

FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2380

Record of Decision by Executive

Monday, 5 September 2022

Portfolio	Policy & Resources
Subject:	General Fund & Housing Revenue Account Outturn 2021/22
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

This report provides the Executive with details of the actual revenue expenditure for 2021/22 for the General Fund and Housing Revenue and Repairs Account and seeks approval for the completion, in 2022/23, of two of the 2021/22 expenditure programmes.

The General Fund actual net revenue expenditure on services for 2021/22 total £9,842,001 which is £973,899 less than that budgeted for the year. The main reason for this was higher income in some areas where recovery was quicker than anticipated.

The Council continued to receive some COVID funding during 2021/22 but this was mainly in the first quarter of the year as other forms of recovery funding became available during the latter part of the year. In total over £900,00 of general funding was received with further funding targeting specific areas such as homelessness that also received over £900,000 to help offset the demands on that service.

There continued to be further support for business and individuals affected by the pandemic and these totalled over £3million during the year.

The final net budget outturn position is £595,298 less than the final revised budget agreed by the Executive in February 2022. This has meant that the anticipated drawing from reserves of £404,200 has not materialised. This is partly due to some services such as car parking starting to recover towards the end of the year, a large increase in the price paid for recycled material and also due to the corporate efforts in reducing spend where it was possible.

It has not been possible to complete a number of expenditure programmes in 2021/22 and approval is sought to complete those where expenditure had already been committed during 2021/22, at a cost of £53,200. This will reduce the underspend to £157,917 once COVID funding is taken into account.

This underspend will need to be transferred to reserves to help protect the council's financial position going forward. Some trends in increased expenditure such as fuel prices have continued into 2022/23 and income streams such as car parking may not recover to the levels they were 5 years ago and the Government's financial support schemes may start to disappear. The Council's underlying financial position has therefore worsened. We will be reviewing this in more detail when the Medium-Term Finance Strategy is completed later in 2022 along with a plan to address the forecasted funding gaps.

The final figures for the Housing Revenue and Repairs Account (HRA) in 2021/22 show that the HRA revenue reserve has been increased by £630,903. Overall, total HRA Reserves have increased by £1.169 million.

Options Considered:

A revised page 42 of the agenda pack was tabled at the meeting in respect of this item to amend the recommended carry forward amount to the HRA Capital Programme to £1,563,000 as detailed in the table at paragraph 31 of the report.

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) approves the carry forward of £53,200 to fund the completion of the committed General Fund expenditure programmes in 2022/23, as contained in the report;
- (b) approves the carry forward of £1,563,000 for the HRA Capital Programme to re-align budget and expenditure phasing and to support the forthcoming programme for 2022/23; and
- (c) notes the contents of the report.

Reason:

To enable the completion of the General Fund expenditure programme for 2021/22 and to ensure that the balances on the Housing Revenue and Repairs Accounts at 31 March 2022 will be available in future years and that 2022/23 budgets are sufficient to meet the level of work programmed.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 5 September 2022