

GRAVESHAM BOROUGH COUNCIL MEDIUM TERM FINANCIAL PLAN

| | <u>Original</u> <u>2024-25</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> £ | <u>Projected</u> <u>2032-33</u> £ | <u>Projected</u> <u>2033-34</u> £ |
|---|--|---|---|---|---|---|---|---|---|---|---|
| EXPENDITURE | | | | | | | | | | | |
| Employees | | | | | | | | | | | |
| Salaries (Gross) | 14,409,920 | 14,377,640 | 14,459,590 | 14,749,440 | 15,045,130 | 15,346,720 | 15,654,300 | 15,963,670 | 16,288,090 | 16,614,490 | 16,947,450 |
| Vacancy allowance | (500,000) | (550,000) | (550,000) | (550,000) | (550,000) | (550,000) | (550,000) | (550,000) | (550,000) | (550,000) | (550,000) |
| Salaries (Net) | 13,909,920 | 13,827,640 | 13,909,590 | 14,199,440 | 14,495,130 | 14,796,720 | 15,104,300 | 15,413,670 | 15,738,090 | 16,064,490 | 16,397,450 |
| Temporary Staff | 413,120 | 573,120 | 425,520 | 434,030 | 442,720 | 451,580 | 460,620 | 469,830 | 479,230 | 488,820 | 498,600 |
| Wages | 119,260 | 105,680 | 122,840 | 125,300 | 277,810 | 130,360 | 132,970 | 135,630 | 288,340 | 141,110 | 143,930 |
| Pension and National Insurance Contributions | 4,274,740 | 4,296,630 | 4,318,300 | 4,404,690 | 4,492,850 | 4,582,680 | 4,674,310 | 4,767,810 | 4,863,180 | 4,960,460 | 5,059,670 |
| Other (Training, Retirement Benefits, etc) | 630,100 | 629,430 | 502,590 | 503,820 | 525,080 | 506,360 | 507,670 | 529,000 | 510,360 | 511,750 | 531,750 |
| Running Expenses | 12,955,600 | 13,587,280 | 12,798,740 | 13,347,490 | 14,071,590 | 14,500,220 | 15,128,240 | 15,399,250 | 15,835,940 | 15,892,870 | 15,982,870 |
| Capital Financing | 2,687,890 | 2,687,890 | 4,418,830 | 4,429,010 | 4,381,160 | 4,332,410 | 4,358,600 | 4,357,850 | 4,358,300 | 4,578,110 | 4,578,110 |
| Net Housing Benefit Subsidy | 123,040 | 123,040 | 130,230 | 150,230 | 150,230 | 150,230 | 140,230 | 160,230 | 160,230 | 160,230 | 160,230 |
| Recharges to Other Accounts | (3,637,870) | (3,501,060) | (3,734,700) | (3,796,990) | (3,861,230) | (3,925,780) | (3,991,950) | (4,060,580) | (4,016,840) | (4,075,410) | (4,089,160) |
| Other Government Grants | (4,951,700) | (6,546,890) | (4,649,280) | (4,705,100) | (4,762,030) | (4,820,100) | (4,879,330) | (4,939,740) | (5,001,360) | (5,064,200) | (5,082,100) |
| Investment Income | (762,120) | (762,120) | (736,640) | (733,970) | (735,130) | (725,150) | (722,670) | (720,830) | (720,730) | (720,730) | (720,730) |
