

Agenda Item 7

AGENDA ITEM 7 - Portsmouth City Council Budget & Council Tax 2018/19 & Medium Term Budget Forecast 2019/20 to 2021/22

Amendment to Cabinet recommendations attached.

Proposed by (Name) Councillor Stephen Morgan

Signed _____

Seconded by (Name) Councillor Yahiya Chowdhury

Signed _____

Amendment proposed by the Labour Group

Portsmouth City Council - Budget & Council Tax 2018/19 & Medium Term Budget Forecast 2019/20 to 2021/22

That the recommendations of the Cabinet of 12th February 2018 (Minute 6/18) on "Portsmouth City Council - Budget & Council Tax 2018/19 & Medium Term Budget Forecast 2019/20 to 2021/22" be amended as follows:-

Recommendation 1 (b) be amended to:

1(b) The revised Revenue Estimates for the financial year 2017/18 and the Revenue Estimates for the financial year 2018/19 as set out in the General Fund Summary (Appendix A amended) including the changes described in paragraph 1(t) below:-

1(t) the following changes be made to Cash Limits for 2018/19 and future years as set out in the table below, but Members note that:

the responsibility of the City Council is to approve the overall Budget and the associated cash limits of its Portfolios and Committees; it is not the responsibility of the City Council to approve any individual savings or additions within those Portfolios/Committees, that responsibility is reserved for Cabinet Members. The budget savings and additions in the tables below are therefore indicative only.

i) Reductions to Revenue Estimates

Indicative Portfolio Savings Proposal	Impact on Level of Service & Service Outcomes	2018/19	2019/20 & Future Years
		£	£
Resources			
20% Reduction in Members Basic Allowance*		(80,000)*	(80,000)*
25% Reduction in Special Responsibility Allowance*		(28,000)*	(28,000)*
A reduction in Cabinet Members from 9 to 6**		0**	0**
Move to "All Out" Elections***		0***	0***
Reduction in Administrative Support across Departments	Reduction in the capacity, availability and accessibility of some key persons. Some key people will spend a meaningful proportion of their time on administrative functions.	(77,000)	(92,000)
Reduction in Support Services across Departments	A reduction in capacity will present a risk to the organisation including a reduction in the advice available on professional and technical matters and may compromise the ability to deliver savings in other areas of the council.	(73,000)	(105,000)
Total		(258,000)	(305,000)

* Members should have regard to the report of the Independent Remuneration Panel and the resolutions of Council on 14th November 2017.

** Members should note that, in accordance with the Local Government Act 2000, this is a decision for the Leader of the Council not the Council itself. In the event that the Leader elects to take such a decision, the savings amount will increase by £22,500.

*** The required process for moving to whole council elections would be as follows

- I. Full Council resolves to undertake public consultation as the Council thinks appropriate on any proposed change
- II. Have regard to the outcome of the consultation before making its decision
- III. Convene a special meeting of the Council
- IV. Full Council must pass a resolution by a two-thirds majority of those voting at that Special meeting

- V. The resolution must specify the commencement year (earliest date would be May 2019)
- VI. The resolution is the means by which the term of office is reduced for any members whose term would not be completed
- VII. Any election(s) scheduled to take place before the start date indicated in the Council's resolution would continue as normal
- VIII. An explanatory document on the decision must be published after the resolution is made
- IX. The Council must notify the Boundary Commission of the scheme adopted and the commencement year
- X. If the Council resolves to change to whole council elections, the decision cannot be reversed until five years from the date of the resolution

The earliest implementation date would be from May 2019 and the saving is estimated to be £47,000 per annum.

The relevant legislation is contained in sections 32-36 of the Local Government and Public Involvement in Health Act 2007 (as amended by the Localism Act 2011)

ii) Additions to Revenue Estimates

Saving No.	Increases to Portfolio Cash Limits - Deletion of Indicative Savings	2018/19	2019/20 & Future Years
		£	£
Environment & Community Safety			
New	Neighbourhood Improvements - Enhancing the cleanliness of streets and the greenness and appeal of public spaces	129,000	152,500
Health & Social Care			
New	To invest in Adult Social Care in order to respond to increases in both cost and demand for care services arising from the general growth in the elderly population and the increase in complexity of care needs	129,000	152,500
Total		258,000	305,000

Recommendation 1(c) be amended to:-

- 1(c) The Portfolio Cash Limits for the Revised Budget for 2017/18 and Budget for 2018/19 as set out in Sections 7 and 9, respectively as amended by paragraph 1(u) below:-

- 1(u) The following changes be made to Cash Limits for 2018/19 and future years

Portfolio / Committee	2018/19 £	Future Years £
Environment & Community Safety	129,000	152,500
Health & Social Care	129,000	152,500
Resources	(258,000)	(305,000)
Total	0	0

SECTION 151 OFFICER'S COMMENTS

Under Recommendation 1(s), the Section 151 Officer advises as follows:-

The proposals contained within this amendment do not alter the statements made by the Section 151 Officer in Section 13 of this report.

