

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

Amendment to Cabinet recommendations attached.

Proposed by (Name) Councillor Gerald Vernon-Jackson

Signed _____

Seconded by (Name) Councillor Hugh Mason

Signed _____

Amendment proposed by the Liberal Democrat Group

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

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

Recommendation 1 (b) be amended to:

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

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

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

i) Reductions to Revenue Estimates

Indicative Portfolio Savings Proposal	Impact on Level of Service & Service Outcomes	2018/19	2019/20 & Future Years
		£	£
<u>Resources</u>			
Reduction in Administrative Support across Departments	Reduction in the capacity, availability and accessibility of some key persons. Some key people will spend a meaningful proportion of their time on administrative functions.	(77,000)	(92,000)
Reduction in Support Services across Departments	A reduction in capacity will present a risk to the organisation including a reduction in the advice available on professional and technical matters, reduce resources directed at providing financial monitoring and control activities and may compromise the ability to deliver savings in other areas of the council.	(110,000)	(159,000)

Indicative Portfolio Savings Proposal	Impact on Level of Service & Service Outcomes	2018/19	2019/20 & Future Years
		£	£
Traffic & Transportation			
<p>Re-instatement of MB & MC Parking Zones to improve the current parking policy through the efficient management of on-street parking in the area and in accordance with the vote from residents</p> <p>Implementation of further residents' car parking zones to improve the current parking policy through the efficient management of on-street parking and in the areas where residents have voted in favour of doing so in the following areas:</p> <p><u>North Kings:</u> (Area 1 of the Five Zone Survey of Central Southsea 2014)</p> <p><u>Owens Gardens</u> - boundary Grove Road South, Elm Grove, Merton/Nelson Road and Victoria Road South: (Area 2 of the Five Zone Survey of Central Southsea 2014)</p> <p><u>South Kings:</u> (Area 3 of the Five Zone Survey of Central Southsea 2014)</p> <p><u>Boundary of Highland Road, Winter Road, Goldsmith Avenue and Francis Avenue:</u> (Area 5 of the Five Zone Survey of Central Southsea 2014)</p>	Expected to lead to additional parking demand in adjacent areas as a consequence of displacement.	(115,000)	(97,000)
Total		(302,000)	(348,000)

ii) Additions to Revenue Estimates

Saving No.	Increases to Portfolio Cash Limits - Deletion of Indicative Savings	2018/19	2019/20 & Future Years
		£	£
<u>Culture Leisure & Sport</u>			
New	Additional open access music events across the City	5,000	0
<u>Environment & Community Safety</u>			
New	Additional cleaning for district shopping centres	37,000	37,000
New	2 Additional Enforcement Officers/Wardens	51,000	74,000
New	Re-instatement of a fixed number of Free Bulky Waste Collections (means tested)	10,000	10,000
New	Provision of 10 Multi-Use Waste Bins located across the City	7,000	7,000
<u>Housing</u>			
New	Provision of lockers for homeless people to store their belongings (in a civic site to be determined)	5,000	1,000
<u>Resources</u>			
New	Grant to Off the Record	40,000	40,000
New	Commencing in July 2018, an increase in pay for the lowest paid to the level of the Living Wage as defined by the Living Wage Foundation, subject to the approval of the Employment Committee	97,000	129,000
<u>Traffic & Transportation</u>			
New	Re-instatement of a dial-a-ride service	50,000	50,000
Total		302,000	348,000

Recommendation 1(c) be amended to:-

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

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

Portfolio / Committee	2018/19 £	Future Years £
Culture Leisure & Sport	5,000	0
Environment & Community Safety	105,000	128,000
Housing	5,000	1,000
Resources	(50,000)	(82,000)
Traffic & Transportation	(65,000)	(47,000)
Total	0	0

The following recommendation 1(v) be added

- 1(v) The Cabinet be requested to instruct Officers to prepare a feasibility study to evaluate the potential benefits and any associated risks, to both the Council and Portsmouth Hospitals NHS Trust, of the City Council providing the senior debt (as lender) for the Queen Alexandra Hospital Private Finance Initiative. In the event that the feasibility study is sufficiently compelling, with adequate loan security, a financial payback, and acceptable risk, that a project team is established to prepare a detailed business case to be funded from the MTRS Reserve and the associated capital investment required being funded by Prudential Borrowing.

The following recommendation 1(w) be added

- 1(w) The Cabinet be requested to instruct Officers to investigate all feasible options for widening the availability of the Councils Rent Deposit Bond scheme in order to maximise the opportunities for homeless, or other vulnerable, persons to access private rented accommodation.

