

FAREHAM

BOROUGH COUNCIL

2020/21
Decision No.
2220

Record of Decision by Executive

Monday, 12 October 2020

Portfolio	Policy & Resources
Subject:	Financial Forecast for Medium Term Finance Strategy
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

This report provides an update on the Council's 5-year financial forecasts following the emergency budget.

This report gives the Executive the opportunity to consider the Council's 5-year financial forecasts as set out in the Medium-Term Finance Strategy (MTFS) following the setting of the emergency revised budget for 2020/21 at the September Executive.

The impacts of Covid-19 have affected many areas of the Council's finances including a contribution from reserves to set a balanced revised budget for 2020/21. In light of the changes a new table of figures highlighting the effects of the pandemic and other operation changes has been compiled and the effects of this going forward over the strategy period is shown in the table below:

£s	2020/21	2021/22	2022/23	2023/24	2024/25
Approved MTFS Deficit Position	0	489,000	512,000	440,000	N/A
Revised MTFS Forecast Deficit Position	1,145,000	2,282,000	706,000	594,000	452,000

The detailed report highlights the main spending pressures affecting the budgets and also opportunities taken to close the budget gap.

5-Year Financial Forecasts

The 5-Year financial forecasts for 2020/21 to 2024/25 is predicting a funding shortfall for all years. The Opportunities Plan approved last year is still predicted to address some of the shortfall and build in some capacity for future pressures and uncertainties.

Options Considered:

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

The comments of the Policy and Resources Scrutiny Panel were taken into account in considering this item.

As recommendation.

Decision:

RESOLVED that the Executive approves the Medium-Term Finance Strategy for the period 2020/21 to 2024/25, as set out at Appendix A to the report.

Reason:

The Medium-Term Finance Strategy forecasts a funding shortfall in all years through to 2024/25. The Opportunities Plan has been developed to address some of this and build in capacity for future pressures and uncertainties.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

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