

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 10 February 2014

Portfolio:	Policy and Resources
Subject:	Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2014/15
Report of:	Director of Finance and Resources
Strategy/Policy:	Finance Strategy
Corporate Objective:	A dynamic, prudent and progressive Council

Purpose:

This report seeks final confirmation of the recommendations to Full Council, on 21 February 2014, in respect of the revenue budget, capital programme and council tax for 2014/15.

Executive summary:

On 6 January 2014, the Executive reviewed the Council's overall finance strategy and considered proposals relating to the capital programme, revenue budgets and the council tax for 2014/15. This report updates the Council's budgets to reflect the decisions taken on 6 January 2014.

The capital programme for the years 2013/14 to 2017/18 will be £34,601,000.

The revenue budget for 2014/15 will be £9,516,100. With Central Government support and retained business rates estimated to be £3,709,301 and the option of accepting additional council tax freeze grant for 2014/15 equating to £61,425 this results in the total amount due from the council tax of £5,745,374.

Taking these changes into consideration, the council tax for 2014/15 will be £140.22 per Band D property and would mean that Fareham's element of the Council Tax will have remained unchanged for 6 years. This represents no increase from the council tax set for 2013/14, compares favourably to the current rate of inflation and complies with the Council's corporate objectives.

Recommendation:

That the following proposals be approved and recommended to the special meeting of the Council to be held on 21 February 2014:-

- (i) the capital programme and financing of £34,601,000;
- (ii) an overall revised revenue budget for 2013/14 of £9,823,300;
- (iii) a revenue budget for 2014/15 of £9,516,100; and

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(iv) a council tax for Fareham Borough Council for 2014/15 of £140.22 per band D property, which represents no increase when compared to the current year.
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Reason:

To allow the Full Council to approve the Council Tax for 2014/15.

Cost of proposals:

Not applicable.

Appendix A: Revenue Budget Summary 2013/14 and 2014/15

ACTUAL REVENUE BUDGET

	Budget 2013/14 £	Revised Budget 2013/14 £	Variation Base to Rev £	Budget 2014/15 £	Variation Base to base £
Committees					
Planning	669,000	707,400	38,400	793,400	124,400
Licensing and Regulatory Affairs	395,800	399,700	3,900	503,400	107,600
Executive - Portfolio Budgets					
- Leisure and Community	1,681,800	1,837,200	155,400	1,754,000	72,200
- Health and Housing	1,369,400	1,444,800	75,400	1,210,300	-159,100
- Strategic Planning and Environment	-234,100	-181,700	52,400	-580,000	-345,900
- Policy and Resources	2,113,000	2,621,900	508,900	2,374,600	261,600
- Public Protection	2,435,700	2,745,100	309,400	2,679,100	243,400
- Streetscene	4,281,600	4,292,600	11,000	4,292,600	11,000
SERVICE BUDGETS	12,712,200	13,867,000	1,154,800	13,027,400	315,200
Capital Charges	-1,763,400	-2,152,200	-388,800	-2,152,200	-388,800
Capital Financing Costs					
- Use of Housing Capital Receipts	-415,600	-495,400	-79,800	-230,000	185,600
- Direct Revenue Funding	1,301,000	1,351,800	50,800	1,301,000	0
- Direct Revenue Funding NHB	897,900	912,100	14,200	897,900	0
Interest on Balances	-874,500	-770,700	103,800	-676,900	197,600
Portchester Crematorium	-150,000	-150,000	0	-150,000	0
New Homes Bonus	-1,092,700	-1,106,900	-14,200	-1,416,000	-323,300
Contribution from Reserves	-791,600	-1,632,400	-840,800	-1,085,100	-293,500
OTHER BUDGETS	-2,888,900	-4,043,700	-1,154,800	-3,511,300	-622,400
BUDGET TOTAL	9,823,300	9,823,300		9,516,100	-307,200
NET BUDGET	9,823,300	9,823,300		9,516,100	-307,200

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	Budget 2013/14 £	Budget 2014/15 £
NET BUDGET	9,823,300	9,516,100
EXTERNAL SUPPORT		
Non-Domestic Rates	1,558,458	1,717,625
Revenue Support Grant	2,532,522	1,991,676
Council Tax Freeze Grant	61,460	61,425
	<u>4,152,440</u>	<u>3,770,726</u>
USE OF COLLECTION FUND BALANCE	27,846	0
NET AMOUNT DUE FROM COUNCIL TAX PAYERS	5,643,014	5,745,374
COUNCIL TAX BASE	40,244	40,974
COUNCIL TAX PER BAND D PROPERTY (ROUNDED)	£140.22	£140.22
CASH INCREASE	£0.00	£0.00
PERCENTAGE INCREASE	0.00%	0.00%