



Agenda & minutes

Full Council meeting of
Tuesday, 9 February 2021

Portsmouth City Council

A REMOTE MEETING OF THE COUNCIL will be held virtually on Tuesday 9 February 2021 to commence at 2.00 pm and all members of the council are hereby summoned to attend remotely (link sent separately to members) to consider and resolve upon the following business

Agenda

- 1 **Declaration of Members' Interests**
- 2 **To approve as a correct record the Minutes of the Ordinary Council meeting held on 8 December 2020 (Pages 5 - 26)**
- 3 **To receive such communications as the Lord Mayor may desire to lay before the Council, including apologies for absence and the 2020 Civic Awards**
- 4 **Written Deputations from the Public under Standing Order No 24**
- 5 **Appointments**
- 6 **Urgent Business - To receive and consider any urgent and important business from Members of the Cabinet in accordance with Standing Order No 26**
- 7 **Portsmouth City Council Budget and Council Tax 2021/2022 and Medium Term Budget Forecast 2022/23 to 2024/25 (Pages 27 - 138)**

To receive and consider the recommendations of the Cabinet meeting held on 2 February (to follow), the report for which is attached.
- 8 **Questions from Members under Standing Order No 17**

There are none.

David Williams
Chief Executive

Deputations - A written deputation stating which agenda item it refers to must be received by the Local Democracy Manager by 12 noon two working days preceding the meeting. Any written deputation received by email will be sent to the Council Members and be referred to and be read out at the meeting. Please notify the Local Democracy Manager at Stewart.Agland@portsmouthcc.gov.uk.

Civic Offices
Guildhall Square
PORTSMOUTH
1 February 2021

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Agenda Item 2

8 December 2020 1

MINUTES OF AN ORDINARY VIRTUAL MEETING OF THE COUNCIL held remotely on Tuesday, 8 December 2020 at 2.00 pm.

Council Members Present (virtually)

The Right Worshipful The Lord Mayor
Councillor Rob Wood (in the Chair)

Councillors

Dave Ashmore	Lee Mason
Matthew Atkins	Terry Norton
Chris Attwell	Stephen Morgan MP
Simon Boshier	Gemma New
Tom Coles	Robert New
Cal Corkery	Steve Pitt
Ben Dowling	Will Purvis
Jason Fazackarley	Darren Sanders
George Fielding	Jeanette Smith
John Ferrett	Lynne Stagg
David Fuller	Judith Smyth
Scott Payter-Harris	Luke Stubbs
Graham Heaney	Benedict Swann
Hannah Hockaday	Linda Symes
Jo Hooper	Claire Udy
Suzy Horton	Gerald Vernon-Jackson CBE
Lee Hunt	Steve Wemyss
Frank Jonas BEM	Matthew Winnington
Donna Jones	Tom Wood
Leo Madden	Neill Young
Hugh Mason	

General Procedural Announcements

Link to the agenda

<https://democracy.portsmouth.gov.uk/ieListDocuments.aspx?CId=146&MId=4267&Ver=4>

The Lord Mayor welcomed everyone to the meeting that is being held virtually in response to the limitations placed on government by the Covid-19 pandemic. The meeting would be run by reference to the model standing orders as set out in the Local Authorities (Coronavirus) Flexibility of Local Authority Meetings Regulations 2020. The Lord Mayor then ran through the etiquette relating to virtual meetings.

94. Declarations of Members' Interests

Councillor Jeanette Smith declared a pecuniary interest in item 10(b) as she is a paid official of a trades union and would leave for that item. Councillor

Smith also declared a personal, non-prejudicial interest in agenda item 10(h) as she is a trade union member.

Councillor Cal Corkery declared a personal but non-prejudicial interest in agenda item 10(h) as he is a trade union member.

Councillor Tom Coles declared a personal but non-prejudicial interest in agenda item 10(h) as he is a member of Unite the Union.

Councillor Judith Smyth declared a personal but non-prejudicial interest in agenda item 10(h) as she is a union member.

Councillor Stephen Morgan declared a personal, non-prejudicial interest in agenda item 10(h) as he is a member of GMB Union.

Councillor George Fielding declared a personal but non-prejudicial interest in agenda item 10(h) as he is a union member.

Councillor John Ferrett declared a pecuniary interest in agenda item 10(b) as he works for a trade union and would not participate in that item. He also declared a personal, non-prejudicial interest in agenda item 10(h) as he is a member of a trade union.

Councillor Steve Wemyss declared a personal, non-prejudicial interest in agenda item 10(b) in that he is employed by the NHS.

Councillor Claire Udy declared a personal, non-prejudicial interest in agenda item 10(b). She also declared a personal, non-prejudicial interest in agenda item 10(h) as she is a member of a trade union.

Councillor Matthew Winnington declared a personal, non-prejudicial interest in agenda item 10(h) as he is a member of Unison.

Councillor Graham Heaney declared a personal, non-prejudicial interest in agenda item 10(h) as he is a member of the university union.

95. To approve as a correct record the Minutes of the Extraordinary and Ordinary Council meetings held on 10 November 2020

It was

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

That the minutes of the extraordinary and ordinary council meetings held on 10 November 2020 be confirmed as correct records.

These were agreed by assent.

96. To receive such communications as the Lord Mayor may desire to lay before the council, including apologies for absence

There were no apologies for absence. Apologies for lateness were received on behalf of Councillor Lee Hunt, Councillor Jason Fazackarley, Councillor Matthew Atkins and Councillor Jo Hooper. Councillor Stephen Morgan said that he may need to absent himself from the meeting on parliamentary business.

The Lord Mayor advised that following consultation with and support from the group leaders, it was a great honour and privilege to recently present a civic award to Michael Woolley, the co-ordinator and chairman of Friends without Borders, Portsmouth for all the outstanding tireless work he has done for the organisation over very many years. The Lord Mayor said he had received a letter from Michael saying how touched and happy he was at being presented with the award.

The Lord Mayor said he regretted to announce the sad passing of two former councillors; former Councillor Bill Fry who served in Drayton & Farlington between 1974 and 1984 and former Councillor Terry Gregory who was a councillor between 1974 and 1989.

The Lord Mayor also said he was sorry to advise of the sad passing of Mr Brian Kidd who was the council's former head of parks and gardens and who was known as Mr Gardening. Brian was conferred with the Freedom of the City in 2003.

The Lord Mayor expressed condolences to their respective families at this difficult time.

97. Written Deputations from the Public under Standing Order No 24

The Lord Mayor advised that ten written deputations had been received for this meeting and had been previously circulated. These were from

- Jon Woods, Portsmouth City UNISON branch chair in respect of agenda **item 10b - Public Sector Pay Freeze**
- Chris Gray, Unite the Union Regional Officer South East Region, Selma Heimedinger on behalf of XR Southsea and Clare Seek in respect of agenda **item 10c - Support Southampton Airport Runway Expansion,**
- Selma Heimedinger on behalf of XR Southsea and Jon Woods, Chair of Portsmouth Trades Council in respect of agenda **item 10d - Respecting our Fallen Heroes**
- Mr Alan Burgess in respect of agenda **item 10f - Stop the Cut to Universal Credit**
- Richard White, Regional Political Officer, South East Region, Unite the Union and Jon Woods, Portsmouth City UNISON branch chair in respect of agenda **item 10h) - Saving Union Learning Fund.**

The Local Democracy Manager read out the deputations.

The Lord Mayor thanked those who had submitted written deputations.

4 8 December 2020

98. Questions from the Public under Standing Order 25

The Lord Mayor advised that there were no questions from the public.

99. Appointments

The Lord Mayor advised that there were no appointments.

100. Urgent Business - To receive and consider any urgent and important business from Members of the Cabinet in accordance with Standing Order No 26

There was no urgent business.

101. Recommendations from the Cabinet Meeting held on 1 December 2020

Minute 72 - Treasury Management Mid-Year review

This was approved unopposed.

Minute 80 - Revenue Budget Monitoring 2020/21 (Q2) to end September 2020

This was opposed to allow for debate.

It was

Proposed by Councillor Gerald Vernon-Jackson
Seconded by Councillor Leo Madden

That the recommendations contained in minute 80 be approved.

Following debate, the recommendations in minute 80 were approved by assent.

RESOLVED that

- (i) The forecast financial shortfall of between £6.1m & £12.6m across the General Fund and the Housing Revenue Account as consequence of the Covid-19 Pandemic be noted**
- (ii) The following Revised COVID-19 Deficit Recovery Strategy be approved in the sum of £11.9m (being sufficient to cover the Council's pessimistic forecast COVID-19 related overspend of £11.8m):**
 - Earmarking £5m of the Council's Corporate Contingency - leaving a residual £5m for all other known and unknown financial risks that may arise during the year**
 - Earmarking £5m of the MTRS Reserve which currently holds an uncommitted balance of £8m - leaving just £3m**

only to fund future Spend to Save schemes and any costs of redundancies that may be required

- Removal of Capital Schemes that have been funded by Revenue with a total value of £1.927m
- Should any funding remain after meeting the financial impact of COVID- 19, that it be returned to the MTRS Reserve / Contingency to be available for any short-term legacy impacts of COVID-19 that continues into 2021/22

(iii) In accordance with the Revised COVID-19 Deficit Recovery Strategy it is recommended that the following schemes up to the value shown are removed from the approved Capital Programme

Scheme to Be Removed From Capital Programme	Amount Released From Corporate Resources £
Children, Families & Education	
Tangier Road Children's Home*	2,100
Beechside Children's Home*	6,600
Enable and Improve Mobile Working	191,000
Adaptations to Carers Homes	600,000
King Richard School Rebuild 900-1000 places*	150,000
Universal Infant Free School Meal Provision*	35,100
Special Education Needs - Building Alterations*	350,000
Beacon View Primary School - Kitchen Block*	3,300
Culture, Leisure & Economic Development	
Allotment Security Grants	3,800
Canoe Lake De-silting	25,000
Outdoor Fitness Equipment	19,400
Round Tower Improvement Works	75,000
Health, Wellbeing & Social Care	
Shearwater House - Backup Power Supply*	9,200
Kestrel Centre Relocation to Civic Offices*	37,700
Leader	
Port Master System*	13,500
Communities & Central Services	
Project Management	44,900
Ground Floor Reception Improvements	14,900
Traffic & Transportation	
Local Transport Plan & Road Safety 3	192,000
Eastern Road Waterbridge*	21,800
Anglesea Road Footbridge*	26,800
Traffic Signal Upgrade Packages*	2,500
Western Corridor - South	102,000

Total Value of Schemes to Be Removed	1,926,600

*Scheme is complete/substantially complete and unused resources can be released

- (iv) **The forecast General Fund outturn position, inclusive of funding Losses, for 2020/21 be noted:**
- (a) **The Base Case forecast of COVID-19 related overspending of £5,362,000 after expected government funding**
 - (b) **That the Base Case forecast overspending of £5,362,000 remains uncertain and in a pessimistic scenario could see that overspending rise to £11,800,000**
 - (c) **The COVID-19 forecasts do not currently make any provision for additional costs or losses of income / funding that may arise from the new national restrictions.**
 - (d) **Non COVID-19 related underspending of £4,094,100**
 - (e) **Taking account of the likely range of COVID-19 forecast overspends, the combined overspending for the Council is forecast to be between £1,268,100 and £7,706,100.**
- (v) **Members note that in accordance with approved policy as described in Section 8, any actual non COVID-19 overspend at year end will in the first instance be deducted from any Portfolio Reserve balance and once depleted then be deducted from the 2021/22 Cash Limit.**
- (vi) **Members note that at the time this report was prepared the Country had just entered a period of new national restrictions. Due to the wide ranging and rapidly changing implications arising from the COVID-19 Pandemic, the overall financial impact of COVID-19 over the remainder of the 2020/21 financial year and into the medium term remains very uncertain and maintaining headroom within the Revised COVID-19 Deficit Recovery Strategy is vital in order to ensure that the financial resilience of the Council is not compromised and the council continues to remain financially resilient into the medium term.**
- (vii) **Directors, in consultation with the appropriate Cabinet Member, consider options that seek to minimise any forecast non COVID-19 overspend presently being reported and prepare strategies outlining how any consequent reduction to the 2021/22 Portfolio cash limit will be managed to avoid further overspending during 2021/22.**

102. Notices of Motion

The Lord Mayor advised that there were nine notices of motion on the agenda for this meeting.

102.a Animal Welfare

Animal Welfare

It was

Proposed by Councillor Gerald Vernon-Jackson
Seconded by Councillor Dave Ashmore

That notice of motion (a) as set out in the agenda be adopted.

As an amendment it was

Proposed by Councillor Robert New
Seconded by Councillor Terry Norton

"After 'Food Standards' in the final paragraph, delete the rest of the paragraph and replace with:

And places on record our thanks to the government for the recent decision to end the 'live exports' of animals from the UK. In fact England and Wales are the first European countries to ban the export of live animals. The council notes this is a significant improvement which the British government has been able to deliver (in England and Wales), now the UK is no longer an EU member state and regrets the EU do not put the same importance on animal welfare standards. Examples are the EU's continuation of allowing 'foie gras' to be produced, a practice of intentionally fattening and enlarging a birds liver by unethical force-feeding through a corn tube, often to ducks and geese, so that when humans consume it, they are effectively eating the diseased liver of a bird.

Furthermore, the council notes the UK government is a world leader on Animal Welfare standards. Portsmouth City Council also notes Penny Mordaunt MP recently voted against a Labour Party and Lib Dem House of Lords amendment to the October (2020) Agriculture Bill on this issue, put forward in the House of Lords and rejected by MPs, as it was intended to frustrate Brexit negotiations, dressed up as a legal guarantee (when the Government had already committed to upholding our high animal welfare standards in pursuit of international trade deals). The council places on record its thanks to the British Government for improving the welfare of animals."

Following debate the mover of the original motion advised that he did not wish to subsume into it the amendment.

Upon being put to a roll call vote, the amendment in the name of Councillor Robert New was LOST.

Upon the original notice being put to a roll call vote this was CARRIED.

RESOLVED that

Over the last 40 years Britain has spearheaded efforts to improve animal welfare in the farming industry across Europe. Leadership from Britain has seen the abolition of cruel animal practices such as veal pens and battery cages for chickens. This has benefited animals across Europe.

Now that Britain has left the European Union we again have a chance to push better animal welfare in countries where we may import food from. We can do that by insisting that if countries want to export animal products to Britain that their standards of animal welfare are as high as those in this country. British consumers need to be protected from hormone filled beef and chlorine washed chicken.

High animal welfare standards in countries wishing to sell food to Britain will also mean that British farmers are not commercially disadvantaged by cheap, low animal welfare, imports of food from countries that do not have our animal welfare standards. Global Britain has a chance to influence the world for the better.

To support animal welfare the City Council therefore publicly supports the National Farmers Union petition on Food Standards. It calls on our MPs to support this line, regrets the decision of the MP for Portsmouth North (Penny Mordaunt) not to support proposals to support British farmers and animal welfare, and thanks the MP for Portsmouth South (Stephen Morgan) for joining MPs from the Labour, Lib Dems, Scottish and Welsh nationalists and the Green Party for doing so.

102.b Public Sector Workers Pay Freeze

It was

Proposed by Councillor Gerald Vernon-Jackson
Seconded by Councillor Matthew Winnington

That notice of motion (b) as set out in the agenda be adopted.

As an amendment it was

Proposed by Councillor Luke Stubbs
Seconded by Councillor Donna Jones

"Delete in Para 3 the words " who are now facing a pay freeze imposed by the Government." And replace with " whose pay levels are determined by the National Joint Committee in consultation with the local government sector."

After Paragraph 3 add

Council notes that the government has used pay freezes previously at times of financial distress. This includes when LibDem Danny Alexander was Chief Secretary to the Treasury. It notes that at the time of the 2010 Spending Review he said 'When we came into office, we inherited an economy that was on the brink with the largest budget deficit in Europe'. That is true once again.

It further notes that the Council's financial position for the coming year is under pressure and that if pay levels are frozen that position will be easier to resolve than would otherwise be the case.

delete paragraph 5 and replace with

Council notes that the decision on whether to freeze pay for local government employees will be made by the National Joint Committee and that the council always has the option to withdraw from the scheme and set its own pay levels.

Council believes that if the Cabinet considers public sector pay freezes to be unfair that it should lobby the NJC and consider withdrawing from the scheme. It notes that the Council always has the option of reducing spending on frontline services or holding a referendum on a council tax increase to provide the funding."

Following debate, the proposer of the original motion advised that he did not wish to subsume the amendment into it.

Upon the amendment in the name of Councillor Stubbs being put to a roll call vote, this was LOST.

Upon the original motion being put to a roll call vote, this was CARRIED.

RESOLVED that

Over the last nine months communities across the UK have come to rely on the exceptional work council workers have put in to protect and support local residents during the pandemic.

Just as in the NHS care workers, and others, have put their own health on the line to support and protect people suffering from Coronavirus, so have council workers. We have come to understand that key workers are a much wider group of people than we used to think they were.

In Portsmouth the City Council has created an isolation unit to take people coming out of hospital and to care for them until they are free from the virus, before they return to their own care homes. This is to break the cycle of infection between hospitals and care homes of elderly and vulnerable residents. This unit is staffed completely by council employees, who are now facing a pay freeze imposed by the Government.

This council rejects the idea of a pay freeze on public sector workers whose efforts to give care and support during the pandemic have been superhuman.

Any plan that does not give teachers, teaching assistants, care workers and others who have been providing vital help and support during this virus, would be very unfair. It would be even more unfair when set against the reality of friends and contacts of Ministers being awarded multi million pound Government contracts with no competition. It cannot be right that friends of Ministers get rich on Government contracts but those providing care and support to the most vulnerable in society are facing a pay freeze.

102.c Support Southampton Airport Runway Expansion

It was

Proposed by Councillor Donna Jones
Seconded by Councillor Simon Boshier

That notice of motion (c) as set out in the agenda be adopted.

Following debate, upon being put to a roll call vote, notice of motion (c) was LOST

RESOLVED that notice of motion (c) as set out on the agenda be not adopted.

Council adjourned at 1815.

Council resumed at 1845.

102.d Respecting Our Fallen Heroes

It was

Proposed by Councillor Terry Norton
Seconded by Councillor Robert New

That notice of motion d) as set out in the agenda be adopted.

As an amendment

It was

Proposed by Councillor Gerald Vernon-Jackson
Seconded by Councillor Steve Pitt

"Amendment

Delete paragraphs 2, 3 and 4 and add

"The City Council puts on record its thanks to all those who helped organise ways for the people of Portsmouth to observe Remembrance Sunday and Remembrance Day this year in a safe way to make sure that veterans were not put at risk of catching the virus."

Following debate, the mover of the original motion advised that he did not wish to subsume into it the amendment.

Upon being put to a roll call vote, the amendment standing in the name of Councillor Gerald Vernon-Jackson was CARRIED.

Upon, the substantive notice of motion incorporating the amendment being put to the vote, this was agreed by assent.

RESOLVED

Portsmouth is a proud military city. The people of Portsmouth and the City Council have always embraced our military history and heritage, honouring and celebrating the part Portsmouth has played in defending the realm and people across the world.

The City Council puts on record its thanks to all those who helped organise ways for the people of Portsmouth to observe Remembrance Sunday and Remembrance Day this year in a safe way to make sure that veterans were not put at risk of catching the virus.

102.e The Future of Portsmouth Dockyard

It was

Proposed by Councillor Matthew Atkins
Seconded by Councillor Robert New

That notice of motion (e) as set out in the agenda be adopted.

As an amendment

It was

Proposed by Councillor Stephen Morgan MP
Seconded by Councillor Tom Coles

"Amendment

After paragraph 'Our future as a city is dependent on..'add:

"This council regrets, however, that the cash injection is all capital spend, with day-to-day revenue funding for defence expected to flatline at around £31.5bn per year, equating to a 2.4 per cent real terms cut through to 2024/25. This will inevitably mean more cuts to Her Majesty's armed forces and British armed forces jobs".

After the numbered list add:

“Whilst recognising the Prime Minister’s funding commitment last month is without any strategy, and there is no plan for how the money will be used to deal with the threats Britain faces, this Council urges Government to publish the Integrated Review without delay”.

Following debate, the mover of the motion advised that he did not wish to subsume into it the amendment.

Upon being put to a roll call vote, the amendment standing in the name of Councillor Stephen Morgan was CARRIED

Upon the substantive motion including the amendment being put to a roll call vote, this was CARRIED.

RESOLVED

The Royal Navy has played a major part in our city and our country’s history. It is a matter of great pride to Portsmouth’s citizens that we are not only ‘The Home of the Royal Navy’ but also home to the two aircraft carriers: HMS Queen Elizabeth and HMS Prince of Wales, the largest warships ever built by the British Government.

Portsmouth’s economy is heavily dependent on the Royal Navy and the many skilled jobs in the private sector paid for by the government through defence contracts. Companies like BAE Systems and Babcock employ thousands of people in the city and the surrounding area.

This council has a history of supporting the Royal Navy and fighting for Portsmouth’s Dockyard. Cllr Vernon-Jackson, as Leader of the city council, was key in putting the case for Portsmouth Naval Base in the 2013 Strategic Defence Review. Cllr Donna Jones has fought for the Type 31 contract to be signed and the ships to be base-ported in Portsmouth following the decommissioning of the Type 23s, as well as putting the case for Portsmouth in the mini-strategic defence review of 2015.

