

GRAVESHAM BOROUGH COUNCIL**MEDIUM TERM FINANCIAL PLAN**

| | <u>Original</u> <u>2021-22</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> £ | <u>Projected</u> <u>2030-31</u> £ |
|---|--|---|---|---|---|---|---|---|---|---|---|
| EXPENDITURE | | | | | | | | | | | |
| Employees | | | | | | | | | | | |
| Salaries (Gross) | 12,266,490 | 10,862,520 | 12,532,620 | 12,526,210 | 12,718,340 | 12,972,670 | 13,232,110 | 13,496,760 | 13,766,730 | 14,042,070 | 14,322,910 |
| Vacancy allowance | (350,000) | -- | (450,000) | (450,000) | (450,000) | (450,000) | (450,000) | (450,000) | (450,000) | (450,000) | (450,000) |
| Salaries (Net) | 11,916,490 | 10,862,520 | 12,082,620 | 12,076,210 | 12,268,340 | 12,522,670 | 12,782,110 | 13,046,760 | 13,316,730 | 13,592,070 | 13,872,910 |
| Temporary Staff | 408,500 | 673,820 | 416,680 | 425,010 | 433,500 | 442,170 | 451,010 | 460,040 | 469,240 | 478,640 | 488,220 |
| Wages | 160,130 | 47,320 | 107,400 | 249,540 | 111,730 | 113,970 | 116,240 | 258,560 | 120,920 | 123,340 | 125,810 |
| Pension and National Insurance Contributions | 3,184,500 | 3,183,220 | 3,420,710 | 3,417,970 | 3,469,720 | 3,539,170 | 3,609,960 | 3,682,190 | 3,755,830 | 3,830,900 | 3,907,540 |
| Other (Training, Retirement Benefits, etc) | 1,058,460 | 1,020,000 | 1,002,790 | 1,003,760 | 1,004,750 | 1,005,760 | 1,006,790 | 1,007,840 | 1,008,910 | 1,010,000 | 1,011,120 |
| Running Expenses | 15,032,670 | 16,579,790 | 12,907,120 | 11,997,610 | 11,978,960 | 12,075,100 | 12,211,920 | 11,568,240 | 11,746,550 | 11,883,210 | 12,023,970 |
| Capital Financing | 870,550 | 657,170 | 1,431,960 | 361,120 | 2,676,500 | 2,602,640 | 2,614,170 | 2,613,900 | 2,613,630 | 2,613,350 | 2,613,350 |
| Net Housing Benefit Subsidy | (52,120) | (52,120) | 14,870 | 64,790 | 101,450 | 127,810 | 146,230 | 158,570 | 158,570 | 158,570 | 158,570 |
| Recharges to Other Accounts | (3,300,930) | (2,879,460) | (3,197,060) | (3,181,760) | (3,228,460) | (3,279,920) | (3,320,690) | (3,385,720) | (3,404,390) | (3,437,120) | (3,444,740) |
| Other Government Grants | (6,666,430) | (8,846,270) | (4,114,760) | (2,743,940) | (2,768,820) | (2,792,990) | (2,817,650) | (2,010,010) | (2,035,670) | (2,061,840) | (2,088,530) |
| Investment Income | (772,000) | (772,000) | (814,240) | (832,000) | (862,000) | (892,000) | (922,000) | (952,000) | (982,000) | (1,012,000) | (1,012,000) |
| Fees & Charges | (6,180,870) | (6,897,310) | (6,987,700) | (6,975,850) | (7,078,610) | (7,043,600) | (6,890,830) | (6,925,690) | (6,905,720) | (6,980,890) | (7,016,100) |
