

## GRAVESHAM BOROUGH COUNCIL

### MEDIUM TERM FINANCIAL PLAN

	<u>Original</u> <u>2022-23</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> £	<u>Projected</u> <u>2031-32</u> £
<b>EXPENDITURE</b>											
Employees											
Salaries (Gross)	12,532,620	12,684,050	12,526,210	12,718,340	12,972,670	13,232,110	13,496,760	13,766,730	14,042,070	14,322,910	14,609,370
Vacancy allowance	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
Salaries (Net)	12,082,620	12,234,050	12,076,210	12,268,340	12,522,670	12,782,110	13,046,760	13,316,730	13,592,070	13,872,910	14,159,370
Temporary Staff	416,680	416,680	425,010	433,500	442,170	451,010	460,040	469,240	478,640	488,220	497,980
Wages	107,400	107,400	249,540	111,730	113,970	116,240	258,560	120,920	123,340	125,810	128,330
Pension and National Insurance Contributions	3,420,710	3,468,290	3,417,970	3,469,720	3,539,170	3,609,960	3,682,190	3,755,830	3,830,900	3,907,540	3,985,690
Other (Training, Retirement Benefits, etc)	1,002,790	1,004,290	1,003,760	1,004,750	1,005,760	1,006,790	1,007,840	1,008,910	1,010,000	1,011,120	1,011,120
Running Expenses	12,907,120	13,550,260	12,006,940	11,988,290	12,084,430	12,221,250	11,577,570	11,755,880	11,892,540	12,033,300	12,123,300
Capital Financing	1,431,960	1,505,950	361,120	2,676,500	2,602,640	2,614,170	2,613,900	2,613,630	2,613,350	2,613,350	2,613,350
Net Housing Benefit Subsidy	14,870	14,870	64,790	101,450	127,810	146,230	158,570	158,570	158,570	158,570	158,570
Recharges to Other Accounts	(3,197,060)	(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)	(3,465,410)
Other Government Grants	(4,114,760)	(4,347,010)	(2,743,940)	(2,768,820)	(2,792,990)	(2,817,650)	(2,010,010)	(2,035,670)	(2,061,840)	(2,088,530)	(2,115,470)
Investment Income	(814,240)	(814,240)	(832,000)	(862,000)	(892,000)	(922,000)	(952,000)	(982,000)	(1,012,000)	(1,042,000)	(1,072,000)
Fees & Charges	(6,987,700)	(7,453,550)	(6,975,850)	(7,078,610)	(7,043,600)	(6,890,830)	(6,925,690)	(6,905,720)	(6,980,890)	(7,016,100)	(7,044,160)
Rental Income	(4,405,500)	(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)	(4,955,030)
<b>APPROPRIATIONS</b>											
Capital Items met from Balances and Reserves	1,408,010	1,408,010	1,777,370	704,350	202,000	1,089,540	333,000	172,000	172,000	178,000	178,000
Net Contribution to / (from) Reserves	(1,856,090)	(1,934,400)	(1,695,580)	27,480	672,800	(124,180)	367,500	544,130	560,270	568,890	568,890
Appropriation to / (from) Balances	573,150	573,150	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Parish Precepts	471,860	471,860	471,860	471,860	471,860	471,860	471,860	471,860	471,860	471,860	471,860
<b>BUDGET REQUIREMENT FOR THE YEAR</b>	<b>12,461,820</b>	<b>12,603,050</b>	<b>12,273,630</b>	<b>15,228,880</b>	<b>15,408,320</b>	<b>16,028,290</b>	<b>16,237,750</b>	<b>16,542,950</b>	<b>16,889,630</b>	<b>17,267,610</b>	<b>17,594,390</b>
Business Rates Income	(2,701,820)	(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)	(3,957,330)
Residual Revenue Support Grant (RSG)	--	--	243,710	243,710	243,710	243,710	243,710	243,710	243,710	243,710	243,710
New Homes Bonus	(573,150)	(573,150)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Lower Tier & Services Grants	(337,380)	(337,380)	--	--	--	--	--	--	--	--	--
Council Tax Income	(7,592,170)	(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)	(9,575,740)
Parish Precepts	(471,860)	(471,860)	(471,860)	(471,860)	(471,860)	(471,860)	(471,860)	(471,860)	(471,860)	(471,860)	(471,860)
Transfers to / (from) the Collection Fund	667,930	667,930	184,870	--	--	--	--	--	--	--	--
<i>Recycling of Excess Usable Working Balances above £3.25m</i>	(1,453,370)	(1,453,370)	(715,630)	(3,211,540)	(2,800,470)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
<b>BUDGET SHORTFALL/(UNDERSPEND)</b>	<b>--</b>	<b>141,230</b>	<b>--</b>	<b>--</b>	<b>312,650</b>	<b>3,098,430</b>	<b>3,016,320</b>	<b>3,022,920</b>	<b>3,063,520</b>	<b>3,127,800</b>	<b>3,133,170</b>
<b>NEW SAVINGS PER ANNUM</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>312,650</b>	<b>2,785,780</b>	<b>(82,110)</b>	<b>6,600</b>	<b>40,600</b>	<b>64,280</b>	<b>5,370</b>

