



---

# NOTICE OF MEETING

---

## CABINET

**TUESDAY, 8 FEBRUARY 2022 AT 1.00 PM**

**COUNCIL CHAMBER - THE GUILDHALL**

Telephone enquiries to Anna Martyn - 023 9283 4870

Email: [Democratic@portsmouthcc.gov.uk](mailto:Democratic@portsmouthcc.gov.uk)

### **Information with regard to public access due to Covid precautions**

- Attendees will be requested to undertake an asymptomatic/ lateral flow test within 48 hours of the meeting. Around one in three people who are infected with COVID-19 have no symptoms so could be spreading the virus without knowing it. Asymptomatic testing – getting tested when you don't have symptoms - helps protect people most at risk by helping to drive down transmission rates. We strongly encourage you to take up the habit of regular asymptomatic testing to help prevent the spread of coronavirus to your colleagues and residents you work with.
  - We strongly recommend that attendees should be double vaccinated.
  - If symptomatic you must not attend and self-isolate following the stay-at-home guidance issued by Public Health England.
  - All attendees are recommended to wear a face covering while moving around within the Guildhall.
  - Although it will no longer be a requirement attendees may choose to keep a social distance and take opportunities to prevent the spread of infection.
  - Hand sanitiser is provided at the entrance and throughout the Guildhall. All attendees are encouraged to make use of hand sanitiser on entry to the Guildhall and are requested to follow the one way system in place.
  - Attendees are encouraged book in to the venue (QR code). An NHS test and trace log will be retained and maintained for 21 days for those that cannot or have not downloaded the app.
  - Those not participating in the meeting and wish to view proceedings are encouraged to do so remotely via the livestream link.
-

## Membership

Councillor Gerald Vernon-Jackson CBE (Chair)

Councillor Suzy Horton (Vice-Chair)

Councillor Chris Attwell

Councillor Dave Ashmore

Councillor Kimberly Barrett

Councillor Ben Dowling

Councillor Jason Fazackarley

Councillor Hugh Mason

Councillor Darren Sanders

Councillor Lynne Stagg

---

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

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

**Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.**

## AGENDA

**1 Apologies for Absence**

**2 Declarations of Interests**

**3 Record of Previous Decision Meeting - 11 January 2022 (Pages 7 - 8)**

A copy of the record of the previous decisions taken at Cabinet on 11 January 2022 are attached.

**4 Vaccination as a condition of deployment (VCOD) for Health and Social Care workers (Pages 9 - 14)**

Purpose

To advise Cabinet of the implementation of the Vaccination as a Condition of Deployment (VCOD) for Healthcare Workers legislation, effective as of 1 April 2022, and the impact on Portsmouth City Council and its staff.

**5 Update on Planning Development Management and increase in capacity (Pages 15 - 26)**

Purpose

1. To provide an update on the performance of the Planning Development Management service including responding to a statistical request arising from a motion at the Full Council meeting of 7<sup>th</sup> December 2021; and
2. To approve a new approach to the creation of capacity for the determination of planning applications in the Development Management team.

**RECOMMENDED that the Cabinet**

- 1. Note the report and refer any necessary information to Full Council**

for noting.

2. **Approve the creation of a 'bank' of external planning staff utilising flexible contracting to support the capacity of the Development Management team**
3. **Approve the use of Corporate Contingency to fund a bank of external planning staff to the 31 March 2023. This is anticipated to be around £45,000.**

## **6 Updated Nutrient Neutral Mitigation Strategy**

This report will be to follow.

## **7 LTP East West Active Travel Corridor Phase 3 (Pages 27 - 80)**

### Purpose

To outline the proposed measures designed to improve the walking and cycling environment as part of the East West Active Travel Corridor.

**RECOMMENDED that the Cabinet**

1. **Approve the proposed East West Active Travel (EWATC) Phase 3 walking and cycling improvements including, in order of priority:**
  - I. **2-way cycleway along Winston Churchill Avenue north of carriageway**
  - II. **New 'Floating Bus Stop' on northern side of Winston Churchill Avenue**
  - III. **2-way cycleway along Winston Churchill Avenue south of carriageway**
  - IV. **Upgrade of Winston Churchill Avenue pedestrian crossing to form**
  - V. **toucan crossing**
  - VI. **Middle Street pedestrian/cyclist priority at junction**
  - VII. **St James's Road turning head and disabled parking bay redesign**
  - VIII. **Wellington Street quieter route**
2. **Note that the Cabinet Member for Traffic and Transportation will be requested as necessary to review and approve minor amendments to the proposed designs and timescales due to any unanticipated issues raised or changes in costs.**

## **8 Dunsbury Park Tax Site Specific Agreement for Solent Freeport**

This report will be to follow.

## **9 PCC Budget & Council Tax 2022/23 & Medium Term Budget Forecast 2023/24 to 2025/26 (Pages 81 - 190)**

The primary purpose of this report is to set the Council's overall Budget for the forthcoming year 2022/23 and the associated level of Council Tax necessary to fund that Budget.

The report makes recommendations on the level of Council spending for 2022/23 and the level of Council Tax in the context of the Council's Medium

Term Financial Strategy, with its stated aim as follows:

### **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.*

The recommended Budget for 2022/23 has been prepared on the basis of the following:

- The Council resolution of 09 February 2021 that set an overall minimum savings requirement of £1.0m
- An increase in the level of Council Tax for 2022/23 for general purposes of 1.99%
- The flexibility to increase the level of Council Tax for an "Adult Social Care Precept", within the limits set by Central Government at 1.0%, and the direct passporting of that additional funding to Adult Social Care to provide for otherwise unfunded cost pressures, including the 6.6% increase in the National Living Wage.

This report also provides a comprehensive revision of the Council's rolling 3 Year Forward Financial Forecast for the new period 2023/24 to 2025/26 (i.e. compared to the previous forecast covering 2022/23 to 2024/25, this forecast now replaces the forecast for the previous 3 year period).

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.

In particular, this report sets out the following:

- (a) The challenging and uncertain financial climate facing the City Council in 2022/23 and beyond
- (b) A brief summary of the Medium Term Financial Strategy for achieving the necessary savings
- (c) The revised Revenue Budget and Cash Limits for the current year
- (d) The Local Government Finance Settlement for 2022/23
- (e) The Business Rate income for 2022/23 and future years
- (f) The Council Tax base and recommended Council Tax for 2022/23
- (g) The forecast Collection Fund balance as at 31 March 2022 for both Council



## Tax and Business Rates

- (h) The detailed indicative savings (Appendix C) that could be made by each Portfolio /Committee in meeting its overall savings amount in order to provide the Council with the assurance necessary to approve the recommended savings amount for each Portfolio / Committee
- (i) The proposed Revenue Budget and Cash Limits for 2022/23
- (j) The forecast Revenue Budgets for 2023/24, 2024/25 and 2025/26
- (k) Estimated General Reserves over the period 2021/22 to 2025/26
- (l) The Medium Term Resource Strategy (MTRS) Reserve, its financial position and proposed use to achieve cashable efficiencies
- (m) The proposed Capital Programme and "new starts" (including the Housing Investment Capital Programme) for 2022/23 and future years in accordance with the Capital Strategy
- (n) The statement of the S.151 Officer on the robustness of the budget in compliance with the requirements of the Local Government Act 2003.

### **Decision:**

**RECOMMENDED to Council that the recommendations set out in section 3 of the report be approved.**

## **10 Oversight and decision making for council companies (Pages 191 - 196)**

### Purpose

To facilitate the replacement of the Cabinet sub-committee with an alternative executive procedure for discharging its functions by the full Cabinet, in accordance with the recommendation of the sub-committee on 15 December 2021.

### **RECOMMENDED that the Cabinet agree**

- 1. If members wish to change the procedure for discharging the council's responsibilities as the sole shareholder of council companies, it must:**
  - i. Abolish the constituted shareholder committee reverting the discharge of PCC company shareholder functions (executive functions) to full Cabinet;**
  - ii. Agree that distinct and separate shareholder delegation(s) be provided for each PCC company to be agreed in each separate company paper going forward.**

This page is intentionally left blank

# Agenda Item 3

## CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Tuesday, 11 January 2022 at 12pm at the Guildhall, Portsmouth

### Present

Councillors Suzy Horton (in the Chair)  
Chris Attwell  
Dave Ashmore  
Kimberly Barrett  
Ben Dowling  
Jason Fazackarley  
Darren Sanders  
Lynne Stagg

**4. Apologies for Absence (AI 1)**

Apologies were received from Councillors Hugh Mason and Gerald Vernon-Jackson.

**5. Declarations of Interests (AI 2)**

No interests were declared.

**6. Winter pressures in the NHS system (AI 3)**

Andy Biddle, Director of Adult Care introduced the report.

**The report was noted.**

**7. Portsmouth Support for Asylum Seekers (AI 4)**

Paddy May, Corporate Strategy Manager introduced the report.

**The report was noted.**

**8. Social Value Implementation (AI 5)**

Natasha Edmunds, Director of Corporate Services introduced the report.

**The report was noted.**

The meeting concluded at 12:20pm

This page is intentionally left blank

# Agenda Item 4



## **THIS ITEM IS FOR INFORMATION ONLY**

**(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)**

**Title of meeting: Cabinet**

**Subject:** Vaccination as a condition of deployment (VCOD) for Health and Social Care workers

**Date of meeting:** 8<sup>th</sup> February 2022

**Report by:** Andy Biddle, Director Adult Social Care

**Wards affected:** All

---

### **1. Requested by**

Councillor Jason Fazackarley, Cabinet Member for Health, Wellbeing & Social Care

### **2. Purpose**

To advise Cabinet of the implementation of the Vaccination as a Condition of Deployment (VCOD) for Healthcare Workers legislation, effective as of 1 April 2022, and the impact on Portsmouth City Council and its staff.

### **3. Information Requested**

The Government has conducted a public consultation on mandatory coronavirus (COVID-19) vaccinations for deployment in health and social care settings in England which ran from 9 September until 22 October 2021.

On 9 November 2021, the Government published Regulations (in draft) and its consultation response, in which it confirmed that the proposal is going ahead.

The legislation that will implement the proposal will require health and social care staff in England who have direct, face-to-face contact with patients/service users to have a full course of COVID-19 vaccinations. The consultation also covered the proposal to make flu vaccinations compulsory for deployment in health and social care settings in England. However, the Government has decided not to proceed with this proposal at this time.

Separate legislation is already in force requiring staff working who enter care homes in England to have a full course of COVID-19 vaccinations unless they have an exemption. This legislation came into force on 11 November 2021.

The scope of those who the regulation affects is those workers who have face-to-face contact with patients and/or service users and who are deployed as part of Care Quality Commission, (CQC) regulated activity. The requirements would not apply to those

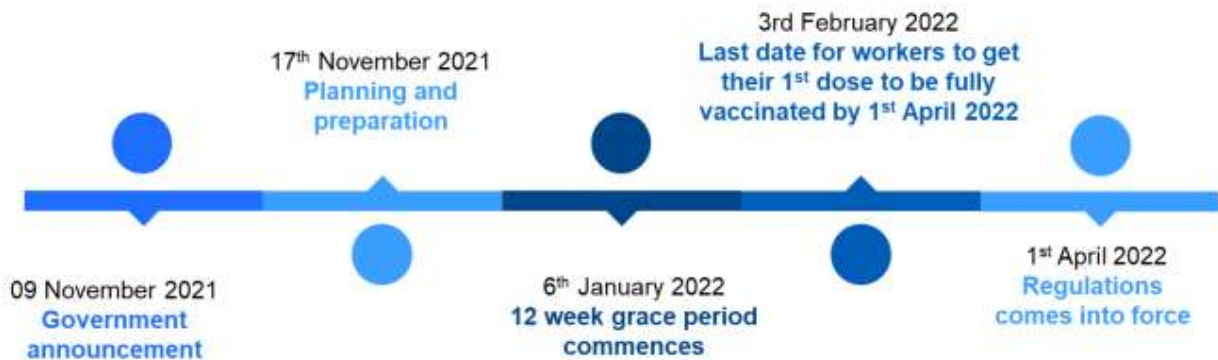
**THIS ITEM IS FOR INFORMATION ONLY**

**(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)**

employed, or otherwise engaged, in the provision of CQC regulated activity if they *do not* have face to face contact with patients and/or services users/patients.

Expectation is that the requirement will come into force on 1 April 2022, following a 12-week grace period from the date of the implementing Regulations being finalised.

**Key actions and indicative timeline (subject to parliamentary passage – dates may change):**



**6 January 2022** -commencement of a 12-week grace period from the date of the legislation being finalised until the requirement takes effect, the final Regulations would need to be in place by this date.

**3 February 2022** -the last date for individuals to have had their first dose so that they can have their second dose by 1 April 2022 (minimum time between doses being 8 weeks).

**1 April 2022** -proposed implementation date, from this date, it will be unlawful for providers to deploy unvaccinated individuals in patient/service user-facing roles.

On 10 November 2021, NHS England and NHS Improvement (NHSEI) set out this timetable in its communication to employers headed "Vaccination as a condition of deployment (VCOD) for all healthcare workers".

On 6 December 2021, NHSEI published phase 1 of its operational guidance, Vaccination as a condition of deployment (VCOD) for healthcare workers: Phase 1 - Planning and preparation.

Phase 2 of the NHSEI guidance is expected to be published once the draft Regulations have been finalised (likely to be in January 2022). This second phase of the operational guidance will cover implementation of the new rules, including advice on redeployment and formal steps for staff who remain unvaccinated on 1 April 2022.

## **THIS ITEM IS FOR INFORMATION ONLY**

**(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)**

### **Which regulated activities are covered?**

The legislation will apply to providers of activities regulated by the Care Quality Commission (CQC). The requirement covers both privately and publicly funded CQC-regulated activities. This includes not only hospital settings, but also GP surgeries, dentists, mental health services, and where care is delivered in a person's home.

The requirement is limited to health and social care employers in England.

### **Which individuals are covered?**

Subject to medical exemptions, the requirement to be vaccinated will apply to anyone aged 18 or over whom the provider "may employ or otherwise engage" for the purposes of the provision of CQC-regulated activities. This means that, as well as full-time and part-time employees, the requirement also extends to agency workers, trainees, volunteers and contractors.

The Government's consultation response confirms the scope is wide. The response states: "This will include front-line workers, as well as non-clinical workers not directly involved in patient care but who nevertheless may have direct, face to-face contact with patients, such as receptionists, ward clerks, porters and cleaners."

There is an exclusion for individuals who do "not have direct, face-to-face contact with a service user". This could include:

- managerial and administrative staff working on sites away from patient/service user areas; and
- individuals providing care remotely, for example through telephone consultations.

Appendix 2 of Vaccination as a condition of deployment (VCOD) for healthcare workers: Phase 1 - Planning and preparation provides example scenarios to assist deciding who will be covered.

**Within PCC additional impact is being assessed; however, initial indications are the following areas staff will be required to be vaccinated:**

- Sheltered Housing staff at Ian Gibson Court (IGC) CQC registered (HNBS)
- Approved Mental Health Professional Service (ASC)
- Section 75 Portsmouth Rehabilitation 7 Reablement Team staff based at St Marys Hospital (ASC)
- Section 75 Staff within Solent Adult Mental Health (ASC)
- All staff whose job role requires them to attend Queen Alexandra Hospital (CQC registered) i.e. the majority of ASC staff.

**As well as the following, non-employees:**

- Best Interest Assessors (Deprivation of Liberty Safeguards independent assessors)
- Some supported living settings
- Maritime House staff

## **THIS ITEM IS FOR INFORMATION ONLY**

**(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)**

- Community Connectors

Vaccination will also need to be included as a requirement as part of the procurement and contracting requirements.

### **Covid 19 Booster requirement:**

The regulations do not currently require evidence of boosters, but employers are strongly advised to provide supportive advice to workers to encourage uptake of the booster vaccine if eligible.

### **Flu vaccination requirement:**

It is not presently proposed that flu vaccinations will be introduced as a regulation, however the government will review this ahead of winter 2022/23.

### **Clinical exemptions:**

Some individuals may have grounds not to have the vaccine for clinical reasons. Anyone in this category will have to use the NHS COVID Pass <https://www.gov.uk/guidance/covid-19-medical-exemptions-proving-you-are-unable-to-get-vaccinated> to show their exemption status. It is not unlawful to ask candidates about their vaccination status as part of the recruitment process.

