

MINUTES OF A MEETING OF THE COUNCIL held at the Guildhall  
Portsmouth on Tuesday, 10 February 2015 at 2.00 pm

## **Council Members Present**

The Right Worshipful The Lord Mayor  
Councillor Steven Wylie (in the Chair)

### Councillors

#### **Margaret Adair**

Michael Andrewes  
Simon Boshier  
Alicia Denny  
Ben Dowling  
Ken Ellcome  
John Ferrett  
Ken Ferrett  
Margaret Foster  
David Fuller  
Colin Galloway  
Aiden Gray  
Terry Hall  
Stephen Hastings  
Hannah Hockaday  
David Horne  
Lee Hunt  
Frank Jonas  
Donna Jones

#### **Leo Madden**

Hugh Mason  
Lee Mason  
Robert New  
Stuart Potter  
Darren Sanders  
Phil Smith  
Lynn Stagg  
Les Stevens  
Sandra Stockdale  
Luke Stubbs  
Julie Swan  
Linda Symes  
Gerald Vernon-Jackson  
Steve Wemyss  
Matthew Winnington  
Rob Wood  
Neill Young

### **12. Declarations of Interests under Standing Order 13(2)(b)**

There were no declarations of members' interests.

### **13. Minutes of the Ordinary Meeting of the Council held on 20 January 2015**

It was

Proposed by Councillor Donna Jones  
Seconded by Councillor Gerald Vernon-Jackson

That the minutes of the meeting held on 20 January 2015 be approved as a correct record and this was agreed.

**RESOLVED that the minutes of the meeting of the council held on 20 January 2015 be confirmed and signed as a correct record.**

### **14. Communications including apologies for absence**

16 10 February 2015

Apologies for absence were received from Councillor Will Purvis, Councillor Paul Godier, Councillor Eleanor Scott and Councillor Alistair Thompson.

The Lord Mayor thanked all those who had sent gifts and cards of congratulations following the birth of his second son, Dylan Wylie.

The Lord Mayor advised that he had written to the family of Major Willis (a member of the Overlord Embroidery Liaison Committee) who had passed away earlier this year, to express his condolences.

#### **15. Deputations from the Public under Standing Order No 24**

The City Solicitor reminded the person making a deputation today that if he did not wish to be filmed, photographed or recorded when making his deputation he should indicate, in order that all present who may be intending to film, photograph or record proceedings could accede to his wishes.

The City Solicitor advised that the deputation request had been received in respect of agenda item 7 - the Capital Programme 2014/15 to 2019/20 from Mr Steve Bonner, vice-chair of Portsmouth Pensioners' Association.

Mr Bonner made his deputation speaking against aspects of the capital programme. The Lord Mayor thanked him for his deputation.

#### **16. Appointments**

The Lord Mayor advised that he had been notified of the following appointments as circulated in the chamber.

Councillor Terry Hall to replace Councillor Gerald Vernon-Jackson on the Planning Committee.

Councillor Julie Swan to replace Councillor Stuart Potter on the Licensing Committee.

Councillor Steve Hastings to replace Councillor Colin Galloway on the Governance & Audit & Standards Committee.

Councillor Colin Galloway to replace Councillor Steve Hastings as the UKIP opposition spokesperson for the Children & Education portfolio.

These were agreed.

#### **17. Urgent Business**

There was no urgent business.

#### **18. Recommendations from Cabinet from its meeting held on 5 February 2015**

**Minute 10 - Capital Programme 2014/15 to 2019/20**

**Minute 11 - Portsmouth City Council Budget and Council Tax 2015/16 and Medium Term Budget Forecast**

The Lord Mayor explained that further to the letter of 2 February 2015 previously sent to members, it was proposed that the capital programme and the budget and council tax setting items be taken and debated together on the basis that each item impacts on the other and on the understanding that the capital programme would be voted on first followed by the budget and tax setting item.

It was

Proposed by Councillor Donna Jones  
Seconded by Councillor Ken Ellcome

That the process outlined above be adopted.

Upon being put to the vote this was CARRIED.

It was

Proposed by Councillor Donna Jones  
Seconded by Councillor Ken Ellcome

That the recommendations contained in Cabinet minute 10 - Capital Programme 2014/15 to 2019/20 and Cabinet minute 11 - Portsmouth City Council Budget and Council Tax 2015/16 and Medium Term Budget Forecast 2016/17 to 2018/19 be approved.

These were opposed.

Councillor Donna Jones presented the Cabinet's recommendations on the capital programme and budget and council tax setting. She thanked members of the Conservative, Labour and UKIP groups for their support in creating the budget but also said she respected the Liberal Democrats' decision to present an alternative budget.

Members' attention was drawn to a change to the papers following the Cabinet meeting in respect of a change to the description only of the capital scheme set out in Appendix 2 (page 65 of the report) relating to the primary school places expansion. Following her budget presentation, the Leader commended the proposals to council.

As an amendment to the recommendations in relation to Cabinet minutes 10 and 11, it was

Proposed by Councillor Gerald Vernon-Jackson  
Seconded by Councillor Hugh Mason

That the recommendations set out in Appendix 1 attached to these minutes (Liberal Democrat capital amendment) and the recommendations set out in

Appendix 2 attached to these minutes (Liberal Democrat Portsmouth City Council budget and council tax 2015/16 and medium term budget forecast) be adopted.

Councillor Vernon-Jackson then spoke to his group's proposed budget amendments and commended them to the council.

Councillor Colin Galloway then spoke to the budget presented by the administration which he said he would support and did not propose any amendments.

As an amendment to the recommendations in relation to Cabinet minute 11, it was

Proposed by Councillor John Ferrett  
Seconded by Councillor Aiden Gray

That the recommendations set out in Appendix 3 attached to these minutes (Labour budget and council tax 2015/16 and medium term budget forecast 2016/17 to 2018/19 amendment) be adopted.

Councillor John Ferrett then spoke to his group's proposed budget amendments and commended them to the council.

As an amendment to the recommendations in relation to Cabinet minute 10, the Capital Programme, it was

Proposed by Councillor Luke Stubbs  
Seconded by Councillor Steve Hastings

That the recommendation set out in Appendix 4 attached to these minutes be adopted.

Following debate, Council adjourned at 4.35pm.  
Council resumed at 4.55pm.

Following further debate, Council adjourned at 5.20pm.  
Council resumed at 5.35pm.

As an amendment it was

Proposed by Councillor Darren Sanders  
Seconded by Councillor Ben Dowling

That the recommendations set out in Appendix 5 attached to these minutes (Capital Programme amendment in the name of Councillor Darren Sanders) be adopted.

Following debate, the Lord Mayor called upon the Leader of the Council, Councillor Donna Jones to sum up.

Councillor Donna Jones (as the original mover of the proposals), agreed to accept the amendment standing in the name of Councillor Luke Stubbs.

Councillor Jones said that she did not propose to accept the Liberal Democrat Group or Labour Group amendments and outlined her reasons.

The Lord Mayor advised that regulations require all votes on the budget proposals to be dealt with by means of recorded votes.

Upon the amendment standing in the name of Councillor Gerald Vernon-Jackson concerning Cabinet Minute 10 - Capital Programme 2014/15 to 2019/20 being put to the vote, the following members voted in favour:

|                             |                                  |
|-----------------------------|----------------------------------|
| Councillor Margaret Adair   | Councillor Darren Sanders        |
| Councillor Michael Andrewes | Councillor Phil Smith            |
| Councillor Ben Dowling      | Councillor Lynne Stagg           |
| Councillor Margaret Foster  | Councillor Les Stevens           |
| Councillor David Fuller     | Councillor Sandra Stockdale      |
| Councillor Terry Hall       | Councillor Gerald Vernon-Jackson |
| Councillor Lee Hunt         | Councillor Matthew Winnington    |
| Councillor Leo Madden       | Councillor Rob Wood              |
| Councillor Hugh Mason       |                                  |

The following members voted against

|                             |                          |
|-----------------------------|--------------------------|
| Councillor Simon Boshier    | Councillor Frank Jonas   |
| Councillor Alicia Denny     | Councillor Donna Jones   |
| Councillor Ken Ellcome      | Councillor Lee Mason     |
| Councillor Ken Ferrett      | Councillor Rob New       |
| Councillor John Ferrett     | Councillor Stuart Potter |
| Councillor Colin Galloway   | Councillor Luke Stubbs   |
| Councillor Aiden Gray       | Councillor Julie Swan    |
| Councillor Stephen Hastings | Councillor Linda Symes   |
| Councillor Hannah Hockaday  | Councillor Steve Wemyss  |
| Councillor David Horne      | Councillor Neill Young   |

There were no abstentions.

The Liberal Democrat amendment to the Capital Programme was therefore LOST.

Upon the amendment to the Capital Programme 2014/15 to 2019/20 standing in the name of Councillor Darren Sanders being put to the vote, the following members voted in favour.

|                             |                                  |
|-----------------------------|----------------------------------|
| Councillor Margaret Adair   | Councillor Darren Sanders        |
| Councillor Michael Andrewes | Councillor Phil Smith            |
| Councillor Ben Dowling      | Councillor Lynne Stagg           |
| Councillor Margaret Foster  | Councillor Les Stevens           |
| Councillor David Fuller     | Councillor Sandra Stockdale      |
| Councillor Terry Hall       | Councillor Gerald Vernon-Jackson |

Councillor Lee Hunt  
Councillor Leo Madden  
Councillor Hugh Mason

Councillor Matthew Winnington  
Councillor Rob Wood

The following members voted against the amendment.

Councillor Simon Boshier  
Councillor Alicia Denny  
Councillor Ken Ellcome  
Councillor Ken Ferrett  
Councillor John Ferrett  
Councillor Colin Galloway  
Councillor Aiden Gray  
Councillor Stephen Hastings  
Councillor Hannah Hockaday  
Councillor David Horne

Councillor Frank Jonas  
Councillor Donna Jones  
Councillor Lee Mason  
Councillor Rob New  
Councillor Stuart Potter  
Councillor Luke Stubbs  
Councillor Julie Swan  
Councillor Linda Symes  
Councillor Steve Wemyss  
Councillor Neill Young

There were no abstentions.

The amendment standing in the name of Councillor Darren Sanders was therefore LOST.

Upon the recommendations in Cabinet minute 10 - Capital Programme 2014/15 to 2019/20 incorporating the amendment standing in the name of Councillor Luke Stubbs being put to the vote, the following members were in favour.

