

GRAVESHAM BOROUGH COUNCIL

MEDIUM TERM FINANCIAL PLAN

	<u>Original</u> <u>2020-21</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> £	<u>Projected</u> <u>2026-27</u> £	<u>Projected</u> <u>2027-28</u> £	<u>Projected</u> <u>2028-29</u> £	<u>Projected</u> <u>2029-30</u> £
EXPENDITURE											
Employees											
Salaries (Gross)	11,293,410	11,402,380	11,533,120	11,791,250	12,085,070	12,386,150	12,694,790	13,011,100	13,335,300	13,667,580	14,009,270
Vacancy allowance	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Salaries (Net)	10,943,410	11,052,380	11,183,120	11,441,250	11,735,070	12,036,150	12,344,790	12,661,100	12,985,300	13,317,580	13,659,270
Temporary Staff	375,010	375,010	384,380	393,980	403,830	413,930	424,280	434,890	445,760	456,910	468,330
Wages	96,960	66,960	99,660	102,430	245,270	108,180	111,180	114,250	257,390	120,610	123,630
Pension and National Insurance Contributions	2,968,400	2,999,530	3,031,090	3,098,310	3,175,510	3,254,630	3,335,670	3,418,750	3,503,920	3,591,280	3,681,060
Other (Training, Retirement Benefits, etc)	1,229,150	1,229,150	1,268,460	1,268,750	1,269,630	1,270,530	1,271,450	1,272,380	1,273,340	1,274,310	1,274,310
Running Expenses	11,317,250	11,587,370	10,792,240	10,700,330	10,827,560	10,979,000	11,110,840	11,170,820	11,540,660	11,569,910	11,659,910
Capital Financing	868,420	949,580	1,514,880	2,415,580	(447,550)	1,776,060	2,255,600	2,255,600	2,255,610	2,255,610	2,255,610
Net Housing Benefit Subsidy	(140,920)	(140,920)	(52,120)	14,870	64,790	101,450	127,810	146,230	158,570	158,570	158,570
Recharges to Other Accounts	(3,195,260)	(3,195,260)	(3,295,930)	(3,320,810)	(3,382,590)	(3,460,300)	(3,492,890)	(3,554,150)	(3,622,850)	(3,587,920)	(3,587,920)
Other Government Grants	(2,298,850)	(5,006,840)	(2,064,060)	(2,085,970)	(2,108,260)	(2,130,930)	(2,153,990)	(2,177,440)	(2,201,300)	(2,225,560)	(2,250,040)
Investment Income	(850,000)	(745,430)	(772,000)	(802,000)	(832,000)	(862,000)	(892,000)	(922,000)	(952,000)	(982,000)	(1,012,000)
Fees & Charges	(7,419,580)	(4,904,160)	(7,191,270)	(7,179,690)	(7,163,890)	(7,175,680)	(7,138,930)	(6,984,430)	(6,990,050)	(6,995,820)	(6,995,820)
Rental Income	(4,624,530)	(4,096,450)	(4,738,530)	(4,722,060)	(4,722,160)	(4,653,740)	(4,742,960)	(4,871,820)	(4,918,090)	(4,963,490)	(5,008,160)
APPROPRIATIONS											
Capital Items met from Balances and Reserves	1,818,450	3,526,440	785,000	730,000	660,000	585,000	505,000	560,000	160,000	405,000	405,000
Net Contribution to / (from) Reserves	(515,180)	(763,680)	(1,581,110)	51,360	9,810	134,020	453,620	459,680	356,200	375,520	375,520
Appropriation to / (from) Balances	603,010	603,010	547,000	547,000	547,000	547,000	547,000	547,000	547,000	547,000	547,000
Parish Precepts	368,210	368,210	368,210	368,210	368,210	368,210	368,210	368,210	368,210	368,210	368,210
BUDGET REQUIREMENT FOR THE YEAR	11,543,950	13,904,900	10,279,020	13,021,540	10,650,230	13,291,510	14,434,680	14,899,070	15,167,670	15,685,720	16,122,480
Business Rates Income	(3,698,510)	(3,698,510)	(3,266,080)	(3,313,100)	(3,360,920)	(3,409,560)	(3,459,020)	(3,509,320)	(3,560,480)	(3,612,510)	(3,665,250)
Residual Revenue Support Grant (RSG)	--	--	243,710	243,710	243,710	243,710	243,710	243,710	243,710	243,710	243,710
Less: <i>Passported Parish Grant (LSCT)</i>	--	--	--	--	--	--	--	--	--	--	--
New Homes Bonus	(603,010)	(603,010)	(547,000)	(547,000)	(547,000)	(547,000)	(547,000)	(547,000)	(547,000)	(547,000)	(547,000)
Council Tax Income	(7,144,320)	(7,144,320)	(7,324,470)	(7,515,620)	(7,711,940)	(7,913,510)	(8,120,050)	(8,331,980)	(8,549,740)	(8,773,050)	(9,002,360)
Parish Precepts	(368,210)	(368,210)	(368,210)	(368,210)	(368,210)	(368,210)	(368,210)	(368,210)	(368,210)	(368,210)	(368,210)
Transfers to / (from) the Collection Fund	--	--	379,390	373,150	373,150	--	--	--	--	--	--
<i>Recycling of Excess Usable Working Balances above £3.25m</i>	270,100	270,100	603,640	(1,894,470)	720,980	(1,296,940)	(2,184,110)	(2,386,270)	(1,004,740)	(547,000)	(547,000)
BUDGET SHORTFALL/(UNDERSPEND)	0	2,360,950	--	--	--	--	--	(0)	1,381,210	2,081,660	2,236,370
NEW SAVINGS PER ANNUM	0	--	--	--	--	--	--	--	1,381,210	700,450	154,710