Our future as a city is dependent on the jobs and the skills the dockyard brings. The government has recently announced the largest increase in defence spending in 30 years. An additional £16.5Bn will be spent on defence of the UK over the next 4 years on top of a regular annual increase of 0.5% above inflation. The commitment to increase the Royal Navy surface fleet was a key part of the announcement including the confirmation of government’s ambition to deliver a new Type 32 class of frigate bringing the total number of frigates to 25 by the year 2035. As well as increasing the budget the Prime Minister Boris Johnson, has made a commitment that these new ships will be built in Britain. This will continue to secure the future of our nation, as well as the future of the Naval Base in Portsmouth.

This council regrets, however, that the cash injection is all capital spend, with day-to-day revenue funding for defence expected to flatline at around £31.5bn per year, equating to a 2.4 per cent real terms cut through to 2024/25.

This will inevitably mean more cuts to Her Majesty's armed forces and British armed forces jobs.

Therefore this council welcomes:

- 1. The increase in the defence budget announced by the government**
- 2. The confirmation of the new Type 31 frigate class being delivered**
- 3. The future plans for the new Type 32 frigates.**
- 4. And places on record its thanks to the government for the commitment to defence spending over the next 4 years.**

Whilst recognising the Prime Minister's funding commitment last month is without any strategy, and there is no plan for how the money will be used to deal with the threats Britain faces, this Council urges Government to publish the Integrated Review without delay.

102.f Stop the Cut to Universal Credit

It was

Proposed by Councillor Graham Heaney
Seconded by Councillor George Fielding

That notice of motion (f) as set out on the agenda be adopted.

Following debate upon being put to the vote, notice of motion (f) was CARRIED by assent

RESOLVED

Up and down our country millions of people have lost their jobs or substantial amounts of income due to Covid-19. These cuts will increase pressure on already tight household budgets.

The coronavirus crisis has shone a light on poverty in Portsmouth. Despite the efforts of many across our city and in the local voluntary and community sector, this winter, food banks are expecting to give out an emergency parcel every 9 seconds. The Trussell Trust have also said cutting Universal Credit could increase already skyrocketing food bank use by a further 10%.

In that context, it is unthinkable for the national government to take £20 a week, or £1,000 a year, from Portsmouth's poorest households as unemployment continues to rise.

Research from the Resolution Foundation has shown this cut would see the poorest households lose 7 per cent of their disposable income.

This Council therefore resolves to:

- **urge the Government not to cut Universal Credit by £20 a week for families; and;**
- **ask Group Leaders to write to the Chancellor of the Exchequer to extend that approach to supporting Britain's families and maintaining the £20 rise to Universal Credit to help people in Portsmouth;**
- **asks Cabinet to continue to work alongside local voluntary and community sector organisations to identify the impact of Covid-19 on the most vulnerable in our city and take steps to mitigate this.**

102.g Openness and Transparency at Portsmouth City Council

It was

Proposed by Councillor Terry Norton
Seconded by Councillor Scott Payter-Harris

That notice of motion (g) as set out on the agenda be adopted.

As an amendment

It was

Proposed by Councillor Darren Sanders
Seconded by Councillor Matthew Winnington

"Amendment

1. Replace Par 2 and the 'Council notes' section with

Council notes the significant improvements in involving councillors from all parties since May 2018, reversing the Tory secrecy. For instance:

- Bringing back the cross-party working group on homelessness, now with outside agencies and an independent Chair.
- Creating the cross-party working group on sea defences
- All member briefings on key acquisitions such as Lakeside, a contrast to the secrecy and failure to follow due process that surrounded Victory Energy
- Making sure opposition councillors again sat on the body that oversees cutting crime in Portsmouth.
- Making sure notices of motion are debated at Full Council first time, rather than shunted off somewhere else only to be debated at Full Council months later

- Increasing seats on the Health and Wellbeing Board so all three political parties are represented
- Introducing regular cross-party portfolio briefings outside decision meetings and briefings for all members on how the Council is tackling Coronavirus.

Council also notes the encouraging responses to council consultations. As of 12 November this year, 21,058 residents replied to 35 consultations issued in 2020, outlined below. Council also notes the second wave of the coronavirus resident research, which includes the budget consultation, is launching today. In addition, almost 2,200 staff replied to internal consultations. The public consultations were:

- Food waste trial survey - 896 responses
- Private rental sector strategy (wave one) - 849 responses
- Neglect survey - 175 responses
- Bus information survey - 595 responses
- Energy and water at home strategy - 273 responses
- Electric vehicle ownership survey - 63 responses
- MD resident parking zone review - 381 responses
- Early Years Census for 2020 - 202 responses
- MH Westfield Road area parking survey - 654 responses
- MI Middlesex Road area parking survey - 372 responses
- SEND young people survey - 63 responses
- City vision (coronavirus response) - 39 responses
- SEND parent/carer survey (2020) - 360 responses
- Coronavirus resident survey (wave one) - 2,826 responses
- Pompey Monster walk to school - winter 2020 - 282 responses
- Clean Air Zone individual - 2,175 responses
- Clear Air Zone business - 140 responses
- Companion bus pass survey - 90 responses
- Imagine Portsmouth: city-wide consultation - 1,822 responses
- MG Festing Grove area parking survey - 476 responses
- CCE Practitioners survey - 237 responses
- Concessionary bus pass survey - 702 responses
- The learning place research - 45 responses
- Carers self-assessment - 32 responses
- Elm Grove/Kings Road (wave one) - 919 responses
- Parent and carer survey (2020) - 222 responses
- Stomp for Stamps - 1,210 responses
- Seafront Masterplan - 1,268 responses
- Collaborative Enhancements Plan - 288 responses
- Special School Nursing service provision consultation - 51 responses
- Private Rental Sector Strategy (wave two) - 682 responses
- Local Transport Plan 4 - 848 responses*
- Local Cycling and Walking Infrastructure Plan - 626 responses
- Colas resident survey 2020 - 1,726 responses
- Sports and Leisure facilities - 1,450 responses*

- Elm Grove/Kings Road (wave two) - 1,437 responses*
 - Living Wage - 48 responses
- * = still in field as of 8 December

2. Replace the final point with:

Council resolves to continue to work across political party in the best interests of this city.

Following debate, the mover of the original motion advised that he did not wish to subsume into it the amendment.

Upon being put to a roll call vote, the amendment was CARRIED.

Upon being put to a roll call vote, the substantive notice of motion including the amendment was CARRIED.

RESOLVED

This council is committed to taking efforts to improve local government transparency and accountability.

Council notes the significant improvements in involving councillors from all parties since May 2018, reversing the Tory secrecy. For instance:

- **Bringing back the cross-party working group on homelessness, now with outside agencies and an independent Chair.**
- **Creating the cross-party working group on sea defences**
- **All member briefings on key acquisitions such as Lakeside, a contrast to the secrecy and failure to follow due process that surrounded Victory Energy**
- **Making sure opposition councillors again sat on the body that oversees cutting crime in Portsmouth.**
- **Making sure notices of motion are debated at Full Council first time, rather than shunted off somewhere else only to be debated at Full Council months later**
- **Increasing seats on the Health and Wellbeing Board so all three political parties are represented**
- **Introducing regular cross-party portfolio briefings outside decision meetings and briefings for all members on how the Council is tackling Coronavirus.**

Council also notes the encouraging responses to council consultations. As of 12 November this year, 21,058 residents replied to 35 consultations issued in 2020, outlined below. Council also notes the second wave of the coronavirus resident research, which includes the budget consultation, is launching today. In addition, almost 2,200 staff replied to internal consultations. The public consultations were:

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- MI Middlesex Road area parking survey - 372 responses
- SEND young people survey - 63 responses
- City vision (coronavirus response) - 39 responses
- SEND parent/carer survey (2020) - 360 responses
- Coronavirus resident survey (wave one) - 2,826 responses
- Pompey Monster walk to school - winter 2020 - 282 responses
- Clean Air Zone individual - 2,175 responses
- Clear Air Zone business - 140 responses
- Companion bus pass survey - 90 responses
- Imagine Portsmouth: city-wide consultation - 1,822 responses
- MG Festing Grove area parking survey - 476 responses
- CCE Practitioners survey - 237 responses
- Concessionary bus pass survey - 702 responses
- The learning place research - 45 responses
- Carers self-assessment - 32 responses
- Elm Grove/Kings Road (wave one) - 919 responses
- Parent and carer survey (2020) - 222 responses
- Stomp for Stamps - 1,210 responses
- Seafront Masterplan - 1,268 responses
- Collaborative Enhancements Plan - 288 responses
- Special School Nursing service provision consultation - 51 responses
- Private Rental Sector Strategy (wave two) - 682 responses
- Local Transport Plan 4 - 848 responses*
- Local Cycling and Walking Infrastructure Plan - 626 responses
- Colas resident survey 2020 - 1,726 responses
- Sports and Leisure facilities - 1,450 responses*
- Elm Grove/Kings Road (wave two) - 1,437 responses*
- Living Wage - 48 responses

* = still in field as of 8 December

Council resolves to continue to work across political party in the best interests of this city."

Council adjourned at 2230.

Council resumed at 2240.

102.h Save the Union Learning Fund

It was

Proposed by Councillor Cal Corkery
Seconded by Councillor Graham Heaney

That notice of motion (h) as set out on the agenda be adopted.

Following debate, upon being put to a roll call vote, notice of motion (h) was CARRIED.

RESOLVED

The Union Learning Fund (ULF) was established in 1998 to promote activity by trade unions in support of the objective of creating a learning society. Its primary aim was to develop the capacity of trade unions and Union Learning Representatives (ULRs) to work with employers, employees and learning providers to encourage greater take up of learning in the workplace.

The scope of the ULF has gradually broadened since 1998, as union capacity has grown and government strategic objectives have changed and unions have been encouraged to work on improving access to work and to work in the community.

The ULF is managed and administered by Unionlearn, the TUC's Learning and Skills Organisation under an agreement with the Department for Education (DfE) which directs the level and type of learning activity that should be supported by the Fund.

Unionlearn's main functions are to support unions to:

- **Become effective learning organisations and broker learning opportunities for their members.**
- **Improve union engagement with and influence on learning and skills policy.**
- **Engage effectively with employers, employees and providers to help support the most disadvantaged learners in the labour market; focusing on supporting maths and English learners and the take-up of high quality apprenticeships and traineeships that will contribute to the Government's commitment to support the delivery of 3 million apprenticeship starts by 2020, as well as promoting the Apprenticeship Levy and new employer-led apprenticeship standards.**
- **Engage with employers to support them in developing new apprenticeship standards to replace frameworks.**
- **Provide support and advice to apprentices and trainees and help resolve any issues.**
- **Engage effectively with employers and other stakeholders to support the learning and skills developments required to tackle poverty and disadvantage and promote employment and the growth of the economy.**

- Engage effectively with employers to develop learning and skills strategies that address both organisational and individual skills needs.
- Evaluate and provide an evidence base for the unique contribution that unions make to improving economic and social mobility through learning and skills.

In early October, the TUC received a letter from the Department for Education saying that ministers have decided to end the Union Learning Fund from March 2021. This is an astonishing and counterproductive decision – last year more than 200,000 learners got new skills through union learning

Only unions, through their network of reps, have been able to reach these workers and help them get into learning. In the middle of the deepest recession of our lifetimes, this is not the time to cut skills and training. The government must reverse this decision – and keep learners learning.

Full Council recognises the excellent results that have been achieved by the Union Learning fund:

- 68% of learners with no previous qualifications gained a qualification
- 68% of employers say unions are particularly effective at inspiring reluctant learners to engage in training and development
- 70% of learners would not have taken part in learning with union support
- Every £1 invested in the Union Learning Fund generated a total economic return of £12.24 (2017-2018 project)

Full Council therefore believes that the government should continue to invest in the Union Learning Fund and requests the Chief Executive write to the Secretary of State for Education stating this view.

102.i Helping the HIVE

It was

Proposed by Councillor Luke Stubbs
Seconded by Councillor Donna Jones

That notice of motion (i) as set out on the agenda be adopted.

Following debate, notice of motion (i) as set out on the agenda was CARRIED by assent.

RESOLVED

The City Council puts on record its thanks for the work done by the HIVE and by the third sector more widely. While council would like to provide

greater financial help, it recognises the financial constraints it operates under and accepts that finding more money is probably unrealistic.

Council notes that local authorities can have a role in fundraising and that Portsmouth has a good record in this regard, with its local lottery having raised hundreds of thousands of pounds since its launch in 2016. The London Boroughs of Westminster and Kensington and Chelsea both promote Community Contribution schemes when collecting the council tax. These seek additional voluntary contributions from the most expensive properties to support council aligned charities. While both boroughs have found the percentage take up rate has been low, the mix of properties in those boroughs means the schemes are worthwhile. This approach would not work in Portsmouth.

Council however considers that promoting giving to the HIVE when collecting the council tax is an issue worth exploring. This could take the form of an insert in council tax bills or through a link prominent on the website for people paying online. It acknowledges the potential risks and accepts that any paper insert must not push envelopes over the maximum size for economy postage. It also recognises the legal constraints on the tax collection process. This notwithstanding, it asks the Cabinet to consider options for promoting donating to the HIVE as part of next year's tax collection process.

103. Questions from Members under Standing Order No 17

The Lord Mayor advised that there were 7 questions before Council today.

Question 1 was from Councillor Terry Norton

"What budget cuts have or will be made to cover the £750,000 shortfall left by the administration's inability to secure a sponsorship deal for the Spinnaker Tower?"

This and supplementary questions were answered by the Cabinet Member for Culture, Leisure and Economic Development, Councillor Steve Pitt.

Question 2 was from Councillor Graham Heaney

"What is the current status of the Council cycling near miss reporting tool since it was made permanent and is the data shared with stakeholders?"

This and supplementary questions were answered by the Cabinet Member for Traffic and Transportation, Councillor Lynne Stagg.

Question 3 was from Councillor Tom Coles

"Can the Cabinet Member provide an update on the Food Waste trial in the north of Fratton and confirm when this will be rolled out to the rest of the ward?"

This and supplementary questions were answered by the Cabinet Member for Environment & Climate Change, Councillor Dave Ashmore.

Question 4 was from Councillor Hannah Hockaday

"Could the cabinet member advise us of what they are doing to resolve the issue of continual flooding during heavy rain, of the highway in Cosham at Salisbury Road / Knowsley Road and Lonsdale Road?"

This and supplementary questions were answered by the Cabinet Member for Environment & Climate Change, Councillor Dave Ashmore.

Question 5 was from Councillor Scott Payter-Harris

"Is the cabinet member fully committed to the continued greening of the streets in the city?"

This and supplementary questions were answered by the Cabinet Member for Traffic & Transportation, Councillor Lynne Stagg.

Question 6 was from Councillor Claire Udy

"Can the Cabinet Member confirm whether or not the council is the freeholder to the building where 279 Commercial Road resides?"

This and supplementary questions were answered by the Cabinet Member for Culture, Leisure and Economic Development, Councillor Steve Pitt.

Question 7 was from Councillor Cal Corkery

"Will the Cabinet Member for Housing commit to ensuring Landport Community Garden remains open as a resource for local residents?"

This and supplementary questions were answered by the Cabinet Member for Housing and Homelessness, Councillor Darren Sanders.

The Lord Mayor thanked members and officers for their virtual attendance at the meeting and wished everyone a safe and happy Christmas and New Year.

The meeting concluded at 0.12 am.

Lord Mayor

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Agenda Item 7



Title of meeting: City Council

Date of meeting: 02 February 2021 (Cabinet)
09 February 2021 (City Council)

Subject: Portsmouth City Council - Budget & Council Tax 2021/22 & Medium Term Budget Forecast 2022/23 to 2024/25

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 2021/22 that provides for:
- £1.3m of savings
 - A Council Tax increase of 4.99% (3.0% of which is raised specifically to be passported to Adult Social Care)
 - A forecast for the 3 year period beyond 2021/22 which will require a further £3.0m in savings
 - New Capital Investment to the City of £35.8m.
- 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 2021/22 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 £33.1m with associated Government funding of £31.9m.
- 1.3 Over the next 2 years (commencing 2021/22), the additional COVID Costs and income losses are expected to amount to £15m with associated Government funding of £8m. In the longer term, it is anticipated that the overall position will be affected by circa £3m per annum with the Council's cost base increasing by circa £2m alongside a longer term funding loss across Council Tax and Business Rates of circa £1m.

- 1.4 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. It is recognised that COVID-19 poses risks to the budgets of Adult and Children's Social Care but also to the Council more generally.
- 1.5 The Administration propose to provide sustained funding for the current Food Waste Recycling service, embedding £300,000 into base budgets. Alongside, the Administration are expanding the service by a further 2 rounds (see Cabinet Agenda 02 February 2021 Agenda Item 4 "Extension of Food Waste Collections") but with a view to embedding that also into base budgets as soon as funding can be identified. This will provide around two thirds coverage of the service across the City.
- 1.6 The uncertainty presented by the COVID-19 pandemic has led to a delay in:
 - The Government's multi year Comprehensive Spending Review (setting the overall funding for Local Government over the medium term)
 - The comprehensive overhaul of the Local Government funding system known as the "Fair Funding Review", (to determine a new formula methodology which will set each Local Authority's baseline funding level and creating "winners and losers")
 - The system for retaining future Business Rate growth / loss (involving the removal of all existing growth and re-distributing that growth nationally according to relative need (rather than where it was generated)).
- 1.7 The Council's future Forecast has been estimated in the context of the uncertainty set out above. For the 3 year period 2022/23 to 2024/25 it is estimated that the Budget Deficit will be £3m. This requires the Council to make incremental budget savings of £1m per annum for each of those years. However, for the reasons set out above, the Council's future forecast deficits could reasonably be expected to vary between +/- £3m in total and therefore the annual savings requirements could also vary by +/- £1m per annum.
- 1.8 During this unprecedented level of uncertainty, it is imperative that the Council continues to plan for savings of £1.0m per year, retaining reserves at the levels proposed in this report to retain the necessary financial resilience to be able to respond in all circumstances.
- 1.9 The Capital Programme makes proposals for new Capital Expenditure of £35.8m, of which £21.6m is from Corporate Capital Resources, therefore leveraging in borrowing capability and external funding amounting to £14.2m. Key Investments include £9.5m into school buildings, £15.7m for new and upgraded sports, leisure and community facilities and £1.7m for Phase 1 of a re-development of Cosham (see Cabinet Agenda 02 February 2021 Item 13 "Cosham Development Sites").
- 1.10 An Executive Summary of these key points and others is set out below.