Analysis of Balances & Specific Reserves Balances as at the end of the Financial Year	2022-23 Original	2022-23 Projected	2023-24 Projected	2024-25 Projected	2025-26 Projected	2026-27 Projected	2027-28 Projected	2028-29 Projected	2029-30 Projected	2030-31 Projected	2031-32 Projected
<b>Working Balances B/Fwd (Exc. £2.0m min balance)</b>	<b>9,949,090</b>	<b>9,949,090</b>	<b>8,927,640</b>	<b>8,562,010</b>	<b>5,700,470</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>
New Homes Bonus	573,150	573,150	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Usage of Excess Working Balances to support GF	(1,453,370)	(1,453,370)	(715,630)	(3,211,540)	(2,800,470)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Transfer from Balances to equalise Council Tax	-	-	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL (BEFORE SAVINGS REQUIREMENT)</b>	<b>9,068,870</b>	<b>9,068,870</b>	<b>8,562,010</b>	<b>5,700,470</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	<b>3,250,000</b>
(Shortfall)/Underspend Against Original Budget	-	(141,230)	-	-	(312,650)	(3,098,430)	(3,016,320)	(3,022,920)	(3,063,520)	(3,127,800)	(3,133,170)
<b>Working Balances C/FWd (Exc. £2.0m min balance)</b>	<b>9,068,870</b>	<b>8,927,640</b>	<b>8,562,010</b>	<b>5,700,470</b>	<b>2,937,350</b>	<b>(161,080)</b>	<b>(3,177,400)</b>	<b>(6,200,320)</b>	<b>(9,263,840)</b>	<b>(12,391,640)</b>	<b>(15,524,810)</b>

**Specific Reserves (as at end of year)**

Corporate Priorities Reserve	586,860	586,860	586,860	586,860	586,860	586,860	586,860	586,860	586,860	586,860	586,860
Asset Enhancement Reserve	977,220	660,650	710,650	810,650	910,650	1,010,650	1,110,650	1,210,650	1,310,650	1,410,650	1,510,650
Planning Policy Reserve	598,790	603,190	627,590	677,590	727,590	777,590	827,590	877,590	927,590	977,590	1,027,590
Leisure Centres Reserve	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000
Decriminalisation (General)	269,180	269,180	269,180	269,180	269,180	269,180	269,180	269,180	269,180	269,180	269,180
Town Pier Pontoon Reserve	135,980	124,480	112,980	101,480	113,980	126,480	138,980	151,480	163,980	176,480	188,980
Elections Reserve	137,000	166,960	61,960	96,960	131,960	166,960	61,960	96,960	131,960	166,960	201,960
IT Infrastructure Reserve	251,800	276,800	261,800	95,800	120,800	85,800	89,800	114,800	114,800	108,800	102,800
DSO Fleet Vehicle Replacement Reserve	440,840	259,440	259,440	259,440	259,440	259,440	259,440	259,440	259,440	259,440	259,440
Waste Freighter Replacement Reserve	1,032,670	1,254,020	-	-	352,540	-	221,350	442,700	664,050	885,400	1,106,750
Business Rates Collection Fund Equalisation Reserve	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	1,347,530
Growth Fund Reserve	510,100	503,410	503,410	503,410	503,410	503,410	503,410	503,410	503,410	503,410	503,410
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
Playgrounds Reserve	204,280	113,160	101,910	75,660	74,410	75,160	88,910	117,660	186,410	255,160	323,910
Woodville Repairs Reserve	239,820	297,070	354,320	411,570	468,820	526,070	583,320	640,570	697,820	755,070	812,320
Commercial Income Protection Reserve	660,830	757,670	331,560	322,470	364,060	369,620	378,780	386,340	387,100	394,380	401,660
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
Housing & Commercial Growth Fund Reserve	700,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Climate Change Reserve	422,790	406,640	406,640	406,640	406,640	406,640	406,640	406,640	406,640	406,640	406,640
Enterprise Zone Reserve	172,850	164,430	160,080	158,150	158,320	160,620	165,110	171,830	186,490	209,250	232,010
<b>TOTAL BALANCES &amp; RESERVES</b>	<b>19,285,110</b>	<b>17,606,130</b>	<b>15,544,920</b>	<b>12,710,860</b>	<b>10,620,540</b>	<b>7,397,930</b>	<b>4,749,110</b>	<b>2,270,320</b>	<b>(232,930)</b>	<b>(2,791,840)</b>	<b>(5,356,120)</b>
<b>NB: ADDT. MINIMUM WORKING BALANCES</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,001</b>	<b>2,000,001</b>

**KEY ITEMS INCLUDED WITHIN THIS VERSION OF THE PLAN**

Council Tax increases of 2% annually projected from 2023/24 onwards. Council Tax Base incorporates forecast growth of 0.60% annually from 2023/24.

General pay award budgeted for 2022-23 of 2%, with 2% also factored in annually from 2023/24 onwards.

Negative RSG removed for 2022-23 as per Spending Review. NHB Scheme payments increased for 2022-23, reverting back to £350k per annum 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 initially incurring these costs, with repayment expected in 2023/24.