

Agenda Item 7

From CABINET held on 4 December 2018

Council Agenda Item 7 (Minute No 67)

Portsmouth City Council Revenue Budget 2019/20 - Savings Proposals

RECOMMENDED TO COUNCIL

- (1) that the following be approved:
 - (a) That the overall aim of the MTFs and its key strands as described in Section 8 of the report be adopted by the Council
 - (b) That the Council's Budget for 2019/20 be prepared on the basis of a 2.99% Council Tax increase for general purposes
 - (c) That the Council continues to take advantage of the opportunity to increase the level of Council Tax for an "Adult Social Care Precept" within the limits set by Central Government (i.e. a 1.5% increase for 2019/20), and consequently that the additional funding is passported direct to Adult Social Care to provide for otherwise unfunded cost pressures
 - (d) The savings proposals for each Portfolio amounting, in total, to £4m for 2019/20 and continuing into future years as set out in Appendix A to enable appropriate consultation and notice periods to be given to affected parties

- (2) That the following be noted:
 - (a) The Budget Savings Requirement for 2019/20 of £4m approved by the City Council is predicated on a total Council Tax increase of 4.49%; each 1% change (increase or decrease) in the Council Tax results in a change to the savings requirement of £747,000¹
 - (b) The key themes arising from the Budget Consultation
 - (c) The indicative savings proposals set out in Appendix B which are provided for the purpose of demonstrating to the Council that the Portfolio savings as recommended in recommendation 1(d) above are robust and deliverable
 - (d) The likely impact of savings as set out in Appendix B
 - (e) 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 within those Portfolios / Committees
 - (f) That it is the responsibility of the individual Portfolio Holders (not full Council) to approve the individual savings proposals and the Portfolio Holder can therefore, in response to any consultation, alter, amend or substitute any of the indicative savings proposal(s) set out in Appendix B with alternative proposal(s) amounting to the same value within their Portfolio

¹ Tax increases will be subject to Council Tax referendum thresholds which are at this stage unknown

- (g) Managers will commence the implementation of the approved savings required and any necessary consultation process or notice process
- (h) That there is no general provision for Budget Pressures and that it is the responsibility of the Portfolio Holder to manage any Budget Pressures which arise from the overall resources available to the Portfolio (which includes their Portfolio Reserve)
- (i) In accordance with the approved financial framework, it is the responsibility of the Portfolio Holder, in consultation with the Director of Finance & Information Technology (S151 Officer), to release funds from the Portfolio Reserve in accordance with the provisions set out in paragraph 10.16 of the report
- (j) The MTRS Reserve held to fund the upfront costs associated with Spend to Save Schemes, Invest to Save Schemes and redundancies currently holds a modest uncommitted balance of £4.0m and will only be replenished from an approval to the transfer of any non-Portfolio underspends at year end into this reserve.