

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	8,233,300	8,328,770	8,507,590	8,686,050	8,867,530	9,052,130	9,239,920	9,431,030	9,622,690	9,815,470
Temporary Staff	137,370	141,060	108,120	110,860	112,700	114,580	116,480	118,430	120,420	122,490	125,060
Wages	24,500	91,500	95,470	97,870	219,600	101,370	103,170	105,000	227,130	109,310	109,310
Pension and National Insurance Contributions	3,164,360	3,466,190	3,192,360	3,273,850	3,334,690	3,395,570	3,459,480	3,523,660	3,589,170	3,654,840	3,695,820
Other (Training, Retirement Benefits, etc)	477,800	538,110	463,930	489,220	499,780	492,710	519,290	507,210	517,900	528,490	540,520
Running Expenses	8,741,280	9,193,990	8,830,030	8,965,260	9,182,320	9,485,280	9,726,420	9,986,890	10,211,220	10,196,510	10,431,080
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)	(868,680)	(925,610)	(955,130)	(909,890)	(866,550)	(850,570)	(830,100)	(831,020)	(747,350)	(747,130)
Other Government Grants	(1,166,280)	(1,314,990)	(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)	(461,800)	(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)	(6,506,620)	(6,411,970)	(6,420,550)	(6,406,230)	(6,154,330)	(6,154,330)	(6,158,830)	(6,154,330)	(6,113,330)	(6,113,330)
Rental Income	(1,265,170)	(1,420,380)	(1,694,830)	(1,719,980)	(1,719,980)	(1,719,980)	(1,719,980)	(1,719,980)	(1,722,630)	(1,722,630)	(1,722,630)
APPROPRIATIONS											
Capital Items met from Balances and Reserves	--	465,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000
Net Contribution to / (from) Reserves	740,880	(165,290)	690,190	789,930	650,990	497,540	442,940	428,440	326,440	439,440	439,440
Appropriation to / (from) Balances	1,848,130	1,739,630	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	14,322,380	13,344,880	13,546,200	14,101,880	14,548,250	15,019,660	15,527,910	16,033,190	16,432,310	16,915,440
Business Rates Income	(2,727,390)	(2,964,180)	(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)	(1,237,020)	(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)	(1,848,130)	(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	--	419,300	--	--	--	--	--	--	--	--	--
<i>Recycling of Excess Usable Working Balances above £2m</i>	(2,518,150)	(2,518,150)	(2,252,540)	(2,237,450)	(1,107,870)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)	(1,192,000)
BUDGET SHORTFALL/(UNDERSPEND)	--	(148,840)	--	461,550	2,249,770	2,291,820	2,521,400	2,781,630	3,032,940	3,171,710	3,457,200
NEW SAVINGS PER ANNUM	--	(148,840)	--	461,550	1,788,220	42,050	229,580	260,230	251,310	138,770	285,490

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
Working Balances B/Fwd (Exc. £1.25m Min)	4,386,050	4,845,120	4,215,440	3,165,280	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
New Homes Bonus	1,848,130	1,848,130	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>(2,252,540)</i>	<i>(2,237,450)</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	4,066,600	3,165,280	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	-	148,840	-	(461,550)	(2,249,770)	(2,291,820)	(2,521,400)	(2,781,630)	(3,032,940)	(3,171,710)	(3,457,200)
GF Working Balances C/FWd (Exc. £1.25m Min)	3,716,030	4,215,440	3,165,280	1,538,450	(711,320)	(3,003,140)	(5,524,540)	(8,306,171)	(11,339,111)	(14,510,821)	(17,968,021)
Specific Reserves (as at end of year)											
Spend to Save Reserve (incl. Digital Team)	337,950	351,680	367,660	376,900	379,000	381,100	383,200	385,300	387,400	389,500	391,600
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	294,760	296,690	298,620	300,550	302,480	304,410	306,340	308,270	310,200	312,130
Waste Freighter Replacement Reserve	-	337,660	559,010	780,360	1,001,710	1,223,060	1,444,410	1,665,760	1,887,110	2,108,460	2,329,810
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	7,710,970	7,351,000	6,514,100	4,915,320	3,121,040	1,042,580	(1,310,611)	(4,017,111)	(6,749,381)	(9,767,141)
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.