

GRAVESHAM BOROUGH COUNCIL

MEDIUM TERM FINANCIAL PLAN

	<u>Original</u> <u>2016-17</u> £	<u>Projected</u> <u>2016-17</u> £	<u>Projected</u> <u>2017-18</u> £	<u>Projected</u> <u>2018-19</u> £	<u>Projected</u> <u>2019-20</u> £	<u>Projected</u> <u>2020-21</u> £	<u>Projected</u> <u>2021-22</u> £	<u>Projected</u> <u>2022-23</u> £	<u>Projected</u> <u>2023-24</u> £	<u>Projected</u> <u>2024-25</u> £	<u>Projected</u> <u>2025-26</u> £
EXPENDITURE											
Employees (Net of deleted Posts)											
Salaries (Including Vacancy Achieved)	8,456,570	8,243,810	8,334,740	8,516,150	8,696,560	8,880,020	9,066,650	9,256,520	9,449,760	9,643,590	9,836,960
Temporary Staff	137,370	115,370	108,120	110,860	112,700	114,580	116,480	118,430	120,420	122,490	125,060
Wages	24,500	94,500	94,770	95,040	215,310	95,590	95,870	96,150	216,700	97,270	97,270
Pension and National Insurance Contributions	3,164,360	3,539,840	3,190,670	3,272,200	3,333,070	3,393,980	3,457,940	3,522,150	3,587,690	3,653,410	3,694,440
Other (Training, Retirement Benefits, etc)	477,800	464,560	456,430	481,720	492,280	485,210	511,790	499,710	510,400	520,990	533,020
Running Expenses	8,741,280	9,301,170	8,956,400	9,065,280	9,262,340	9,547,300	9,773,940	9,994,410	10,198,740	10,194,030	10,428,600
Capital Financing	639,340	639,340	780,900	755,760	764,630	563,180	553,280	555,920	546,510	570,520	570,520
INCOME											
Net Housing Benefit Subsidy	(77,330)	(77,330)	(77,330)	(77,330)	(77,330)	(77,330)	(77,330)	(77,330)	(77,330)	(77,330)	(77,330)
Recharges to Other Accounts	(709,420)	(1,082,460)	(1,025,380)	(1,010,740)	(963,130)	(898,450)	(861,090)	(799,200)	(778,690)	(674,620)	(674,400)
Other Government Grants	(1,166,280)	(987,850)	(1,177,670)	(1,177,670)	(1,177,670)	(1,177,670)	(1,177,670)	(1,177,670)	(1,177,670)	(1,177,690)	(1,177,710)
Investment Income	(745,000)	(448,000)	(894,210)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Fees & Charges	(6,242,650)	(6,286,830)	(6,213,730)	(6,212,950)	(6,198,630)	(5,946,730)	(5,946,730)	(5,951,230)	(5,946,730)	(5,905,730)	(5,905,730)
Rental Income	(1,265,170)	(1,472,310)	(1,615,280)	(1,612,950)	(1,612,950)	(1,612,950)	(1,612,950)	(1,612,950)	(1,615,600)	(1,615,600)	(1,615,600)
APPROPRIATIONS											
Capital Items met from Balances and Reserves	--	160,000	--	--	--	--	--	--	--	--	--
Net Contribution to / (from) Reserves	740,880	39,580	688,260	788,000	649,060	495,610	441,010	426,510	103,160	216,160	216,160
Appropriation to / (from) Balances	1,848,130	1,737,450	1,202,380	1,072,170	1,107,870	1,192,000	1,192,000	1,192,000	1,192,000	1,192,000	1,192,000
Parish Precepts	279,350	279,350	279,350	279,350	279,350	279,350	279,350	279,350	279,350	279,350	279,350
BUDGET REQUIREMENT FOR THE YEAR	14,653,730	14,610,190	13,438,420	13,694,890	14,233,460	14,683,690	15,162,540	15,672,770	15,958,710	16,388,840	16,872,610
Business Rates Income	(2,727,390)	(2,727,390)	(2,762,880)	(2,849,460)	(2,946,020)	(3,008,370)	(3,071,970)	(3,136,840)	(3,203,010)	(3,270,510)	(3,270,510)
Residual Revenue Support Grant (RSG)	(1,237,020)	(1,239,200)	(601,360)	(196,260)	243,710	243,710	243,710	243,710	243,710	243,710	243,710
Less: <i>Passported Parish Grant (LSCT)</i>	6,470	6,470	3,120	1,040	--	--	--	--	--	--	--
New Homes Bonus	(1,848,130)	(1,845,950)	(1,202,380)	(1,072,170)	(1,107,870)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)
Council Tax Income	(6,050,160)	(6,050,160)	(6,249,490)	(6,451,000)	(6,654,710)	(6,828,420)	(7,006,650)	(7,189,800)	(7,377,600)	(7,570,450)	(7,768,090)
Parish Precepts	(279,350)	(279,350)	(279,350)	(279,350)	(279,350)	(279,350)	(279,350)	(279,350)	(279,350)	(279,350)	(279,350)
Transfers to / (from) the Collection Fund	--	117,850	--	--	--	--	--	--	--	--	--
<i>Recycling of Excess Usable Working Balances above £2m</i>	(2,518,150)	(2,518,150)	(2,346,080)	(1,918,580)	(1,107,870)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)
BUDGET SHORTFALL/(UNDERSPEND)	--	74,310	--	929,110	2,381,350	2,427,260	2,664,280	2,926,490	2,958,460	3,128,240	3,414,370
NEW SAVINGS PER ANNUM	--	74,310	--	929,110	1,452,240	45,910	237,020	262,210	31,970	169,780	286,130

Analysis of Balances & Specific Reserves Balances as at the end of the Financial Year (i.e. 31 March)