EXECUTIVE SUMMARY

Context

- ❖ Since 2011/12, the Council will have made £103m 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

- ❖ 79% of respondents support an increase in Council Tax as opposed to cuts in Services
- ❖ A clear majority (67% of respondents) are also in support of an additional 3% Council Tax increase specifically to support Adult Social Care services.
- ❖ The top three most important service areas for residents at present are, in order of popularity:
 1. Collecting rubbish and recycling
 2. Providing social care services for elderly people and those with disabilities and helping them to lead independent lives
 3. Providing social care services for vulnerable children and keeping them safe.
- ❖ The three most selected priority investment opportunities for the future were, in order of popularity:
 1. Making our rubbish and recycling collections more environmentally friendly
 2. Investing in facilities for walking and cycling, increasing sustainable travel
 3. Making urgent repairs to school buildings

Revised Budget 2020/21

- ❖ A Balanced Budget for 2020/21 accommodating the expected full COVID-19 impact as follows:
 - COVID related costs and income losses £33.1m (excl. CTax & Bus. Rates)
 - COVID related funding £31.9m
- ❖ Set aside of £12.4m (mainly from the Deficit Recovery Strategy funding £11.9m) to fund COVID costs for the following 2 years
- ❖ Overall forecast underspend of £2.9m which is being used to support the Budget for 2021/22

EXECUTIVE SUMMARY (Cont'd)

Budget 2021/22

- ❖ Incorporates £1.3m of Savings in accordance with the Council resolution of 12 February 2020 (with an additional £0.3m identified in order to provide mainstream funding for Food Waste Recycling)
- ❖ Food Waste Recycling service to now cover two thirds of the City
- ❖ The Local Government Finance Settlement has provided substantial relief for:
 - The short term impact of COVID-19 of £6.6m grant plus the continuation for 3 months of the Sales, Fees & Charges Compensation scheme (funding circa. 70% of income streams excluding commercial property)
 - The cost pressures in Adult and Children's Social Care in 2021/22 of £1.4m
 - A grant of £1.7m for the expected reduction in Council Tax income from the increase in Local Council Tax Support applications
- ❖ Additional funding for Adult Social Care of £2.8m to accommodate their demographic cost pressures, support mental health services and contribute towards the additional costs to care providers associated with the National Living Wage (increase of 2.2%)
- ❖ Replenishment of the Medium Term Resource Strategy (MTRS) Reserve of £3m (following the withdrawal of £5m in the current year to support the Deficit Recovery Strategy)
- ❖ A Council Tax increase of 4.99%, in accordance with the Budget Consultation, of which:
 - 1.99% is for general council services (at an inflation based level)
 - 3.0% (amounting to £2.5m) is to be passported directly to Adult Social Care
- ❖ A reduction in the Council Tax Base (income) due mainly to additional Council Tax Support payments and the losses on collection amounting to £1.9m
- ❖ A revenue contribution to Capital of £4.2m to supplement the Capital Resources available to the Capital Programme for 2021/22
- ❖ A withdrawal from General Reserves of £2.0m (noting the underspend of £2.9m in the previous year)

EXECUTIVE SUMMARY (Cont'd)

Future Forecast - 2022/23 to 2024/25

- ❖ The forecast for the new 3 Year Period (now extended to 2024/25) is a £3.0m deficit
- ❖ The new forecast is subject to unprecedented uncertainty due to the longer term impact of COVID-19, the forthcoming Multi Year Spending Review, Fair Funding Review and the Business Rate Retention Scheme review; the forecast could vary by +/- £3m
- ❖ Future forecasts seek to make adequate provision for both the replenishment of the MTRS Reserve as well as contributions towards necessary Capital Investment requirements
- ❖ Proposed that Savings are phased evenly at £1.0m p.a over the next 3 years (i.e. beyond 2021/22)
- ❖ General Reserves are maintained over the period at circa £19m (**assuming the £1.0m p.a. savings are achieved**)
- ❖ Balanced approach to savings if the forecast proves to be too pessimistic or too optimistic. With General Reserves at proposed levels, savings of £1.0m p.a. ensure that for any improvement in the forecast, the Council has not prematurely made a level of savings that could have been avoided and for any deterioration, good progress towards the necessary savings will have been made

Capital Programme 2020/21 to 2025/26

- ❖ Total New Capital Investment of £35.8m
- ❖ Key Investments include:
 - New Leisure Centre, Pool and Community Centre - £12.5m
 - School Buildings - £9.5m
 - Football facilities at KGV - £3.2m
 - Future High Street regeneration (subject to business case) - £2.0m
 - IT Infrastructure - £1.9m
 - Cosham Re-development (Phase 1) - £1.7m
 - Integrated transport measures - £1.0m
 - Environmental Enhancements - £0.8m

Conclusion

- ❖ Council's financial health is sound, and the Council 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 2021/22 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 2021/22 and the level of Council Tax in the context of the Council's Medium Term Financial Strategy with its stated aim as follows:

OVERALL AIM

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

- 2.3 The recommended Budget for 2021/22 has been prepared on the basis of the following:
- The Council resolution of 11 February 2020 that set an overall savings requirement of £1.0m
 - An increase in the level of Council Tax for 2021/22 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 3.0%, and the direct passporting of that additional funding to Adult Social Care to provide for otherwise unfunded cost pressures.
- 2.4 This report also provides a comprehensive revision of the Council's rolling 3 year future financial forecast for the new period 2022/23 to 2024/25 (i.e. compared to the previous forecast covering 2021/22 to 2023/24, 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 2021/22 and beyond, and the consequential budget deficits that result
- (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 2021/22
- (e) The Business Rate income for 2021/22 and future years
- (f) The Council Tax base and recommended Council Tax for 2021/22
- (g) The forecast Collection Fund balance as at 31 March 2021 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 2021/22
- (j) The forecast Revenue Budgets and revised Savings Requirements for 2022/23, 2023/24 and 2024/25
- (k) Estimated General Reserves over the period 2020/21 to 2024/25
- (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 2020/21 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 2020/21 and the Revenue Estimates for the financial year 2021/22 as set out in the General Fund Summary (Appendix A)
- 2) That the Environment & Climate Change Portfolio Cash Limit be increased by £300,000 in 2021/22 to mainstream the current 2 Food Waste Recycling rounds into base budgets
- 3) The Portfolio Cash Limits for the Revised Budget for 2020/21 and the Budget 2021/22 incorporating the savings amounts for each Portfolio and amounting to £1.3m as set out in Sections 7 and 11, respectively
- 4) Any underspendings for 2020/21 arising at the year-end outside of those made by Portfolios be transferred to Capital Resources in order to provide funding

for known and potential future commitments in future years such as Special Educational Need (SEN) School Places, Sea Defences (enhancements to core scheme), Expansion of Food Waste Recycling, Environmental Improvements, Transport Improvements, Affordable Housing, City Wide Regeneration, Digital Infrastructure and the maintenance of the Council's Core Operational Assets, for which there is currently insufficient funding

- 5) 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
- 6) The S.151 Officer be given delegated authority to make any necessary adjustments to Cash Limits within the overall approved Budget and Budget Forecasts
- 7) That the level of Council Tax be increased by 1.99% for general purposes in accordance with the referendum threshold¹ for 2021/22 announced by Government (as calculated in recommendation 3.4 (d))
- 8) That the level of Council Tax be increased by a further 3.0% 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 £2,461,300 is passported direct to Adult Social Care
- 9) That a Revenue Contribution to Capital be made in 2021/22 in the sum of £4.234m in order to provide sufficient funding for the New Capital Investment proposals set out in Appendix D
- 10) That a transfer to the MTRS Reserve be made in 2021/22 for the sum of £3.0m in order to replenish the reserve to a level sufficient to be able to continue as a primary vehicle to generate future savings and enable cost avoidance
- 11) Managers be authorised to incur routine expenditure against the Cash Limits for 2021/22 as set out in Section 11
- 12) That the savings requirement for 2022/23 be set at a minimum on-going sum of £1.0m
- 13) 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
- 14) Directors be instructed to start planning how the City Council will achieve the savings requirements shown in Section 12 and that this be incorporated into Service Business Plans
- 15) The minimum level of General Reserves as at 31 March 2022 be maintained at £8.0m to reflect the known and expected budget and financial risks to the Council

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

- 16) The Revised Capital Programme 2020/21 to 2025/26 attached as Appendix E which includes all additions, deletions and amendments for slippage and re-phasing be approved
 - 17) 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
 - 18) 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)
 - 19) 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 2020/21 to 2025/26
 - 20) The Prudential Indicators described set out in Appendix F be approved.
 - 21) 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) The Revenue Estimates 2021/22 as set out in Appendix A have been prepared on the basis of a 3.0% tax increase for the "Social Care Precept" (amounting to £2,416,300) 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 3.0% tax increase (amounting to £820,400 for each 1%) is not taken, then equivalent savings will need to be made in Adult Social Care in 2021/22
 - 3) In general, any reduction to the proposed increase in the level of Council Tax for 2021/22 will require equivalent offsetting savings to be made in order for the Budget 2021/22 to be approved. Each 1% reduction requires additional savings of £820,400 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 3) 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 2022/23 to 2024/25 as set out in Section 12 and Appendix B
- 10) The estimated Savings Requirement of £3.0m for the 3 year period 2022/23 to 2024/25, for financial and service planning purposes, be phased as follows:

Financial Year	In Year Savings Requirement £m	Cumulative Saving £m
2022/23	1.0	1.0
2023/24	1.0	2.0
2024/25	1.0	3.0

- 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 £4.8m² 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 deficit for 2020/21 is estimated to be £819,610
- 14) The Council's share of the Business Rate element of the Collection Fund deficit for 2020/21 is estimated to be £22,553,209
- 15) The Retained Business Rate income³ for 2021/22 is based on the estimated Business Rate element of the Collection Fund deficit as at March 2021, the Non Domestic Rates poundage for 2021/22 and estimated rateable values for 2021/22 and has been determined at £30,730,310
- 16) That Cabinet Members, in consultation with the S.151 Officer, have authority to vary Capital Schemes and their associated funding within their Portfolio in

² Including the net transfers from the reserve of £5.0m in 2020/21 and the to the Reserve of £3.0m in 2021/22 contained within the recommendations

³Includes Retained Business Rates £41,039,126, "Top Up" £6,952,434, a deficit on the Collection Fund of £22,553,209 plus S.31 Grants of £5,291,959 for compensation due to national Government business rate relief initiatives

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 vire 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 2021/22 will be **56,487.9** [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 2021/22 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

(a)	£463,153,794	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£377,017,090	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£86,136,704	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)	£1,524.87	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.

(e) Valuation Bands (Portsmouth City Council)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,016.58	1,186.01	1,355.44	1,524.87	1,863.73	2,202.59	2,541.45	3,049.74

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 2021/22 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 £
150.97	176.14	201.30	226.46	276.78	327.11	377.43	452.92

- 3.6 That it be noted that for the financial year 2021/22 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 £
46.95	54.78	62.60	70.43	86.08	101.73	117.38	140.86

- 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 2021/22 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

A £	B £	C £	D £	E £	F £	G £	H £
1,214.50	1,416.93	1,619.34	1,821.76	2,226.59	2,631.43	3,036.26	3,643.52

- 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 2021/22, which represents a 4.99% 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 4.99% increase includes a 3.0% 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 2021/22 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 2021/22 across a 3 week period from 08 December 2020 to 28 December 2020 to assist the Administration in formulating its Budget proposals. The consultation was promoted through the following channels:

- Press release announcing start of consultation and focus on impact of COVID-19 / budget plans
- Social media promotion including boosted posts and adverts
- News story on website and promoted on homepage banner and 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 1,579 responses. Assuming a "total population" of 175,294 (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 2.46%.

4.3 The Executive Summary of the "Budget Consultation 2020 (Relating to 2021/22 Fiscal Year)" is reproduced below:

Executive Summary - Budget Consultation 2020 (Relating to 2021/22 Fiscal Year)

4.4 Portsmouth City Council's annual budget consultation had 1,579 responses from all areas across the City. The analysis undertaken on the results showed that at full sample level there was no majority in either of the percent specific increases in Council Tax (46% 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 clear majority support for an increase of some sort (79% of respondents). A clear majority (67% of respondents) are also in support of an additional 3% Council Tax increase specifically to support social care services.

4.5 Results show that the top three most important service areas for residents at present are, in order of popularity:

1. Collecting rubbish and recycling

2. Providing social care services for elderly people and those with disabilities and helping them to lead independent lives
3. Providing social care services for vulnerable children and keeping them safe.

Further analysis showed that there was little variation by postcode district in priority services at present.

4.6 The three most selected priority investment opportunities for the future were, in order of popularity:

1. Making our rubbish and recycling collections more environmentally friendly
2. Investing in facilities for walking and cycling, increasing sustainable travel
3. Making urgent repairs to school buildings

Over a third of respondents cited environmental improvements as a key investment priority for the future with many suggesting that climate change and reducing air pollution in the City should be a specific focus for future investment.

4.7 The full report can be found [here](#)

5. Medium Term Financial Strategy

5.1 The Council has been required to make £103m in savings and efficiencies over the past 10 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 In response to the considerable financial challenge, 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:

OVERALL AIM

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

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 2020/21

6.1 The original Revenue Budget approved by the City Council on 11 February 2020 was £174,558,400 and was relying on a draw down from General Reserves of £2.6m.

6.2 The Cabinet has received regular quarterly Budget Monitoring reports on the 2020/21 Budget throughout the year. Those forecasts have consistently reported a forecast overspend associated with the impact of COVID-19 but offset by a forecast underspending across other activities of the Council. The most recent report to Cabinet and Full Council in December 2020 reported an overall forecast overspend of £1.3m comprised as follows:

- Forecast overspend in relation to COVID-19 (after all Government funding) of £5.4m but offset by
- Forecast underspend elsewhere across the Council of £4.1m.

That report also made recommendations to implement a Deficit Recovery Strategy, identifying Council funding of £11.9m in order to cover both the expected and pessimistic scenarios of the impact of COVID-19.

6.3 The impact of COVID has been the defining factor in shaping the Revised Budget. As mentioned, the Council has identified £11.9m of its own resources to help support the overall financial impact of COVID-19. This funding is critical for both the current

year and next year as the Council continues to experience the financial effects of the emergency itself and any longer lasting legacy into future years.

- 6.4 The Original Budget has now been comprehensively revised and it is proposed to increase the Budget to £221,036,400, an increase of £46,448,000 or 27%. The majority of the spending increase relates to COVID-19 and has been more than offset in the current year by additional Government funding amounting to £49,392,200. However, £3.4m of this grant funding is for deficits in Council Tax and Business Rate income (recompensed at 75% under the Government grant scheme) which are accounted for in the following financial year.
- 6.5 Accordingly, significant changes to the Original Budget now being proposed as part of the Revised Budget are as follows:

Budget Increases

- Setting aside funding for the loss of Business Rate income due to the Expanded Retail & Nursery Relief schemes (i.e. the deficit will arise in 2021/22) - £22.5m
- Setting aside funding for the loss of Business Rate income and Council Tax income directly related to COVID-19 (i.e. the deficits will arise in 2021/22, 2022/23 and 2023/24) - £3.4m
- Increase in the Council's contingency, where all COVID costs and income losses are currently budgeted for - £21.3m
- Setting aside funding for the future impact of COVID-19 into 2021/22 and 2022/23 - £12.4m

Budget Reductions / Increases in Funding

- Transfer of funding to support the Deficit Recovery Strategy - £6.9m (the Deficit Recovery Strategy amounts in total to £11.9m but £5.0m was already contained within the existing budget for Contingency)
- COVID Grant Funding of £54.4m as follows:
 - Additional costs across Services - £19.4m
 - Lost income (compensated at circa 70% on defined income streams) - £9.1m
 - Losses of funding (75% compensation for Business Rates and Council Tax) - £3.4m
 - Specific compensation lost Business Rate income arising from the Expanded Retail & Nursery Relief schemes - £22.5m
- Improvement in Treasury Management activities of £2.0m

- 6.6 The Revised Revenue Budget is set out in the General Fund Summary (Appendix A).

7. Revised Cash Limits 2020/21

- 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 2020/21 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 2020/21 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 2020/21 £'000	Items Outside the Cash Limit £'000	Revised Budget 2020/21 £'000
Children, Families & Education	39,186	17,923	57,109
Communities & Central Services	19,566	6,647	26,213
Community Safety	2,933	556	3,489
Culture, Leisure & Economic Development	8,177	5,107	13,284
Environment & Climate Change	12,141	1,564	13,705
Health, Wellbeing & Social Care	45,947	5,035	50,982
Housing & Preventing Homelessness Leader	4,308 (30,280)	3,138 5,566	7,446 (24,714)
Planning Policy & City Development	1,374	0	1,374
Traffic & Transportation	16,141	5,871	22,012
Licensing Committee	(227)	102	(125)
PORTFOLIO EXPENDITURE	119,266	51,509	170,774

- 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 2021/22

- 8.1 At last year's Annual Budget Meeting in February 2020, forecasts for this coming financial year 2021/22 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 2021/22. 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 2021/22 are as follows:

- ❖ 79% of respondents support an increase in Council Tax as opposed to cuts in Services
- ❖ A clear majority (67% of respondents) are also in support of an additional 3% Council Tax increase specifically to support social care services.
- ❖ The top three most important service areas for residents at present are, in order of popularity:
 1. Collecting rubbish and recycling
 2. Providing social care services for elderly people and those with disabilities and helping them to lead independent lives
 3. Providing social care services for vulnerable children and keeping them safe.

- 8.4 Details of the Provisional Local Government Finance Settlement plus all other funding, income and expenditure changes proposed within the Budget for 2020/21 are described in the following paragraphs.

Funding - Summary of the Local Government Finance Settlement

- 8.5 In overall terms the provisional Local Government Settlement for the Council provides for the following:

- A 1 year Settlement only pending the forthcoming Comprehensive Spending Review
- A general increase in Government funding of 0.55%, in line with the Consumer Price index for September 2020
- A "one-off" Lower Tier Services grant - £0.5m
- Reduction in the New Homes Bonus Grant of £0.6m
- An increase in the Social Care Grant (to be distributed to both Adult and Children's Social Care) - £1.4m
- Cash flat allocation of the Improved Better Care Fund (including Winter Pressures Funding) for Adult Social Care
- Council Tax increase thresholds of:



- 2.0% for General Purposes
- 3.0% for Adult Social Care
- 2.0% for Fire & Rescue Authorities
- £15 for Police and Crime Commissioners
- COVID-19 Support as follows:
 - Emergency COVID-19 Grant - £6.6m
 - Continuation for the first 3 months of the year of the Sales, Fees & Charges compensation Scheme (funding circa. 70% of lost income streams excluding commercial property)
 - A Local Council Tax Support Grant (to compensate for rises in claimant demand) - £1.7m

8.6 Based on the Provisional Local Government Finance Settlement and a comprehensive review of all other estimates of funding, income and expenditure for 2021/22 and the following 3 years, the approved savings requirement for 2021/22 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 2021/22 would not be prudent.

8.7 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.

8.8 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 2021/22 & Future Forecasts

8.9 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%⁴ 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

⁴ 49% To the City Council and 1% to the Hampshire and Isle of Wight Fire & Rescue Authority

- 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
- 8.10 In 2017/18 the National Non Domestic Rate system was subject to a re-valuation. This revised both the rateable values and the multiplier. The entire re-valuation is financially neutral at a national level with the increase in rateable values overall offset by a reduction in the multiplier.
- 8.11 The impact of the Business Rate re-valuation is likewise intended to be financially neutral on the Business Rate retention system that funds Local Authorities. Inevitably, this will not be the case and there will be "winners" and "losers" across the country. The key risk is the extent to which successful appeals are greater or less than the assumed allowance for appeals contained within the new multiplier set by Government.
- 8.12 In total, for 2021/22, Retained Business Rates are estimated at £30.7m⁵ and which includes a deficit relating to previous year of £22.6m arising mainly from the Expanded Retail and Nursey relief schemes.
- 8.13 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.
- 8.14 Despite the complications and risks associated with appeals, there remains the financial incentive within the system for many Local Authorities (including Portsmouth⁶) 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.
- 8.15 From 2022/23, there is expected to be a new national Business Rate Retention Scheme, the details of which are not yet known. The introduction of the new scheme will be accompanied by a "Reset" which will remove all current business rate growth currently being enjoyed by authorities and which for the Council amounts to £4.8m⁷.
- 8.16 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.

⁵ Includes Retained Business Rates £41,039,126, "Top Up" £6,952,434, a deficit on the Collection Fund of £22,553,209 plus S.31 Grants of £5,291,959 for compensation due to national Government business rate relief initiatives

⁶ Applies to Local Authorities that, in general, remain above the safety net threshold over time

⁷ Based on 2021/22 Estimates in a 50% Business Rate Retention Scheme

Funding - Council Tax Proposals 2021/22 & Future Years

Council Tax Amount

- 8.17 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 £6.0m per annum less in Council Tax than the average Unitary Authority within its statistical neighbour group.
- 8.18 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.
- 8.19 Council Tax currently represents 51% of the Council's total revenue funding and as Government funding has reduced, this has become an increasingly more important and dependent funding source for the Council.
- 8.20 Council Tax for the average Council Tax payer in Portsmouth (Band B) currently amounts to £1,347.82, of which £1,129.64 (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 52% of all properties are subject to the full level of Council Tax.
- 8.21 The Provisional Local Government Finance Settlement for 2021/22 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.
- 8.22 As described more fully later in this report, the actual level of inflation for the Council in 2021/22, 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 2.0%.
- 8.23 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, both through the increase in the National Living Wage (which has increased by 2.2% 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.

- 8.24 For Portsmouth City Council, it is vital that the flexibility of the Adult Social Care Precept is taken in order to mitigate the current underlying deficit in Adult Social Care currently standing at circa £5.0m. The alternative would be to increase the level of savings required by the Service.
- 8.25 Given the scale of the inflationary and other demographic pressures in Adult Social Care and in accordance with the results of the Budget Consultation, it is proposed that:
- i) The Council Tax for General Purposes be increased by 1.99% for 2021/22, representing 43p per week for a Band B tax payer and yielding £1.6m
 - ii) Adult Social Care precept be increased by 3.0% for 2021/22, representing 65p per week for a Band B tax payer and yielding £2.5m to be passported direct to Adult Social Care.
- 8.26 Given the extent of the unfunded cost pressures in Adult Social Care, both present and emerging, it is recommended that the Council increase the Council Tax for the Adult Social Care Precept by 3.0%. Setting a precept at a lower sum will inevitably result in additional service reductions to Adult Social Care services in 2021/22, this decision therefore will be will be critical for Adult Social Care services and the wider health system in the City.
- 8.27 The Council could elect not to increase the level of Council Tax by 4.99% but if it chose to do so would need to identify additional savings over and above the £2.5m savings approved by the City Council in February 2020. For every 1% reduction in Council Tax, additional savings of £820,400 will be required.
- 8.28 The Council's future forecasts for the period 2022/23 to 2024/25 have been estimated on the following basis:
- i) General Purposes - 1.99% rise each year
 - ii) Adult Social Care Precept - No further increases thereafter

Council Tax Base

- 8.29 The Council Tax Base (i.e. the number of Band D equivalent properties paying the full Council Tax) has been determined as **56,487.9** for 2021/22.

Collection Fund Balance (Council Tax Element) 2020/21

- 8.30 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:
- Portsmouth City Council (83.8% share)
 - Hampshire Police & Crime Commissioner (12.2% share)
 - Hampshire and Isle of Wight Fire & Rescue Service (4.0% 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.

- 8.31 For 2020/21, it is estimated that there will be a deficit on the Collection Fund of £977,912 which will be shared in proportion to the 2020/21 precepts and distributed to the preceptors as follows:

Collection Fund Deficit - 2020/21		
Preceptor	Distribution	
	£	%
Portsmouth City Council	819,610	83.8%
Hampshire Police & Crime Commissioner	119,330	12.2%
Hampshire and Isle of Wight Fire & Rescue Service	38,972	4.0%
Total Deficit 2020/21	977,912	100.0%

The Portsmouth City Council Share of the deficit of £819,610 is factored into the overall Council Tax income for 2021/22.

Total Council Tax Income 2021/22 & Future Years

- 8.32 Considering the Council Tax increase, Council Tax Base and deficit on the Collection Fund, the total Council Tax income for 2021/22 is estimated at £85,317,094.
- 8.33 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 £92,894,983 by 2024/25 and is based on the following assumptions:

- Increase in the amount of Council Tax of 4.99% for 2021/22
- Increases of 1.99% per annum from 2022/23 onwards

Funding Summary

- 8.34 Over the 4 year period of the Council's forecast, funding is anticipated to rise by just 5.3% (or an average of 1.3% p.a.), reflecting the estimated impact of a depression in Council Tax and Business Rates as the country recovers from the COVID-19 pandemic, and an expected loss from the Business Rate Retention "reset" which is expected to remove £4.8m of Business Rate Growth which is not fully offset by its re-distribution for "Need" through the Fair Funding Review of Government Funding.