Councillor Margaret Adair  
Councillor Michael Andrewes  
Councillor Simon Boshier  
Councillor Alicia Denny  
Councillor Ben Dowling  
Councillor Ken Ellcome  
Councillor Ken Ferrett  
Councillor John Ferrett  
Councillor Margaret Foster  
Councillor David Fuller  
Councillor Colin Galloway  
Councillor Aiden Gray  
Councillor Terry Hall  
Councillor Stephen Hastings  
Councillor Hannah Hockaday  
Councillor David Horne  
Councillor Lee Hunt  
Councillor Frank Jonas  
Councillor Donna Jones

Councillor Leo Madden  
Councillor Hugh Mason  
Councillor Lee Mason  
Councillor Rob New  
Councillor Stuart Potter  
Councillor Darren Sanders  
Councillor Phil Smith  
Councillor Lynne Stagg  
Councillor Les Stevens  
Councillor Sandra Stockdale  
Councillor Luke Stubbs  
Councillor Julie Swan  
Councillor Linda Symes  
Councillor Gerald Vernon-Jackson  
Councillor Steve Wemyss  
Councillor Matthew Winnington  
Councillor Rob Wood  
Councillor Neill Young

No members voted against the recommendations and there were no abstentions.

The Cabinet recommendations in Cabinet minute 10 incorporating the amendment standing in the name of Councillor Luke Stubbs were therefore CARRIED.

### **RESOLVED that**

It be noted that Cabinet has changed the description only of the Capital Scheme set out in Appendix 2 (page 65 of the report) relating to the Primary School Places Expansion. The description referring to providing additional places at St. Judes CofE Primary School is to be removed as this is now planned to take place in a subsequent year once additional capital resources become available.

- 1) The Revised Capital Programme 2014/15 to 2019/20 attached as Appendix 1 to the report which includes all additions, deletions and amendments for slippage and re-phasing described in Sections 6 and 8 be approved.
- 2) The passported Capital Allocations (Ring-fenced Grants) as set out in Section 7 be noted.
- 3) The Head of Finance and Section 151 Officer be given delegated authority to determine how each source of finance is used to fund the overall Capital Programme and to alter the overall mix of financing, as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the Council.
- 4) The following schemes as described in Section 9 and Appendix 2 (as amended above - see attached) be reflected within the recommended Capital Programme 2014/15 to 2019/20 and be financed from the available corporate capital resources:

| <b>Recommended New Capital Schemes</b>  | <b>Corporate Resources Required<br/>£</b> | <b>Total Scheme Value<br/>£</b> |
|---|---|---------------------------------|
| <b>Children &amp; Education:</b>  |   |                                 |
| School Condition Projects (including Vanguard Centre and Mayfield East Playing Field) | 3,950,000                                 | 3,950,000                       |
| Primary School Places Expansion   | 11,706,000                                | 11,706,000                      |
| Adaptations to Foster Carers Properties (Grants)                                      | 150,000                                   | 150,000                         |
| <b>Culture, Leisure &amp; Sport:</b>  |   |                                 |
| Loan Advance for the Fitting Out of The New Theatre Royal                             | 150,000                                   | 150,000                         |
| <b>Environment &amp; Community Safety:</b>  |   |                                 |
| Long Curtain Moat Detailed Design   | 277,000                                   | 277,000                         |
| <b>Housing:</b>   |   |                                 |
| Support For Vulnerable People   | 200,000                                   | 1,212,600                       |
| Grosvenor House Refurbishment   | 100,000                                   | 3,188,000                       |

| <b>Recommended New Capital Schemes</b>                    |  | <b>Corporate Resources Required<br/>£</b> | <b>Total Scheme Value<br/>£</b> |
|---|--|---|---------------------------------|
| <b>Planning, Regeneration &amp; Economic Development:</b> |  |   |                                 |
|   | Limberline Road Phase 3 (subject to a satisfactory financial appraisal to be approved by the Head of Finance & S151 Officer) | 762,000                                   | 4,242,000                       |
|   | City Centre Public Realm Improvements  | 500,000                                   | 500,000                         |
|   | District Shopping Centre Improvements  | 100,000                                   | 100,000                         |
|   | Improvements to Community Facilities (Fratton Area)  | 100,000                                   | 100,000                         |
|   | Seafront Development   | 100,000                                   | 100,000                         |
| <b>Resources:</b>   |  |   |                                 |
|   | Landlord's Maintenance   | 1,000,000                                 | 1,000,000                       |
|   | Business Intelligence & Electronic Document Management System Requirement Specifications & Implementation of one option      | 850,000                                   | 850,000                         |
|   | Web Phase 2 & Channel Shift  | 635,000                                   | 635,000                         |
| <b>Traffic &amp; Transportation:</b>                      |  |   |                                 |
|   | Local Transport Plan 3 (including Eastern Road Waterbridge and Anglesea Road Footbridge)                                     | 1,865,000                                 | 2,362,900                       |
|   | Verge Hardening  | 100,000                                   | 100,000                         |
|   | St. Mary's Road & Milton Road Crossings  | 60,000                                    | 60,000                          |
| <b>Total Recommended Sum to be Approved</b>               |  | <b>22,605,000</b>                         | <b>30,683,500</b>               |

- 5) It be noted that the Improvements to Community Facilities (Fratton Area) of £100,000 in recommendation 4) above is available for the community to use to enhance the overall community provision but is conditional upon the scheme demonstrating that it will lead to the City Council realising savings in future years.
- 6) The following schemes as described in Section 10 and Appendix 2 be approved as Invest To Save Schemes and funded from Prudential Borrowing (subject to the approval of a detailed financial appraisal by the Head of Finance & S.151 Officer) up to the limit shown:

|  | <b>Prudential Borrowing Required<br/>£</b> |
|--|--|
| Demolition of Floating Dock Jetty and Lengthening of Berth 2 | 16,985,000                                 |
| Limberline Road Phase 3                                      | 3,480,000                                  |
| Utility Management & Consumption Reduction                   | 1,080,000                                  |
| <b>Total Recommended Sum to be Approved</b>                  | <b>21,545,000</b>                          |



- 7) The Harbour School Fratton located in Penhale Road is declared surplus to requirements and disposed.
- 8) The following Schemes as described in Section 13 be included within the "Reserve List" of Capital Schemes to be considered once additional capital resources are identified.

| <b>Future Priority Capital Schemes – Not in Priority Order</b> |
|--|
| Early Years School Places                                      |
| Seafront Improvements  |
| Port Development   |
| Dunsbury Hill Farm Development                                 |
| Provision of Sites For Student Accommodation                   |

- 9) As outlined in Section 12 and Appendix 2 the City Council note the use of Portfolio Specific Reserves to fund the following scheme:

|  | <b>Total Portfolio Reserve Funding<br/>£</b> |
|--|--|
| <b>Environment &amp; Community Safety:</b> |  |
| Surface Water Separation                   | 65,000                                       |
| <b>Total Use of Portfolio Reserves</b>     | <b>65,000</b>                                |

- 10) The City Council note that Prudential Borrowing can only be used as a source of capital finance for Invest to Save Schemes as described in Section 14.
- 11) The Prudential Indicators described in Section 14 and set out in Appendix 4 be approved.
- 12) That the existing Capital Scheme for "New & Improved Models of Care" (with funding remaining amounting to £5m) relating to the proposed residential care development at East Lodge Farm be placed on hold pending the following:
- A full site investigation into the feasibility of siting both the Milton and Fratton Harbour Schools plus the proposed "East Lodge" residential care development on the St. James' Site
  - A review of the Adult Social Care Accommodation Strategy (which assess the need and supply of care facilities) to fundamentally re-evaluate the type and configuration of care accommodation for the City's future needs. Further, to then confirm that the St. James' site is

an appropriate location for the accommodation needs identified and that a residential care development on that site has the necessary community infrastructure and facilities available

- A financial appraisal including all land acquisition, build, refurbishment and any other necessary costs demonstrates that the proposals for siting both the Milton and Fratton Harbour Schools plus any residential care development on the St. James' Site are:

(i) affordable within a capital sum of £8.25m; and

(ii) that the revenue savings associated with providing the "East Lodge" residential care development at the St. James' site make savings of at least £936,000 (which are the savings currently approved and associated with the existing scheme and importantly also factored into the Council's future years' budgets)<sup>1</sup>

13) That the Council note that the feasibility study (estimated at £20,000) encompassing the whole of the St. James' site is funded from the feasibility studies budget of the Corporate Projects Board

14) In the event that the feasibility study described in recommendation 12) concludes that it is both feasible and affordable to site the Milton and Fratton Harbour Schools plus the "East Lodge" residential care development on the St. James' site within the financial parameters as set out in recommendation 12, then:

i) That scheme proceeds in place of the scheme to relocate those schools to the Vanguard Centre as set out in recommendation 4)

ii) The Vanguard Centre site is declared surplus to requirements and disposed

Upon the Liberal Democrat amendment standing in the name of Councillor Vernon-Jackson on the Budget and Council Tax 2015/16 and Medium Term Budget Forecast 2016/17 to 2018/19 being put to the vote, the following members voted in favour.

Councillor Margaret Adair  
Councillor Michael Andrewes  
Councillor Ben Dowling  
Councillor Margaret Foster  
Councillor David Fuller

Councillor Darren Sanders  
Councillor Phil Smith  
Councillor Lynne Stagg  
Councillor Les Stevens  
Councillor Sandra Stockdale

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<sup>1</sup> These savings were approved in order to fund the debt servicing costs associated with the £4.2m of Prudential Borrowing which is funding this scheme plus further revenue savings associated with the scheme.

Councillor Terry Hall  
Councillor Lee Hunt  
Councillor Leo Madden  
Councillor Hugh Mason

Councillor Gerald Vernon-Jackson  
Councillor Matthew Winnington  
Councillor Rob Wood

The following members voted against the proposal.

Councillor Simon Boshier  
Councillor Alicia Denny  
Councillor Ken Ellcome  
Councillor Ken Ferrett  
Councillor John Ferrett  
Councillor Colin Galloway  
Councillor Aiden Gray  
Councillor Stephen Hastings  
Councillor Hannah Hockaday  
Councillor David Horne

Councillor Frank Jonas  
Councillor Donna Jones  
Councillor Lee Mason  
Councillor Rob New  
Councillor Stuart Potter  
Councillor Luke Stubbs  
Councillor Julie Swan  
Councillor Linda Symes  
Councillor Steve Wemyss  
Councillor Neill Young

There were no abstentions.

The Liberal Democrat amendment was therefore LOST.

Upon the Labour Group amendment standing in the name of Councillor John Ferrett being put to the vote, the following members voted in favour.

Councillor Ken Ferrett  
Councillor John Ferrett  
Councillor Aiden Gray  
Councillor David Horne

The following members voted against the proposal.

Councillor Margaret Adair  
Councillor Michael Andrewes  
Councillor Simon Boshier  
Councillor Alicia Denny  
Councillor Ben Dowling  
Councillor Ken Ellcome  
Councillor Margaret Foster  
Councillor David Fuller  
Councillor Colin Galloway  
Councillor Terry Hall  
Councillor Stephen Hastings  
Councillor Hannah Hockaday  
Councillor Lee Hunt  
Councillor Frank Jonas  
Councillor Donna Jones  
Councillor Leo Madden  
Councillor Hugh Mason

Councillor Lee Mason  
Councillor Rob New  
Councillor Stuart Potter  
Councillor Darren Sanders  
Councillor Phil Smith  
Councillor Lynne Stagg  
Councillor Les Stevens  
Councillor Sandra Stockdale  
Councillor Luke Stubbs  
Councillor Julie Swan  
Councillor Linda Symes  
Councillor Gerald Vernon-Jackson  
Councillor Steve Wemyss  
Councillor Matthew Winnington  
Councillor Rob Wood  
Councillor Neill Young

There were no abstentions.