SECTION 151 OFFICER'S COMMENTS

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

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

CITY SOLICITOR'S COMMENTS

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

Liberal Democrat Group Amendment

GENERAL FUND SUMMARY - 2017/18 to 2021/22

APPENDIX A (amended)

Original Budget 2017/18 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2017/18 £	Original Budget 2018/19 £	Forecast 2019/20 £	Forecast 2020/21 £	Forecast 2021/22 £
	Community Safety					
23,842,700	Children & Families	24,193,300	24,904,800	27,017,800	27,765,600	28,456,600
10,160,860	Culture Leisure & Sport	9,088,260	8,998,160	9,462,460	9,700,260	9,925,760
24,247,457	Education	24,518,957	24,294,457	24,639,757	24,761,957	24,906,657
15,800,013	Environment & Community Safety	15,968,413	16,259,013	16,773,513	17,202,713	17,635,413
45,432,879	Health & Social Care	46,138,079	45,052,279	45,733,579	47,492,679	49,202,079
9,040,528	Housing	8,280,328	8,287,428	8,392,128	8,490,628	8,583,228
144,153	Leader	144,153	158,453	163,153	167,753	171,653
37,329	Planning Regeneration Economic Development	(4,444,871)	(4,490,371)	(5,541,071)	(6,033,571)	(6,201,771)
22,758,234	Resources	22,456,934	22,289,434	23,215,434	23,981,334	24,470,134
14,605,707	Traffic & Transportation	16,658,207	16,328,707	16,905,007	15,991,307	16,030,207
88,600	Governance, Audit & Standards Committee	146,900	199,400	212,900	228,000	123,300
(215,595)	Licensing Committee	(216,695)	(222,795)	(227,695)	(230,295)	(235,595)
165,942,865	Portfolio Expenditure	162,931,965	162,058,965	166,746,965	169,518,365	173,067,665
	<u>Other Expenditure</u>					
0	Precepts	0	0	38,400	39,400	40,400
(135,000)	Portchester Crematorium - Share of Dividend	(145,000)	(150,000)	(140,000)	(140,000)	(140,000)
7,172,000	Pension Costs	6,983,700	7,672,000	8,224,800	8,517,900	8,785,000
6,689,000	Contingency Provision	4,212,000	6,384,000	4,326,000	4,251,000	4,251,000
8,000,000	Revenue Contributions to Capital Reserve	10,461,900	10,344,500	5,000,000	2,000,000	0
764,100	Transfer to / (from) Other Reserves	2,629,800	3,155,900	2,229,500	1,272,200	272,200
(28,702,765)	Treasury Management	(29,559,165)	(27,225,965)	(26,806,965)	(26,281,465)	(26,113,165)
1,912,800	Other Expenditure	4,425,800	2,536,600	2,045,900	2,455,500	3,065,400
(4,299,865)	Other Expenditure	(990,965)	2,717,035	(5,082,365)	(7,885,465)	(9,839,165)
161,643,000	TOTAL NET EXPENDITURE	161,941,000	164,776,000	161,664,600	161,632,900	163,228,500
	FINANCED BY:					
(583,761)	Contribution (to) from Balances and Reserves	(1,389,356)	(304,260)	4,663,082	8,915,907	11,859,921
22,313,120	Revenue Support Grant	22,313,120	0	11,482,624	7,378,053	3,345,127
49,632,941	Business Rates Retention	50,844,141	73,567,319	52,874,252	51,498,445	52,785,905
18,033,040	Other General Grants	17,925,435	15,827,049	15,375,983	15,034,082	14,862,658
72,247,660	Council Tax	72,247,660	75,685,892	77,268,659	78,806,413	80,374,889
161,643,000		161,941,000	164,776,000	161,664,600	161,632,900	163,228,500
	BALANCES & RESERVES					
19,227,169	Balance brought forward at 1 April	19,256,118	20,645,474	20,949,734	16,286,652	7,370,745
583,761	Deduct (Deficit) / Add Surplus for Year	1,389,356	304,260	(4,663,082)	(8,915,907)	(11,859,921)
19,810,930	Balance carried forward at 31 March	20,645,474	20,949,734	16,286,652	7,370,745	(4,489,176)
7,000,000	Minimum Level of Balances	7,000,000	8,000,000	8,000,000	8,000,000	8,000,000
(583,761)	Underlying Budget Deficit / (Surplus)	(1,389,356)	(304,260)	4,663,082	8,915,907	11,859,921