Cumulative Effects of the Overall Local Government Funding System

- 8.35 Over the past 10 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 £460,000 for every 1% increase in Business Rate growth (under the 50% BRR scheme). Equally, the City Council will lose £460,000 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 2021/22 is £11.5m. Each 1% change therefore will represent a cost / saving of £115,000.

8.36 Whilst the Fair Funding Review and Business Rate Retention Scheme (to be introduced in 2022/23) 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.

Expenditure 2021/22

Budget & Inflationary Pressures 2021/22

8.37 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.

8.38 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

- 8.39 Correspondingly, any Budget Pressures must be funded within the overall resources available to the Portfolio Holder (which includes their Portfolio Reserve).
- 8.40 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. Budget pressures are not funded (as described above) and tend to be related to additional burdens, additional demand or extraordinary price inflation.
- 8.41 Adult Social Care is currently carrying an underlying deficit of £5.0m. Having stabilised the Children's Social Care position over the past 2 years with additional funding of £7m, there remains now a forecast underlying deficit of £0.5m. Both services are also expected to experience further cost pressures in the future and these also have been recognised. Both Services have well developed financial sustainability strategies and plans to mitigate their current underlying budget deficits and their further cost pressures over the next 3 years which involve substantial savings but are consistent with their overall strategies as follows:
- Adult Social Care - To be addressed by an additional budget allocation of £2.8m in 2021/22, the delivery of a developed savings plan of £1.7m and the use of their Transformation Fund of £0.5m
 - Children's Social Care - To be addressed through the delivery of their Financial Sustainability Strategy driving savings of £0.5m through early help and intervention, supporting families, improving placement stability and re-unification and therefore an overall reduction in the number and cost of Looked After Children
- 8.42 The additional £2.8m 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.
- 8.43 Risks remain to the delivery of both the Adult and Children's Social Care financial sustainability strategies and these will be managed as an integral part of their implementation, however adequate corporate contingency provision will be made to cover those risks to ensure that the overall Council Budget remains robust.
- 8.44 Budget pressures within all other 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

- 8.45 The Administration propose to mainstream the existing 2 Food Waste Recycling rounds into the base budget (currently funded from the Cabinet Reserve) at a cost of £300,000 per annum. As described later in this report, this requires that the Council's Savings requirements increase from £1m to £1.3m.
- 8.46 Additionally, there are proposals to the Cabinet Meeting of 02 February 2021 to extend the Food Waste Recycling trials by a further 2 rounds from September 2021 such that the overall service covers circa two thirds of the City. This extension is subject to the following:
- i) Approval of the current 2 Food Waste Recycling rounds being built into base budgets at a cost of £300,000 (including the associated necessary savings) as proposed in this report
 - ii) Approval of the Capital Scheme to fund the associated Capital Costs of £340,000 (which includes 2 additional waste vehicles, additional bins and receptacles plus project costs) as proposed in this report

Revenue Contributions to Capital

- 8.47 As described in detail later in this report, new Capital Investment totalling £35.8m 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 2021/22, £21.6m is being provided by the Council in the form of "cash backed" funding with a further £3m from Council borrowing.
- 8.48 The proposed Capital Programme for next year is ambitious and looks to the longer term. It seeks to meet the Council's statutory responsibilities, further the environmental agenda and maintain and upgrade operational and community buildings. The level of investment proposed is beyond the Capital Resources available to the Council and therefore it is proposed to make a further Revenue Contribution to Capital of £4.234m.
- 8.49 Affordability constraints are expected to continue in the future, to address both the Administration's aspirations and the Council's future statutory obligations. 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 future obligations and aspirations is in excess of £50m over the medium term. Contrast that with the annual capital grant funding, capital receipts and CIL contributions that the Council receives (circa £7m per annum) and there is a hugely significant shortfall ("Capital Gap") to be met.
- 8.50 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.

- 8.51 The Council's future forecasts assume that £3.5m will be available in future years from the Revenue Budget. It is further proposed that the "standing recommendation" that any underspendings arising at the year-end outside of those made by Portfolios be transferred to Capital Resources in order to provide funding for known and potential future commitments in future years such as Special Educational Need (SEN) School Places, Sea Defences (enhancements to core scheme), Expansion of Food Waste Recycling, Environmental Improvements, Transport Improvements, Affordable Housing, City Wide Regeneration, Digital Infrastructure and the maintenance of the Council's Core Operational Assets, for which there is currently insufficient funding.

9. Budget Savings Proposals for 2021/22

- 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 Additionally no savings are proposed from the Environment and Climate Change Portfolio, Community Safety Portfolio or the Planning Policy Portfolio in accordance with the Administration's priorities.
- 9.3 A summary of the overall savings proposals for 2021/22, by Portfolio, is set out below.

PORTFOLIO	Saving 2021/22	
	£	%
Children, Families and Education	140,000	0.4%
Communities and Central Services	348,000	1.8%
Community Safety	10,000	0.3%
Culture, Leisure and Economic Development	20,000	0.2%
Environment and Climate Change	0	0.0%
Health, Wellbeing and Social Care*	300,000	0.7%
Housing and Preventing Homelessness	0	0.0%
Leader	40,000	-0.1%
Planning Policy and City Development	0	0.0%
Traffic and Transportation	142,000	0.9%
Other Expenditure	300,000	75.0%
GRAND TOTAL	1,300,000	1.1%

*** Excludes the additional funding passported through the Adult Social Care Precept £2.5m and the additional £0.3m of further funding provided, meaning that there is a real increase in Adult Social Care funding**

- 9.4 Inevitably, there are a number of financial risks contained within the proposals for making savings of the scale of £1.3m (or 1.1%) on the back of making £103m in savings and efficiencies over the past 10 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 2021/22

- 10.1 The proposed Budget for 2021/22 has been prepared to include the following:

Spending 2021/22:

- Additional funding of £0.3m to provide mainstream funding for 2 rounds of Food Waste Recycling
- Additional Funding for Adult Social Care recognising the need to meet demographic pressures and the extraordinary inflationary costs associated with the National Living Wage - £2.8m
- Additional spending power for Children's Social Care of £0.9m, made possible by the re-imburement of proper funding for Unaccompanied Asylum Seekers which had previously been funded by the Council (as part of the previous award of £7m additional funding)
- An overall allowance for inflation of 2.0% across services amounting to £2.3m

- A total of £6.2m of contributions from Revenue and Reserves 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 £26.3m (£10.3m in 2020/21), especially those relating to COVID-19, Brexit, 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 £30.9m originally set aside in 2020/21 for the Business Rate and Council Tax losses previously described (incl. Extended Retail & Nursery Reliefs and other COVID related losses)
- A transfer of £3.0m (following the withdrawal of £5m in 2020/21) to the MTRS Reserve in order to replenish it to levels sufficient to be capable of meeting future Spend to Save initiatives
- Adjustments to pension costs, forecast borrowing costs and investment rates
- The £1.3m savings proposals

Funding 2021/22:

- An overall reduction in funding of £13.4m relating mainly to the reduction in Emergency COVID-19 Grants, underlying funding from Government has increased by £1.4m arising from the increase in the Social Care Grant.
- An underlying reduction in Business Rate Income of £1m
- An overall increase in Council Tax of 4.99%, yielding £4.2m but offset by a reduction in the Council Tax base equivalent to 1,247.3 Band D properties, with a consequent reduction in income of £1.9m (relating mainly to the increased demand for the Local Council Tax Support scheme and a reduction in the collection rate)
- Overall "one-off" deficit on the Collection Fund attributable to the City Council amounting to £23.4m, representing a deficit on Council Tax of £0.8m and a deficit on Business Rates retained of £22.6m

10.2 The proposed Budget for 2021/22, including the main changes described above results in net spending of £161,334,100. This amounts to a net reduction in spending of £13,254,300 (or 7.6%) less the Original Budget 2020/21.

10.3 The proposed Budget for 2021/22 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 2021/22 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 2021/22 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 2021/22 £'000	Items Outside the Cash Limit £'000	Budget 2021/22 £'000
Children, Families & Education	38,506	17,923	56,429
Communities & Central Services	18,568	6,712	25,280
Community Safety	2,196	556	2,752
Culture, Leisure & Economic Development	8,004	5,107	13,111
Environment & Climate Change	12,186	1,566	13,752
Health, Wellbeing & Social Care	49,412	5,034	54,446
Housing & Preventing Homelessness	4,284	3,138	7,422
Leader	(31,274)	5,566	(25,708)
Planning Policy & City Development	1,229	0	1,229
Traffic & Transportation	15,226	5,871	21,097
Licensing Committee	(229)	102	(127)
PORTFOLIO EXPENDITURE	118,108	51,575	169,683

11.3 Managers will be expected to contain their expenditure in 2021/22 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 2021/22, but mindful of the requirement to make savings in future years.

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 2022/23 Cash Limit.

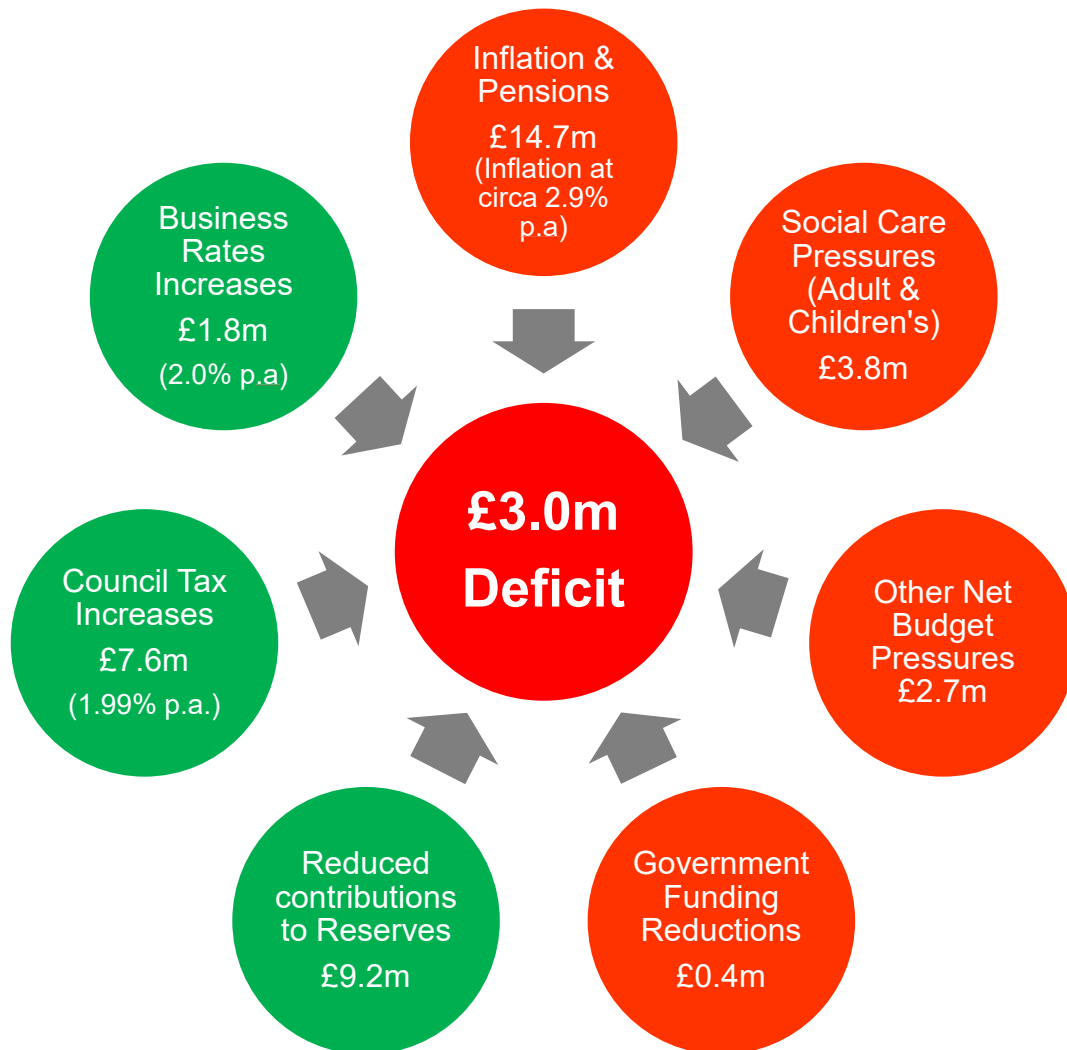
11.5 Managers have delegated authority to incur committed routine expenditure within their approved Cash Limit. Routine expenditure is any expenditure incurred to meet the day-to-day operational requirements of the service, or any specific approved budget pressure. Managers wishing to incur expenditure 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 - 2022/23, 2023/24, and 2024/25

- 12.1 A new medium term forecast has now been completed and "rolled on" a further year to cover the period 2022/23 to 2024/25. All of the financial assumptions have been comprehensively revised and a savings requirement for the new period determined.
- 12.2 The previous medium term forecast estimated that savings of £3.0m would be required across the previous 3 year period 2021/22 to 2023/24. The proposed Revenue Budget for 2021/22 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 2021/22, comprehensively revises the remaining £2m that was estimated to be required and makes a forecast for the additional year 2024/25. It is now estimated that the savings required for the new 3 year period 2022/23 to 2024/25 will now be £3.0m (or £6m cumulatively over the period) as described in the paragraphs that follow.
- 12.4 The most significant changes that will affect Local Government and the Council through the period 2022/23 to 2024/25 are as follows:



12.5 The most significant assumptions in the medium term forecasts for the period 2022/23 to 2024/25 are described below:

Spending:

- An overall composite inflationary provision covering all pay and prices at circa 2.9% per annum for the period plus additional pension obligations, in total amounting to £14.7m
- Some provision for the potential on-going risks associated with future demographic and other volume related budget pressures within Adult and Children's Social Care
- Revenue Contributions to Capital reducing to £3.5m in 2022/23 and to zero by 2023/24 onwards
- An assumption of a "steady state" for other budgets

Funding:



- Reductions in overall general Government funding from 2022/23 onwards amounting to £0.4m over the period, representing a £1.5m reduction in funding associated with the Fair Funding Review and Business Rate Retention "reset" but offset by inflationary uplifts of 2.0% per annum
- A 1.99% increase in Council Tax per annum from 2022/23 onwards accompanied by an improving taxbase, in total yielding £7.6m
- Non recurrence of the current deficit on the Collection Fund
- Indexation uplifts on retained Business Rates of 2.0% per annum from 2022/23 onwards
- An underlying zero growth assumption for changes in Business Rates from 2022/23 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

12.6 It is important to recognise that this forecast extends beyond the multi-year Spending Review planned for the coming year, the Fair Funding Review and the revised Business Rate Retention Scheme due to be implemented in 2022/23. It also 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 £3.0m forecast deficit which could realistically vary between +/- £3m.

12.7 Due to the uncertain nature of the future years' forecasts it is imperative that the Council continues to plan for £1.0m of savings per annum as well as maintaining sufficient General Reserves. This 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 and it allows more time for savings initiatives to take effect. If the forecast deteriorates, the Council will have made good progress towards the necessary savings and have sufficient General Reserves to avoid significant "spikes" in Savings Requirements in any single year in the future.

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

12.9 In summary, the overall forecast budget deficit and therefore savings requirement has been maintained at £1.0m per annum the forecast has been "rolled on" to now include a deficit in 2024/25 also of £1.0m. The overall forecast budget deficit and savings requirement for the 3 year period 2022/23 to 2024/25 is £3.0m. Importantly, this level of budget deficit can only be maintained if the Council approves the proposed net £1.0m of savings as well as the increase in Council Tax of 4.99% for 2021/22.

12.10 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.

12.11 The fundamental aim of the Medium Term Resource Strategy (MTRS) is for in-year expenditure to equal in-year income. The proposed Savings Requirements set out below have been set to accord with that aim and also with the minimum level of General Balances that the Council is required to hold based on its risk profile.

12.12 The Savings Requirements recommended below have been phased to have regard to a managed reduction in spending and service provision over a realistic period:

	Revised Underlying Budget Deficit £m	Revised In Year Target £m	Revised Cumulative Saving £m
2022/23	1.9	1.0	1.0
2023/24	3.4	1.0	2.0
2024/25	2.9	1.0	3.0

12.13 It will be for the Administration to determine how these forecast Savings Requirements are allocated across Portfolios throughout future budget processes.

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 will also be required, arising out of the savings needed to meet the £3.0m forecast Budget deficit.

- 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 reasonably be expected that future Capital Programmes will rely more heavily of this as a funding source in the future (e.g. a transfer of £5.978m in 2020/21).
- 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 2020/21 to 2024/25

- 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 2021 (Revised Estimate) are anticipated to be £23.4 after transfers to and from other reserves although falling back to historic levels of circa £20m by 31 March 2023. 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 2021/22 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 2022. Assuming the savings required to fund the forecast deficit in 2021/22 are achieved, General Reserves as at 31 March 2022 are forecast to be £21.3m.
- 14.5 The minimum level of balances for 2022/23 and 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 2020, together with the proposed use of reserves from 2020/21 to 2024/25, and the resultant balances at 31 March 2025 **assuming that the target savings recommended in Section 12 are achieved.**

GENERAL RESERVES FORECAST - Up to 2024/25					
Financial Year	Current Year £m	Budget 2021/22 £m	Forecast 2022/23 £m	Forecast 2023/24 £m	Forecast 2024/25 £m
Opening Balance	23.0	23.4	21.3	20.5	19.0
In Year Surplus / (Deficit)	0.4	(2.1)	(0.8)	(1.5)	0.1
FORECAST BALANCE	23.4	21.3	20.5	19.0	19.1

- 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
- There remain continuing risks associated with the COVID pandemic and its legacy, the financial sustainability plans for both Adult and Children's Social Care and the wholesale review of Local Government funding.
- The balances are predicated on total savings (as yet unidentified) of £6.0m (cumulative) being achieved over the next 3 years. If those savings are not made, balances would be reduced by £6.0m by 31 March 2025.
- It is a crucial part of the strategy to mitigate against the uncertainty of the Fair Funding Review in 2022/23 in order to avoid potentially significant "spikes" in savings requirements in any single year (as described in Section 12 above)
- 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 £4.8m⁸ 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 and Dunsbury Hill Farm. 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

⁸ Including the net transfers from the reserve of £5.0m in 2020/21 and the to the Reserve of £3.0m in 2021/22 contained within the recommendations

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 2020/21 to 2025/26

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. Those responses were as follows:
- ❖ The three most selected priority investment opportunities for the future were, in order of popularity:
 1. Making our rubbish and recycling collections more environmentally friendly
 2. Investing in facilities for walking and cycling, increasing sustainable travel
 3. Making urgent repairs to school buildings
- 15.3 The Administration's new scheme proposals contained within this report will lead to additional capital investment totalling £35.8m.
- 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, the recommendations within this report propose that any further underspending which arises at year end, will also be used to supplement the Capital Resources available for 2021/22 and future years.

Overall Strategy

- 15.5 On 17 March 2020 the City Council approved the Capital Strategy 2020/21 - 2029/30. 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 and 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
- Invest in specific schemes that:
 - Are essential to preserving and enhancing the natural environment and renewable resources
 - Have a significant catalytic potential to unlock the regeneration of the City - by increasing prosperity through employment and reducing the extent to which the population needs Council services
 - Are significant in terms of the Council strategies that they serve
 - Are significantly income generating thereby reducing dependency on central government grants
 - Increase the efficiency and effectiveness of the Council's activity
 - If not implemented would cause severe disruption to service delivery

Total New Corporate Capital Resources

- 15.8 New Corporate Capital resources available as a funding source for 'new starts' in 2021/22 and onwards have been reviewed and the amount available to be allocated has been determined as £21.6m.
- 15.9 This sum includes the allocation of indicative schools grant funding amounts for both 2021/22 and 2022/23. This approach was taken to enable a longer term schools programme of maintenance projects to be developed with some certainty around future funding.
- 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 2021/22 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:
- A planned £10m contribution from the Revenue Budget in 2020/21 plus a further £4.2m contribution from the Revenue Budget in 2021/22 (see recommendation 3.1 9)
 - Non-ring-fenced capital grants (Integrated Transport Block & Schools Capital Maintenance) of £3.4m
 - Capital Receipts based on estimated values that have been declared surplus to requirements



- A further £3.3m of existing capital resources which were set aside from the revenue underspend at the end of 2019/20 in line with the recommendation approved at February 2020 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 £2.058m will be received by the Council in 2021/22.

Prudential Borrowing

- 15.14 Prudential borrowing is available for "Invest to Save" schemes only where those savings must 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).
- 15.15 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 future forecast deficits of the Council, 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

- 15.16 The Administration's proposals for the allocation of the Council's 'new start' total capital investment resources of £35.8m are set out in Appendix D for approval. They comprise a balanced set of proposals described below.
- 15.17 The programme has been designed to support educational attainment by investing £9.5m into school buildings. Of which £7.9m is to address an urgent need for 62 additional places by September 2023 for pupils with complex educational needs.
- 15.18 Significant investment into the renewal and upgrading of leisure facilities totalling £15.7m is planned, which will result in the provision of a brand new leisure and community centre in the south of the City (£12.5m) and major improvements to football facilities in the north of the City (£3.2m). Additionally an £800,000 loan to Pompey in the Community is proposed to enable the delivery of a purpose built football and community facility in the Copnor / Baffins area to deliver a programme of activity which will improve provision across the city, including youth provision.

