



Agenda Item 7

Portsmouth City Council Budget and Council Tax 2022/2023 and Medium Term Budget Forecast 2023/24 to 2025/26 and Capital Programme

COUNCIL

TUESDAY, 15 FEBRUARY 2022 AT 2.05 PM (or immediately after the conclusion of the Extraordinary Council meeting if later.)

COUNCIL CHAMBER - PORTSMOUTH GUILDHALL

(NB This pack should be retained for future reference with the main agenda and minutes of this meeting).

- 7 Portsmouth City Council Budget and Council Tax 2022/2023 and Medium Term Budget Forecast 2023/24 to 2025/26 and Capital Programme (Pages 3-116)**

(Council Agenda Item 7)

To receive and consider the recommendations of the Cabinet meeting held on 8 February (to follow), the report for which is contained within this document pack.

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Agenda Item 7



Title of meeting:	City Council
Date of meeting:	08 February 2022 (Cabinet) 15 February 2022 (City Council)
Subject:	Portsmouth City Council - Budget & Council Tax 2022/23 & Medium Term Budget Forecast 2023/24 to 2025/26
Report by:	Director of Finance & Resources (S.151 Officer)
Wards affected:	All
Key decision:	Yes
Full Council decision:	Yes

1. Executive Summary

- 1.1 The key proposals within this report recommend a Budget for 2022/23 that provides for:
- Savings of £1.825m
 - New Spending Initiatives amounting to £0.825m (including a full city wide roll out of the Food Waste Recycling Service)
 - A Council Tax increase of 2.99% (1.0% of which is raised specifically to be passported to Adult Social Care)
 - New Capital Investment to the City of £67.8m
 - No requirement for any Budget Savings for 2023/24
- 1.2 The COVID-19 pandemic has a significant impact on the budget proposals in both the Revised Budget for the current year, the Budget for 2022/23 and the future years' forecasts. Some of the financial impacts of the pandemic are expected to be short term in nature (1 to 2 years) but others are expected to endure through the longer term. Excluding Business Rate reliefs which are fully recompensed by Government, the cost of responding to the COVID pandemic in the current year is expected to amount to £10.1m with associated Government funding of £9.1m.
- 1.3 Over the next 3 years (commencing 2022/23), the additional COVID costs and income losses are expected to amount to a further £6.6m but with no specific Government funding. The Government have provided new funding within the Provisional Local Government Settlement of £3.3m for 2022/23 in the form of a "Services Grant 2022/23" but this is for all COVID-19 risks, all New Burdens and all other Budget Pressures. The cost of COVID-19 alone dwarfs the new funding

provided by Government. Whilst it is not possible to quantify the longer term impacts of Covid precisely, it is anticipated that there will be ongoing impacts on Care Services, some sources of income and both Council Tax and Business Rates receipts.

- 1.4 Inflation is currently at its highest in a decade and this has also presented a challenge for the Budget for 2022/23. The main measure of inflation CPI (Consumer Price Index) is currently tracking at 5.4% with the RPI (Retail Price Index), upon which some contracts remain linked, tracking at 7.5%. The Office for Budget Responsibility, the advisors of Government for the purposes of policy setting, are forecasting that CPI will remain high at 3.7% for 2022/23 but falling to 2.3% for 2023/24. As described in the main body of the report, inflationary cost increases outstrip the rates of increase in funding, causing a "structural gap" between spending and funding.
- 1.5 The impact of COVID-19, inflationary cost pressures and the underlying financial distress being experienced in Adult and Children's Social Care have presented the most significant challenges in seeking to balance the Budget for the coming year.
- 1.6 The Budget proposals seek to ensure that the financial position of both Adult and Children's Social Care remains robust both in the short and medium term and additional funding is provided as follows:
 - Children's Social Care - £3.9m to cover financial pressures relating to Residential Placements, Care Leavers, Unaccompanied Asylum Seekers, Inflation and to remove unachievable budget savings
 - Adult Social Care - £3.3m to cover the uplift in the National Living Wage of 6.6% that will be passported to care providers as well as all other inflationary pressures
- 1.7 It is also recognised within this Budget that COVID-19 poses risks to the budgets of Adult and Children's Social Care but also to the Council more generally.
- 1.8 The Administration also propose to implement the full city-wide "roll-out" of Food Waste Recycling alongside building a number of other activities into the core budget that were previously funded on a temporary basis. The proposed Budget for 2022/23 now includes the following at a cost of £825,000 on an ongoing basis:
 - A full Food Waste Recycling Service
 - The Community Wardens Service (4 temporary posts now permanently funded)
 - Climate Change Strategy Advisor
 - Free Bulky Waste Collection Service
- 1.9 The coming financial year was the originally intended date for the Local Government Funding Reform to coincide with the Comprehensive Spending Review. Due to the

uncertainty presented by the COVID-19 pandemic, Funding Reform has been further delayed until 2023/24. Funding Reform covers the following:

- The "Fair Funding Review", (to determine a new formula methodology which will set each Local Authority's baseline funding level and create "winners and losers")
- The Retained Business Rates system which involves the removal of all existing growth retained to date (amounting to £7.3m) and re-distributing that growth nationally according to relative need (rather than where it was generated).

- 1.10 The 3 Year Forward Forecast for the period 2023/24 to 2025/26 is estimated to be balanced (i.e. no deficit). This is predicated on assumed Council Tax increases of 2.99% per annum, representing 1.99% for general purposes and 1% for Adult Social Care. The most significant risk to this central projection is the Local Government Funding Reform described above, as well as other unavoidable cost pressures that may arise, particularly in Care Services. Taken together, these risks have the potential to vary the "Balanced Forecast" by +/- £3m.
- 1.11 Whilst there is sufficient confidence to recommend to the Council that no Budget Savings are required for 2023/24, the forecast for zero savings for the years 2024/25 and 2025/26 must be considered as indicative at this stage.
- 1.12 During this unprecedented level of uncertainty, it is imperative that the Council continues to exercise financial restraint and manage its cost base carefully if it is to remain well placed to respond the overhaul of Local Government Funding and potentially realise a zero savings position in future years beyond 2023/24. Equally, the Council should retain reserves at the levels proposed in this report to secure the necessary financial resilience to be able to respond in all circumstances.
- 1.13 The Capital Programme makes proposals for new Capital Expenditure of £67.8m, of which £13.3m is from Corporate Capital Resources, therefore leveraging in borrowing capability and external funding amounting to £54.5m. Capital Funding is particularly constrained for 2022/23 and has been targeted to:
- 1) Stabilise the existing Capital Programme which has been subject to unavoidable cost increases arising from the general economic conditions
 - 2) Provide for statutory requirements or health and safety obligations
 - 3) Ensuring continued Service operations
- 1.14 Key investments include the replacement of the Waste Collection Vehicle fleet with energy efficient, low emission dual fuel vehicles alongside a depot expansion at £6.9m, additional funding for the re-provision of leisure & community facilities (Bransbury Park) at £5m, essential digital infrastructure of £5.2m (£4.7m funded by Government Grant) and delivery of the Local Transport Plan and other Transport Infrastructure of £1.8m.

1.15 An Executive Summary of these key points and others is set out below.

EXECUTIVE SUMMARY

Context

- ❖ Since 2011/12, the Council will have made £104m in savings (48% of controllable spend)
- ❖ Adult and Children's Social Care representing in excess of 50% of controllable spend, provide services to the most vulnerable, experience the greatest cost pressures and have historically received significant protection from savings
- ❖ The Council's Medium Term Financial Strategy seeks to maximise savings through income generation, economic regeneration and efficiency measures

Budget Consultation

- ❖ 78% of respondents support an increase in Council Tax as opposed to cuts in Services
- ❖ The most popular response (45% of respondents) were in support of an additional 2% Council Tax increase
- ❖ The top three most important service areas for residents at present are, in order of popularity:
 - 1) Collecting bins and keeping the city clean
 - 2) Ensuring older people and vulnerable adults are looked after and supported to live independently
 - 3) Supporting education, early years and children with special educational needs

Revised Budget 2021/22

- ❖ A Balanced Budget for 2021/22
- ❖ Provision for COVID related costs and income losses £10.1m (excl. CTax & Bus. Rates)
- ❖ Cover set aside with the Corporate Contingency for Forecast Portfolio Overspendings of £1.8m and Windfall Costs of £2.0m
- ❖ A Revenue Contribution to Capital of £1m in 2021/22 (and a further £2m in 2022/23) to supplement the Capital Funding available for new Capital Investment proposals
- ❖ General Reserves remaining intact at £21.4m versus the Original Budget of £21.3m

EXECUTIVE SUMMARY (Cont'd)

Budget 2022/23

- ❖ Incorporates £1.825m of Savings in accordance with the Council Resolution of 09 February 2021 (with an additional £0.825m for new spending initiatives)
- ❖ New Spending Initiatives amounting to £0.825m for:
 - Full city-wide roll out of Food Waste Recycling
 - The Community Wardens Service
 - Climate Change Strategy Advisor
 - Free Bulky Waste Collection Service
- ❖ Additional Funding for Children's Social Care of £3.9m (to cover existing overspendings, other unavoidable cost pressures and unachievable savings)
- ❖ Additional Funding for Adult Social Care of £3.3m (to cover the uplift in the National Living Wage of 6.6% that will be passported to care providers as well as all other inflationary pressures)
- ❖ An inflationary uplift for all Services at an average of 4.0% in order to maintain "steady state" services and amounting to £1.7m (excluding Adult & Children's Social Care above)
- ❖ Other unavoidable budget pressures of £0.7m (mainly relating to Housing Benefits)
- ❖ Additional Government Funding of £5.7m for 2022/23, but which could reduce in future years with £3.3m being described as "one-off"
- ❖ A Council Tax increase of 2.99% (yielding £2.6m), in accordance with the Budget Consultation, of which:
 - 1.99% is for general Council services (at lower than inflation)
 - 1.0% is to be passported directly to Adult Social Care
- ❖ A "One-Off" Surplus on the Council Tax Collection Fund of £1.1m
- ❖ A Revenue Contribution to Capital of £2.0m (£3m in total including the £1m in 2021/22) to supplement the Capital Resources available to the Capital Programme for 2022/23
- ❖ Sums set aside within the Council's Corporate Contingency for COVID related costs / income losses in 2023/24 and future years of £6.6m
- ❖ General Reserves remain intact at £21.5m

EXECUTIVE SUMMARY (Cont'd)

Future Forecast - 2023/24 to 2025/26

- ❖ A Balanced Forecast for the new 3 Year Period to 2025/26 but predicated on Council Tax increases of 2.99% per annum, representing 1.99% for general purposes and 1% for Adult Social Care
- ❖ No requirement for any Budget Savings for 2023/24
- ❖ Potential for the "Balanced Forecast" to vary by +/- £3m due to the considerable uncertainty associated with the forthcoming Local Government Funding Reform and other unavoidable cost pressures that may arise, particularly in Care Services
- ❖ Future forecasts make some provision for contributions towards necessary Capital Investment requirements
- ❖ General Reserves are maintained at circa. £22m over the period
- ❖ A balanced approach in the event that the Forecast proves to be too pessimistic or too optimistic. With General Reserves at proposed levels and no savings required for 2023/24:
 - Any improvement in the forecast will mean that savings may have been made unnecessarily with consequent service cuts
 - Any deterioration will still allow for future savings to be made over a 3 year period
- ❖ The Council will need to continue to exercise financial restraint and manage its cost base carefully to remain well placed to respond to Local Government Funding reform and potentially realise a zero savings position in future years beyond 2023/24

Capital Programme 2021/22 to 2026/27

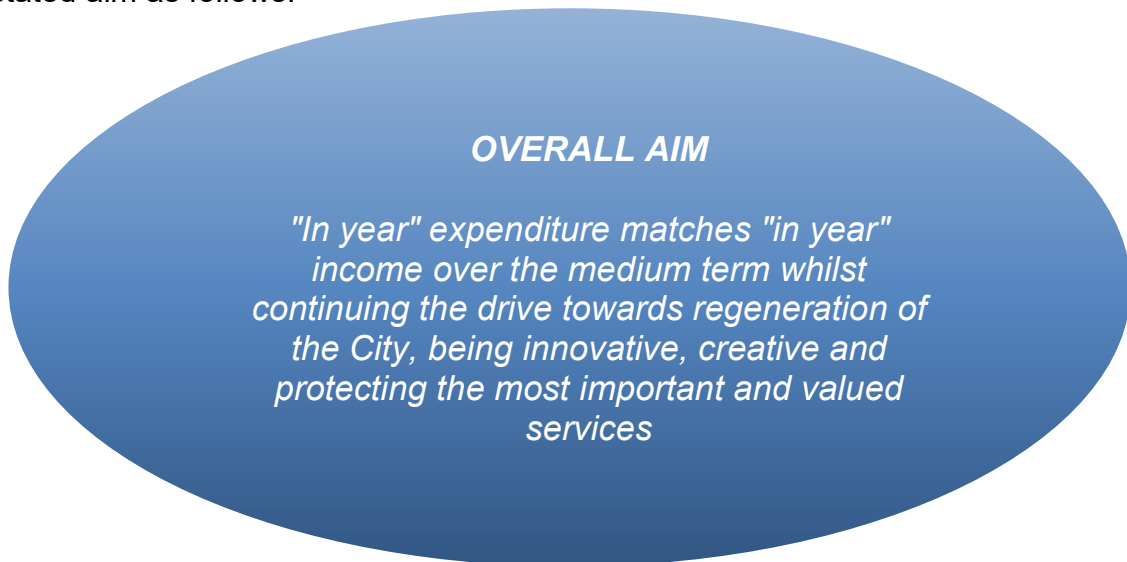
- ❖ Total New Capital Investment of £67.8m
- ❖ Key Investments include:
 - Replacement of the Waste Collection Vehicle Fleet and Depot Expansion at £6.9m in readiness for "Consistent Waste Collections"
 - Additional funding for the Re-provision of Leisure & Community Facilities (Bransbury Park) at £5m
 - Essential Digital Infrastructure of £5.2m (£4.7m funded by Government Grant)
 - Delivery of the Local Transport Plan and other Transport Infrastructure of £1.8m

Conclusion

- ❖ The Council's financial health is sound, and remains well placed to face the future uncertainty of COVID-19 and the review of Local Government funding.

2. Purpose of report

- 2.1 The primary purpose of this report is to set the Council's overall Budget for the forthcoming year 2022/23 and the associated level of Council Tax necessary to fund that Budget.
- 2.2 The report makes recommendations on the level of Council spending for 2022/23 and the level of Council Tax in the context of the Council's Medium Term Financial Strategy, with its stated aim as follows:



- 2.3 The recommended Budget for 2022/23 has been prepared on the basis of the following:
- The Council resolution of 09 February 2021 that set an overall minimum savings requirement of £1.0m
 - An increase in the level of Council Tax for 2022/23 for general purposes of 1.99%
 - The flexibility to increase the level of Council Tax for an "Adult Social Care Precept", within the limits set by Central Government at 1.0%, and the direct passporting of that additional funding to Adult Social Care to provide for otherwise unfunded cost pressures, including the 6.6% increase in the National Living Wage.
- 2.4 This report also provides a comprehensive revision of the Council's rolling 3 Year Forward Financial Forecast for the new period 2023/24 to 2025/26 (i.e. compared to the previous forecast covering 2022/23 to 2024/25, this forecast now replaces the forecast for the previous 3 year period).
- 2.5 The new forecast considers the future outlook for both spending and funding, and in that context, wider recommendations are made regarding the levels of reserves to be maintained and additional contributions to the Capital Programme in order to meet the Council's aspirations for the City, as well as maintaining the Council's overall financial resilience throughout this uncertain period.
- 2.6 In particular, this report sets out the following:
- (a) The challenging and uncertain financial climate facing the City Council in 2022/23 and beyond

- (b) A brief summary of the Medium Term Financial Strategy for achieving the necessary savings
- (c) The revised Revenue Budget and Cash Limits for the current year
- (d) The Local Government Finance Settlement for 2022/23
- (e) The Business Rate income for 2022/23 and future years
- (f) The Council Tax base and recommended Council Tax for 2022/23
- (g) The forecast Collection Fund balance as at 31 March 2022 for both Council Tax and Business Rates
- (h) The detailed indicative savings (Appendix C) that could be made by each Portfolio / Committee in meeting its overall savings amount in order to provide the Council with the assurance necessary to approve the recommended savings amount for each Portfolio / Committee
- (i) The proposed Revenue Budget and Cash Limits for 2022/23
- (j) The forecast Revenue Budgets for 2023/24, 2024/25 and 2025/26
- (k) Estimated General Reserves over the period 2021/22 to 2025/26
- (l) The Medium Term Resource Strategy (MTRS) Reserve, its financial position and proposed use to achieve cashable efficiencies
- (m) The proposed Capital Programme and "new starts" (including the Housing Investment Capital Programme) for 2022/23 and future years in accordance with the Capital Strategy
- (n) The statement of the S.151 Officer on the robustness of the budget in compliance with the requirements of the Local Government Act 2003.

3. Recommendations

3.1 That the following be approved in respect of the Council's Budget:

- 1) The revised Revenue Estimates for the financial year 2021/22 and the Revenue Estimates for the financial year 2022/23 as set out in the General Fund Summary (Appendix A)
- 2) The Portfolio Cash Limits for the Revised Budget for 2021/22 and the Budget 2022/23 incorporating the savings amounts for each Portfolio and amounting to £1.825m as set out in Sections 7 and 11, respectively
- 3) To maintain the overall financial resilience of the Council, any underspendings arising at the year-end (outside of those made by Portfolios) be transferred either to Capital Resources to fund future Capital Programmes, the COVID-19 Reserve, the MTRS Reserve or General Reserves with the level of each transfer to be determined by the S.151 Officer
- 4) Any variation to the Council's funding arising from the final Local Government Finance Settlement be accommodated by a transfer to or from General Reserves
- 5) The S.151 Officer be given delegated authority to make any necessary adjustments to Cash Limits within the overall approved Budget and Budget Forecasts

- 6) That the level of Council Tax be increased by 1.99% for general purposes in accordance with the referendum threshold¹ for 2022/23 announced by Government (as calculated in recommendation 3.4 (d))
- 7) That the level of Council Tax be increased by a further 1.0% beyond the referendum threshold (as calculated in recommendation 3.4 (d)) to take advantage of the flexibility offered by Government to implement a "Social Care Precept", and that in accordance with the conditions of that flexibility, the full amount of the associated sum generated of £872,400 is passported direct to Adult Social Care
- 8) That Revenue Contributions to Capital be made in 2021/22 in the sum of £1.0m and in 2022/23 in the sum of £2.0m in order to provide sufficient funding for the New Capital Investment proposals set out in Appendix D
- 9) Managers be authorised to incur routine expenditure against the Cash Limits for 2022/23 as set out in Section 11
- 10) That no savings requirement for 2023/24 be set but that this is kept under review, pending the outcome of the forthcoming Fair Funding Review and Business Rate Retention Scheme
- 11) That the S.151 Officer be given delegated authority to make transfers to and from reserves in order to ensure that they are maintained as necessary and in particular, adjusted when reserves are no longer required or need to be replenished
- 12) The minimum level of General Reserves as at 31 March 2023 be maintained at £8.0m to reflect the known and expected budget and financial risks to the Council
- 13) The Revised Capital Programme 2021/22 to 2026/27 attached as Appendix E which includes all additions, deletions and amendments for slippage and re-phasing be approved
- 14) The S.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
- 15) That the S.151 Officer in consultation with the Leader of the Council be given delegated authority to release capital resources held back for any contingent items that might arise, and also for any match funding requirements that may be required of the City Council in order to secure additional external capital funding (e.g. bids for funding from Government or the Solent Local Enterprise Partnership)
- 16) Subject to a satisfactory financial appraisal approved by the Director of Finance and Resources & S.151 Officer, the schemes described in Appendix D be reflected within the recommended Capital Programme 2021/22 to 2026/27
- 17) The Prudential Indicators described set out in Appendix F be approved.
- 18) Members have had regard for the Statement of the S.151 Officer in accordance with the Local Government Act 2003 as set out in Section 16.

3.2 That the following be **noted** in respect of the Council's Revenue Budget and Capital Programme:

¹ Council Tax increases beyond the referendum threshold can only be implemented following a "Yes" vote in a local referendum

- 1) The Revenue Estimates 2022/23 as set out in Appendix A have been prepared on the basis of a 1.0% tax increase for the "Social Care Precept" (amounting to £872,400) and that this is passported to Adult Social Care in order to provide for otherwise unfunded budget pressures including the current underlying budget deficit, the cost of the National Living Wage and demographic pressures arising from a "living longer" population
- 2) The decision on the amount at which to set the Adult Social Care precept will be critical for the Social Care and wider health system in the City; in the event that the additional flexibility of the "Social Care Precept" and associated 1.0% tax increase is not taken, then equivalent savings will need to be made in Adult Social Care in 2022/23
- 3) In general, any reduction to the proposed increase in the level of Council Tax for 2022/23 will require equivalent offsetting savings to be made in order for the Budget 2022/23 to be approved. Each 1% reduction requires additional savings of £872,400 to be made.
- 4) The indicative savings proposals set out in Appendix C which are provided for the purpose of demonstrating to the Council that the Portfolio savings as recommended in paragraph 3.1 2) above are robust and deliverable
- 5) The likely impact of savings as set out in Appendix C
- 6) 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
- 7) 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 C with alternative proposal(s) amounting to the same value within their Portfolio
- 8) Managers will commence the implementation of the approved savings required and any necessary consultation process or notice process
- 9) The Revenue Forecast for 2023/24 to 2025/26 as set out in Section 12 and Appendix B
- 10) That at this stage the Council's Future Forecast for the 3 Year Period 2023/24 to 2025/26 is estimated to be in balance; this is the Council's "central base case scenario" but due to the uncertainty associated with Local Government Funding reform and potential further unanticipated budget pressures in essential Care Services, this could vary by +/- £3m
- 11) In accordance with the approved financial framework, it is the responsibility of the Portfolio Holder, in consultation with the Director of Finance & Resources (S.151 Officer), to release funds from the Portfolio Reserve in accordance with the provisions set out in Section 8.
- 12) The MTRS Reserve held to fund the upfront costs associated with Spend to Save Schemes, Invest to Save Schemes and redundancies will hold an uncommitted balance of £4.8m and will only be replenished in future from an approval to the transfer of any underspends, contributions from the Revenue Budget or transfers from other reserves which may no longer be required

- 13) The Council's share of the Council Tax element of the Collection Fund surplus for 2021/22 is estimated to be £1,834,866
- 14) The Council's share of the Business Rate element of the Collection Fund deficit for 2021/22 is estimated to be £13,337,014 (noting that this is offset by Government Grants of £13,413,300)
- 15) The Retained Business Rate income² for 2022/23 is based on the estimated Business Rate element of the Collection Fund deficit as at March 2022, the Non Domestic Rates poundage for 2022/23 and estimated rateable values for 2022/23 and has been determined at £42,491,554
- 16) That Cabinet Members, in consultation with the S.151 Officer, have authority to vary Capital Schemes and their associated funding within or across Portfolios in order to manage any potential overspending or funding shortfall or to respond to emerging priorities
- 17) That Cabinet Members, in consultation with the S.151 Officer, have authority to vary funding between Portfolios (both Revenue and Capital Budgets) in order to manage any potential overspending or funding shortfall or to respond to emerging priorities
- 18) The City Council note that Prudential Borrowing can only be used as a source of capital finance for Invest to Save Schemes

3.3 That the S.151 Officer has determined that the Council Tax base for the financial year 2022/23 will be **57,209.7** [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the "Act")].

3.4 That the following amounts be now calculated by the Council for the financial year 2022/23 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

(a)	£485,732,005	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£395,886,460	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£89,845,545	Being the amount by which the aggregate at 3.4 (a) above exceeds the aggregate at 3.4 (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)	£1,570.46	Being the amount at 3.4(c) above (Item R), all divided by Item 3.3 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.

²Includes Retained Business Rates £35,567,038, "Top Up" £6,952,434, a deficit on the Collection Fund of £13,337,014 plus S.31 Grants of £13,309,096 for compensation due to national Government business rate relief initiatives

(e) Valuation Bands (Portsmouth City Council)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,046.97	1,221.47	1,395.96	1,570.46	1,919.45	2,268.44	2,617.43	3,140.92

Being the amounts given by multiplying the amount at 3.4 (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.

- 3.5 That it be noted that for the financial year 2022/23 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	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
157.64	183.91	210.19	236.46	289.01	341.55	394.10	472.92

- 3.6 That it be noted that for the financial year 2022/23 Hampshire and Isle of Wight Fire and Rescue Authority it is estimated that 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 and Isle of Wight Fire & Rescue Authority)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
50.29	58.67	67.05	75.43	92.19	108.95	125.72	150.86

- 3.7 That having calculated the aggregate in each case of the amounts at 3.4(e), 3.5 and 3.6 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 2022/23 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,254.90	1,464.05	1,673.20	1,882.35	2,300.65	2,718.94	3,137.25	3,764.70

- 3.8 The Council determines in accordance with Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2022/23, which represents a 2.99% increase, is not excessive in accordance with the principles approved by the Secretary of State under Section 52ZC of the Act; and it be noted that:

- i) The 2.99% increase includes a 1.0% increase to support the delivery of Adult Social Care
- ii) As the billing authority, the Council has not been notified by a major precepting authority (the Police and Crime Commissioner for Hampshire or the Hampshire and Isle of Wight Fire & Rescue Authority) that its relevant basic amount of Council Tax for 2022/23 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.