### **Data considerations:**

Vaccination status is confidential and 'special category' data for purposes of data protection legislation.

### **Implications:**

There is potential that those staff who choose not to be vaccinated and are unable to be redeployed will be dismissed as redeployment options will be minimal.

### **Work required as a result:**

- Working with rest of PCC services to understand what staff/services are affected
- Developing a corporate policy on Covid 19 vaccination
- Updating of procurement and contracting terms
- Updating the privacy statement
- Undertake a data protection impact assessment (DPIA)
- Updating recruitment process to include a provision about the vaccination
- Updating contracts of employment
- Manage those staff who are not willing to be vaccinated through to potential dismissal
- Continue promotion of consistent, accessible and factual safety data to employees on the vaccination
- Increase engagement with targeted communities where uptake is lowest, including
- extensive work with BAME and faith networks to encourage healthcare workers to receive the vaccine - sharing available resources from health colleagues



**THIS ITEM IS FOR INFORMATION ONLY**

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

.....  
Signed by (Director)

**Appendices:****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:

<b>Title of document</b>	<b>Location</b>
<u><a href="#">C1470-vcod-for-healthcare-workers-planning-and-preparation-guidance.pdf</a></u> ( <a href="#">england.nhs.uk</a> )	

This page is intentionally left blank

# Agenda Item 5



<b>Title of meeting:</b>	Cabinet
<b>Date of meeting:</b>	8 February 2022
<b>Subject:</b>	Update on Planning Development Management and increase in capacity
<b>Report by:</b>	Ian Maguire - Assistant Director Planning and Economic Growth
<b>Wards affected:</b>	All
<b>Key decision:</b>	No
<b>Full Council decision:</b>	No

---

## 1. Purpose of report

- 1.1 To provide an update on the performance of the Planning Development Management service including responding to a statistical request arising from a motion at the Full Council meeting of 7<sup>th</sup> December 2021; and
- 1.2 To approve a new approach to the creation of capacity for the determination of planning applications in the Development Management team.

## 2. Recommendations

- 2.1 Cabinet is asked to note the report and refer any necessary information to Full Council for noting.
- 2.2 Cabinet is asked to approve the creation of a 'bank' of external planning staff utilising flexible contracting to support the capacity of the Development Management team
- 2.3 Cabinet is approve the use of Corporate Contingency to fund a bank of external planning staff to the 31<sup>st</sup> March 2023. This is anticipated to be around £45,000.

## 3. Background

- 3.1 Historic delays in the determination of planning applications, exacerbated by service reductions in the early covid period has resulted in a backlog of applications awaiting determination by the Planning Service.
- 3.2 A number of different approaches have been taken to reduce this backlog. Principal among them has been the carrying out of a full process review using the Council's System Thinking interventionist. This process review has identified a number of areas where efficiencies can be created and process wastage



removed. The completion of this review was itself delayed by Covid restrictions, but has now been completed with a number of efficiencies introduced that should cumulatively improve the through-put and timeliness of application determination. Further details of the Systems Review outcomes are detailed in section 4.2 below.

- 3.3 While steps are being taken to improve the process whereby applications are being determined the Council has also sought to increase manpower capacity. This has been done in two ways; the outsourcing of a number of cases to a private sector company experienced at managing planning applications, and the recruitment of additional temporary contract staff to increase the number of professional planners assessing and processing applications.
- 3.4 The outsourcing of applications, to a company called Terraquest, has not resulted in the outcomes sought within the contract. The contractor's performance, despite being a large and well established consultancy, has been consistently below the expectations of the contract in respect of quality, productivity and customer service and payments have been consequently withheld. A number of cases remain with this contractor and agreements are being reached for the imminent resolution of this contract.
- 3.5 The more traditional recruitment of temporary staff to increase capacity has been more successful with professionally competent Town Planners brought on board to increase the number of applications that can be assessed and processed. However, there is a long established shortage of professional Town Planners across the Country, leading to a 'sellers' market' for high quality temporary staff. This has led to churn from those staff brought on board as higher hourly rates or more attractive contracts are secured elsewhere. Recent recruitment to maintain the level of temporary resource has shown repeated failure with too few candidates available to meet demand in the region and potential temporary staff declining offers from Portsmouth, or leaving shortly after appointment, to take up temporary posts that are more geographically convenient, better paid, or both.
- 3.6 In addition to these challenges to capacity the service has seen the turnover of some permanent staff. While reasons for leaving PCC will vary for each member of staff a key component has been identified as the high workload, with case officers managing an active caseload, due to the lack of staff resource, that hinders their ability to deliver high quality customer service and professional assessment.

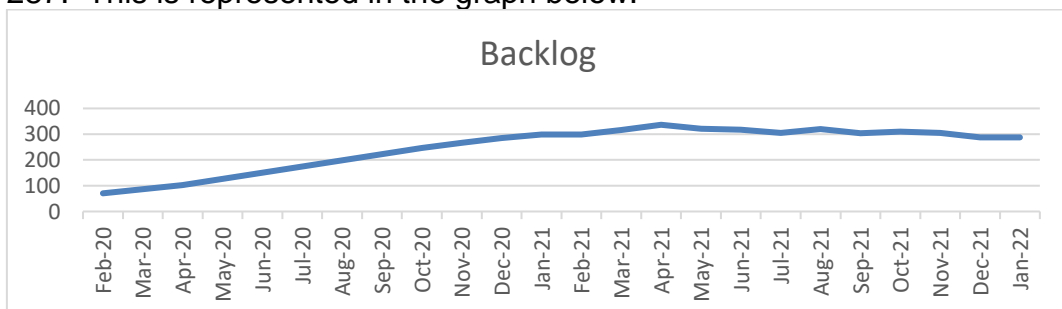
#### **4. Reasons for recommendations**

##### **Development Management Performance Data**

- 4.1.1 Quantitative data showing the number of cases received and resolved each month is monitored by the Portfolio Holder for Planning Policy and City Development through regular presentations and shared with the opposition spokespeople through that forum.

4.1.2 A Local Planning Authority will always have a number of applications 'on hand' as they are progressed through the regulated process of assessing and determining planning applications. This process usually involves prescribed public consultation for a set period and many applications require a period of negotiation and intervention to ensure they will result in development that will comply with national and local policy and result in well-designed sustainable development that can be granted planning permission. The period provided through national legislation for the determination of applications is 8 weeks (56 days) for most applications, rising to 13 or 16 weeks for larger and more complex applications. However, it is open to Applicants and LPAs to agree a longer period of determination, a process usually referred to as an 'extension of time' if they consider it appropriate. Extensions of time are frequently an essential tool for both Applicants and LPAs to allow necessary amendment or supplementation, and associated re-consultation, in preference of refusing an application that has the potential to be made acceptable. However, if an LPA has a number of cases 'on-hand' that exceeds that which it can reasonable expect to be able to determine within either the statutory time limit or a reasonable time limit agreed with Applicants then this can be considered a 'backlog'. This circumstance leads to applications that may be uncontentious and approvable being unnecessarily delayed due to a lack of resource to process them to resolution. This outcome in Portsmouth has been exacerbated by additional delays imposed on certain types of development in recent years due to external factors such as the 'nitrates' problem. To describe a 'backlog' within an LPA therefore it is considered appropriate to identify whether the total number of applications on-hand at any given period notably exceeds that which the LPA has traditionally had under consideration utilising a similar process and resource.

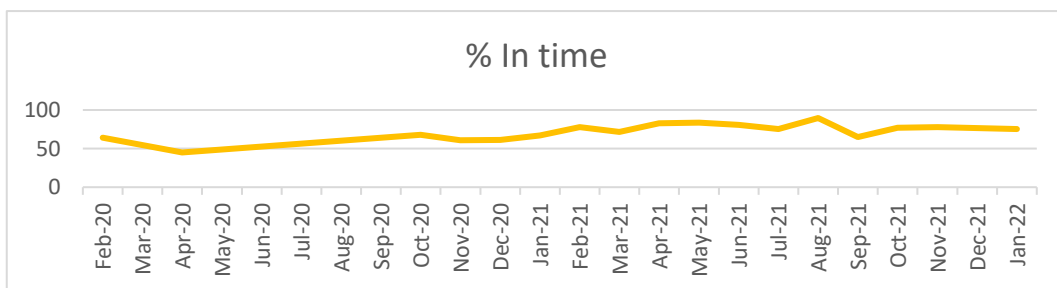
4.1.3 To enable quantitative assessment of the 'backlog' at PCC therefore example months were used in the 2018 and 2019 years to identify a "normal" workload of applications to have on hand. This was assessed to be 384 applications at any one time. Reviewing the proceeding 2 years (February 2020 - January 2022) it can be seen that the number of applications steadily increased to a peak of 720 in April 2021, resulting in a 'backlog' of 336 in that month. The backlog has been reduced in the period since that peak to now (w/e 7<sup>th</sup> January 2021) being 287. This is represented in the graph below.



4.1.4 Retaining an excessing number of applications on hand has significant customer service implications, primarily from the general resultant delay in determination

but also to individual applications that are awaiting determination behind applications that require a disproportionate amount of resource or are being managed by a case officer or team with a workload that prevents quick and efficient assessment and resolution. Consequently as well as monitoring the total number of application on-hand within the service the timeliness of application determination of those applications that have been resolved is regularly reported to the Portfolio Holder. This is done both as a percentage of applications that are determined 'in time', either within the statutory time limit or other time limit agreed with the Applicant, and through monitoring the median number of days taken to assess applications to ensure extension of time agreements are not unnecessarily elongating determination periods. It must be noted however that while this provides the best illustration of overall performance it cannot show the outliers that are taking longer to determine, or are still awaiting resolution, each of which is a development proposal of financial and/or personal significance to the individual applicants.

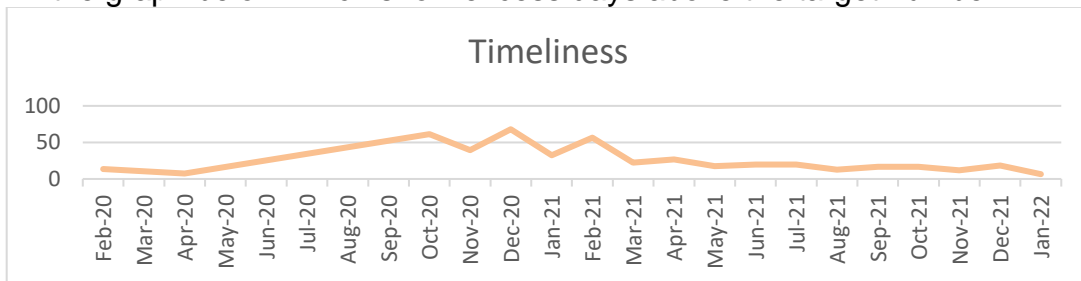
4.1.5 The monitoring of applications against the statutory or agreed time limit shows that in the sample months in 2018 and 2019 PCC performed at a rate of around 67% of applications being determined on time. During these same sample periods national statistics show that across the country 90% of householder and Major applications were determined in time<sup>1</sup>. This discrepancy highlights the fact that Portsmouth planning services has long held a focus and priority on intervening to add value to applications rather than determining them as submitted, a process that otherwise would lead to a higher level of refusal or a degradation of quality of development outcomes. This historical performance is of course not ideal with the best services creating the environment for high quality development and decision making and the determination of applications in time. In the monitoring period (February 2020 - January 2022), it can be seen that this normal performance dipped to only 45% in April 2020, due to significant restrictions associated with Covid, but has increased since that time peaking with well over 80% of applications determined in time in the first half of 2021, and performance now relative static with around 75% of applications determined in time. This performance is described in the graph below:



4.1.6 The assessment of the median days to determine an application is a more general 'litmus test' to ensure the use of extension of time agreements has not

<sup>1</sup> MHCLG Planning applications in England October to December 2018 and Planning Applications in England April to June 2019

unnecessarily elongated the determination of applications. An appropriate maximum position for the median number of days to determine an application was selected as 67.5 days, again reviewing the sample months from 2018 and 2019 and also reflecting the statutory determination periods of 8-16 weeks and recognising that extension of time agreements are often reasonable and necessary to allow applications to be amended and supplemented. An increase above this 'reasonable' median determination has therefore been monitored. This monitoring identifies that actual determination periods extended excessively from the last quarter of 2020 through to the first quarter of 2021. However, since that time the median number of days to determine applications has reduced to below 90 days. While this is still two weeks longer than the 'reasonable' period aimed for it demonstrates a good recovery following the significant delays of Covid and adaptation to new ways of working. The monitoring is demonstrated in the graph below which show excess days above the target number:



4.1.7 While performance has significantly improved since the peaks of concern in early 2021 there remain a significant number of applications undetermined in the backlog. Many of these have been with the Council for an unacceptable period of time and as they are resolved this will be reflected in the monitoring statistics. As noted above these delays cause reasonable concern for Applicants and such delays also result in significant unnecessary burdens to Council resources as they generate understandable complaints which require resources to investigate and resolve. The recovery in performance for those applications that are being determined has however not yet resulted in a significant reduction in the backlog of applications, as shown in the graph above at 4.1.3. Further intervention is therefore necessary to supplement the ongoing work of officers, please see section 4.2 and 4.3 below.

4.1.8 Through a motion at the 7<sup>th</sup> December 2021 Full Council specific statistical information was also requested for average "duration of all planning applications, in addition to the longest and shortest across the city as well as within each ward". The shortest duration for applications is of course zero days as new applications are received every day of the year. The longest durations include a number of applications that have been open over 1,000 days. These anomalies are either data relics (the 'oldest' case within the Council's system is over 6,000 days old and is of course not an active piece of work), or remain open with the extraordinary agreement of the relevant applicants. Consequently in order to produce meaningful data that enables a comparison between wards an assessment of the average, shortest and longest determination period in each ward over the 4 weeks to the week commencing 7<sup>th</sup> January 2022, being

the last full week prior to the drafting of this report has been undertaken. This data is provided in the table below:

Ward	Median average days to determine	Fastest resolution (minimum days to determine)	Slowest resolution (maximum days to determine)
Baffins	174	106	304
Central Southsea	44	29	304
Charles Dickens	186.5	52	694
Copnor	205	35	1257
Cosham	67	29	274
Drayton & Farlington	71	53	100
Eastney & Craneswater	74	10	114
Fratton	33.5	12	55
Hilsea	60	42	337
Milton	43	14	56
Nelson	147	130	229
Paulsgrove	48	48	48
St Jude	55	38	671
St Thomas	57	53	308

## Business Process Improvements

- 4.2.1 A key further intervention that has been undertaken has been a full 'Systems Thinking Review' of processes with the Development Management team. This review was undertaken with the assistance of the interventionists employed in the Council's Systems thinking team and followed a number of process enhancements already introduced prior to and during the Covid period by the Development Management team itself. The Systems Thinking Review was unfortunately delayed in 2020/2021 as the 'Check' process to study the existing systems and process could not be delivered remotely during the periods where staff could not safely work within the Civic Offices. In accordance with national guidance and local risk assessment staff were however able to return to the Civic Office to enable the review team to observe and question them about the existing processes during 2021 and this led to a series of suggested interventions identified through the 'redesign' process that were then trailed on a small cohort of cases at the end of 2021. This trail work was considered successful and new processes are now being rolled-in across the Development Management service with staff training currently being carried out with the intention that these new procedures will imminently be the new 'business as usual'. The results of the Systems Review 'Check' and the steps being taken were presented to all Members of the Council on 30<sup>th</sup> November 2020.
- 4.2.2 A key matter identified at the 'Check' is the significant amount of failure demand currently being carried by the service. 'Failure demand' is the term used to describe the activities that take resources to complete but add no value to the final outcome, and arises from the failure to do something correctly. The significant delays in current outputs has, as noted, resulted in customers both





chasing the Council for updates and complaints about the delays; both common examples of failure demand and common outcomes from services with prolonged demand/capacity issues. This has resulted in a 'failure demand feedback loop', wherein time and resource is taken responding to these understandable customer concerns that otherwise would be put towards meeting the value demand within the service, such as determining the applications. As more and more resource is diverted to deal with complaints about delays more and more delays are caused due to that reduction in resource. This self-reinforcing loop is a significant concern for current customer service and efficiency, but will be remedied through the reduction in the scale of the backlog and the improvements in the efficiencies of the Council's processes introduced through the current review.