The Labour Group amendment standing in the name of Councillor John Ferrett was therefore LOST.

Upon the recommendations in Cabinet minute 11 - Portsmouth City Council Budget and Council Tax 2015/16 and Medium Term Budget Forecast 2016/17 to 2018/19 being put to the vote, the following members were in favour.

|                             |                          |
|-----------------------------|--------------------------|
| Councillor Simon Boshier    | Councillor Frank Jonas   |
| Councillor Alicia Denny     | Councillor Donna Jones   |
| Councillor Ken Ellcome      | Councillor Lee Mason     |
| Councillor Ken Ferrett      | Councillor Rob New       |
| Councillor John Ferrett     | Councillor Stuart Potter |
| Councillor Colin Galloway   | Councillor Luke Stubbs   |
| Councillor Aiden Gray       | Councillor Julie Swan    |
| Councillor Stephen Hastings | Councillor Linda Symes   |
| Councillor Hannah Hockaday  | Councillor Steve Wemyss  |
| Councillor David Horne      | Councillor Neill Young   |

The following members were against the recommendations.

|                             |                                  |
|-----------------------------|----------------------------------|
| Councillor Margaret Adair   | Councillor Darren Sanders        |
| Councillor Michael Andrewes | Councillor Phil Smith            |
| Councillor Ben Dowling      | Councillor Lynne Stagg           |
| Councillor Margaret Foster  | Councillor Les Stevens           |
| Councillor David Fuller     | Councillor Sandra Stockdale      |
| Councillor Terry Hall       | Councillor Gerald Vernon-Jackson |
| Councillor Lee Hunt         | Councillor Matthew Winnington    |
| Councillor Leo Madden       | Councillor Rob Wood              |
| Councillor Hugh Mason       |                                  |

There were no abstentions.

The Cabinet recommendations in Cabinet minute 11 - Portsmouth City Council Budget and Council Tax 2015/16 and Medium Term Budget Forecast 2016/17 to 2018/19 were therefore CARRIED.

The Cabinet recommendations in Cabinet minute 11 - Portsmouth City Council Budget and Council Tax 2015/16 and Medium Term Budget Forecast 2016/17 to 2018/19 were therefore CARRIED.

### **RESOLVED**

- (1) That the following be approved in respect of the Council's Budget:
  - (a) The revised Revenue Estimates for the financial year 2014/15 and the Revenue Estimates for the financial year 2015/16 as set out in the General Fund Summary (Appendix A)
  - (b) The Portfolio Cash Limits for the Revised Budget for 2014/15 and Budget for 2015/16 as set out in Sections 7 and 9, respectively

- (c) Any underspendings for 2014/15 arising at the year-end outside of those made by Portfolios be transferred to the MTRS Reserve
  - (d) The Head of Finance & Section 151 Officer be given delegated authority to make any necessary adjustments to Cash Limits within the overall approved Budget and Budget Forecasts
  - (e) Managers be authorised to incur routine expenditure against the Cash Limits for 2015/16 as set out in Section 9
  - (f) That the savings requirement for 2016/17 be set at a minimum on-going sum of £11.0m
  - (g) Heads of Service be instructed to start planning how the City Council will achieve the savings requirements shown in Section 11 and that this be incorporated into Service Business Plans
  - (h) The minimum level of Revenue Balances as at 31 March 2016 be set at £6.5m (£6.0m in 2014/15) to reflect the known and expected budget and financial risks to the Council
  - (i) The Head of Finance & S151 Officer be given delegated authority to complete and authorise the statutory Government Returns for Business Rates for 2015/16 and all future years
  - (j) The Head of Finance & S151 Officer be given delegated authority to approve the Council Tax Base and Collection Fund Estimates for all future years
  - (k) Members have had regard for the Statement of the Head of Finance & Section 151 Officer in accordance with the Local Government Act 2003 as set out in Section 17.
- (2) That the following be noted in respect of the Council's Budget:
- (a) The Revenue Forecast and the associated provisional Portfolio Cash Limits for 2016/17 onwards as set out in Section 10 and Appendices B and C, respectively
  - (b) The estimated Savings Requirement of £31m for the three year period 2016/17 to 2018/19, for financial and service planning purposes, be phased as follows:

| <b>Financial Year</b> | <b>In Year Target<br/>£m</b> | <b>Cumulative<br/>Saving<br/>£m</b> |
|-----------------------|------------------------------|-------------------------------------|
| 2016/17               | 11.0                         | 11.0                                |
| 2017/18               | 10.0                         | 21.0                                |
| 2018/19               | 10.0                         | 31.0                                |

- (c) The MTRS Reserve held to fund the upfront costs associated with Spend to Save Schemes, Invest to Save Schemes and redundancies holds a relatively modest uncommitted balance of £2.9m and will only be replenished from an approval to the transfer of any underspends at year end
- (d) The Non Domestic Rates poundage for 2015/16 will be 49.3p, and 48.0p for small businesses
- (3) The advice from the Head of Finance & S151 Officer set out in the approved Budget report to the Council in December 2014 stated that:
- the minimum savings requirement for 2015/16 is £12.5m (with a Council Tax increase of 1.95%) or £13.1m (with a Council Tax freeze) and anything below that would not be prudent.*
- (4) That it be noted that at its meeting on 8 January 2015 the Cabinet calculated the amount of **53,277.2** as its Council Tax Base for the financial year 2015/16 [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the “Act”)].
- (5) That the following amounts be now calculated by the Council for the financial year 2015/16 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

|     |              |  |
|-----|--------------|--|
| (a) | £512,652,086 | Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.   |
| (b) | £450,236,248 | Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.   |
| (c) | £62,415,838  | Being the amount by which the aggregate at 3.5 (a) above exceeds the aggregate at 3.5(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act. |
| (d) | £1,171.53    | Being the amount at 3.5(c) above (Item R), all divided by Item 3.4 above (Item T), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.   |

(a) Valuation Bands (Portsmouth City Council)

| A<br>£ | B<br>£ | C<br>£   | D<br>£   | E<br>£   | F<br>£   | G<br>£   | H<br>£   |
|--------|--------|----------|----------|----------|----------|----------|----------|
| 781.02 | 911.19 | 1,041.36 | 1,171.53 | 1,431.87 | 1,692.21 | 1,952.55 | 2,343.06 |

Being the amounts given by multiplying the amount at 5(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is

applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings in different valuation bands.

- (6) That it be noted that for the financial year 2015/16 the Hampshire Police & Crime Commissioner is consulting upon the following amounts for the precept to be issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Police & Crime Commissioner)

| A<br>£ | B<br>£ | C<br>£ | D<br>£ | E<br>£ | F<br>£ | G<br>£ | H<br>£ |
|--------|--------|--------|--------|--------|--------|--------|--------|
| 104.89 | 122.37 | 139.85 | 157.33 | 192.29 | 227.25 | 262.22 | 314.66 |

- (7) That it be noted that for the financial year 2015/16 Hampshire Fire and Rescue Authority are recommending the following amounts for the precept issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Fire & Rescue Authority)

| A<br>£ | B<br>£ | C<br>£ | D<br>£ | E<br>£ | F<br>£ | G<br>£ | H<br>£ |
|--------|--------|--------|--------|--------|--------|--------|--------|
| 40.92  | 47.74  | 54.56  | 61.38  | 75.02  | 88.66  | 102.30 | 122.76 |

- (8) That having calculated the aggregate in each case of the amounts at 5(e), 6 and 7 above, the Council, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the financial year 2015/16 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

| A<br>£ | B<br>£   | C<br>£   | D<br>£   | E<br>£   | F<br>£   | G<br>£   | H<br>£   |
|--------|----------|----------|----------|----------|----------|----------|----------|
| 926.83 | 1,081.30 | 1,235.77 | 1,390.24 | 1,699.18 | 2,008.12 | 2,317.07 | 2,780.48 |

- (9) The Head of Finance & Section 151 Officer be given delegated authority to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire Police & Crime Commissioner and Hampshire Fire and Rescue Authority precepts.

## 19. Notice of Motion - Zhuhai - Friendship Agreement

30 10 February 2015

Councillor H Mason addressed the Council seeking support to the motion being debated today.

It was subsequently

Proposed by Councillor Donna Jones  
Seconded by Councillor Aiden Gray

That this notice of motion be referred to Cabinet for decision without debate today.

Upon being put to the vote this was CARRIED.

**20. Questions from Members under Standing Order No 17**

There was one question before council.

Question No 1 was from Councillor John Ferrett

"Could you tell members the number of job centre placements used by the council since the beginning of 2014?"

This and supplementary questions were answered by the Leader of the Council, Councillor Donna Jones.

The Leader of the Council agreed to send an email to members giving information about the number of workfare placements who are being used by the Council, if any.

The Lord Mayor advised that this was the last full council meeting to be attended by Julian Wooster who was leaving to take up a new role. The Lord Mayor said he would send a letter to him thanking him for the contribution he had made to Portsmouth City Council. The Leader of the Council, Councillor Donna Jones thanked Mr Wooster for the significant contribution he had made to the council on behalf of all members.

The meeting concluded at 6.50 pm.

.....  
Lord Mayor



**AGENDA ITEM 7 - Capital Programme 2014/15 to 2019/20**

Amendment to Cabinet recommendations attached.

