

FAREHAM

BOROUGH COUNCIL

Report to the Leisure and Community Scrutiny Panel

Date **04 February 2025**

Report of: **Assistant Director (Finance and ICT)**

Subject: **OPPORTUNITIES PLAN UPDATE**

SUMMARY

A detailed update to the Opportunities Plan is being developed for 2025/26 to help ensure that we can continue to balance the Council's budgets. This report presents an overall update on the current Opportunities Plan including projects linked to the Leisure and Community Portfolio. Members are asked to consider and comment on the projects. They were also asked to propose any new ideas they may have in a workshop preceding the meeting. These comments and ideas will be presented as part of the Opportunities Plan 2025/26 report at the 11 March 2025 Executive.

RECOMMENDATION

It is recommended that the Leisure and Community Panel consider and comment on the progress of the current Opportunities Plan projects.

INTRODUCTION

1. This report provides an update on the progress of the Council's current Opportunities Plan, including General Fund projects linked to the Council's Leisure and Community provision.

BACKGROUND

2. The Council has a long history of prudent financial management and of responding to fiscal challenges whilst continuing to provide a wide range of customer focused services.
3. The Council's original Opportunities Plan was approved at the 7 January 2019 Executive meeting, in response to a predicted funding shortfall by 2020/21. The Plan ran until the end of 2022/23.
4. It contained a number of successful projects such as the introduction of a Garden Waste Subscription Service and Coastal Parking Charges. These projects and other initiatives across the Council managed to close the predicted budget gaps from 2020/21 to 2022/23.
5. The Medium-Term Finance Strategy (MTFS) presented at the 9 January 2023 Executive forecast a further budget gap for each of the following 5 years, rising from a £0.4m gap in 2023/24 to £2.4m in 2025/26.
6. The use of our limited general reserves would have enabled balanced budgets in 2023/24 and 2024/25. However, the Council's reserves would then have run out and we would not have been able to plug the then predicted £2.4m budget gap in 2025/26.
7. In response to this, a new Opportunities Plan for 2023/24 was developed and approved by the Executive on 18 September 2023. There were no opportunities included on the scale of introducing Garden Waste subscriptions or coastal parking charges.
8. An initial progress update was presented to the 22 January 2024 Policy and Resources Scrutiny Panel and MTFS projections were updated in early 2024. This showed that the Opportunities Plan projects helped us to plug the predicted £0.4m budget gap for 2023/24 and resulted in £0.1m being added to our general fund reserves that year.

CURRENT FINANCIAL POSITION

9. For the Council's General Fund, the updated projections in January 2025 show that we had sufficient reserves, based on the assumption that we raise Council Tax by the 2.99% allowed each year, to bridge the £0.29m budget gap in 2024/25 and £0.06m gap in 2025/6 and £1.29m budget gap in 2026/7. However, our useable reserves would then run out and we would not be able to balance the predicted £1.25m budget gap in 2027/28.
10. We also have in place the recently reviewed Corporate Strategy 2023-29. This contains 42 projects in total, with 12 of these added or significantly updated as part of the December 2024 review. Many of these projects have not been fully costed. It must therefore also be remembered that part of the Opportunities Plan work is to release funding needed to deliver the Council's priorities over the coming months.

OVERALL OPPORTUNITIES PLAN UPDATE

11. Work has progressed well on many of the 94 projects in the 2023/24 Opportunities Plan. In the 2023/24 revised budget £498,500 of opportunity savings were used to reduce the need to draw on reserves to balance the budget. In addition, £260,000 of savings were fed into the base budget for 2024/25.
12. Further to the Opportunities Plan projects, a number of wider activities have been added to the work plan to deal with the forecast budget gap. Projects included reviews of all vacant posts in the establishment, unused budgets and deep monitoring of spend in targeted areas by the Senior Leadership Team.
13. The table below summarises the tangible budget savings that have been built into the revised 2024/25 and base 2025/26 budgets as a result of the project delivery during 2024/5:

	Additional Savings 2024/25 Revised	Savings 2025/26 Base Budget
Opportunity Plan Projects – Annual	250,940	195,190
Opportunity Plan Projects – One off	36,700	5,000
Vacant Post Review - Annual	425,839	-
Unspent budget review - Annual	146,500	-
Senior Leadership Team targeted monitoring - Annual	885,000	-
	1,744,979	200,190

LEISURE AND COMMUNITY ORIGINAL OPPORTUNITIES

14. The 2023/24 Opportunities Plan projects reported to the 22 January 2024 included 10 Leisure and Community focused projects. Progress updates on these, alongside updates for projects in other Panels and Committees, can be seen in Appendix A, with figures highlighted in green included in budget setting. Members are asked to consider and comment on Leisure and Community related project progress.