- 15.19 In order to maintain the Council's operational facilities, £2.4m is being invested into council buildings to provide for the highest priority maintenance needs. To ensure that Council Services are digitally enabled with up to date and secure IT systems, new IT infrastructure totalling £1.9m is planned. This includes the replacement of the Legal Case Management system and the Education Case Management systems to ensure the security, efficient operation and processing of sensitive case data. Additionally, a refresh of the CCTV control room and the acquisition of a further three mobile CCTV cameras is also planned.
- 15.20 A £1.7m investment is planned to acquire land within Cosham to enable a development to come forward which will provide additional housing, commercial and community facilities to support the local area. This first phase involves working with other public sector partners to assimilate the current police and fire station sites into the Councils ownership and the disposal of the former PCMI site owned by the Council.
- 15.21 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 £1.0m 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.

Investment of £0.8m on environmental enhancements and the climate change agenda are proposed, including the acquisition of two vehicles to enable food waste recycling to be expanded by a further 2 rounds, sea defence and high street environmental enhancements (including greening the City) and a contribution to the upgrade of the emission control equipment at the Portsmouth, Marchwood & Chineham Energy Recovery Facilities.

Proposed Capital Programme 2020/21 to 2025/26

- 15.22 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. The more significant amendments to the Capital Programme are set out below:

Overspendings/Funding Shortfalls:

- Local Full Fibre Network
- Modern Ways of Working (Due to COVID-19)

In Year Additions:

- Dunsbury Hill Farm Master Plan
- Future High Streets
- Green Homes
- Huntsman Close



- Next Steps Accommodation Programme
- Operation Transmission
- South East Hants Rapid Transit Programme

Future Capital Obligations, Priorities and Aspirations

- 15.23 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 wish to further develop its priorities and aspirations for future capital investment to meet its overall aim of financial and public service sustainability.
- 15.24 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
- Berth 4 Replacement & Jetty Repairs at the Camber Quay
- Design and Build of 2,000 space Multi Storey Car Park at the existing Park & Ride site
- 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

- Full roll out of Food Waste Recycling and associated anaerobic digestion facilities
- Greening the City
- Creating space and access

Public Service Transformation:

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

15.25 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.

15.26 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 2020/21 arising at the year-end to supplement the Capital Resources available for future years.

Prudential Borrowing Indicators

15.27 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

The Council's Limit for External Debt, recommended for 2021/22, 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.

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 2021/22. Particular uncertainties exist regarding:

- The continuing impact of the COVID-19 pandemic plus the consequent depth and length of any recession and subsequent recovery
- 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 Comprehensive Spending Review, the Fair Funding Review and the Business Rate Retention scheme review)
- The ability of the Council to continue to make the necessary savings at the required scale and pace



- 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 2021/22
 - 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 £1.5m, but phased over 3 years
 - A "no growth" assumption for Retained Business Rates from 2022/23 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 the equivalent of 4.7% of the business rate multiplier.
 - 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 Treasury
 - 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 2020/21 and utilise them as necessary in 2021/22 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 given the forecast budget deficits in 2022/23 and future years.
- 16.15 Future years' budgets will remain challenging due to continued funding reductions and uncertainties. The Council's forecasts provide for a savings target of £1.0m in 2022/23, a further £1.0m in 2023/24 and a further £1.0m in 2024/25.

(b) The Adequacy of Proposed Financial Reserves

- 16.16 During 2020/21, 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 2022 (£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 2023/24
- 16.22 The Council's contingency provision for 2021/22 has been set on a risk basis at £26.3m 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 2021/22 has been prepared to incorporate the resolution of Full Council in February 2020 to make savings amounting to £1.0m and provides for an overall Council Tax increase of 4.99%, of which 3.0% is passported directly to provide

services for Adult Social Care. The savings proposals go further and are extended to reach £1.3m in order to mainstream 2 rounds of the Food Waste Recycling scheme with the aim of embedding a further 2 rounds at a later date.

- 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 continuing impact of COVID-19 in particular has shaped the Budget for 2021/22 but 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 scale of savings remains at moderate levels and the forecast budget deficit for the 3 year period 2022/23 to 2024/25 is £3.0m amounting to £1.0m per annum for each of the next 3 years.
- 17.5 Funding uncertainty still remains, particularly in 2022/23 when there is an expected Comprehensive Spending Review alongside the simultaneous implementation of the wholesale change to the Local Government Funding system; combined these have the potential to affect the Councils forecasts either positively or negatively by circa £3m.
- 17.6 Given the level of savings required over the next 3 years of £3.0m, the degree of uncertainty that exists and the inevitable financial pressures that the Council will face, it is important that the Council continues to follow its Medium Term Financial Strategy and maintain Reserves at adequate levels. 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 2021/22 across a 3 week period from 08 December 2020 to 28 December 2020 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 29th January 2021 where a presentation was made of the proposed Council Tax and Revenue Budget 2021/22, the Council's future financial forecasts for 2022/23 to 2024/25 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 2021/22 to 2024/25
C	Indicative Budget Savings 2021/22
D	New Capital Schemes Starting in 2021/22
E	Capital Programme 2020/21 to 2025/26
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 2021/22	Office of Director of Finance & Resources

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

.....
Signed by:

APPENDIX A

Calculation of the Council Tax 2021/22

<u>Portsmouth City Council</u>	2021/22	2020/21
	£	£
Gross Expenditure	463,153,794	478,744,767
LESS: Gross Income	(333,771,620)	(362,673,725)
Net Expenditure 2020/21	129,382,174	116,071,042
LESS: Government Grants	(43,245,470)	(32,216,438)
Council Tax Requirement - Portsmouth City Council Purposes	86,136,704	83,854,604
Council Tax Base	56,487.9	57,735.2
Council Tax - Portsmouth City Council Purposes at Band D		
<u>86,136,704</u>		
56,487.9 =	£1,524.87	£1,452.40

<u>Hampshire Police & Crime Commissioner Precept</u>	12,792,250	12,208,685
Council Tax - Hampshire Police & Crime Commissioner Purposes at Band D	£226.46	£211.46

<u>Hampshire Fire and Rescue Authority Precept</u>	3,978,443	3,987,193
Council Tax - Hampshire Fire and Rescue Authority Purposes at Band D	£70.43	£69.06

The Council Tax to be levied for all bands in 2021/22 will be as follows :

		Portsmouth City Council	Police & Crime Commissioner For Hampshire	Hampshire Fire & Rescue Authority	TOTAL 2021/22	TOTAL 2020/21
		£	£	£	£	£
Estimated Valuation as 1 April 1991						
Up to £40,000	A	1,016.58	150.97	46.95	1,214.50	1,155.28
£40,001 - £52,000	B	1,186.01	176.14	54.78	1,416.93	1,347.82
£52,001 - £68,000	C	1,355.44	201.30	62.60	1,619.34	1,540.37
£68,001 - £88,000	D	1,524.87	226.46	70.43	1,821.76	1,732.92
£88,001 - £120,000	E	1,863.73	276.78	86.08	2,226.59	2,118.02
£120,001 - £160,000	F	2,202.59	327.11	101.73	2,631.43	2,503.10
£160,001 - £320,000	G	2,541.45	377.43	117.38	3,036.26	2,888.20
£320,001 and over	H	3,049.74	452.92	140.86	3,643.52	3,465.84

GENERAL FUND SUMMARY - 2020/21 to 2024/25

APPENDIX A

Original Budget 2020/21 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2020/21 £	Original Budget 2021/22 £	Forecast 2022/23 £	Forecast 2023/24 £	Forecast 2024/25 £
57,097,000	Children, Families & Education	57,109,400	56,428,700	57,359,700	58,912,400	60,044,200
25,155,700	Communities & Central Services	26,213,100	25,280,000	28,104,800	28,340,300	28,752,400
2,686,900	Community Safety	3,488,900	2,752,200	2,877,300	2,942,900	3,020,800
11,114,700	Culture, Leisure & Economic Development	13,284,400	13,111,200	14,041,900	14,036,600	13,805,400
13,505,700	Environment & Climate Change	13,704,600	13,751,600	14,699,100	13,632,900	13,922,200
51,013,400	Health, Wellbeing & Social Care	50,981,000	54,446,000	57,506,800	59,374,400	61,107,400
8,469,500	Housing & Preventing Homelessness	7,446,500	7,421,700	7,836,900	7,805,900	7,966,100
(24,229,200)	Leader	(24,714,600)	(25,708,200)	(25,399,900)	(26,418,800)	(26,946,300)
1,306,600	Planning Policy & City Development	1,374,100	1,229,100	1,274,200	1,321,300	1,369,900
21,206,100	Traffic & Transportation	22,011,900	21,097,000	23,199,700	25,183,600	24,931,300
(129,000)	Licensing Committee	(125,000)	(126,500)	(130,900)	(135,400)	(140,000)
167,197,400	Portfolio Expenditure	170,774,300	169,682,800	181,369,600	184,996,100	187,833,400
	<u>Other Expenditure</u>					
1,470,700	Pension Costs	1,348,200	1,394,900	1,428,500	5,563,000	5,598,300
10,345,500	Contingency Provision	31,678,600	26,295,700	9,562,900	5,587,600	5,587,600
10,000,000	Revenue Contributions to Capital Reserve	8,144,800	6,234,000	3,500,000	0	0
2,860,500	Transfer to / (from) Other Reserves	29,667,300	(28,281,800)	(7,031,800)	(1,892,200)	(760,700)
(19,983,600)	Treasury Management	(21,984,100)	(17,661,500)	(16,872,000)	(18,470,200)	(18,162,100)
2,697,900	Other Expenditure	1,407,300	3,670,000	3,510,000	3,950,000	3,950,000
7,391,000	Other Expenditure	50,262,100	(8,348,700)	(5,902,400)	(5,261,800)	(3,786,900)
174,588,400	TOTAL NET EXPENDITURE	221,036,400	161,334,100	175,467,200	179,734,300	184,046,500
	FINANCED BY:					
2,579,937	Contribution (to) from Balances and Reserves	(364,220)	2,041,226	1,876,422	3,438,612	2,933,505
11,669,696	Revenue Support Grant	11,669,696	11,734,229	11,968,914	12,208,292	12,452,459
55,391,749	Business Rates Retention	80,005,046	30,730,310	52,485,182	53,072,167	55,044,897
20,546,742	Other General Grants	44,863,946	31,511,241	20,935,147	20,551,525	20,720,656
84,400,276	Council Tax	84,861,932	85,317,094	88,201,535	90,463,704	92,894,983
174,588,400		221,036,400	161,334,100	175,467,200	179,734,300	184,046,500
	BALANCES & RESERVES					
23,001,918	Balance brought forward at 1 April	23,010,130	23,374,350	21,333,124	19,456,702	16,018,090
(2,579,937)	Deduct (Deficit) / Add Surplus for Year	364,220	(2,041,226)	(1,876,422)	(3,438,612)	(2,933,505)
20,421,981	Balance carried forward at 31 March	23,374,350	21,333,124	19,456,702	16,018,090	13,084,585
8,000,000	Minimum Level of Balances	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
2,579,937	Underlying Budget Deficit / (Surplus)	(364,220)	2,041,226	1,876,422	3,438,612	2,933,505

APPENDIX B

BUDGET AND FORECAST EXPENDITURE 2021/22 to 2024/25

	Budget 2021/22 £'000	Forecast 2022/23 £'000	Forecast 2023/24 £'000	Forecast 2024/25 £'000
Service Cash Limits	118,108	129,757	133,345	136,142
Contingency	26,296	9,563	5,588	5,588
Debt financing costs	32,480	33,269	31,671	31,979
Levies and insurance premiums	1,433	1,472	1,510	1,550
Other income/expenditure	(16,983)	1,406	7,621	8,788
	161,334	175,467	179,735	184,047
<u>Less</u>				
- Council Tax Income	85,317	88,202	90,464	92,895
- Revenue Support Grant	11,734	11,969	12,208	12,452
- Business Rates Retention	30,730	52,485	53,072	55,045
- Other General Grants	31,511	20,935	20,552	20,721
	159,292	173,591	176,296	181,113
Budget (Deficit)/Surplus	(2,042)	(1,876)	(3,439)	(2,934)

Deficits in 2022/23 to 2024/25 reflect future savings requirements

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INDICATIVE BUDGET SAVINGS 2021/22

Indicative Savings Proposal	Saving 2021/22 £	Saving 2022/23 £	Saving 2023/24 £
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Children, Families and Education Portfolio

Director of Children's Services & Education

001	Agreement with CCG to contribute to Director and Assistant Director posts	No impact	30,000	30,000	30,000
002	Reorganisation of Support Functions	This will be achieved by efficiencies and an anticipated reduction in some areas of work	110,000	110,000	110,000

Children, Families and Education Portfolio Total	140,000	140,000	140,000
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Communities and Central Services Portfolio

Director of Corporate Services

003	Increase number of Apprenticeships	No impact on Service Users	22,500	22,500	22,500
004	Reduction in print costs by maintaining a level of remote working	No impact on Service Users	20,000	20,000	20,000
005	Reduce subscription costs of My Portsmouth App by moving to open source	No impact on Service Users	5,000	5,000	5,000
006	Increase external income from legal services	No impact on Service Users	15,000	15,000	15,000
007	Review Management structure of City Helpdesk	Potential impact on call wait times	37,500	37,500	37,500
008	Delete vacancy arising from natural wastage/shared role within Democratic Services/Legal Services	No impact on Service Users	38,000	38,000	38,000
009	Review Cashiers opening times	No impact on Service Users - Informed by a review of customer demand	15,000	15,000	15,000

Director of Finance & Resources

010	Withdraw Housing Benefit Support Services from Leigh Park & Paulsgrove Area Housing Offices	Housing Benefit Services have not been provided from Area Housing Offices during the pandemic with no reduction in performance or noticeable reduction in the level of customer satisfaction. The offices remain available for the receipt of documents.	65,000	65,000	65,000
011	Reduction in resilience across finance teams	Reduces response times and opportunities to cover vacancies. Reduction in financial monitoring and financial evaluation capacity	75,000	75,000	75,000

APPENDIX C

INDICATIVE BUDGET SAVINGS 2021/22

Indicative Savings Proposal	Saving 2021/22 £	Saving 2022/23 £	Saving 2023/24 £
012 Review across Adult Social Care finance team	20,000	20,000	20,000
Some efficiencies across the payments and income collection teams will be realised but will result in a reduced level of operational resilience			
013 Procurement review - Deletion of one vacant post	35,000	35,000	35,000
Reduces flexibility to be able to react to service demands			
Communities and Central Services Portfolio Total	348,000	348,000	348,000
<u>Community Safety Portfolio</u>			
<u>Director of Housing, Neighbourhood & Building Services</u>			
014 Additional Income for Kennelling from Southampton City Council	10,000	10,000	10,000
No impact on Service Users			
Community Safety Portfolio Total	10,000	10,000	10,000
<u>Culture, Leisure and Economic Development Portfolio</u>			
<u>Director of Culture, Leisure & Regulatory Services</u>			
015 Reduce hedge cuts to once per year	5,500	5,500	5,500
Reduction in quality of the visual appearance of the environment			
<u>Director of Regeneration</u>			
016 Cease to support Business South	3,500	3,500	3,500
No impact on Service Users			
017 Cease pedestrian footfall counting across city	11,000	11,000	11,000
No impact on Service Users			
Culture, Leisure and Economic Development Portfolio Total	20,000	20,000	20,000
<u>Environment and Climate Change Portfolio</u>			
Environment and Climate Change Portfolio Total	0	0	0

INDICATIVE BUDGET SAVINGS 2021/22

Indicative Savings Proposal	Saving 2021/22 £	Saving 2022/23 £	Saving 2023/24 £
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Health, Wellbeing and Social Care Portfolio

Director of Adult Services

18	Reorganisation of in-house Residential Care capacity and return to regular levels of in-house capacity	No impact, people with Care & Support needs will continue to receive the necessary care and support required	150,000	150,000	150,000
19	Review and retargeting of investment in the reablement care pathway to deliver operational efficiencies.	No impact, people with Care & Support needs will continue to receive the necessary care and support required	150,000	150,000	150,000

Health, Wellbeing and Social Care Portfolio Total	300,000	300,000	300,000
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Housing and Preventing Homelessness Portfolio

Housing and Preventing Homelessness Portfolio Total	0	0	0
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Leader Portfolio

Director of Housing, Neighbourhood & Building Services

20	Utilities and Water payments from tenants within the Brunell Wing. Tenancy ends in 2022 but assumed that an occupancy will continue	No impact on Service Users	40,000	40,000	40,000
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Leader Portfolio Total	40,000	40,000	40,000
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Planning Policy and City Development Portfolio

Planning Policy and City Development Portfolio Total	0	0	0
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APPENDIX C

INDICATIVE BUDGET SAVINGS 2021/22

Indicative Savings Proposal		Saving 2021/22 £	Saving 2022/23 £	Saving 2023/24 £	
<u>Traffic and Transportation Portfolio</u>					
<u>Director of Regeneration</u>					
21	Additional income being received into the Parking Reserve now available to fund a larger proportion of parking and other transport activities currently being funded within the budget	Additional income being received into the Parking Reserve	117,000	117,000	117,000
22	A managed staff vacancy provision across the Portfolio consistent with historic underspending	No Impact	25,000	25,000	25,000
Traffic and Transportation Portfolio Total			142,000	142,000	142,000
<u>Other Expenditure</u>					
<u>Centralised Savings</u>					
023	Reduction in appropriation to meet any potential deficit arising on the Pilots Pension Fund	No expected impact. A risk based approach leaving a residual sum of £100,000 per annum to fund a current deficit of £1.7m. Any deficit only crystallises once the last scheme member retires	300,000	300,000	300,000
Other Expenditure Total			300,000	300,000	300,000
Grand Total			1,300,000	1,300,000	1,300,000

NEW SCHEMES STARTING IN 2021/22 and Relying on Available Corporate Resources

CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Children, Families & Education				
Replacement Education Case Management System	Acquisition of a replacement case management system which will flexibly meet efficient record management and reporting requirements. The current system is functional but no longer fit for purpose as the software provider is no longer investing in this system	1,250,000	1,250,000	
Maintained Schools - Urgent Conditions Projects (2 year Planned Programme 2021/22 to 2022/23)	A 2 year Planned Programme to address urgent school condition issues (Priority 1: Urgent repairs that require remedy within 1-2 years); priority items raised in the school condition surveys, and other statutory items recommended as a priority by Housing, Neighbourhood & Building Services	1,500,000	1,583,400	
Accommodation for Special Education Needs (Additional School Places)	Creation of additional specialist provision to meeting growing demand from children with Special Educations Needs and Disabilities	3,500,000	7,942,000	
Acquisition of Mosaic Mobile Work Force Cloud Technology	"Mosaic Mobilise" cloud technology will ensure that social workers have access to up to date information wherever they are and whenever they need it. This ensures that any actions required can be taken quickly and that any decisions are better informed, ensuring better outcomes for children and young people	545,000	545,000	40,000
Communities & Central Services				
Replacement Legal Case Management System	Acquisition of a replacement case management system for Legal Services which will provide an intuitive, flexible and client focused case management system combining management reporting functionality	60,000	60,000	
Community Safety				
Refresh of CCTV Control Room Infrastructure	The existing CCTV control room infrastructure is over 7 years old and replacement of aging infrastructure is required to ensure continuity of service	25,000	25,000	
3 Additional redeployable CCTV Cameras	There is high demand for the current suite of cameras that are deployed. These additional cameras will be deployed in areas across the city linked to anti-social behaviour and fly tipping	25,000	25,000	
Culture, Leisure & Economic Development				
Cosham Library - Refurbishment of library space	Replacement of shelving, IT facilities, furnishings and partitioning to enable the creation of a learning zone that will improve school readiness, literacy and homework support	37,000	37,000	
Southsea Castle - External Stone Repairs	Remedial works to external walls to prevent water penetrating through the external walls	190,000	190,000	
Invest in Football Facilities Including Changing Facilities	Development of a football hub (largely 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	615,000	3,203,000	
Seafront Litter Management	Additional litter bin furniture across Southsea Common and Seafront resulting in better provision of seasonally deployed general waste receptacles used during peak visitor months	35,000	35,000	
Re-provision of Leisure Centre, Pool & Community Centre	Construction of a new leisure centre with swimming pool, gym, sports facilities and a community Centre	8,200,000	12,500,000	

NEW SCHEMES STARTING IN 2021/22 and Relying on Available Corporate Resources

CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Palmerston Forts (Widley & Purbrook) - Backlog Maintenance	Essential landlord's maintenance repairs to relieve future buildings maintenance liabilities	250,000	250,000	
Environment & Climate Change				
Energy Recovery Facilities - Emissions control equipment upgrade	Upgrade to the emissions control equipment at the Portsmouth, Marchwood and Chineham Energy Recovery Facilities (ERF)	115,000	115,000	
High Street Improvements & Greening The City (Available to be used in conjunction with CIL & Crowd Funded Schemes)	Public realm and environmental enhancements including the planting of new trees in the city, including street trees and other types of green infrastructure	175,000	175,000	
Southsea Sea Defences - Public Realm Enhancements	Public realm enhancements including provision of benches, lighting, tree planting and public art which will be complimentary to planned sea defence works	200,000	200,000	
Additional 2 Food Waste Recycling Vehicles	Acquisition of 2 food waste recycling vehicles, collection bins, bulk containers and ancillary equipment to enable the expansion of food waste recycling by a further 2 rounds	340,000	340,000	
Housing & Preventing Homelessness - General Fund				
Landlords Maintenance - Repairs across the whole City Council Estate	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	1,447,000	1,447,000	
Leader				
Cosham Land Assembly (Phase 1 Development)	Working with other public sector bodies towards the regeneration of the former PCMI site (owned by the Council) and the current sites of Cosham Fire and Police Stations with a view to redevelopment so that housing, commercial and community development can come forward to support the local area	1,700,000	1,700,000	

