

## Gareth Jones – Deputation to Council meeting – 29 July 2021

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In the next three years FBC will have a revenue budget shortfall of £1.7million, approximately £560k per year.

We have been told that because of this it has been necessary to introduce coastal parking charges and shortly the same at Portchester Castle.

In addition, in Feb 2022, residents will be charged significantly more than it costs to provide, for a new discretionary green waste collection service. I.E the charge will be £60 for a 240 litre bin v £29 actual cost. The remaining £31 is profit.

These two combined additional taxes will earn between £3.6 m and £4.92 m in the next three years. Far in excess of what is required to cover the budget shortfall of £1.7m.

As well as this the Council will accrue a capital **surplus** of £7.5 m in the next three years.

As well as this at the Councils Executive meeting held on the 5th of July a further £1.19 m has been transferred to the reserves as a consequence of an under spend in respect of money the Council has received from central government in respect of Covid related grants.

The following is an abridged extract from the minutes of this meeting:

“Due to the effects of the pandemic there was the potential need to use £1.1 million of the Council’s reserves to plug the funding gap for its services in 2020/21. **The Council has however benefitted from Government COVID grants totalling £3.8 million during the year.**

The final net budget outturn position is **£1,211,254 less** than the final revised budget agreed by the Executive in February 2021. This has meant that the anticipated drawing from reserves has **not materialised**. The largest contributing factor has been the unplanned additional Government support.

This has resulted in underspend to £1,195,093. **This underspend has been transferred to reserves.”**

**This means that around £5m sits in the reserves that is not committed to any other expenditure which is around £3m over the minimum required balance of 5% of Gross Expenditure.**

**All of this means that the residents of Fareham will be paying more in additional taxes than they need to through the introduction of coastal parking charges and a charge for green waste collection that is far in excess of that which is required.**

**Is the Full council content with this state of affairs?**