

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	11,283,530	12,266,490	12,081,030	12,192,460	12,436,350	12,685,090	12,938,790	13,197,600	13,461,540	13,730,780
Vacancy allowance	(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	11,283,530	11,916,490	11,731,030	11,842,460	12,086,350	12,335,090	12,588,790	12,847,600	13,111,540	13,380,780
Temporary Staff	375,010	431,570	408,500	416,160	423,960	431,910	440,030	448,310	456,770	465,390	474,190
Wages	96,960	75,630	160,130	104,410	246,490	108,620	110,790	113,000	255,250	117,550	119,910
Pension and National Insurance Contributions	2,968,400	2,999,530	3,184,500	3,180,720	3,206,680	3,270,800	3,336,280	3,403,010	3,471,030	3,540,470	3,611,250
Other (Training, Retirement Benefits, etc)	1,229,150	1,229,150	1,058,460	1,058,750	1,059,630	1,060,530	1,061,450	1,062,380	1,063,340	1,064,310	1,064,310
Running Expenses	11,317,250	13,472,580	13,427,670	10,923,340	11,046,770	11,055,930	11,150,260	11,279,020	11,479,970	11,661,680	11,800,160
Capital Financing	868,420	949,580	870,550	1,727,480	(191,540)	1,787,120	1,933,200	2,373,230	2,340,800	2,309,050	2,309,050
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)	(3,700,710)	(3,295,930)	(3,320,810)	(3,382,590)	(3,460,300)	(3,492,890)	(3,554,150)	(3,622,850)	(3,587,920)	(3,623,720)
Other Government Grants	(2,298,850)	(12,114,780)	(5,066,430)	(2,048,230)	(2,061,440)	(2,074,800)	(2,088,280)	(2,101,900)	(2,115,650)	(2,129,540)	(2,143,580)
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)	(4,651,750)	(6,180,870)	(6,809,010)	(6,857,720)	(6,958,760)	(6,922,010)	(6,767,520)	(6,800,640)	(6,778,920)	(6,846,910)
Rental Income	(4,624,530)	(4,120,070)	(4,529,350)	(4,623,140)	(4,421,170)	(4,572,750)	(4,475,000)	(4,723,330)	(4,769,600)	(4,815,000)	(4,815,000)
APPROPRIATIONS											
Capital Items met from Balances and Reserves	1,818,450	5,186,670	1,724,980	807,000	692,000	757,000	642,000	600,000	757,000	212,000	132,000
Net Contribution to / (from) Reserves	(515,180)	2,468,230	(7,148,150)	(14,100)	(63,440)	165,160	347,880	511,100	60,450	667,580	746,130
Appropriation to / (from) Balances	603,010	603,010	311,050	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Parish Precepts	368,210	368,210	403,160	403,160	403,160	403,160	403,160	403,160	403,160	403,160	403,160
BUDGET REQUIREMENT FOR THE YEAR	11,543,950	13,594,030	6,420,640	13,099,630	11,526,040	13,649,420	14,367,770	15,209,330	15,383,200	15,767,920	16,108,300
Business Rates Income	(3,698,510)	(3,698,510)	(3,565,940)	(3,272,500)	(3,305,230)	(3,338,280)	(3,371,660)	(3,405,370)	(3,439,430)	(3,473,810)	(3,508,550)
Residual Revenue Support Grant (RSG)	--	--	--	243,710	243,710	243,710	243,710	243,710	243,710	243,710	243,710
New Homes Bonus	(603,010)	(603,010)	(311,050)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Lower Tier Services Grant	--	--	(126,260)	--	--	--	--	--	--	--	--
Council Tax Income	(7,144,320)	(7,144,320)	(7,333,580)	(7,525,110)	(7,721,820)	(7,923,410)	(8,130,320)	(8,342,620)	(8,560,390)	(8,784,060)	(9,013,350)
Parish Precepts	(368,210)	(368,210)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)	(403,160)
Transfers to / (from) the Collection Fund	--	--	5,221,080	184,870	184,870	--	--	--	--	--	--
<i>Recycling of Excess Usable Working Balances above £3.25m</i>	270,100	270,100	98,270	(1,977,440)	(174,410)	(1,878,280)	(1,702,970)	(350,000)	(350,000)	(350,000)	(350,000)
BUDGET SHORTFALL/(UNDERSPEND)	0	2,050,080	--	--	--	--	653,370	2,601,890	2,523,930	2,650,600	2,726,950
NEW SAVINGS PER ANNUM	0	--	--	--	--	--	653,370	1,948,520	(77,960)	126,670	76,350