CITY SOLICITOR'S COMMENTS

The City Solicitor is satisfied that it is within the City Council's powers to approve the amendment as set out, and supports the advice of the Section 151 Officer given above.

Labour Group Amendment

GENERAL FUND SUMMARY - 2017/18 to 2021/22

APPENDIX A (amended)

Original Budget 2017/18 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2017/18 £	Original Budget 2018/19 £	Forecast 2019/20 £	Forecast 2020/21 £	Forecast 2021/22 £
	Community Safety					
23,842,700	Children & Families	24,193,300	24,904,800	27,017,800	27,765,600	28,456,600
10,160,860	Culture Leisure & Sport	9,088,260	8,993,160	9,462,260	9,699,960	9,925,460
24,247,457	Education	24,518,957	24,294,457	24,639,757	24,761,957	24,906,657
15,800,013	Environment & Community Safety	15,968,413	16,283,013	16,798,813	17,228,813	17,662,113
45,432,879	Health & Social Care	46,138,079	45,181,279	45,890,079	47,653,479	49,366,979
9,040,528	Housing	8,280,328	8,282,428	8,390,928	8,489,428	8,582,028
144,153	Leader	144,153	158,453	163,153	167,753	171,653
37,329	Planning Regeneration Economic Development	(4,444,871)	(4,490,371)	(5,541,071)	(6,033,571)	(6,201,771)
22,758,234	Resources	22,456,934	22,031,434	22,935,634	23,694,034	24,175,934
14,605,707	Traffic & Transportation	16,658,207	16,443,707	17,004,407	16,093,207	16,134,307
88,600	Governance, Audit & Standards Committee	146,900	199,400	212,900	228,000	123,300
(215,595)	Licensing Committee	(216,695)	(222,795)	(227,695)	(230,295)	(235,595)
165,942,865	Portfolio Expenditure	162,931,965	162,058,965	166,746,965	169,518,365	173,067,665
	Other Expenditure					
0	Precepts	0	0	38,400	39,400	40,400
(135,000)	Portchester Crematorium - Share of Dividend	(145,000)	(150,000)	(140,000)	(140,000)	(140,000)
7,172,000	Pension Costs	6,983,700	7,672,000	8,224,800	8,517,900	8,785,000
6,689,000	Contingency Provision	4,212,000	6,384,000	4,326,000	4,251,000	4,251,000
8,000,000	Revenue Contributions to Capital Reserve	10,461,900	10,344,500	5,000,000	2,000,000	0
764,100	Transfer to / (from) Other Reserves	2,629,800	3,155,900	2,229,500	1,272,200	272,200
(28,702,765)	Treasury Management	(29,559,165)	(27,225,965)	(26,806,965)	(26,281,465)	(26,113,165)
1,912,800	Other Expenditure	4,425,800	2,536,600	2,045,900	2,455,500	3,065,400
(4,299,865)	Other Expenditure	(990,965)	2,717,035	(5,082,365)	(7,885,465)	(9,839,165)
161,643,000	TOTAL NET EXPENDITURE	161,941,000	164,776,000	161,664,600	161,632,900	163,228,500
	FINANCED BY:					
(583,761)	Contribution (to) from Balances and Reserves	(1,389,356)	(304,260)	4,663,082	8,915,907	11,859,921
22,313,120	Revenue Support Grant	22,313,120	0	11,482,624	7,378,053	3,345,127
49,632,941	Business Rates Retention	50,844,141	73,567,319	52,874,252	51,498,445	52,785,905
18,033,040	Other General Grants	17,925,435	15,827,049	15,375,983	15,034,082	14,862,658
72,247,660	Council Tax	72,247,660	75,685,892	77,268,659	78,806,413	80,374,889
161,643,000		161,941,000	164,776,000	161,664,600	161,632,900	163,228,500
	BALANCES & RESERVES					
19,227,169	Balance brought forward at 1 April	19,256,118	20,645,474	20,949,734	16,286,652	7,370,745
583,761	Deduct (Deficit) / Add Surplus for Year	1,389,356	304,260	(4,663,082)	(8,915,907)	(11,859,921)
19,810,930	Balance carried forward at 31 March	20,645,474	20,949,734	16,286,652	7,370,745	(4,489,176)
7,000,000	Minimum Level of Balances	7,000,000	8,000,000	8,000,000	8,000,000	8,000,000
(583,761)	Underlying Budget Deficit / (Surplus)	(1,389,356)	(304,260)	4,663,082	8,915,907	11,859,921