Proposed by (Name) \_\_\_\_\_

Signed \_\_\_\_\_

Seconded by (Name) \_\_\_\_\_

Signed \_\_\_\_\_



## Amendment proposed by the Liberal Democrat Group

### Capital Programme 2014/15 to 2019/20

That the recommendations of the Cabinet of 5 February 2015 (Minute 10/15) on "Capital Programme 2014/15 to 2019/20" be amended as follows:-

**Recommendation 4) be amended to reflect the following changes:**

|   | <b>Scheme Description</b>   | <b>Increase / (Decrease) in Corporate Resources</b> | <b>Total Corporate Resources Allocated</b> |
|---|---|---|--|
|   |   | <b>£</b>  | <b>£</b>                                   |
| <b>Deletions to Proposed Capital Schemes:</b>     |   |   |  |
|   | Deletion of Verge Hardening   | (100,000)   | 0  |
| <b>Reductions to Proposed Capital Schemes:</b>    |   |   |  |
|   | Reduction in Landlords Maintenance  | (100,000)   | 900,000                                    |
|   | Secure additional contributions for Anglesea Road Footbridge (otherwise scheme will not proceed)  | (300,000)   | 1,565,000                                  |
| <b>Additional Capital Scheme Proposals (New):</b> |   |   |  |
|   | Inclusion of Arundel Street / Fratton Road Pedestrian Crossing within the Local Transport Plan 3 Capital Allocation   | 0   | 1,565,000                                  |
|   | St. Georges (Portsea) - Contribution towards community space  | 50,000  | 50,000                                     |
| <b>Increases to Proposed Capital Schemes:</b>     |   |   |  |
|   | Seafront Development (to include restoration of the Rose Gardens and pathways and Canoe Lake)   | 350,000   | 450,000                                    |
|   | District Shopping Centre Improvements   | 100,000   | 200,000                                    |
| <b>Changes to Proposed Capital Schemes:</b>       |   |   |  |
|   | Investigation of the cost of providing the Harbour Milton and Harbour Fratton schools at the St. James' site. This to include the acquisition of the appropriate land, the cost of construction / re-furbishment and any other necessary costs. In the event that a suitable educational facility can be provided within the capital sum of £3.25m then this scheme replaces the scheme to relocate those schools to the Vanguard Centre as set out in recommendation 4 |   |  |
| <b>Total Overall Change</b>                       |   | <b>0</b>  |  |

In accordance with the changes described above, that recommendation 4) be replaced with the following:-

| <b>Recommended New Capital Schemes</b>                    |  | <b>Corporate Resources Required<br/>£</b> | <b>Total Scheme Value<br/>£</b> |
|---|--|---|---------------------------------|
| <b>Children &amp; Education:</b>                          |  |   |                                 |
|   | School Condition Projects (including Vanguard Centre <b>(subject to recommendation 4 (i) below)</b> and Mayfield East Playing Field) | 3,950,000                                 | 3,950,000                       |
|   | Primary School Places Expansion  | 11,706,000                                | 11,706,000                      |
|   | Adaptations to Foster Carers Properties (Grants)   | 150,000                                   | 150,000                         |
| <b>Culture, Leisure &amp; Sport:</b>                      |  |   |                                 |
|   | Loan Advance for the Fitting Out of The New Theatre Royal  | 150,000                                   | 150,000                         |
|   | St. Georges (Portsea) - Contribution towards community space   | 50,000                                    | 50,000                          |
| <b>Environment &amp; Community Safety:</b>                |  |   |                                 |
|   | Long Curtain Moat Detailed Design  | 277,000                                   | 277,000                         |
| <b>Housing:</b>   |  |   |                                 |
|   | Support For Vulnerable People  | 200,000                                   | 1,212,600                       |
|   | Grosvenor House Refurbishment  | 100,000                                   | 3,188,000                       |
| <b>Planning, Regeneration &amp; Economic Development:</b> |  |   |                                 |
|   | Limberline Road Phase 3 (subject to a satisfactory financial appraisal to be approved by the Head of Finance & S151 Officer)         | 762,000                                   | 4,242,000                       |
|   | City Centre Public Realm Improvements  | 500,000                                   | 500,000                         |
|   | District Shopping Centre Improvements  | 200,000                                   | 200,000                         |
|   | Improvements to Community Facilities (Fratton Area)  | 100,000                                   | 100,000                         |
|   | Seafront Development (to include restoration of the Rose Gardens and pathways and Canoe Lake)  | 450,000                                   | 450,000                         |
| <b>Resources:</b>   |  |   |                                 |
|   | Landlord's Maintenance   | 900,000                                   | 900,000                         |
|   | Business Intelligence & Electronic Document Management System Requirement Specifications & implementation of one option              | 850,000                                   | 850,000                         |
|   | Web Phase 2 & Channel Shift  | 635,000                                   | 635,000                         |

| <b>Recommended New Capital Schemes</b>      |  | <b>Corporate Resources Required<br/>£</b> | <b>Total Scheme Value<br/>£</b> |
|---|--|---|---------------------------------|
| <b>Traffic &amp; Transportation:</b>        |  |   |                                 |
|   | Local Transport Plan 3 (including Eastern Road Waterbridge, Anglesea Road Footbridge and Arundel Street / Fratton Road Pedestrian Crossing ) | 1,565,000                                 | 2,362,900                       |
|   | St. Mary's Road & Milton Road Crossings  | 60,000                                    | 60,000                          |
| <b>Total Recommended Sum to be Approved</b> |  | <b>22,605,000</b>                         | <b>30,983,500</b>               |

**4 (i)** Following the resolution by full Council at the October 2014 Council Meeting which stated that the Council asks the Cabinet to explore, inter alia:

"Using the Harbour School land for an educational facility, a place that can help deal with our city's sadly increasing number of people with dementia or other healthcare or educational uses consistent with the 2006 Plan";

that Officers now investigate the cost of providing the Harbour Milton and Harbour Fratton schools at the St. James' site. This to include the acquisition of the appropriate land, the cost of construction / re-furbishment and any other necessary costs. In the event that a suitable educational facility can be provided within the capital sum of £3.25m then this scheme replaces the scheme to relocate those schools to the Vanguard Centre as set out in recommendation 4)

**Recommendation 5) be amended to include the addition of the following:**

**5 (i)** That it be noted that the Scheme for Anglesea Road Footbridge contained within the Local Transport Plan 3 allocation in recommendation 4) above is conditional on receiving matched contributions of £320,000 otherwise the scheme will not proceed

**Recommendation 12) be added as follows:**

In the event that recommendation 4 (i) above proceeds, that the Vanguard Centre site is declared surplus to requirements and disposed

**Recommendation 11) be replaced by:-**

The Prudential Indicators as described in Section 14 and set out in the amended Appendix 4 be approved.

## **HEAD OF FINANCIAL SERVICES AND SECTION 151 OFFICER'S COMMENTS**

The proposals set out within this amendment are affordable within the overall capital resources available to the Council.

## **CITY SOLICITOR'S COMMENTS**

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

## PRUDENTIAL INDICATORS

| Capital Expenditure                           |                           |                             |                             |                             |                             |                             |                             |
|---|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|   | 2013/14<br>Actual<br>£000 | 2014/15<br>Estimate<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 | 2019/20<br>Estimate<br>£000 |
| Children & Education                          | 9,554                     | 10,230                      | 11,905                      | 8,093                       | 738                         | 70                          | -                           |
| Culture & Leisure                             | 2,245                     | 1,552                       | 4,405                       | 2,533                       | 169                         | 100                         | -                           |
| Environment & Community Safety                | 812                       | 807                         | 12,321                      | 10,040                      | 14,831                      | 12,000                      | 4,400                       |
| Health & Social Care (Adults Services)        | 1,455                     | 1,389                       | 5,243                       | 179                         | -                           | -                           | -                           |
| Planning, Regeneration & Economic Development | 1,169                     | 46,933                      | 71,948                      | 60,375                      | 25,252                      | 25,351                      | -                           |
| Commercial Port                               | 959                       | 1,197                       | 6,432                       | 4,530                       | 7,030                       | -                           | -                           |
| Resources                                     | 3,368                     | 10,126                      | 5,698                       | 1,224                       | 21                          | 25                          | -                           |
| Traffic & transportation                      | 31,643                    | 15,030                      | 17,494                      | 5,065                       | 3,721                       | 3,435                       | 3,031                       |
| Millennium                                    | (254)                     | 6                           | -                           | -                           | -                           | -                           | -                           |
| Housing General Fund                          | 2,061                     | 3,434                       | 1,859                       | 2,980                       | 2,623                       | 2,658                       | 2,725                       |
| Non HRA                                       | 53,012                    | 90,704                      | 137,305                     | 95,019                      | 54,385                      | 43,639                      | 10,156                      |
| HRA   | 30,110                    | 31,147                      | 41,720                      | 30,908                      | 21,906                      | 25,634                      | 31,757                      |
| <b>Total</b>                                  | <b>83,122</b>             | <b>121,851</b>              | <b>179,025</b>              | <b>125,927</b>              | <b>76,291</b>               | <b>69,273</b>               | <b>41,913</b>               |

| Ratio of Financing Costs to Net Revenue Stream |                   |                     |                     |                     |                     |                     |                     |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | 2013/14<br>Actual | 2014/15<br>Estimate | 2015/16<br>Estimate | 2016/17<br>Estimate | 2017/18<br>Estimate | 2018/19<br>Estimate | 2019/20<br>Estimate |
| Non - HRA                                      | 10.3%             | 9.8%                | 13.1%               | 14.0%               | 14.5%               | 14.0%               | 15.1%               |
| HRA  | 12.4%             | 12.1%               | 13.4%               | 12.7%               | 12.4%               | 11.8%               | 11.4%               |

| Capital Financing Requirement |                           |                             |                             |                             |                             |                             |                             |
|-------------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                               | 2013/14<br>Actual<br>£000 | 2014/15<br>Estimate<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 | 2019/20<br>Estimate<br>£000 |
| Non - HRA                     | 267,848                   | 270,716                     | 263,192                     | 254,225                     | 245,452                     | 237,304                     | 228,548                     |
| HRA                           | 143,557                   | 157,218                     | 170,166                     | 174,663                     | 171,735                     | 168,781                     | 165,827                     |

| HRA Limit on Indebtedness |                           |                             |                             |                             |                             |                             |                             |
|---------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                           | 2013/14<br>Actual<br>£000 | 2014/15<br>Estimate<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 | 2019/20<br>Estimate<br>£000 |
| HRA                       | 181,701                   | 181,701                     | 181,701                     | 181,701                     | 181,701                     | 181,701                     | 181,701                     |

| Authorised Limit for External Debt                   |                           |                             |                             |                             |                             |                             |                             |
|--|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  | 2013/14<br>Actual<br>£000 | 2014/15<br>Estimate<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 | 2019/20<br>Estimate<br>£000 |
| Borrowing  | 426,373                   | 416,768                     | 418,861                     | 417,289                     | 415,083                     | 411,652                     | 400,517                     |
| Other Long Term Liabilities (ie Credit Arrangements) | 87,148                    | 86,095                      | 84,388                      | 81,297                      | 77,463                      | 74,119                      | 69,962                      |
| <b>Total</b>   | <b>513,521</b>            | <b>502,863</b>              | <b>503,249</b>              | <b>498,586</b>              | <b>492,546</b>              | <b>485,771</b>              | <b>470,479</b>              |

| Operational Boundary for External Debt               |                           |                             |                             |                             |                             |                             |                             |
|--|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  | 2013/14<br>Actual<br>£000 | 2014/15<br>Estimate<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 | 2019/20<br>Estimate<br>£000 |
| Borrowing  | 361,501                   | 397,422                     | 399,129                     | 397,162                     | 394,553                     | 390,712                     | 379,158                     |
| Other Long Term Liabilities (ie Credit Arrangements) | 87,148                    | 86,095                      | 84,388                      | 81,297                      | 77,463                      | 74,119                      | 69,962                      |
| <b>Total</b>   | <b>448,649</b>            | <b>483,517</b>              | <b>483,517</b>              | <b>478,459</b>              | <b>472,016</b>              | <b>464,831</b>              | <b>449,120</b>              |