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	7,173,780	7,583,100	5,955,660	6,131,250	4,602,970	3,250,000	3,250,000	3,250,000	3,250,000
New Homes Bonus	603,010	603,010	311,050	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
<i>Usage of Excess Working Balances to support GF</i>	270,100	270,100	98,270	(1,977,440)	(174,410)	(1,878,280)	(1,702,970)	(350,000)	(350,000)	(350,000)	(350,000)
SUB-TOTAL (BEFORE SAVINGS REQUIREMENT)	9,223,860	9,223,860	7,583,100	5,955,660	6,131,250	4,602,970	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000
(Shortfall)/Underspend Against Original Budget	(0)	(2,050,080)	-	-	-	-	(653,370)	(2,601,890)	(2,523,930)	(2,650,600)	(2,726,950)
Working Balances C/FWd (Exc. £2.0m min balance)	9,223,860	7,173,780	7,583,100	5,955,660	6,131,250	4,602,970	2,596,630	(5,260)	(2,529,190)	(5,179,790)	(7,906,740)
Specific Reserves (as at end of year)											
Spend to Save Reserve (incl. Digital Team)	159,560	-	-	-	-	-	-	-	-	-	-
Corporate Priorities Reserve	249,510	225,400	125,400	125,400	125,400	125,400	125,400	125,400	125,400	125,400	125,400
Asset Enhancement Reserve	1,320,080	555,550	20,550	20,550	40,550	140,550	240,550	340,550	440,550	540,550	640,550
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	1,608,500	-	-	-	-	-	-	-	-	-
Decriminalisation (General)	184,640	209,890	-	-	-	-	-	-	-	-	-
Town Pier Pontoon Reserve	110,980	99,480	111,980	100,480	88,980	77,480	89,980	102,480	114,980	127,480	139,980
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	131,450	31,450	36,450	61,450	31,450	41,450	116,450	46,450	56,450	106,450
DSO Fleet Vehicle Replacement Reserve	102,240	31,410	31,410	31,410	31,410	31,410	31,410	31,410	31,410	31,410	31,410
Waste Freighter Replacement Reserve	1,001,710	823,060	1,044,410	865,760	687,110	508,460	461,000	458,000	306,840	528,190	749,540
Business Rates Collection Fund Equalisation Reserve	500,000	4,906,340	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Growth Fund Reserve	588,080	547,260	420,290	420,290	420,290	420,290	420,290	420,290	420,290	420,290	420,290
Lower Thames Crossing Reserve	150,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Service Review Reserve	241,180	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Playgrounds Reserve	116,530	116,530	25,410	39,160	27,910	1,660	410	1,160	14,910	43,660	112,410
Woodville Repairs Reserve	227,570	234,820	292,070	349,320	406,570	463,820	521,070	578,320	635,570	692,820	750,070
Commercial Income Protection Reserve	483,590	693,680	679,400	693,470	663,180	685,910	671,250	708,500	715,440	722,250	722,250
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	-	484,860	484,860	484,860	484,860	484,860	484,860	484,860	484,860	484,860	484,860
Enterprise Zone Reserve	-	151,340	172,850	319,430	466,030	612,610	759,110	905,460	1,051,630	1,197,550	1,348,830
TOTAL BALANCES & RESERVES	19,264,660	20,527,110	14,043,590	12,502,050	12,614,200	11,251,080	9,592,620	7,501,830	5,038,350	3,055,330	1,074,510
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

KEY ITEMS INCLUDED WITHIN THIS VERSION OF THE PLAN

Council Tax increase of £4.95 (Band D equivalent) projected in 2021-22, with 2% annually thereafter. Council Tax Base increased by 0.26% for 2021-22 budget-setting, with forecast growth of 0.60% annually in future years.

No general pay award budgeted for 2021-22 (except rise of at least £250 for those earning under £24k) - in line with Spending Review announcements.

Negative RSG removed for 2021-22 as per Spending Review. NHB Scheme payments updated for 2021-22 and flatlined thereafter pending the outcome of long term funding reforms.

General Fund minimum working balance set at £2m, with General Reserve balance set at £3.25m.

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.