| Rental Income | (4,529,350) | (4,365,170) | (4,405,500) | (4,501,810) | (4,441,200) | (4,718,450) | (4,755,520) | (4,816,620) | (4,866,970) | (4,872,060) | (4,920,590) |
| APPROPRIATIONS | | | | | | | | | | | |
| Capital Items met from Balances and Reserves | 1,724,980 | 3,038,250 | 1,408,010 | 1,778,710 | 704,350 | 202,000 | 1,089,540 | 333,000 | 172,000 | 172,000 | 178,000 |
| Net Contribution to / (from) Reserves | (7,148,150) | (7,142,000) | (1,856,090) | (1,696,920) | 27,480 | 672,800 | (124,180) | 367,500 | 544,130 | 560,270 | 568,890 |
| Appropriation to / (from) Balances | 311,050 | 311,050 | 573,150 | 350,000 | 350,000 | 350,000 | 350,000 | 350,000 | 350,000 | 350,000 | 350,000 |
| Parish Precepts | 403,160 | 403,160 | 471,860 | 471,860 | 471,860 | 471,860 | 471,860 | 471,860 | 471,860 | 471,860 | 471,860 |
| BUDGET REQUIREMENT FOR THE YEAR | 6,420,640 | 5,821,970 | 12,461,820 | 12,264,300 | 15,219,550 | 15,398,990 | 16,018,960 | 16,228,420 | 16,533,620 | 16,880,300 | 17,288,280 |
| Business Rates Income | (3,565,940) | (3,565,940) | (2,701,820) | (3,374,230) | (3,445,100) | (3,514,000) | (3,584,280) | (3,655,960) | (3,729,080) | (3,803,660) | (3,879,740) |
| Residual Revenue Support Grant (RSG) | -- | -- | -- | 243,710 | 243,710 | 243,710 | 243,710 | 243,710 | 243,710 | 243,710 | 243,710 |
| New Homes Bonus | (311,050) | (311,050) | (573,150) | (350,000) | (350,000) | (350,000) | (350,000) | (350,000) | (350,000) | (350,000) | (350,000) |
| Lower Tier & Services Grants | (126,260) | (126,260) | (337,380) | -- | -- | -- | -- | -- | -- | -- | -- |
| Council Tax Income | (7,333,580) | (7,333,580) | (7,592,170) | (7,790,490) | (7,994,090) | (8,203,050) | (8,417,430) | (8,637,320) | (8,862,800) | (9,094,300) | (9,331,920) |
| Parish Precepts | (403,160) | (403,160) | (471,860) | (471,860) | (471,860) | (471,860) | (471,860) | (471,860) | (471,860) | (471,860) | (471,860) |
| Transfers to / (from) the Collection Fund | 5,221,080 | 5,221,080 | 667,930 | 184,870 | -- | -- | -- | -- | -- | -- | -- |
| <i>Recycling of Excess Usable Working Balances above £3.25m</i> | 98,270 | 98,270 | (1,453,370) | (706,300) | (3,202,210) | (3,103,790) | (548,550) | (350,000) | (350,000) | (350,000) | (350,000) |
| BUDGET SHORTFALL/(UNDERSPEND) | -- | (598,670) | -- | -- | -- | -- | 2,890,550 | 3,006,990 | 3,013,590 | 3,054,190 | 3,148,470 |
| NEW SAVINGS PER ANNUM | -- | -- | -- | -- | -- | -- | 2,890,550 | 116,440 | 6,600 | 40,600 | 94,280 |