- 4.2.3 One important element of the amended processes is the removal, as far as possible, of fragmentation within the process flow. Work on individual planning applications stops and starts as periods of external consultation are undertaken or amendments are sought, however reducing unnecessary fragmentation will reduce the need for officers and managers to reacquaint themselves with case files and enables a single piece flow for the assessment of applications when they are ready for determination. This has been identified as a way to reduce determination periods significantly.
- 4.2.4 Another key process improvement is the introduction of more streamlined template formats of less contentious applications, including the integration of photographic evidence into the report. Steps have been taken to ensure all material considerations for the assessment of applications are still captured within the report and more complex and contentious applications, including those that will require determination by the Planning Committee will continue to be described in longer format reports. This approach allows senior officer support to focus on supporting the quality of decision making and the professional outputs of planning officers rather than administrative report-checking. This process change has again been identified as a significant reduction in the time needed to determine an application, but also better reflects the confidence held in the planning officers of the Council and their professional opinions.
- 4.2.5 It can also be noted that it has been identified that the various software solutions currently in use by the service are considered to be a major cause of waste work within the process flow. The current primary database, document and workflow management tool and planning register has been in operation by PCC for many years and demonstrates a lack of investment during that period. In addition to this core software it is common for three to five other network or online applications to be required to validate an application or assess the key material considerations. This has led to steps to avoid some systems wherever possible. While some of these sensible solutions will form part of the new processes where they do not create any data risks a more comprehensive review of the software and digital solutions for planning services is needed. This has already

begun, timed to seek resolution in 2023 when the procurement of new systems will be undertaken when current licences expire.

- 4.2.6 The new processes have been reviewed through the trial of a small cohort of applications (49) as part of the redesigned process. This demonstrated a reduction in the median determination period to just 23 days. This performance was of course achieved in the relatively 'hot house' environment of the testing team so is unlikely to be sustainable across the whole service, but serves to indicate the scope of improvement the new processes are introducing. This more efficient approach was also measured with customer feedback from the effected Applicants, with positive comments received from all respondents and failure demand associated with the applications reduced to a single occurrence.
- 4.2.7 As noted above, these new redesigned processes are now being rolled-in across the service with the steam lined and more efficient process and systems being operated by all staff once training has been completed. This is part of a continuous process of improvement with staff invited to continue to assist to identify ways greater efficiency can be introduced based both on customer feedback and best practice as it is identified. Further process improvement will be introduced as new IT systems are procured and brought online, and as the Council's adopted procedures, such as the Statement of Community Involvement and Constitution are reviewed. These are likely to be the subject of further reports as progress continues.

### **Staffing Capacity**

- 4.3.1 While it is anticipated that the new, more efficient processes will enable faster determination of applications they will take time to bed in and work to reduce the current backlog. It is therefore recommended that enhanced staffing capacity is retained to deal with current customer demand. To ensure adequate staff capacity is available to meet demand with the service the use of temporary full-time staff will continue to cover vacancies in the staffing establishment and to enhance capacity, however an alternative way of increasing capacity is considered necessary as the traditional solutions, discussed above, are not proving to be effective. This alternative solution is the creation of a 'bank' of flexible contracting professional planning staff working remotely to respond to the demand of smaller scale applications. The creation of 'banks' of casual staff is used across a number of sectors to provide flexible workforce to respond to peaks and troughs of demand. It is not frequently used in Local Planning Authorities due to the locally specific knowledge and access needed to deliver such services but is, for example, often used by Building Control Authorities to provide demand responsive resource.
- 4.3.2 The proposed 'Bank Staff' for Portsmouth Planning Services would be created by the recruitment of appropriately qualified and experienced planners to join a bank to whom smaller scale applications could be allocated to. This would be on a flexible basis with no commitment from either PCC or the Planner to a regular or defined number of cases. It is anticipated that cases would be



allocated on a fixed fee basis, with agreed rates for different application types. The specific fee paid to the planner would have to be explored with the market, but the intention would be set it at a level below the application fee to reflect the fact that the internal administration of the cases would be handled by the PCC validation team. It is noted however that the national set planning fees are not set at cost-recovery basis and as such the determination of almost any application notwithstanding the fee received from the applicant is done at a net cost to the Local Authority. However, it is hoped that a fee rate to the Bank Planner could be set proportionate to the application fee to reduce the overall cost to the Council.

- 4.3.3 As the internal administration of the cases would be handled by the PCC validation team the bank staff would not need log in details to any PCC system, reducing GPDR risks, though specific protocols would have to be put in place to manage information governance, and allowing PCC to retain oversight of customer service and customer contact for the application.
- 4.3.4 The structure for delivering work to and from this bank of staff is also capable of being offered as overtime work to appropriately qualified PCC staff, which is considered likely to provide a retention benefit to existing staff while also enhancing capacity. The externally recruited bank of staff would need to be carefully recruited and vetted to ensure a high degree of professionalism and expertise as they would be expected to work autonomously with minimal management oversight. Risk of conflict of interest is also high, with recruitment outside of the immediate Portsmouth area therefore recommended and any Planner identified asked to make appropriate declarations regarding conflicts so that PCC can consider them.
- 4.3.5 Additional tasks for the Validation team would be introduced, both in data input and document handling and in customer contact and engagement. Consideration will also need to be give as to whether any other aspects of the application assessment should be delegated to the Validation Team, such as the assessment of relevant planning history. Additional training may be necessary and careful monitoring of workload undertaken. The capacity of the management tier of the Development Management Team will also need to be carefully monitored as this increase in productivity intended through this process will require a greater number of decisions to be approved by the management team each day.
- 4.3.6 The type and nature of applications that would be allocated in this way will need to be carefully considered. Householder, 'Other' and smaller scale minor applications are the only type that would be appropriate, as there will be limited, if any, opportunity for renegotiation of plans once submitted and complex responses from statutory consultees would be more difficult to manage. This will leave the larger and more complex applications to be assessed by the permanent PCC staff. This is considered beneficial in respect of customer service to applicants, but as importantly to the delivery of high quality outputs for planning decisions with the opportunity maximised to enhance design quality



and other value-added interventions. The retention of more complex applications with PCC permanent staff will also support staff development and retention.

- 4.3.7 While the necessary administrative processes will need to be refined in parallel with the recruitment of appropriate Bank Planners it must be noted that this approach would be an additional unfunded cost for the Council. While the fixed fees would be intended to be set at a proportionate rate to the application fees received this fee income is already anticipated and accounted for in the Council's budget setting. The actual cost to the Council of this new process would of course be dependent on the number of cases processed in this way, either from the existing back log of cases, or applied to new applications as they are made. The current backlog of cases is around 250, and has been maintained at that level for most of this year with the determination output of the team roughly keeping pace with the number of applications received. Around a quarter to a third of applications determined by the Council are smaller scale developments or householder applications potentially appropriate for this process. That would result in 200-300 applications potentially available to be processed in this way. While fees are yet to be set, a potential fixed fee of £150 per application would result in a resultant cost to the Council of £30,000-£45,000.

## **Conclusion**

- 4.4.1 Through the review and amendment of internal processes to remove duplication and wastage it is considered that the Council will be in a position to retain a sustainable workforce to meet demand and ensure all applications have a decision within the expected timeframe. As new processes are bedded in the process of continuous improvement will continue and the structure of permanent and temporary staff will be kept under review. It is however considered necessary to retain and enhance the temporary staffing capacity to manage the existing backlog now, to ensure current customers within that backlog receive quality decisions as quickly as possible while the new ways of working are introduced.

## **5. Integrated impact assessment**

n/a

## **6. Legal implications**

The recommendation within this report is for the Local Planning Authority to engage workers on a casual basis. This basis of engaging workers is already established in other departments of PCC. Casual workers have fewer employment rights than employees and therefore, workers employed on a casual basis must enter into a clear and unequivocal contract to set out the nature of the engagement. The use of casual workers must be reviewed regularly as if the casual worker is later determined to be an employee, they will qualify for the protection and rights afforded to such a status.

- 7.1 The report requests the use of Corporate Contingency to fund Planning Consultants on a flexible contract basis to help expedite planning applications. If these consultants are not required nothing will be drawn from Corporate Contingency. If the resource required is in excess of the £45,000 in this report a further approval will be required, and a report will be brought back to Cabinet.
- 7.2 The use of corporate contingency is requested as this is a key risk area for the Council's finances. The use of reserves has been considered but currently the obligations against them mean they are fully committed.

.....  
Signed by:

**Appendices:** None

**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
None	

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

.....  
Signed by:

This page is intentionally left blank



# Agenda Item 7

<b>Title of meeting:</b>	Cabinet
<b>Date of meeting:</b>	Tuesday 8 <sup>th</sup> February 2022
<b>Subject:</b>	East West Active Travel Corridor Phase 3 - Proposed Improvements
<b>Report by:</b>	Tristan Samuels, Director of Regeneration
<b>Wards affected:</b>	St Thomas, Charles Dickens, Central Southsea
<b>Key decision:</b>	No
<b>Full Council decision:</b>	No

---

## 1. Purpose of report

- 1.1 As part of Portsmouth's Local Transport Plan (LTP) and the supporting draft Local Cycling and Walking Infrastructure Plan (LCWIP), an East West Active Travel Corridor (EWATC) is being developed between Fratton and The Hard, to provide active travel benefits for pedestrians and cyclists along this key east to west route.
- 1.2 EWATC Phase 3 covers the section of the corridor between the Winston Churchill Avenue/Isambard Brunel Road roundabout and St Michael's Gyratory on Winston Churchill Avenue. Proposed measures are intended to deliver a range of walking and cycling improvements including on and off-road cycle provision, improved crossing points and junction re-prioritisation, in line with LTP4's vision of having a people-centred, connected, travel network that prioritises walking, cycling and public transport to help deliver a safer, healthier and more prosperous city.
- 1.3 The purpose of this report is to outline the proposed measures designed to improve the walking and cycling environment as part of the East West Active Travel Corridor.

## 2. Recommendations

- 2.1 Recommendations are being put forward to Cabinet for approval which relate to the improvements proposed for Phase 3 of the East West Active Travel Corridor, in order to proceed to procurement and construction.
- 2.2 It is recommended that Cabinet:
- 2.3 **Approve the proposed East West Active Travel (EWATC) Phase 3 walking and cycling improvements including, in order of priority:**



1. **2-way cycleway along Winston Churchill Avenue north of carriageway**
2. **New 'Floating Bus Stop' on northern side of Winston Churchill Avenue**
3. **2-way cycleway along Winston Churchill Avenue south of carriageway**
4. **Upgrade of Winston Churchill Avenue pedestrian crossing to form toucan crossing**
5. **Middle Street pedestrian/cyclist priority at junction**
6. **St James's Road turning head and disabled parking bay redesign**
7. **Wellington Street quieter route**

2.4 **Note that the Cabinet Member for Traffic and Transportation will be requested as necessary to review and approve minor amendments to the proposed designs and timescales due to any unanticipated issues raised or changes in costs.**

### 3. **Background**

3.1 Portsmouth City Council (PCC) has been developing a East West Active Travel Corridor (EWATC) as part of the Local Transport Plan (LTP) and in line with the associated draft Local Cycling and Walking Improvement (LCWIP) Plan.

3.2 The Department for Transport (DfT) released the latest Local Transport Note 1/20 (LTN 1/20) Cycle Infrastructure Guidance in July 2020. This provides a recommended basis for design standards when developing cycling schemes in Local Authorities to support the governments Cycling and Walking Strategy.

3.3 The 'core principles' of this guidance is to develop cycling networks that are:

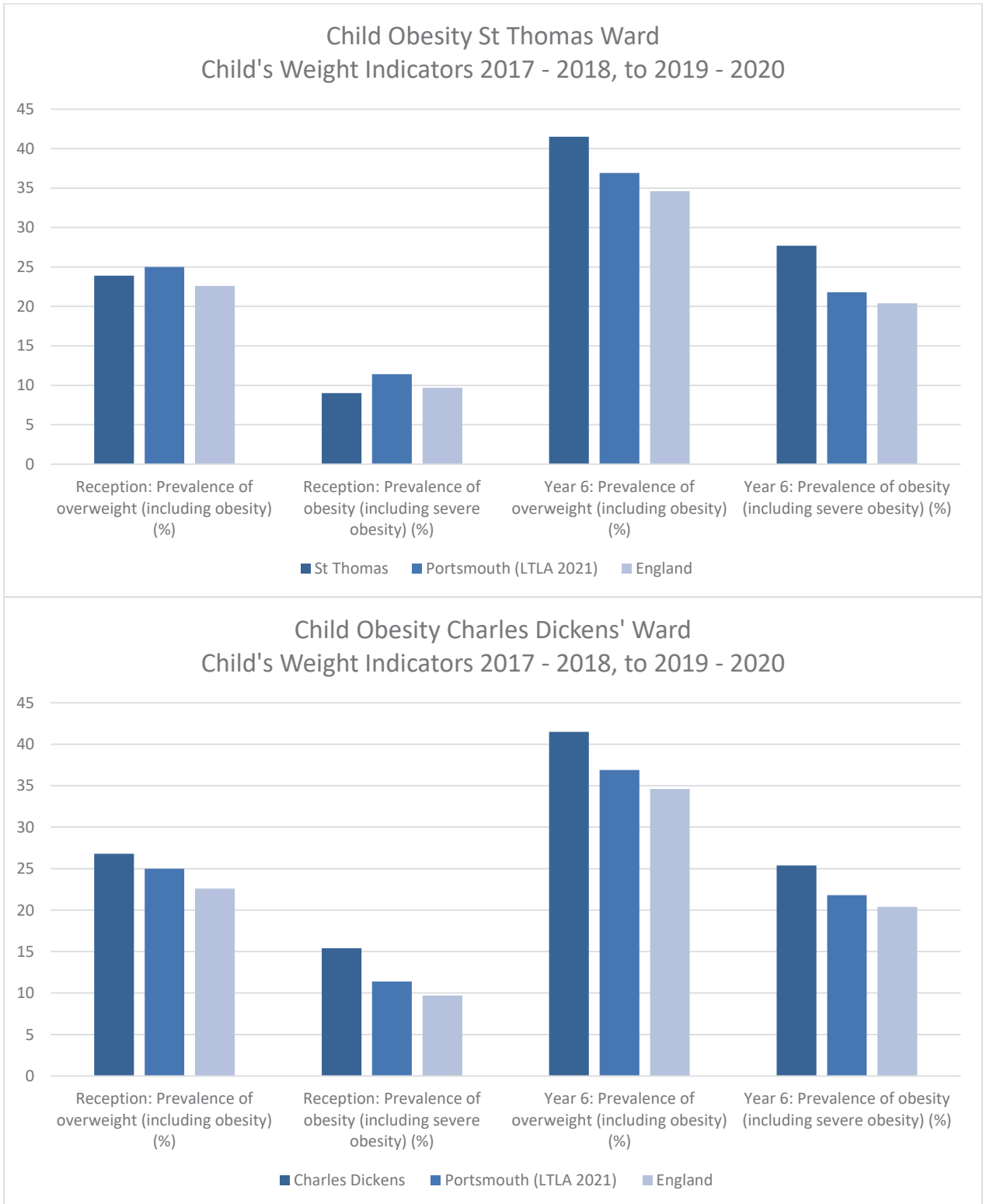
- Coherent;
- Direct;
- Safe;
- Comfortable; and
- Attractive

3.4 The EWATC has been designed with the aim of achieving compliance with LTN1/20 where possible, while also supporting the Council's priorities including in the following ways:

- **Helping people to live healthy, safe and independent lives** - particularly through supporting and encouraging healthy lifestyles in all our communities, reducing health inequalities in our city.
- **Making our city cleaner, safer and greener** - particularly through improving air quality by tackling congestion and parking issues, and by encouraging more people to walk, cycle and use public transport, including park and ride, and through encouraging road safety across Portsmouth.



