

FAREHAM

BOROUGH COUNCIL

2022/23
Decision No.
2402

Record of Decision by Executive

Monday, 9 January 2023

Portfolio	Policy & Resources
Subject:	Finance Strategy, Revenue Budget & Council Tax 2023/24
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 2022/23 and 2023/24.

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 2022/23 and proposed service budgets for 2023/24.

Revised General Fund Revenue Budget 2022/23

The revised general fund revenue budget for 2022/23 amounts to £15,660,700 for service budgets and with other budgets totalling -£4,673,400 (including a use of general reserves of £1,259,500), giving an overall position of £10,987,300 which is an increase of £199,300 from the base budget for 2022/23.

General Fund Revenue Budget 2023/24

The proposed general fund budget for 2023/24 totals £15,714,700 for service budgets along with -£3,817,600 for other budgets (including a use of general reserves of £420,900) giving an overall position of £11,897,100 which is an increase of £1,109,100 against the original budget for 2022/23.

5-Year Financial Forecasts

The 5-year financial forecasts for 2022/23 to 2026/27 is predicting a funding shortfall by 2025/26. The fixed funding for the Opportunities Plan work came to an end in 2022/23, but given the predicted funding gap in the coming years, it is evident that a further use of council reserves will be required to continue this important work to identify further opportunities to manage the Council's financial pressures and remain resilient.

Options Considered:

A deputation was received in respect of this item from Mr Gareth Jones.

As recommendation.

Decision:

RESOLVED that the Executive:

Financial Forecasts (MTFS)

- (a) approves the Medium-Term Finance Strategy for the period 2022/23 to 2026/27, as set out at Appendix C to the report;
- (b) agrees to submit the updated Pay Policy, annexed to the Medium-Term Finance Strategy in Appendix C at Annex 2, to Full Council for approval;

Revenue Budgets

- (c) approves the revised 2022/23 general fund revenue budget, amounting to £10,987,300, as set out in Appendix A and B to the report; and
- (d) approves the base 2023/24 general fund revenue budget amounting to £11,897,100, 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 2024/25. A further Opportunities Plan needs to be developed to address this and build in capacity for future pressures and uncertainties.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 9 January 2023