

# FAREHAM

## BOROUGH COUNCIL

2024/25  
Decision No.  
2551

### Record of Decision by Executive

Monday, 1 July 2024

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>General Fund and Housing Revenue Account 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 actual revenue expenditure for 2023/24 for the General Fund and Housing Revenue and Repairs Account.

The revised budget set by the Executive for the **General Fund** in February was predicting a small underspend of £58,800. Although budget monitoring had been indicating some pressure points during the year the outturn position is still an underspend, of £35,841, which will be added to the Council's reserves.

The main reasons for this was some unexpected income in some areas, such as leisure centre grant income, recycling credits and the garden waste service where the take up of the services continues to remain high. However, there have still been pressures on the budgets in the year, in particular for bed and breakfast expenses for the homelessness service and also vehicle costs for the waste collection and street cleansing services.

This small contribution to reserves will help protect the council's financial position going forward. Some trends in increased expenditure such as fuel prices and materials costs have continued during 2023/24 and the levels of Government's financial support remain uncertain with a further delay to the Fair Funding Review. There also remains uncertainty to income generated by council services as in 2023/24 we have seen reductions in planning income and the town centre parking income is still well below the pre-covid levels. The Council's underlying financial position remains a concern as was highlighted in the Medium-Term Finance Strategy, albeit actions taken in the year have delayed the problem by a year. The new Opportunities Plan will continue to attempt to identify areas where spending can be reduced or where additional income can be generated to help bridge the forecasted funding gap in 2026/27.

There are a number of pressures on the **Housing Revenue and Repairs Account (HRA)**. This is due to the responsive repairs costs remaining high as well as the

planned maintenance and other capital costs. The account has also been impacted by the government cap on rents. The Council has therefore made use of favourable loan rates to increase the borrowing for the HRA by £3.254 million and protect the HRA reserves position which have now increased by £0.096 million. Work is also underway to implement an Opportunities Plan specifically for the HRA.

**Options Considered:**

As recommendation.

**Decision:**

RESOLVED that the Executive notes the content of the report.

**Reason:**

To understand the impact that the 2023/4 year has had on the Councils finances, to ensure that the balances on the Housing Revenue and Repairs Accounts as at 31 March 2024 will be available in future years and that 2024/25 budgets are sufficient to meet the level of work programmed.

**Confirmed as a true record:**

Councillor SD Martin (Executive Leader)

Monday, 1 July 2024