact on Business Rates</b>	<b>(2.0)</b>	<b>(2.0)</b>	<b>-</b>	<b>-</b>
Service Income Reduction	(1.0)	(1.0)	(1.0)	(1.0)
<b>Total Changes from Baseline</b>	<b>(6.4)</b>	<b>(7.7)</b>	<b>(5.3)</b>	<b>(5.6)</b>
<b>Optimistic Scenario – Updated Budget Gap</b>	<b>8.2</b>	<b>9.4</b>	<b>19.0</b>	<b>15.4</b>

<u>PESSIMISTIC SCENARIO</u>	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Baseline Scenario – Budget Gap	14.6	17.1	24.3	21.0
Council Tax Housing Growth -500 Band D growth yr 1, 1000 growth p.a. re-established by year 2	0.8	0.8	0.9	0.9
CTR Claimant Numbers - no reduction 2022/23, return to pre-COVID levels 2025/26	0.5	0.4	0.2	-
Council Tax Collection Rate - recover by 2025/26	-	0.8	0.4	-
<b>Net Impact on Council Tax Base</b>	<b>1.3</b>	<b>2.0</b>	<b>1.5</b>	<b>0.9</b>
Economic Impact on Council Share of Business Rates - slower recovery at 1% p.a.	0.9	0.3	1.2	0.6
Business Rates Collection Rate - slower recovery rate to 2025/26	0.4	0.4	0.4	-
<b>Net Impact on Business Rates</b>	<b>1.3</b>	<b>0.7</b>	<b>1.6</b>	<b>0.6</b>
Service Income Reduction	2.0	2.0	2.0	2.0
3% Pay Inflation 2022/23	2.4	2.4	2.4	2.4
<b>Total Changes from Baseline</b>	<b>7.0</b>	<b>7.1</b>	<b>7.5</b>	<b>5.9</b>
<b>Pessimistic Scenario – Updated Budget Gap</b>	<b>21.6</b>	<b>24.2</b>	<b>31.8</b>	<b>26.9</b>