APPENDIX D (1)

NEW SCHEMES STARTING IN 2021/22 and Relying on Available Corporate Resources

CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue Cost / (Saving)
Traffic & Transportation				
Local Transport Plan 3	<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>	1,000,000	1,000,000	
Non PFI asset Management	Phase 2 of the Asset Management project. Following the identification and recording of all non-PFI highway assets. Any required works will be identified upon completion of the Life Care Plan currently being prepared	25,000	25,000	
The Hard Structural Repairs	Structural repair work required to maintain the integrity of the underlying structure that supports the Hard Interchange	400,000	400,000	
Total of New Schemes Starting in 2021/22 Relying on Available Corporate Resources		21,634,000	33,047,400	40,000

Footnote -Where a scheme has more than one source of financing, scheme savings are shown within the prudential borrowing section of this appendix

APPENDIX D (2)

NEW SCHEMES STARTING IN 2021/22 and Relying on Prudential Borrowing

CAPITAL PROGRAMME

Description of Scheme	Scheme Details	Council Contribution £	Total Capital Cost £	Annual Revenue (Saving) After Borrowing Costs £
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 Finance & Resources and S151 Officer which demonstrates that borrowing costs can be met from savings arising from the scheme				
Culture, Leisure & Economic Development				
Loan to Pompey in the Community - John Jenkins Centre. (Copnor/Baffins)	Pompey in the Community are planning a purpose built football facility in the Copnor/Baffins area to deliver their programme of activity, meaning that they can improve provision across the city, including youth provision. PITC are requesting support in the form of a loan over 20 years	800,000	800,000	
Re-provision of Leisure Centre, Pool & Community Centre	Construction of a new Leisure centre with swimming pool, gym, sports facilities and a community Centre	2,200,000	12,500,000	
Future High Streets Commercial Rd	Provision for borrowing of up to £2.0m to support regeneration in and around the Commercial Road retail centre through the purchase and redevelopment of underutilised retail units to enable commercial, office and residential use. Any investment will be subject to a full business case approved by the S.151 Officer	2,000,000	2,000,000	
Total of New Schemes Starting in 2021/22 Relying on Prudential Borrowing		5,000,000	15,300,000	0

Footnote -Where a scheme has more than one source of financing, scheme savings are shown within the prudential borrowing section of this appendix

Summary of Capital Programme (All Services)	Expenditure to 31 March 20 £	Revised Estimate 2020/21 £	Estimate 2021 / 22 £	Estimate 2022 / 23 £	Estimate 2023 / 24 £	Estimate 2024 / 25 £	Estimate 2025 / 26 £	Expenditure in Subsequent Years £	Final Cost £
Children, Families & Education	43,192,805	19,766,854	7,584,768	4,601,608	42,800	-	-	-	75,188,835
Communities & Central Services	20,413,401	11,834,038	15,864,615	4,191,698	-	-	-	-	52,303,752
Community Safety	663,611	105,194	-	-	-	-	-	-	768,805
Culture, Leisure & Economic Development	10,602,822	10,435,412	18,835,774	9,062,000	1,650,000	999,664	-	122,240	51,707,912
Environment & Climate Change	1,572,163	1,745,233	24,241,851	6,838,400	115,000	-	-	-	34,512,647
Health, Wellbeing & Social Care	5,348,827	4,688,133	6,310,049	3,210,000	-	-	-	-	19,557,009
Leader	481,837,600	117,338,911	36,669,806	11,481,109	33,255,641	12,007,266	-	-	692,590,333
Commercial Port	24,550,888	5,238,609	18,393,433	5,957,630	-	-	-	-	54,140,560
Planning, Policy & City Development	42,458,620	15,825,955	30,171,520	32,116,252	23,293,190	17,535,740	28,061,120	332,000	189,794,397
Traffic & Transportation	76,336,423	20,016,626	40,887,644	28,331,696	5,935,404	5,935,404	5,935,404	7,745,062	191,123,663
Total Capital Programme (Excluding Housing Investment Programme)	706,977,160	206,994,965	198,959,460	105,790,393	64,292,035	36,478,074	33,996,524	8,199,302	1,361,687,913
Housing Investment Programme	262,034,359	57,858,543	83,137,882	58,454,565	53,982,500	51,282,500	33,548,100	32,910,000	633,208,449
Total Capital Programme	969,011,518	264,853,508	282,097,342	164,244,958	118,274,535	87,760,574	67,544,624	41,109,302	1,994,896,362
Analysis of Programme by Source of Finance									
Unsupported Borrowing		56,457,789	110,292,438	52,588,032	26,089,004	26,680,063	0	0	272,107,326
Corporate Reserves (Including Capital Receipts)		34,895,760	26,143,532	6,314,525	6,322,237	4,108,437	512,500	404,240	78,701,231
Revenue & Reserves		25,531,937	48,717,263	37,593,173	55,127,932	36,302,670	36,645,404	40,305,062	280,223,441
Grants		133,732,650	84,024,768	55,740,833	24,200,792	14,434,678	24,716,453	0	336,850,174
Contributions		14,235,373	12,919,341	12,008,395	6,534,570	6,234,726	5,670,267	400,000	58,002,672
Total Financing		264,853,508	282,097,342	164,244,958	118,274,535	87,760,574	67,544,624	41,109,302	1,025,884,843

RESOURCES AVAILABLE

	Revised Estimate 2020/21 £	Estimate 2021 / 22 £	Estimate 2022 / 23 £	Estimate 2023 / 24 £	Estimate 2024 / 25 £	Estimate 2025 / 26 £	Expenditure in Subsequent Years £	Final Cost £
Specific Resources								
Prudential Borrowing	56,457,789	110,292,438	52,588,032	26,089,004	26,680,063	0	0	272,107,326
Other Capital Receipts	8,786,207	4,845,666	4,132,438	4,082,437	4,032,437	512,500	0	26,391,685
Other Capital Reserves	24,844,924	48,253,825	37,593,173	55,127,932	36,302,670	36,645,404	40,305,062	279,072,990
Other Contributions	5,306,811	6,115,976	4,219,010	6,463,000	6,210,000	5,670,267	400,000	34,385,064
Government Grants	25,000	0	0	0	0	0	0	25,000
Other Grants	110,271,153	73,945,491	52,202,550	20,236,620	14,434,678	24,716,453	0	295,806,945
Sub Total - Specific Resources	205,691,884	243,453,396	150,735,203	111,998,993	87,659,848	67,544,624	40,705,062	907,789,010
Specific Resources Used	205,691,884	243,453,396	150,735,203	111,998,993	87,659,848	67,544,624	40,705,062	907,789,010
Specific Resources Available	0	0	0	0	0	0	0	0
Corporate Resources								
Corporate Capital Receipts	4,722,065	2,588,448	68,260	68,260	204,018			7,651,051
Corporate Capital Reserves	41,564,097	4,244,970	0					45,809,067
Corporate S106 Contributions & CIL	18,853,542	2,368,657	0	0	0			21,222,199
Capital Settlement - Non Ring Fenced Grants	37,667,198	2,587,000	764,000	0				41,018,198
Corporate Grants	2,395,318	0	0	0				2,395,318
Sub Total - Corporate Resources	105,202,220	11,789,075	832,260	68,260	204,018	0	0	118,095,833
Corporate Resources Used	59,161,624	38,643,946	13,509,755	6,275,542	100,726	0	404,240	118,095,833
Corporate Resources Available	46,040,595	19,185,725	6,508,230	300,948	404,240	404,240	(0)	(0)
Total Resources Available	310,894,104	255,242,471	151,567,463	112,067,253	87,863,866	67,544,624	40,705,062	1,025,884,843
Total Resources Used	264,853,508	282,097,342	164,244,958	118,274,535	87,760,574	67,544,624	41,109,302	1,025,884,843
Total Remaining Resources Available	46,040,595	19,185,725	6,508,230	300,948	404,240	404,240	(0)	(0)

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp. in	Final Cost
			to 31 Mar 2020	Estimate for 2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25	Subsequent Years	
1	Adaptations to Foster Carer Properties	CROC	108,266	41,734							150,000
		CorpRsv	-	35,000							35,000
	Sub Total		108,266	76,734	-	-	-	-	-	-	185,000
2	Children's Case Management Software Replacement	CorpRsv	2,127,615	500,000							2,627,615
		CP(DCSF)BN	13,066	66,319							79,385
	Sub Total		2,140,681	566,319	-	-	-	-	-	-	2,707,000
3	Tangier Road Children's Home	CorpRsv	505,985								505,985
		CP(DCSF)BN	(2,126)							-	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	110,195								110,195
		RCCO	100,000								100,000
	Sub Total		210,195	-	-	-	-	-	-	-	210,195
6	E C Roberts Centre refurbishment Loan	CorpRsv	7,200	50,000	75,000	75,000	42,800				250,000
7	Adaptation to Carers Homes	MTRS	-	400,000							400,000
8	Sufficiency Programme Phase Two 2015- 2017	CP(DCSF)BN	2,076,350	60,000							2,136,350
		CorpRsv	2,474,953	389,918							2,864,871
		UBIR	4,097,868								4,097,868
		CROC	300,000								300,000
		CIL	635,710								635,710
		GGR(DCSF)SSEYC	726,721								726,721
		OC	251,344								251,344
		CP(DCSF)CM	72,000								72,000
	Sub Total		10,634,946	449,918	-	-	-	-	-	-	11,084,864

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source	Exp.	Revised	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp.	Final
		of	to	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	in	Cost
		Finance	31 Mar 2020	2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25	2024 / 25	Subsequent Years	
9	Vanguard Centre	CP(DCSF)BN	1,836,493	18,631								1,855,124
		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		3,306,877	18,631	-	-	-	-	-	-	-	3,325,508
10	King Richard School Rebuild 900-1000 places	GGR(DCSF)TC	1,251,400									1,251,400
		CorpRsv	139,294	154,469								293,763
		OC	10,917									10,917
		CP(DCSF)BN	6,224									6,224
	Sub Total		1,407,835	154,469	-	-	-	-	-	-	-	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	4,896								62,399
	Sub Total		1,422,623	4,896	-	-	-	-	-	-	-	1,427,519
13	School Conditions Project 2016-17	CP(DCSF)BN	126,220	5,642								131,862
		CP(DCSF)CM	318,474									318,474
		GGR(DCSF)DF	427,664									427,664
	Sub Total		872,358	5,642	-	-	-	-	-	-	-	878,000

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of	Exp.	Revised	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp. in	Final
		Finance	to 31 Mar 2020	Estimate for 2020 / 21	2021 / 22	for 2022 / 23	for 2023 / 24	for 2024 / 25	for 2024 / 25	Subsequent Years	Cost
14	Secondary School Places Expansion Phase (1)	UBIR	626,860								626,860
		CP(DCSF)BN	713,167	85,700							798,867
		CP(DCSF)CM	8,211								8,211
		CROC	8,123	86,639							94,762
		OC	200,000								200,000
	Sub Total		1,556,361	172,339	-	-	-	-	-	-	1,728,700
15	Special Education Needs - Building Alterations	CP(DCSF)BN	1,122,750								1,122,750
		CP(DCSF)CM	68,810								68,810
		CorpRsv	779,574	330,426							1,110,000
		UBIR	540,000								540,000
	Sub Total		2,511,134	330,426	-	-	-	-	-	-	2,841,560
16	Schools DFC Balances and devolved 2016-17	GGR(DCSF)DF	1,353,656								1,353,656
		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		5,232,430	-	-	-	-	-	-	-	5,232,430
17	Sufficiency of Secondary School Places	CorpRsv	-	661,820							661,820
		CP(DCSF)BN	2,386,416	1,690,709							4,077,125
		CP(DCSF)CM	37,802	573,253							611,055
		GGR(DCSF)DSG	132,500								132,500
		OC		35,000							35,000
	Sub Total		2,556,718	2,960,782	-	-	-	-	-	-	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	98,248	-	-	-	-	-	-	158,248

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp. in	Final
			to 31 Mar 2020	Estimate for 2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25	Subsequent Years	Cost
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
21	Schools' Conditions Project 2018-19	CP(DCSF)CM	994,246	196,644							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
											0
	Sub Total		1,044,246	533,144	-	-	-	-	-	-	1,577,390
22	Sufficiency of School Places 2018-19	CP(DCSF)BN	4,551,586	6,282,114							10,833,700
		CP(DCSF)CM	34,100	170,707							204,807
		OC		305,000							305,000
	Sub Total		4,585,686	6,757,821	-	-	-	-	-	-	11,343,507
23	Sufficiency of Special School Places - Redwood Park Academy	CorpRsv	58,724	1,874,976							1,933,700
		UBIR	872,221								872,221
	Sub Total		930,945	1,874,976	-	-	-	-	-	-	2,805,921
24	Sufficiency of Special School Places - The Willows Centre	CP(DCSF)CM	216,256	154,244							370,500
		CorpRsv	21,408	128,092							149,500
	Sub Total		237,664	282,336	-	-	-	-	-	-	520,000
25	Milton Childcare Sufficiency	CorpRsv	69,784								69,784

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp.	Final
			to 31 Mar 2020	Estimate for 2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25	in Subsequent Years	Cost
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
28	Maintained Schools - Urgent Conditions Projects	CorpRsv	-	132,100							132,100
		CP(DCSF)BN	269,717	(20,417)							249,300
		CP(DCSF)CM	-	568,219	705,000						1,273,219
		OC	-	100,000							100,000
	Sub Total		269,717	779,902	705,000	-	-	-	-	-	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	70,604	26,104							96,708
	Sub Total		1,108,204	26,104	-	-	-	-	-	-	1,134,308
30	Additional School Places in Mainstream Schools - Design	CorpRsv	51,572	198,428							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	-		2,200,000						2,200,000
33	Sufficiency at Wymering Site improvement	CorpRsv	6,640	63,360							70,000
		CP(DCSF)BN	-	150,000							150,000
	Sub Total		6,640	213,360	-	-	-	-	-	-	220,000
34	Wimbourne Amalgamation	CP(DCSF)BN	-	87,000							87,000

APPENDIX E

CHILDREN, FAMILIES & EDUCATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
35	School Places - SEND Phase 1 & Phase 2	CIL	-								0
		S106(EC)	-		22,400						22,400
		CP(DCSF)BN	-		1,320,762						1,320,762
	Sub Total		-	-	1,343,162	-	-	-	-	-	1,343,162
36	Northern Parade Family Hub	RCCO	-	25,000							25,000
37	Replacement Education Case Mmgt System	CorpRsv	-	937,500	312,500						1,250,000
38	Maintained Schools - Urgent Conditions Projects (2 year Planned Programme 2021/22 to 2022/23)	CorpRsv	-	750,000	750,000						1,500,000
		OC	-	41,700	41,700						83,400
	Sub Total		-	791,700	791,700	-	-	-	-	-	1,583,400
39	Accommodation for Special Education Needs (additional School Places)	CorpRsv	-	665,720	673,180						1,338,900
		CIL	-	335,100		1,977,600					2,312,700
		CP(DCSF)CM	-		1,484,226	84,874					1,569,100
		CP(ESFA)SEND	-	256,900							256,900
		CP(DCSF)BN	-			2,464,134					2,464,134
	Sub Total		-	1,257,720	2,157,406	4,526,608	-	-	-	-	7,941,734
40	Acquisition of Mosaic Mobile Work Force Cloud Technology	CorpRsv	-	416,100							416,100
		CROC	-	128,900							128,900
	Sub Total		-	545,000	-	-	-	-	-	-	545,000
Grand Total			43,192,805	19,766,854	7,584,768	4,601,608	42,800	-	-	-	75,188,835

COMMUNITIES & CENTRAL SERVICES PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp.	Revised	Estimate	Estimate for	Estimate for	Estimate for	Estimate for	Exp.	Final
		to 31 Mar 2020	Estimate for 2020 / 21	for 2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25	in Subsequent Years	Cost
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	2,326,450							3,046,697
3 IS Road Map	CorpRsv	144,700	321,900	90,392						556,992
	OG(DCLG)CD	321,482								321,482
	CP(DCLG)DFG	151,400								151,400
	CRGG	2,320								2,320
	CP(DFT)IT	196,000								196,000
	ITR	223,470		9,706						233,176
Sub Total		1,039,372	321,900	100,098	-	-	-	-	-	1,461,370
4 PSN CoCo Compliance	CorpRsv	6,118	29,393	63,258						98,769
	OG(DCLG)CD	99,384								99,384
	ITR	42,240	4,607							46,847
Sub Total		147,742	34,000	63,258	-	-	-	-	-	245,000
5 IS - Server & Database	CorpRsv	57,218	48,210							105,428
	UB	94,572								94,572
Sub Total		151,790	48,210	-	-	-	-	-	-	200,000
6 Working Anywhere	CorpRsv	172,508	47,388	17,269						237,165
	OG(DCLG)CD	67,344								67,344
	MTRS	47,325								47,325
	CP(DCLG)DFG	626,166								626,166
Sub Total		913,343	47,388	17,269	-	-	-	-	-	978,000

COMMUNITIES & CENTRAL SERVICES PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to 31 Mar 2020	Revised		Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			Estimate for 2020 / 21	Estimate for 2021 / 22						
7 Channel Shift Phase 1	CorpRsv	652,493	-	-	-	-	-	-	-	652,493
8 Channel Shift Phase 2	CorpRsv	324,739	147,197	110,564	-	-	-	-	-	582,500
9 Portsmouth Hive Project	CorpRsv	40,343	6,699	-	-	-	-	-	-	47,042
	OC	28,358	-	-	-	-	-	-	-	28,358
Sub Total		68,701	6,699	-	-	-	-	-	-	75,400
10 Local Full Fibre Network Project	OG	180,000	975,000	2,645,000	-	-	-	-	-	3,800,000
	CorpRsv	97,302	180,000	134,000	88,698	-	-	-	-	500,000
Sub Total		277,302	1,155,000	2,779,000	88,698	-	-	-	-	4,300,000
11 Windows 10 Upgrade & Hardware Refresh	CorpRsv	1,885,514	-	-	-	-	-	-	-	1,885,514
	RCCO	271,700	-	-	-	-	-	-	-	271,700
Sub Total		2,157,214	-	-	-	-	-	-	-	2,157,214
12 Review of Revenues & Benefits Software Applications	CorpRsv	-	577,200	63,100	-	-	-	-	-	640,300
	OR	-	-	262,600	-	-	-	-	-	262,600
Sub Total		-	577,200	325,700	-	-	-	-	-	902,900
13 The People's Network - Windows 10 Upgrade	CorpRsv	-	-	350,000	-	-	-	-	-	350,000
14 Modern Ways of Working	MTRS	643,688	356,312	-	-	-	-	-	-	1,000,000
	OR	-	1,031,888	700,576	-	-	-	-	-	1,732,464
	CorpRsv	84,100	353,694	244,000	-	-	-	-	-	681,794
Sub Total		727,788	1,741,894	944,576	-	-	-	-	-	3,414,258
15 Archive Tool	CorpRsv	-	223,600	576,400	-	-	-	-	-	800,000

Page 98

COMMUNITIES & CENTRAL SERVICES PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
16 Portico Capital Invest. Loan	UB	2,500,000	3,500,000	6,000,000	3,000,000					15,000,000
17 Portico Freight System	OG	-		400,000						400,000
18 Ground Floor Reception Improvements	CorpRsv	88,670		-	-	-	-	-	-	88,670
19 Applications Upgrade linked to Software Modernisation	MTRS	-		250,000						250,000
20 Office 365	MTRS	-	820,000							820,000
	CorpRsv		215,000							215,000
	CROC		200,000							200,000
Sub Total		-	1,235,000	-	-	-	-	-	-	1,235,000
21 LAN Access Switches	CorpRsv	-		528,000						528,000
22 Enterprise Voice (CISCO IPT)	CorpRsv	-		252,000	378,000					630,000
23 Replacement Servers & Storage	CROC	-	9,500	935,500						945,000
24 Migration to Azure (Cloud Servers)	MTRS	-	400,000	1,223,000	725,000					2,348,000
25 Implementation of Northgate Citizen Access Suite	MTRS	-		110,000						110,000
	OC	-		70,000						70,000
Sub Total		-	-	180,000	-	-	-	-	-	180,000
26 CISCO Data Centre Switches	CorpRsv	-		60,000						60,000
27 Checkpoint Internall Firewall	CRGG	-		142,000						142,000

APPENDIX E

COMMUNITIES & CENTRAL SERVICES PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to	Revised					Exp. in Subsequent Years	Final Cost
			31 Mar 2020	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24		
28 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
29 Replacement Legal Case Management System	CROC	-	24,900						24,900
	CRGG	-	35,100						35,100
Sub Total		-	60,000	-	-	-	-	-	60,000
Grand Total			20,413,401	11,834,038	15,864,615	4,191,698	-	-	52,303,752