- **Making the city a great place to live, learn and play, so our children and young people are safe, healthy and positive about their futures** - particularly through promoting positive physical health and encouraging physical activity.
- 3.5 Efforts to support and encourage healthy lifestyles in all our communities and reduce health inequalities in the city, as well as promoting positive physical health and encouraging physical activity, are also of significant importance in the area through which Phase 3 of the EWATC runs. By the time children have reached Year 6, obesity levels are significantly worse in both Charles Dickens' and St Thomas Wards than Portsmouth and England as a whole. Meanwhile, in Charles Dickens' Ward Reception Year children are already significantly more obese than children in Portsmouth and England as a whole.
- 3.6 As well as reducing health inequalities in this area through supporting healthy lifestyles, the measures proposed would also be designed to improve access for people with pushchairs and mobility aids such as walking frames and rollators, as well as for partially sighted/visually impaired users of the pedestrian and cycle network.
- 3.7 Efforts to improve air quality have a heightened significance in the area in which Phase 3 of the EWATC route runs, sitting within Portsmouth's recently launched Clean Air Zone (CAZ), and on one of the major routes in and out of the CAZ. The CAZ includes roads where NO<sup>2</sup> concentrations are forecast to exceed the statutory limit of 40.49 µg/m<sup>3</sup> in 2022. Through implementing the CAZ as part of a package of measures, compliance is targeted to be achieved in 2022, with positive longer-term contributions made to the health of residents, employees and visitors to the city.
- 3.8 Plans to tackle congestion and parking issues and encouraging walking and cycling are of significant importance in the area through which Phase 3 of the EWATC runs. Charles Dickens' Ward borders the north of the EWATC, and St Thomas Ward sits to the south of the route. These wards are counted as the most deprived in the city, and the most dependent on active travel modes for travel to work, and having the least access to vehicles for travelling to work.
- 3.9 **Figure 1** displays 2020 Public Health England data taken from NHS National Child Measurement Programme (NCMP), highlighting child obesity levels for Charles Dickens and St Thomas Wards compared with Portsmouth and England as a whole.
- 3.10 **Figure 2** displays the 2011 Census data for travel to work methods, highlighting how Charles Dickens and St Thomas Wards compare with the rest of Portsmouth.
- 3.11 **Figure 3** identifies the extent of the Clean Air Zone (CAZ) in Portsmouth and the location of EWATC Phase 3 within the CAZ.



**Figure 1 - Child Obesity Levels by Ward - Portsmouth Wards, sourced from NHS National Child Measurement Programme (NCMP0 via Public Health England website)**

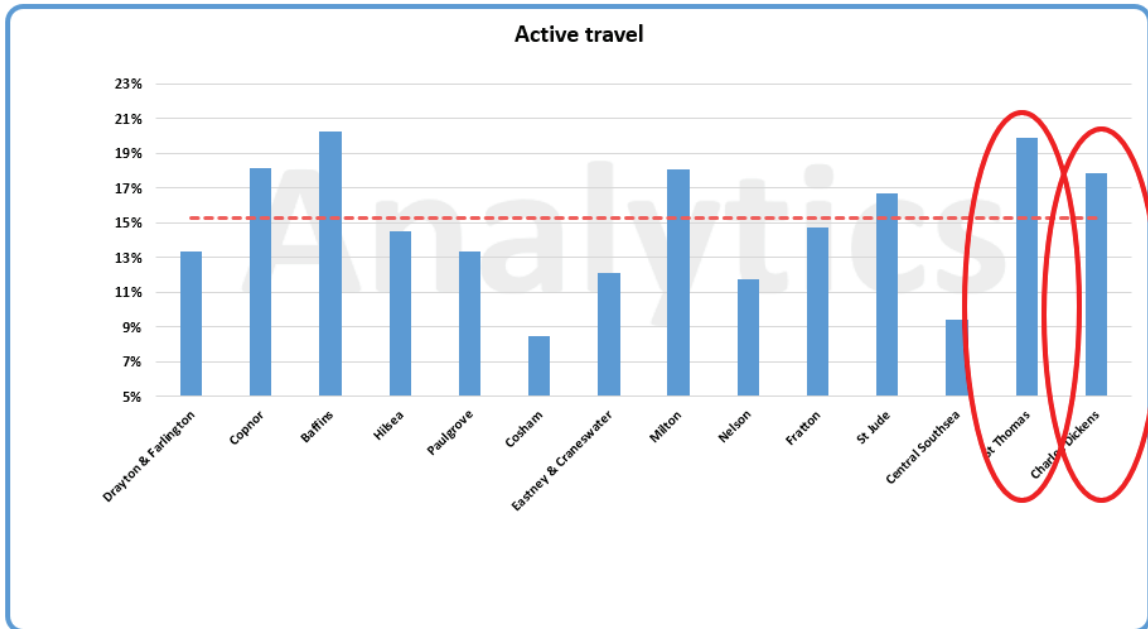
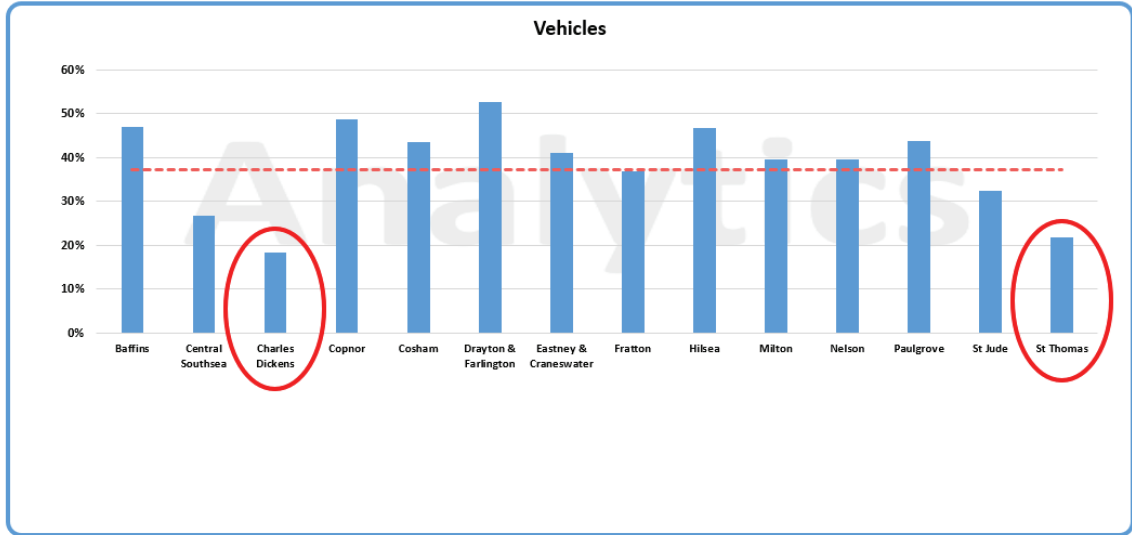
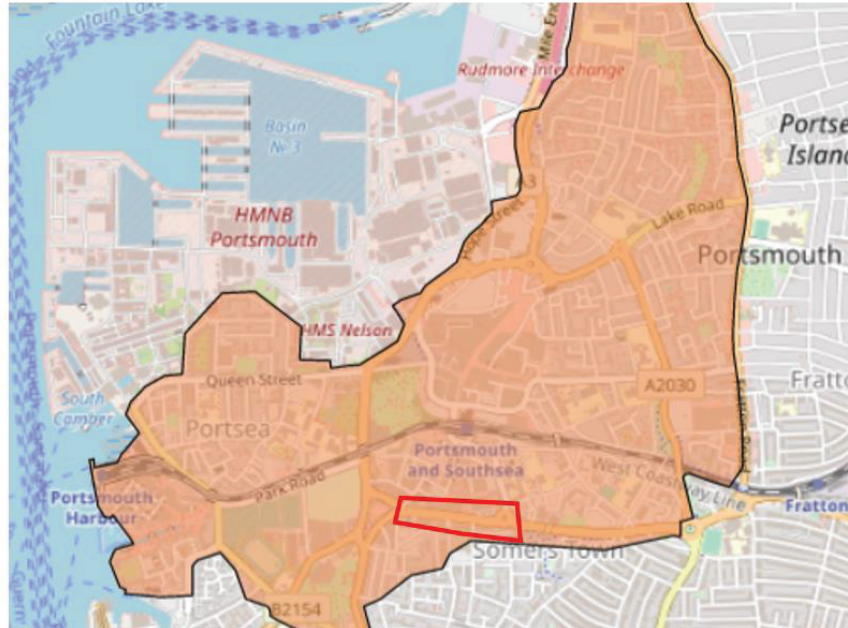


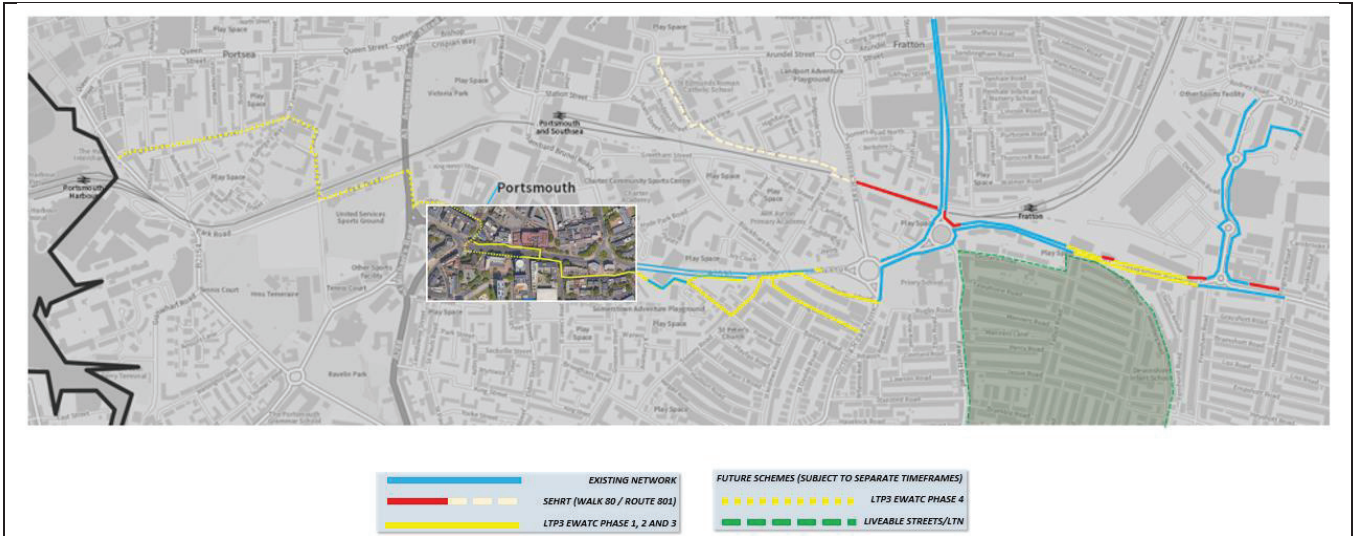
Figure 2 - 2011 Census data for Travel to Work by Ward - by Vehicles (%) and Active Travel (%) - Portsmouth Wards



**Figure 3** - Portsmouth's Clean Air Zone boundary with EWATC Phase 3 route location identified

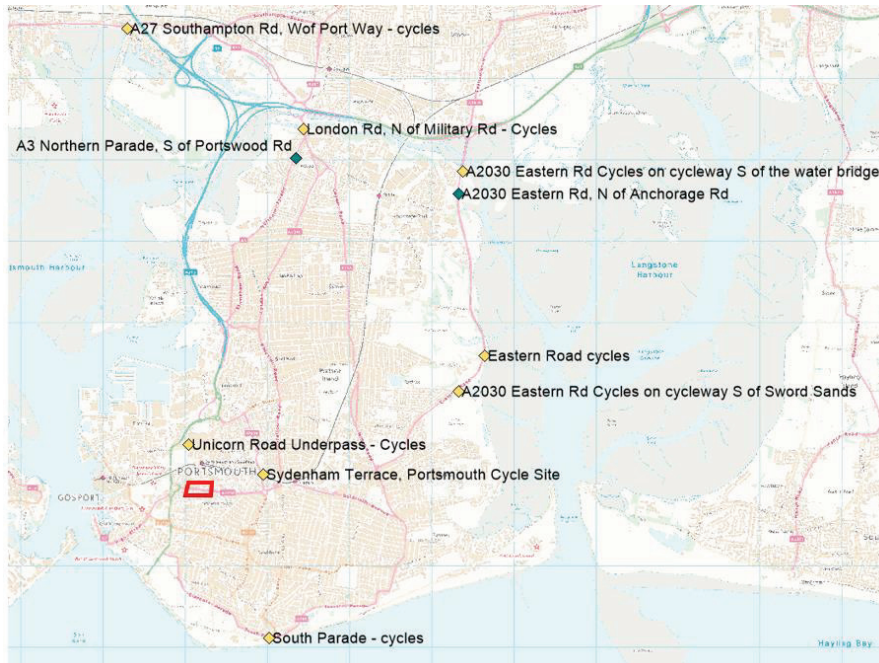
- 3.12 The walking and cycling improvements proposed under the EWATC have come forward in three phases, between Goldsmith Avenue in the east and Winston Churchill Avenue in the west.
- 3.13 The council's objective is to complete the 4<sup>th</sup> phase of the EWATC between Guildhall Walk and The Hard Interchange in future funding cycles.
- 3.14 Phase 1, which runs along Goldsmith Avenue from Haslemere Road through to Orchard Road, was originally a LTP 2018/19 scheme which has been previously consulted on in 2019. A small number of measures have been added to those consulted on in 2019, as part of the SEHRT 'Route 801' scheme which uses the same route. Some Phase 1 measures originally consulted on in 2019 are planned to come forward in 2022 to work as part of an LTP4 Liveable Streets trial taking place in the residential area immediately south of Goldsmith Avenue.
- 3.15 Phase 2, an LTP 2020/21 scheme, runs along Winston Churchill Avenue from Victoria Road North in the east, via Bradford Road/Montgomerie Road, and then via The Somerstown Community Hub before joining with the eastern end of Wellington Street.
- 3.16 Phase 3, an LTP 2021/22 scheme - the focus of this paper - runs from the eastern end of Wellington Street, through to the northern end of St James's Road and onwards west through Winston Churchill Avenue until it meets with Guildhall Walk around the St Michael's Gyratory.
- 3.17 **Figure 4** identifies the Phase 3 route as part of the wider network.





**Figure 4 - East West Active Travel Corridor Phase 4 amongst wider walking/cycling network**

- 3.18 The relative popularity of active travel in this part of the city is demonstrated through PCC's eight continuous cycle counts which are located across the city. The cycle count nearest to Phase 3 of the EWATC is located at Sydenham Terrace where the SEHRT Walk 80 works are proposed.
- 3.19 **Figure 5** identifies the location of the Sydenham Terrace cycle counter and location of the EWATC Phase 3 route, as well as all other cycle counters currently in place across the city.



**Figure 5 - Permanent cycle counter locations (yellow) including Sydenham Terrace and location of EWATC Phase 3 route (red square)**

- 3.20 In November 2021, the average daily cycle count at Sydenham Terrace was 874, with 704 cycles per day on average across the 12 months of 2021.
- 3.21 For comparison, the average daily count in November 2021 across all seven other sites was 365, with the average across 2021 being 382. Eastern Road is the next most popular section for cycling, with an average daily cycle count in November 2021 of 462, and an average daily count of 536 across 2021 as a whole.
- 3.22 All three phases that make up the EWATC have been combined with parts of the South East Hampshire Rapid Transit (SEHRT) Programme - including 'Route 801' and 'Walk 80' - as well as other Active Travel Improvements in the area. These combined works aim to work together to develop a single coherent cycle network for this part of the city.
- 3.23 Public consultation for each part of this walking and cycling network formed by the EWATC and SEHRT was undertaken between December 5<sup>th</sup> 2021 - January 9<sup>th</sup> 2022.
- 3.24 These parts of the EWATC and SEHRT are also planned to come forward together as one network for procurement and construction purposes, where possible.
- 3.25 All three phases are planned for construction between June - August 2022. With Phase 1 being on a main route to the football stadium, and Phases 2 and 3 being a primary route for university students' local travel, this construction timing provides an opportunity to reduce disruption to the local network, in largely falling outside of the football and academic seasons.
- 3.26 A range of possible walking and cycling improvement measures were considered and designed along the section of Phase 3. A thorough analysis and design process was completed and included a number of site visits and observations, review of local incident data, internal consultation with PCC officers, Ward Councillors and the Cabinet Transport Portfolio Holder, external consultation through public consultation and stakeholder engagement.
- 3.27 Multiple visits and observations have been completed to identify dominant pedestrian and cyclists' natural desire lines and existing infrastructure constraints for these road users.
- 3.28 At the time of issue of this paper, a report summarising all consultation survey results is being finalised. The draft report has confirmed that all proposed locations and measures have received majority support (either 'strongly support' or 'somewhat support') from the public. The final report will be made available upon final review and included on the 'Your City, Your Say' website.

