

Agenda Item 8

AGENDA ITEM 8 - Portsmouth City Council Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24

Amendment to Cabinet recommendations attached.

Proposed by (Name) Councillor Stephen Morgan

Signed _____

Seconded by (Name) Councillor Tom Coles

Signed _____

Amendment proposed by the Labour Group

Portsmouth City Council - Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24

That the recommendations of the Cabinet of 4th February 2020 (Minute 13/20) on "Portsmouth City Council - Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24" be amended as follows:-

Recommendation 1 be amended to:

- 1) The revised Revenue Estimates for the financial year 2019/20 and the Revenue Estimates for the financial year 2020/21 as set out in the General Fund Summary (Appendix A amended) including the changes described in paragraph 17 below:-

- 17) The following changes be made to Cash Limits for 2020/21 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	2020/21	2021/22 & Future Years
		£	£
Leader Portfolio			
Reduction in Leader's Initiative budget	Fewer opportunities to celebrate success, engage and network with partner organisations and prospective investors in the City	(10,000)	(10,000)
Resources Portfolio			
Reduction in Management - reduction where the balance of management oversight is greatest and risk is lowest	A reduction in management will potentially reduce the Council's ability to manage performance and deliver change.	(60,000)	(60,000)
Move to "All Out" Elections*		0*	0*
A reduction in Cabinet Members from 10 to 6**		0**	0**
Total		(70,000)	(70,000)

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

- I. Full Council resolves to undertake public consultation as the Council thinks appropriate on any proposed change
- II. Have regard to the outcome of the consultation before making its decision
- III. Convene a special meeting of the Council
- IV. Full Council must pass a resolution by a two-thirds majority of those voting at that Special meeting
- V. The resolution must specify the commencement year (earliest date would be May 2021)

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

The earliest implementation date would be from May 2021 and the saving is estimated to be £56,000 per annum.

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

**** Members should note that, in accordance with the Local Government Act 2000, this is a decision for the Leader of the Council not the Council itself. In the event that the Leader elects to take such a decision, the savings amount will increase by £23,000.**

ii) Additions to Revenue Estimates

Saving No.	Increases to Portfolio Cash Limits	2020/21	2021/22 & Future Years
		£	£
Resources			
New	Community Engagement and Consultation - to consult on environmental and recycling initiatives that are important to the community and undertake associated project work	50,000	50,000
New	Trade Union support	20,000	20,000
Total		70,000	70,000

Recommendation 2 be amended to:-

2) The Portfolio Cash Limits for the Revised Budget for 2019/20 and Budget for 2020/21 incorporating the savings amounts for each Portfolio and amounting to £2.5m as set out in Sections 7 and 11, respectively as amended by paragraph 18 below:-

18) The following changes be made to Cash Limits for 2020/21 and future years

Portfolio / Committee	2020/21 £	Future Years £
Leader Resources	(10,000) 10,000	(10,000) 10,000
Total	0	0

SECTION 151 OFFICER'S COMMENTS

Under Recommendation 16, 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 15 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.

GENERAL FUND SUMMARY - 2019/20 to 2023/24

APPENDIX A (amended)