UPDATED OPPORTUNITIES PLAN FOR 2025/26

15. This work has had a positive impact overall. However, as discussed earlier there are several identified ongoing budget pressures and budget growth areas across the Council. In order to respond to these and to ensure balanced budgets going forward an updated Opportunities Plan is being created for 2025/26 onwards.
16. Potentially difficult policy decisions will likely need to be made regarding elements of discretionary service provision to help ensure we can continue to balance our budgets whilst meeting our statutory duties.

MEMBER INVOLVEMENT IN DEVELOPING THE NEW OPPORTUNITIES PLAN

17. Executive Members took part in a workshop in November 2024 to assess the top-level feasibility of potential income generation or cost saving opportunities based on some difficult decisions. Relevant opportunities identified in this session were then presented to Leisure and Community Scrutiny Panel Members at a workshop held immediately preceding today's, 04 February Panel Meeting.

18. Feedback from this session will be considered by the Executive when the proposed Opportunities Plan 2025/26 is presented for approval at the 11 March 2025 Executive.

RISK ASSESSMENT

19. There are no significant risk considerations in relation to this report.

CONCLUSION

20. The Leisure and Community Projects presented for consideration help the Council to have balanced budgets whilst meeting our statutory requirements.

Background Papers: None

Reference Papers: 22 January 2024, Leisure and Community Scrutiny Panel – Opportunities Plan 2023/24 Update

Enquiries:

For further information on this report please contact Roy Brown 01329 824 489

Appendix A – 2023/24 Opportunities Update
 (Green highlight denotes that this has been fed into the budgets)

Key: Savings/income highlighted in green are included in the Budget for that year

Leisure and Community								
No.	Project	2023/24		2024/25		2025/26		Update Notes
		Revenue Income	One-off Income	Revenue Income	One-off Income	Revenue Income	One-Off income	
66	Events Sponsorship			£2,400				Started. Income in 23/24 of £2,540, compared to original projection of £4,000. However, £11,000 income already received in 24/25 so far. Ongoing
70	Access All Areas – management					£600		Started. All tickets sold to cover the cost of providing events in 2024. Potential to revisit purpose e.g. revert to trying to tackle ASB Hot Spots. Ongoing
81	Padel tennis					£20,000		Started. 3 March Executive 2024 approval for disposal of land following consultation and delegated responsibility for agreement of terms following this. May see income estimates of £20,000 start in 25/26.
Sub Totals								
Built into budgets		£0	£0	£2,400	£0	£600		
Total Potential Opportunities		£0	£0	£2,400	£0	£20,600	£0	
No.	Leisure and Community	Projects to Be Costed Notes						
191	Funding bid for Energy Saving Infrastructure in Leisure Centres	Started Awarded around £670,000 from phase 2 of swimming pool fund for Solar PV at Fareham Leisure Centre. Projects needs to be complete by end of 2024/5.						

Leisure and Community Completed Projects

	Project	2023/24		2024/25		2025/26		Update Notes
		Revenue Income	One-off Income	Revenue Income	One-off Income	Revenue Income	One-off Income	
73	Fareham Live sound wave bar donors		£39,200					Complete Wave bars have been a success, and all sold.
80	Genesis centre R&M lease			£5,000				Complete Lease signed in Autumn 2023.
63	Community First Wessex Grant	£18,500						Complete. Spend in 23/24 well below budget. Potential to review allocation for 25/6 if spend remains low in 24/5.
57	Community Grants			£45,300				Complete Confirmed that budget will be cut to £50k from 1 April 2024. Monitor spend to see if further opportunities.
72	Fareham Live Business Operation Costs		£43,100					Complete
Sub Totals								
Built into budgets.		£18,500	£82,300	£50,300	£0	£0		
Total Potential Opportunities		£18,500	£82,300	£50,300	£0	£0		