- 3.29 Further opportunities, including through public notice advertisements and ongoing stakeholder engagement and communication platforms will assist in further informing the detailed design process and ensure all feedback is taken into account in the final design proposals.
- 3.30 Pedestrian and cycle traffic count surveys will be undertaken prior to construction for monitoring purposes, to be compared with follow up surveys after construction completion.
- 3.31 Some sections and measures originally proposed were determined as being unfeasible as a result of the above process, due to physical constraints (e.g. narrow footway widths), cost implications, design complications in managing different road users, private land ownership, not following a natural pedestrian and cyclist desire line, significantly encroaching on green space, or not being easily maintainable or suitable for the high footfalls.
- 3.32 The proposed improvements set out in this report will be finalised following the Cabinet decision, with any requested and agreed changes updated and included in Detailed Design drawings, supported by Road Safety Audits Stage 1 and 2, and final costings, ready to inform a procurement and contract for construction.
- 3.33 As part of the detailed design process, the EWATC project team will work with other council project teams such as that for the Horatio and Leamington House replacements, identify further opportunities to work together to agree complementary measures.
- 3.34 Should the final construction cost fall above the available budget, a recommendation will be made as to which measures should be prioritised and whether, either any remaining budget from another phase can cover the difference, or if one or more measures may be held back for revisiting as part of Phase 4.
- 3.35 A decision will be sought on any recommended alteration to the scheme made as a result on the above. This paper recommends that such as decision should be made through Delegated Authority to the Transport Portfolio Holder.

### **Proposed EWATC Phase 3 Walking and Cycling Improvements**

- 3.36 The proposed walking and cycling improvement measures being recommended for Cabinet approval comprise the following:
1. 2-way cycleway along Winston Churchill Avenue north of carriageway
  2. New 'Floating Bus Stop' on northern side of Winston Churchill Avenue
  3. 2-way cycleway along Winston Churchill Avenue south of carriageway
  4. Upgrade of Winston Churchill Avenue pedestrian crossing to form toucan crossing
  5. Middle Street pedestrian/cyclist priority at junction
  6. St James's Road turning head and disabled parking bay redesign



7. Wellington Street quieter route

3.37 Each measure is introduced briefly below.

3.38 Concept design plans are detailed in **Appendix A** respectively.

3.39 A summary of the external consultation responses are included as **Appendix B**.

Measure 1: 2-way cycleway along Winston Churchill Avenue (north of carriageway)

3.40 A wide footway space runs parallel north of Winston Churchill Avenue, heading west from the crossing point, in front of the Law Courts. This area is aligned with mature trees running down the centre of this space and parallel with the road, with all trees located approximately 4 metres from the kerbside.

3.41 **Figure 6** displays the Winston Churchill Avenue northern side footway



**Figure 6** - Winston Churchill Avenue shared footway/cycleway (northern side)

3.42 Proposed improvements would be designed as a continuation of the southern side's segregated 2-way cycleway. The cycleway would be positioned between



the kerbline and tree line, ensuring sufficient space is left pedestrians while improving segregation between the different road users.

Measure 2: Floating bus stop

3.43 Further west along the northern section of Winston Churchill Avenue, in front of the University Learning Centre (previously Highbury College 'Chimes' restaurant), a bus stop is located with two bus shelters and a separate extended bus layby, adjoined with a loading bay. As a result, the footway/cycleway space is narrowed at this point.

3.44 **Figure 7** displays the Winston Churchill Avenue northern side footway.



*Figure 7 - Winston Churchill Avenue shared footway/cycleway (northern side)*

3.45 Though this was previously a well used bus stop, and there are aspirations to increase patronage/service frequency once again of this bus stop, services are currently limited to 2 across the weekday, with 1 bus every 20 minutes on average. The extended layby is currently largely redundant as is the loading bay which is understood to have previously provided for local commercial units.



- 3.46 The proposed improvements seek to repurpose the bus stop layby to become a continuation of the 2-way cycleway. To achieve this, the existing bus shelters would be retained, but repositioned on to where the layby currently is, supported by a new raised platform area. Buses would stop in a new marked waiting area the bus lane rather than the existing bus layby.
- 3.47 The 2-way cycleway would run behind the bus shelters before returning to its original alignment by running down the former bus layby at the carriageway surface level.
- 3.48 As the cycleway runs around the repositioned bus shelters, suitable and clearly visible pedestrian prioritised zebra crossing points will be in place to prevent conflict with passing cyclists and bus stop users, and will clearly display to cyclists that pedestrians accessing the bus stop will have right of way.
- 3.49 The western end of the new 2-way cycleway which makes use of the existing bus layby would have a new ramp facility for easy access back up onto footway level at the western end of the layby.
- 3.50 At the point in which the 2-way cycleway reaches St Michael's Gyratory, the 2-way cycleway will meet again with the existing shared footway/cycleway space. The intention for EWATC Phase 4 is for the whole northern part of the St Michael's Gyratory crossing to be decluttered and redesigned to better facilitate and reduce conflict between the different road users including pedestrians and cyclists (and e-scooters). The termination of the 2-way cycleway at this point will allow for the future development while still providing an improvement to the area in the meantime.

Measure 3: 2-way cycleway along Winston Churchill Avenue (south of carriageway)

- 3.51 The wide footway space which runs in between the Winston Churchill Avenue carriageway and the university buildings experiences high levels of local pedestrian and cyclist traffic, especially during university season. This is currently a shared footway/cycleway with no segregation between different users.
- 3.52 **Figure 8** displays the Winston Churchill Avenue southern side footway.





*Figure 8 - Winston Churchill Avenue shared footway/cycleway (southern side)*

- 3.53 Proposed improvements include a segregated 2-way cycleway along a part of the existing footway, to run parallel with the carriageway. The cycleway would be identifiable through design features which are recommended in LTN1/20.
- 3.54 Where necessary, existing street furniture will be relocated to avoid conflict with cyclists and without detriment to local pedestrian movements.
- 3.55 A continuation of this 2-way cycle way would be included on the north side of Winston Churchill Avenue and linked via an upgraded toucan crossing as detailed below.

#### Measure 4. Upgraded Toucan Crossing at Winston Churchill Avenue

- 3.56 An opportunity has been presented to work in conjunction with scheduled Life Cycle Replacement (LCR) programme works through PCC's PFI scheme, to upgrade the existing pedestrian crossing at Winston Churchill Avenue, located in front of the University of Portsmouth's Eldon Building.
- 3.57 **Figure 9** displays the existing pedestrian crossing.



**Figure 9** - Winston Churchill Avenue pedestrian crossing (in front of UoP Eldon Building)

- 3.58 This is a heavily used crossing point for a range of users in this area, most notably students during the academic year. While this crossing is designed currently for pedestrians only, it is regularly used by cyclists as well as e-scooters.
- 3.59 The scheduled crossing improvements under the LCR Programme are set to be undertaken in June and July 2022. In taking this opportunity to upgrade the crossing to a toucan crossing at this time; providing improvements such as new signal heads, phasing timings, and additional widths, cyclists will be formally supported by the crossing design with their conflicts with pedestrians reduced.

#### Measure 5. Middle Street junction crossing

- 3.60 The T-junction adjoining the north of Middle Street with Winston Churchill Avenue is negotiated by a significant level of pedestrians and cyclists, especially during the academic year when students are in high numbers. This junction currently provides priority to vehicles as a left in/left out only arrangement.
- 3.61 **Figure 10** displays the Middle Street/Winston Churchill Avenue junction.





*Figure 10 - Middle Street/Winston Churchill Avenue junction*

- 3.62 The Middle Street/Winston Churchill Avenue junction is included as an illustrative example of where improvements could be located as part of the draft LCWIP document. As such, it has already been identified as an ideal priority location for walking and cycling improvements.
- 3.63 Local constabulary traffic incident data has identified 6 reported incidents involving cyclists at this junction between 2015 - 2020. Five of these cyclist incidents involved collisions with vehicles exiting Middle Street to enter Winston Churchill Avenue and not giving way to passing cyclists. The other incident involved a cyclist slipping on tactile paving in wet weather.
- 3.64 The proposed improvements include re-prioritising the travel mode access through implementing either a continuous footway/cycleway along the width of the junction, or alternatively a tiger crossing. Either of these design options would create a continuous pedestrian and cyclist link from the 2-way cycleway on the eastern side to the western side of the Middle Street.
- 3.65 The proposals seek to ensure vehicle drivers are given the opportunity to be made aware of the approaching change in priority, while also maximising the accessibility and safety for cyclists and pedestrians through including the following features:

- a) Good unobstructed forward visibility towards and at the junction
  - b) Signage for vehicle drivers to be aware of approach to crossing
  - c) Kerb realignment on approach to the junction to help slow vehicles
  - d) Raised footway/cycleway across the carriageway at the junction
  - e) Bollards and tactile paving
  - f) Footway - carriageway transitions for cyclists on approach to junction from/on Middle Street
- 3.66 A continuous pedestrian/cycleway across the junction would be the preference to a tiger crossing at this location. While this measure has not been implemented anyway else yet in Portsmouth, it is being introduced in other locations across the country as a solution to genuinely shift the junction priority from vehicles to walking/cycling.
- 3.67 The design, such as that displayed in **Figure 11**, sends a clear message to vehicles that they are to give way to pedestrians and cyclists as they are approaching the junction, whether from the minor or major arm.
- 3.68 As with all measures presented in this paper, this proposed design solution would be subject to a Road Safety Audit and finalised drawings to be approved prior to construction.
- 3.69 The 2-way cycleway would cease to the west of the Middle Street junction, placing pedestrians and cyclists on the existing shared footway/cycleway. However, Phase 4 (coming forward in 2022/23) presents an opportunity to revisit options to extend the cycleway west of the Middle Street junction further along the southern side/westbound carriageway of Winston Churchill Avenue to complete the link up to St Michael's gyratory, in addition to the northern side 2-way cycleway being proposed for Phase 3.



**Figure 11** - New continuous footway/cycleway at junction in Kingston - Source: Kingston Cycling Campaign

#### Measure 6. St James's Road north turning head improvements

- 3.70 The northern end of St James's Road, as it joins with Winston Churchill Avenue (not for vehicles), offers a key link for east-west travel between the Wellington Street Quieter Route and Winston Churchill Avenue, as well as for north-south active travel movements between the residential area to the south and onwards to Southsea and the seafront.
- 3.71 The northern end of St James's Road is currently occupied by parking bays which have been designated for disabled vehicle use only, with Pay & Display parallel parking bays aligning the western side of the carriageway further south.
- 3.72 **Figure 12** displays the St James's Road north.





*Figure 12 - St James's Road north*

- 3.73 While these parking bays are observed to be occasionally occupied, they are not observed as being in high demand. Furthermore, the disabled bays are of substandard design (most notably the western-most bay), with narrow widths, no suitable turning space, and no dropped-kerbs in place to provide access off of the carriageway for disabled vehicle users.
- 3.74 As well as providing substandard facilities for disabled vehicle users, the northern end of St James's Road also lacks any accessible link between the carriageway and footway for cyclists (and e-scooters). As a result, cyclists are often observed cycling along the footways along St James's Road in order to access Winston Churchill Avenue.
- 3.75 Finally, the grass verge space north of the disabled bays features a well-used and established natural desire line for pedestrians.
- 3.76 An opportunity is presented here to have a positive impact for disabled vehicle users through improved accessibility, cyclists, e-scooters and pedestrians. Proposals for this location are expected to include some or all of the following:
- a) Removing the western-most disabled bay
  - b) Relocating the other 2 disabled bays to replace existing Pay & Display parking space



- c) Dropping or implementing an access ramp at the north kerb of St James's Road
- d) Bound gravel or tarmac re-surfacing of a section of the grass verge
- e) 'Share with Care' surface marking

3.77 **Figure 13** displays a turning head at the end of Stanley Street in Southsea, as it meets with Palmerston Road, which provides a similar layout to this area of St James's Road.



*Figure 13 - Stanley Street turning head and dropped kerb example*

3.78 This turning head at Stanley Street comprises 2 x disabled bays and a clear area for access to the footway. This offers an example of the type of basic improvements that could be made at St James's Road, in line with other parts of the city.

#### Measure 7. Wellington Street - Quieter Route

3.79 Wellington Street has been identified for its potential in offering a suitable 'Quieter Route' between The Somerstown Hub and Winston Churchill Avenue.



This would act as a direct continuation from Phase 2's quieter route improvements through River's Street and around The Hub.

3.80 Sufficient safe space is provided for cycles of all kinds to access the carriageway of Wellington Street from the east via an existing dropped kerb. As a cul-de-sac, it is a relatively lightly trafficked road comprising formalised on-street parking and parking restrictions, and suitable road widths. There is sufficient space for cyclists to pass parked vehicles and vehicles in the road. Vehicles are observed to drive at slow speeds, while the straight and open road provides good visibility between cyclists and other road users, with the road being well-lit and well overlooked at night.

3.81 **Figure 14** displays the conditions of Wellington Street.



**Figure 14** - Wellington Street looking west from The Somerstown Community Hub direction

3.82 This route would provide an alternative for cyclists to using the existing shared footway/cycleway which runs north around Illustrious and Ark Royal House.

3.83 This existing shared footway/cycleway route experiences high footfall, where pinchpoints obscure visibility and heighten conflict between pedestrians and cyclists.

- 3.84 North of Illustrious and Ark Royal House would remain a shared footway/cycleway. However, the diversion of a proportion of cyclists to Wellington Street would result in more space being made available for pedestrians and reduced conflict between pedestrians and cyclists in this area.
- 3.85 Proposed improvements to make Wellington Street a 'Quieter Route' include:
- a) Signage at east end to denote shared footway/cycleway, adjoining with local improvements coming forward as Phase 2.
  - b) Diagram 1057 marking in both directions along the length of Wellington Street up to the junction with St James Road.
  - c) Way-maker signage at key locations.

#### 4. Reasons for recommendations

- 4.1 It is recommended that Cabinet approve the proposed East West Active Travel Corridor Phase 3 walking and cycling improvement measures, as set out in **paragraph 2.3**.
- 4.2 It is recommended that Cabinet **Note that the Cabinet Member for Traffic and Transportation will be requested as necessary to review and approve minor amendments to the proposed designs and timescales due to any unanticipated issues raised or changes in costs.**

#### 5. Integrated impact assessment

- 5.1 An Integrated Impact Assessment has been completed and is included in the appendices.

#### 6. Legal implications

- 6.1 Section 39 of the Road Traffic Act 1988 stipulates that each relevant authority has a statutory duty to take such measures as appear to the authority to be appropriate to prevent accidents.
- 6.2 Failure to carry out the above obligation could result in action being taken against the authority for breach of statutory duty. Providing a road safety service involves education, training and publicity which benefits road safety and enables the upholding of laws in relation to the safe use of the highway.
- 6.3 It is the duty of a local authority to manage their road network with a view to achieving, so far as may be reasonably practicable having regard to their other obligations, policies and objectives, the objectives of securing the expeditious movement of traffic on the authority's road network, including pedestrians.