Original Budget 2019/20 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2019/20 £	Original Budget 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Forecast 2023/24 £
29,428,800	Children & Families	29,650,500	36,049,800	38,889,000	39,136,600	40,071,900
2,085,700	Community Safety	2,084,100	2,658,900	2,676,300	2,705,200	2,785,900
9,732,460	Culture Leisure & City Development	9,906,860	11,504,900	12,193,100	12,546,800	12,540,800
24,283,257	Education	24,580,357	21,047,200	21,321,400	21,577,100	21,840,700
14,283,513	Environment & Climate Change	14,349,713	14,080,100	14,505,100	15,121,100	14,087,100
47,682,279	Health, Wellbeing & Social Care	47,882,379	51,013,400	53,789,400	56,002,200	58,189,500
11,105,728	Housing	11,135,528	8,469,500	8,620,500	9,181,300	9,358,800
(9,681,818)	Leader	(11,999,818)	(24,239,200)	(25,651,700)	(27,387,800)	(28,093,800)
21,408,334	Resources	22,677,834	25,469,700	27,051,400	27,687,100	28,092,600
17,012,607	Traffic & Transportation	18,068,307	21,206,100	22,313,400	23,421,900	25,434,500
(228,095)	Licensing Committee	(223,495)	(129,000)	(133,100)	(137,300)	(141,600)
167,112,765	Portfolio Expenditure	168,112,265	167,131,400	175,574,800	179,854,200	184,166,400
	<u>Other Expenditure</u>					
8,018,900	Pension Costs	7,803,800	1,470,700	1,506,200	1,542,600	5,579,900
9,489,000	Contingency Provision	8,534,500	10,345,500	4,631,000	4,631,000	4,631,000
6,600,000	Revenue Contributions to Capital Reserve	11,379,900	10,000,000	3,000,000	3,000,000	0
(570,600)	Transfer to / (from) Other Reserves	(7,630,400)	2,926,500	1,405,500	2,036,200	36,200
(28,643,765)	Treasury Management	(27,068,765)	(19,983,600)	(18,372,200)	(18,488,200)	(18,918,600)
2,995,700	Other Expenditure	4,780,700	2,697,900	2,621,400	3,145,000	3,145,000
(2,110,765)	Other Expenditure	(2,200,265)	7,457,000	(5,208,100)	(4,133,400)	(5,526,500)
165,002,000	TOTAL NET EXPENDITURE	165,912,000	174,588,400	170,366,700	175,720,800	178,639,900
	FINANCED BY:					
(42,690)	Contribution (to) from Balances and Reserves	20,238	2,579,937	2,165,650	3,843,153	3,036,470
0	Revenue Support Grant	0	11,669,696	0	0	0
66,700,841	Business Rates Retention	66,834,896	55,391,749	62,276,977	64,422,667	66,629,273
17,054,314	Other General Grants	17,767,331	20,546,742	20,400,921	20,229,795	20,013,451
81,289,535	Council Tax	81,289,535	84,400,276	85,523,152	87,225,185	88,960,706
165,002,000		165,912,000	174,588,400	170,366,700	175,720,800	178,639,900
	BALANCES & RESERVES					
23,022,170	Balance brought forward at 1 April	23,022,156	23,001,918	20,421,981	18,256,331	14,413,178
42,690	Deduct (Deficit) / Add Surplus for Year	(20,238)	(2,579,937)	(2,165,650)	(3,843,153)	(3,036,470)
23,064,860	Balance carried forward at 31 March	23,001,918	20,421,981	18,256,331	14,413,178	11,376,708
8,000,000	Minimum Level of Balances	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
(42,690)	Underlying Budget Deficit / (Surplus)	20,238	2,579,937	2,165,650	3,843,153	3,036,470

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Agenda Item 9

AGENDA ITEM 9 - Capital Programme 2019/20 to 2024/25

Amendment to Cabinet recommendations attached.

Proposed by (Name) Councillor Stephen Morgan

Signed _____

Seconded by (Name) Councillor Tom Coles

Signed _____

Amendment proposed by the Labour Group

Capital Programme 2019/20 to 2024/25

That the recommendations of the Cabinet of 4th February 2020 (Minute 14/20) on "Capital Programme 2019/20 to 2024/25" be amended as follows:-

Recommendation 4 be amended to:

Subject to a satisfactory financial appraisal by the Director of Finance and Resources & Section 151 Officer, the schemes as described in Section 9 and Appendix 2 be amended to include the following changes and be reflected within the recommended Capital Programme 2019/20 to 2024/25 (attached at Appendix 1) and be financed from the available capital resources:

Scheme Description - Deletions		(Decrease) in Corporate Resources	Reduction in / Deletion of Total Scheme Value
		£	£
Deletion of Proposed Capital Schemes:			
	Farlington Pavilion	(170,000)	(240,000)
Total Overall Deletions		(170,000)	(240,000)

Scheme Description - Additions (New)		Increase in Corporate Resources	Total Scheme Value
		£	£
Additional Capital Scheme Proposals (New):			
	Sustainable Neighbourhoods Community Fund (restoring community assets, building community cohesion and enhancing local community)	240,000	240,000
Total Overall Change		240,000	

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 amendment as set out, and supports the advice of the Section 151 Officer given above.

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