

FAREHAM

BOROUGH COUNCIL

2020/21
Decision No.
2248

Record of Decision by Executive

Monday, 1 February 2021

Portfolio	Policy & Resources
Subject:	Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2021/22
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

This report seeks final confirmation of the recommendations to be made to Council, on 26 February 2021, in respect of the revenue budget, capital programme and council tax for 2021/22.

On 04 January 2021, the Executive reviewed the Council's overall finance strategy and considered proposals relating to the capital programme, revenue budgets and the council tax for 2021/22. The report updates the Council's budgets to reflect the decisions taken on 04 January 2021.

The capital programme for the years 202/21 to 2024/25 will be £53,902,000.

The revenue budget for 2021/22 will be £10,271,900. With retained business rates and grants estimated to be £2,731,105 and a surplus from the collection fund of £84,393, the total amount due from the council tax payers will be £7,456,402.

Taking these changes into consideration, the council tax for 2021/22 will be £170.22 per band D property. This represents an increase from the council tax set for 2020/21 but would be within the referendum limit set by the Government.

Options Considered:

At the invitation of the Executive Leader, Councillor L Keeble addressed the Executive on this item.

A revised page 11 of the agenda pack was tabled at the meeting to show a corrected estimate figure of £2,731,105 for retained business rates and grants; a corrected total amount of £7,456,402 due from the council tax payers; and the correct date of the February Council meeting. A revised page 21 of the agenda pack was also tabled to include the corrected figure of £7,456,402 at Appendix A of the report.

A revised page 16 of the agenda pack was tabled at the meeting to confirm that the net rates payable from National Non-Domestic rates for 2021/22 (after transitional arrangements and reliefs) is £ 43,985,447.

As recommendation.

Decision:

RESOLVED that the Executive approves and recommends to the meeting of the Council to be held on 26 February 2021:

- (a) the capital programme and financing of £53,902,000;
- (b) an overall revised revenue budget for 2020/21 of £9,606,500;
- (c) a revenue budget for 2021/22 of £10,271,900;
- (d) a council tax for Fareham Borough Council for 2021/22 of £170.22 per band D property, which represents a £5.00 increase when compared to the current year and is within referendum limits; and
- (e) an unchanged Council Tax Support scheme for 2021/22

Reason:

To allow the Council to approve the Council Tax for 2021/22.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 1 February 2021

FAREHAM

BOROUGH COUNCIL

2020/21
Decision No.
2249

Record of Decision by Executive

Monday, 1 February 2021

Portfolio	Policy & Resources
Subject:	Housing Revenue Account 2021/22
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Providing housing choices

Purpose:

This report seeks Executive approval for the revised budget for the Housing revenue account for 202/21, the base budgets and rent increases for 2021/22.

The Executive recommended, and the Council approved, in February 2020, the base budget and rent increase for 2020/21, for Housing Revenue Account (HRA) services.

An emergency Budget for 2020/21 was prepared in response to the impact of the COVID-19 pandemic, approved by the Executive in September 2020.

This report sets out some further revisions to the Housing Revenue Account revised budget for 2020/21 and base budget for 2021/22 along with the capital programme and financing for the years 2020/21 to 2024/25. The report examines the issues affecting the Housing Revenue Account including rent changes with effect from 01 April 2021.

Council budgets are susceptible to change in the level of expenditure and income caused by factors inside and outside the Council's control. A risk assessment has been carried out to indicate the effect on housing balances of changes in the level of expenditure and income. This can be used to estimate the account balances needed to provide a prudent level of reserves and a working balance.

Options Considered:

At the invitation of the Executive Leader, Councillor P Davies addressed the Executive on this item.

As recommendation.

Decision:

RESOLVED that the Executive approves and recommends to the meeting of the Council to be held on 26 February 2021 that:

- (a) rents be approved for Council Dwellings as set out in paragraph 21 of the report with effect from 01 April 2021;
- (b) rents for Council garages be increased by 1.5% with effect from 01 April 2021;
- (c) the revised budget for 2020/21 be approved; and
- (d) the base budget for 2021/22 be approved.

Reason:

To allow the Council to approve the Housing Revenue Account budgets for 2021/22.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 1 February 2021

FAREHAM

BOROUGH COUNCIL

2020/21
Decision No.
2250

Record of Decision by Executive

Monday, 1 February 2021

Portfolio	Policy & Resources
Subject:	Treasury Management Strategy 2021/22
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

This report considers the draft Treasury Management Strategy and Investment Strategy for 2021/22, prior to its submission to the Council for approval.

Regulations require the Council to prepare and formally approve both an annual Treasury Management Strategy and Investment Strategy. The document for 2021/22 is attached as Appendix A to the report for consideration by the Executive before being submitted to Council for approval. There have been no significant changes proposed to the strategies.

In the past 12 months, the Council's investment balance has ranged between £14million and £44million. The higher balances are due to Covid-19 related Government grants received in advance and are expected to reduce in the forthcoming year. The majority of the Council's investments are expected to be invested in short-term unsecured bank deposits and money market funds with approximately £12m available for longer-term investment.

The COVID-19 pandemic has increased the risk that the Bank of England will set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk short-term investment options reducing the value of investments.

Borrowing levels are expected to increase to a projected £72.7million at the end of 2021/22 to fund the capital programme. The Council has previously raised all of its long-term borrowing from the Public Works Loan Board (PWLB) but will consider long-term loans from other sources. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield.

Options Considered:

A revised page 53 of the agenda pack was tabled at the meeting to correct the net rate of return on commercial investments, as detailed in the table provided at paragraph 77 of the report.

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) endorses the draft Treasury Management Strategy and Investment Strategy for 2021/22, attached as Appendix A to the report; and
- (b) agrees to submit the report to Council for approval.

Reason:

In accordance with the Code of Practice for Treasury Management in the Public Services and guidance from the Ministry for Housing Communities and Local Government (MHCLG), the Treasury Management Strategy and Investment Strategy have to be approved by full Council.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 1 February 2021

FAREHAM

BOROUGH COUNCIL

2020/21
Decision No.
2251

Record of Decision by Executive

Monday, 1 February 2021

Portfolio	Policy & Resources
Subject:	Review of Statement of Licensing Policy
Report of:	Director of Leisure and Community
Corporate Priority:	Strong, safe, inclusive and healthy communities

Purpose:

This report sets out the Statement of Licensing Policy (Licensing Policy) that details the Council's approach to promoting the four licensing objectives when making decisions under the Licensing Act 2003. The Policy is reviewed every five years and has taken account of changes in legislation, regulations and guidance. The renewed Policy is attached as Appendix A to the report and is being presented to the Executive for approval, before adoption at full Council.

The Council has an existing Licensing Policy which has been reviewed without there being any substantive policy changes. It sets out the standards and criteria for applications received according to the Licensing Act 2003 and how those applications will be determined and the licensing objectives promoted.

Options Considered:

The comments of the Licensing and Regulatory Affairs Committee were taken into account in considering this item.

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) agrees the updated Licensing Policy, as detailed in Appendix A to the report;
and
- (b) recommends the policy to Council for adoption.

Reason:

Section 5 of the Licensing Act 2003 (“the Act”) requires the licensing authority to prepare and publish a Statement of Licensing Policy every five years. This outlines the general approach of the licensing authority when making licensing decisions under the Act and can be reviewed and revised by the authority at any time.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 1 February 2021