

**Budget Forecast 2008/09 for Council Tax rises between 0-5%
(Increase in formula grant 1%)**

	5% Council Tax Rise £m	2.5% Council Tax Rise £m	0% Council Tax Rise £m
Budget gap in Medium Financial Strategy	17.8	20.1	22.5
Actions taken to reduce the gap			
Revised inflation and central items assumptions	-3.0	-3.0	-3.0
Reduced service priority growth	-2.0	-2.0	-2.0
Income maximisation	-1.5	-1.5	-1.5
Revised budget gap reported to July Executive	11.3	13.6	16.0
Actual Movements since July			
<i>Shortfall against July targets</i>			
- Inflation and central items	0.1	0.1	0.1
- Income maximisation	1.1	1.1	1.1
<i>Other</i>			
- 'Inescapable Growth'	4.6	4.6	4.6
- West London Waste	0.5	0.5	0.5
- Savings agreed at October Executive	-5.5	-5.5	-5.5
Net Change	0.8	0.8	0.8
Latest Gap	12.1	14.4	16.8