3.9 The S.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 and Isle of Wight Fire and Rescue Authority precepts.

4. Budget Consultation

4.1 A public consultation was held in relation to the Budget and Council Tax 2022/23 across a 6 week period from 21 September 2021 to 03 November 2021 to assist the Administration in formulating its Budget proposals. The consultation was promoted through the following channels:

- Press release announcing the start of consultation and focus on impact of budget plans
- Social media promotion including boosted posts and adverts
- News story on the website and promoted on homepage banner and the banner that runs across the whole site as well as 'Your City Your Say' page
- Inclusions in news bulletins - all-subscriber coronavirus bulletin, Your City Your Say, Family Life, Flag It Up, Business Bulletin
- Inclusion in staff bulletins and all-staff emails
- Newsletter copy and social post/links shared with partner organisations
- The Council's offline consultation database (outbound telephone calls through the City Helpdesk)

4.2 Using the various channels of marketing and communications listed above, the consultation survey attracted 2,331 responses. Assuming a "total population" of 175,336 (the latest mid-year estimate from the Office for National Statistics for people aged 16-90+ in Portsmouth) this volume of responses ensures a 95% confidence level that the results are reliable with a margin of error of 2.02%.

4.3 The Executive Summary of the "Budget Consultation 2021 (Relating to 2022/23 Fiscal Year)" is reproduced below:

Executive Summary - Budget Consultation 2021 (Relating to 2022/23 Fiscal Year)

Portsmouth City Council's annual budget consultation had 2,331 responses from across all areas of the City. The analysis undertaken on the results showed that there was no majority in any of the percent specific increases in Council Tax (45% of respondents support a 2% increase). However, when results are viewed as a binary choice as 'increase Council Tax'

or 'do not increase Council Tax' there is a clear majority support for an increase in some capacity (78% of respondents).

Results show that there are differences in how residents think that the portfolio budget should be allocated next year; the largest negative difference is in the 'Health, Wellbeing and Social Care' portfolio with a difference of -11 percentage points taking the spending in this area from one third of the total controllable spend down to under one quarter (22%). The largest positive difference is in the 'Housing and Preventing Homelessness' portfolio which respondents think should be allocated more of the controllable budget by a 6 percentage point increase. Respondents allocated the highest proportion of funding, on average, to 'Health, Wellbeing and Social Care' (22%) and 'Children, Families and Education' (20%).

The top three most important core businesses for residents at present are, in order of popularity:

- Collecting bins and keeping the city clean
- Ensuring older people and vulnerable adults are looked after and supported to live independently
- Supporting education, early years and children with special educational needs

The three most frequently selected priorities that respondents would like to see the Council focus on during the recovery from the pandemic are:

- 'improving health and care for our local communities'
- then 'prioritising mental health'
- and then 'taking positive action to tackle climate change', 'supporting the local economy to recover from the pandemic', and 'creating opportunities for employment' all tied in third place.

Further analysis shows that there is little variation by postcode district in the prioritisation for recovery.

For future investment of the Council's capital budget, the three most popular project areas selected by respondents are, in order of popularity:

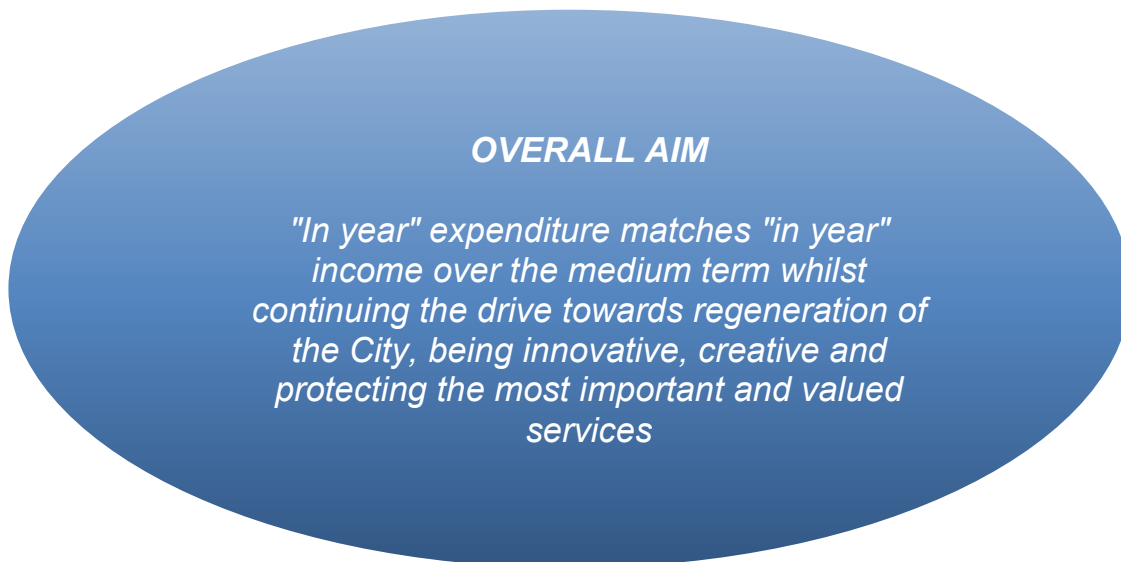
- 'building new homes in the city, including flats offering special care for elderly residents',
- 'investing in greening projects across the city', and
- 'creating better facilities for sustainable transport such as cycling and walking'

Thematic coding of further comments left by respondents in the consultation revealed that nearly a third of respondents would like to see the Council invest in the improvement of Portsmouth's infrastructure and public transport network. Over a quarter of respondents also feel that the Council should re-address its current funding and financial investment, and nearly one fifth would like to see a prioritisation of the environment and green policies in the Council's budget.

4.4 The full analysis can be found [here](#)

5. Medium Term Financial Strategy

- 5.1 The Council has been required to make £104m in savings and efficiencies over the past 11 years in order to balance the Budget, ensuring that spending remains in line with income and funding levels. This represents 48% of all controllable spending.
- 5.2 To deliver this magnitude of savings, the City Council has followed a Medium Term Financial Strategy (for both Revenue and Capital) with an emphasis on regeneration, innovation and creativity leading to stimulation of the funding base (Council Tax and Business Rates) and income generation as a means to make savings and avoid cuts to services. This is illustrated below:



STRAND 1 - Short / Medium Term

Transforming to an Innovative and Creative Council - through income generation

STRAND 2 - Medium / Long Term

Reduce the Extent to which the Population Needs Council Services - through improving prosperity and managing demand

STRAND 3 - Short / Medium Term

Increasing Efficiency & Effectiveness - by improving value for money across all services

STRAND 4 - Short Term

Withdraw or Offer Minimal Provision for Low Impact Services

- 5.3 With an emphasis on innovation and regeneration activities, there is a presumption that Capital Investment will also be targeted towards income generation and economic growth once the Council's statutory obligations have been met.

6. Revised Budget 2021/22

- 6.1 The original Revenue Budget approved by the City Council on 09 February 2021 was £161,334,100 and was relying on a draw down from General Reserves of £2.0m.
- 6.2 The Cabinet has received regular quarterly Budget Monitoring reports on the 2021/22 Budget throughout the year. Those forecasts have consistently reported a forecast overspend which at Quarter 2 stood at £1m as described below:
- i) Impact of COVID-19 - on both costs and losses of income (£10.6m)
 - ii) Significant Portfolio Cost Pressures (excluding COVID related costs) in:
 - Children, Families & Education (£2.4m)
 - Housing (£0.5m)
 - Community Safety & Environment (£0.4m)
 - iii) Windfall Costs - relating to Housing Benefits, Spinnaker Tower and Planning Services (£2.0m)

The Costs associated with COVID-19 and the Windfall Costs described above had been budgeted for specifically within the Councils Corporate Contingency. The remaining Portfolio Cost Pressures have been partially offset by drawing down on Portfolio Reserves (which are also retained for such purposes), leaving an overall residual overspend of £1m.

- 6.3 The impact of COVID remains a defining factor in shaping the Revised Budget with the Council's Corporate Contingency holding funds for that purpose (now revised) amounting to £10.1m. The Council's Corporate Contingency has also been adjusted to accommodate the overall forecast overspend against the Original Budget but also to release sums that are now not expected to be required in the current financial year but maybe required in future years.
- 6.4 The remaining amount set-aside for COVID related costs and income losses for future years now stands at £6.6m. This funding is critical as the Council continues to experience the financial effects of the emergency itself and the longer lasting legacy into future years.
- 6.5 The Original Budget has now been comprehensively revised and it is proposed to increase the Budget to £175,975,800, an increase of £14,641,700 or 9%. All of the increase has been more than offset by additional Government funding. The most significant increase relates to COVID-19 Business Rate Reliefs for which Government Grants have been received amounting to £13.4m. Other grant funded expenditure within the Revised Budget amounts to £2.0m.
- 6.6 The Revised Budget also includes a proposed Revenue Contribution to the Capital Programme of £1m in order to fund the new Capital Investment proposals set out in Section 15 of this report.
- 6.7 The Revised Revenue Budget is set out in the General Fund Summary (Appendix A).

7. Revised Cash Limits 2021/22

7.1 The Cash Limits relate to that element of the Budget that is Portfolio and Service related and is controllable. Cash Limits are allocated to Portfolio Holders and Managers to spend so that there is clear accountability for spending decisions.

7.2 The Cash Limits for 2021/22 have been revised to take account of:

- Items released from Contingency in the current year
- Windfall savings and windfall costs
- Passporting of grants that were received for new burdens or specific purposes
- Adjustments to reflect forecast underspends, transfers to / from Portfolio reserves, additional unavoidable costs and other City Council decisions throughout the year

7.3 The table below sets out the revised Cash Limits for 2021/22 and those items outside the Cash Limit (e.g. capital and similar charges, levies and insurance premiums), which together form the Revised Budget for each Portfolio.

PORTFOLIO	Revised Cash Limits 2021/22 £'000	Items Outside the Cash Limit £'000	Revised Budget 2021/22 £'000
Children, Families & Education	39,976	17,923	57,899
Communities & Central Services	25,716	6,737	32,453
Community Safety	2,766	556	3,322
Culture, Leisure & Economic Development	7,838	5,107	12,945
Environment	12,412	1,564	13,976
Health, Wellbeing & Social Care	52,143	5,034	57,177
Housing & Preventing Homelessness Leader	4,224 (31,203)	3,138 5,566	7,362 (25,637)
Planning Policy & City Development	1,267	0	1,267
Traffic & Transportation	16,349	5,871	22,220
Licensing Committee	(227)	102	(125)
PORTFOLIO EXPENDITURE	131,261	51,598	182,859

7.4 The current policy is that any overspend against the cash limit will in the first instance be deducted from any Portfolio reserve or, if that is exceeded, from the following financial year's cash limit.

8. Revenue Budget 2022/23

8.1 At last year's Annual Budget Meeting in February 2021, forecasts for this coming financial year 2022/23 and the subsequent two financial years estimated that an overall 3 year savings requirement of £3.0m would be necessary to meet the budget deficits over that period.

8.2 Since those forecasts were prepared in February last year, the Council has now undertaken a Budget Consultation with residents and also received the Provisional Local Government Finance Settlement for 2022/23. The Local Government Finance Settlement is the term used to describe the main non-ring-fenced Revenue and Capital grant funding allocations from Government.

Budget Consultation

8.3 As described earlier in this report the key responses arising from the Budget Consultation that have been used in formulating the Revenue Budget proposals for 2022/23 are as follows:

- 78% of respondents support an increase in Council Tax as opposed to cuts in Services
- The most popular response (45% of respondents) were in support of an additional 2% Council Tax increase
- The top three most important core businesses for residents at present are, in order of popularity:
 - Collecting bins and keeping the city clean
 - Ensuring older people and vulnerable adults are looked after and supported to live independently
 - Supporting education, early years and children with special educational needs

8.4 Details of the Provisional Local Government Finance Settlement plus all other funding, income and expenditure changes proposed within the Budget for 2022/23 are described in the following paragraphs.

Funding - Summary of the Local Government Finance Settlement

8.5 In overall terms the provisional Local Government Settlement has provided real growth in funding for 2022/23 of £5.7m. This relates to the uplift in the Social Care Grant of £2.5m and a new one-off "2022/23 Services Grant" of £3.3m but offset by a reduction in the New Homes Bonus of £0.1m

8.6 The additional funding has been provided to fund cost pressures in Adults and Children's Social Care as well as the ongoing impact of COVID-19 and all new burdens including the impact of the National Insurance uplift of 1.25% to fund the national reforms to Social Care.

8.7 Set against the new funding for Social Care of £2.5m are the existing and known Budget Pressures in both Adults and Children's Social Care which are on-going. These amount to £7.2m across both Services and therefore further funding from the Adult Social Care Precept of £0.9m will also be required to close the gap between these cost pressures and the funding available.

8.8 A summary of the Settlement is set out below:

- A 1 year Settlement only pending the forthcoming reform of Local Government Funding (i.e. Fair Funding Review and Business Rate Retention "Reset")
- An inflation linked increase in general Government funding of 3.1% (in line with the Consumer Price index for September 2021)

- The continuation of the Lower Tier Services grant to ensure that no Local Authority has a real terms reduction in "Core Spending Power"
- Reduction in the New Homes Bonus Grant of £0.1m
- An increase in the Social Care Grant (to be distributed to both Adult and Children's Social Care) - £2.5m
- A new "2022/23 Services Grant" of £3.3m - A new "One-Off" grant intended to compensate Local Authorities for all new burdens, including the impact of the National Insurance uplift of 1.25% to fund the national reforms to Social Care
- A "Market Sustainability and Fair Cost of Care Fund Grant - £0.6m to cover the costs of implementing the Social Care Reforms
- An inflation linked uplift in the Improved Better Care Fund of 3.1%
- Council Tax increase thresholds of:
 - 2.0% or £5 for Shire District Councils
 - 2.0% for Upper Tier and Unitary Councils
 - 1.0% for Adult Social Care (Upper Tier Authorities only)
 - 2.0% or £5 for Fire & Rescue Authorities
 - £10 for Police and Crime Commissioners
- Continuation of funding for Homelessness.

8.9 The Provisional Settlement in total is not even sufficient to cover the gap required to meet the cost pressures of Adults and Children's Social Care. The Council however is facing further substantial and unavoidable cost pressures as described later in this report which significantly widens the gap between funding and unavoidable costs.

8.10 It is also important to note the following two serious risks associated with the Settlement:

- i) The "2022/23 Services Grant" of £3.3m is described as "one-off" on the basis that the method of distribution in future years will be different (i.e. to support the levelling up agenda). Adding this into base budgets on an ongoing basis is unavoidable and therefore presents future risks for the Council.
- ii) The Comprehensive Spending Review confirmed that there was no new money to Local Government after 2022/23 for the following 2 years (i.e. cash flat settlements with no incremental funding for increasing cost pressures). The rationale being that COVID cost pressures would ease and therefore free up funding going forward. This also presents future risks to the Council, particularly given that all of the additional funding is required to fund non COVID related cost pressures

8.11 Based on the Provisional Local Government Finance Settlement and a comprehensive review of all other estimates of funding, income and expenditure for 2022/23 and the following 3 years, the approved savings requirement for 2022/23 of £1.0m remains prudent but only on the basis of the Council Tax proposals set out within this report. Given what is known, or reasonably expected, regarding future funding and given future uncertainties, a savings requirement of less than £1.0m for 2022/23 would not be prudent.

- 8.12 The final grant settlement should be available by early February, it is not expected to vary significantly from the provisional settlement and it is recommended that any variation should be accommodated by a transfer to or from General Reserves.
- 8.13 Whilst the Local Government Finance Settlement is a significant factor in determining the Council's overall financial position and therefore any necessary savings, other significant factors that will affect the Council's future Savings Requirements include Business Rates income, Council Tax income, inflation, interest rates and any new unfunded burdens passed down from Government. These are described in the paragraphs that follow.

Funding - Retained Business Rates 2022/23 & Future Forecasts

- 8.14 The Retained Business Rates system is complex and subject to a significant degree of inherent risk. The current national system is characterised by a complex formula which includes the following:
- i) Retention of 50%³ of all business rates received and which is affected by the value of successful appeals, the number of mandatory reliefs (e.g. charitable relief) and the overall collection rate (i.e. how much is uncollectable and written off)
 - ii) Increased by a fixed amount "top up" which increases annually by the rate of inflation
 - iii) Compensation through S.31 Grants for national government initiatives which have the effect of reducing Business Rates to the Local Authority such as business rate capping for small businesses
 - iv) A "safety net" set at 7.5% below a pre-determined baseline below which retained Business Rates will not fall
- 8.15 In total, for 2022/23, Retained Business Rates are estimated at £42.5m⁴ and which includes a deficit relating to previous year of £13.3m arising mainly from the Expanded Retail and Nursey relief scheme and the COVID Additional Relief Fund. The Council however receives compensation for the lost Business Rates through S.31 Grants.
- 8.16 The estimation of Business Rate receipts is extremely complex, with the potential to be volatile and with many of the factors outside this Council's control. In particular, the Valuation Office Agency will both determine whether a rating appeal is successful and the level of reduction granted with the Council having no right of challenge. To help mitigate against this risk, the Council maintains a reserve to provide the Council with a degree of funding stability in the event of fluctuations within and between years.
- 8.17 Despite the complications and risks associated with appeals, there remains the financial incentive within the system for many Local Authorities (including Portsmouth⁵) to generate economic growth and job creation. Irrespective of the financial incentive, the Council's Medium Term Financial Strategy is aimed at reducing the need for Council Services generally and therefore growth, jobs and prosperity are vital to achieve that.
- 8.18 From 2023/24, there is expected to be a review of the Business Rate Retention Scheme, the details of which are not yet known. The review will include a "Reset" which will remove

³ 49% To the City Council and 1% to the Hampshire and Isle of Wight Fire & Rescue Authority

⁴ Includes Retained Business Rates £35,567,038, "Top Up" £6,952,434, a deficit on the Collection Fund of £13,337,014 plus S.31 Grants of £13,309,096 for compensation due to national Government business rate relief initiatives

⁵ Applies to Local Authorities that, in general, remain above the safety net threshold over time

all current business rate growth currently being enjoyed by authorities and which for the Council amounts to £7.3m⁶.

- 8.19 The Business Rate growth enjoyed by all Councils will be removed from Councils, aggregated and then re-distributed based on "Need" through the Fair Funding review. If the Council's "Relative Needs" have increased by more than the average of all other Council's then the Council will be a "winner " in terms of the re-distribution and vice versa.

Funding - Council Tax Proposals 2022/23 & Future Years

Council Tax Amount

- 8.20 The Council has a relatively low taxbase and a relatively low tax charge. That means that both the average Council Tax band is low and the amount of Council Tax charged to residents is also low compared with our statistical neighbours. By illustration, the Council receives circa £9.3m per annum less in Council Tax than the average Unitary Authority within its statistical neighbour group, this equates to a 9.7% lower Council Tax.
- 8.21 The level of Council Tax charged is an important factor in relation to the Fair Funding review, which will make a deduction to a Local Authority's overall funding allocation in respect of the amount that can be raised locally through Council Tax. The Council's past decisions to maintain a low level of Council Tax have been, and are, expected to continue to be a disadvantage in relation to the Council's funding allocation after the Fair Funding Review. This is because the funding formula is expected to continue to make a deduction based on a *national average level of Council Tax* which is currently significantly higher than that of Portsmouth, resulting in a higher deduction than the Council currently raises in Council Tax.
- 8.22 Council Tax is expected to represent 53% of the Council's total revenue funding next year and as Government funding has reduced, this has become an increasingly more important and dependent funding source for the Council.
- 8.23 Council Tax for the average Council Tax payer in Portsmouth (Band B) currently amounts to £1,416.93, of which £1,186.01 (84%) is the City Council element. Not all residents are subject to the full amount of Council Tax with many benefitting from exemptions and discounts (such as the single person discount) and a significant number of residents receiving Local Council Tax Support bringing the level of Council Tax payable to an assessed affordable level. After discounts, exemptions and Local Council Tax support is taken into account, circa 57% of all properties are subject to the full level of Council Tax.
- 8.24 The Provisional Local Government Finance Settlement for 2022/23 confirmed a Council Tax increase limit for general purposes (i.e. referendum threshold) of 2%. Any increase beyond the 2% threshold can only be implemented following a "Yes" vote in a local referendum.
- 8.25 As described more fully later in this report, the actual level of inflation for the Council in 2022/23, taking into account price rises that the Council is exposed to, significantly exceeds the level of increase allowed in the Council Tax. The Council's estimated inflation amounts to 4.0%.
- 8.26 The additional flexibility to apply a Council Tax increase for the Adult Social Care Precept has been provided in recognition of the extreme cost pressures facing Adult Social Care,

⁶ Based on 2022/23 Estimates in a 50% Business Rate Retention Scheme

both through the increase in the National Living Wage (which has increased by 6.6% and affects the Council's contracts with Care Providers for Adults) as well as the demographic pressures from general aging and a "living longer" population.

8.27 For Portsmouth City Council, it is vital that the flexibility of the Adult Social Care (ASC) Precept is taken for the following reasons:

- The Service is already experiencing Budget Pressures in the current year which for 2022/23 are expected to amount to £3.6m, there is a management plan in place to address this but it does carry risk of successful delivery
- The National Living Wage increase of 6.6% plus other inflationary pressures facing the Service amount to £3.3m (in addition to the £3.6m above)
- Additional funding from Government to cover both Adults & Children's Social Care unavoidable cost pressures results in an overall funding shortfall of £4.7m⁷
- The alternative to not applying the 1% ASC Precept would be to increase the level of savings required by the Service, presenting risks to the wider health system.

8.28 Given the scale of cost and inflationary pressures generally and in particular the demographic pressures within both Adult Social Care and Children's Social Care, it is proposed that:

- i) The Council Tax for General Purposes be increased by 1.99% for 2022/23, representing 45p per week for a Band B tax payer and yielding £1.7m
- ii) Adult Social Care precept be increased by 1.0% for 2022/23, representing 23p per week for a Band B tax payer and yielding £0.9m to be passported direct to Adult Social Care.

8.29 The Council could elect not to increase the level of Council Tax by 2.99% but if it chose to do so would need to identify additional savings over and above the £1.0m savings approved by the City Council in February 2021. For every 1% reduction in Council Tax, additional savings of £872,400 will be required.

8.30 The Council's future forecasts for the period 2023/24 to 2025/26 have been estimated on the following basis:

- i) General Purposes - 1.99% rise each year
- ii) Adult Social Care Precept - 1% rise each year

Council Tax Base

8.31 The Council Tax Base (i.e. the number of Band D equivalent properties paying the full Council Tax) has been determined as **57,209.7** for 2022/23.

Collection Fund Balance (Council Tax Element) 2021/22

8.32 The Collection Fund is the account into which are paid amounts collected in respect of Council Tax and out of which are paid the Council Tax precepts to:

⁷ Children's Social Care cost pressures £3.9m, Adults Social Care cost pressures £3.3m less Increase in Social Care Grant £2.5m

- Portsmouth City Council (83.7% share)
- Hampshire Police & Crime Commissioner (12.4% share)
- Hampshire and Isle of Wight Fire & Rescue Service (3.9% share)

In the event that actual Council Tax income receivable is different from the estimated income (informed by the calculation of the Council Tax Base) upon which the precepts are based, then a surplus or deficit will arise.

- 8.33 For 2021/22, it is estimated that there will be a surplus on the Collection Fund of £2,193,076 which will be shared in proportion to the 2021/22 precepts and distributed to the preceptors as follows:

Collection Fund Surplus - 2021/22		
Preceptor	Distribution	
	£	%
Portsmouth City Council	1,834,866	83.7%
Hampshire Police & Crime Commissioner	274,304	12.4%
Hampshire and Isle of Wight Fire & Rescue Service	83,905	3.9%
Total Surplus 2021/22	2,193,076	100.0%

The Portsmouth City Council Share of the surplus at £1,834,866 is factored into the overall Council Tax income for 2022/23.

Total Council Tax Income 2022/23 & Future Years

- 8.34 Considering the Council Tax increase, Council Tax Base and surplus on the Collection Fund, the total Council Tax income for 2022/23 is estimated at £91,680,411.