- 6.4 Local authorities have a duty to take account of the needs of all road users, take action to minimise, prevent or deal with congestion problems, and consider the implications of decisions for both their network and those of others.
- 6.5 A highway authority may provide and maintain in a highway maintainable at public expense by them, which consists of or comprises a carriageway such works as they consider necessary for the purposes of safeguarding persons using the highway under the Highways Act 1980.
- 6.6 There is a specific power under section 23 of the Road Traffic Regulation Act 1984 to establish crossings for pedestrians on roads for which the authority is the local traffic authority (LTA). This includes zebra, pelican and toucan crossings. The LTA may also alter or remove such crossings.
- 6.7 Before establishing, altering or removing a crossing the LTA shall:  
a) consult the local chief of police;  
b) give public notice of this proposal
- This implies a duty to consider representations received in response to such consultation
- 6.8 Any works that fall within the definition of traffic calming works must be carried out in accordance with The Highways (Traffic Calming) Regulations 1999 ("the Regulations")
- 6.9 Traffic calming works are defined as build-outs, chicanes, gateways, islands, overrun areas, pinch points or rumble devices.
- 6.10 The local authority have a duty under the Regulations to consult with the following persons:  
  
(a) the Chief Officer of Police for the area which the proposed changes are situated;  
(b) people and organisations who are likely to be affected by the proposed changes; and  
(c) any other person likely to be affected by the traffic calming works.
- 6.11 A traffic regulation order (TRO) will be required to introduce any changes to use of, or any change of direction by, a particular class of traffic, including pedestrians and cyclists and any changes to on-street parking
- 6.12 A proposed TRO must be advertised and the public given a 3 week consultation period where members of the public can register their support or objections. If objections are received to the proposed order the matter must go before the appropriate executive member for a decision whether or not to make the order, taking into account the comments received from the public during the consultation period. The local bus operators will have to be consulted over any

alterations to the bus routes or bus stops. If they object to any proposal, it may have to go to a public inquiry.

**7. Director of Finance's comments**

- 7.1 The cost of the proposed improvements set out in the recommendations of this report will be funded from the Local Transport Plan budget allocation £115,000 included in the approved Capital Programme by Full Council in February 2021.
- 7.2 If the proposed costs of delivering the improvements in phase 3 exceed the available budget then a decision will need to be made as to which measures should be prioritised or whether funding elsewhere within the LTP programme could be utilised.

.....  
Signed by: Tristan Samuels, Director of Regeneration

**Appendices:**

- Appendix A - Proposed concept designs
- Appendix B - Internal Impact Assessment

**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

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

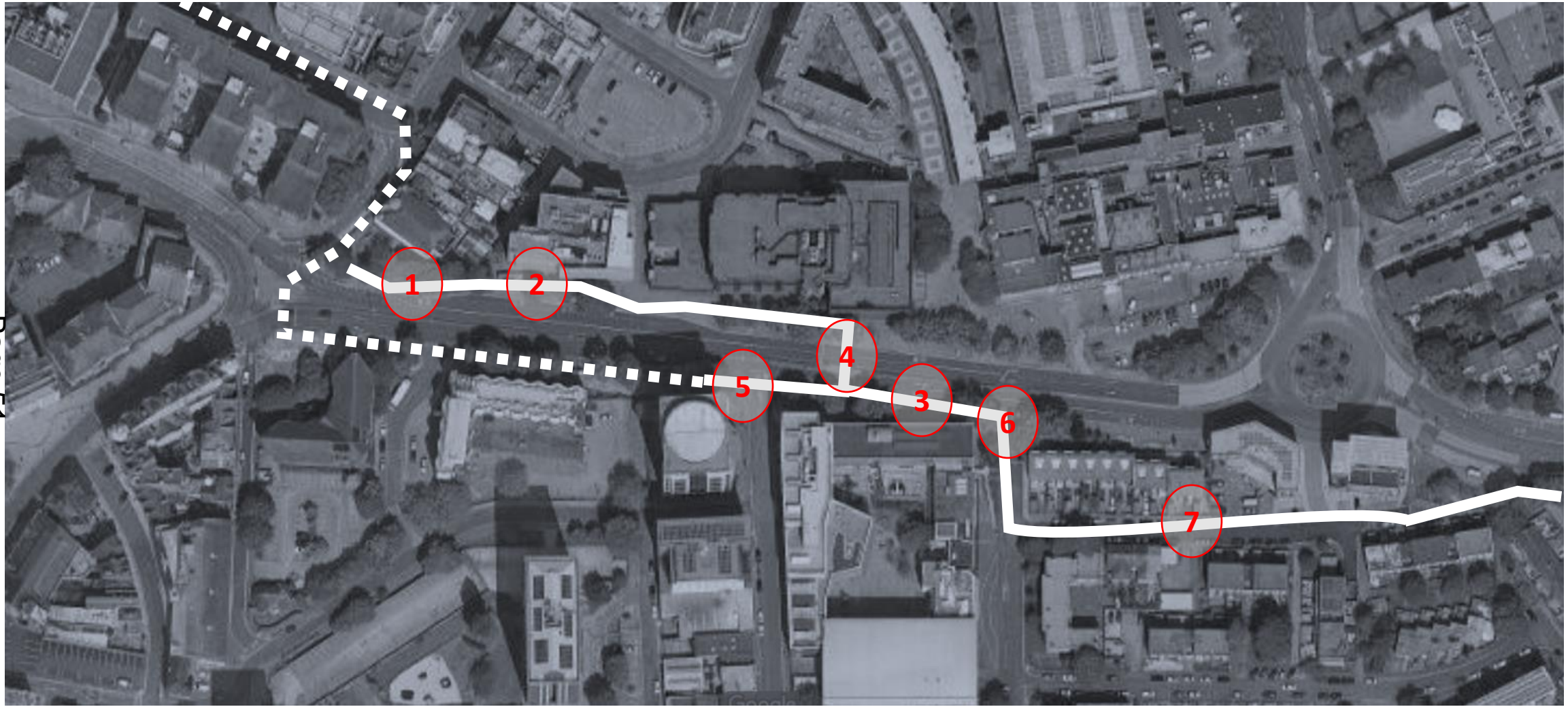
.....  
Signed by:

This page is intentionally left blank





# EAST WEST ACTIVE TRAVEL CORRIDOR (EWATC) PHASE 3 PROPOSED ROUTE AND MEASURES

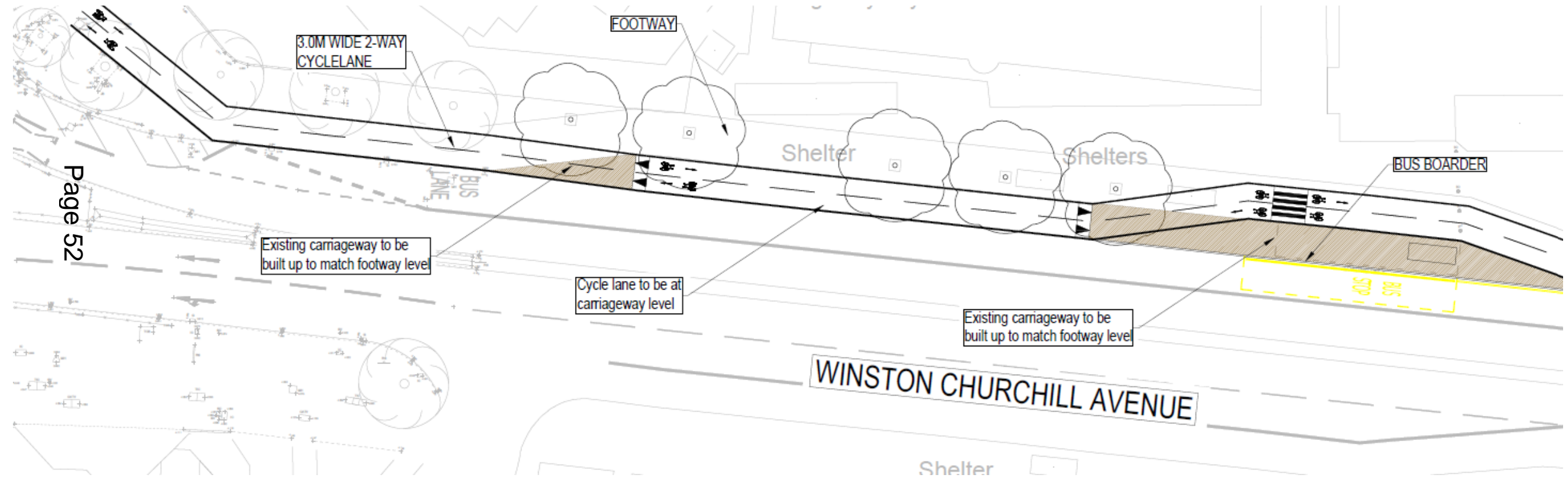
Page 51



**2** = measure (in order of priority)

 = Proposed Phase 3 route

 = Proposed Phase 4 route







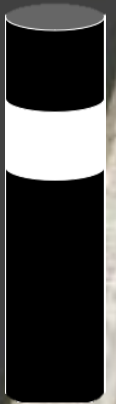












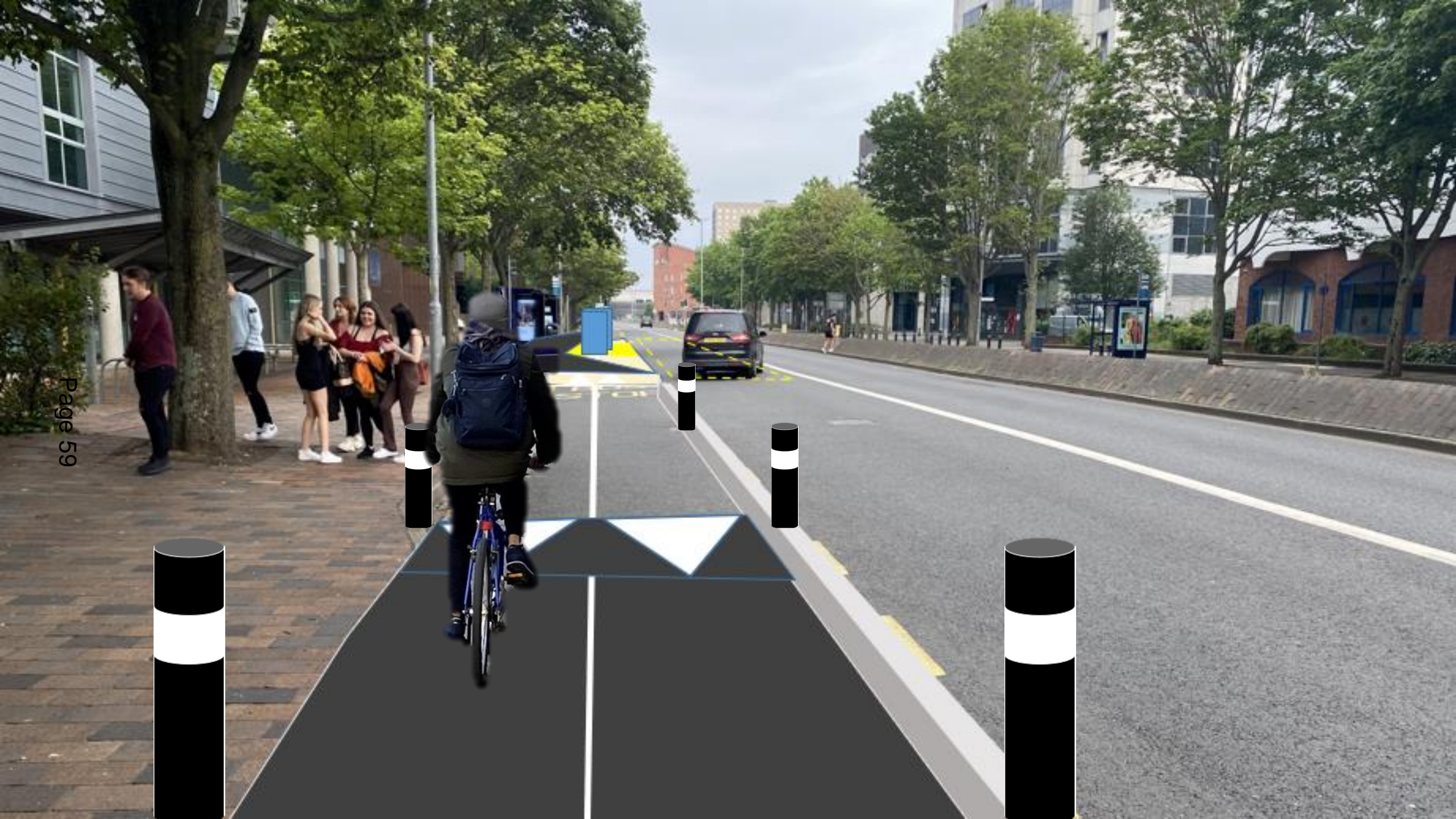




















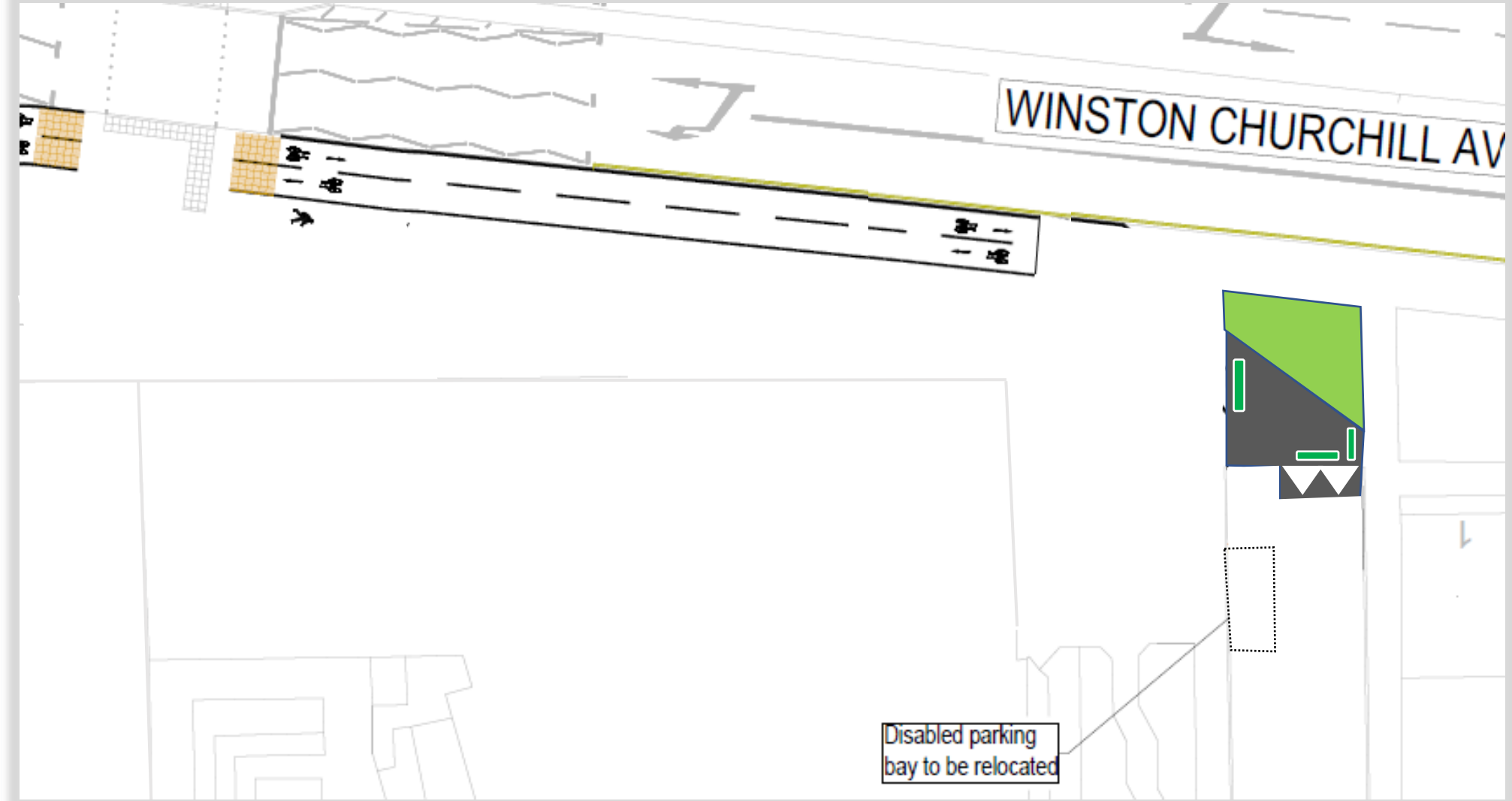














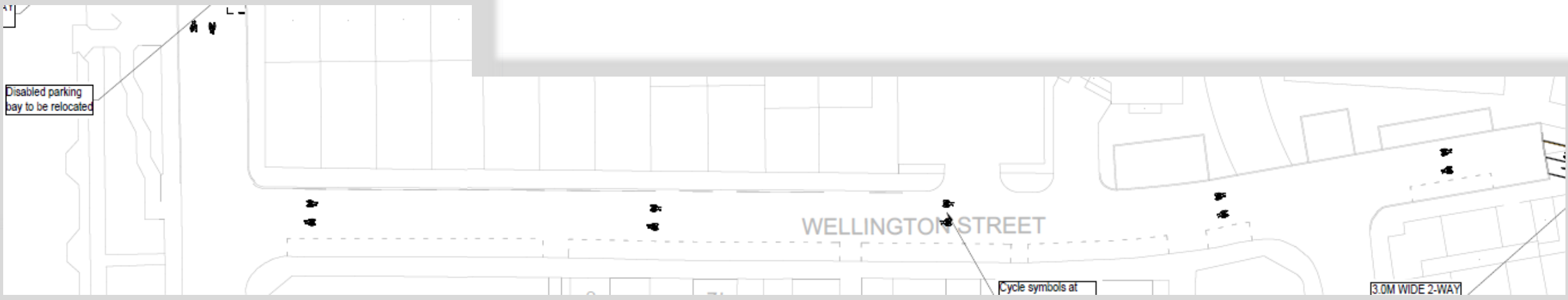
















Page 69









# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Regeneration

**Service, function:**

Safer Travel

**Title of policy, service, function, project or strategy (new or old) :**

East West Active Travel Corridor Phase 3

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To provide accessible, continuous, safe and attractive pedestrian and cycling infrastructure between Isambard Brunel Road roundabout and Guildhall Walk as part of the wider EWATC between Fratton and The Hard, in line with PCC's Local Transport

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

Yes. Internal and external consultation has been undertaken including transport managers, leader, portfolio holder and ward councillor briefings, and public consultation including online briefings and online stakeholder engagement meetings. The internal consultation informed some significant changes to the route of the scheme, while we wait the outcome of the external public consultation survey.

