

FAREHAM

BOROUGH COUNCIL

2021/22
Decision No.
2336

Record of Decision by Executive

Monday, 10 January 2022

Portfolio	Policy & Resources
Subject:	Finance Strategy, Revenue Budget & Council Tax 2022/23
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 and makes recommendations regarding the revised revenue budget for 2021/22 and 2022/23.

The 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), revised service budgets for 2021/22 and proposed service budgets for 2022/23.

Revised General Fund Revenue Budget 2021/22

The revised general fund revenue budget for 2021/22 amounts to £14,135,100 for service budgets with other budgets totalling -£2,057,100 and COVID funding of £1,583,200 (including a use of general reserves of £690,200), giving an overall position of £10,494,800 which is an increase of £222,900 from the base budget for 2021/22.

General Fund Revenue Budget 2022/23

The proposed general fund budget for 2022/23 totals £13,467,400 for service budgets along with -£2,723,000 for other budgets (including a use of general reserves of £1,902,500) giving an overall position of £10,744,400 which is an increase of £472,500 against the original budget for 2021/22.

5-Year Financial Forecasts

The 5-year financial forecasts for 2021/22 to 2025/26 is predicting a funding shortfall by 2022/23. The Opportunities Plan approved last year is still predicted to address the shortfall and build in some capacity for future pressures and uncertainties.

Options Considered:

As recommendation.

Decision:

RESOLVED that the Executive:

Financial Forecasts (MTFS)

- (a) approves the Medium-Term Finance Strategy for the period 2021/22 to 2025/26, as set out at Appendix C to the report;
- (b) agrees to submit the updated Pay Policy, annexed to the Medium-Term Finance Strategy at Annex C, to Full Council for approval;

Revenue Budgets

- (c) approves the revised 2021/22 general fund revenue budget, amounting to £10,494,800, as set out in Appendices A and B to the report; and
- (d) approves the base 2022/23 general fund revenue budget amounting to £10,744,400, as set out in Appendices A and B to the report.

Reason:

The proposed budgets and capital programme will continue to support delivery of the Council's services and corporate priorities whilst taking account of the continuing financial pressures.

The Medium-Term Finance Strategy forecasts a funding shortfall by 2022/23. An Opportunities Plan has been developed to address this and build in capacity for future pressures and uncertainties.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 10 January 2022