

FAREHAM

BOROUGH COUNCIL

2021/22
Decision No.
2316

Record of Decision by Executive

Monday, 1 November 2021

Portfolio	Policy & Resources
Subject:	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 global pandemic and 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 budget 2021/22 at the January Executive.

The impacts of COVID-19 have affected many areas of the Council's finances during 2020/21 and these have continued through to the current financial year. In light of the changes a new table of figures highlighting the effects of the pandemic and other operational changes has been compiled and the effects of this going forward over the strategy period is shown in the table below:

£s	2021/22 Revised	2022/23	2023/24	2024/25	2025/26
Approved MTFS Deficit Position	0	706,000	594,000	452,000	n/a
General Draw Down from reserves	1,966,000	0	0	0	0
Revised MTFS Forecast deficit Position	0	1,046,000	306,000	500,000	337,000

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 2021/22 to 2025/26 are predicting a funding shortfall for all years with reserves being used to ensure a balanced budget in 2021/22. 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:

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 2021/22 to 2025/6, as set out at Appendix A to the report.

Reason:

The Medium-Term Finance Strategy forecasts a funding shortfall in all years through to 2025/26. 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)

Monday, 1 November 2021