- 8.35 As Government funding reduces, rises in Council Tax income are fundamental to the Council's future financial position and therefore the future sustainability of Council Services. The Council's Medium Term Financial Forecast assumes that Council Tax Income will rise to £97,989,525 by 2025/26 and is based on the following assumptions:

- Increase in the amount of Council Tax of 2.99% for 2022/23
- Increases of 2.99% per annum from 2023/24 onwards (including 1% p.a for the Adult Social Care Precept)

Funding Summary

- 8.36 Over the 3 year period of the Council's forecast, funding is anticipated to rise by just 5.1% (or an average of 1.7%p.a.), reflecting an expected loss from the Business Rate Retention "Reset" which is expected to remove £7.3m of Business Rate Growth which is not fully offset by its re-distribution for "Need" through the Fair Funding Review but increased by inflationary uplifts in all other funding sources.

Cumulative Effects of the Overall Local Government Funding System

- 8.37 Over the past 11 years and including the coming year, the emphasis of the Local Government Funding system has changed considerably. There are clear financial incentives for Local Authorities to promote business growth and increase employment. This is illustrated by the following:
- The Business Rates retention scheme allows the City Council to retain (for a period of time between "resets") circa £0.5m for every 1% increase in Business Rate growth (under the 50% BRR scheme). Equally, the City Council will lose £0.5m for every 1% decline in the Business Rate base
 - The risk of increased numbers of households requiring financial support to pay their Council Tax (formerly Council Tax Benefit) falls on the City Council. The City Council therefore will be worse off if caseloads increase, and better off if caseloads fall. The estimated value of the Council Tax support for 2022/23 is £11.0m. Each 1% change therefore will represent a cost / saving of £110,000.
- 8.38 Whilst the Fair Funding Review and Business Rate Retention Scheme (to be introduced in 2023/24) may alter these incentives, it is still expected that they will remain significant given the continued drive to incentivise Local Councils to stimulate their local economies. It is important therefore that when the Council is developing policy and strategy and making its decisions, particularly relating to the Capital Programme, it is cognisant of these financial incentives.

Financial Framework

- 8.39 In November 2013 the Council resolved that, as part of a new financial framework providing for a more autonomous approach to financial management and involving the right for Portfolios to retain all underspendings, that Portfolios would be expected to manage any budget pressures.
- 8.40 The features of the financial framework include:
- i) Each Portfolio to retain 100% of any year-end underspending and it to be held in an earmarked reserve for the relevant Portfolio
 - ii) The Portfolio Holder be responsible for approving any releases from their earmarked reserve in consultation with the Director of Finance & Resources (S.151 Officer)
 - iii) That any retained underspend (held in an earmarked reserve) be used in the first instance to cover the following for the relevant Portfolio:
 - a) Any overspendings at the year-end
 - b) Any one-off Budget Pressures experienced by a Portfolio
 - c) Any on-going Budget Pressures experienced by a Portfolio whilst actions are formulated to permanently mitigate or manage the implications of such on-going budget pressures
 - d) Any items of a contingent nature that would historically have been funded from the Council's corporate contingency provision

- e) Spend to Save schemes, unless they are of a scale that is unaffordable by the earmarked reserve (albeit that the earmarked reserve may be used to make a contribution)

Once there is confidence that the instances in a) to e) can be satisfied, the earmarked reserve may be used for other developments or initiatives

- 8.41 Correspondingly, any Budget Pressures (unless exceptional) must be funded within the overall resources available to the Portfolio Holder (which includes their Portfolio Reserve).
- 8.42 Additionally, the Council's budget process provides each Portfolio with an allocation for inflation so that it is fully funded (excluding any savings requirements) to operate "steady state" services. Exceptional Budget Pressures tend to be related to additional burdens, additional and unmanageable demand or extraordinary price inflation.

Budget & Inflationary Pressures 2022/23

- 8.43 In the current financial year a number of Portfolios are exhibiting signs of financial stress amounting to £5.7m, much of which is expected to continue into 2022/23.
- 8.44 These were described previously as cost pressures within the Revised Budget 2021/22 and are summarised below:
- Children's Social Care (residential Placements and Care Leavers) - £2.4m
 - Adult Social Care - £0.2m currently but there are underlying Budget Pressures amounting to £3.6m for which the Service have a well development action plan
 - Homelessness - £0.5m
 - Waste Collection and Waste Disposal - £0.5m
 - Spinnaker Tower - £0.7m
 - Planning Services - £0.3m
 - Housing Benefits - £1.1m
- 8.45 Inflation is currently running at its highest for a decade. For 2022/23 inflation is expected to amount to £5.7m (this includes all pay and price inflation across all Services as well as provision for the 6.6% uplift in the national living wage and is in addition to the £5.7m cost pressures identified above).
- 8.46 Contained within the overall cost and inflationary pressures of £11.4m set out above are allocations of £7.2m for Adults & Children's Social Care as follows:
- Adult Social Care - £3.3m to cover the uplift in the National Living Wage of 6.6% that will be passported to care providers as well as all other inflationary pressures
 - Children's Social Care - £3.9m to cover financial pressures relating to Residential Placements, Care Leavers, Unaccompanied Asylum Seekers, Inflation and to remove unachievable budget savings
- 8.47 The additional £3.3m funding for Adult Social Care is crucial at this time, it will provide some stability at a time when the health system as a whole is under extreme pressure. The funding will provide people with care and support needs in their daily lives and enable better

mental health. Helping Adult Social Care to meet care needs and working with our partners in the NHS locally and regionally enables people with mental health needs to access the services that support them and contributes to better population health.

- 8.48 Financial risks remain across the whole Budget for 2022/23 relating to both cost pressures and the delivery of necessary savings. All Services of the Council are expected to be able to be managed within their overall cash limit with any necessary support from the Council's Corporate Contingency or Portfolio Reserve to enable any such pressures to be managed over time.

New Spending Initiatives

- 8.49 The Administration propose to mainstream a full city-wide Food Waste Recycling service during the course of 2022/23. Alongside this, a number of other activities are proposed to be embedded into the core budgets that were previously funded on a temporary basis. The proposed Budget for 2022/23 now includes the following at a cost of £825,000 on an on-going basis:

- A full Food Waste Recycling Service - £600,000
- The Community Wardens Service (4 temporary posts now permanently funded) - £144,000
- Climate Change Strategy Advisor - £45,000
- Free Bulky Waste Collection Service - £36,000

Additionally, there are proposals to allocate £635,000 of Capital Funding to cover the necessary start-up costs for the city-wide roll out of Food Waste Recycling (e.g. 2 additional waste vehicles, additional bins and receptacles plus project costs).

Revenue Contributions to Capital

- 8.50 As described in detail later in this report, new Capital Investment totalling £67.8m is proposed. This level of investment relies on a number of funding sources provided either by the Council or from external grants and contributions. For 2022/23, £13.3m is being provided by the Council in the form of "cash backed" funding with a further £36.5m from Council borrowing (subject to a satisfactory business case and financial appraisal approved by the S.151 Officer).

- 8.51 The proposed Capital Programme for next year seeks to build on the ambitions of previous years, further the environmental agenda but also provides significant funding for the Council's core statutory responsibilities.

- 8.52 Capital Funding available for new Capital Investment has been constrained for 2022/23 due to the pressures being experienced in the Revenue Budget (previously explained), this has reduced the affordability to make contributions from the Revenue Budget. Alongside the lower level of Capital Funding available are also substantial cost pressures (overspendings / funding reductions) in the existing Capital Programme. Some of the more significant pressures relate to a number of core operationally essential and popular community initiatives including:

- i) Re-provision of Leisure & Community Facilities (Bransbury Park)

- ii) Local Full Fibre Network
- iii) Border Control Point
- iv) Theatre - Backlog Maintenance

- 8.53 In combination, the funding constrains coupled with the overspending against the existing Capital Programme has resulted in limited New Capital Investment proposals for 2022/23. The proposals that are made, for the most part, simply address those overspendings to provide stability to the Capital Programme plus new investment that barely covers the Council's statutory obligations.
- 8.54 In order to fund the Capital Investment programme set out later in this report, Revenue Contributions to the Capital Programme of £3m in total are proposed with £1m from the Revised Budget 2021/22 and £2m from the Budget for 2022/23.
- 8.55 Looking ahead, if the Council is to meet both its aspirations and operationally essential Capital Investment needs, future Revenue Contributions to the Capital Programme will inevitably be required. Whilst bidding for external capital funding will always form part of the strategy to fund Capital Investment requirements, not all investments will be either eligible or successful. The scale of the funding required for these obligations and aspirations is such that it far outstrips the annual capital funding which may be available. With core capital funding of circa £7m from annual capital grants, capital receipts and CIL contributions that the Council receives, there is a hugely significant shortfall ("Capital Gap") to be met.
- 8.56 Given that this Capital Investment is necessary for both the Council's statutory obligations and also to transform the City's growth potential, it is vital that the Council makes provision for Revenue Contributions to Capital wherever possible. To fulfil even some of the future obligations and aspirations, further revenue contributions to capital will be required in future years and will need to be embedded within the Council's financial planning process.

9. Budget Savings Proposals for 2022/23

- 9.1 The Administration's budget savings proposals are aligned with the Medium Term Financial Strategy previously described in Section 5 and have been prepared paying due regard to the responses from the Budget Consultation described previously and the Administration's strategic priorities. The proposed savings amounts to be made by each Portfolio, and which are recommended for approval, are attached at Appendix C.
- 9.2 Due to the significant cost pressures being experienced by Children's Social Care, no savings are proposed from that Service.
- 9.3 A summary of the overall savings proposals for 2022/23, by Portfolio, is set out on the next page.

PORTFOLIO	Saving 2022/23	
	£	%
Children, Families and Education*	30,000	0.1%
Communities and Central Services	486,700	1.9%
Community Safety & Environment	222,000	1.5%
Culture, Leisure and Economic Development	104,000	1.3%
Health, Wellbeing and Social Care*	300,000	0.6%
Housing and Preventing Homelessness	131,300	3.1%
Leader	225,000	1.0%
Planning Policy and City Development	136,000	10.7%
Traffic and Transportation	190,000	1.2%
GRAND TOTAL	1,825,000	1.3%

* Excludes the additional funding passported through the Adult Social Care of £3.3m and Children's Social Care of £3.9m, meaning that there are real increases in their funding

- 9.4 Inevitably, there are a number of financial risks contained within the proposals for making savings of the scale of £1.825m (or 1.3%) on the back of making £104m in savings and efficiencies over the past 11 years. The risks are unavoidable. For those risks with the highest likely impact, mitigation strategies are being developed.
- 9.5 It is important to note that the Council's responsibility is to set the overall Budget of the Council and determine the cash limits for each Portfolio. It is not the responsibility of the Council to approve the detailed savings that need to be made in order for the Portfolio to meet its cash limit. The Council do need to have the confidence that the recommended savings for each Portfolio are deliverable and what the likely impact of delivering those savings might be. Indicative savings that are likely to be necessary in delivering the overall Portfolio savings are attached at Appendix C and whilst the detailed savings are not a matter for the Council to decide, they are presented to inform the decision of Council relating to the overall savings to be made by each Portfolio / Committee.
- 9.6 In order for the City Council to be able to implement the Savings Requirement in good time, a number of savings proposals will require that consultation take place and notice periods be given. Should the Portfolio savings set out in paragraph 9.3 above be approved, Managers will commence the implementation of those savings and any consultation process or notice periods necessary.
- 9.7 For savings proposals that require consultation, the actual method of implementation or their distributional effect will not be determined until the results of consultation have been fully considered. Following consultation, the relevant Portfolio Holder may alter, amend or substitute any of the indicative savings proposal(s) set out in Appendix C with alternative proposal(s) amounting to the same value.

10. Summary of Proposed Revenue Budget 2022/23

- 10.1 The proposed Budget for 2022/23 has been prepared to include the following:

Spending 2022/23:

- Additional funding for Adult Social Care - £3.3m
- Additional funding for Children's Social Care of £3.9m
- Additional funding of £0.8m for:
 - Full city-wide roll out of Food Waste Recycling
 - The Community Wardens Service
 - Climate Change Strategy Advisor
 - Free Bulky Waste Collection Service
- Other unavoidable budget pressures - £0.7m
- An inflationary uplift for all Services at an average of 4.0% in order to maintain "steady state" services and amounting to £1.7m (excluding Adults & Children's Social Care above)
- A total of £2.0m of contributions from the Revenue Budget to the Capital Programme to enable the Council to meet its essential Capital Investment needs
- Overall contingency provision to cover known and anticipated financial risks of the Council amounting to £18.6m (£26.3m in 2021/22), especially those relating to COVID-19, exceptional inflation in energy prices, increases in demand for Adult & Children's Social Care services, Emergency Repairs risks and the delivery of budget savings more generally
- Transfers from Earmarked Reserves of £13.4m originally set aside in 2021/22 for the Business Rate and Council Tax losses previously described (incl. Extended Retail & Nursery Reliefs and COVID Additional Relief Fund)
- Adjustments to pension costs, forecast borrowing costs and investment rates
- The £1.825m savings proposals

Funding 2022/23:

- An overall reduction in funding of £3.8m relating mainly to the reduction in COVID-19 related Grants, underlying funding from Government has increased by £5.7m arising from the increase in the Social Care Grant, the new "2022/23 Services Grant" but offset by a reduction in the New Homes Bonus.
- Underlying Business Rate Income remains flat
- An overall increase in Council Tax of 2.99%, yielding £2.6m but supplemented by an increase in the Council Tax base equivalent to 721.8 Band D properties, with a consequent increase in income of £1.1m (relating mainly to lower than anticipated demand for the Local Council Tax Support scheme)
- A "one-off" surplus on the Collection Fund (Council Tax) attributable to the City Council amounting to £1.8m
- A "one-off" deficit on the Collection Fund (Business Rates) of £13.3m, mainly due to Business Rate reliefs provided and fully compensated for by specific Government Grants.

10.2 The proposed Budget for 2022/23, including the main changes described above results in net spending of £173,501,200. This amounts to a net increase in spending of £12,167,100 (or 7.5%) over the Original Budget 2021/22.

10.3 The proposed Budget for 2022/23 as described in this Section is recommended for approval.

11. Cash Limits

11.1 As previously described, Cash Limits relate to that element of the Budget that is Portfolio and Service specific and which is controllable. Cash Limits have been prepared to reflect all changes set out in the proposed Budget for 2022/23 described in Section 10 and in particular include:

- Reductions to Cash Limits to take out the approved Budget savings
- Additions to reflect new initiatives and budget pressures
- Inflation
- Additions to Cash Limits for passporting funds relating to new burdens
- Adjustments to reflect the revenue costs of the proposed Capital Programme
- Windfall costs and savings
- Other refinements

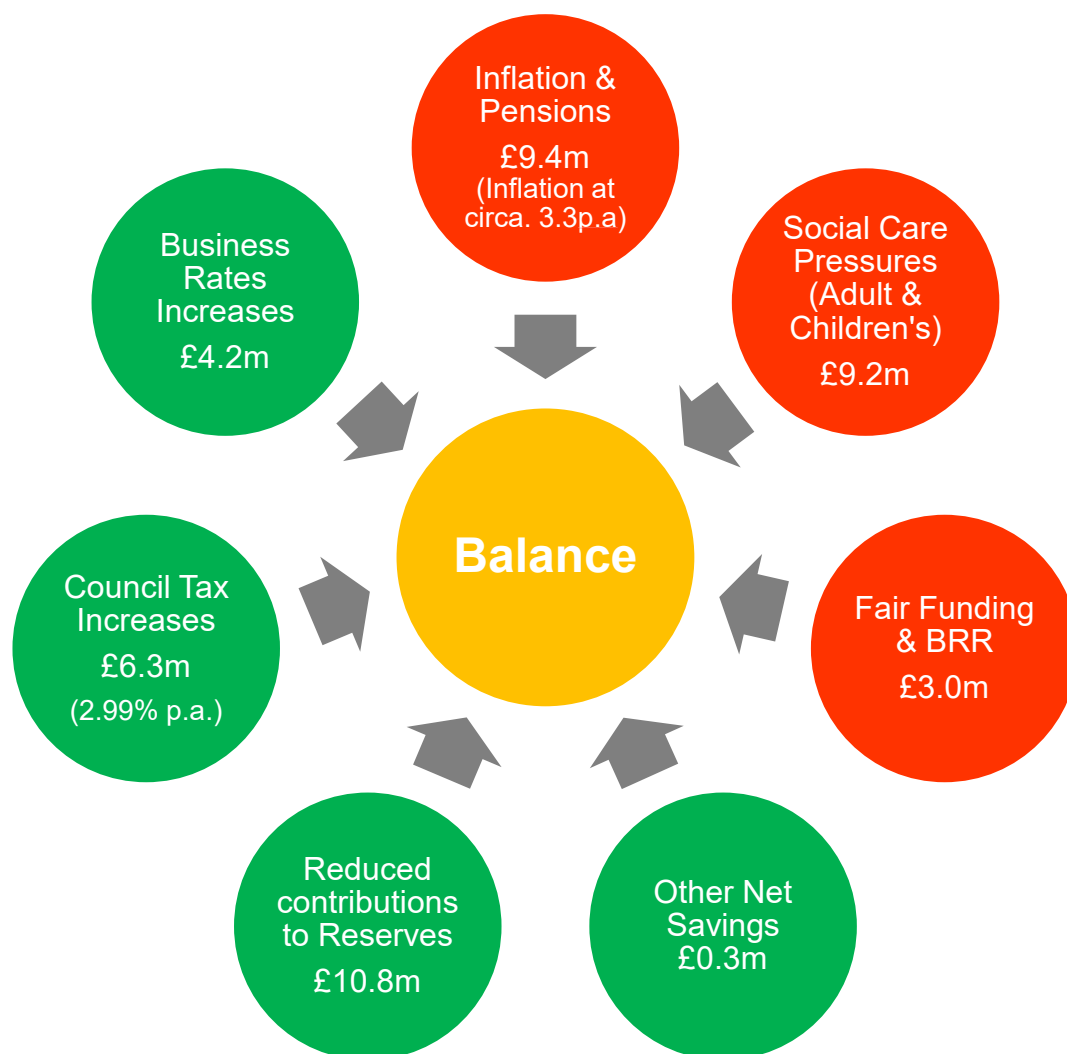
11.2 The table below shows the proposed Cash Limits for 2022/23 and also those items outside Cash Limits (i.e. capital and similar charges, levies and insurance premiums), which together form the Budget for each service.

PORTFOLIO	Cash Limits 2022/23 £'000	Items Outside the Cash Limit £'000	Budget 2022/23 £'000
Children, Families & Education	41,486	17,923	59,409
Communities & Central Services	20,189	6,856	27,045
Community Safety	2,373	556	2,929
Culture, Leisure & Economic Development	8,281	5,107	13,388
Environment	13,050	1,567	14,617
Health, Wellbeing & Social Care	52,230	5,034	57,264
Housing & Preventing Homelessness Leader	4,141 (33,825)	3,138 5,566	7,279 (28,259)
Planning Policy & City Development	1,158	0	1,158
Traffic & Transportation Licensing Committee	16,107 (235)	5,871 102	21,978 (133)
PORTFOLIO EXPENDITURE	124,955	51,720	176,675

- 11.3 Managers will be expected to contain their expenditure in 2022/23 within Cash Limits and to regularly monitor their budgets to ensure this is achieved. Managers will continue to have the freedom to change their budgets within the Cash Limit in the year, provided they do not enter into commitments which would increase their expenditure in future years beyond the agreed Cash Limit for 2022/23.
- 11.4 As set out in the Council's Financial Rules, any overspends against the current year's Cash Limit will become the first call on any retained underspendings from previous years contained within a Portfolio's Earmarked Reserve. Should a Portfolio's Earmarked Reserve be depleted, any remaining overspend will be deducted from the 2023/24 Cash Limit.
- 11.5 Managers have delegated authority to incur committed routine expenditure within their approved Cash Limit. Routine expenditure is any expenditure incurred to meet the day-to-day operational requirements of the service, or any specific approved budget pressure. Managers wishing to incur expenditure on any other specific item should seek approval from the relevant Portfolio holder before incurring that expenditure.
- 11.6 These Cash Limits will be adjusted under the delegated authority of the S.151 Officer to reflect transfers of budgets that come to light after the Budget has been approved, such as changes to the assumptions on inflation rates and any other virements.
- 11.7 Managers will be required to report their forecast outturn position to the relevant Portfolio holder on a regular basis and the Cabinet will receive a report on the overall budget position every quarter.

12. Future Year's Medium Term Forecasts - 2023/24, 2024/25, and 2025/26

- 12.1 A new medium term forecast has now been completed and "rolled on" a further year to cover the period 2023/24 to 2025/26. All of the financial assumptions have been comprehensively revised and a new 3 Year Forecast determined.
- 12.2 The previous medium term forecast estimated that savings of £3.0m would be required across the previous 3 year period 2022/23 to 2024/25. The proposed Revenue Budget for 2022/23 provides for £1.0m of those savings that, based on the "old" forecast, would have left a residual £2m remaining to be found for the following 2 years.
- 12.3 The new medium term forecast takes account of the £1.0m savings being achieved in 2022/23, comprehensively revises the remaining £2m that was estimated to be required and makes a forecast for the additional year 2025/26. It is now estimated that the overall 3 Year Forecast is in "Balance" and that there will be no new savings required over the next 3 Years. The Forecast however is "finely balanced" due to the uncertainty associated with the Local Government Funding reform in 2023/24, the prospects for inflation and the continuing demographic pressures experienced by Adults and Children's Social Care. As is usual the Forecast will be revisited and adjusted on an annual rolling basis.
- 12.4 Whilst there is sufficient confidence to recommend to the Council that no Budget Savings are required for 2023/24, the forecast for zero savings for the years 2024/25 and 2025/26 must be considered as indicative at this stage.
- 12.5 The "Balanced Forecast" for the new 3 year period 2023/24 to 2025/26 is described in the paragraphs that follow with the most significant changes illustrated on the next page:



12.6 The most significant assumptions in the medium term forecasts for the period 2023/24 to 2025/26 are described below:

Spending:

- An overall composite inflationary provision covering all pay and prices at circa. 3.3% per annum for the period but offset by a forecast saving in pension obligations (£4.0m), in total amounting to £9.4m
- Cost and inflationary pressures in both Adult Social Care and Children's Services of £9.2m (including future uplifts to the National Living Wage in accordance with OBR Forecasts)
- Revenue Contributions to Capital reducing from £5.5m in 2022/23 and to zero by 2025/26 onwards
- An assumption of a "steady state" for other budgets

Funding:

- A net loss in Government funding, mainly arising from the Fair Funding Review and Business Rate Retention scheme of £3.0m, phased in from 2023/24 onwards (**Note:**

the Business Rate "Reset" will remove £7.3m of growth which may not be fully re-distributed through the Fair Funding Review)

- A 2.99% increase in Council Tax per annum from 2023/24 onwards accompanied by an improving taxbase, in total yielding £6.3m
- Non recurrence of the current deficit on the Collection Fund
- Indexation uplifts on retained Business Rates of 3.7% for 2023/24, 2.0% for 2024/25 and 2025/26
- An underlying zero growth assumption for changes in Business Rates from 2023/24 onwards, to reflect the uncertainty relating to any recession / recovery, material changes of use of property, appeals and mandatory reliefs
- That any loss of business rates income arising from National Business Rate reduction / capping initiatives will continue to be recompensed by Government via S.31 grant funding
- Recovery of the Port dividend to pre-pandemic levels by 2024/25

12.7 Future funding from Government from 2023/24 onwards is heavily dependent on the outcome of the Fair Funding Review and Business Rate Retention scheme review. It must be recognised that the outcome of these reviews remains uncertain.

12.8 It is also important to recognise that this forecast extends beyond the Fair Funding Review and the revised Business Rate Retention Scheme due to be implemented in 2023/24. It moves 2 years beyond these events and makes broad assumptions at the macroeconomic level pending any indicative information at the local level. Consequently, there remains a significant level of uncertainty surrounding the "Balanced Forecast" which could realistically vary by +/- £3m.

12.9 Due to the uncertain nature of the future years' forecasts, it is imperative that the Council continues to manage its cost base carefully if it is to remain well placed to respond the overhaul of Local Government Funding and potentially realise a zero savings position in future years beyond 2023/24.

12.10 A plan for zero savings in 2023/24 but with General Reserves and the Corporate Contingency held at current levels is a balanced approach appropriate to an eventuality where the Council's forecasts are either too pessimistic or too optimistic. For example, in the event that the 3 Year Forecast improves, the Council has not prematurely made a level of savings and service reductions that could have been avoided. If the forecast deteriorates, the Council will still be able to spread any deficit over a 3 year period and have sufficient General Reserves to avoid significant "spikes" in Savings Requirements in any single year in the future.

12.11 Crucially, this savings strategy, as described above, can only work if the Council retains General Reserves at the levels set out in this report.

12.12 In summary, the overall Forecast for 2023/24 to 2025/26 is forecast to be in balance and therefore no savings are required for 2023/24. Importantly, zero savings can only be assured if the Council approves the proposed net £1.0m of savings as well as the increase in Council Tax of 2.99% for 2022/23.