| Analysis of Balances & Specific Reserves Balances as at the end of the Financial Year | 2021-22 Original | 2021-22 Projected | 2022-23 Original | 2023-24 Original | 2024-25 Original | 2025-26 Original | 2026-27 Original | 2027-28 Original | 2028-29 Original | 2029-30 Original | 2030-31 Original |
|--|-------------------------|--------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Working Balances B/Fwd (Exc. £2.0m min balance) | 9,283,080 | 9,283,080 | 10,291,070 | 9,410,850 | 9,054,550 | 6,202,340 | 3,448,550 | 3,250,000 | 3,250,000 | 3,250,000 | 3,250,000 |
| New Homes Bonus | 311,050 | 311,050 | 573,150 | 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> | 98,270 | 98,270 | (1,453,370) | (706,300) | (3,202,210) | (3,103,790) | (548,550) | (350,000) | (350,000) | (350,000) | (350,000) |
| SUB-TOTAL (BEFORE SAVINGS REQUIREMENT) | 9,692,400 | 9,692,400 | 9,410,850 | 9,054,550 | 6,202,340 | 3,448,550 | 3,250,000 | 3,250,000 | 3,250,000 | 3,250,000 | 3,250,000 |
| (Shortfall)/Underspend Against Original Budget | - | 598,670 | - | - | - | - | (2,890,550) | (3,006,990) | (3,013,590) | (3,054,190) | (3,148,470) |
| Working Balances C/Fwd (Exc. £2.0m min balance) | 9,692,400 | 10,291,070 | 9,410,850 | 9,054,550 | 6,202,340 | 3,448,550 | 359,450 | (2,647,540) | (5,661,130) | (8,715,320) | (11,863,790) |
| Specific Reserves (as at end of year) | | | | | | | | | | | |
| Corporate Priorities Reserve | 534,840 | 454,670 | 454,670 | 454,670 | 454,670 | 454,670 | 454,670 | 454,670 | 454,670 | 454,670 | 454,670 |
| Asset Enhancement Reserve | 1,163,200 | 354,150 | 37,580 | 87,580 | 187,580 | 287,580 | 387,580 | 487,580 | 587,580 | 687,580 | 787,580 |
| Planning Policy Reserve | 464,490 | 432,890 | 437,290 | 461,690 | 511,690 | 561,690 | 611,690 | 661,690 | 711,690 | 761,690 | 811,690 |
| Leisure Centres Reserve | 1,657,410 | - | - | - | - | - | - | - | - | - | - |
| Decriminalisation (General) | 228,460 | - | - | - | - | - | - | - | - | - | - |
| Town Pier Pontoon Reserve | 123,480 | 135,980 | 124,480 | 112,980 | 101,480 | 113,980 | 126,480 | 138,980 | 151,480 | 163,980 | 176,480 |
| Elections Reserve | 73,750 | 92,000 | 127,000 | 22,000 | 57,000 | 92,000 | 127,000 | 22,000 | 57,000 | 92,000 | 127,000 |
| IT Infrastructure Reserve | 370,950 | 181,460 | 206,460 | 191,460 | 25,460 | 50,460 | 15,460 | 19,460 | 44,460 | 44,460 | 38,460 |
| DSO Fleet Vehicle Replacement Reserve | 473,960 | 181,400 | - | - | - | - | - | - | - | - | - |
| Waste Freighter Replacement Reserve | 1,223,060 | 1,034,010 | 1,255,360 | - | - | 352,540 | - | 221,350 | 442,700 | 664,050 | 885,400 |
| Business Rates Collection Fund Equalisation Reserve | 5,075,100 | 2,188,230 | 1,347,530 | 1,347,530 | 1,347,530 | 1,347,530 | 1,347,530 | 1,347,530 | 1,347,530 | 1,347,530 | 1,347,530 |
| Growth Fund Reserve | 374,910 | 505,850 | 499,160 | 499,160 | 499,160 | 499,160 | 499,160 | 499,160 | 499,160 | 499,160 | 499,160 |
| Lower Thames Crossing Reserve | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 |
| Service Review Reserve | 83,000 | - | - | - | - | - | - | - | - | - | - |
| Playgrounds Reserve | 135,530 | 204,280 | 113,160 | 101,910 | 75,660 | 74,410 | 75,160 | 88,910 | 117,660 | 186,410 | 255,160 |
| Woodville Repairs Reserve | 239,820 | 239,820 | 297,070 | 354,320 | 411,570 | 468,820 | 526,070 | 583,320 | 640,570 | 697,820 | 755,070 |
| Commercial Income Protection Reserve | 1,146,620 | 1,004,540 | 1,101,380 | 675,270 | 666,180 | 707,770 | 713,330 | 722,490 | 730,050 | 730,810 | 738,090 |
| 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 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 | 1,239,920 |
| Housing & Commercial Growth Fund Reserve | 700,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Climate Change Reserve | 484,860 | 426,620 | 426,620 | 426,620 | 426,620 | 426,620 | 426,620 | 426,620 | 426,620 | 426,620 | 426,620 |
| Enterprise Zone Reserve | 151,340 | 172,850 | 164,430 | 160,080 | 158,150 | 158,320 | 160,620 | 165,110 | 171,830 | 186,490 | 209,250 |
| TOTAL BALANCES & RESERVES | 15,412,500 | 20,291,070 | 18,394,290 | 16,341,070 | 13,516,340 | 11,435,350 | 8,222,070 | 5,582,580 | 3,113,120 | 619,200 | (1,960,380) |
| 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 | 2,000,001 |

KEY ITEMS INCLUDED WITHIN THIS VERSION OF THE PLAN

Council Tax increases (Band D) of £4.95 projected incorporated for 2022/23, with 2% increases per annum thereafter. Council Tax Base has increased by 1.18% in 2022/23 with forecast growth of 0.60% annually from 2023/24.

General pay award budgeted for 2021-22 of 1.75%, with 2% factored in annually from 2022/23 onwards.

Negative RSG removed for 2022-23 as per Provisional Finance Settlement. NHB Scheme payments increased for 2022-23, reverting back to 2021/22 levels 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 is incurring these costs in the first 3-4 years of the scheme, with repayment expected in 2023/24.