

Appendix F - Financing Affordability Gap

NLWA PROCUREMENT PROJECT 2012 - 2042 Affordability - indicative council tax modelling

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	
A. Reference project £299m							
1 Waste procurement affordability gap	£m	£m	£m	£m	£m	£m	£m
- disposal	1.90	1.61	0.55	2.83	4.32	4.37	
- collection	0.65	0.72	0.78	0.90	0.83	0.96	
- total	2.55	2.33	1.33	3.73	5.15	5.33	
2 Increased net cost each year (£m)	2.55	(0.22)	(1.00)	2.40	1.42	0.18	5.33
3 Council tax direct % increase	2.58%	(0.22%)	(1.01%)	2.43%	1.44%	0.18%	5.39%
4 Council tax % increase smoothing options							
- front load	2.00%	2.00%	1.39%	0.00%	0.00%	0.00%	5.39%
- mid/back load	0.00%	0.00%	1.39%	2.00%	2.00%	0.00%	5.39%
- evenly spread	1.07%	1.07%	1.07%	1.07%	1.07%	0.04%	5.39%
B. Sensitivity analysis - higher cost £353m							
1 Waste procurement affordability gap	£m	£m	£m	£m	£m	£m	£m
- disposal	2.24	1.90	0.65	3.34	5.10	5.16	
- collection	0.77	0.85	0.92	1.06	0.98	1.13	
- total	3.01	2.75	1.57	4.40	6.08	6.29	
2 Increased net cost each year (£m)	3.01	(0.26)	(1.18)	2.83	1.68	0.21	6.29
3 Council tax direct % increase	3.05%	(0.26%)	(1.19%)	2.87%	1.70%	0.22%	6.37%
4 Council tax % increase smoothing options							