COMMUNITY SAFETY PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp.	Revised	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp. in Subsequent Years	Final Cost
		to 31 Mar 2020	Estimate for 2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25		
1 CCTV Upgrades	GGNR(HO)SSC	69,500								69,500
	RCCO	217,306	5,194							222,500
	PR	147,100								147,100
	CorpRsv	81,515	10,000							91,515
	S106(OS)	-	40,000							40,000
Sub Total		515,421	55,194	-	-	-	-	-	-	570,615
2 CCTV Systems & Control Room Infrastructure	CorpRsv	133,190								133,190
	OG(PHE)CS	15,000								15,000
Sub Total		148,190	-	-	-	-	-	-	-	148,190
3 Refresh of CCTV Control Room Infrastructure	CorpRsv	-	25,000							25,000
4.3 Additional Redeployable CCTV Cameras	CorpRsv	-	25,000							25,000
Grand Total		663,611	105,194	-	-	-	-	-	-	768,805

Page 101

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1 Hilsea Splashpool	CorpRsv	82,888								82,888
	S106(OS)	292,366								292,366
Sub Total		375,254	-	-	-	-	-	-	-	375,254
2 Coastal Communities Bid (ARTches)	CorpRsv	102,007	28,516							130,523
	CP(DFT)IT	100,000								100,000
	OG	1,567,185	1,449							1,568,634
	OG(DCLG)CD	44,972								44,972
	PUSH	40,000								40,000
Sub Total		1,854,164	29,965	-	-	-	-	-	-	1,884,129
3 Southsea Seafront Investment - D Day 75	CorpRsv	528,872								528,872
	LOT	2,793,537	(84,723)	-						2,708,814
	OG	700,819								700,819
	OC	138,414	76,646							215,060
Sub Total		4,161,642	(8,077)	-	-	-	-	-	-	4,153,565
4 Drayton Park - Tennis Court Conversion	S106(OS)	135,000								135,000
	CorpRsv	81,524								81,524
Sub Total		216,524	-	-	-	-	-	-	-	216,524
5 D Day Museum	CorpRsv	158,336	6,664							165,000
6 DDAY Landscaping Works	OG	481,885	118,115							600,000
7 Round Tower Improvement Works	CP(DCSF)CM	4,945								4,945
8 Sports and Leisure Facilities Investment	UB	1,272,494		1,027,506						2,300,000

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
9 In-house Parks' Mobilisation - Vehicles & Equipment	CorpRsv RCCO	379,537	218,403	10,970						379,537 229,373
Sub Total		379,537	218,403	10,970	-	-	-	-	-	608,910
10 Charles Dickens' Gardens	CorpRsv CRGG	11,479 15,600								11,479 15,600
Sub Total		27,079	-	-	-	-	-	-	-	27,079
11 Edwardian Seafront Shelter	CorpRsv CILNRsv	234		69,766 10,000						70,000 10,000
Sub Total		234	-	79,766	-	-	-	-	-	80,000
12 Re-provision of Bandstand at West Battery Gardens	CorpRsv	23,870	1,130							25,000
13 Kingston Recreation Ground Play Improvements	OC CILNRsv CorpRsv	323,361 5,000 474								323,361 5,000 474
Sub Total		328,361	-	-	-	-	-	-	-	328,361
14 New Fountain Refurbishment at Southsea Castle	CorpRsv CROC	438,966 38,400	2,634							441,600 38,400
Sub Total		477,366	2,634	-	-	-	-	-	-	480,000
15 Water Safety Equipment	CorpRsv RCCO	36,232 -	5,000	58,768						36,232 63,768
Sub Total		36,232	5,000	58,768	-	-	-	-	-	100,000

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
16 Farlington Pavilion Refurbishment	CorpRsv			61,900						61,900
	S106(OS)			8,100						8,100
	CP(DFT)IT			170,000						170,000
	OC			70,000						70,000
Sub Total		-	-	310,000	-	-	-	-	-	310,000
17 Lumps Fort Sun Huts Maintenance / Replacement	CorpRsv	55,150	9,851							65,001
18 Milton Park Barn Thatched Roof	CorpRsv	138,518								138,518
Victoria Park Heritage Lottery Fund	CorpRsv		37,000	46,000	12,000	79,000	76,000			250,000
	LOT		123,000	220,000	138,000	921,000	899,800			2,301,800
Sub Total		-	160,000	266,000	150,000	1,000,000	975,800	-	-	2,551,800
20 Disabled Beach Buggies and Access Mat	CROC	3,164	6,000	10,836						20,000
21 Allotment Security Grants	CROC	31,233								31,233
22 Outdoor Fitness Equipment	CorpRsv	40,743		19,857						60,600
23 Track Re-surfacing - MBC and Bransbury AWP	CorpRsv	161,429								161,429
24 Parks & Open Spaces Protection Measures to Prevent Incursion	S106(OS)	10,000								10,000
	CorpRsv	2,840								2,840
Sub Total		12,840	-	-	-	-	-	-	-	12,840

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
25 Pyramids Refurbishment	CorpRsv		1,829,800	63,682						1,893,482
	CP(DFT)IT			101,904						101,904
	OR		405,000							405,000
	MTRS		450,000							450,000
Sub Total		-	2,684,800	165,586	-	-	-	-	-	2,850,386
26 Repair/Refurbishment of Southsea Splashpool	CorpRsv	101,073	927							102,000
27 World War 1 Memorial Plaques	CROC	-	3,500	41,500						45,000
28 Contribution to Roof Repairs at Southsea Skatepark	S106(OS)			10,000						10,000
29 Cont to Architectural Design to Enable Regeneration - Guildhall	CorpRsv	37,929		2,071						40,000
30 Cont to Architectural Design to Enable Regeneration - Kings Theatre	CorpRsv	27,235		12,765						40,000
31 Palmerston Road Improvements	CorpRsv	345,111		32,649				122,240		500,000
32 Brougham Road (Arts Centre) - External Repairs	CorpRsv	-	167,000							167,000
	CP(DFT)IT	-	83,000							83,000
Sub Total		-	250,000	-	-	-	-	-	-	250,000
33 Southsea Common & Town Centres Litter Management	CorpRsv		50,000							50,000

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
34 Parks & Open Space Boundary Protection Measures	PR		10,000							10,000
	CorpRsv		20,000							20,000
Sub Total		-	30,000	-	-	-	-	-	-	30,000
35 CCTV - Portsmouth Museum & Cumberland House	CP(DFT)IT		50,000							50,000
36 City Museum	CP(DFT)IT		50,000	145,000						195,000
37 Burfields Road Barns - Demolition	CorpRsv		-	70,000						70,000
	CP(DFT)IT			92,000						92,000
Sub Total		-	-	162,000	-	-	-	-	-	162,000
38 Hotwalls' Paving Maintenance	CorpRsv		47,000							47,000
39 Portsmouth Watersports Centre	CP(DFT)IT			90,000						90,000
40 Southsea Castle	CP(DFT)IT		100,000							100,000
41 Bransbury Park Pavillion	CP(DFT)IT			150,000						150,000
42 Kings Theatre Regeneration	UB				3,000,000					3,000,000
	CorpRsv			150,000						150,000
	OC			1,300,000						1,300,000
Sub Total		-	-	1,450,000	3,000,000					4,450,000
43 Kings Theatre Landlords Backlog Maintenance Obligations	CP(DFT)IT			300,000						300,000
44 Guildhall Regeneration	UB			850,000	850,000					1,700,000

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
45 New Theatre Royal Loan W'off	CROC	(150,000)							-	150,000
46 Future High Streets Commercial Rd	OG			2,091,000	978,000	36,000	17,375			3,122,375
	UB			2,000,000						2,000,000
Sub Total		-	-	4,091,000	978,000	36,000	17,375	-	-	5,122,375
47 Future High Streets Fratton Rd	OG			3,157,000	669,000	26,000	6,489			3,858,489
48 Cosham Library - Refurbishment of library space	CorpRsv		37,000							37,000
49 Southsea Castle - External Stone Repairs	CorpRsv		47,500	142,500						190,000
50 Invest in Football Facilities Including Changing Facilities	CorpRsv				615,000	303,000				918,000
	OC				2,000,000					2,000,000
	S106(OS)					19,000				19,000
	CROC					13,000				13,000
	OC					253,000				253,000
Sub Total		-	-	-	2,615,000	588,000	-	-	-	3,203,000
										0
51 Seafront Litter Management	CorpRsv		35,000							35,000
52 Re-provision of Leisure Centre, Pool & Community Centre	CorpRsv		4,150,000	4,150,000						8,300,000
	UB		1,100,000	1,100,000						2,200,000
	OC		1,000,000	1,000,000						2,000,000
Sub Total		-	6,250,000	6,250,000	-	-	-	-	-	12,500,000
53 Palmerston Forts (Widley & Purbrook) - Backlog Maintenance	CorpRsv		250,000							250,000

APPENDIX E

CULTURE, LEISURE & ECONOMIC DEVELOPMENT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
54 Loan to Pompey in the Community - John Jenkins Centre (Copnor/Baffins)	UB	800,000				800,000				
Grand Total			10,602,822	10,435,412	18,835,774	9,062,000	1,650,000	999,664	-	122,240
										51,707,912

ENVIRONMENT & CLIMATE CHANGE PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
1 Household Waste Collection	CorpRsv	91,933	19,267							111,200
2 Public Toilets New Provision, across the City	CorpRsv	224,776	155,224							380,000
3 Wheeled Bins for Refuse	CorpRsv	1,010,227	109,773							1,120,000
4 Dog Kennels Vehicles	CorpRsv	9,549		8,451						18,000
5 Air Quality Equipment & Monitoring Station	CorpRsv	-	80,000	20,000						100,000
6 Air Quality Initiatives	CorpRsv	-	150,000							150,000
7 Single Material Recycling Facility	UB	-			4,838,400					4,838,400
8 Waste collection Vehicle Replacement	UB	-		2,125,000	2,000,000					4,125,000
9 Replacement of WC Hand Washing and Drying Units	CorpRsv	130,047								130,047
10 Food Waste Recycling - Pilot	CorpRsv CP(DFT)IT	105,631 -	186,769 29,200	88,400						380,800 29,200
Sub Total		105,631	215,969	88,400	-	-	-	-	-	410,000
11 Anaerobic Digestion Plant	CorpRsv UB	- -	200,000		22,000,000					200,000 22,000,000
Sub Total		-	200,000	22,000,000	-	-	-	-	-	22,200,000
12 Greening the City	CorpRsv	-	100,000							100,000
13 Energy Recovery Facilities - Emissions control equipment upgrade	CorpRsv	-				115,000				115,000
14 High Street Improvements & Greening The City	CorpRsv	-	175,000							175,000

APPENDIX E

ENVIRONMENT & CLIMATE CHANGE PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
15 Southsea Sea Defences - Public Realm Enhancements	CorpRsv	-	200,000							200,000
16 Additional 2 Food Waste Recycling Vehicles	CorpRsv	-	340,000							340,000
Grand Total		1,572,163	1,745,233	24,241,851	6,838,400	115,000	0	0	0	34,512,647

APPENDIX E

HEALTH, WELLBEING & SOCIAL CARE PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to	Revised Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp. in	Final
	Finance	31 Mar 2020	2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25	Subsequent Years	Cost
1 Reconfiguration of Corben Lodge	S106(Hsg)	59,000								59,000
	CP(DCSF)CM	1,091,000								1,091,000
	OC	992,375								992,375
Sub Total		2,142,375	-	-	-	-	-	-	-	2,142,375
2 Swift Software Replacement	CROC	80,200								80,200
	CRGG	700								700
	CorpRsv	93,920	27,174							121,094
	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	27,174	-	-	-	-	-	-	1,331,477
3 Shearwater House - Backup Power Supply	CorpRsv	65,849								65,849
4 Oakdene SJH Purchase & Remodelling	OC	89,357	107,461							196,818
	UB	-	634,200	35,800						670,000
	CorpRsv	150,000	113,182							263,182
	RCCO	-	426,416							426,416
	UBIR	1,041,758								1,041,758
	OR	10,826								10,826
Sub Total		1,291,941	1,281,259	35,800	-	-	-	-	-	2,609,000
5 Older Persons Supported Living (Extra Care Housing)	CorpRsv	-	2,000,000	2,506,300						4,506,300
	CP(DH)CG	70,000	23,700							93,700
	UB	-		2,626,000	3,210,000					5,836,000
	OR	162,051		837,949						1,000,000
	BCF(DFG)DCLG	-	1,100,000	194,000						1,294,000
Sub Total		232,051	3,123,700	6,164,249	3,210,000	-	-	-	-	12,730,000

APPENDIX E

HEALTH, WELLBEING & SOCIAL CARE PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
6 Kestrel Centre Relocation to Civic Offices	CorpRsv	212,308								212,308
	OC	100,000								100,000
Sub Total		312,308	-	-	-	-	-	-	-	312,308
7 Medina House - Heating & Cooling System	CorpRsv	-		110,000						110,000
8 49 Bevis Road (Alcohol Treatment Centre)	OG	-	249,000							249,000
	RCCO	-	7,000							7,000
Sub Total		-	256,000	-	-	-	-	-	-	256,000
Grand Total		5,348,827	4,688,133	6,310,049	3,210,000	-	-	-	-	19,557,009

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp.	Revised	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Exp.	Final
		to 31 Mar 2020	Estimate for 2020 / 21	for 2021 / 22	for 2022 / 23	for 2023 / 24	for 2024 / 25	for 2024 / 25	for 2024 / 25	in Subsequent Years	Cost
1 Horsea Island Country Park - Fencing	CorpRsv	-	5,200								5,200
	S106(OS)	22,209	90,100								112,309
	CP(DFT)IT	4,135	10,065								14,200
Sub Total		26,344	105,365	-	-	-	-	-	-	-	131,709
2 Sainsbury's Acquisition	CIL	-	6,500,000								6,500,000
3 Redevelopment of City Centre	CIL	-		1,000,000							1,000,000
4 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		300,000	49,091						5,154,528
Sub Total		10,435,909	-	300,000	49,091	-	-	-	-	-	10,785,000
5 Dunsbury Hill - Utilities & Enabling	UB	11,227,276	687,023	105,000							12,019,299
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
7 Dunsbury Hill - Plot 3	UBIR	19,047									19,047
	UB	6,739,133	234,820	102,000	205,000						7,280,953
	OC	89,922									89,922
Sub Total		6,848,102	234,820	102,000	205,000	-	-	-	-	-	7,389,922
8 Dunsbury Hill Farm- Master Plan	UB	14,843	65,157	7,700,000	9,600,000	9,000,000	10,200,000				36,580,000
9 Dunsbury Hill Farm- Plot 4a	UB	33,918	3,366,082	10,000,000							13,400,000

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp.	Final Cost
										in Subsequent Years	
10 Tipner Regeneration (previously City Deal)	OG(DCLG)CD	4,072,035									4,072,035
	CorpRsv	-		1,098,766	129,021						1,227,787
	CIL	-			972,213						972,213
	OC	121,089									121,089
	ORCD	-					1,636,380				1,636,380
	UB	22,004		2,171,538	525,784	408,941					3,128,267
	CP(DCSF)CM	3,546,543	175,908								3,722,451
	CP(DCSF)BN	-	4,478,312								4,478,312
	CP(DH)CG	654,533									654,533
	CP(DFT)IT	-	256,699				3,194,583				3,451,282
	CP(DFT)HM	721	2,013,573								2,014,294
	CP(DCLG)DFG	206,864	459,183								666,047
	CRGG	-					769,589				769,589
	CorpRsv	-					1,700,000				1,700,000
	MTRS	775,705									775,705
	ORCD	730,000					9,537,738				10,267,738
	OR	-	4,576,324				7,008,410	1,807,266			13,392,000
	CP(EFA)2YR	131,252	200,404								331,656
	S106(ST)	-	161,376								161,376
S106(OS)	-	105,515								105,515	
Sub Total		10,260,746	12,427,294	3,270,304	1,627,018	24,255,641	1,807,266	-	-	53,648,269	
11 Local Enterprise Partnership	OC	25,643,217									25,643,217
	LEP	76,651,395	71,516,240								148,167,635
	LEP(DCLG)	1,208,575	91,425	150,000							1,450,000
	LEP(OG)	6,672,217	417,783	-							7,090,000
	LEP(MHCLG)	-	7,950,000	7,950,000							15,900,000
	LEP(ERDF)	36,908									36,908
	UB	7,417,100									7,417,100
	CorpRsv	802,300									802,300
CRGG	456,600									456,600	
Sub Total		118,888,312	79,975,448	8,100,000	-	-	-	-	-	206,963,760	

APPENDIX E

LEADER PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	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	171,837,966	11,077,722							182,915,688
	OC	106,800								106,800
Sub Total		171,944,766	11,077,722	-	-	-	-	-	-	183,022,488
14 Lakeside North Harbour	UB	142,057,498	2,000,000	3,942,502						148,000,000
15 City Centre Co-Working Space	UB	-		450,000						450,000
	OC	-	900,000							900,000
Sub Total		-	900,000	450,000	-	-	-	-	-	1,350,000
16 Gosham Land Assembly (Phase 1 Development)	CorpRsv	-		1,700,000						1,700,000
Grand Total		481,837,600	117,338,911	36,669,806	11,481,109	33,255,641	12,007,266	0	0	692,590,333

APPENDIX E

COMMERCIAL PORT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate				Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			for 2020 / 21	for 2021 / 22	for 2022 / 23	for 2022 / 23					
1 Port Master System	CorpRsv	152,878								152,878	
	OG(DCLG)CD	24,274								24,274	
	OC	12,538								12,538	
Sub Total		189,690	-	-	-	-	-	-	-	189,690	
2 Port Regeneration	OG(DCLG)CD	43,362								43,362	
	LEP	456,638								456,638	
	UB	9,457,823	1,178,048	124,129						10,760,000	
Sub Total		9,957,823	1,178,048	124,129	-	-	-	-	-	11,260,000	
Purchase of Linkspan Berth 3	UB	1,160,000								1,160,000	
	PR	13,000								13,000	
	CorpRsv	244,050								244,050	
Sub Total		1,417,050	-	-	-	-	-	-	-	1,417,050	
4 Purchase of Linkspan Berth 4	CorpRsv	260,265								260,265	
	UBIR	739,735								739,735	
	EUG	460,805								460,805	
	UB	7,350,080								7,350,080	
Sub Total		8,810,885	-	-	-	-	-	-	-	8,810,885	
5 AJQ Fender Modifications	RCCO	227,935								227,935	
6 Development of Cruise & Ferry Port	UB	3,772,228	1,997,565	12,824,304	500,000					19,094,097	
	CorpRsv	-	684,977							684,977	
	CRGG	-	926							926	
Sub Total		3,772,228	2,683,468	12,824,304	500,000	-	-	-	-	19,780,000	

APPENDIX E

COMMERCIAL PORT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp.	Revised	Estimate	Estimate	Estimate	Estimate	Estimate for	Estimate	Estimate for	Exp.	Final
		to 31 Mar 2020	Estimate for 2020 / 21	for 2021 / 22	for 2022 / 23	2023 / 24	for 2024 / 25	2024 / 25	in Subsequent Years	Cost		
7 Passenger Boarding Bridge	UB	92,370	50,000	3,000,000	1,857,630							5,000,000
	PR	-			1,000,000							1,000,000
Sub Total		92,370	50,000	3,000,000	2,857,630	-	-	-	-	-	-	6,000,000
8 Anodes	CorpRsv	81,307	238,693									320,000
	UB	-	120,000									120,000
Sub Total		81,307	358,693	-	-	-	-	-	-	-	-	440,000
9 Port Freight System	CorpRsv	1,600	12,400									14,000
	OG	-	56,000									56,000
Sub Total		1,600	68,400	-	-	-	-	-	-	-	-	70,000
10 Port - Floating Dock Jetty Dredge	MTRS	-	750,000	250,000								1,000,000
	UB	-		2,000,000								2,000,000
Sub Total		-	750,000	2,250,000	-	-	-	-	-	-	-	3,000,000
11 Wind Turbines at Port	CorpRsv	-		100,000	700,000							800,000
	UB	-			1,900,000							1,900,000
Sub Total		-	-	100,000	2,600,000	-	-	-	-	-	-	2,700,000
12 The Camber Quay - Structural Investigations	CorpRsv	-	50,000									50,000
13 Shore to Ship Electric "Plug in" Facility (Feasibility / Design)	CorpRsv	-		75,000								75,000

APPENDIX E

COMMERCIAL PORT

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to	Revised Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp. in Subsequent Years	Final Cost
	Finance	31 Mar 2020	2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25		
14 Electrification of Light Goods Vehicles	CorpRsv	-	80,000							80,000
	PR	-	20,000							20,000
Sub Total		-	100,000	-	-	-	-	-	-	100,000
15 Living Walls Phase 1	CorpRsv	-		20,000						20,000
Grand Total			24,550,888	5,238,609	18,393,433	5,957,630	-	-	-	54,140,560