- 12.13 The medium term financial forecasts are set out as part of the General Fund Summary in Appendix A but in a more summarised fashion in Appendix B.
- 12.14 The fundamental aim of the Medium Term Resource Strategy (MTRS) is for in-year expenditure to equal in-year income. This is now forecast to be achieved across all years of the Future Forecast to 2025/26.

13. Medium Term Resource Strategy Reserve

- 13.1 The Medium Term Resource Strategy (MTRS) Reserve was originally established to fund:
- Spend to Save and Spend to Avoid Cost initiatives
 - Invest to Save capital schemes
 - Feasibility Studies where there is likely to be an efficiency gain
 - One-off redundancy costs arising from proposed savings
 - The funding of expenditure of a “one-off” nature that is critical to the successful achievement of the outcomes that the residents of Portsmouth value most highly and where no other alternative funding source is available
- 13.2 Historically, the reserve has been replenished by transfers of underspends from previous years. Under the new financial framework of retained underspendings by Portfolios, the opportunities for replenishing this reserve are now diminished. The calls on the reserve however, for smaller scale Spend to Save or Invest to Save schemes are also diminished, since these are funded from Portfolio Reserves where available. It is important that the reserve is maintained to fund larger scale Spend to Save schemes that would otherwise be unaffordable by a Portfolio.
- 13.3 It is anticipated that the main call on the MTRS Reserve over the next few years will be Invest to Save Schemes of a capital nature and the revenue costs associated with transforming Services. Additionally, redundancy costs may also be required through Service re-organisation.
- 13.4 In order to provide for future years anticipated redundancy costs (i.e. over the course of the coming year and the further 3 year forecast), satisfy the demands for Invest to Save Schemes and meet all other commitments, it is anticipated that the uncommitted balance on the MTRS Reserve will be a modest £4.8m. Importantly, Invest to Save (avoid cost) proposals are becoming an increasingly important component of the Capital Programme and it can be reasonably expected that future Capital Programmes will rely more heavily on this as a funding source in the future.
- 13.5 In future years, for this reserve to continue in this capacity, it will be necessary to replenish it either from non-Portfolio underspends or alternatively from the Revenue Budget.

14. Estimated General Reserves 2021/22 to 2025/26

- 14.1 In general, maintaining adequate reserves is a measure of responsible financial management and strong financial health. They are required in order to be able to respond to "financial shocks" without having to revert to the alternative of quick and severe reductions

in services. Equally, they can be a vehicle to take advantage of any opportunities that may arise which are in the financial interests of the Council (for example, matched funding opportunities which could lever in additional funding for the City or for Spend to Save schemes). Importantly, they also enable differences between expenditure and funding levels to be "smoothed out" and managed in a planned way over time.

- 14.2 General Fund Revenue Reserves as at 31 March 2022 (Revised Estimate) are anticipated to be £21.5m after transfers to and from other reserves. General Reserves are expected to remain broadly constant over the period to March 2026. The Council is expected therefore to remain within the approved level of minimum General Reserves of £8.0m.
- 14.3 In accordance with Best Practice, the level and nature of all revenue reserves and balances has been reviewed as part of the budget process. The exercise has attempted to identify and assess all of the City Council's potential financial risks over the next few years in order to determine the prudent level of balances that should be retained, based on the City Council's risk profile. Each risk has been considered alongside the probability of it happening.
- 14.4 The outcome shows that for 2022/23 the City Council should continue to hold a minimum of £8.0m in General Reserves to cover these major risks. It is therefore recommended that the minimum level of General Reserves be maintained at £8.0m as at March 2023. Assuming the 2022/23 Budget Savings are achieved, General Reserves as at 31 March 2023 are forecast to remain at £21.5m.
- 14.5 The minimum level of balances for future years will be reviewed annually as part of the budget process.
- 14.6 The statement below gives details of the General Reserves in hand at 01 April 2021, together with the proposed use of reserves from 2021/22 to 2025/26, and the resultant balances at 31 March 2026.

GENERAL RESERVES FORECAST - Up to 2025/26					
Financial Year	Current Year £m	Budget 2022/23 £m	Forecast 2023/24 £m	Forecast 2024/25 £m	Forecast 2025/26 £m
Opening Balance	23.4	21.4	21.5	21.8	22.2
In Year Surplus / (Deficit)	(2.0)	0.1	0.3	0.4	(0.1)
FORECAST BALANCE	21.4	21.5	21.8	22.2	22.1

- 14.7 The level of balances held over the period will be higher than the minimum level recommended. This prudent approach is being taken for a number of specific reasons, which include:
- The Council is not permitted to budget for a level of General Reserves below the minimum level determined by the S.151 Officer
 - The susceptibility of the Council's forecast to the outcome of the Fair Funding Review and the Business Rate Retention "reset" which could vary by +/- £3m
 - There remain continuing risks associated with the COVID pandemic and its legacy plus the financial sustainability plans for both Adult and Children's Social Care

- The uncertainty over the level of funding generally (in particular, retained Business Rates), demographic cost pressures for care services, inflation and interest rates in future years
- The uncommitted balance available in the MTRS reserve of just £4.8m means there are only limited funds available to fund the implementation costs of future efficiency savings (see Section 13)

14.8 Furthermore, the City Council is pursuing a number of initiatives that will rely temporarily on the use of the Council's reserves generally in order to deliver them in a more cost efficient way (i.e. as opposed to borrowing). Examples include, the City Deal, Dunsbury Hill Farm and the City Centre Development. In the current climate where borrowing rates are significantly greater than investment rates, it makes financial sense to utilise General Balances and Reserves (that would otherwise be invested until required) and defer any borrowing decisions to a later date once investment rates recover. Retaining reserves therefore is an extremely important element of delivering the Council's Regeneration Strategy that will ultimately result in increased jobs, new homes and improved prosperity for the City.

15. Capital Programme 2021/22 to 2026/27

Summary

15.1 In accordance with the Council's Capital Strategy and Medium Term Financial Strategy, the Administration have prioritised those schemes that meet the Council's statutory responsibilities and that are most likely to drive cost reduction for the Council, innovation and clean economic growth and productivity for the City.

15.2 As described earlier in this report the key responses arising from the Budget Consultation have also been used in formulating the new capital investment proposals. The top three most important service areas for residents at present are, in order of popularity:

- 1) Collecting bins and keeping the city clean
- 2) Ensuring older people and vulnerable adults are looked after and supported to live independently
- 3) Supporting education, early years and children with special educational needs

Additionally, for future investment of the Council's capital budget, the three most popular project areas selected by respondents are, in order of popularity:

- 1) Building new homes in the city, including flats offering special care for elderly residents
- 2) Investing in greening projects across the city
- 3) Creating better facilities for sustainable transport such as cycling and walking

15.3 The Administration's new scheme proposals contained within this report will lead to additional capital investment totalling £67.8m.

15.4 The Council has the opportunity through its capital programme and borrowing powers to invest in both the regeneration of the City and cost reduction schemes for the Council itself.

Capital Investment needs and aspirations however, continue to significantly exceed the resources available. Importantly, there are likely to be opportunities throughout the year to lever in additional external capital funding for schemes that have strong potential to be catalytic for economic growth, but only if the Council itself can provide matched funding contributions. As a consequence, to maximise the Capital Investment opportunities for the City it is recommended that any underspendings arising at the year-end (outside of those made by Portfolios) be transferred either to Capital Resources to fund future Capital Programmes, the COVID-19 Reserve, the MTRS Reserve or General Reserves.

Overall Strategy

15.5 On 09 March 2021 the City Council approved the Capital Strategy 2021/22 - 2030/31. The key features of that strategy, which have been considered in the development of the Administration's Capital Programme proposals, are as follows:

- Contribution to Council Plan / Priorities
- Statutory Obligations
- Financial Appraisal
- Option Appraisal
- Risk and approach to risk - the expected benefits must outweigh the risk
- Any overspendings on approved Capital Schemes being the first consideration for the use of any available capital resources

15.6 As also described in the Medium Term Financial Strategy, the strategy is to maximise the capital resources available and then target new capital expenditure towards income generation and economic growth whilst ensuring the Council's statutory obligations are also met, (e.g. school places).

15.7 The development of a Capital Strategy considers investments that will be made in the acquisition, creation or enhancement of tangible or intangible fixed assets in order to yield benefits to the Council for a period of more than one year. It also considers how stewardship, value for money, prudence, sustainability and affordability will be secured. The priority of new capital expenditure will be assessed in accordance with the following capital expenditure criteria:

Criteria 1 - To support a Medium Term Outlook

- Allocating known resources to future years for critical capital investment, ensuring that in years where capital resources are limited, critical investment can continue to be made
- Aligning known resources to current approved spending, ensuring that uncertain or forecast resources are not applied to current investment, thus leaving potentially unfunded obligations in the future
- Smoothing out any significant gaps between capital investment needs and capital resources available by utilising contributions from revenue

Criteria 2 - To maximise the capital resources available and the flexibility of their application

- Setting aside capital funding for "match funding" opportunities, where these are aligned with the Council's strategic objectives in order to take advantage of "free" funding
- Reviewing contractually uncommitted schemes against newly emerging capital investment priorities
- Avoiding ring-fencing of capital resources, except where such ring fencing is statutory
- Using prudential borrowing for "invest to save" schemes, or schemes which generate income

Criteria 3 - Targeted Capital Investment

- Annual review of all contractually uncommitted capital schemes which rely on non-ring-fenced funding is undertaken to ensure that they remain a priority in the context of any newly emerging needs and aspirations
- Investment in programmes of a recurring nature that are essential to maintain operational effectiveness - including statutory responsibilities
- Capital Funding is particularly constrained for 2022/23 and has been targeted to:
 - 1) Stabilise the existing Capital Programme which has been subject to unavoidable cost increases arising from the general economic conditions
 - 2) Provide for statutory requirements or health and safety obligations
 - 3) Ensuring continued Service operations

Total New Corporate Capital Resources

- 15.8 New Corporate Capital resources available as a funding source for 'new starts' in 2022/23 and onwards have been reviewed and the amount available to be allocated has been determined as £13.3m.
- 15.9 This sum includes the allocation of indicative grant funding amounts for 2022/23 and sums transferred from Revenue to Capital in 2021/22 and 2022/23 necessary to fund schemes identified to start in 2022/23.
- 15.10 Additionally, a small contingency has been retained to mitigate the risk of capital receipts and grants being lower than anticipated and some funding has been held back to meet unavoidable increases in costs to approved schemes and to support match funding bids for additional external funding.
- 15.11 A summary of the total capital resources available to the Council for 'new starts' in 2022/23 and onwards are described below:

Corporate Capital Resources

- 15.12 This includes all non-ring-fenced capital grants (e.g. local transport plan, education basic need and school condition funding), capital receipts and revenue contributions and are described below:

- Revenue contributions from the budget of £1.0m in 2021/22 and £2.0m in 2022/23 are recommended to enable key capital investments to proceed (see recommendation 3.1 8)
- Non-ring-fenced capital grants (Integrated Transport Block & Schools Capital Maintenance) of £3.2m
- Capital Receipts based on estimated values that have been declared surplus to requirements
- Estimated City Wide Community Infrastructure Levy receipts
- A further £5.0m of existing capital resources which were set aside from the revenue underspend at the end of 2020/21 in line with the recommendation approved at February 2021 Full Council, as well as resources allocated to projects which either underspent, were funded from alternative sources or upon review, are no longer considered to be a priority

Ring Fenced Capital Funding

- 15.13 Funding passported to the Better Care Fund which, whilst not ring-fenced, is targeted at disabled facilities grants and wider social care programmes and is required to be prioritised by the Council and the Portsmouth Clinical Commissioning Group. This is a central government initiative which creates a pooled budget arrangement between the Council and the Portsmouth Clinical Commissioning Group and an estimated £2.1m will be received by the Council in 2022/23.

Prudential Borrowing

- 15.14 Prudential Borrowing is only available for a Council's "Primary Purpose for Investment" which must be "consistent with statutory provisions, proportionate to service and revenue budgets and consistent with effective treasury management practice".
- 15.15 The arrangements for Prudential Borrowing were strengthened following growing concerns over Local Government commercial property investments and taking on disproportionate levels of commercial debt to generate yield. Borrowing for "debt-for-yield investment" is not permissible under the Prudential Code, as it does not constitute the primary purpose of investment and represents unnecessary risk to public funds.
- 15.16 Prudential borrowing is available for "Invest to Save" schemes only where those savings accrue directly to the Council on a sustained basis. Prudential Borrowing is governed by the Prudential Code and its associated tests of affordability, sustainability and prudence. Prudential borrowing is what is termed "unsupported borrowing" and means that the Government does not provide any revenue support through government grant for the repayment of that debt (neither principal nor interest).
- 15.17 The Affordability test dictates that the Council must be able to demonstrate that it can afford the debt repayments over the long term. Given the uncertainty surrounding the forthcoming Fair Funding Review and Business Rate Retention Scheme (see recommendation 3.2 18), prudential borrowing is only available for invest to save schemes where there is a demonstrable case that the capital expenditure incurred will result in savings (i.e. cost reduction or additional income) that at least cover the cost of borrowing. Also, that those savings accrue directly to the Council and will be available on a sustained basis over the lifetime of any borrowing.

New Capital Investment Proposals & Revised Capital Programme

- 15.18 The Administration's proposals for the allocation of the Council's 'new start' total capital investment resources of £67.8m are set out in Appendix D for approval. They comprise a balanced set of proposals described below.
- 15.19 The programme has been designed to support environmental enhancements and the climate change agenda by investing £8.1m into environmental initiatives. Of which £5.7m relates to the replacement of the aging fleet of waste collection vehicles with energy efficient, low emission dual fuel vehicles and a further £0.6m to expand the vehicle fleet to enable the implementation of the full city-wide "roll-out" of Food Waste Recycling. An investment of £1.2m is also proposed to expand the vehicle depot to accommodate the larger waste collection and recycling fleet. Other planned environmental enhancements include the creation of a Greening the City Fund, Public Realm improvements adjacent to the Square Tower, improvements to lighting along Southsea Seafront and the implementation of a public Sea Water Quality Alert System for bathers.
- 15.20 Significant investment into the renewal and upgrading of leisure facilities totalling £23.0m is planned, which will result in the provision of a brand new leisure and community centre in the south of the City (£16.0m) and major improvements to football facilities in the north of the City (£7.0m).
- 15.21 In order to maintain the Council's operational facilities, £5.3m is being invested into Council buildings to provide for the highest priority maintenance needs. Essential maintenance is planned at number of high profile buildings including; Portsmouth Watersports Centre, The Round Tower, The New Theatre Royal and the Kings Theatre. To ensure that Council Services are digitally enabled with up to date and secure IT systems, new IT infrastructure totalling £1.0m is planned. This includes the replacement of publicly available Wi-Fi infrastructure (known as The Peoples Network); the implementation of "Bring Your Own Device" functionality, and replacement of the network firewall. Additionally, a refresh of the CCTV IT infrastructure and the acquisition of a further five re-deployable CCTV cameras is also planned.
- 15.22 There is continuing support for educational attainment by the proposed investment of £0.6m into accommodation for pupils with complex educational needs based at Arundel Court.
- 15.23 As a key enabler of vibrant local communities, the underpinning and enabling of regeneration and the move towards a sustainable future, significant investment continues to be made into the core local transport infrastructure amounting to £1.8m to ensure transport networks are reliable and efficient; improve road and transport safety; manage the adverse impact of transport on the environment, and promote healthier travel.
- 15.24 Portsmouth International Port is the country's most successful Municipal Port and plays a major role nationally. Following publication of the Port's Development Master Plan, subject to business case approval, investment totalling £27.5m is proposed which will enable the Commercial Port to expand further and to realise the growth potential in cargo and passenger numbers.

Proposed Capital Programme 2021/22 to 2026/27

15.25 The overall Capital Programme, including all existing schemes which have been reviewed and considered as a continuing priority and proposed new schemes, is set out in Appendix E for approval.

Future Capital Obligations, Priorities and Aspirations

15.26 The proposals for capital investment contained within this report complement the existing capital programme and provide further solidity to secure the Council's financial viability for the medium term. Nevertheless, the Council will inevitably face future obligations of a statutory nature as well as wishing to further develop its priorities and aspirations for future capital investment to meet its overall aim of financial and public service sustainability.

15.27 Known obligations and aspirations, in line with the Medium Term Financial Strategy, for future capital investment once further capital resources become available include:

Statutory Obligations:

- Additional extensions / additions to schools in respect of pupils with complex educational needs in order to provide for additional school places
- Provision of additional disabled facilities grants
- Requirements to improve road safety, disabled access and air quality
- Landlords Repairs & Maintenance

Improving the City Economy:

- Further development of key employment, housing and regeneration sites
- Anti-Poverty projects
- Coastal protection schemes to protect homes and businesses
- Improvements to road transport infrastructure as a means of supporting new business growth and productivity generally as well as the protection of the tourism economy

Enhancing the Environment:

- Greening the City
- Creating space and access
- Shore to Ship Electric Power

Public Service Transformation:

- Developing the Digital Council
- Use of technology to provide greater personal independence for those with care needs

15.28 The scale of the funding required for these obligations and aspirations is such that it far outstrips the annual capital funding which may be available. With core capital funding of circa £7m per annum, there is a hugely significant shortfall ("Capital Gap") to be met.

From this £7m, there is an expectation from Central Government that amounts allocated for Education (circa. £1.6m) should be allocated for School Condition and there is an obligation to maintain a Local Transport Plan from the annual £1.8m provided from the Department for Transport. The overall implication being that routine annual funding available for Capital Investment is extremely limited.

- 15.29 Given the scale of the "Capital Gap" described above, the necessity to supplement the Capital Resources available remains an explicit feature of the Council's approved Medium Term Financial Strategy so that the Council can continue to fund essential services but also fund Regeneration, and Income Generation schemes aimed at improving the overall financial sustainability of the Council and the economy of the City whilst fulfilling its role in addressing the challenge of climate change. For this reason, it is recommended that the S.151 Officer be given delegated authority to transfer all or part of any further savings made in 2021/22 arising at the year-end to supplement the Capital Resources available for future years.

Prudential Borrowing Indicators

- 15.30 The Prudential Indicators of the Council are determined largely from its Capital Investment decisions. The 4 indicators are presented in Appendix F for approval. In summary, the Council's indicators illustrate that its current Capital Programme is affordable. Further details setting out what each indicator shown in Appendix F represents is set out below:

Ratio of Financing Costs to Net Revenue Stream

This indicator shows the proportion of the net revenue stream (i.e. the Council's Revenue Budget) that is attributable to the cost of financing capital expenditure.

Capital Financing Requirement (CFR)

Represents the Council's underlying need to borrow to fund current and future capital expenditure. The CFR arises directly from the capital activities of the Council and the resources applied to fund that capital activity. The CFR represents the unfinanced element of capital expenditure and is the difference between the value of total fixed assets on the balance sheet and the Revaluation Reserve and Capital Adjustment Account.

The Council's underlying need to borrow to finance its current and future capital expenditure (i.e. its Capital Financing Requirement) is increasing, primarily as a result of planned commercial property investments but will ultimately reduce as provision is made to repay debt.

Housing Revenue Account (HRA) Limit on Indebtedness

Represents the limit on the level of borrowing that the Council can take on in respect of the HRA.

Authorised Limit for External Debt & Operational Boundary for External Debt

- 15.31 The Council's Limit for External Debt, recommended for 2022/23, should be broadly equivalent to its CFR (described above) but should allow for a little headroom in excess of it. This has been set accordingly. Furthermore, the Operational Boundary for external debt serves as an early warning tool to highlight whether the External Limit is nearing a breach.

This, therefore, is set at the level to which external debt is more likely to be. In accordance with the Council's Capital Strategy and Medium Term Financial Strategy, the Administration have prioritised those schemes that meet the Council's statutory responsibilities and that are most likely to drive cost reduction for the Council, innovation and clean economic growth and productivity for the City.

16. Statement of the S.151 Officer in Accordance with the Local Government Act 2003

16.1 Section 25 of the Local Government Act 2003 ("the Act") requires the Chief Financial Officer to report to the City Council on the following matters:

- The robustness of the estimates included in the budget made for the purposes of setting the Council Tax; and
- The adequacy of proposed financial reserves

16.2 Section 25 of the Act concentrates on uncertainties within the budget year rather than the greater uncertainties in future years. In the current economic climate, there continue to be uncertainties in both the current and future years i.e. beyond 2022/23. Particular uncertainties exist regarding:

- The rising levels of inflation, some of which are exceptional
- The continuing impact of the Covid 19 pandemic, its impact on costs, Council Tax and Business Rate income levels
- The Brexit impact on Portsmouth International Port and the City's transport network
- The general uncertainty surrounding Business Rate income including "material Change of Use" and the extent of successful appeals and mandatory reliefs all of which affect Retained Business Rates
- Government Funding levels (including the outcome of the Fair Funding Review and the Business Rate Retention scheme review)
- The ability of the Council to continue to make the necessary savings
- The likely demographic cost pressures arising in demand driven services such as Adult and Children's Social Care and Housing
- The extent to which new policy changes will be funded (most notably those arising from the Care Act).

All of these uncertainties increase the need for adequate reserves and balances to be maintained in current and future years.

16.3 A minimum level of revenue reserves must be specified within the Budget. The Local Authority must take full account of this information when setting the Budget Requirement.

16.4 Should the level of reserves fall below the minimum approved sum of £8.0m as proposed in this report, either arising from an overspend in the previous year or the current year, the S.151 Officer has a duty to report this to the Council with recommendations as to the actions that should be taken to rectify the shortfall. In the most extreme of circumstances, the S.151 Officer can impose spending controls until a balanced budget is approved by the Council.

(a) Robustness of the Budget

- 16.5 In setting the Budget, the City Council should have regard to the strategic and operational risks facing the City Council. Some of these risks reflect the current economic climate and the national issues surrounding local authority funding levels.
- 16.6 Estimates and forecasts have been prepared to include all known significant financial factors over the medium term in order to inform spending decisions.
- 16.7 Assumptions for the Budget and forecasts for future years are considered to be sound and based on the best available information. These are set out in detail in Sections 8 and 12 and use the following sources as their evidence base:
- Government funding as set out in the provisional settlement for 2022/23
 - An assumption that the overall outcome of the Fair Funding Review and Business Rate Retention scheme review will lead to a net reduction in funding of £3.0m, but phased over 3 years
 - A "no growth" assumption for Retained Business Rates from 2023/24 onwards on the basis that any income arising from growth will be offset by appeals, reliefs and change of use
 - An assumption that the value of successful appeals against the 2017 rating list will be based on the most up to date information from the Valuation Office Agency
 - Increases in Council Tax based on what is likely to be acceptable and within expected referendum limits
 - Inflation on Retained Business Rates and prices in accordance with inflation estimates from the OBR
 - Specific provisions for increases in demand for both Adult and Children's Social Care based on current trends
 - Prudential borrowing requirements based on approved Capital schemes
 - Revenue contributions to Capital based on known commitments and estimates of future needs
 - Balances and contingencies based on a risk assessment of all known financial risks
- 16.8 Savings contained within the Budget are those where Portfolio Holders and Directors assess the confidence level of achievement is medium and above. Savings proposals have also been subject to scrutiny by Members. Responsibility and accountability for delivering the savings rests with the relevant Portfolio Holders and Directors and progress will be monitored throughout the year as part of the Budget Monitoring process.
- 16.9 The most volatile budgets are those of Adult and Children's Social Care. Budget provision has been made available to cover these risks both directly within Service cash limits as well as within the City Council's overall contingency provision.
- 16.10 Additionally, Portfolios will be able to retain any non COVID-19 underspendings in 2021/22 and utilise them as necessary in 2022/23 and future years for any purpose but with a clear priority to meet essential cost pressures in the first instance.

- 16.11 The forecasts prepared for the forthcoming and future years are robustly based and illustrate the expected costs the City Council will incur in order to deliver current levels of service.
- 16.12 Portfolio Holders will be given regular budget updates by Directors to ensure that action to address any potential over or underspend is taken promptly and quarterly budget monitoring reports will continue to be presented to the Cabinet.
- 16.13 To encourage budget discipline, all future overspendings will be deducted from any retained underspendings accumulated in Portfolio Earmarked Reserves in the first instance and once depleted from the following year's Cash Limits.
- 16.14 Prudential Indicators are accurately calculated based on the Council's audited Balance Sheet, notified income streams and in depth financial appraisals of proposed capital schemes. These are published and reviewed on a regular basis to ensure that the City Council complies with the concepts of Affordability, Prudence, and Sustainability. The City Council has agreed to consider Prudential Borrowing for "Spend to Save Schemes" only, as it is currently unaffordable for any other purpose.
- 16.15 Future years' budgets will remain challenging due to the uncertainties associated with Local Government Funding reform, the legacy of Covid 19, future prospects for inflation and the continuing demographic pressures on Care Services.