Analysis of Balances & Specific Reserves Balances as at the end of the Financial Year	2020-21 Original	2020-21 Projected	2021-22 Original	2022-23 Original	2023-24 Original	2024-25 Original	2025-26 Original	2026-27 Original	2027-28 Original	2028-29 Original	2029-30 Original
Working Balances B/Fwd (Exc. £2.0m min balance)	8,350,750	8,350,750	6,862,910	8,013,550	6,666,080	7,934,060	7,184,120	5,547,010	3,707,740	3,250,000	3,250,000
New Homes Bonus	603,010	603,010	547,000	547,000	547,000	547,000	547,000	547,000	547,000	547,000	547,000
<i>Usage of Excess Working Balances to support GF Transfer from Balances to equalise Council Tax</i>	270,100	270,100	603,640	(1,894,470)	720,980	(1,296,940)	(2,184,110)	(2,386,270)	(1,004,740)	(547,000)	(547,000)
	-	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL (BEFORE SAVINGS REQUIREMENT)	9,223,860	9,223,860	8,013,550	6,666,080	7,934,060	7,184,120	5,547,010	3,707,740	3,250,000	3,250,000	3,250,000
(Shortfall)/Underspend Against Original Budget	(0)	(2,360,950)	-	-	-	-	-	0	(1,381,210)	(2,081,660)	(2,236,370)
Working Balances C/FWd (Exc. £2.0m min balance)	9,223,860	6,862,910	8,013,550	6,666,080	7,934,060	7,184,120	5,547,010	3,707,740	1,868,790	(212,870)	(2,449,240)

Specific Reserves (as at end of year)

Spend to Save Reserve (incl. Digital Team)	159,560	-	-	-	-	-	-	-	-	-	-
Corporate Priorities Reserve	249,510	249,510	249,510	249,510	249,510	249,510	249,510	249,510	249,510	249,510	249,510
Asset Enhancement Reserve	1,320,080	930,580	850,580	850,580	835,580	935,580	1,035,580	1,135,580	1,235,580	1,335,580	1,435,580
Planning Policy Reserve	369,170	138,570	106,970	111,370	135,770	185,770	235,770	285,770	335,770	385,770	435,770
Leisure Centres Reserve	1,649,040	1,818,940	222,720	222,720	222,720	222,720	222,720	222,720	222,720	222,720	222,720
Decriminalisation (General)	184,640	-	-	-	-	-	-	-	-	-	-
Town Pier Pontoon Reserve	110,980	99,480	111,980	124,480	107,980	120,480	132,980	121,480	109,980	98,480	86,980
Local Authority Mortgage Scheme Reserve	25,000	-	-	-	-	-	-	-	-	-	-
Elections Reserve	73,750	73,750	92,000	127,000	22,000	57,000	92,000	127,000	22,000	57,000	92,000
IT Infrastructure Reserve	339,730	84,730	79,730	114,730	189,730	134,730	169,730	244,730	149,730	184,730	219,730
DSO Fleet Vehicle Replacement Reserve	102,240	102,240	102,240	102,240	102,240	102,240	102,240	102,240	102,240	102,240	102,240
Waste Freighter Replacement Reserve	1,001,710	833,060	664,410	488,760	313,110	137,460	93,000	90,000	314,350	338,700	363,050
Business Rates Collection Fund Equalisation Reserve	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Growth Fund Reserve	588,080	717,260	717,260	717,260	717,260	717,260	717,260	717,260	717,260	717,260	717,260
Lower Thames Crossing Reserve	150,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Service Review Reserve	241,180	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000
Playgrounds Reserve	116,530	61,530	110,280	54,030	82,780	71,530	140,280	154,030	167,780	136,530	105,280
Woodville Repairs Reserve	227,570	284,820	342,070	399,320	456,570	513,820	571,070	628,320	685,570	742,820	800,070
Commercial Income Protection Reserve	483,590	693,680	710,780	708,310	708,320	698,060	711,440	730,770	737,710	744,520	751,330
Investment Interest Equalisation Reserve	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
St George's Centre Income Protection Reserve	948,440	948,440	948,440	948,440	948,440	948,440	948,440	948,440	948,440	948,440	948,440
Housing & Commercial Growth Fund Reserve	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Climate Change Reserve	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Enterprise Zone Reserve	-	151,340	297,850	439,430	575,980	707,410	833,610	954,460	1,069,870	1,179,730	1,289,590
TOTAL BALANCES & RESERVES	19,264,660	16,383,840	15,953,370	14,657,260	15,935,050	15,319,130	14,135,640	12,753,050	11,270,300	9,564,160	7,703,310
NB: ADDT. MINIMUM WORKING BALANCES	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000

INCLUDED WITHIN THIS VERSION OF THE PLAN

Council Tax increase of £4.95 (2.44%) in 2020-21, then 2% thereafter. Council Tax Base increased by 1.19% for 2020-21 budget-setting, and subsequently adjusted for potential Covid-19 impact. Growth of 0.60% annually thereafter.

Salary costs budgeted to increase by 2% in 2020-21 - representative of the anticipated pay award, with incremental growth also accounted for where applicable.

Negative RSG removed for 2020-21 as per Provisional Local Government Finance Settlement. NHB Scheme payments flatlined from 2021-22 pending the outcome of funding reforms planned from April 2021.

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), including Enterprise Zone benefit.

Projected revenue costs of interest payable and MRP associated with developing a new Leisure Centre within the Borough included, assuming centre is operational in 2025.

General Fund minimum working balance set at £2m from 2020/21 onwards, General Reserve balance set at £3.25m from 2020/21 onwards.

Borrowing/interest costs associated with the Charter Development (through Rosherville Limited) - the Council will incur these costs in the first 3-4 years of the scheme, with repayment expected in 2023/24.