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A1-Crime - Will it make our city safer?

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A2-Housing - Will it provide good quality homes?

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?



How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Improving the walking and cycling infrastructure will make a meaningful contribution to the Council's work in encouraging more active travel, especially with this route moving through two of the most deprived wards and on a primary route into the Clean Air Zone, while also contributing to healthier streets and healthy places.

How are you going to measure/check the impact of your proposal?

Cycle surveys before and after implementation of the scheme is carried out.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Improved pedestrian and cycling facilities include segregation of pedestrians and cyclists, improved junction crossings and dropped kerbs, including upgraded facilities for the visually impaired/partially sighted. This will have a benefit for all who depend on walking and cycling as well as other means including mobility aids such as mobility scooters, walking frames, rollators, and wheelchairs as well as for those traveling with pushchairs. Specifically, changes to disabled parking bays at St James's Road will have a direct positive impact for disabled vehicle users.

How are you going to measure/check the impact of your proposal?

Various data sources including 'Widen My Path', Routes4U, accident data, and future monitoring of accessibility will help understand the impact of this scheme.



**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Promoting active travel will have a direct benefit to supporting those who would consider using active means of travel over the car for some or all of their local journeys in the city.

How are you going to measure/check the impact of your proposal?  
Cycle and traffic surveys in and around the scheme before and after the work is complete.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>  
<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



## B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

### B5-Air quality - Will it improve air quality?



In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Promoting active travel will have a direct benefit to supporting those who would consider using active means of travel over the car for some or all of their local journeys in the city.

How are you going to measure/check the impact of your proposal?

Engage with the Air Quality team to identify trends in local air quality in locations around the scheme where monitoring is available, and collate that data with before and after cycle surveys along the scheme.

## B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

### B6-Transport - Will it improve road safety and transport for the whole community?



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

This is an active travel scheme which aims to support travel for pedestrians and cyclists, whilst helping maintain access to bus services. In complying as much as possible with LTN1/20 design guidance the scheme will offer improved prioritisation to active travel over car journeys, make crossings and junctions safer for pedestrians and cyclists, improve movement/reduce conflict between pedestrians and cyclists and enhance the condition of the environment further away from a dominance of and dependence on car travel, providing further opportunities in the future to further develop this environment.

How are you going to measure/check the impact of your proposal?  
Cycle surveys before and after implementation of the scheme.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?

In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The measures seek to protect and enhance the city's cultural capital by respecting the buildings and features it runs past, through sympathetic design and encouraging a continued revitalisation of the public realm.

How are you going to measure/check the impact of your proposal?  
Further stakeholder engagement in the future will seek to understand the public's perception and experience of the scheme in how it contributes to the heritage and life of the area it passes through.

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?



In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Improving the attractiveness and accessibility of the public realm, particularly around the university area, will continue to promote Portsmouth as a city where people want to learn, work and live, while also improving the local travel experience and accessibility for local residents and job opportunities.

How are you going to measure/check the impact of your proposal?  
Further stakeholder engagement in the future will seek to understand local resident and employee perception and experience of the scheme in how it helps make the area an attractive place to work, learn and live.

**Q8 - Who was involved in the Integrated impact assessment?**

Andy Bullock, EWATC Project Manager, Safer Travel Team.

**This IIA has been approved by:** Michelle Love

**Contact number:** 023 9289 4889

**Date:** 21.01.2022



# Agenda Item 9



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

---

## 1. Executive Summary

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

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

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

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

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

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



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

## **EXECUTIVE SUMMARY**

### **Context**

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

### **Budget Consultation**

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

### **Revised Budget 2021/22**

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

## EXECUTIVE SUMMARY (Cont'd)

### Budget 2022/23

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

## **EXECUTIVE SUMMARY (Cont'd)**

### **Future Forecast - 2023/24 to 2025/26**

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

### **Capital Programme 2021/22 to 2026/27**

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

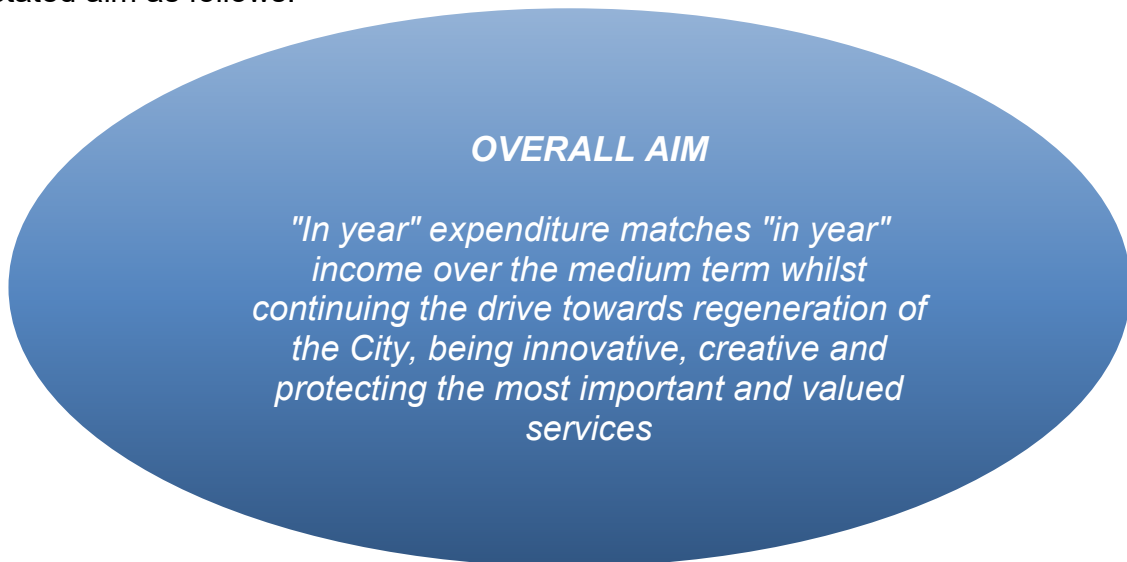
### **Conclusion**

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



## 2. Purpose of report

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



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

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

### **3. Recommendations**

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

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

- 6) That the level of Council Tax be increased by 1.99% for general purposes in accordance with the referendum threshold<sup>1</sup> for 2022/23 announced by Government (as calculated in recommendation 3.4 (d))
- 7) That the level of Council Tax be increased by a further 1.0% beyond the referendum threshold (as calculated in recommendation 3.4 (d)) to take advantage of the flexibility offered by Government to implement a "Social Care Precept", and that in accordance with the conditions of that flexibility, the full amount of the associated sum generated of £872,400 is passported direct to Adult Social Care
- 8) That Revenue Contributions to Capital be made in 2021/22 in the sum of £1.0m and in 2022/23 in the sum of £2.0m in order to provide sufficient funding for the New Capital Investment proposals set out in Appendix D
- 9) Managers be authorised to incur routine expenditure against the Cash Limits for 2022/23 as set out in Section 11
- 10) That no savings requirement for 2023/24 be set but that this is kept under review, pending the outcome of the forthcoming Fair Funding Review and Business Rate Retention Scheme
- 11) That the S.151 Officer be given delegated authority to make transfers to and from reserves in order to ensure that they are maintained as necessary and in particular, adjusted when reserves are no longer required or need to be replenished
- 12) The minimum level of General Reserves as at 31 March 2023 be maintained at £8.0m to reflect the known and expected budget and financial risks to the Council
- 13) The Revised Capital Programme 2021/22 to 2026/27 attached as Appendix E which includes all additions, deletions and amendments for slippage and re-phasing be approved
- 14) The S.151 Officer be given delegated authority to determine how each source of finance is used to fund the overall Capital Programme and to alter the overall mix of financing, as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the Council
- 15) That the S.151 Officer in consultation with the Leader of the Council be given delegated authority to release capital resources held back for any contingent items that might arise, and also for any match funding requirements that may be required of the City Council in order to secure additional external capital funding (e.g. bids for funding from Government or the Solent Local Enterprise Partnership)
- 16) Subject to a satisfactory financial appraisal approved by the Director of Finance and Resources & S.151 Officer, the schemes described in Appendix D be reflected within the recommended Capital Programme 2021/22 to 2026/27
- 17) The Prudential Indicators described set out in Appendix F be approved.
- 18) Members have had regard for the Statement of the S.151 Officer in accordance with the Local Government Act 2003 as set out in Section 16.

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

---

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



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

- 13) The Council's share of the Council Tax element of the Collection Fund surplus for 2021/22 is estimated to be £1,834,866
- 14) The Council's share of the Business Rate element of the Collection Fund deficit for 2021/22 is estimated to be £13,337,014 (noting that this is offset by Government Grants of £13,413,300)
- 15) The Retained Business Rate income<sup>2</sup> for 2022/23 is based on the estimated Business Rate element of the Collection Fund deficit as at March 2022, the Non Domestic Rates poundage for 2022/23 and estimated rateable values for 2022/23 and has been determined at £42,491,554
- 16) That Cabinet Members, in consultation with the S.151 Officer, have authority to vary Capital Schemes and their associated funding within or across Portfolios in order to manage any potential overspending or funding shortfall or to respond to emerging priorities
- 17) That Cabinet Members, in consultation with the S.151 Officer, have authority to vary funding between Portfolios (both Revenue and Capital Budgets) in order to manage any potential overspending or funding shortfall or to respond to emerging priorities
- 18) The City Council note that Prudential Borrowing can only be used as a source of capital finance for Invest to Save Schemes

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

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

(a)	£485,732,005	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£395,886,460	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£89,845,545	Being the amount by which the aggregate at 3.4 (a) above exceeds the aggregate at 3.4 (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act.
(d)	£1,570.46	Being the amount at 3.4(c) above (Item R), all divided by Item 3.3 above (Item T), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

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

(e) Valuation Bands (Portsmouth City Council)

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

Being the amounts given by multiplying the amount at 3.4 (d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings in different valuation bands.

- 3.5 That it be noted that for the financial year 2022/23 the Hampshire Police & Crime Commissioner is consulting upon the following amounts for the precept to be issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Police & Crime Commissioner)

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
157.64	183.91	210.19	236.46	289.01	341.55	394.10	472.92

- 3.6 That it be noted that for the financial year 2022/23 Hampshire and Isle of Wight Fire and Rescue Authority it is estimated that the following amounts for the precept issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire and Isle of Wight Fire & Rescue Authority)

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

- 3.7 That having calculated the aggregate in each case of the amounts at 3.4(e), 3.5 and 3.6 above, the Council, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the financial year 2022/23 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

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

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



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

3.9 The S.151 Officer be given delegated authority to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire Police & Crime Commissioner and Hampshire and Isle of Wight Fire and Rescue Authority precepts.

#### **4. Budget Consultation**

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

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

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

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

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

Portsmouth City Council's annual budget consultation had 2,331 responses from across all areas of the City. The analysis undertaken on the results showed that there was no majority in any of the percent specific increases in Council Tax (45% of respondents support a 2% increase). However, when results are viewed as a binary choice as 'increase Council Tax' or 'do not increase Council Tax' there is a clear majority support for an increase in some capacity (78% of respondents).

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

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

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

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

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

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

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

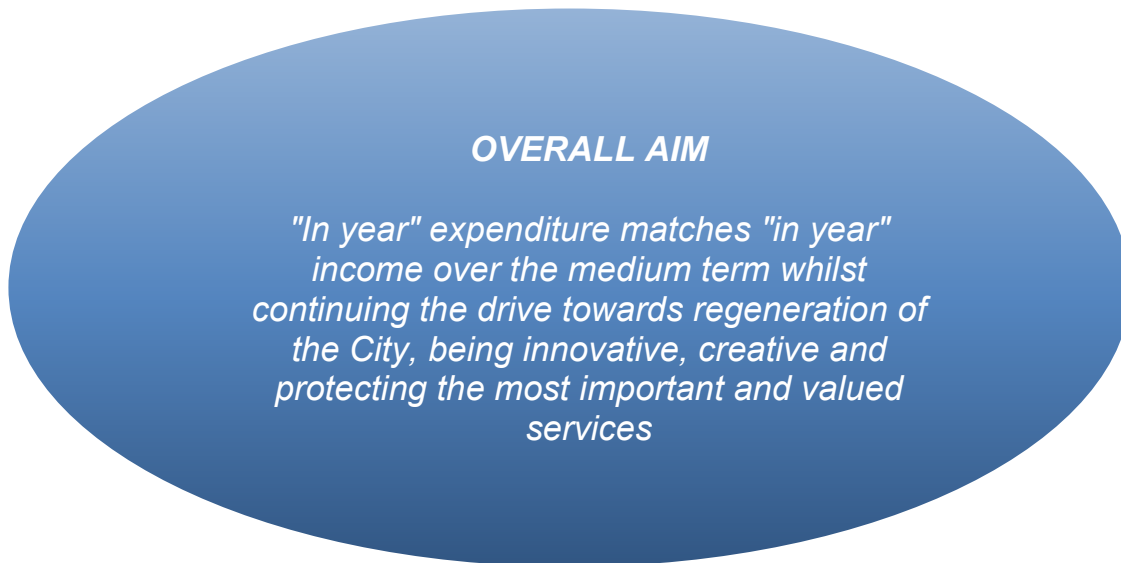
- 'building new homes in the city, including flats offering special care for elderly residents',
- 'investing in greening projects across the city', and
- 'creating better facilities for sustainable transport such as cycling and walking'

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

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

## 5. Medium Term Financial Strategy

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



### STRAND 1 - Short / Medium Term

Transforming to an Innovative and Creative Council - through income generation

### STRAND 2 - Medium / Long Term

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

### STRAND 3 - Short / Medium Term

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

### STRAND 4 - Short Term

Withdraw or Offer Minimal Provision for Low Impact Services

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



## 6. Revised Budget 2021/22

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

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

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

## 7. Revised Cash Limits 2021/22

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

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

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

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

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

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

## 8. Revenue Budget 2022/23

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

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

### **Budget Consultation**

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

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

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

### **Funding - Summary of the Local Government Finance Settlement**

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

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

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

8.8 A summary of the Settlement is set out below:

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



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

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

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

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

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

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

### **Funding - Retained Business Rates 2022/23 & Future Forecasts**

- 8.14 The Retained Business Rates system is complex and subject to a significant degree of inherent risk. The current national system is characterised by a complex formula which includes the following:
- i) Retention of 50%<sup>3</sup> of all business rates received and which is affected by the value of successful appeals, the number of mandatory reliefs (e.g. charitable relief) and the overall collection rate (i.e. how much is uncollectable and written off)
  - ii) Increased by a fixed amount "top up" which increases annually by the rate of inflation
  - iii) Compensation through S.31 Grants for national government initiatives which have the effect of reducing Business Rates to the Local Authority such as business rate capping for small businesses
  - iv) A "safety net" set at 7.5% below a pre-determined baseline below which retained Business Rates will not fall
- 8.15 In total, for 2022/23, Retained Business Rates are estimated at £42.5m<sup>4</sup> and which includes a deficit relating to previous year of £13.3m arising mainly from the Expanded Retail and Nursey relief scheme and the COVID Additional Relief Fund. The Council however receives compensation for the lost Business Rates through S.31 Grants.
- 8.16 The estimation of Business Rate receipts is extremely complex, with the potential to be volatile and with many of the factors outside this Council's control. In particular, the Valuation Office Agency will both determine whether a rating appeal is successful and the level of reduction granted with the Council having no right of challenge. To help mitigate against this risk, the Council maintains a reserve to provide the Council with a degree of funding stability in the event of fluctuations within and between years.
- 8.17 Despite the complications and risks associated with appeals, there remains the financial incentive within the system for many Local Authorities (including Portsmouth<sup>5</sup>) to generate economic growth and job creation. Irrespective of the financial incentive, the Council's Medium Term Financial Strategy is aimed at reducing the need for Council Services generally and therefore growth, jobs and prosperity are vital to achieve that.
- 8.18 From 2023/24, there is expected to be a review of the Business Rate Retention Scheme, the details of which are not yet known. The review will include a "Reset" which will remove

---

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

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

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

all current business rate growth currently being enjoyed by authorities and which for the Council amounts to £7.3m<sup>6</sup>.

