

# FAREHAM

## BOROUGH COUNCIL

2024/25  
Decision No.  
2550

### Record of Decision by Executive

Monday, 1 July 2024

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>Capital and Treasury Management Outturn 2023/24</b>
<b>Report of:</b>	Assistant Director (Finance & ICT) & Section 151 Officer
<b>Corporate Priority:</b>	Responsive, Inclusive and Innovative Council

#### Purpose:

The report provides the Executive with details of the capital and treasury management outturn for 2023/24 to comply with the reporting requirements of the Code of Practice for Treasury Management. The report also seeks approval for the proposed methods of financing the General Fund capital programme.

Actual capital expenditure on General Fund schemes in 2023/24 was £31,202,178 (£6.2 million in 2022/23) compared with the revised capital programme of £36,996,700. The overall variance was £5,794,522. A detailed analysis of the variations is given in Appendix A to the report.

Total savings from individual projects of £281,780 were achieved, additional expenditure of £58,989 on others was incurred and a total of £5,571,731 will be carried forward into 2024/25. Details of the various methods used to finance this expenditure are set out in this report.

In addition, a new capital scheme budget of £281,000 is requested for a new filtration system at Holly Hill Leisure Centre.

Full details of Treasury Management investment and borrowing activity in 2023/24 are also set out in this report and is summarised below:

	31 March 2023 Actual £'000	2023/24 Movement £'000	31 March 2024 Actual £'000
Total borrowing	61,336	3,253	64,589
Total investments	(24,832)	11,244	(13,588)
<b>Net borrowing</b>	<b>36,504</b>	<b>14,497</b>	<b>51,001</b>

Net interest received from investments in 2023/24 was £701,320 (£879,854 in 2022/23) and net interest paid on borrowing for the HRA was £1,906,955 (£1,670,992 in 2022/23).

The overall investment property portfolio decreased in value by £3.55 million and contracted income was approximately £4,500,000.

During 2023/24, the Council complied with its legislative and regulatory requirements of the Prudential Code.

**Options Considered:**

As recommendation.

**Decision:**

RESOLVED that the Executive:

- (a) approves that the General Fund capital programme for 2023/24 be financed as set out in the report;
- (b) agrees that the additional expenditure incurred, amounting to £58,989 be financed retrospectively from unallocated capital resources;
- (c) agrees to add £281,000 to the capital programme for a new filtration system at Holly Hill Leisure Centre with the unfunded element of £64,325 to be funded from capital reserves; and
- (d) notes the treasury management activity for 2023/24.

**Reason:**

To provide the Executive with details of the capital and treasury management outturn in 2023/24 and to comply with the reporting requirements of the Code of Practice for Treasury Management.

**Confirmed as a true record:**

Councillor SD Martin (Executive Leader)

Monday, 1 July 2024