| Fees & Charges | (8,025,460) | (8,686,480) | (8,649,350) | (8,634,490) | (8,773,430) | (8,844,060) | (8,948,760) | (9,020,140) | (9,084,930) | (9,121,640) | (9,178,390) |
| Rental Income | (4,513,480) | (4,867,120) | (5,015,460) | (5,093,700) | (5,147,670) | (5,182,600) | (5,229,540) | (5,266,430) | (5,304,350) | (5,338,270) | (5,375,040) |
| APPROPRIATIONS | | | | | | | | | | | |
| Capital Items met from Balances and Reserves | 2,712,860 | 4,733,390 | 1,804,140 | 1,511,600 | 1,691,820 | 1,696,820 | 1,556,820 | 1,556,820 | 1,451,600 | 1,556,820 | 1,556,820 |
| Net Contribution to / (from) Reserves | (1,971,420) | (3,017,240) | 288,400 | 803,630 | 256,550 | 410,730 | 570,470 | 587,240 | 711,270 | 625,000 | 625,000 |
| Parish Precepts | 625,260 | 625,260 | 625,260 | 625,260 | 625,260 | 625,260 | 625,260 | 625,260 | 625,260 | 625,260 | 625,260 |
| BUDGET REQUIREMENT FOR THE YEAR | 14,589,740 | 13,808,450 | 16,559,010 | 17,570,250 | 18,130,710 | 18,685,680 | 19,487,240 | 19,994,870 | 20,893,590 | 21,284,670 | 21,714,270 |
| Business Rates Income | (4,419,200) | (4,419,200) | (4,506,470) | (4,595,510) | (4,631,320) | (4,723,940) | (4,818,420) | (4,914,780) | (5,013,070) | (5,113,330) | (5,386,680) |
| Residual Revenue Support Grant (RSG) | (120,450) | (120,450) | 123,260 | 123,260 | 123,260 | 123,260 | 123,260 | 123,260 | 123,260 | 123,260 | 123,260 |
| New Homes Bonus | (475,820) | (475,820) | (400,000) | (400,000) | (400,000) | (400,000) | (400,000) | (400,000) | (400,000) | (400,000) | (400,000) |
| Services & Funding Guarantee Grants | (597,100) | (597,100) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Council Tax Income | (8,315,840) | (8,315,840) | (8,533,020) | (8,755,800) | (8,984,600) | (9,219,150) | (9,459,910) | (9,706,950) | (9,960,370) | (10,220,630) | (10,487,450) |
| Parish Precepts | (625,260) | (625,260) | (625,260) | (625,260) | (625,260) | (625,260) | (625,260) | (625,260) | (625,260) | (625,260) | (625,260) |
| Transfers to / (from) the Collection Fund | 1,914,100 | 1,914,100 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Recycling of Excess Usable Working Balances above £3.25m</i> | <i>(1,950,170)</i> | <i>(1,950,170)</i> | <i>(2,617,520)</i> | <i>(563,130)</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> |
| BUDGET SHORTFALL/(UNDERSPEND) | 0 | (781,290) | -- | 2,753,810 | 3,612,790 | 3,840,590 | 4,306,910 | 4,471,140 | 5,018,150 | 5,048,710 | 4,938,140 |
| NEW SAVINGS PER ANNUM | -- | -- | -- | 2,753,810 | 858,980 | 227,800 | 466,320 | 164,230 | 547,010 | 30,560 | (110,570) |