(b) The Adequacy of Proposed Financial Reserves

- 16.16 During 2021/22, a review of the level and nature of all revenue reserves and balances has been undertaken. All of the City Council's potential financial risks over the next few years and the probability of each risk happening has been assessed. The outcome from this review concludes the need to maintain the minimum level of General Reserves of £8.0m as at 31 March 2023 (£8.0m in the current year).
- 16.17 Balances provide a buffer against unexpected costs such as pay awards, inflation, shortfalls in income and overspends and enable the City Council to manage change without undue impact on the Council Tax or immediate reductions to services. They are a key element of strong financial standing and resilience as they mitigate risks such as increased demand and other cost pressures.
- 16.18 The level of balances held will be higher than the minimum level recommended. This prudent approach is being taken for a number of specific reasons as set out in Sections 8 and 12. The position will continue to be reviewed and reported to Members on an annual basis.
- 16.19 As previously mentioned, the Council will maintain Portfolio Earmarked Reserves to retain accumulated Portfolio underspends in order that Portfolios can better manage any known or unknown cost pressures that arise.
- 16.20 The MTRS Reserve is the Council's primary vehicle for funding Spend to Save and Spend to Avoid Costs Initiatives, Feasibility Studies and redundancy costs. Taking account of all approvals from this reserve and future estimated redundancy costs over the next 4 years, it is estimated that the Reserve will have an uncommitted balance of £4.8m. In order for this Reserve to continue in this capacity, it will be necessary to replenish it from any non-Portfolio underspendings, transfers from other reserves no longer required or alternatively from the Revenue Budget.

16.21 The Council maintains a number of other Earmarked Reserves for specific purposes, all of which are at the levels required to meet known future commitments. The major reserves include the following:

- Revenue Reserve for Capital – to fund the Capital Programme
- Highways PFI Reserve – to fund future commitments under that contract
- Off Street Parking Reserve – to fund investment in transport
- Insurance Reserve – to fund potential future liabilities
- COVID Reserve - to fund forecast costs and income losses arising directly from the COVID Emergency (held in the Council's Contingency) and its legacy over the period to 2024/25

16.22 The Council's contingency provision for 2022/23 has been set on a risk basis at £18.6m and reflects anticipated calls on the budget where the timing and value is not yet known. The use and application of the contingency will continue to be exercised tightly.

17. Conclusion

17.1 The proposed Budget 2022/23 has been prepared to incorporate the resolution of Full Council in February 2021 to make minimum savings amounting to £1.0m and provides for an overall Council Tax increase of 2.99%, of which 1.0% is passported directly to provide services for Adult Social Care. The savings proposals go further and are extended to reach £1.825m in order to implement the full city-wide "roll-out" of Food Waste Recycling alongside building a number of other activities into the core budget that were previously funded on a temporary basis.

17.2 The proposals within this report are consistent with the results from the Budget Consultation in relation to both spending priorities, savings and Council Tax and are made as part of a co-ordinated package of measures that are aligned with the approved Medium Term Financial Strategy with its stated aim that:

"In year" expenditure matches "in year" income over the medium term whilst continuing drive towards regeneration of the City, being innovative, creative and protecting the most important and valued services

17.3 The impact of COVID-19, inflationary cost pressures and the underlying financial distress being experienced in Adult and Children's Social Care have presented the most significant challenges in seeking to balance the Budget for the coming year. Nevertheless the proposed Budget is financially balanced, robustly based and provides sufficient cover for anticipated and potential financial risks within the year. Furthermore, the overall financial health of the Council currently remains sound providing a good degree of resilience against an uncertain future.

17.4 Due to prudent financial management over a number of years, the overall Forecast for the 3 Year period beyond 2022/23 is financially balanced and requiring zero savings for the financial year 2023/24.

- 17.5 The "Balanced" 3 Year Forecast is "finely balanced" and is predicated on assumed Council Tax increases of 2.99% per annum. The most significant risk to this central projection is the Local Government Funding Reform as well as other unavoidable cost pressures that may arise, particularly in Care Services. Taken together, these risks have the potential to vary the "Balanced Forecast" by +/- £3m.
- 17.6 It is important that the Council continues to follow its Medium Term Financial Strategy, exercise spending restraint, manage its cost base and maintain Reserves at adequate levels if it is to remain well placed to respond the overhaul of Local Government Funding and potentially realise a zero savings position in future years beyond 2023/24.
- 17.7 The Council should also be particularly mindful of the potential future income or reduced demand / costs that the Council could derive through the delivery of its Capital Programme. This is likely to be the biggest influence on enabling jobs, growth and overall improved prosperity within the City.

18. Integrated Impact Assessment (EIA)

- 18.1 Consideration of the impact of budget pressures and proposed savings on all customers, services and staff has been taken into account in formulating this budget. The savings proposals set out within this report are proposals only for the purposes of setting Portfolio Cash Limits and the overall City Council Budget. Whilst most are likely to be implemented, there will be some that require further consultation and appropriate Integrated Impact Assessments to be considered before any implementation can take place. For this reason, Portfolio holders have the discretion to alter, amend or substitute any proposal with an alternative proposal following appropriate consultation.
- 18.2 A public consultation was held in relation to the Budget and Council Tax 2022/23 across a 6 week period from 21 September 2021 to 03 November 2021 as described in Section 4.
- 18.3 The Scrutiny Management Panel also met to consider the proposals contained within this report and have the opportunity to make their representations to the Cabinet prior to their recommendation to the City Council. A public meeting of the Scrutiny Management Panel was held on the 04 February 2022 where a presentation was made of the proposed Council Tax and Revenue Budget 2022/23, the Council's future financial forecasts for 2023/24 to 2025/26 and the proposed Capital Investment plans.

19. City Solicitor's Comments

- 19.1 The Cabinet has a legal responsibility to recommend a Budget and Council Tax amount to the Council and the Council has authority to approve the recommendations made in this report.
- 19.2 The S.151 Officer has a statutory duty under the Local Government Act 2003 to report on the robustness of the budget proposals and adequacy of reserves. The S.151 Officer's Statement within this report fulfils those obligations.

20. S.151 Officer's Comments

20.1 All of the financial information is reflected in the body of the report and the Appendices.

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Signed by:

Appendices:

A	General Fund Summary
B	Forecast Expenditure 2022/23 to 2025/26
C	Indicative Budget Savings 2022/23
D	New Capital Schemes Starting in 2022/23
E	Capital Programme 2021/22 to 2026/27
F	Prudential Indicators

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Budget Working Papers	Office of Director of Finance & Resources & Deputy Director of Finance
Local Government Finance Settlement 2022/23	Office of Director of Finance & Resources

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by

APPENDIX A

Calculation of the Council Tax 2022/23

<u>Portsmouth City Council</u>	2022/23	2021/22
	£	£
Gross Expenditure	485,732,005	463,153,794
LESS: Gross Income	(356,465,103)	(333,771,620)
Net Expenditure	129,266,902	129,382,174
LESS: Government Grants	(39,421,357)	(43,245,470)
Council Tax Requirement - Portsmouth City Council Purposes	89,845,545	86,136,704
Council Tax Base	57,209.7	56,487.9
Council Tax - Portsmouth City Council Purposes at Band D		
<u>89,845,545</u>		
57,209.7 =	£1,570.46	£1,524.87

<u>Hampshire Police & Crime Commissioner Precept</u>	13,527,806	12,792,250
Council Tax - Hampshire Police & Crime Commissioner Purposes at Band D	£236.46	£226.46

<u>Hampshire & IOW Fire and Rescue Authority Precept</u>	4,315,328	3,978,443
Council Tax - Hampshire & IOW Fire and Rescue Authority Purposes at Band D	£75.43	£70.43

The Council Tax to be levied for all bands in 2022/23 will be as follows :

	Portsmouth City Council	Police & Crime Commissioner For Hampshire	Hampshire & IOW Fire & Rescue Authority	TOTAL 2022/23	TOTAL 2021/22
	£	£	£	£	£
Estimated Valuation as 1 April 1991					
Up to £40,000 A	1,046.97	157.64	50.29	1,254.90	1,214.50
£40,001 - £52,000 B	1,221.47	183.91	58.67	1,464.05	1,416.93
£52,001 - £68,000 C	1,395.96	210.19	67.05	1,673.20	1,619.34
£68,001 - £88,000 D	1,570.46	236.46	75.43	1,882.35	1,821.76
£88,001 - £120,000 E	1,919.45	289.01	92.19	2,300.65	2,226.59
£120,001 - £160,000 F	2,268.44	341.55	108.95	2,718.94	2,631.43
£160,001 - £320,000 G	2,617.43	394.10	125.72	3,137.25	3,036.26
£320,001 and over H	3,140.92	472.92	150.86	3,764.70	3,643.52

GENERAL FUND SUMMARY - 2021/22 to 2025/26

APPENDIX A

Original Budget 2021/22 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2021/22 £	Original Budget 2022/23 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £
56,428,700	Children, Families & Education	57,899,500	59,409,200	62,280,500	63,942,700	65,634,000
25,280,000	Communities & Central Services	32,452,100	27,045,400	28,041,900	28,776,400	29,241,500
16,503,800	Community Safety & Environment	17,297,700	17,545,200	17,194,100	17,598,800	18,015,100
13,111,200	Culture, Leisure & Economic Development	12,944,600	13,388,100	14,127,700	14,255,700	14,554,200
54,446,000	Health, Wellbeing & Social Care	57,177,600	57,264,100	62,732,200	66,900,800	70,206,100
7,421,700	Housing & Preventing Homelessness	7,362,000	7,278,800	7,569,900	7,727,800	7,890,300
(25,708,200)	Leader	(25,637,100)	(28,259,400)	(27,900,700)	(28,675,500)	(29,211,400)
1,229,100	Planning Policy & City Development	1,266,800	1,158,000	1,401,300	1,443,500	1,487,100
21,097,000	Traffic & Transportation	22,220,200	21,977,800	23,923,700	23,650,000	23,847,700
(126,500)	Licensing Committee	(124,900)	(132,300)	(148,400)	(158,400)	(168,800)
169,682,800	Portfolio Expenditure	182,858,500	176,674,900	189,222,200	195,461,800	201,495,800
	<u>Other Expenditure</u>					
1,394,900	Pension Costs	1,305,200	1,375,000	1,508,100	1,542,100	1,576,900
26,295,700	Contingency Provision	17,810,100	18,629,000	4,800,900	3,917,000	3,917,000
(22,047,800)	Transfer to / (from) Reserves	(8,298,900)	(10,062,700)	2,472,300	2,664,800	(335,200)
(17,661,500)	Treasury Management	(20,183,100)	(16,820,000)	(18,369,200)	(18,508,800)	(19,506,900)
3,670,000	Other Expenditure	2,484,000	3,705,000	6,830,600	6,726,900	7,567,700
(8,348,700)	Other Expenditure	(6,882,700)	(3,173,700)	(2,757,300)	(3,658,000)	(6,780,500)
161,334,100	TOTAL NET EXPENDITURE	175,975,800	173,501,200	186,464,900	191,803,800	194,715,300
	FINANCED BY:					
2,041,226	Contribution (to) from Balances and Reserves	1,961,735	(92,122)	(269,570)	(442,315)	163,990
11,734,229	Revenue Support Grant	11,734,229	12,096,876	12,544,460	12,795,349	13,051,257
30,730,310	Business Rates Retention	43,494,866	42,491,554	55,530,218	57,052,110	57,233,153
31,511,241	Other General Grants	33,467,876	27,324,481	26,368,522	26,321,130	26,277,375
85,317,094	Council Tax	85,317,094	91,680,411	92,291,270	96,077,526	97,989,525
161,334,100		175,975,800	173,501,200	186,464,900	191,803,800	194,715,300
	BALANCES & RESERVES					
23,374,350	Balance brought forward at 1 April	23,373,614	21,411,879	21,504,001	21,773,571	22,215,886
(2,041,226)	Deduct (Deficit) / Add Surplus for Year	(1,961,735)	92,122	269,570	442,315	(163,990)
21,333,124	Balance carried forward at 31 March	21,411,879	21,504,001	21,773,571	22,215,886	22,051,896
8,000,000	Minimum Level of Balances	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
2,041,226	Underlying Budget Deficit / (Surplus)	1,961,735	(92,122)	(269,570)	(442,315)	163,990

BUDGET AND FORECAST EXPENDITURE 2022/23 to 2025/26

	Budget 2022/23 £'000	Forecast 2023/24 £'000	Forecast 2024/25 £'000	Forecast 2025/26 £'000
Service Cash Limits	124,954	137,455	143,654	149,647
Contingency	18,629	4,801	3,917	3,917
Debt financing costs	33,321	31,772	31,633	30,635
Levies and insurance premiums	1,579	1,625	1,666	1,708
Other income/expenditure	(4,982)	10,811	10,934	8,808
	173,501	186,464	191,804	194,715
<u>Less</u>				
- Council Tax Income	91,680	92,291	96,078	97,990
- Revenue Support Grant	12,097	12,544	12,795	13,051
- Business Rates Retention	42,492	55,530	57,052	57,233
- Other General Grants	27,324	26,369	26,321	26,277
	173,593	186,734	192,246	194,551
Budget (Deficit)/Surplus	92	270	442	(164)

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INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal	Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
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Children, Families and Education Portfolio

Director of Children's Services & Education

001	Increase Dedicated Schools Grant contribution for Sensory Impairment and Portage	No impact on service users	30,000	30,000	30,000
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Children, Families and Education Portfolio Total	30,000	30,000	30,000
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Communities and Central Services Portfolio

Director of Corporate Services

002	Service review of Members support	No impact on service users	6,200	6,200	6,200
003	Governance review	No impact on service users	30,000	30,000	30,000
004	Reduced print costs arising from new ways of working	No impact on service users	20,000	20,000	20,000
005	Print & advertising software	No impact on service users	5,000	5,000	5,000
006	Reduce Cashiers opening hours	Reflects current levels of demand and ways of working	20,000	20,000	20,000
007	Reduction in mobile phone contract cost	No impact on service users	5,000	5,000	5,000
008	Live streaming technology upgrade	No impact on service users	2,000	2,000	2,000
009	Review of management structure of City Helpdesk and cashiers	No impact on Service Users - Already implemented	18,500	18,500	18,500
010	Delete vacant Facilities Management post	No impact on service users	26,000	26,000	26,000
011	Review of Civic Offices operational support	Risk of delay in the delivery of office transformational changes	42,000	42,000	42,000

Director of Culture, Leisure & Regulatory Services

012	Reduction in Coroners contract costs with Hampshire County Council	No impact on service users	35,000	35,000	35,000
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INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal			Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
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Director of Finance & Resources

013	Review of Payroll Services Team	No impact on Service Users - Already implemented	65,000	65,000	65,000
014	National Insurance saving on salary sacrifice Additional Voluntary Contributions	No impact on service users	10,000	10,000	10,000
015	Reduce administration support within Finance Teams	Increased administrative burden on professional staff	12,000	12,000	12,000
016	Delete vacant apprentice post	Reduces resilience	18,000	18,000	18,000
017	Delete 2 vacant Benefits Officer posts no longer required due to reduced caseloads	No impact on service users	64,000	64,000	64,000
018	Deletion of vacant trainee accountant apprentice post	Reduced succession planning and increased exposure to market pay rates	18,000	18,000	18,000
019	Reduction in schools finance support	No impact as reducing number of PCC maintained schools	10,000	10,000	10,000
020	Recovery of grant support costs	Properly charges the cost of administering new initiatives to the associated grant	10,000	10,000	10,000
021	Review of Audit service	A small reduction in overall audit coverage of the Council's activities	15,000	15,000	15,000
022	Reduction in staff within Finance Teams	Reduction in financial monitoring and responsiveness for the financial evaluation of projects and proposals	55,000	55,000	55,000

Communities and Central Services Portfolio Total			486,700	486,700	486,700
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Community Safety and Environment Portfolio

Director of Housing, Neighbourhood & Building Services

023	Green Waste Club price increase of £1 per month per customer	Minimal impact on service, potential risk that some customers may not renew	50,000	50,000	50,000
024	Charge for permits for vans and trailers to access Hampshire Waste Recycling Centres in line with Hampshire County Council and Southampton City Council	Customers using vans and trailers to dispose of waste will be required to purchase a permit	5,000	5,000	5,000
025	Littering Fixed Penalty Notice increase lower amount from £75 to £100	Will apply to public who litter	4,000	4,000	4,000
026	Kennels - additional income from Chichester City Council	No impact on service users	13,000	13,000	13,000
027	Energy Savings from Solar PV - Port Building	No impact on service users	50,000	50,000	50,000
028	Energy Savings from Solar PV - Hilsea Industrial Estate	No impact on service users	20,000	20,000	20,000

INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal				Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
029	Energy Savings from Solar PV - Lakeside	No impact on service users		80,000	80,000	80,000
Community Safety and Environment Portfolio Total				222,000	222,000	222,000
<u>Culture, Leisure and Economic Development Portfolio</u>						
<u>Director of Culture, Leisure & Regulatory Services</u>						
030	Sports Initiatives	No impact on service users		5,000	5,000	5,000
031	Reduction in Contract Operations	No impact on service users		4,800	4,800	4,800
032	Additional Income from Victorious Music Festival	No impact on service users		25,000	25,000	25,000
033	Merge Modern and Historic Records into a single team	The reduction in staff hours may result in a less responsive enquiries service		26,000	26,000	26,000
034	Seasonal grounds maintenance officer headcount reduction	Reduction in staffing during summer season		13,200	13,200	13,200
035	Reduce management fee to organisers of the Great South Run	No Impact - Fee reduction already negotiated		20,000	20,000	20,000
036	Business Support - No replacement following planned retirement	Reduction of support to wider Directorate		10,000	10,000	10,000
Culture, Leisure and Economic Development Portfolio Total				104,000	104,000	104,000
<u>Health, Wellbeing and Social Care Portfolio</u>						
<u>Director of Adult Services</u>						
037	Full year savings from reorganisation of in-house Residential Care capacity and return to regular levels of in house capacity - completed during 2021-22	No impact on Service Users - Already implemented		200,000	200,000	200,000
038	Reduction in contractual void payments for supported living settings.	No impact, people with Care & Support needs will continue to receive the necessary care and support required		100,000	100,000	100,000
Health, Wellbeing and Social Care Portfolio Total				300,000	300,000	300,000

INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal	Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
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Housing and Preventing Homelessness Portfolio

Director of Housing, Neighbourhood & Building Services

039	Increase fees charged for Disabled Facilities Grants from 10% to 13% to reflect actual cost of administering the scheme	A small reduction in the value of grants awarded could arise however, the impact of the adjustment will be discussed with the Clinical Commissioning Group to determine whether additional CCG funding can be made available	36,000	36,000	36000
040	Increase fees for Houses in Multiple Occupation licences and reduce the number of currently unlicensed properties	The fees for landlords HMO properties would be increased to ensure that costs are covered for the entire lifetime of the licence.	30,000	30,000	30000
041	Closure of 'The View' Café	Current working arrangements has resulted in insufficient demand for an onsite café within the Civic Offices. No Impact is therefore anticipated	10,200	10,200	10200
042	Henderson Road & Cliffdale Gardens Mobile Home Parks - Charge commission on sales of mobile homes	Purchases of Mobile Homes at Council owned parks will be required to pay sales commission in accordance with normal industry practice	50,000	50,000	50000
043	Fully fund Data and Performance Post from the HRA (currently 69% HRA funded)	Transfer of the proper cost to the Housing Revenue Account. There is scope to absorb that cost as part of a wider review of the business support function within the HRA and as a consequence there will be no impact on service users	5,100	5,100	5100

Housing and Preventing Homelessness Portfolio Total			131,300	131,300	131,300
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Leader Portfolio

Director of Regeneration

044	Lake Side & Dunsbury Park Masterplan Units 500-502 Net income	No impact on service users	125,000	125,000	125000
045	Additional Commercial Rent Income	No impact on service users	100,000	100,000	100000

Leader Portfolio Total			225,000	225,000	225,000
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INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal				Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
<u>Planning Policy and City Development Portfolio</u>						
<u>Director of Regeneration</u>						
046	Delete Post - Assistant Director (Strategic Developments)	Reduction in Regeneration activity - Vacant Post	51,000	51,000	51,000	
047	Additional Rental Income	No impact on service users	85,000	85,000	85,000	
Planning Policy and City Development Portfolio Total			136,000	136,000	136,000	
<u>Traffic and Transportation Portfolio</u>						
<u>Director of Regeneration</u>						
048	Rationalise budget to actually reflect the real average number of school crossing wardens in place over the last year	No impact on service users	40,000	40,000	40,000	
049	Increase in Parking Charges	As per the recently adopted Transport Strategy (LTP 4), it is imperative that measures are taken to reduce reliance on the private car in order to promote air quality and reduce congestion within Portsmouth The increase in Pay and Display parking charges is equivalent to 3.1%. Previous changes were in September 2014 for the City Centre and November 2015 for the Seafront	150,000	150,000	150,000	
Traffic and Transportation Portfolio Total			190,000	190,000	190,000	
Grand Total			1,825,000	1,825,000	1,825,000	

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NEW SCHEMES STARTING IN 2022/23 and Relying on Available Corporate Resources

Portfolio	Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Children, Families & Education					
	Replace front driveway at The White House Children's Home	Redesign of the front driveway to smooth out the approach to make this more accessible and the removal of identified health and safety issues regarding uneven and broken areas. The proposed covering would be a block paving from the front to the rear of the building removing trip hazards throughout to comply both with Health & Safety requirements and Children's Home Regulations	22,500	22,500	
	Create garden workspace for young people	The aim of the project is to enable the full utilisation of outside space at Tangier Road Children's Home. A garden outbuilding will be erected which can then be used for education, if required, a gym, a private meeting space and provide a space for family time amongst other potential uses	14,100	14,100	
	Accommodation for Special Educational Needs - Arundel Court Inclusion Unit	Additional specialist provision for growing Special Educational Need and Disability numbers. Involves the remodelling of specialist provision including additional 'Inclusion Centre' places in mainstream schools to deliver an inclusive offer and the re-purpose /expansion of existing places for children with complex needs at Post 16	550,000	550,000	
Communities & Central Services					
	Omni-Channel contact centre platform	Replacement of the existing platform that manages incoming customer telephone calls. The current solution will not be compatible with new telephony infrastructure and is end of life. This new solution will also handle customer contacts via digital channels (i.e. email and social media)	87,900	87,900	36,200
	BYOD Phase 2	Implementation of a "Bring Your Own Device" (BYOD) solution and infrastructure for the Council which will compliment the Microsoft 365 strategy and remove any constraints on personal devices being used to securely access City Council applications and data	150,000	150,000	
	Live Streaming	Upgrade of the existing solution for the live streaming of public Council meetings, which is approaching end of life	15,000	15,000	
	The People's Network - Wi-Fi infrastructure - phase 1	Ensures continued provision of wireless network technology within City Council public buildings	65,000	65,000	
	Cisco Perimeter Firewall	Upgrade of the Council's existing IT firewall infrastructure. Software provider support ends August 2023	207,000	207,000	

NEW SCHEMES STARTING IN 2022/23 and Relying on Available Corporate Resources

Portfolio	Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Community Safety & Environment					
	City Wide Food Waste Collection Service roll-in and sustain	Expansion of the food waste collection vehicle fleet to enable city wide collection of food waste	635,000	635,000	300,000
	Anaerobic Digestion Plant Project	Completion of investigatory works of a site for an AD plant in order to facilitate a decision on whether or not to proceed to the planning stage	60,000	60,000	
	Mixed Plastic Recycling Bring bank and Glass bank refurbishment	Trial of mixed plastic recycling Bring banks and refurbishment of Glass banks	32,500	32,500	
	Redeployable CCTV Cameras for Environmental Issues	Purchase of a further five re-deployable CCTV camera units to directly target environmental crimes such as fly tipping and graffiti. The cameras will also assist in preventing issues arising as well as being used for evidential purposes during enforcement action	45,000	45,000	2,500
	CCTV IT infrastructure security, upgrade and stabilisation	Updating of the CCTV infrastructure to conform to current security, operational and support requirements	75,000	75,000	
	Southsea Sea Defences - Public Realm Enhancements (Nelson Statue and Saluting Platform Area)	Improvements to the neighbourhood street scene at two locations near the Square Tower in Old Portsmouth	176,000	176,000	
	Greening The City Fund	Public realm enhancements encompassing provision of benches, lighting and tree planting in the city, including street trees and other types of green infrastructure	30,000	50,000	
	Sea Water Quality Alert System	Public display of water quality information obtained from Southern Water's "beachbuoy" system	35,000	35,000	