| Incremental Impact of Capital Investment Decisions on the Council Tax |                             |                             |                             |                             |                             |                             |  |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
|   | 2014/15<br>Estimate<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 | 2019/20<br>Estimate<br>£000 |  |
| Revenue effect of existing capital programme                          | 538                         | 1,891                       | 1,768                       | 1,503                       | 1,042                       | 1,854                       |  |
| Revenue effect of proposed capital programme                          | 538                         | 2,039                       | 1,703                       | 1,208                       | 662                         | 1,474                       |  |
| Increase in revenue effect  | 0                           | 148                         | (65)                        | (295)                       | (380)                       | (380)                       |  |
| Increase in Council Tax Band D  | £0.00                       | £2.78                       | (£1.21)                     | (£5.54)                     | (£7.12)                     | (£7.12)                     |  |

| Incremental Impact of Capital Investment Decisions on Housing Rents |                             |                             |                             |                             |                             |                             |  |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
|   | 2014/15<br>Estimate<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 | 2019/20<br>Estimate<br>£000 |  |
| Revenue effect of existing capital programme                        | 22,590                      | 29,218                      | 27,476                      | 22,420                      | 18,778                      | 22,405                      |  |
| Revenue effect of proposed capital programme                        | 29,218                      | 27,476                      | 22,419                      | 18,778                      | 22,404                      | 28,396                      |  |
| Increase in revenue effect  | 6,628                       | (1,742)                     | (5,057)                     | (3,642)                     | 3,626                       | 5,991                       |  |
| Effect on average weekly rent                                       | £8.42                       | (£2.22)                     | (£6.46)                     | (£4.66)                     | £4.65                       | £7.70                       |  |

**NOTES TO THE LIBERAL DEMOCRAT AMENDMENT - Capital Programme 2014/15 to 2019/20**

The overall financial effect of the proposals is set out below:

|   | <b>Corporate Resources Required</b> |
|---|-------------------------------------|
|   | <b>£</b>                            |
| <b>Deletions to Proposed Capital Schemes:</b>   |                                     |
| Deletion of Verge Hardening   | (100,000)                           |
| <b>Reductions to Proposed Capital Schemes:</b>  |                                     |
| Reduction in Landlords Maintenance  | (100,000)                           |
| Secure additional contributions for Anglesea Road Footbridge (otherwise scheme will not proceed)                    | (300,000)                           |
| <b>Additional Capital Scheme Proposals (New):</b>   |                                     |
| Inclusion of Arundel Street / Fratton Road Pedestrian Crossing within the Local Transport Plan 3 Capital Allocation | 0                                   |
| St. Georges (Portsea) - Contribution towards community space  | 50,000                              |
| <b>Increases to Proposed Capital Schemes:</b>   |                                     |
| Seafront Development (to include restoration of the Rose Gardens and pathways and Canoe Lake)                       | 350,000                             |
| District Shopping Centre Improvements   | 100,000                             |
| <b>Total Overall Change</b>   | <b>0</b>                            |



**AGENDA ITEM 8 - Portsmouth City Council Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19**

Amendment to Cabinet recommendations attached.

Proposed by (Name) \_\_\_\_\_

Signed \_\_\_\_\_

Seconded by (Name) \_\_\_\_\_

Signed \_\_\_\_\_



## Amendment proposed by the Liberal Democrat Group

### Portsmouth City Council - Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19

That the recommendations of the Cabinet of 5 February 2015 (Minute 11/15) on "Portsmouth City Council - Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19 be amended as follows:-

#### Recommendation 1 (a) be amended to

1(a) The revised Revenue Estimates for the financial year 2014/15 and the Revenue Estimates for the financial year 2015/16 as set out in the General Fund Summary (Appendix A) as amended by paragraph (l) below:-

1(l) the following changes be made to Cash Limits for 2015/16 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.**

| Indicative Portfolio Savings Proposal   | Impact on Level of Service & Service Outcomes   | 2015/16<br>£ | Future Years<br>£ |
|---|---|--------------|-------------------|
| <b>Health &amp; Social Care</b>   |   |              |                   |
| Additional contribution from Public Health to fund:<br>- Footcare services<br><br>- Free Swimming for 13-16 year olds and the over 60's<br><br>- Other continuing council services with strong public health outcomes | A general reduction of 20% in back office support staff across Communications, HR, Finance, IT and Business Support. To the extent that these savings are not deliverable, then reductions and efficiencies across a range of contracts including sexual health, smoking cessation, dental services and healthy weight. | (184,000)    | (184,000)         |

| <b>Indicative Portfolio Savings Proposal</b>                                      | <b>Impact on Level of Service &amp; Service Outcomes</b>   | <b>2015/16<br/>£</b> | <b>Future<br/>Years<br/>£</b> |
|---|--|----------------------|-------------------------------|
| <b><u>Resources</u></b>   |  |                      |                               |
|   |  |                      |                               |
| Deletion of the Leader's Executive Assistant post                                 | Possible reduction in the availability and effectiveness of the Leader of the Council to undertake Council duties  | (29,300)             | (29,300)                      |
| A 25% reduction in Special Responsibility Allowances awarded to Councillors*      | A reduction in allowances may discourage Councillors from accepting Cabinet or Committee posts   | (31,600)             | (31,600)                      |
| Increase the savings amount by the equivalent value of a reduction in 1 Portfolio | A reduction in Cabinet Members from 9 to 8 and associated re-organisation of Portfolios**  | (6,300)              | (6,300)                       |
| Reduce PA's of Senior Management by 60%   | Reduction in level of administrative support provided to senior managers   | (64,700)             | (64,700)                      |
| Delete Corporate Assets, Business & Standards Managerial Post                     | Reduction in management capacity to deliver projects/new work streams  | (47,000)             | (47,000)                      |
| Delete Customer, Community & Democratic Services Managerial Post                  | Significant impact upon the Council's ability to effectively manage internal and external communications   | (62,400)             | (62,400)                      |
| Delete Financial Services Managerial Post   | Financial Management and control will reduce and the potential for the Council to over or underspend will increase   | (60,800)             | (60,800)                      |
| Human Resources   | Reduction in workforce skills, workforce planning and recruitment support for the Council  | (34,400)             | (34,400)                      |
| <b><u>Traffic and Transportation</u></b>  |  |                      |                               |
|   |  |                      |                               |
| Re-instatement of MB Residents Parking Zone                                       | Expected to lead to additional parking demand in adjacent areas as a consequence of displacement. This is likely to generate further requests for residents parking schemes. | (38,000)             | (38,000)                      |
| Re-instatement of MC Parking Zone   | Expected to lead to additional parking demand in adjacent areas as a consequence of displacement. This is likely to generate further requests for residents parking schemes. | (48,000)             | (48,000)                      |

| <b>Indicative Portfolio Savings Proposal</b>   | <b>Impact on Level of Service &amp; Service Outcomes</b>                                     | <b>2015/16<br/>£</b> | <b>Future<br/>Years<br/>£</b> |
|--|--|----------------------|-------------------------------|
| Implement a Charging scheme for Staff and Councillors Car Parking, <b>conditional on the approval of the Employment Committee</b>  | Additional costs to Councillors plus a reduction to the terms and conditions of Senior Staff | (25,000)             | (25,000)                      |
| <b>In the event that the Employment Committee do not approve the introduction of the Chargeable Car Parking Scheme described above (amounting to £25,000), that the value of the saving 'Reduce PA's of Senior Management' be increased to £89,700 (80%)</b> |  |                      |                               |
| <b>Total</b>   |  | <b>(631,500)</b>     | <b>(631,500)</b>              |

\* Members should have regard to the report of the Independent Remuneration Panel and recommendations of Council on 22<sup>nd</sup> January 2013 as amended by the City Council on 15 July 2014

\*\* 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 and in the event that the Leader does not take such a decision then the Portfolio Holder will need to make an alternative saving of equivalent value

| <b>Portfolio Allocation (Re-instatement of Proposed Savings)</b>  | <b>Impact on Level of Service &amp; Service Outcomes compared to Original Savings Proposal</b> | <b>2015/16<br/>£</b> | <b>Future<br/>Years<br/>£</b> |
|---|--|----------------------|-------------------------------|
| <b>Children and Education</b>   |  |                      |                               |
| Junior sports bursary award   | Students to continue to receive funding for outstanding achievement                            | 1,100                | 1,100                         |
| <b>Culture, Leisure &amp; Sport</b>   |  |                      |                               |
| Libraries - Align opening times of Southsea Library with other Libraries by reducing opening times by 2.5 hours on a Saturday | Reverse the cut to opening times of 2.5 hours on a Saturday                                    | 2,300                | 2,300                         |
| Libraries - Re-open Southsea Library on a Sunday  | Increase Library opening times to the public   | 10,000               | 10,000                        |
| Community Services - Fratton Community Centre, remove remaining grant   | Reverse cut in grant   | 1,300                | 1,300                         |
| Community Services - Buckland Community Centre, reduce grant to £5,000  | Reverse cut in grant   | 3,800                | 3,800                         |

| <b>Portfolio Allocation<br/>(Re-instatement of<br/>Proposed Savings)</b>   | <b>Impact on Level of Service &amp;<br/>Service Outcomes compared<br/>to Original Savings Proposal</b>   | <b>2015/16<br/>£</b> | <b>Future<br/>Years<br/>£</b> |
|--|--|----------------------|-------------------------------|
| Community Services -<br>Stamshaw Community<br>Centre, post to be funded<br>by grant aid  | Reverse cut in grant   | 1,500                | 1,500                         |
| Community Services -<br>Stacey Community<br>Centre, reduce grant to<br>£5,000  | Reverse cut in grant   | 2,000                | 2,000                         |
| Community Services -<br>Paulsgrove Community<br>Centre, reduce grant to<br>£25,000   | Reverse cut in grant   | 2,500                | 2,500                         |
| Remove free swimming<br>for over 60's and those<br>between ages 13 - 16.<br>Free swimming would be<br>retained for those 12 and<br>under | Retain swimming for all over 60's<br>and all children under 16   | 35,000               | 35,000                        |
| <b><u>Planning Regeneration &amp; Economic Development</u></b>   |  |                      |                               |
| Support to establish<br>Farmer's Markets in<br>District Shopping areas   | Support to the local economy   | 10,000               | 10,000                        |
| <b><u>Environment &amp; Community Safety</u></b>   |  |                      |                               |
| Charge for collections of<br>bulky waste (i.e. end free<br>collections for those who<br>qualify)   | Free bulky waste collections to<br>continue to avoid fly tipping   | 10,000               | 10,000                        |
| Stop paying charities a<br>proportion of textile bank<br>income  | Re-instate cuts to the following<br>charities:<br>• Scope - £2,800<br>• Hampshire & I.O.W Air<br>Ambulance - £18,100<br>• Dreams Come True - £1,200<br>• Salvation Army - £11,700<br>• British Heart Foundation -<br>£10,200<br>• TR Aid - £11,000 | 55,000               | 55,000                        |
| Introduction of an<br>Environmental<br>Enforcement Team to<br>address littering and dog<br>fouling                                       | Increased levels of civil enforcement  | 10,000               | 10,000                        |

