

# FAREHAM

## BOROUGH COUNCIL

### Report to Policy and Resources Scrutiny Panel

**Date**                    **22 January 2024**

**Report of:**            **Assistant Chief Executive Officer**

**Subject:**              **FINANCE STRATEGY, REVENUE BUDGET & COUNCIL TAX  
2024-25**

#### **SUMMARY**

The Policy and Resources Scrutiny Panel is asked to consider and review the Executive's proposals for the overall revenue budget for 2024/25. The Assistant Chief Executive Officer will refer any proposals or comments of the Panel to the Executive meeting on 5 February 2024.

#### **RECOMMENDATION**

That any proposals or comments of the Panel be referred to the Executive at its meeting on 5 February 2024.

## **INTRODUCTION**

1. On 8 January 2024, the Executive will have reviewed the Council's finance strategy and considered the revenue items to be included in the revised budgets for 2023/24, the budget for 2024/25 and beyond. A copy of this report is attached as Appendices A and B, for information.
2. Members will consider a number of options, which could allow a balanced budget to be achieved, and will be asked to make the following decisions:-

### **Financial Forecasts (MTFS)**

- (a) approves the Medium-Term Finance Strategy for the period 2023/24 to 2027/28, as set out at Appendix C to the report;
- (b) agrees to submit the updated Pay Policy, annexed to the Medium-term Finance Strategy in Appendix C at Annex 2, to Full Council for approval;

### **Revenue Budgets**

- (c) approves the revised 2023/24 general fund revenue budget, amounting to £12,376,100, as set out in Appendix A and B to the report;
- (d) approves the base 2024/25 general fund revenue budget amounting to £13,065,600, as set out in Appendix A and B to the report;
3. A report will be submitted to the Executive on 5 February 2024. This report seeks final confirmation for the spending plans, together with recommendations for Full Council to consider on 23 February 2024.
4. Officers will provide a verbal update on this report to members of the Policy and Resources Scrutiny Panel on 22 January 2024.
5. Any comments or proposals that the Scrutiny Panel may wish to submit will be considered by the Executive on 5 February 2024.

## **RISK ASSESSMENT**

6. While all spending plans can be met from within existing resources, a drawdown from reserves is required to balance the budget. Growing financial pressures increase the risk that spending plans exceed desirable levels of council tax.
7. Also, the budget reflects the implications of the changing funding position from central Government as well as other more local budget pressures. These changes will continue to affect the Council's finances and it remains an important part of the overall Medium-Term Finance Strategy to retain sufficient balances to cater for the unexpected in these uncertain times.
8. The council should continue to explore opportunities to increase income sources for the Council as well as review efficiency plans in order that balanced budgets can be made in future years.

## **CONCLUSION**

9. The Panel is asked to review the proposals and consider whether it wishes to submit comments for consideration by the Executive.

**Appendix A:** [Executive Report "Finance Strategy, Revenue Budget & Council Tax 2024/25" considered on 8th January 2024](#)

**Appendix B:** [Appendix C to the Executive Report "Finance Strategy, Revenue Budget & Council Tax 2024/25" considered on 8th January 2024](#)

**Background Papers:**

**Reference Papers:**

**Enquiries:**

For further information on this report please contact Neil Wood on 01329 824506.