NEW SCHEMES STARTING IN 2022/23 and Relying on Available Corporate Resources

Portfolio	Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Culture, Leisure & Economic Development					
	Round Tower Internal and External Improvements	Maintenance works which will make the site a more attractive venue for exhibitions, weddings and theatrical events	211,000	211,000	
	Paulsgrove Football Club Fencing	Replacement and installation of fencing	30,000	30,000	
	New Theatre Royal - Lease Maintenance Obligations (Landlord)	Following the acquisition of the New Theatre Royal the Council, as landlord, is responsible for property maintenance for the first five years. A condition survey undertaken by an independent consultant has outlined the necessary works	450,000	450,000	
	Portsmouth Watersports Centre	Replacement of decayed glulam beams that support the roof structure	330,000	465,000	
	Kings Theatre	Repairs to the East Elevation to address immediate requirements and ensure sustainability for the longer term as well as additional works in relation to boilers to address immediate maintenance requirements	258,000	708,000	
	Seafront Enhancements 'Festoon' Lighting	Enhancement of the Seafront's lighting	156,000	156,000	
	Re-provision of Leisure Centre, Pool & Community Centre - Bransbury Park	Construction of a new leisure centre with swimming pool, gym, sports facilities and a community Centre	4,966,200	16,048,900	
	Invest in Football Facilities Including Changing Facilities (KGV)	Development of a football hub (significantly funded by the Football Foundation) in the north of the city comprising changing and community facilities (café & toilet), 2 Artificial grass pitches and realignment of existing grass pitches to improve play quality	597,000	7,000,000	

NEW SCHEMES STARTING IN 2022/23 and Relying on Available Corporate Resources

Portfolio	Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Housing & Preventing Homelessness					
	Landlord Maintenance - Capital Programme 2022/23	The Council has landlord maintenance responsibility for over 2,000 operational assets. Detailed surveys are carried out and updated annually, to ensure that maintenance needs of all assets are recognised and planned for within the medium term maintenance programme. Remediation requirements are categorised according to their severity and impact. Only works classified as being of the highest priority will proceed. Proposed maintenance work combine a number of projects including building works, mechanical and electrical installations and plant refurbishments	1,355,000	1,355,000	
Leader					
	Upgrade of accessways and roadways (non-Highways)	Urgent works to accessways, parking areas and roadways to meet minimum health and safety standards	150,000	150,000	
	Minimum Energy Efficiency Standards	A programme within the City Council's commercial portfolio essential to ensure properties remain lettable and meet minimum energy efficiency standards. These works will be prioritised by lease expiry event to ensure properties remain income generating.	70,000	70,000	
	Limberline 1 and 2 Industrial Estate Roof Replacement Project	Re-roofing and re-lining of gutters which are life expired and uneconomical to patch. The works will also protect income received in respect of the Limberline Industrial Estate	1,045,000	1,045,000	
Commercial Port					
	Rudmore Square Right Hand Turn	Introduction of a dedicated right hand turn for vehicles exiting the Port, enabling traffic requiring access to the Boarder Control Facility to remain clear of the public highway and reducing the likelihood of congestion on and around the Rudmore roundabout	50,000	250,000	

NEW SCHEMES STARTING IN 2022/23 and Relying on Available Corporate Resources

Portfolio	Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Traffic & Transport					
	Portsmouth Transport Strategy Implementation Plan (LTP4) 2022/23 (Transport and Infrastructure)	<p>The Local Transport Plan (LTP) is a proactive plan prepared to complement the City Centre development and city centre road plans.</p> <p>The LTP programme of small schemes promotes the creation of an effective, integrated transport network designed to contribute towards corporate priorities and a range of transport objectives.</p> <p>Transport is an enabler of activity, and will underpin regeneration in the Portsmouth area. The regeneration and economic success of the city is dependent upon the reliability of the transport network, enabling people, freight and goods to access, and travel within the city</p> <p>It includes Road Safety schemes such as speed reduction and improvements to school routes, active travel schemes such as walking and cycling initiatives, pedestrian crossings, traffic signals and improvements to passenger information</p>	943,000	943,000	
	New Transport Hub	This transport hub aims to link the north and south of the city by way of the "Super Cycle Highway". A link is planned from Queen Alexander Hospital to Gunwharf and Southsea via Cosham, Hilsea, Mountbatten Centre, Tipner, Rudmore, City Centre and Victoria Park	200,000	200,000	
	Non PFI Assets - Retaining Wall (London Road, North of QA Hospital) - Full Repair	Replacement of the failing retaining wall on London Road by Queen Alexander Hospital	300,000	300,000	
Grand Total			13,311,200	31,601,900	338,700

NEW SCHEMES STARTING IN 2022/23 and Relying on Prudential Borrowing

Schemes to be approved in principal and funded from prudential borrowing but only if supported by a satisfactory financial appraisal approved by the Director of Finances & Sources and S151 Officer which demonstrates that borrowing costs can be met from savings arising from the scheme

Portfolio	Description of Scheme	Scheme Details	Council Borrowing £	Total Capital Cost £	Annual Revenue (Saving) After Borrowing Costs
Community Safety & Environment					
	Depot expansion to accommodate increased fleet to meet the Env Bill	Following the introduction of the Environment Bill in 2023, the Council will be required to collect additional materials at the kerbside including glass, cartons, polytrimethylene terephthalate (PTT) in plastics and flexible plastics resulting in a greater requirement for the separation of recyclables. To meet this, the City plans to implement twin stream collection. This change will require an expanded fleet. The current depot has insufficient space for the additional vehicles required and as a consequence a larger depot is required	1,200,000	1,200,000	1,500
	Waste Collection Fleet replacement 2023 (Diesel & HVO plus Solar Panel)	Replacement of the existing waste collection vehicle fleet which will have come to the end of its economic life during 2023	5,730,000	5,730,000	
Culture, Leisure & Economic Development					
	Re-provision of Leisure Centre, Pool & Community Centre - Bransbury Park	Construction of a new leisure centre with swimming pool, gym, sports facilities and a community Centre	1,782,700	16,048,900	
Commercial Port					
	Demolish Sydenhams Building	Demolition of dilapidated and redundant building and resurfacing and making good of surrounding areas	250,000	250,000	(50,000)
	Acquisitions including Port Master Plan Land & Building Requirements Phase 1	The Commercial Port's footprint is limiting the Ports ability to expand further to generate new income streams. Acquisition of suitable sites will enable the Port expand operations and maximise income earning potential	27,500,000	27,500,000	
Grand Total			36,462,700	50,728,900	(48,500)

NEW SCHEMES STARTING IN 2022/23 and Relying on Reserves

Portfolio	Description of Scheme	Scheme Details	Reserves Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Culture, Leisure & Economic Development					
	Portsmouth Watersports Centre	Replacement of decayed glulam beams that support the roof structure	45,000	465,000	
Commercial Port					
	Replacement of Turnout Shed Roof	Replacement of an ageing asbestos roof to ensure a safe and weatherproof working environment	750,000	750,000	
	Replacement of Freight Gate Roof	Replacement of the roof covering of the Port's main Freight Gate entry point. The current roof is 30 years old, dilapidated and beginning to fail presenting a significant health and safety issue to those working and transiting below	200,000	200,000	
Grand Total			995,000	1,415,000	

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Summary of Capital Programme (All Services)	Expenditure to 31 March 21 £	Revised Estimate 2021 / 22 £	Estimate 2022 / 23 £	Estimate 2023 / 24 £	Estimate 2024 / 25 £	Estimate 2025 / 26 £	Estimate 2026 / 27 £	Expenditure in Subsequent Years £	Final Cost £
Children, Families & Education	54,625,608	9,479,850	9,193,234	2,644,800	453,956	-	-	-	76,397,448
Communities & Central Services	27,923,733	13,668,702	8,701,920	979,593	757,143	7,143	7,143	7,143	52,052,519
Community Safety & Environment	2,675,743	3,098,777	36,319,900	1,173,000	-	-	-	-	43,267,420
Culture, Leisure & Economic Development	11,187,029	9,130,798	22,344,756	12,884,869	6,136,086	-	-	-	61,683,538
Health, Wellbeing & Social Care	4,279,399	625,711	6,406,770	5,940,280	-	-	-	-	17,252,160
Leader	540,083,033	31,552,677	48,652,289	24,022,700	24,744,420	-	-	-	669,055,118
Commercial Port	20,373,717	23,690,133	25,225,919	30,035,432	8,071,360	-	-	-	107,396,561
Planning, Policy & City Development	50,720,638	24,230,589	33,940,382	27,465,787	29,012,145	20,260,140	24,726	-	185,654,407
Traffic & Transportation	86,937,044	3,228,652	33,824,466	46,020,545	6,451,480	5,935,404	5,935,404	1,809,658	190,142,652
Total Capital Programme (Excluding Housing Investment Programme)	798,805,945	118,705,888	224,609,635	151,167,006	75,626,590	26,202,687	5,967,273	1,816,801	1,402,901,825
Housing Investment Programme	310,557,748	89,726,296	112,344,914	159,982,254	50,971,700	33,008,200	34,103,115	849,070	791,543,297
Total Capital Programme	1,109,363,692	208,432,184	336,954,549	311,149,260	126,598,290	59,210,887	40,070,388	2,665,871	2,194,445,122
Analysis of Programme by Source of Finance									
Unsupported Borrowing		47,797,406	143,124,960	177,055,763	43,445,151	-	-	-	411,423,280
Corporate Reserves (Including Capital Receipts)		32,249,682	25,974,511	11,058,517	5,631,056	718,568	252,200	849,070	76,733,604
Revenue & Reserves		38,961,486	56,816,864	47,084,225	36,443,313	36,652,547	38,452,547	1,816,801	256,227,782
Grants		82,144,579	98,331,318	58,551,563	34,186,453	12,464,489	-	-	285,678,402
Contributions		7,279,031	12,706,897	17,399,192	6,892,317	9,375,283	1,365,641	-	55,018,361
Total Financing		208,432,184	336,954,549	311,149,260	126,598,290	59,210,887	40,070,388	2,665,871	1,085,081,429

RESOURCES AVAILABLE

Specific Resources

Prudential Borrowing
Other Capital Receipts
Other Capital Reserves
Other Contributions
Government Grants
Other Grants

Sub Total - Specific Resources

Specific Resources Used

Specific Resources Available

Corporate Resources

Corporate Capital Receipts
Corporate Capital Reserves
Corporate S106 Contributions & CIL
Capital Settlement - Non Ring Fenced Grants
Corporate Grants

Sub Total - Corporate Resources

Corporate Resources Used

Corporate Resources Available

Total Resources Available

Total Resources Used

Total Remaining Resources Available

Revised Estimate 2021 / 22	Estimate 2022 / 23	Estimate 2023 / 24	Estimate 2024 / 25	Estimate 2025 / 26	Estimate 2026 / 27	Expenditure in Subsequent Years	Final Cost
£	£	£	£	£	£	£	£
47,797,406	143,124,960	177,055,763	43,445,151	-	-	-	411,423,280
2,833,197	1,480,195	482,680	286,250	252,200	252,200	849,070	6,435,793
37,628,123	56,371,913	46,554,722	36,311,233	36,652,547	38,452,547	1,816,801	253,787,885
4,616,275	7,327,078	14,379,209	6,046,000	4,535,713	1,340,915	-	38,245,190
25,000	-	-	-	-	-	-	25,000
70,742,877	88,608,334	56,766,621	26,147,849	11,590,524	-	-	253,856,206
163,642,878	296,912,480	295,238,995	112,236,483	53,030,984	40,045,662	2,665,871	963,773,353
163,642,878	296,912,480	295,238,995	112,236,483	53,030,984	40,045,662	2,665,871	963,773,353
0	0	0	0	0	0	0	0
3,428,372	2,924,018	1,272,872	11,272				7,636,533
45,449,782	17,575,428	2,075,938					65,101,148
13,310,923	1,527,799						14,838,722
31,170,456	626,761						31,797,217
1,934,456	-						1,934,456
95,293,988	22,654,006	3,348,810	11,272	0	0	0	121,308,076
44,789,306	40,042,069	15,910,265	14,361,807	6,179,903	24,726	0	121,308,076
50,504,683	33,116,620	20,555,164	6,204,629	24,726	0	0	0
258,936,867	319,566,487	298,587,805	112,247,755	53,030,984	40,045,662	2,665,871	1,085,081,430
208,432,184	336,954,549	311,149,260	126,598,290	59,210,887	40,070,388	2,665,871	1,085,081,430
50,504,683	33,116,620	20,555,164	6,204,629	24,726	0	0	

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CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	Adaptations to Foster Carer Properties	CROC	108,266								108,266
2	Children's Case Management Software Replacement	CorpRsv CP(DCSF)BN	2,291,805 79,385	335,810							2,627,615 79,385
Sub Total			2,371,190	335,810	-	-	-	-	-	-	2,707,000
3	Tangier Road Children's Home	CorpRsv CP(DCSF)BN	505,985 (2,126)								505,985 (2,126)
Sub Total			503,859	-	-	-	-	-	-	-	503,859
4	Beechside Children's Home	CorpRsv	50,123								50,123
5	Capital Grant for Disabled Looked after Children	CorpRsv RCCO	110,195 100,000								110,195 100,000
Sub Total			210,195	-	-	-	-	-	-	-	210,195
6	E C Roberts Centre refurbishment Loan	CorpRsv	7,200	40,000	100,000	102,800					250,000
7	Adaptation to Carers Homes	MTRS CROC CorpRsv	-	75,000 41,734 35,000	175,000	150,000					400,000 41,734 35,000
Sub Total			-	151,734	175,000	150,000	-	-	-	-	476,734
8	Sufficiency Programme Phase Two 2015- 2017	CP(DCSF)BN CorpRsv UBIR CROC CIL GGR(DCSF)SSEYC OC CP(DCSF)CM	2,136,350 2,527,671 4,097,868 300,000 635,710 726,721 251,344 72,000	100,000	237,200						2,136,350 2,864,871 4,097,868 300,000 635,710 726,721 255,968 72,000
Sub Total			10,747,664	104,624	237,200	-	-	-	-	-	11,089,488

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate						Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27		
9	Vanguard Centre	CP(DCSF)BN	1,837,639								1,837,639
		CorpRsv	539,463								539,463
		S106(EC)	121,921								121,921
		CP(DCLG)DFG	39,000								39,000
		CP(ESFA)SEND	770,000								770,000
	Sub Total		3,308,023	-	-	-	-	-	-	-	3,308,023
10	King Richard School Rebuild 900-1000 places	GGR(DCSF)TC	1,251,400								1,251,400
		CorpRsv	140,789	152,974							293,763
		OC	10,917								10,917
		CP(DCSF)BN	6,224								6,224
	Sub Total		1,409,330	152,974	-	-	-	-	-	-	1,562,304
	Universal Infant Free School Meal Works	OG	580,815								580,815
		CorpRsv	247,040								247,040
		CP(DCSF)CM	61,487								61,487
	Sub Total		889,342	-	-	-	-	-	-	-	889,342
12	Schools Conditions Projects - Modernisation	CP(DCSF)CM	1,185,033								1,185,033
		GGR(DCSF)DF	123,193								123,193
		CP(EFA)2YR	56,894								56,894
		CorpRsv	57,503								57,503
	Sub Total		1,422,623	-	-	-	-	-	-	-	1,422,623
13	School Conditions Project 2016-17	CP(DCSF)BN	123,317								123,317
		CP(DCSF)CM	318,474								318,474
		GGR(DCSF)DF	427,664								427,664
	Sub Total		869,455	-	-	-	-	-	-	-	869,455
14	Secondary School Places Expansion Phase (1)	UBIR	626,860								626,860
		CP(DCSF)BN	776,118	22,749							798,867
		CP(DCSF)CM	8,211								8,211
		CROC	8,123	86,639							94,762
		OC	200,000								200,000
	Sub Total		1,619,312	109,388	-	-	-	-	-	-	1,728,700

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CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
15	Special Education Needs - Building Alterations	CP(DCSF)BN	1,122,750								1,122,750
		CP(DCSF)CM	68,810								68,810
		CorpRsv	920,269	189,731							1,110,000
		UBIR	540,000								540,000
	Sub Total		2,651,829	189,731	-	-	-	-	-	-	2,841,560
16	Schools DFC Balances and devolved 2016-17	GGR(DCSF)DF	1,958,305								1,958,305
		GGR(DCSF)DSG	3,251,942								3,251,942
		CorpRsv	132,071								132,071
		CP(DCSF)BN	381,026								381,026
		OC	113,735								113,735
	Sub Total		5,837,079	-	-	-	-	-	-	-	5,837,079
	Sufficiency of Secondary School Places	CorpRsv	-	130,000	531,820						661,820
		CP(DCSF)BN	4,077,125								4,077,125
		CP(DCSF)CM	593,821	17,234							611,055
		GGR(DCSF)DSG	132,500								132,500
		OC	-	35,000							35,000
	Sub Total		4,803,446	182,234	531,820	-	-	-	-	-	5,517,500
18	Future Secondary School Places	CP(DCSF)BN	(42,842)		72,090						29,248
		UBIR	102,842	26,158							129,000
	Sub Total		60,000	26,158	72,090	-	-	-	-	-	158,248
19	School Conditions Project 2017-18	OC	61,896	138,459							200,355
		CP(DCSF)CM	652,859								652,859
	Sub Total		714,755	138,459	-	-	-	-	-	-	853,214
20	Beacon View Primary School - Kitchen Block	CorpRsv	41,698								41,698

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
21	Schools' Conditions Project 2018-19	CP(DCSF)CM	1,069,064	121,826							1,190,890
		CP(DCSF)BN	20,000	59,438							79,438
		CorpRsv	-	166,917							166,917
		OC	30,000	85,145							115,145
		GGR(DCSF)DF	-	25,000							25,000
	Sub Total		1,119,064	458,326	-	-	-	-	-	-	1,577,390
22	Sufficiency of School Places 2018-19	CP(DCSF)BN	5,357,090	808,012							6,165,102
		CP(DCSF)CM	34,100	170,707							204,807
		CIL	4,668,598								4,668,598
		OC	-	305,000							305,000
	Sub Total		10,059,788	1,283,719	-	-	-	-	-	-	11,343,507
23	Sufficiency of Special School Places - Redwood Park Academy	CorpRsv	58,724	43,574							102,298
		CIL	1,831,402								1,831,402
		UBIR	872,221								872,221
	Sub Total		2,762,347	43,574	-	-	-	-	-	-	2,805,921
24	Sufficiency of Special School Places - The Willows Centre	CP(DCSF)CM	521,690	43,002							564,692
		CorpRsv	21,408								21,408
	Sub Total		543,098	43,002	-	-	-	-	-	-	586,100
25	Milton Childcare Sufficiency	CorpRsv	69,784								69,784
26	Forest School at Foxes Forest - Community Accessible Education Centre	CorpRsv	-		30,000						30,000
27	Early Year Places Provision	GGR(DCSF)SSEYC	10,798								10,798

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28	Maintained Schools - Urgent Conditions Projects	CorpRsv	-	228,092	32,100						260,192
		CP(DCSF)BN	269,717	(20,417)							249,300
		CP(DCSF)CM	190,151	954,976							1,145,127
		OC	-	100,000							100,000
	Sub Total		459,868	1,262,651	32,100	-	-	-	-	-	1,754,619
29	Additional Special School Places - The Lantern	CorpRsv	13,099								13,099
		UBIR	486,001								486,001
		CP(ESFA)SEND	538,500								538,500
		CP(DCSF)BN	109,448								109,448
	Sub Total		1,147,048	-	-	-	-	-	-	-	1,147,048
30	Additional School Places in Mainstream Schools - Design	CorpRsv	62,460	20,000	100,540	67,000					250,000
31	Additional Secondary School Places - St Edmunds	CP(DCSF)BN	650,148								650,148
32	Additional School Places - 2020/21	CP(DCSF)BN	46,044	100,000	800,000	800,000	453,956				2,200,000
33	Sufficiency at Wymering Site improvement	CorpRsv	6,640	63,360							70,000
		CP(DCSF)BN	25,531	124,469							150,000
	Sub Total		32,171	187,829	-	-	-	-	-	-	220,000
34	Wimbourne Amalgamation	CP(DCSF)BN	9,330	77,670							87,000
35	School Places - SEND Phase 1 & Phase 2	CIL	8,528	(8,528)							-
		S106(EC)	-	22,400							22,400
		CP(DCSF)BN	-	1,338,247							1,338,247
	Sub Total		8,528	1,352,119	-	-	-	-	-	-	1,360,647

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

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36	Northern Parade Family Hub	CorpRsv	19,627	5,373							25,000
37	Replacement Education Case Mmgt System	CorpRsv	-		1,000,000	250,000					1,250,000
38	Maintained Schools - Urgent Conditions Projects (2 year Planned Programme 2021/22 to 2022/23)	CorpRsv	-	804,896	700,000						1,504,896
		OC	-	83,400							83,400
		CP(DCSF)BN		8,545							8,545
	Sub Total		-	896,841	700,000	-	-	-	-	-	1,596,841
39	Accommodation for Special Education Needs (additional School Places)	CorpRsv	116		464,384	500,000					964,500
		CIL	-	612,700	1,200,000	500,000					2,312,700
		CP(DCSF)CM	-	(66,100)	1,569,100						1,503,000
		CP(ESFA)SEND	-	256,900	374,400						631,300
		CP(DCSF)BN	-	1,464,134	1,000,000						2,464,134
	Sub Total		116	2,267,634	4,607,884	1,000,000	-	-	-	-	7,875,634
40	Acquisition of Mosaic Mobile Work Force Cloud Technology	CorpRsv	-		416,100						416,100
		CROC	-	50,000	78,900						128,900
	Sub Total		-	50,000	495,000	-	-	-	-	-	545,000
41	The Whitehorse Children's Home Driveway Replacement	CorpRsv	-		16,800						16,800
		S106(hsg)	-		5,700						5,700
	Sub Total		-	-	22,500	-	-	-	-	-	22,500
42	Create Garden Workspace for Young People	CorpRsv	-		14,100						14,100
43	Accom for Special Educational Needs - Arundel Court Inclusion Unit	CP(ESFA)SEND	-		275,000	275,000					550,000
Grand Total			54,625,608	9,479,850	9,193,234	2,644,800	453,956	-	-	-	76,397,448

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1	Portico - Capital Advances	UB	10,394,000	177,250							10,571,250
		OG(DCLG)CD	250,000								250,000
	Sub Total		10,644,000	177,250	-	-	-	-	-	-	10,821,250
2	Port Leased Plant & Equipment - Portico Crane	UB	720,247								720,247
		LEP	2,326,450								2,326,450
	Sub Total		3,046,697	-	-	-	-	-	-	-	3,046,697
3	IS Road Map	CorpRsv	393,696	67,196							460,892
		OG(DCLG)CD	321,482								321,482
		CP(DCLG)DFG	151,400								151,400
		CRGG	2,320								2,320
		CP(DFI)IT	196,000								196,000
		ITR	223,470	9,706							233,176
	Sub Total		1,288,368	76,902	-	-	-	-	-	-	1,365,270
4	PSN CoCo Compliance	CorpRsv	24,861	73,908							98,769
		OG(DCLG)CD	99,384								99,384
		ITR	46,847								46,847
	Sub Total		171,092	73,908	-	-	-	-	-	-	245,000
5	IS - Server & Database	CorpRsv	71,568	33,860							105,428
		UB	94,572								94,572
	Sub Total		166,140	33,860	-	-	-	-	-	-	200,000

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CAPITAL PROGRAMME

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6	Working Anywhere	CorpRsv	193,829	43,336							237,165
		OG(DCLG)CD	67,344								67,344
		MTRS	47,325								47,325
		CP(DCLG)DFG	626,166								626,166
	Sub Total		934,664	43,336	-	-	-	-	-	-	978,000
7	Channel Shift Phase 1	CorpRsv	652,553								652,553
8	Channel Shift Phase 2	CorpRsv	469,971	112,529							582,500
9	Portsmouth Hive Project	CorpRsv	40,413								40,413
		OC	28,358								28,358
	Sub Total		68,771	-	-	-	-	-	-	-	68,771
10	Local Full Fibre Network Project	OG	1,155,000	1,749,712							2,904,712
		CorpRsv	97,302	987,000	523,163						1,607,465
		LEP	192,217								192,217
	Sub Total		1,444,519	2,736,712	523,163	-	-	-	-	-	4,704,394
11	Review of Revenues & Benefits Software Applications	CorpRsv	521,915	118,385							640,300
		OR	-	98,102	94,498						192,600
	Sub Total		521,915	216,487	94,498	-	-	-	-	-	832,900
12	The People's Network - Windows 10 Upgrade	CorpRsv	-	150,000	200,000						350,000
13	Modern Ways of Working	MTRS	986,516	13,484							1,000,000
		OR	644,746	718,958							1,363,704
		CorpRsv	437,794	1,477,169							1,914,963
		RCCO	-	30,392							30,392
	Sub Total		2,069,056	2,240,003	-	-	-	-	-	-	4,309,059