| <b>Portfolio Allocation<br/>(Re-instatement of<br/>Proposed Savings)</b>   | <b>Impact on Level of Service &amp;<br/>Service Outcomes compared<br/>to Original Savings Proposal</b>  | <b>2015/16<br/>£</b> | <b>Future<br/>Years<br/>£</b> |
|--|---|----------------------|-------------------------------|
| <b>Health &amp; Social Care</b>  |   |                      |                               |
|  |   |                      |                               |
| Cease providing footcare services  | Restore free footcare service   | 45,000               | 45,000                        |
| <b>Resources</b>   |   |                      |                               |
|  |   |                      |                               |
| Reduce cost of democracy   | Retain Scrutiny Committees  | 15,000               | 15,000                        |
| Remove grant to Pompey Pensioners which contributes towards the cost of magazine production  | Restore grant to Pompey Pensioners  | 2,500                | 2,500                         |
| <b>Traffic and Transportation</b>  |   |                      |                               |
|  |   |                      |                               |
| A range of options to provide additional parking income or reduced costs of the operation, all of which are capable of delivering the saving | Reverse the proposal - "Range of parking options to be considered with residents prior to the commencement of the new financial year" - No charge for first residents parking permit  | 380,000              | 380,000                       |
| Remove Car Parking charges from 3pm (till 5pm) every day for Shopping Centre Car Parks   | The following Car Parks to offer the concession: <ul style="list-style-type: none"> <li>• Ashby Place</li> <li>• Stubbington Avenue</li> <li>• Wooton Street</li> <li>• Clarence Street</li> <li>• London Road, Cosham</li> </ul> | 44,500               | 44,500                        |
| <b>Total</b>   |   | <b>631,500</b>       | <b>631,500</b>                |

**Recommendation 1(b) be amended to:-**

1(b) The Portfolio Cash Limits for the Revised Budget for 2014/15 and Budget for 2015/16 as set out in Sections 7 and 9, respectively as amended by paragraph (m) below:-

1(m) The following changes be made to Cash Limits for 2015/16 and future years

| <b>Portfolio / Committee</b>                 | <b>2015/16<br/>£</b> | <b>Future<br/>Years<br/>£</b> |
|--|----------------------|-------------------------------|
| Children & Education                         | 1,100                | 1,100                         |
| Culture, Leisure & Sport                     | 23,400               | 23,400                        |
| Environment & Community Safety               | 75,000               | 75,000                        |
| Health & Social Care                         | (104,000)            | (104,000)                     |
| Planning Regeneration & Economic Development | 10,000               | 10,000                        |
| Resources                                    | (319,000)            | (319,000)                     |
| Traffic & Transportation                     | 313,500              | 313,500                       |
| <b>Total</b>                                 | <b>0</b>             | <b>0</b>                      |

**HEAD OF FINANCIAL SERVICES AND SECTION 151 OFFICER'S  
COMMENTS**

**Under Recommendation 1(k), the Head of Financial Services and Section 151 Officer advises as follows:-**

The proposals contained within this amendment do not alter the statements made by the Head of Finance and Section 151 Officer in Section 17 of this report.

**CITY SOLICITOR'S COMMENTS**

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



Liberal Democrat Group Amendment  
**GENERAL FUND SUMMARY - 2014/15 to 2018/19**

**APPENDIX A**

| Original<br>Budget<br>2014/15<br>£ | NET REQUIREMENTS OF PORTFOLIOS               | Revised<br>Budget<br>2014/15<br>£ | Original<br>Budget<br>2015/16<br>£ | Forecast<br>2016/17<br>£ | Forecast<br>2017/18<br>£ | Forecast<br>2018/19<br>£ |
|------------------------------------|--|-----------------------------------|------------------------------------|--------------------------|--------------------------|--------------------------|
| 49,633,923                         | Children & Education                         | 50,970,730                        | 49,658,157                         | 52,122,657               | 52,857,857               | 53,739,357               |
| 12,094,943                         | Culture Leisure & Sport                      | 12,543,860                        | 10,913,060                         | 11,170,460               | 11,592,760               | 11,736,860               |
| 18,240,580                         | Environment & Community Safety               | 18,986,913                        | 17,336,513                         | 17,748,413               | 18,128,613               | 18,536,913               |
| 49,882,022                         | Health & Social Care                         | 51,602,479                        | 44,879,979                         | 46,741,779               | 48,079,779               | 49,559,979               |
| 7,348,228                          | Housing                                      | 7,598,728                         | 7,454,128                          | 7,519,328                | 7,570,028                | 7,629,428                |
| 230,153                            | Leader                                       | 253,953                           | 235,553                            | 243,153                  | 248,653                  | 313,153                  |
| 7,790,856                          | Planning Regeneration Economic Development   | 7,757,429                         | 6,712,329                          | 6,781,829                | 5,820,029                | 5,593,529                |
| 26,686,457                         | Resources                                    | 26,396,434                        | 23,292,634                         | 23,961,834               | 24,720,634               | 25,633,634               |
| 17,533,299                         | Traffic & Transportation                     | 17,650,707                        | 16,954,707                         | 17,206,607               | 16,932,007               | 17,674,007               |
| 344,200                            | Governance, Audit & Standards Committee      | 365,400                           | 288,800                            | 303,800                  | 210,000                  | 221,400                  |
| (127,395)                          | Licensing Committee                          | (129,195)                         | (226,295)                          | (218,795)                | (222,095)                | (226,495)                |
| <b>189,657,266</b>                 | <b>Portfolio Expenditure</b>                 | <b>193,997,438</b>                | <b>177,499,565</b>                 | <b>183,581,065</b>       | <b>185,938,265</b>       | <b>190,411,765</b>       |
|                                    | <i>Other Expenditure</i>                     |                                   |                                    |                          |                          |                          |
| 93,400                             | Precepts                                     | 35,500                            | 0                                  | 36,700                   | 37,400                   | 38,300                   |
| (150,000)                          | Portchester Crematorium - Share of Dividend  | (150,000)                         | (125,000)                          | (125,000)                | (125,000)                | (125,000)                |
| 5,885,000                          | Pension Costs                                | 5,885,000                         | 6,261,000                          | 6,672,000                | 6,672,000                | 6,672,000                |
| 5,499,200                          | Contingency Provision                        | 4,683,800                         | 7,305,000                          | 4,607,500                | 4,607,500                | 4,607,500                |
| 0                                  | Revenue Contributions to Capital Reserve     | 3,829,000                         | 65,500                             | 1,565,500                | 65,500                   | 65,500                   |
| 233,600                            | Transfer to / (from) Other Reserves          | (651,900)                         | 1,411,700                          | (23,200)                 | 56,800                   | 56,800                   |
| (27,854,741)                       | Asset Management Revenue Account             | (29,589,738)                      | (27,300,865)                       | (26,044,865)             | (26,125,865)             | (26,835,365)             |
| 1,000,000                          | Other Expenditure                            | 4,014,000                         | 3,224,000                          | 2,000,000                | 3,000,000                | 4,000,000                |
| <b>(15,293,541)</b>                | <b>Other Expenditure</b>                     | <b>(11,944,338)</b>               | <b>(9,158,665)</b>                 | <b>(11,311,365)</b>      | <b>(11,811,665)</b>      | <b>(11,520,265)</b>      |
| <b>174,363,725</b>                 | <b>TOTAL NET EXPENDITURE</b>                 | <b>182,053,100</b>                | <b>168,340,900</b>                 | <b>172,269,700</b>       | <b>174,126,600</b>       | <b>178,891,500</b>       |
|                                    | <b>FINANCED BY:</b>                          |                                   |                                    |                          |                          |                          |
| (3,382,728)                        | Contribution (to) from Balances and Reserves | 8,827,620                         | 1,150,431                          | 13,231,684               | 21,054,450               | 31,244,002               |
| 52,050,710                         | Revenue Support Grant                        | 52,211,069                        | 38,375,386                         | 30,197,874               | 21,916,666               | 14,222,853               |
| 41,752,137                         | Business Rates Retention                     | 36,884,144                        | 42,768,544                         | 45,006,041               | 46,291,864               | 47,853,288               |
| 22,387,268                         | Other General Grants                         | 22,573,929                        | 21,783,181                         | 20,171,576               | 19,930,434               | 19,343,535               |
| 61,556,338                         | Collection Fund                              | 61,556,338                        | 64,263,358                         | 63,662,525               | 64,933,186               | 66,227,822               |
| <b>174,363,725</b>                 |  | <b>182,053,100</b>                | <b>168,340,900</b>                 | <b>172,269,700</b>       | <b>174,126,600</b>       | <b>178,891,500</b>       |
|                                    | <b>BALANCES &amp; RESERVES</b>               |                                   |                                    |                          |                          |                          |
| 18,029,434                         | Balance brought forward at 1 April           | 23,426,856                        | 14,599,236                         | 13,448,805               | 217,121                  | (20,837,329)             |
| 3,382,728                          | Deduct (Deficit) / Add Surplus for Year      | (8,827,620)                       | (1,150,431)                        | (13,231,684)             | (21,054,450)             | (31,244,002)             |
| <b>21,412,162</b>                  | <b>Balance carried forward at 31 March</b>   | <b>14,599,236</b>                 | <b>13,448,805</b>                  | <b>217,121</b>           | <b>(20,837,329)</b>      | <b>(52,081,331)</b>      |
| <b>6,000,000</b>                   | <b>Minimum Level of Balances</b>             | <b>6,000,000</b>                  | <b>6,500,000</b>                   | <b>7,400,000</b>         | <b>7,600,000</b>         | <b>7,600,000</b>         |
| <b>(3,382,728)</b>                 | <b>Underlying Budget Deficit / (Surplus)</b> | <b>8,827,620</b>                  | <b>1,150,431</b>                   | <b>13,231,684</b>        | <b>21,054,450</b>        | <b>31,244,002</b>        |

## **NOTES TO THE LIBERAL DEMOCRAT GROUP AMENDMENT**

### **Portsmouth City Council Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19**

The overall financial effect of the proposals is set out below:

|                                      | <b>2015/16</b> | <b>2016/17<br/>&amp;<br/>Future<br/>Years</b> |
|--------------------------------------|----------------|---|
|                                      | <b>£</b>       | <b>£</b>                                      |
| Additional Savings Proposals:        | (631,500)      | (631,500)                                     |
| Re-instatement of Savings Proposals: | 557,000        | 557,000                                       |
| Budget Additions - New Initiatives:  | 74,500         | 74,500  |
| <b>Total Overall Change</b>          | <b>0</b>       | <b>0</b>                                      |

**AGENDA ITEM 8 - Portsmouth City Council Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19**

Amendment to Cabinet recommendations attached.

