

FAREHAM

BOROUGH COUNCIL

2021/22
Decision No.
2353

Record of Decision by Executive

Monday, 7 March 2022

Portfolio	Policy & Resources
Subject:	Daedalus Financial Strategy
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

To establish a financial framework for the operation and investment at Solent Airport and the wider Daedalus site, in support of the Council's Vision for Daedalus.

The Council has an adopted vision and strategy for Daedalus, which not only sets the ambitions for Solent Airport, but also for unlocking the potential of the airfield's land and infrastructure assets for new commercial development. With the scale of investment required to deliver the Vision, a set of financial principles have been developed to assist with investment decisions and operational cost management.

A draft financial strategy has been prepared (set out in Appendix A) and has been modelled over the medium term to assess the revenue and capital implications.

The forecasts indicate that operational activities at Daedalus have the ability of being financially sustainable in the longer term and providing a return to the General Fund for the investment made in the site.

Equally, it is anticipated that there are sufficient capital resources to support the proposed investment plan at Daedalus, although in the short term there will need to be some careful consideration of the implications of reinvesting capital resources in Daedalus for the operating position.

Options Considered:

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

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) approves the draft Daedalus Financial Strategy, as set out in Appendix A to the report; and
- (b) agrees that the Strategy be incorporated into the Council's Medium Term Financial Strategy at its next review.

Reason:

To ensure that the operations at Daedalus are financially sustainable and that investment proposals are affordable.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 7 March 2022