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14	HCM Fusion ORC	CorpRsv	-		285,500						285,500
15	Archive Tool	CorpRsv OR	36,850 -	(36,850) 100,000	525,911	7,143	7,143	7,143	7,143	7,143	- 661,625
Sub Total			36,850	63,150	525,911	7,143	7,143	7,143	7,143	7,143	661,625
16	Portico Capital Invest. Loan	UB LEP	2,500,000 2,500,000	4,500,000	4,000,000	750,000	750,000				12,500,000 2,500,000
Sub Total			5,000,000	4,500,000	4,000,000	750,000	750,000	-	-	-	15,000,000
	Portico Freight System	OG	-	400,000							400,000
18	Applications Upgrade linked to Software Modernisation	MTRS	-	50,000	200,000						250,000
19	Office 365	MTRS CorpRsv CROC	820,000 122,353 200,000	188,747							820,000 311,100 200,000
Sub Total			1,142,353	188,747	-	-	-	-	-	-	1,331,100
20	LAN Access Switches	CorpRsv	19,365	254,318	254,317						528,000
21	M365 Phase 2 incl Telephony Sharepoint & Security	CorpRsv CROC	- -	630,000 70,000	337,000						630,000 407,000
Sub Total			-	700,000	337,000	-	-	-	-	-	1,037,000
22	Replacement Servers & Storage	CROC	9,500	128,500	400,000						538,000
23	Migration to Azure (Cloud Servers)	MTRS	237,919	1,223,000	887,081						2,348,000

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24	Implementation of Northgate Citizen Access Suite	MTRS	-	110,000							110,000
		OC	-	70,000							70,000
		OR	-		70,000						70,000
	Sub Total		-	180,000	70,000	-	-	-	-	-	250,000
25	CISCO Data Centre Switches	CorpRsv	-	30,000	30,000						60,000
26	Checkpoint Internall Firewall	CRGG	-		142,000						142,000
27	Replacement of Planet Press	CorpRsv	-		7,100						7,100
		CROC	-		300,300						300,300
		CRGG	-		120,200						120,200
		CP(DFT)IT	-		22,400						22,400
	Sub Total		-	-	450,000	-	-	-	-	-	450,000
28	Replacement Legal Case Management System	CROC	-	24,900							24,900
		CRGG	-	35,100							35,100
		CorpRsv	-	30,000							30,000
	Sub Total		-	90,000	-	-	-	-	-	-	90,000
29	Bring Your Own Device Phase 2	CorpRsv	-		75,000	75,000					150,000
30	TPN - Wifi Infrastructure Phase 1	CorpRsv	-		65,000						65,000
31	Cisco Perimeter Firewall	CorpRsv	-		103,500	103,500					207,000
32	Live Streaming	CorpRsv	-		15,000						15,000
33	Omni-Channel Contact Centre Platform	CorpRsv	-		43,950	43,950					87,900
Grand Total				27,923,733	13,668,702	8,701,920	979,593	757,143	7,143	7,143	52,052,519

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COMMUNITY SAFETY & ENVIRONMENT PORTFOLIO

CAPITAL PROGRAMME

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1	Household Waste Collection	CorpRsv	99,424	11,776							111,200
2	Public Toilets New Provision, across the City	CorpRsv	271,128	108,873							380,001
3	Wheeled Bins for Refuse	CorpRsv	1,022,073	97,927							1,120,000
4	Dog Kennels Vehicles	CorpRsv	9,549	8,451							18,000
5	Air Quality Equipment & Monitoring Station	CorpRsv	47,466								47,466
6	Air Quality Initiatives	CorpRsv	-	50,000	100,000						150,000
7	Single Material Recycling Facility	UB	-	1,500,000	3,338,400						4,838,400
8	Waste collection Vehicle Replacement	UB	-		4,125,000						4,125,000
9	Replacement of WC Hand Washing and Drying Units	CorpRsv	130,047								130,047
10	Food Waste Recycling - Pilot	CorpRsv CP(DFI)IT	326,916 29,200	53,884							380,800 29,200
	Sub Total		356,116	53,884	-	-	-	-	-	-	410,000
11	Anaerobic Digestion Plant	CorpRsv UB	50,955 -	149,045	22,000,000						200,000 22,000,000
	Sub Total		50,955	149,045	22,000,000	-	-	-	-	-	22,200,000
12	Greening the City	CorpRsv	-	50,000	50,000						100,000
13	Energy Recovery Facilities - Emissions control equipment upgrade	CorpRsv	-	115,000							115,000
14	High Street Improvements & Greening The City	CorpRsv	-	87,500	87,500						175,000

COMMUNITY SAFETY & ENVIRONMENT PORTFOLIO

CAPITAL PROGRAMME

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15	Southsea Sea Defences - Public Realm Enhancements	CorpRsv	-		376,000						376,000
16	Additional 2 Food Waste Recycling Vehicles	CorpRsv	-	150,000	190,000						340,000
17	CCTV Upgrades	GGNR(HO)SSC RCCO CorpRsv S106(OS)	69,500 217,306 238,615 15,373	5,194 24,627							69,500 222,500 238,615 40,000
Sub Total			540,794	29,821	-	-	-	-	-	-	570,615
18	CCTV Systems & Control Room Infrastructure	CorpRsv OG(PHE)CS	133,190 15,000								133,190 15,000
Sub Total			148,190	-	-	-	-	-	-	-	148,190
19	Refresh of CCTV Control Room Infrastructure	CorpRsv	-	25,000							25,000
20	3 Additional Redeployable CCTV Cameras	CorpRsv	-	25,000							25,000
21	Depot Expansion to Meet Increased Fleet (Env Bill)	UB	-		600,000	600,000					1,200,000
22	CCTV IT Infra, Security & Upgrade	CorpRsv	-		75,000						75,000
23	Waste Collection Fleet Replacement 2023	UB	-	573,000	4,584,000	573,000					5,730,000
24	City Wide Food Waste Collection Service	CorpRsv	-	63,500	571,500						635,000
25	Anaerobic Digestion Plant Project	CorpRsv	-		60,000						60,000
26	Mixed Plastic Recycling Bank & Glass Refurbishment	CorpRsv	-		32,500						32,500

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				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25				
27	Greening the City Fund	S106(HSG)	-		30,000						30,000
		CorpRsv	-		20,000						20,000
	Sub Total		-	-	50,000	-	-	-	-	-	50,000
28	Redeployable CCTV Cameras for Env Issues	CorpRsv	-		45,000						45,000
29	Sea Water Quality Alert System	CorpRsv	-		35,000						35,000
Grand Total			2,675,743	3,098,777	36,319,900	1,173,000	0	0	0	0	43,267,420

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

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		Source of Finance	Exp. to 31 Mar 2021	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27		in Subsequent Years
1	Hilsea Splashpool	CorpRsv S106(OS)	82,888 292,366								82,888 292,366
	Sub Total		375,254	-	-	-	-	-	-	-	375,254
2	Coastal Communities Bid (ARTches)	CorpRsv CP(DFT)IT OG OG(DCLG)CI PUSH	116,454 100,000 1,567,185 44,972 40,000		14,069 1,449						130,523 100,000 1,568,634 44,972 40,000
	Sub Total		1,868,611	-	15,518	-	-	-	-	-	1,884,129
3	Southsea Seafront Investment - D Day 75	CorpRsv LOT OG OC	528,872 2,793,537 617,307 215,060	12,000							528,872 2,793,537 629,307 215,060
	Sub Total		4,154,776	12,000	-	-	-	-	-	-	4,166,776
4	D Day Museum	CorpRsv	158,336	6,664							165,000
5	DDAY Landscaping Works	OG	576,777	23,223							600,000
6	Sports and Leisure Facilities Investment	UB	1,272,494	27,506	1,000,000						2,300,000
7	In-house Parks' Mobilisation - Vehicles & Equipment	CorpRsv RCCO	379,537 99,412	166,573	75,938	170,503	132,080				379,537 644,506
	Sub Total		478,949	166,573	75,938	170,503	132,080	-	-	-	1,024,043
8	Edwardian Seafront Shelter	CorpRsv	234		69,766						70,000
9	Re-provision of Bandstand at West Battery Gardens	CorpRsv	23,870	1,130							25,000

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised	Estimate	Estimate	Estimate	Estimate	Estimate	Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27		
10	New Fountain Refurbishment at Southsea Castle	CorpRsv	439,100	2,500							441,600
		CROC	38,400								38,400
	Sub Total		477,500	2,500	-	-	-	-	-	-	480,000
11	Water Safety Equipment	CorpRsv	36,232								36,232
		RCCO	565	8,373	54,830						63,768
	Sub Total		36,797	8,373	54,830	-	-	-	-	-	100,000
12	Farlington Pavilion Refurbishment	CorpRsv	-	61,900							61,900
		S106(OS)	-	8,100							8,100
		CP(DFT)IT	21,000	149,000							170,000
		OC	-	70,000							70,000
	Sub Total		21,000	289,000	-	-	-	-	-	-	310,000
13	Lumps Fort Sun Huts Maintenance / Replacement	CorpRsv	56,520	8,481							65,001
14	Victoria Park Heritage Lottery Fund	CorpRsv	37,339	46,000	12,000	79,000	75,661				250,000
		LOT	-	195,400	101,100	674,800	659,200				1,630,500
		CILNRsv	-		15,400	15,400					30,800
		OC	-		11,000	11,000					22,000
		OG	123,000								123,000
	Sub Total		160,339	241,400	139,500	780,200	734,861	-	-	-	2,056,300
15	Disabled Beach Buggies and Access Mat	CROC	9,746	10,254							20,000
16	Allotment Security Grants	CROC	31,787								31,787
17	Outdoor Fitness Equipment	CorpRsv	40,743	19,857							60,600

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

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		Source of Finance	Exp. to 31 Mar 2021	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	in Subsequent Years	
18	Parks & Open Spaces Protection Measures to Prevent Incursion	S106(OS) CorpRsv	10,000 2,840								10,000 2,840
	Sub Total		12,840	-	-	-	-	-	-	-	12,840
19	Pyramids Refurbishment	CorpRsv CP(DFT)IT OR MTRS	- - 405,000 109,749	1,893,482 101,904 1,050,862 340,251							1,893,482 101,904 1,455,862 450,000
	Sub Total		514,749	3,386,499	-	-	-	-	-	-	3,901,248
20	Repair/Refurbishment of Southsea Splashpool	CorpRsv	101,736	264							102,000
21	World War 1 Memorial Plaques	CROC	-	30,000	15,000						45,000
22	Contribution to Roof Repairs at Southsea Skatepark	S106(OS)	6,240	3,760							10,000
23	Cont to Architectural Design to Enable Regeneration - Guildhall	CorpRsv	37,929	2,071							40,000
24	Cont to Architectural Design to Enable Regeneration - Kings Theatre	CorpRsv	27,235	12,765							40,000
25	Palmerston Road Improvements	CorpRsv	345,111	32,649		122,240					500,000
26	Brougham Road (Arts Centre) - External Repairs	CorpRsv CP(DFT)IT	- -	- -	167,000 83,000						167,000 83,000
	Sub Total		-	-	250,000	-	-	-	-	-	250,000
27	Southsea Common & Town Centres Litter Management	CorpRsv	27,830	22,170							50,000

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CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate						Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27		
28	Parks & Open Space Boundary Protection Measures	PR	10,000								10,000
		CorpRsv	19,012	988							20,000
		RCCO		33,595							33,595
	Sub Total		29,012	34,583	-	-	-	-	-	-	63,595
29	CCTV - Portsmouth Museum & Cumberland House	CP(DFI)IT	30,308	19,692							50,000
30	City Museum	CP(DFI)IT	134,173	60,827							195,000
31	Burfields Road Barns - Demolition	CorpRsv	-	-	70,000						70,000
		CP(DFI)IT	-	-	92,000						92,000
	Sub Total		-	-	162,000	-	-	-	-	-	162,000
32	Hotwalls' Paving Maintenance	CorpRsv	-	15,000							15,000
		RCCO	-	32,000							32,000
	Sub Total		-	47,000	-	-	-	-	-	-	47,000
33	Portsmouth Watersports Centre	CP(DFI)IT	22,500	67,500							90,000
		CorpRsv	-	-	330,000						330,000
		OR	-	-	45,000						45,000
	Sub Total		22,500	67,500	375,000	-	-	-	-	-	465,000
34	Southsea Castle	CP(DFI)IT	94,013	5,987							100,000
35	Bransbury Park Pavillion	CP(DFI)IT	-	150,000							150,000
36	Kings Theatre Regeneration	UB	-	-	3,000,000						3,000,000
		OC	-	-	1,300,000						1,300,000
	Sub Total		-	-	4,300,000	-	-	-	-	-	4,300,000

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27			
37	Kings Theatre Landlords Backlog Maintenance Obligations	CP(DFT)IT CorpRsv	-	30,000	270,000							300,000
				-	408,000							408,000
	Sub Total		-	30,000	678,000	-	-	-	-	-	-	708,000
38	Guildhall Regeneration	UB	-	-	1,700,000							1,700,000
39	Future High Streets Commercial Rd	OG	-	15,000	2,307,298	800,077	-					3,122,375
		UB	-	-	2,000,000							2,000,000
	Sub Total		-	15,000	4,307,298	800,077	-	-	-	-	-	5,122,375
40	Future High Streets Fratton Rd	OG	-	3,210,000	374,245	274,244	-					3,858,489
41	Cosham Library - Refurbishment of library space	CorpRsv	-	37,000								37,000
42	Southsea Castle - External Stone Repairs	CorpRsv	-		190,000							190,000
43	Invest in Football Facilities Including Changing Facilities	CorpRsv	-	75,000	722,000	722,155						1,519,155
		OC	-	-	2,100,000	2,100,000						4,200,000
		S106(OS)	-	-	9,500	9,500						19,000
		CROC	-	-	4,400	4,445						8,845
		OC	-	-	126,500	126,500						253,000
		OG(LUHC)	-	-	500,000	500,000						1,000,000
												0
	Sub Total		-	-	3,462,400	3,462,600	-	-	-	-	-	7,000,000
												0
44	Seafront Litter Management	CorpRsv	4,162	30,838								35,000
45	Re-provision of Leisure Centre, Pool & Community Centre	CorpRsv	19,310		23,940	6,928,905	5,269,145					12,241,300
		UB	-		1,782,700							1,782,700
		CP(DCSF)BN	-		1,024,900							1,024,900
		OC	-	181,024	818,976							1,000,000
	Sub Total		19,310	181,024	3,650,516	6,928,905	5,269,145	-	-	-	-	16,048,900

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CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified	Exp. to 31 Mar 2021	Revised	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp.	Final Cost
		Source of Finance		Estimate for 2021 / 22						in Subsequent Years	
46	Palmerston Forts (Widley & Purbrook) - Backlog Maintenance	CorpRsv	26,155	-	223,845						250,000
47	Loan to Pompey in the Community - John Jenkins Centre (Copnor/Baffins)	UB	-		800,000						800,000
48	New Theatre Royal Purchase	CorpRsv RCCO	9,992 -	790,008							9,992 790,008
Sub Total			9,992	790,008	-	-	-	-	-	-	800,000
49	Creation of New Dog Park	RCCO	-	23,000							23,000
50	Groundlings Loan	RCCO	-	26,200							26,200
51	Peter Ashley Centre Grant	RCCO	-	20,000							20,000
52	New Theatre Royal - Lease Maintenance Obligations	CorpRsv	-		225,000	225,000					450,000
53	Seafront Enhancements "Festoon" Lighting	CorpRsv	-		140,400	15,600					156,000
54	Paulsgrove Football Club Fencing	CorpRsv	-		30,000						30,000
55	Round Tower Internal & External Improvements	CorpRsv	-		105,500	105,500					211,000
Grand Total			11,187,029	9,130,798	22,344,756	12,884,869	6,136,086	-	-	-	61,683,538

HEALTH, WELLBEING & SOCIAL CARE PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	Swift Software Replacement	CROC	80,200								80,200
		CRGG	700								700
		CorpRsv	93,920								93,920
		CP(DH)CG	319,100								319,100
		OR	263,000								263,000
		BCF(OG)DOH	496,000								496,000
		GGR(DH)CAF	51,383								51,383
	Sub Total		1,304,303	-	-	-	-	-	-	-	1,304,303
2	Oakdene SJH Purchase & Remodelling	OC	196,818								196,818
		UB	634,200	35,800							670,000
		CorpRsv	263,182								263,182
		RCCO	133,835	89,911	28,600						252,346
		UBIR	1,041,758								1,041,758
		OR	10,826								10,826
	Sub Total		2,280,619	125,711	28,600	-	-	-	-	-	2,434,930
3	Older Persons Supported Living (Extra Care Housing)	CorpRsv	177,189	500,000	3,829,101						4,506,290
		CP(DH)CG	93,710								93,710
		UB	-			5,836,000					5,836,000
		OR	162,051		837,949						1,000,000
		BCF(DFG)DCLG	-		1,294,000						1,294,000
	Sub Total		432,950	500,000	5,961,050	5,836,000	-	-	-	-	12,730,000
4	Medina House - Heating & Cooling System	CorpRsv	-								-
5	49 Bevis Road (Alcohol Treatment Centre)	OG	249,000								249,000
		RCCO	12,527								12,527
	Sub Total		261,527	-	-	-	-	-	-	-	261,527

HEALTH, WELLBEING & SOCIAL CARE PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised		Estimate	Estimate	Estimate	Estimate	Estimate	Exp. in Subsequent Years	Final Cost
			to 31 Mar 2021	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27			
6	Critical Reporting Solution	BCF(DFG)DCLG	-		297,120	74,280						371,400
		OC	-		120,000	30,000						150,000
Sub Total			-	-	417,120	104,280	-	-	-	-	-	521,400
Grand Total			4,279,399	625,711	6,406,770	5,940,280	-	-	-	-	-	17,252,160

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	Horsea Island Country Park - Fencing	CorpRsv	-								-
		S106(OS)	22,209								22,209
		CP(DFT)IT	4,135								4,135
	Sub Total		26,344	-	-	-	-	-	-	-	26,344
2	Sainsbury's Acquisition	CorpRsv	2,493,830	(846,053)							1,647,777
		CP(DCSF)BN	4,668,598								4,668,598
	Sub Total		7,162,428	(846,053)	-	-	-	-	-	-	6,316,375
3	Redevelopment of City Centre	CIL	-	1,382,500	1,382,500						2,765,000
		CorpRsv	-	1,166,813	1,166,813						2,333,625
		UB	-		10,000,000						10,000,000
	Sub Total		-	2,549,313	12,549,313	-	-	-	-	-	15,098,625
	Dunsbury Hill Farm - Access Road	UBIR	280,440								280,440
		OG(DCLG)CD	568,954								568,954
		OC	4,540,000								4,540,000
		LEP	241,078								241,078
		UB	4,805,437		349,091						5,154,528
	Sub Total		10,435,909	-	349,091	-	-	-	-	-	10,785,000
5	Dunsbury Hill - Utilities & Enabling	UB	11,227,276	166,934							11,394,210
		LEP	924,904								924,904
	Sub Total		12,152,180	166,934	-	-	-	-	-	-	12,319,114
6	Dunsbury Hill - Plot 2	UB	2,476,896	-							2,476,896
		LEP	7,176,000	-							7,176,000
	Sub Total		9,652,896	-	-	-	-	-	-	-	9,652,896

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
7	Dunsbury Hill - Plot 3	UBIR	19,047								19,047
		UB	6,750,979	102,982							6,853,961
		OC	89,922								89,922
	Sub Total		6,859,948	102,982	-	-	-	-	-	-	6,962,930
8	Dunsbury Hill Farm- Master Plan	UB	53,922	-	8,226,200	10,000,000	11,438,078				29,718,200
		CorpRsv	-	5,088,000	1,773,800						6,861,800
	Sub Total		53,922	5,088,000	10,000,000	10,000,000	11,438,078	-	-	-	36,580,000
9	Dunsbury Hill Farm- Plot 4a	UB	33,918								33,918
		LEP	2,827,982								2,827,982
		CorpRsv	-	9,341,501	1,196,599						10,538,100
	Sub Total		2,861,900	9,341,501	1,196,599	-	-	-	-	-	13,400,000

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate					Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26		
10	Tipner Regeneration	OG(DCLG)CD	4,072,035							4,072,035
		CorpRsv	-			1,227,787				1,227,787
		CIL	-			165,468	806,745			972,213
		OC	121,089							121,089
		OG(DCLG)CD	-							-
		UB	22,004				3,106,263			3,128,267
		CP(DCSF)CM	3,722,451							3,722,451
		CP(DCSF)BN	-				4,478,312			4,478,312
		CP(DH)CG	654,533							654,533
		CP(DFT)IT	256,699	88,247			3,106,336			3,451,282
		CP(DFT)HM	1,604,911	409,383						2,014,294
		CP(DCLG)DFG	666,047							666,047
		CRGG	-	769,589						769,589
		CorpRsv	-	1,700,000						1,700,000
		MTRS	775,705							775,705
		ORCD	730,000	4,132,781	5,404,957					10,267,738
		OR	-		4,751,043	8,935,051	172,306			13,858,400
		CP(EFA)2YR	331,666							331,666
		S106(ST)	161,376							161,376
		S106(OS)	105,515							105,515
	Sub Total		13,224,031	7,100,000	10,156,000	10,328,306	13,306,342	-	-	54,114,679
11	Local Enterprise Partnership	OC	25,643,217							25,643,217
		LEP	77,006,999							77,006,999
		LEP(DCLG)	1,421,541	100,000	100,000	99,854				1,721,395
		LEP(OG)	6,672,217			417,783				7,090,000
		LEP(MHCLG)	7,368,044	7,950,000						15,318,044
		LEP(ERDF)	36,908							36,908
		UB	41,196,998							41,196,998
		CorpRsv	994,517							994,517
		CRGG	456,600							456,600
	Sub Total		160,797,041	8,050,000	100,000	517,637	-	-	-	169,464,678

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
12	Medina House Refurbishment	CorpRsv	444,522								444,522
		OC	2,468								2,468
	Sub Total		446,990	-	-	-	-	-	-	-	446,990
13	Commercial Property Acquisition Fund	UB	172,138,931		7,600,000	3,176,757					182,915,688
		OC	106,800								106,800
	Sub Total		172,245,731	-	7,600,000	3,176,757	-	-	-	-	183,022,488
14	Lakeside North Harbour	UB	122,706,735		3,836,286						126,543,021
		LEP	21,456,979								21,456,979
	Sub Total		144,163,714	-	3,836,286	-	-	-	-	-	148,000,000
15	City Centre Co-Working Space	UB	-		-						-
16	Cosham Land Assembly (Phase 1 Development)	CorpRsv	-		1,600,000						1,600,000
17	Limberline 1 & 2 Roof Replacement	CorpRsv	-		1,045,000						1,045,000
18	Upgrade of Accessways & Rd Ways (non Highway)	CorpRsv	-		150,000						150,000
19	Minimum Energy Efficiency Standards	CorpRsv	-		70,000						70,000
Grand Total			540,083,033	31,552,677	48,652,289	24,022,700	24,744,420	0	0	0	669,055,118

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COMMERCIAL PORT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	Port Regeneration	OG(DCLG)CD	43,362								43,362
		LEP	1,627,881								1,627,881
		UB	9,457,823	130,934							9,588,757
	Sub Total		11,129,066	130,934	-	-	-	-	-	-	11,260,000
2	Development of Cruise & Ferry Port	UB	3,772,228	2,314,097		10,435,432					16,521,757
		LEP	1,935,383								1,935,383
		LEP(MHCLG)	636,957								636,957
		CorpRsv	-	684,977							684,977
		CRGG	-	926							926
		OG(LUHC)			11,250,000						11,250,000
	Sub Total		6,344,568	3,000,000	11,250,000	10,435,432	-	-	-	-	31,030,000
3	Passenger Boarding Bridge	UB	128,640			4,000,000	2,871,360				7,000,000
4	Anodes	CorpRsv	81,307	238,693							320,000
		UB	33,767	86,233							120,000
	Sub Total		115,074	324,926	-	-	-	-	-	-	440,000
5	Port Freight System	CorpRsv	10,353	(8,282)							2,071
		OG	-	8,282							8,282
	Sub Total		10,353	-	-	-	-	-	-	-	10,353
6	Port - Floating Dock Jetty Dredge	MTRS	-		1,000,000						1,000,000
		UB	710	1,000,000	999,290						2,000,000
	Sub Total		710	1,000,000	1,999,290	-	-	-	-	-	3,000,000
7	Wind Turbines at Port	CorpRsv	-								-
8	The Camber Quay - Structural Investigations	CorpRsv	7,400	42,600							50,000

COMMERCIAL PORT

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
9	Shore to Ship Electric "Plug in" Facility (Feasibility / Design)	CorpRsv	-	40,000	35,000						75,000
10	Electrification of Light Goods Vehicles	CorpRsv PR	56,008 20,000								56,008 20,000
Sub Total			76,008	-	-	-	-	-	-	-	76,008
11	Brexit Infrastructure	CorpRsv OG UB LEP	8,420 2,553,478 - -	- 14,601,673 4,000,000 550,000	800,000 2,991,629						808,420 20,146,780 4,000,000 550,000
Sub Total			2,561,898	19,151,673	3,791,629	-	-	-	-	-	25,505,200
12	Replacement of Freight Gate Roof	PR	-		200,000						200,000
13	Replacement of Turnout Shed Roof	PR	-		750,000						750,000
14	Acquisitions including Port Master Plan Land & Building Requirements Phase 1	UB	-		6,700,000	15,600,000	5,200,000				27,500,000
15	Demolish Sydenhams Building	UB	-		250,000						250,000
16	Rudmore Square Right Hand Turn	CorpRsv OC	- -		50,000 200,000						50,000 200,000
Sub Total			-	-	250,000	-	-	-	-	-	250,000
Grand Total			20,373,717	23,690,133	25,225,919	30,035,432	8,071,360	-	-	-	107,396,561