Proposed by (Name) \_\_\_\_\_

Signed \_\_\_\_\_

Seconded by (Name) \_\_\_\_\_

Signed \_\_\_\_\_



## Amendment proposed by the Labour Group

### Portsmouth City Council - Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19

That the recommendations of the Cabinet of 5 February 2015 (Minute 11/15) on "Portsmouth City Council - Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19 be amended as follows:-

#### Recommendation 1 (a) be amended to

1 (a) The revised Revenue Estimates for the financial year 2014/15 and the Revenue Estimates for the financial year 2015/16 as set out in the General Fund Summary (Appendix A) as amended by paragraph (l) below:-

1 (l) the following changes be made to Cash Limits for 2015/16 and future years:

| Indicative Portfolio (Savings) / Allocation Proposal   | Impact on Level of Service & Service Outcomes  | 2015/16<br>£   | Future Years<br>£ |
|--|--|----------------|-------------------|
| <b>Resources:</b>  |  |                |                   |
| 20% Reduction in all Councillor Allowances*  | A reduction in allowances may cause future recruitment of Councillors to become more challenging | (120,000)      | (120,000)         |
| Increase the savings amount by the equivalent value of a reduction in 2 Portfolios                     | A reduction in Cabinet Members from 9 to 7 and associated re-organisation of Portfolios**        | (13,400)       | (13,400)          |
| <b>Children &amp; Education:</b>   |  |                |                   |
| To enable additional staffing and a greater range of activities to be provided from Children's Centres |  | 325,493        | 325,493           |
| <b>Health &amp; Social Care:</b>   |  |                |                   |
| To provide funding for Adult Social Care critical needs during 2015/16 and future years                |  | 325,493        | 325,493           |
| <b>Total</b>   |  | <b>517,586</b> | <b>517,586</b>    |

\* Members should have regard to the report of the Independent Remuneration Panel and recommendations of Council on 22<sup>nd</sup> January 2013 as amended by the City Council on 15 July 2014

\*\* 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 and in the event that the Leader does not take such a decision then the Portfolio Holder will need to make an alternative saving of equivalent value

**Recommendation 1 (b) be amended to:-**

1 (b) The Portfolio Cash Limits for the Revised Budget for 2014/15 and Budget for 2015/16 as set out in Sections 7 and 9, respectively as amended by paragraph (m) below:-

1 (m) The following changes be made to Cash Limits for 2015/16 and future years

| <b>Portfolio / Committee</b> | <b>2015/16<br/>£</b> | <b>Future<br/>Years<br/>£</b> |
|------------------------------|----------------------|-------------------------------|
| Children & Education         | 325,493              | 325,493                       |
| Health & Social Care         | 325,493              | 325,493                       |
| Resources                    | (133,400)            | (133,400)                     |
|                              |                      |                               |
| <b>Total</b>                 | <b>517,586</b>       | <b>517,586</b>                |

**Recommendation 5 be amended to**

- 5 That the following amounts be now calculated by the Council for the financial year 2015/16 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

|     |              |   |
|-----|--------------|---|
| (a) | £513,169,673 | Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.  |
| (b) | £449,507,148 | Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.  |
| (c) | £63,662,525  | Being the amount by which the aggregate at 5 (a) above exceeds the aggregate at 5 (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act. |
| (d) | £1,194.93    | Being the amount at 5(c) above (Item R), all divided by Item (4) above (Item T), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.  |

(e) Valuation Bands (Portsmouth City Council)

| A      | B      | C        | D        | E        | F        | G        | H        |
|--------|--------|----------|----------|----------|----------|----------|----------|
| £      | £      | £        | £        | £        | £        | £        | £        |
| 796.62 | 929.39 | 1,062.16 | 1,194.93 | 1,460.47 | 1,726.01 | 1,991.55 | 2,389.86 |

Being the amounts given by multiplying the amount at 5 (d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings in different valuation bands.

**Recommendation 8 be amended to:**

- 8 That having calculated the aggregate in each case of the amounts at 5 (e), 6 and 7 above, the Council, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the financial year 2015/16 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

| <b>A</b><br>£ | <b>B</b><br>£ | <b>C</b><br>£ | <b>D</b><br>£ | <b>E</b><br>£ | <b>F</b><br>£ | <b>G</b><br>£ | <b>H</b><br>£ |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 942.43        | 1,099.50      | 1,256.57      | 1,413.64      | 1,727.78      | 2,041.92      | 2,356.07      | 2,827.28      |

**HEAD OF FINANCIAL SERVICES AND SECTION 151 OFFICER'S COMMENTS**

**Under Recommendation 1(k), the Head of Financial Services and Section 151 Officer advises as follows:-**

The proposals contained within this amendment do not alter the statements made by the Head of Finance and Section 151 Officer in Section 17 of this report.

**CITY SOLICITOR'S COMMENTS**

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



## APPENDIX A

### Calculation of the Council Tax 2015/16

| <b>Portsmouth City Council</b>                             | <b>2015/16</b>    | <b>2014/15</b>    |
|--|-------------------|-------------------|
|  | <b>£</b>          | <b>£</b>          |
| Gross Expenditure  | 513,169,673       | 534,289,788       |
| LESS: Gross Income   | (390,077,681)     | (399,480,409)     |
| Net Expenditure 2015/16                                    | 123,091,992       | 134,809,379       |
| LESS: Government Grants                                    | (59,429,467)      | (74,437,978)      |
| Council Tax Requirement - Portsmouth City Council Purposes | <b>63,662,525</b> | <b>60,371,401</b> |
| Council Tax Base   | 53,277.2          | 51,532.1          |
| Council Tax - Portsmouth City Council Purposes at Band D   |                   |                   |
| <u>63,662,525</u>  |                   |                   |
| 53,277.2 =   | <b>£1,194.93</b>  | <b>£1,171.53</b>  |

|  |                  |                  |
|--|------------------|------------------|
| <b>Hampshire Police &amp; Crime Commissioner Precept</b>               | <b>8,382,102</b> | <b>7,949,342</b> |
| Council Tax - Hampshire Police & Crime Commissioner Purposes at Band D | <b>£157.33</b>   | <b>£154.26</b>   |

|  |                  |                  |
|--|------------------|------------------|
| <b>Hampshire Fire and Rescue Authority Precept</b>                   | <b>3,270,155</b> | <b>3,163,040</b> |
| Council Tax - Hampshire Fire and Rescue Authority Purposes at Band D | <b>£61.38</b>    | <b>£61.38</b>    |

### The Council Tax to be levied for all bands in 2015/16 will be as follows :

|                                     |   | <b>Portsmouth<br/>City<br/>Council</b> | <b>Hampshire<br/>Police &amp; Crime<br/>Commissioner</b> | <b>Hampshire<br/>Fire &amp; Rescue<br/>Authority</b> | <b>TOTAL<br/>2015/16</b> | <b>TOTAL<br/>2014/15</b> |
|-------------------------------------|---|--|--|--|--------------------------|--------------------------|
|                                     |   | <b>£</b>                               | <b>£</b>   | <b>£</b>   | <b>£</b>                 | <b>£</b>                 |
| Estimated Valuation as 1 April 1991 |   |  |  |  |                          |                          |
| Up to £40,000                       | A | 796.62                                 | 104.89   | 40.92  | 942.43                   | 924.78                   |
| £40,001 - £52,000                   | B | 929.39                                 | 122.37   | 47.74  | 1,099.50                 | 1,078.91                 |
| £52,001 - £68,000                   | C | 1,062.16                               | 139.85   | 54.56  | 1,256.57                 | 1,233.04                 |
| £68,001 - £88,000                   | D | 1,194.93                               | 157.33   | 61.38  | 1,413.64                 | 1,387.17                 |
| £88,001 - £120,000                  | E | 1,460.47                               | 192.29   | 75.02  | 1,727.78                 | 1,695.43                 |
| £120,001 - £160,000                 | F | 1,726.01                               | 227.25   | 88.66  | 2,041.92                 | 2,003.69                 |
| £160,001 - £320,000                 | G | 1,991.55                               | 262.22   | 102.30   | 2,356.07                 | 2,311.95                 |
| £320,001 and over                   | H | 2,389.86                               | 314.66   | 122.76   | 2,827.28                 | 2,774.34                 |