| Analysis of Balances & Specific Reserves Balances as at the end of the Financial Year | 2024-25 Original | 2024-25 Projected | 2025-26 Projected | 2026-27 Projected | 2027-28 Projected | 2028-29 Projected | 2029-30 Projected | 2030-31 Projected | 2031-32 Projected | 2032-33 Projected | 2033-34 Projected |
|--|-------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Working Balances B/Fwd (Exc. £2.0m min balance) | 4,349,530 | 4,349,530 | 3,180,650 | 563,130 | | | | | | | |
| <i>Usage of Excess Working Balances to support GF</i> | <i>(1,950,170)</i> | <i>(1,950,170)</i> | <i>(2,617,520)</i> | <i>(563,130)</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>--</i> |
| Transfer from Balances to equalise Council Tax | - | - | - | - | - | - | - | - | - | - | - |
| SUB-TOTAL (BEFORE SAVINGS REQUIREMENT) | 2,399,360 | 2,399,360 | 563,130 | (0) | - | - | - | - | - | - | - |
| (Shortfall)/Underspend Against Original Budget | (0) | 781,290 | - | (2,753,810) | (3,612,790) | (3,840,590) | (4,306,910) | (4,471,140) | (5,018,150) | (5,048,710) | (4,938,140) |
| Working Balances C/Fwd (Exc. £2.0m min balance) | 2,399,360 | 3,180,650 | 563,130 | (2,753,810) | (6,366,600) | (10,207,190) | (14,514,100) | (18,985,240) | (24,003,390) | (29,052,100) | (33,990,240) |
| Specific Reserves (as at end of year) | | | | | | | | | | | |
| Corporate Priorities Reserve | 624,400 | 543,890 | 543,890 | 543,890 | 543,890 | 543,890 | 543,890 | 543,890 | 543,890 | 543,890 | 543,890 |
| Asset Enhancement Reserve | 1,156,090 | 414,220 | 414,220 | 414,220 | 414,220 | 414,220 | 414,220 | 414,220 | 414,220 | 414,220 | 414,220 |
| Planning Policy Reserve | 571,390 | 389,420 | 339,420 | 330,010 | 380,010 | 430,010 | 480,010 | 530,010 | 580,010 | 630,010 | 680,010 |
| Leisure Centres Reserve | 28,150 | - | - | - | - | - | - | - | - | - | - |
| Decriminalisation (General) | 66,850 | 57,770 | 57,770 | 57,770 | 57,770 | 57,770 | 57,770 | 57,770 | 57,770 | 57,770 | 57,770 |
| Elections Reserve | 112,680 | 130,820 | 165,820 | 200,820 | 88,320 | 125,820 | 163,320 | 200,820 | 88,320 | 125,820 | 163,320 |
| IT Infrastructure Reserve | 451,650 | 436,650 | 326,650 | 221,650 | 116,650 | 6,650 | 36,650 | 66,650 | 96,650 | 126,650 | 156,650 |
| DSO Fleet Vehicle Replacement Reserve | 376,850 | 229,780 | 229,780 | 229,780 | 229,780 | 229,780 | 229,780 | 229,780 | 229,780 | 229,780 | 229,780 |
| Waste Freighter Replacement Reserve | 526,320 | 28,410 | 28,410 | 425,410 | 391,540 | 357,670 | 323,800 | 289,930 | 511,280 | 477,410 | 443,540 |
| Business Rates Collection Fund Equalisation Reserve | 1,381,370 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Growth Fund Reserve | 420,130 | 630,120 | 1,005,050 | 1,387,470 | 1,777,540 | 2,175,410 | 2,581,240 | 2,995,190 | 3,417,420 | 3,848,090 | 4,278,760 |
| Playgrounds Reserve | 147,840 | 27,840 | 15,930 | 15,930 | 34,680 | 53,430 | 72,180 | 90,930 | 109,680 | 128,430 | 147,180 |
| Commercial Income Protection Reserve | 770,960 | 677,020 | 694,560 | 706,300 | 714,390 | 719,630 | 726,680 | 732,210 | 737,900 | 742,980 | 748,060 |
| Investment Interest Equalisation Reserve | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 |
| 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 | 381,100 | 376,220 | 376,220 | 376,220 | 376,220 | 376,220 | 376,220 | 376,220 | 376,220 | 376,220 | 376,220 |
| Enterprise Zone Reserve | 1,236,220 | 975,280 | 1,008,120 | 1,100,000 | 1,141,010 | 1,186,250 | 1,241,460 | 1,306,840 | 1,382,590 | 1,469,460 | 1,556,330 |
| Debt Repayment Reserve | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 | 3,458,460 |
| TOTAL BALANCES & RESERVES | 15,909,820 | 13,856,550 | 11,527,430 | 9,014,120 | 5,657,880 | 2,228,020 | (1,508,420) | (5,392,320) | (9,699,200) | (14,122,910) | (18,436,050) |
| 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 increases (Band D) of 2% from 2025/26 per annum onwards. Council Tax Base increased by 2.06% from 2023/24 to 2024/25 with forecast growth of 0.60% annually from 2025/26. To be reviewed as part of budget-setting.

General pay award budgeted for 2024-25 of 5%, 3% in budgeted for 2025/26, with 2% factored in annually from 2026/27 onwards.

General Fund minimum working balance set at £2m, with General Reserve balance set at £3.25m. General Reserve now projected for use to balance overall budget and being exhausted in 2026/27.

Borrowing/interest costs associated with the Charter Development (through Rosherville Limited) are being treated as a long-term debtor during the development phase of the scheme.