	2016-17 Original	2016-17 Projected	2017-18 Original	2018-19 Original	2019-20 Original	2020-21 Original	2021-22 Original	2022-23 Original	2023-24 Original	2024-25 Original	2025-26 Original
ON THE BASIS OF 2014-15 SAVINGS BEING ACHIEVED											
Working Balances B/Fwd (Exc. £1.25m Min)	4,386,050	4,845,120	3,990,110	2,846,410	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Slippage Items	-	-	-	-	-	-	-	-	-	-	-
Usage for WW1 Centenary Event 2014-15	-	-	-	-	-	-	-	-	-	-	-
Team Green	-	-	-	-	-	-	-	-	-	-	-
Usage for Community Initiatives	-	-	-	-	-	-	-	-	-	-	-
"Gravesham CAN" scheme	-	-	-	-	-	-	-	-	-	-	-
New Homes Bonus	1,848,130	1,845,950	1,202,380	1,072,170	1,107,870	1,192,000	1,192,000	1,192,000	1,192,000	1,192,000	1,192,000
Establishment of Lower Thames Crossing Reserve		(150,000)									
Closure of Gravesham CAN Reserve		41,500									
<i>Usage of Excess Working Balances to support GF</i>	<i>(2,518,150)</i>	<i>(2,518,150)</i>	<i>(2,346,080)</i>	<i>(1,918,580)</i>	<i>(1,107,870)</i>	<i>(1,192,000)</i>	<i>(1,192,000)</i>	<i>(1,192,000)</i>	<i>(1,192,000)</i>	<i>(1,192,000)</i>	<i>(1,192,000)</i>
SUB-TOTAL (BEFORE SAVINGS REQUIREMENT)	3,716,030	4,064,420	2,846,410	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
(Shortfall)/Underspend Against Original Budget	-	(74,310)	-	(929,110)	(2,381,350)	(2,427,260)	(2,664,280)	(2,926,490)	(2,958,460)	(3,128,240)	(3,414,370)
GF Working Balances C/FWd (Exc. £1.25m Min)	3,716,030	3,990,110	2,846,410	1,070,890	(1,310,460)	(3,737,720)	(6,402,000)	(9,328,491)	(12,286,951)	(15,415,191)	(18,829,561)
Specific Reserves (as at end of year)											
Spend to Save Reserve (incl. Digital Team)	337,950	374,880	379,080	383,280	387,480	391,680	395,880	400,080	404,280	408,480	412,680
Corporate Priorities Reserve	251,650	295,820	295,820	295,820	295,820	295,820	295,820	295,820	295,820	295,820	295,820
Repairs & Renewals Reserve	261,230	280,730	380,730	480,730	580,730	680,730	780,730	880,730	980,730	1,080,730	1,180,730
Planning Policy Reserve	274,440	380,260	480,260	580,260	680,260	780,260	880,260	980,260	1,080,260	1,180,260	1,280,260
Leisure Centres Reserve	481,640	628,890	855,260	1,077,130	1,280,180	1,209,780	1,088,280	966,780	845,280	723,780	602,280
Decriminalisation (General)	52,230	67,530	92,590	117,630	142,690	167,750	192,810	217,870	242,930	267,990	293,050
Town Pier Pontoon Reserve	99,990	103,480	97,980	103,480	115,980	128,480	137,480	131,980	144,480	149,980	155,480
Local Authority Mortgage Scheme Reserve	100,000	100,000	-	-	-	-	-	-	-	-	-
Elections Reserve	30,000	80,160	110,160	140,160	50,160	80,160	110,160	140,160	50,160	80,160	110,160
Provision for Insurance Excess	6,580	-	-	-	-	-	-	-	-	-	-
DSO Provision for 3rd Party Insurance	10,000	-	-	-	-	-	-	-	-	-	-
IT Infrastructure Reserve	108,290	119,950	194,950	269,950	344,950	419,950	494,950	569,950	644,950	719,950	794,950
DSO Fleet Vehicle Replacement Reserve	269,090	392,830	392,830	392,830	392,830	392,830	392,830	392,830	392,830	392,830	392,830
Waste Freighter Replacement Reserve	-	116,310	116,310	116,310	116,310	116,310	116,310	116,310	116,310	116,310	116,310
Business Rates Collection Fund Equalisation Reserve	500,000	149,170	149,170	149,170	149,170	149,170	149,170	149,170	149,170	149,170	149,170
Growth Fund Reserve	-	155,440	155,440	155,440	155,440	155,440	155,440	155,440	155,440	155,440	155,440
Lower Thames Crossing Reserve	-	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
TOTAL BALANCES & RESERVES	6,499,120	7,385,560	6,696,990	5,483,080	3,531,540	1,380,640	(1,061,880)	(3,781,111)	(6,634,311)	(9,544,291)	(12,740,401)
NB: ADDT. MINIMUM WORKING BALANCES	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000

INCLUDED WITHIN THIS VERSION OF THE PLAN

Council Tax increase of 1.98% in 16-17, 2% annually from 2017-18. Council Tax Base growth of 1.8% in 2016-17, 0.60% annually from 2017-18.

Growth in salaries of 1% annually in 2016-17 and 2017-18, 2% annually thereafter. Includes the apprenticeship levy from 2017-18.

RSG as per Multi-year settlement offer (decision on acceptance pending). Assumed NHB Scheme amendment from 17-18 as per consultation document.

Business Rates income based on actual projected income to be received, net of S31 Grants for business rate relief initiatives (shown in Other Government Grant Line).

Investment Income includes £10m located in higher interest vehicles (circa 4% compared to 0.6% currently achieved) from 16/17 and reflects interest rate forecasts as per CAPITA.