Labour Group Amendment  
**GENERAL FUND SUMMARY - 2014/15 to 2018/19**

**APPENDIX A**

| Original<br>Budget<br>2014/15<br>£ | NET REQUIREMENTS OF PORTFOLIOS               | Revised<br>Budget<br>2014/15<br>£ | Original<br>Budget<br>2015/16<br>£ | Forecast<br>2016/17<br>£ | Forecast<br>2017/18<br>£ | Forecast<br>2018/19<br>£ |
|------------------------------------|--|-----------------------------------|------------------------------------|--------------------------|--------------------------|--------------------------|
| 49,633,923                         | Children & Education                         | 50,970,730                        | 49,982,551                         | 52,457,751               | 53,201,051               | 54,091,951               |
| 12,094,943                         | Culture Leisure & Sport                      | 12,543,860                        | 10,889,660                         | 11,146,260               | 11,567,960               | 11,769,860               |
| 18,240,580                         | Environment & Community Safety               | 18,986,913                        | 17,261,513                         | 17,671,313               | 18,049,713               | 18,456,113               |
| 49,882,022                         | Health & Social Care                         | 51,602,479                        | 45,309,472                         | 47,183,772               | 48,532,272               | 50,024,472               |
| 7,348,228                          | Housing                                      | 7,598,728                         | 7,454,128                          | 7,519,328                | 7,570,028                | 7,629,428                |
| 230,153                            | Leader                                       | 253,953                           | 235,553                            | 243,153                  | 248,653                  | 254,753                  |
| 7,790,856                          | Planning Regeneration Economic Development   | 7,757,429                         | 6,702,329                          | 6,771,529                | 5,809,429                | 5,582,629                |
| 26,686,457                         | Resources                                    | 26,396,434                        | 23,478,234                         | 24,138,534               | 24,891,234               | 25,795,234               |
| 17,533,299                         | Traffic & Transportation                     | 17,650,707                        | 16,641,207                         | 16,882,007               | 16,597,607               | 17,330,007               |
| 344,200                            | Governance, Audit & Standards Committee      | 365,400                           | 288,800                            | 303,800                  | 210,000                  | 221,400                  |
| (127,395)                          | Licensing Committee                          | (129,195)                         | (226,295)                          | (218,795)                | (222,095)                | (226,495)                |
| <b>189,657,266</b>                 | <b>Portfolio Expenditure</b>                 | <b>193,997,438</b>                | <b>178,017,152</b>                 | <b>184,098,652</b>       | <b>186,455,852</b>       | <b>190,929,352</b>       |
|                                    | <u>Other Expenditure</u>                     |                                   |                                    |                          |                          |                          |
| 93,400                             | Precepts                                     | 35,500                            | 0                                  | 36,700                   | 37,400                   | 38,300                   |
| (150,000)                          | Portchester Crematorium - Share of Dividend  | (150,000)                         | (125,000)                          | (125,000)                | (125,000)                | (125,000)                |
| 5,885,000                          | Pension Costs                                | 5,885,000                         | 6,261,000                          | 6,672,000                | 6,672,000                | 6,672,000                |
| 5,499,200                          | Contingency Provision                        | 4,683,800                         | 7,305,000                          | 4,607,500                | 4,607,500                | 4,607,500                |
| 0                                  | Revenue Contributions to Capital Reserve     | 3,829,000                         | 65,500                             | 1,565,500                | 65,500                   | 65,500                   |
| 233,600                            | Transfer to / (from) Other Reserves          | (651,900)                         | 1,411,700                          | (23,200)                 | 56,800                   | 56,800                   |
| (27,854,741)                       | Asset Management Revenue Account             | (29,589,738)                      | (27,300,865)                       | (26,044,865)             | (26,125,865)             | (26,835,365)             |
| 1,000,000                          | Other Expenditure                            | 4,014,000                         | 3,224,000                          | 2,000,000                | 3,000,000                | 4,000,000                |
| <b>(15,293,541)</b>                | <b>Other Expenditure</b>                     | <b>(11,944,338)</b>               | <b>(9,158,665)</b>                 | <b>(11,311,365)</b>      | <b>(11,811,665)</b>      | <b>(11,520,265)</b>      |
| <b>174,363,725</b>                 | <b>TOTAL NET EXPENDITURE</b>                 | <b>182,053,100</b>                | <b>168,858,487</b>                 | <b>172,787,287</b>       | <b>174,644,187</b>       | <b>179,409,087</b>       |
|                                    | <b>FINANCED BY:</b>                          |                                   |                                    |                          |                          |                          |
| (3,382,728)                        | Contribution (to) from Balances and Reserves | 8,827,620                         | 1,150,431                          | 13,131,037               | 20,867,389               | 30,977,498               |
| 52,050,710                         | Revenue Support Grant                        | 52,211,069                        | 38,375,386                         | 29,544,382               | 21,324,014               | 13,683,539               |
| 41,752,137                         | Business Rates Retention                     | 36,884,144                        | 42,768,544                         | 45,006,041               | 46,291,864               | 47,853,288               |
| 22,387,268                         | Other General Grants                         | 22,573,929                        | 21,054,081                         | 20,171,576               | 19,930,434               | 19,343,535               |
| 61,556,338                         | Collection Fund                              | 61,556,338                        | 65,510,045                         | 64,934,251               | 66,230,486               | 67,551,227               |
| <b>174,363,725</b>                 |  | <b>182,053,100</b>                | <b>168,858,487</b>                 | <b>172,787,287</b>       | <b>174,644,187</b>       | <b>179,409,087</b>       |
|                                    | <b>BALANCES &amp; RESERVES</b>               |                                   |                                    |                          |                          |                          |
| 18,029,434                         | Balance brought forward at 1 April           | 23,426,856                        | 14,599,236                         | 13,448,805               | 317,768                  | (20,549,621)             |
| 3,382,728                          | Deduct (Deficit) / Add Surplus for Year      | (8,827,620)                       | (1,150,431)                        | (13,131,037)             | (20,867,389)             | (30,977,498)             |
| <b>21,412,162</b>                  | <b>Balance carried forward at 31 March</b>   | <b>14,599,236</b>                 | <b>13,448,805</b>                  | <b>317,768</b>           | <b>(20,549,621)</b>      | <b>(51,527,119)</b>      |
| <b>6,000,000</b>                   | <b>Minimum Level of Balances</b>             | <b>6,000,000</b>                  | <b>6,500,000</b>                   | <b>7,400,000</b>         | <b>7,600,000</b>         | <b>7,600,000</b>         |
| <b>(3,382,728)</b>                 | <b>Underlying Budget Deficit / (Surplus)</b> | <b>8,827,620</b>                  | <b>1,150,431</b>                   | <b>13,131,037</b>        | <b>20,867,389</b>        | <b>30,977,498</b>        |

## **NOTES TO THE LABOUR GROUP AMENDMENT**

### **Portsmouth City Council Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19**

The overall financial effect of the proposals is set out below:

|                                      | <b>2015/16</b> | <b>2016/17<br/>&amp;<br/>Future<br/>Years</b> |
|--------------------------------------|----------------|---|
|                                      | <b>£</b>       | <b>£</b>                                      |
| Additional Savings Proposals:        | (133,400)      | (133,400)                                     |
| Re-instatement of Savings Proposals: | 0              | 0   |
| Budget Additions - New Initiatives:  | 650,986        | 650,986                                       |
| Increase in Council Tax Revenues:    | (1,246,686)    | (1,246,686)                                   |
| Reduction in Council Tax Revenues:   |                |   |
| Reduction in Grant Funding           | 729,100        | 729,100                                       |
| <b>Total Overall Change</b>          | <b>0</b>       | <b>0</b>                                      |

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**AGENDA ITEM 7 - Capital Programme 2014/15 to 2019/20**

Amendment to Cabinet recommendations attached.

Proposed by (Name) \_\_\_\_\_

Signed \_\_\_\_\_

Seconded by (Name) \_\_\_\_\_

Signed \_\_\_\_\_



## **Amendment proposed by Cllr. Stubbs & Cllr. Hastings**

### **Capital Programme 2014/15 to 2019/20**

That the recommendations of the Cabinet of 5 February 2015 (Minute 10/15) on "Capital Programme 2014/15 to 2019/20" be amended as follows:-

#### **Recommendation 12) be added as follows:**

That the existing Capital Scheme for "New & Improved Models of Care" (with funding remaining amounting to £5m) relating to the proposed residential care development at East Lodge Farm be placed on hold pending the following:

- A full site investigation into the feasibility of siting both the Milton and Fratton Harbour Schools plus the proposed "East Lodge" residential care development on the St. James' Site
- A review of the Adult Social Care Accommodation Strategy (which assess the need and supply of care facilities) to fundamentally re-evaluate the type and configuration of care accommodation for the City's future needs. Further, to then confirm that the St. James' site is an appropriate location for the accommodation needs identified and that a residential care development on that site has the necessary community infrastructure and facilities available
- A financial appraisal including all land acquisition, build, refurbishment and any other necessary costs demonstrates that the proposals for siting both the Milton and Fratton Harbour Schools plus any residential care development on the St. James' Site are:
  - (i) affordable within a capital sum of £8.25m; and
  - (ii) that the revenue savings associated with providing the "East Lodge" residential care development at the St. James' site make savings of at least £936,000 (which are the savings currently approved and associated with the existing scheme and importantly also factored into the Council's future years' budgets)<sup>1</sup>

#### **Recommendation 13) be added as follows:**

That the Council note that the feasibility study (estimated at £20,000) encompassing the whole of the St. James' site is funded from the feasibility studies budget of the Corporate Projects Board

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<sup>1</sup> These savings were approved in order to fund the debt servicing costs associated with the £4.2m of Prudential Borrowing which is funding this scheme plus further revenue savings associated with the scheme.

**Recommendation 14) be added as follows:**

In the event that the feasibility study described in recommendation 12) concludes that it is both feasible and affordable to site the Milton and Fratton Harbour Schools plus the "East Lodge" residential care development on the St. James' site within the financial parameters as set out in recommendation 12, then:

- i) That scheme proceeds in place of the scheme to relocate those schools to the Vanguard Centre as set out in recommendation 4)
- ii) The Vanguard Centre site is declared surplus to requirements and disposed

**HEAD OF FINANCIAL SERVICES AND SECTION 151 OFFICER'S COMMENTS**

The proposals set out within this amendment are affordable within the overall capital resources available to the Council.

**CITY SOLICITOR'S COMMENTS**

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



**AGENDA ITEM 7 - Capital Programme 2014/15 to 2019/20**

Amendment to Cabinet recommendations attached.

Proposed by (Name) \_\_\_\_\_

Signed \_\_\_\_\_

Seconded by (Name) \_\_\_\_\_

Signed \_\_\_\_\_



## **Amendment proposed by Cllr. Sanders & Cllr. Dowling**

### **Capital Programme 2014/15 to 2019/20**

That the recommendations of the Cabinet of 5 February 2015 (Minute 10/15) on "Capital Programme 2014/15 to 2019/20" be amended as follows:-

#### **Recommendation 12) be added as follows:**

That the existing Capital Scheme for "New & Improved Models of Care" (with funding remaining amounting to £5m) relating to the proposed residential care development at East Lodge Farm be placed on hold pending the following:

- A full site investigation into the feasibility of siting both the Milton and Fratton Harbour Schools plus the proposed "East Lodge" residential care development on the St. James' Site
- A review of the Adult Social Care Accommodation Strategy (which assess the need and supply of care facilities) to fundamentally re-evaluate the type and configuration of care accommodation for the City's future needs. Further, to then confirm that the St. James' site is an appropriate location for the accommodation needs identified and that a residential care development on that site has the necessary community infrastructure and facilities available
- A financial appraisal including all land acquisition, build, refurbishment and any other necessary costs demonstrates that the proposals for siting both the Milton and Fratton Harbour Schools plus any residential care development on the St. James' Site are:
  - (i) affordable within a capital sum of £8.25m; plus the value of the East Lodge site but only in the event that it is not required for a residential care development; and
  - (ii) that the revenue savings associated with providing the "East Lodge" residential care development at the St. James' site make savings of at least £936,000 (which are the savings currently approved and associated with the existing scheme and importantly also factored into the Council's future years' budgets)<sup>1</sup>

#### **Recommendation 13) be added as follows:**

That the Council note that the feasibility study (estimated at £20,000) encompassing the whole of the St. James' site is funded from the feasibility studies budget of the Corporate Projects Board

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<sup>1</sup> These savings were approved in order to fund the debt servicing costs associated with the £4.2m of Prudential Borrowing which is funding this scheme plus further revenue savings associated with the scheme.

**Recommendation 14) be added as follows:**

In the event that the East Lodge site is not required for a residential care development, that the site is declared surplus to requirements and disposed

**Recommendation 15) be added as follows:**

In the event that the feasibility study described in recommendation 12) concludes that it is both feasible and affordable to site the Milton and Fratton Harbour Schools plus the "East Lodge" residential care development on the St. James' site within the financial parameters as set out in recommendation 12, then:

- i) That scheme proceeds in place of the scheme to relocate those schools to the Vanguard Centre as set out in recommendation 4)
- ii) The Vanguard Centre site is declared surplus to requirements and disposed

**Recommendation 16) be added as follows:**

An interim report be prepared and presented to the next Council Meeting

**HEAD OF FINANCIAL SERVICES AND SECTION 151 OFFICER'S COMMENTS**

The proposals set out within this amendment are affordable within the overall capital resources available to the Council.

**CITY SOLICITOR'S COMMENTS**

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