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PLANNING, POLICY & CITY DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	Hampshire Community Bank	UB	4,170,249	829,751							5,000,000
		CorpRsv	20,000	43,415							63,415
		MTRS	7,812	77,488							85,300
		OC	26,440	1,330							27,770
	Sub Total		4,224,501	951,984	-	-	-	-	-	-	5,176,485
2	Public Realm Improvement by The Hard	CP(DCSF)CM	-								-
3	Public Realm - Improvements to Station Square & Isambard Brunel Road	CWCIL	245,841	55,688							301,529
		CP(DFT)IT	200,000								200,000
	Sub Total		445,841	55,688	-	-	-	-	-	-	501,529
4	City Centre Public Realm 2018-19	CWCIL	241,786	2,471							244,257
5	Public Realm 2021/22	CWCIL	-	515,940							515,940
		CP(DCSF)CM	-	262,893							262,893
	Sub Total		-	778,833	-	-	-	-	-	-	778,833
6	District Shopping Centre Improvement	CorpRsv	90,121	53,134							143,255
		CP(DCSF)CM	-	37,107							37,107
	Sub Total		90,121	90,241	-	-	-	-	-	-	180,362
7	Portsea Island - Flood Cell 4: North Portsea Island - Coastal Flood and Erosion Risk Management	OGENV	24,597,585	4,296,807	5,699,885	5,317,153	4,890,480				44,801,911
		CorpRsv	-					282,000			282,000
	Sub Total		24,597,585	4,296,807	5,699,885	5,317,153	4,890,480	282,000	-	-	45,083,911
8	Southsea Enhancement Design	S106(OS)	34,988		412	39,572	39,572	39,570	24,726		178,840
		CorpRsv	-		39,160						39,160
	Sub Total		34,988	-	39,572	39,572	39,572	39,570	24,726	-	218,000

PLANNING, POLICY & CITY DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate					Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26			
9	Emergency Repairs to Southsea Sea Defences	OGENV	631,130							631,130	
10	Southsea Coastal Flood Defence	OGENV	14,279,549	18,054,565	27,558,074	18,109,062	20,082,093	11,590,524		109,673,867	
		PCCOC	-			4,000,000	4,000,000	2,489,713		10,489,713	
		CIL	-					4,800,000		4,800,000	
		CorpRsv	289,901		390,831			184,368		865,100	
		CP(DCSF)CM	60,935					873,965		934,900	
		LEP	5,000,000							5,000,000	
Sub Total			19,630,385	18,054,565	27,948,905	22,109,062	24,082,093	19,938,570	-	-	131,763,580
11	Old Portsmouth Seawalls' Maintenance	CorpRsv	69,789		50,211					120,000	
12	Southsea Seafront Emergency Work to Sea Defences	OGENV	754,512		1,809					756,321	
13	Southsea Sea Defences - Public Realm Enhancements Phase 1	CP(DFT)IT	-		200,000					200,000	
Grand Total			50,720,638	24,230,589	33,940,382	27,465,787	29,012,145	20,260,140	24,726	-	185,654,407

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate					Exp. in Subsequent Years	Final Cost	
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26			Estimate for 2026/27
1	Contribution to PFI	HwayPFI	19,234,550	134,329	4,008,173	5,935,404	5,935,404	5,935,404	5,935,404	1,809,658	48,928,326
		OG(DCLG)CD	2,772,625								2,772,625
		EUG	(10,427)								(10,427)
		OG	145,167								145,167
		UB	2,306,379								2,306,379
		UBIR	7,572,663								7,572,663
		CP(DFT)HM	12,772,723	2,356,955							15,129,678
	Sub Total		44,793,680	2,491,284	4,008,173	5,935,404	5,935,404	5,935,404	5,935,404	1,809,658	76,844,411
2	Local Transport Plan & Road Safety 3	UB	-								0
		CorpRsv	-	71,743							71,743
		S278	23,644								23,644
		CP(DFT)IT	2,314,400	600,000	935,398						3,849,798
		CIL	-		710,523						710,523
		S106(ST)	279,283								279,283
		OG(DFT)TFSSHSec31	1,215,414								1,215,414
		CP(DCSF)BN	30,000								30,000
		OG	216,410								216,410
		OC	12,000		38,000						50,000
	Sub Total		4,091,151	671,743	1,683,921	-	-	-	-	-	6,446,815

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
3	The Hard Public Transport Interchange	CIL	-								0
		UB	21,101		92,000						113,101
		UBIR	462,850								462,850
		CP(DCSF)BN	3,365,593								3,365,593
		CP(DFT)IT	14,342		6,566						20,907
		CP(DCLG)DFG	135,700								135,700
		OC	4,832,000								4,832,000
		CROC	567,092								567,092
		S106(OS)	345,800								345,800
		PARK	500,000								500,000
		OG(DFT)LSTFSec31	608,732								608,732
		OG(DFT)TFSHSec31	244,355								244,355
		CorpRsv	668,846		37,672						706,518
	Sub Total		11,766,411	-	136,238	-	-	-	-	-	11,902,648
4	Replace Residential Street Lighting With LED	UB	321,779		1,253,721						1,575,500
		UBS	3,688,700								3,688,700
	Sub Total		4,010,479	-	1,253,721	-	-	-	-	-	5,264,200
5	Copnor Bridge Maintenance	CorpRsv	21,555								21,555
		OC	20,480								20,480
	Sub Total		42,035	-	-	-	-	-	-	-	42,035
6	Eastern Rd Waterbridge	CorpRsv	-		5,189						5,189
		CP(DFT)IT	997,969								997,969
		OG(DFT)Sec31	379,735								379,735
		OC	157,369								157,369
		OG	14,738			61,243					75,981
	Sub Total		1,549,811	-	5,189	61,243	-	-	-	-	1,616,243

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
7	Angelsea Road Footbridge	CP(DFT)IT	664,767								664,767
		OC	25,385								25,385
	Sub Total		690,152	-	-	-	-	-	-	-	690,152
8	Traffic Management Centre - System Review	PARK	224,032		57,186						281,218
9	Traffic Signal Upgrade Packages	CorpRsv	458,502								458,502
		S106(ST)	2,400								2,400
		S106(OS)	10,000								10,000
		CROC	15,900								15,900
		CP(DFT)IT	651,000								651,000
	Sub Total		1,137,802	-	-	-	-	-	-	-	1,137,802
10	Isambard Brunel Car Park	PARK	268,276		100,000	336,724					705,000
11	Eastern Corridor Road Link Improvements	CP(DFT)NPIF	500,000								500,000
		CP(DFT)IT	-		68,400						68,400
		OG(DFT)Sec31	29,774		339,346						369,120
		CP(DFT)IT	-		263,370						263,370
		CorpRsv	-		88,230						88,230
	Sub Total		529,774	-	759,346	-	-	-	-	-	1,289,120
12	Improvements to Neighbourhood Living and Street Environment (Including Verge Hardening)	CP(DFT)IT	87,033		212,967						300,000
		CorpRsv	109,819								109,819
	Sub Total		196,852	-	212,967	-	-	-	-	-	409,819
13	Old Portsmouth Area Study	CorpRsv	171,996		(135,585)						36,411
14	Milton Road & St Mary's Road	CP(DFT)IT	47,563		12,437						60,000

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
15	Upgrade Car Park Counting Equipment (link to TMC)	PARK	-			100,000					100,000
16	Bike Hangars	PARK	9,962		20,038						30,000
17	Spur Analytics, Upgrade, Handheld Upgrade & SiDEM	PARK	-			65,000					65,000
18	Co-operative Intelligent Transport Systems	OC	113,483								113,483
		OG	161,270		10,247						171,517
		CP(DFT)IT	-		18,000						18,000
	Sub Total		274,753	-	28,247	-	-	-	-	-	303,000
19	Permanent One-way System at Wickham Street	PARK	249,435								249,435
		CorpRsv	20,000								20,000
	Sub Total		269,435	-	-	-	-	-	-	-	269,435
20	Cycle Signs and Infrastructure	PARK	44,024		55,976						100,000
		OC	3,500								3,500
	Sub Total		47,524	-	55,976	-	-	-	-	-	103,500
21	Specific Planning Obligations	S106(NEW)	250,706		50,000	565,709					866,415
22	Statutory Infrastructure Spend	CILNRsv	20,719								20,719
		OC	17,827		1,742						19,569
	Sub Total		38,546	-	1,742	-	-	-	-	-	40,288
23	Road Safety Scheme	OG(DFT)Sec31	7,422								7,422
		PARK	-		34,000						34,000
		OG	152,878								152,878
	Sub Total		160,300	-	34,000	-	-	-	-	-	194,300

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
24	Cathodic Protection - Hard Interchange	CorpRsv CROC	136,375 8,000	65,625							202,000 8,000
	Sub Total		144,375	65,625	-	-	-	-	-	-	210,000
25	Central Corridor	CP(DFT)IT PARK	250,000 104,332								250,000 104,332
	Sub Total		354,332	-	-	-	-	-	-	-	354,332
26	Smart Cities - Intelligent Transport System - Phase 1	CorpRsv CP(DFT)IT	133,998 21,555		366,002						500,000 21,555
	Sub Total		155,553	-	366,002	-	-	-	-	-	521,555
27	Western Corridor - South	CP(DFT)IT	-			18,000					18,000
28	Pedestrian Crossing - Henderson Rd	CP(DFT)IT	10,131		69,869						80,000
29	On-Street Residential EV Chargepoint Scheme (ORCS)	PARK OG	85,973 60,698		14,027						100,000 60,698
	Sub Total		146,671	-	14,027	-	-	-	-	-	160,698
30	Air Quality Infrastructure Improvements	OG CP(DFT)IT CorpRsv	262,505 71,091 105,069		44,000 12,236						262,505 115,091 117,305
	Sub Total		438,665	-	56,236	-	-	-	-	-	494,901
31	Transport Data Geographic Information System (GIS)	PARK	126,244		23,756						150,000
32	Air Quality - Bus Fleet Retrofitting	OG(DFT)Sec31	1,465,529		112,208						1,577,737

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
33	Extension to Park & Ride Multi Story Car Park - Design	CP(DFT)IT	356,074		2,306						358,380
34	Smart Cities: Intelligent Transport System Phase 2	CP(DFT)IT	-		178,445						178,445
35	The Hard Interchange Auxiliary Works	CP(DFT)IT	123,976		26,024						150,000
36	New Car Park Facility - Southsea	UB	-								0
37	Transforming Cities Fund	OG(DFT)TCF	4,263,466								4,263,466
		CP(DFT)IT	80,000		63,541						143,541
		PARK	1,047,875								1,047,875
Sub Total			5,391,341	-	63,541	-	-	-	-	-	5,454,882
38	South East Hampshire Rapid Transit Programme -	OG(DFT)TCF	6,336,313		19,274,611	29,507,059	516,076				55,634,059
39	Safer Road Improvement A27	OG	17,484		111,216						128,700
40	Air Quality Improvement	OG	152,761		3,156,559	931,066					4,240,386
		CP(DFT)IT	-		93,500	126,500					220,000
Sub Total			152,761	-	3,250,059	1,057,566	-	-	-	-	4,460,386
41	Cycle Parking Across the City	CP(DFT)IT	-		25,000						25,000
42	One-Way Streets and Low Traffic Neighbourhoods	CP(DFT)IT	-			120,000					120,000
43	Electric Vehicle Charging Infrastructure	CP(DFT)IT	-		76,620						76,620
		OC	-		229,860						229,860
Sub Total			-	-	306,480	-	-	-	-	-	306,480
44	Local Cycling & Walking Investment Plan	CP(DFT)IT	4,558			45,442					50,000

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TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
45	Full Business Case For Extension to Tipner Park & Ride	CIL	76,602		120,000	303,398					500,000
46	Non PFI Asset Management Register / Plan	CP(DFT)IT	26,910		73,090						100,000
47	Operation Transmission	OG	878,423								878,423
		PARK	34,863								34,863
	Sub Total		913,286	-	-	-	-	-	-	-	913,286
48	D-Day Car Park Wall	PARK	125,000								125,000
49	Non PFI asset Management	CP(DFT)IT	-		25,000						25,000
50	The Hard Structural Repairs	CP(DFT)IT	-			400,000					400,000
		OC	-			4,500,000					4,500,000
	Sub Total		-	-	-	4,900,000	-	-	-	-	4,900,000
51	City Centre Road	CIL	-			1,997,600					1,997,600
		CorpRsv	-			7,400					7,400
		OC	-			1,000,000					1,000,000
	Sub Total		-	-	-	3,005,000	-	-	-	-	3,005,000
52	LTP 4	CorpRsv	-		231,500						231,500
		CIL	-		630,200						630,200
		CP(DFT)IT	-		81,300						81,300
	Sub Total		-	-	943,000	-	-	-	-	-	943,000
53	Full Repair of Retaining Wall (London Rd, North of QA Hosp)	CorpRsv	-		300,000						300,000
54	Transport Hub	CorpRsv	-		200,000						200,000
	Grand Total		86,937,044	3,228,652	33,824,466	46,020,545	6,451,480	5,935,404	5,935,404	1,809,658	190,142,652

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HOUSING & PREVENTING HOMELESSNESS PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate					Exp. in Subsequent Years	Final Cost	
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26			Estimate for 2026/27
1	Support For Vulnerable People	CorpRsv	2,347,912								2,347,912
		CP(DCLG)DFG	1,124,300								1,124,300
		CP(DCSF)BN	250,729								250,729
		CP(DH)CG	762,300								762,300
		GGR(DCLG)PSR	179,526								179,526
		GGR(DCLG)DF	634,100								634,100
		OC	2,116,738	1,178,910							3,295,648
		LR(HIP)	2,338,921								2,338,921
		BCF(DFG)DCLG	6,256,589								6,256,589
		OC	264,973	257,090	1,646,000	1,646,000	1,646,000	1,646,000	940,915		8,046,978
		OG	266,961								266,961
OG(DCLG)CD	1,318,131								1,318,131		
	Sub Total		17,861,180	1,436,000	1,646,000	1,646,000	1,646,000	1,646,000	940,915	-	26,822,095
2	Removal of Hazards & Risks Within The Home	GGR(DCLG)PSR	372,963								372,963
		LR(HIP)	1,886,142	252,200	252,200	252,200	252,200	252,200	252,200	849,070	4,248,412
	Sub Total		2,259,105	252,200	252,200	252,200	252,200	252,200	252,200	849,070	4,621,375
3	Grants to Registered Social Landlords	S106(Hsg)	259,000	(21,830)							237,170
		CorpRsv	1,994								1,994
		NewS106(Hsg)	86,000	486,830	285,000						857,830
	Sub Total		346,994	465,000	285,000	-	-	-	-	-	1,096,994
4	Homes For Homeless	CorpRsv	-								-
		UB	-		500,000						500,000
	Sub Total		-	-	500,000	-	-	-	-	-	500,000

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
5	Guildhall Capital Works	CorpRsv	1,749,499	141,883							1,891,382
		OG(DCLG)CD	894,858								894,858
		RCCO	-	108,117	285,583	359,000					752,700
	Sub Total		2,644,357	250,000	285,583	359,000	-	-	-	-	3,538,940
6	Guildhall Internal Works	CorpRsv	7,917	10,000	62,083						80,000
7	Utilities and Energy Management	UB	1,033,657		1,077,443						2,111,100
		UBS	250,000								250,000
		CROC	677,616	150,000	155,384						983,000
		CMR	26,000								26,000
	Sub Total		1,987,273	150,000	1,232,827	-	-	-	-	-	3,370,100
8	Investment in Solar Photovoltaic Cells	UB	4,045,646	500,000	1,704,354						6,250,000
9	Civic Offices Public Address System	CorpRsv	127,865								127,865
10	Utilities & Energy Mgmt 2019/20	MTRS	-		1,050,000						1,050,000
11	Landlord's Maintenance (across the whole PCC Estate)	CorpRsv	8,929,602	1,304,019	1,339,220						11,572,841
		CP(DCSF)CM	331,301								331,301
		CP(DCSF)BN	-		1,185,000						1,185,000
		CP(DFT)IT	175,115	722,200							897,315
		OG(DCLG)CD	1,859,528								1,859,528
		CMR	65,750								65,750
		CROC	291,792								291,792
	Sub Total		11,653,088	2,026,219	2,524,220	-	-	-	-	-	16,203,527

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
12	Landlord's Maintenance - Capital Contingency	CorpRsv	51,987		171,660						223,647
		CRGG	-	3,000	137,353						140,353
		CROC	-	47,000							47,000
	Sub Total		51,987	50,000	309,013	-	-	-	-	-	411,000
13	Guildhall Investment (Match Funding)	CP(DCSF)CM	195,292	25,000	79,708						300,000
14	Transitional Accom for Homeless - Adaptationss to GF Properties	CorpRsv	311,622	38,378							350,000
15	Green Homes - Local Authority Delivery	OG	180,536	19,288,922	13,127,538						32,596,996
16	Public Sector Decarbonisation	UBS	-	1,862,383							1,862,383
	Grand Total		41,672,862	26,354,102	23,058,526	2,257,200	1,898,200	1,898,200	1,193,115	849,070	99,181,275

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	HRA Assets (Non Dwelling)	B(HRA)	3,714,358								3,714,358
		CorpRsv	139,100								139,100
		RCCO(HRA)	11,606,074	360,000	360,000	360,000	360,000	360,000	360,000		13,766,074
		OC	88,918								88,918
		OCRec(HRA)	2,737								2,737
		UB(HRA)	246,614								246,614
		OG(DFT)LSTFSec31	30,000								30,000
	Sub Total		15,827,801	360,000	360,000	360,000	360,000	360,000	360,000	-	17,987,801
2	Total Major Repairs Dwellings	B(HRA)	134,210								134,210
		OC	10,346,036	1,619,463	400,000	400,000	400,000	400,000	400,000		13,965,499
		RCCO(HRA)	163,332,781	23,060,063	31,500,000	30,650,000	28,200,000	30,350,000	32,150,000		339,242,844
		OG	1,054,584	243,293							1,297,877
		UB(HRA)	11,841,361								11,841,361
		CRec(HRA)	290,822								290,822
		CorpRsv	278,700								278,700
	Sub Total		187,278,494	24,922,819	31,900,000	31,050,000	28,600,000	30,750,000	32,550,000	-	367,051,313
3	Southsea Community Centre	UB(HRA)	2,368,247	64,095							2,432,342
		CRec(HRA)	1,200,514	27,469							1,227,983
		RCCO(HRA)	641								641
		OCRec(HRA)	299,259								299,259
	Sub Total		3,868,661	91,564	-	-	-	-	-	-	3,960,225
4	Arthur Pope House	UB(HRA)	5,058,159								5,058,159
		CRec(HRA)	2,683,738								2,683,738
		RCCO(HRA)	1,732								1,732
		OCRec(HRA)	1,492,176								1,492,176
	Sub Total		9,235,805	-	-	-	-	-	-	-	9,235,805

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
5	Kingsclere Avenue	UB(HRA)	3,767,868	37,137							3,805,005
		OCRec(HRA)	1,924,268								1,924,268
		CRec(HRA)	2,461,703	15,916							2,477,619
		OG	97,500								97,500
Sub Total			8,251,339	53,053	-	-	-	-	-	-	8,304,392
6	Blendworth Crescent	UB(HRA)	4,505,991								4,505,991
		OCRec(HRA)	1,240,604								1,240,604
		CRec(HRA)	2,384,560								2,384,560
Sub Total			8,131,155	-	-	-	-	-	-	-	8,131,155
7	Longdean	UB(HRA)	643,410	3,029,758	107,279						3,780,447
		CRec(HRA)	347,546	1,298,468	45,977						1,691,991
		OCRec(HRA)	204,647								204,647
Sub Total			1,195,603	4,328,226	153,256	-	-	-	-	-	5,677,085
8	Highgrove House	UB(HRA)	5,883	219,049	2,710,422	537,786	79,450				3,552,590
		CRec(HRA)	26,851	93,878	1,161,610	230,480	34,050				1,546,869
		OCRec(HRA)	62,653								62,653
Sub Total			95,387	312,927	3,872,032	768,266	113,500	-	-	-	5,162,112
9	Doyle Avenue New Build Properties	OCRec(HRA)	334,329								334,329
		UB(HRA)	329,984	2,350,213	43,570						2,723,767
		CRec(HRA)	273,818	1,007,234	18,673						1,299,725
Sub Total			938,131	3,357,447	62,243	-	-	-	-	-	4,357,821

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
10	Replacement Homes	CRec(HRA)	5,046,371								5,046,371
		OCRec(HRA)	3,236,773								3,236,773
		UB(HRA)	16,759,863	20,000,000	20,000,000	20,000,000	20,000,000				96,759,863
		S106(Hsg)	259,800								259,800
	Sub Total		25,302,807	20,000,000	20,000,000	20,000,000	20,000,000	-	-	-	105,302,807
11	Bredenbury Crescent	CRec(HRA)	122,681								122,681
		UB(HRA)	282,018								282,018
		OCRec(HRA)	4,237								4,237
	Sub Total		408,936	-	-	-	-	-	-	-	408,936
12	Huntsman Close	CRec(HRA)	10,190								10,190
		OCRec(HRA)	23,777								23,777
	Sub Total		33,967	-	-	-	-	-	-	-	33,967
13	Horatia and Leamington Deconstruction	RCCO(HRA)	308,082	5,500,000	4,191,918						10,000,000
14	Next Steps Accommodation Programme	OG	2,108,100	44,000							2,152,100
		UB(HRA)	5,475,149	1,836,051							7,311,200
	Sub Total		7,583,249	1,880,051	-	-	-	-	-	-	9,463,300
15	290 Locksway Road	CRec(HRA)	3,796	61,944	1,735						67,476
		UB(HRA)	-	144,537	4,049						148,586
		OCRec(HRA)	8,857								8,857
	Sub Total		12,653	206,481	5,784	-	-	-	-	-	224,918

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate				Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25				
16	Cabbagefield Row	CRec(HRA)	2,028	76,088						78,116	
		UB(HRA)	-	177,538						177,538	
		OCRec(HRA)	4,731							4,731	
	Sub Total		6,759	253,626	-	-	-	-	-	260,385	
17	Strouden Court	CRec(HRA)	2,028							2,028	
		UB(HRA)	-	500,000	18,193,241					18,693,241	
		OCRec(HRA)	4,731							4,731	
	Sub Total		6,759	500,000	18,193,241	-	-	-	-	18,700,000	
18	Wecock Farm (Infill)	CRec(HRA)	-							-	
		UB(HRA)	-		8,100,000					8,100,000	
	Sub Total		-	-	8,100,000	-	-	-	-	8,100,000	
19	Somerstown Redevelopment	RCCO(HRA)	399,298							399,298	
		UB(HRA)	-	1,606,000	2,447,914	105,546,788				109,600,702	
	Sub Total		399,298	1,606,000	2,447,914	105,546,788	-	-	-	110,000,000	
Grand Total			268,884,886	63,372,194	89,286,388	157,725,054	49,073,500	31,110,000	32,910,000	0	692,362,022

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PRUDENTIAL INDICATORS

Details of the Capital Programme are contained in Appendix E

Ratio of Financing Costs to Net Revenue Stream							
	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Non - HRA	13.7%	16.7%	17.4%	15.1%	14.6%	13.8%	14.9%
HRA	6.2%	6.5%	7.6%	10.2%	12.2%	12.1%	11.7%

Capital Financing Requirement							
	2020/21 Actual £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s
Non - HRA	627,485	655,251	735,647	777,170	792,763	789,618	788,148
HRA	197,651	207,608	259,214	385,299	405,378	402,424	399,470

Authorised Limit for External Debt							
	2020/21 Actual £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s
Borrowing	806,363	824,971	962,550	1,133,971	1,174,050	1,171,965	1,173,338
Other Long Term Liabilities (ie Credit Arrangements)	57,151	51,340	46,032	42,494	38,366	34,639	29,132
Total	863,514	876,311	1,008,583	1,176,465	1,212,417	1,206,603	1,202,471

Operational Boundary for External Debt							
	2020/21 Actual £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s	2026/27 Estimate £'000s
Borrowing	788,367	811,518	948,829	1,119,975	1,159,775	1,157,403	1,158,486
Other Long Term Liabilities (ie Credit Arrangements)	57,151	51,340	46,032	42,494	38,366	34,639	29,132
Total	845,518	862,859	994,861	1,162,469	1,198,141	1,192,042	1,187,618

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