PLANNING, POLICY & CITY DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for					Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25			
1 Hampshire Community Bank	UB	3,870,249	1,129,751							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		3,924,501	1,251,984	-	-	-	-	-	-	5,176,485
2 Limberline Phase III	CorpRsv	744,716								744,716
	LEP	302,284								302,284
	UB	3,488,000								3,488,000
	PR	57,772								57,772
Sub Total		4,592,772	-	-	-	-	-	-	-	4,592,772
3 Public Realm Improvement by The Hard	CP(DCSF)CM	-	150,000	150,000						300,000
4 Public Realm - Improvements to Station Square & Isambard Brunel Road	CWCIL	171,060	372,940						50,000	594,000
	CP(DFT)IT	200,000								200,000
Sub Total		371,060	372,940	-	-	-	-	-	50,000	794,000
5 City Centre Public Realm 2018-19	CWCIL	-	437,200							437,200
	CorpRsv	-	43,255							43,255
Sub Total		-	480,455	-	-	-	-	-	-	480,455
6 District Shopping Centre Improvement	CorpRsv	54,386	45,614							100,000
7 Portsea Island - Flood Cell 4: North Portsea Island - Coastal Flood and Erosion Risk Management	OGENV	21,728,533	2,224,332	4,582,535	5,478,398	4,259,832	2,304,332	3,730,649		44,308,611
	CorpRsv	-							282,000	282,000
Sub Total		21,728,533	2,224,332	4,582,535	5,478,398	4,259,832	2,304,332	3,730,649	282,000	44,590,611

PLANNING, POLICY & CITY DEVELOPMENT PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised		Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			Estimate for 2020 / 21	Estimate for 2021 / 22							
8 Southsea Enhancement Design	S106(OS)	34,988	39,572	39,572	39,572	39,570	24,726				218,000
9 Emergency Repairs to Southsea Sea Defences	OGENV	631,130		33,561							664,691
10 Southsea Coastal Flood Defence	OGENV	10,160,384	5,558,507	25,173,799	20,739,949	14,993,788	11,206,682	20,985,804			108,818,913
	PCCOC	-				4,000,000	4,000,000	3,344,667			11,344,667
	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		10,511,220	10,949,338	25,173,799	26,598,282	18,993,788	15,206,682	24,330,471	-		131,763,580
11 Old Portsmouth Seawalls' Maintenance	CorpRsv	27,947		92,053							120,000
12 Southsea Seafront Emergency Work to Sea Defences	OGENV	582,083	211,720								793,803
13 Southsea Sea Defences - Public Realm Enhancements Phase 1	CP(DFT)IT	-	100,000	100,000							200,000
Grand Total		42,458,620	15,825,955	30,171,520	32,116,252	23,293,190	17,535,740	28,061,120	332,000		189,794,397

Page 120

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp.	Revised					Exp.	Final Cost	
			to 31 Mar 2020	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025 / 26		in Subsequent Years
1	Contribution to PF1	HwayPF1	19,234,550	195,447	1,964,682	4,008,173	5,935,404	5,935,404	5,935,404	7,745,062	50,954,126
		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	10,664,678	2,439,200							
Sub Total			42,685,635	2,634,647	1,964,682	4,008,173	5,935,404	5,935,404	5,935,404	7,745,062	76,844,411
2	Local Transport Plan & Road Safety 3	UB	-	70,000							70,000
		CorpRsv	-	71,743							71,743
		S278	23,644								23,644
		CP(DFT)IT	2,015,396	372,759	1,539,703	115,310					4,043,168
		CIL	-	699,500							699,500
		S106(ST)	279,283								279,283
		OG(DFT)TFSHSec31	1,215,414								1,215,414
		CP(DCSF)BN	30,000								30,000
		OG	80,000	214,515							294,515
OC	12,000								12,000		
Sub Total			3,655,737	1,428,517	1,539,703	115,310	-	-	-	-	6,739,267

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025 / 26	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	12,907	8,000							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		11,764,976	137,672	-	-	-	-	-	-	11,902,648
4 Replace Residential Street Lighting With LED	UB	62,985	1,512,515							1,575,500
	UBS	3,688,700								3,688,700
Sub Total		3,751,685	1,512,515	-	-	-	-	-	-	5,264,200
5 Copnor Bridge Maintenance	CorpRsv	21,555		26,445						48,000
	OC	20,480								20,480
Sub Total		42,035	-	26,445	-	-	-	-	-	68,480
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 Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for					Estimate for 2025 / 26	Exp. in Subsequent Years	Final Cost
			2020 / 21	2021 / 22	2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25			
7 Angelsea Road Footbridge	CP(DFT)IT	664,767								664,767
	CorpRsv	-		23,000						23,000
	OC	25,385								25,385
Sub Total		690,152	-	23,000	-	-	-	-	-	713,152
8 Traffic Management Centre - System Review	PARK	217,838	63,380							281,218
9 Traffic Signal Upgrade Packages	CorpRsv	457,084	1,116							458,200
	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		1,136,384	1,116	-	-	-	-	-	-	1,137,500
10 Lambard Brunel Car Park	PARK	258,688	120,000	326,312						705,000
11 Eastern Corridor Road Link Improvements	CP(DFT)NPIF	387,082	112,918							500,000
	CP(DFT)IT	-		68,400						68,400
	OG(DFT)Sec31	-	369,120							369,120
	CorpRsv	-		351,600						351,600
Sub Total		387,082	482,038	420,000	-	-	-	-	-	1,289,120
12 Improvements to Neighbourhood Living and Street Environment (Including Verge Hardening)	CP(DFT)IT	64,552	135,448	100,000						300,000
	CorpRsv	109,819								109,819
Sub Total		174,371	135,448	100,000	-	-	-	-	-	409,819
13 Old Portsmouth Area Study	CorpRsv	19,034	20,966							40,000

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for					Estimate for 2025 / 26	Exp. in Subsequent Years	Final Cost
			2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25			
14 Milton Road & St Mary's Road	CP(DFT)IT	47,563		12,437					60,000	
15 Upgrade Car Park Counting Equipment (link to TMC)	PARK	-		100,000					100,000	
16 Bike Hangars	PARK	685	29,315						30,000	
17 Spur Analytics, Upgrade, Handheld Upgrade & SiDEM Archiving	PARK	-		65,000					65,000	
18 Co-operative Intelligent Transport Systems	OC	113,483							113,483	
	OG	131,406	40,111						171,517	
	CP(DFT)IT	-	18,000						18,000	
Sub Total		244,889	58,111	-	-	-	-	-	303,000	
19 Permanent One-way System at Wickham Street	PARK	249,435	565						250,000	
	CorpRsv	20,000		28,000					48,000	
Sub Total		269,435	565	28,000	-	-	-	-	298,000	
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)	249,373	190,973	286,534	9,010				735,890	
22 Statutory Infrastructure Spend	CILNRsv	20,431							20,431	
	OC	17,827		1,742					19,569	
Sub Total		38,258	-	1,742	-	-	-	-	40,000	

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for					Estimate for 2025 / 26	Exp. in Subsequent Years	Final Cost
			2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25			
23 Road Safety Scheme	OG(DFT)Sec31	7,422								7,422
	PARK	-	14,500	34,000						48,500
	OG	148,963	21,615							170,578
Sub Total		156,385	36,115	34,000	-	-	-	-	-	226,500
24 Cathodic Protection - Hard Interchange	CorpRsv	98,574	243,426	813,762						1,155,762
	CROC	8,000								8,000
Sub Total		106,574	243,426	813,762	-	-	-	-	-	1,163,762
25 Central Corridor	CP(DFT)IT	250,000								250,000
	PARK	95,459	541							96,000
Sub Total		345,459	541	-	-	-	-	-	-	346,000
26 Smart Cities - Intelligent Transport System - Phase 1	CorpRsv	45,057	454,943							500,000
	CP(DFT)IT	21,555								21,555
Sub Total		66,612	454,943	-	-	-	-	-	-	521,555
27 Western Corridor - South	CP(DFT)IT	-		18,000						18,000
28 Pedestrian Crossing - Henderson Rd	CP(DFT)IT	8,081	71,919							80,000
29 On-Street Residential EV Chargepoint Scheme (ORCS)	PARK	84,751	15,249							100,000
	OG	60,698								60,698
Sub Total		145,449	15,249	-	-	-	-	-	-	160,698

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to	Revised					Exp. in Subsequent Years	Final Cost
			31 Mar 2020	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24		
30 Air Quality Infrastructure Improvements	OG	262,505							262,505
	CP(DFT)IT	71,091		44,000					115,091
	CorpRsv	96,963	7,801	12,236					117,000
Sub Total		430,559	7,801	56,236	-	-	-	-	494,596
31 Transport Data Geographic Information System (GIS)	PARK	76,482	73,518						150,000
32 Air Quality - Bus Fleet Retrofitting	OG(DFT)Sec31	1,342,353	125,605	109,779					1,577,737
33 Extension to Park & Ride Multi Story Car Park - Design	CP(DFT)IT	319,387	30,613						350,000
34 Smart Cities: Intelligent Transport System Phase 2	CP(DFT)IT	-		178,445					178,445
35 The Hard Interchange Auxiliary Works	CP(DFT)IT	-	150,000						150,000
36 New Car Park Facility - Southsea	UB	-		1,800,000					1,800,000
37 Transforming Cities Fund	OG(DFT)TCF	3,909,428	187,572						4,097,000
	CP(DFT)IT	80,000	150,000						230,000
	PARK	1,233,575	(105,693)						1,127,882
Sub Total		5,223,003	231,879	-	-	-	-	-	5,454,882
38 South East Hampshire Rapid Transit Programme - Tranche 2	OG(DFT)TCF	-	9,794,919	21,639,937	24,199,203				55,634,059
39 Safer Road Improvement A27	OG	6,501	54,499						61,000

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for					Estimate for 2025 / 26	Exp. in Subsequent Years	Final Cost
			2020 / 21	2021 / 22	2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25			
40 Air Quality Improvement	OG	-	252,999	3,987,387					4,240,386	
	CP(DFT)IT	-	220,000						220,000	
Sub Total		-	472,999	3,987,387	-	-	-	-	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	-	100,000						100,000	
45 Full Business Case For Extension to Tipner Park & Ride Multi Story Car Park	CIL	-	150,000	350,000					500,000	
46 Non PFI Asset Management Register / Plan	CP(DFT)IT	-	100,000						100,000	
47 Operation Transmission	OG	878,423							878,423	
	PARK		44,692						44,692	
Sub Total		878,423	44,692	-	-	-	-	-	923,115	
48 D-Day Car Park Wall	PARK	-	130,000						130,000	
49 Non PFI asset Management	CP(DFT)IT	-	25,000						25,000	
50 The Hard Structural Repairs	CP(DFT)IT	-	400,000						400,000	

TRAFFIC AND TRANSPORTATION PORTFOLIO

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to	Revised						Exp. in Subsequent Years	Final Cost	
			31 Mar 2020	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25			Estimate for 2025 / 26
51 City Centre Road	CIL	-		3,762,600						3,762,600	
	CorpRsv	-		2,157,400						2,157,400	
	OC	-		1,000,000						1,000,000	
Sub Total		-	-	6,920,000	-	-	-	-	-	6,920,000	
Grand Total			76,336,423	20,016,626	40,887,644	28,331,696	5,935,404	5,935,404	5,935,404	7,745,062	191,123,663

APPENDIX E

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (GF)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source	Exp.	Revised	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp.	Final
		of	to	Estimate	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25	in	Cost
		Finance	31 Mar 2020	for						Subsequent	
				2020 / 21						Years	
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	2,040,340	255,308	200,000	200,000	200,000	200,000	200,000		3,295,648
		LR(HIP)	2,135,364								2,135,364
		BCF(DFG)DCLG	5,507,005								5,507,005
		OC	264,973	837,994	1,446,000	1,610,000	1,610,000	1,610,000	1,725,600		9,104,567
		OG	162,513								162,513
	OG(DCLG)CD		1,318,131							1,318,131	
	Sub Total		16,727,193	1,093,302	1,646,000	1,810,000	1,810,000	1,810,000	1,925,600	-	26,822,095
2	Removal of Hazards & Risks Within The Home	GGR(DCLG)PSR	372,963								372,963
		LR(HIP)	1,822,739	93,473	282,200	512,500	512,500	512,500	512,500		4,248,412
		Sub Total		2,195,702	93,473	282,200	512,500	512,500	512,500	512,500	-
3	Grants to Registered Social Landlords	S106(Hsg)	237,170								237,170
		CorpRsv	1,994								1,994
		NewS106(Hsg)	107,830	450,000	300,000						857,830
		Sub Total		346,994	450,000	300,000	-	-	-	-	-
4	Homes For Homeless	CorpRsv	-	464,200							464,200
		S106(Hsg)	-	35,800							35,800
		UB	-	200,000	300,000						500,000
		Sub Total		-	700,000	300,000	-	-	-	-	-

APPENDIX E

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (GF)

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
5 Guildhall Capital Works	CorpRsv	1,102,670	395,012	393,700						1,891,382
	OG(DCLG)CD	894,858								894,858
	RCCO	-		393,700						393,700
Sub Total		1,997,528	395,012	787,400	-	-	-	-	-	3,179,940
6 Guildhall Internal Works	CorpRsv	-	30,000	50,000						80,000
7 Utilities and Energy Management	UB	1,033,657		1,077,443						2,111,100
	UBS	250,000								250,000
	CROC	437,017	223,426	322,557						983,000
	CMR	26,000								26,000
Sub Total		1,746,674	223,426	1,400,000	-	-	-	-	-	3,370,100
8 Investment in Solar Photovoltaic Cells	UB	3,651,782	798,218	1,800,000						6,250,000
9 Civic Offices Public Address System	CorpRsv	123,504	4,361							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	7,273,052	2,254,989	1,874,800						11,402,841
	CP(DCSF)CM	331,301								331,301
	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		9,996,538	2,254,989	2,597,000	-	-	-	-	-	14,848,527

APPENDIX E

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (GF)

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate		Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			Estimate for 2020 / 21	Estimate for 2021 / 22						
12 Landlord's Maintenance - Capital Contingency	CorpRsv	51,987	171,660							223,647
	CRGG	-	140,353							140,353
	CROC	-	47,000							47,000
Sub Total		51,987	359,013	-	-	-	-	-	-	411,000
13 Guildhall Investment (Match Funding)	CP(DCSF)CM	176,100	46,300	77,600						300,000
14 Transitional Accom for Homeless - Adaptationss to GF Properties	CorpRsv	4,325	75,675	620,000						700,000
15 Green Homes - Local Authority Delivery	OG	-	1,550,250	1,550,250						3,100,500
Grand Total		37,018,327	8,074,019	12,460,450	2,322,500	2,322,500	2,322,500	2,438,100	0	66,958,396

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source	Exp.	Revised	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Exp.	Final
		of Finance	to 31 Mar 2020	Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Estimate for 2024 / 25	in Subsequent Years	Cost
1	HRA Assets (Non Dwelling)	B(HRA)	3,714,358									3,714,358
		CorpRsv	139,100									139,100
		RCCO(HRA)	11,304,709	500,769	360,000	360,000	360,000	360,000	360,000	360,000	360,000	13,965,478
		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			15,526,436	500,769	360,000	360,000	360,000	360,000	360,000	360,000	360,000	18,187,205
2	Total Major Repairs Dwellings	B(HRA)	134,210									134,210
		OC	9,225,841	551,935	400,000	400,000	400,000	400,000	400,000	400,000	400,000	12,177,776
		RCCO(HRA)	147,612,247	13,594,906	30,700,000	31,500,000	30,650,000	28,200,000	30,350,000	32,150,000	32,150,000	344,757,153
		OG	1,054,584									1,054,584
		UB(HRA)	11,841,361									11,841,361
		CRec(HRA)	290,822									290,822
		CorpRsv	278,700									278,700
Sub Total			170,437,765	14,146,841	31,100,000	31,900,000	31,050,000	28,600,000	30,750,000	32,550,000	32,550,000	370,534,606
3	Southsea Community Centre	UB(HRA)	1,308,897	584,201	38,246							1,931,344
		CRec(HRA)	746,507	464,657	16,391							1,227,555
		RCCO(HRA)	641									641
		OCRec(HRA)	299,259	500,000								799,259
Sub Total			2,355,304	1,548,858	54,637	-	-	-	-	-	-	3,958,799
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)	1,491,790									1,491,790
Sub Total			9,235,419	-	-	-	-	-	-	-	-	9,235,419

APPENDIX E

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for 2020 / 21	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
5 Kingsclere Avenue	UB(HRA)	3,767,868								3,767,868
	OCRec(HRA)	1,790,140	140,000							1,930,140
	CRec(HRA)	2,404,219	60,000							2,464,219
	OG	97,500								97,500
Sub Total		8,059,727	200,000	-	-	-	-	-	-	8,259,727
6 Blendworth Crescent	UB(HRA)	4,505,991								4,505,991
	OCRec(HRA)	1,207,994	42,000							1,249,994
	CRec(HRA)	2,370,584	18,000							2,388,584
Sub Total		8,084,569	60,000	-	-	-	-	-	-	8,144,569
3 Longdean	UB(HRA)	37,118		1,637,000	1,502,000	175,000				3,351,118
	CRec(HRA)	87,706	60,000	873,000	858,000	75,000				1,953,706
	OCRec(HRA)	204,647	140,000	400,000	500,000					1,244,647
Sub Total		329,471	200,000	2,910,000	2,860,000	250,000	-	-	-	6,549,471
8 Highgrove House	UB(HRA)	5,883		729,500	647,500					1,382,883
	CRec(HRA)	1,920	18,000	505,500	277,500					802,920
	OCRec(HRA)	4,480	42,000	450,000						496,480
Sub Total		12,283	60,000	1,685,000	925,000	-	-	-	-	2,682,283
9 Eastern Rd New Properties	S106(Hsg)	49,007								49,007
	UB(HRA)	1,039,054								1,039,054
	OG	292,499								292,499
	OCRec(HRA)	557,896								557,896
Sub Total		1,938,456	-	-	-	-	-	-	-	1,938,456

APPENDIX E

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of Finance	Exp. to 31 Mar 2020	Revised Estimate for		Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2024 / 25	Exp. in Subsequent Years	Final Cost
			2020 / 21	2021 / 22						
10 Doyle Avenue New Build Properties	OCRec(HRA)	125,403	500,000	500,000						1,125,403
	UB(HRA)	88,059	395,278	1,249,306	41,047					1,773,690
	CRec(HRA)	80,597	383,690	749,702	17,592					1,231,581
Sub Total		294,059	1,278,968	2,499,008	58,639	-	-	-	-	4,130,674
11 Replacement Homes	CRec(HRA)	2,501,899	6,000,000	788,887	1,158,318	2,244,937	2,319,937			15,013,978
	OCRec(HRA)	1,442,142			800,000	1,250,000	1,200,000			4,692,142
	UB(HRA)	4,135,819	14,000,000	19,211,113	18,041,682	16,505,063	16,480,063			88,373,740
	S106(Hsg)	259,800								259,800
Sub Total		8,339,660	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	-	-	108,339,660
12 Bredenbury Crescent	CRec(HRA)	120,865	8,400							129,265
	UB(HRA)	282,018								282,018
	OCRec(HRA)	-	19,600							19,600
Sub Total		402,883	28,000	-	-	-	-	-	-	430,883
13 Huntsman Close	CRec(HRA)	-	279,986	279,986	8,528					568,500
	UB(HRA)	-	636,901	653,301	19,898					1,310,100
	OCRec(HRA)	-	16,401							16,401
Sub Total		-	933,288	933,287	28,426	-	-	-	-	1,895,001
14 Horatia and Leamington Deconstruction	RCCO(HRA)	-	-	10,000,000						10,000,000
15 Transitional Accommodation for Homeless - Adaptations to HRA properties	UB		800,000							800,000
16 Acquisition of New Council Housing	UB		850,000	850,000						1,700,000

APPENDIX E

HOUSING & PREVENTING HOMELESSNESS PORTFOLIO (HRA)

CAPITAL PROGRAMME

Item Description of Scheme No.	Identified Source of	Exp. to	Revised Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Estimate for	Exp. in Subsequent Years	Final Cost
	Finance	31 Mar 2020	2020 / 21	2021 / 22	2022 / 23	2023 / 24	2024 / 25	2024 / 25		
17 Next Steps Accommodation Programme	OG	-	2,152,100							2,152,100
	UB(HRA)	-	7,025,700	285,500						7,311,200
Sub Total		-	9,177,800	285,500	-	-	-	-	-	9,463,300
Grand Total			225,016,032	49,784,524	70,677,432	56,132,065	51,660,000	48,960,000	31,110,000	32,910,000
										566,250,053

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PRUDENTIAL INDICATORS

Details of the Capital Programme are contained in Appendix E

Ratio of Financing Costs to Net Revenue Stream							
	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Non - HRA	10.8%	12.2%	18.9%	17.5%	16.2%	15.9%	14.0%
HRA	6.8%	6.6%	7.0%	7.1%	7.4%	10.9%	10.9%

Capital Financing Requirement							
	2019/20 Actual £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s
Non - HRA	621,036	645,232	720,426	738,872	737,842	739,761	731,832
HRA	177,644	200,286	224,090	244,342	261,022	274,548	271,594

Authorised Limit for External Debt							
	2019/20 Actual £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s
Borrowing	744,623	806,363	911,531	955,905	975,468	995,422	999,539
Other Long Term Liabilities (ie Credit Arrangements)	62,377	57,151	51,340	46,032	42,494	38,366	34,639
Total	807,000	863,514	962,872	1,001,937	1,017,962	1,033,788	1,034,178

Operational Boundary for External Debt							
	2019/20 Actual £'000s	2020/21 Estimate £'000s	2021/22 Estimate £'000s	2022/23 Estimate £'000s	2023/24 Estimate £'000s	2024/25 Estimate £'000s	2025/26 Estimate £'000s
Borrowing	714,623	788,367	893,175	937,182	956,370	975,943	979,670
Other Long Term Liabilities (ie Credit Arrangements)	62,377	57,151	51,340	46,032	42,494	38,366	34,639
Total	777,000	845,518	944,516	983,214	998,864	1,014,309	1,014,309

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