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

### **Funding - Council Tax Proposals 2022/23 & Future Years**

#### *Council Tax Amount*

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

---

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



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

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

- The Service is already experiencing Budget Pressures in the current year which for 2022/23 are expected to amount to £3.6m, there is a management plan in place to address this but it does carry risk of successful delivery
- The National Living Wage increase of 6.6% plus other inflationary pressures facing the Service amount to £3.3m (in addition to the £3.6m above)
- Additional funding from Government to cover both Adults & Children's Social Care unavoidable cost pressures results in an overall funding shortfall of £4.7m<sup>7</sup>
- The alternative to not applying the 1% ASC Precept would be to increase the level of savings required by the Service, presenting risks to the wider health system.

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

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

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

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

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

#### *Council Tax Base*

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

#### *Collection Fund Balance (Council Tax Element) 2021/22*

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

---

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

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

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

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

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

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

*Total Council Tax Income 2022/23 & Future Years*

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

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

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

*Funding Summary*

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

## **Cumulative Effects of the Overall Local Government Funding System**

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

### **Financial Framework**

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



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

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

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

### **Budget & Inflationary Pressures 2022/23**

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

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

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

### **New Spending Initiatives**

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

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

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

### **Revenue Contributions to Capital**

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

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

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

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

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

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

## 9. Budget Savings Proposals for 2022/23

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

PORTFOLIO	Saving 2022/23	
	£	%
Children, Families and Education*	30,000	0.1%
Communities and Central Services	486,700	1.9%
Community Safety & Environment	222,000	1.5%
Culture, Leisure and Economic Development	104,000	1.3%



Health, Wellbeing and Social Care*	300,000	0.6%
Housing and Preventing Homelessness	131,300	3.1%
Leader	225,000	1.0%
Planning Policy and City Development	136,000	10.7%
Traffic and Transportation	190,000	1.2%
<b>GRAND TOTAL</b>	<b>1,825,000</b>	<b>1.3%</b>

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

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

## 10. Summary of Proposed Revenue Budget 2022/23

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

### **Spending 2022/23:**

- Additional funding for Adult Social Care - £3.3m
- Additional funding for Children's Social Care of £3.9m
- Additional funding of £0.8m for:
  - Full city-wide roll out of Food Waste Recycling

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

### **Funding 2022/23:**

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

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

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

## 11. Cash Limits

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

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

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

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

11.3 Managers will be expected to contain their expenditure in 2022/23 within Cash Limits and to regularly monitor their budgets to ensure this is achieved. Managers will continue to have the freedom to change their budgets within the Cash Limit in the year, provided they do not enter into commitments which would increase their expenditure in future years beyond the agreed Cash Limit for 2022/23.

11.4 As set out in the Council's Financial Rules, any overspends against the current year's Cash Limit will become the first call on any retained underspendings from previous years

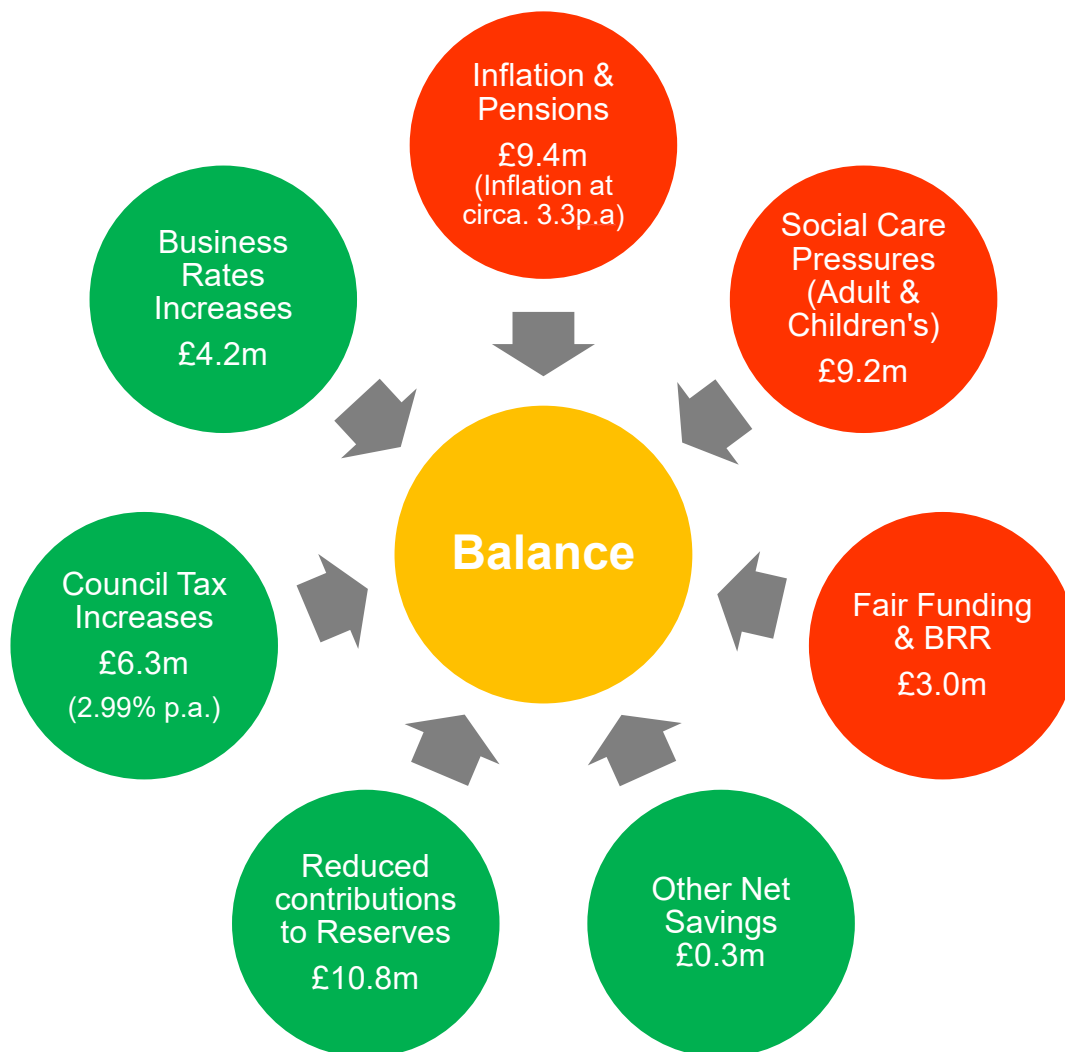


contained within a Portfolio's Earmarked Reserve. Should a Portfolio's Earmarked Reserve be depleted, any remaining overspend will be deducted from the 2023/24 Cash Limit.

- 11.5 Managers have delegated authority to incur committed routine expenditure within their approved Cash Limit. Routine expenditure is any expenditure incurred to meet the day-to-day operational requirements of the service, or any specific approved budget pressure. Managers wishing to incur expenditure on any other specific item should seek approval from the relevant Portfolio holder before incurring that expenditure.
- 11.6 These Cash Limits will be adjusted under the delegated authority of the S.151 Officer to reflect transfers of budgets that come to light after the Budget has been approved, such as changes to the assumptions on inflation rates and any other virements.
- 11.7 Managers will be required to report their forecast outturn position to the relevant Portfolio holder on a regular basis and the Cabinet will receive a report on the overall budget position every quarter.

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

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



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

**Spending:**

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

**Funding:**

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

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

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

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

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

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

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

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

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



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

### **13. Medium Term Resource Strategy Reserve**

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

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

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

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

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

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

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

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

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

## 15. Capital Programme 2021/22 to 2026/27

### Summary

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

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

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

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

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

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

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



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

### **Overall Strategy**

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

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

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

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

#### ***Criteria 1 - To support a Medium Term Outlook***

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

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

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

### ***Criteria 3 - Targeted Capital Investment***

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

### **Total New Corporate Capital Resources**

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

#### **Corporate Capital Resources**

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

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

### Ring Fenced Capital Funding

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

### Prudential Borrowing

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



## **New Capital Investment Proposals & Revised Capital Programme**

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

## **Proposed Capital Programme 2021/22 to 2026/27**

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

### **Future Capital Obligations, Priorities and Aspirations**

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

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

#### *Statutory Obligations:*

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

#### *Improving the City Economy:*

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

#### *Enhancing the Environment:*

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

#### *Public Service Transformation:*

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

15.28 The scale of the funding required for these obligations and aspirations is such that it far outstrips the annual capital funding which may be available. With core capital funding of circa £7m per annum, there is a hugely significant shortfall ("Capital Gap") to be met. From this £7m, there is an expectation from Central Government that amounts allocated for Education (circa. £1.6m) should be allocated for School Condition and there is an obligation

to maintain a Local Transport Plan from the annual £1.8m provided from the Department for Transport. The overall implication being that routine annual funding available for Capital Investment is extremely limited.

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

### **Prudential Borrowing Indicators**

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

#### **Ratio of Financing Costs to Net Revenue Stream**

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

#### **Capital Financing Requirement (CFR)**

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

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

#### **Housing Revenue Account (HRA) Limit on Indebtedness**

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

#### **Authorised Limit for External Debt & Operational Boundary for External Debt**

- 15.31 The Council's Limit for External Debt, recommended for 2022/23, should be broadly equivalent to its CFR (described above) but should allow for a little headroom in excess of it. This has been set accordingly. Furthermore, the Operational Boundary for external debt serves as an early warning tool to highlight whether the External Limit is nearing a breach. This, therefore, is set at the level to which external debt is more likely to be. In accordance with the Council's Capital Strategy and Medium Term Financial Strategy, the Administration

have prioritised those schemes that meet the Council's statutory responsibilities and that are most likely to drive cost reduction for the Council, innovation and clean economic growth and productivity for the City.

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

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

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

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

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

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

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

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

### **(a) Robustness of the Budget**



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

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

#### **(b) The Adequacy of Proposed Financial Reserves**

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

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

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

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

## 17. Conclusion

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

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

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

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

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

17.5 The "Balanced" 3 Year Forecast is "finely balanced" and is predicated on assumed Council Tax increases of 2.99% per annum. The most significant risk to this central projection is the

Local Government Funding Reform as well as other unavoidable cost pressures that may arise, particularly in Care Services. Taken together, these risks have the potential to vary the "Balanced Forecast" by +/- £3m.

- 17.6 It is important that the Council continues to follow its Medium Term Financial Strategy, exercise spending restraint, manage its cost base and maintain Reserves at adequate levels if it is to remain well placed to respond the overhaul of Local Government Funding and potentially realise a zero savings position in future years beyond 2023/24.
- 17.7 The Council should also be particularly mindful of the potential future income or reduced demand / costs that the Council could derive through the delivery of its Capital Programme. This is likely to be the biggest influence on enabling jobs, growth and overall improved prosperity within the City.

## **18. Integrated Impact Assessment (EIA)**

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

## **19. City Solicitor's Comments**

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

## **20. S.151 Officer's Comments**

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



.....  
Signed by:

**Appendices:**

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

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

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

.....  
Signed by:

## APPENDIX A

### Calculation of the Council Tax 2022/23

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

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

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

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

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

# GENERAL FUND SUMMARY - 2021/22 to 2025/26

# APPENDIX A

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

## APPENDIX B

### BUDGET AND FORECAST EXPENDITURE 2022/23 to 2025/26

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



## INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal	Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
-----------------------------	------------------------	------------------------	------------------------

**Children, Families and Education Portfolio****Director of Children's Services & Education**

001	Increase Dedicated Schools Grant contribution for Sensory Impairment and Portage	No impact on service users	30,000	30,000	30,000
-----	--	----------------------------	--------	--------	--------

<b>Children, Families and Education Portfolio Total</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
---	---------------	---------------	---------------

**Communities and Central Services Portfolio****Director of Corporate Services**

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

**Director of Culture, Leisure & Regulatory Services**

012	Reduction in Coroners contract costs with Hampshire County Council	No impact on service users	35,000	35,000	35,000
-----	--	----------------------------	--------	--------	--------

## INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal			Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
<b><u>Director of Finance &amp; Resources</u></b>					
013	Review of Payroll Services Team	No impact on Service Users - Already implemented	65,000	65,000	65,000
014	National Insurance saving on salary sacrifice Additional Voluntary Contributions	No impact on service users	10,000	10,000	10,000
015	Reduce administration support within Finance Teams	Increased administrative burden on professional staff	12,000	12,000	12,000
016	Delete vacant apprentice post	Reduces resilience	18,000	18,000	18,000
017	Delete 2 vacant Benefits Officer posts no longer required due to reduced caseloads	No impact on service users	64,000	64,000	64,000
018	Deletion of vacant trainee accountant apprentice post	Reduced succession planning and increased exposure to market pay rates	18,000	18,000	18,000
019	Reduction in schools finance support	No impact as reducing number of PCC maintained schools	10,000	10,000	10,000
020	Recovery of grant support costs	Properly charges the cost of administering new initiatives to the associated grant	10,000	10,000	10,000
021	Review of Audit service	A small reduction in overall audit coverage of the Council's activities	15,000	15,000	15,000
022	Reduction in staff within Finance Teams	Reduction in financial monitoring and responsiveness for the financial evaluation of projects and proposals	55,000	55,000	55,000
<b>Communities and Central Services Portfolio Total</b>			<b>486,700</b>	<b>486,700</b>	<b>486,700</b>
<b><u>Community Safety and Environment Portfolio</u></b>					
<b><u>Director of Housing, Neighbourhood &amp; Building Services</u></b>					
023	Green Waste Club price increase of £1 per month per customer	Minimal impact on service, potential risk that some customers may not renew	50,000	50,000	50,000
024	Charge for permits for vans and trailers to access Hampshire Waste Recycling Centres in line with Hampshire County Council and Southampton City Council	Customers using vans and trailers to dispose of waste will be required to purchase a permit	5,000	5,000	5,000
025	Littering Fixed Penalty Notice increase lower amount from £75 to £100	Will apply to public who litter	4,000	4,000	4,000
026	Kennels - additional income from Chichester City Council	No impact on service users	13,000	13,000	13,000
027	Energy Savings from Solar PV - Port Building	No impact on service users	50,000	50,000	50,000
028	Energy Savings from Solar PV - Hilsea Industrial Estate	No impact on service users	20,000	20,000	20,000

## INDICATIVE BUDGET SAVINGS 2022/23

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

## INDICATIVE BUDGET SAVINGS 2022/23

Indicative Savings Proposal	Saving 2022/23 £	Saving 2023/24 £	Saving 2024/25 £
-----------------------------	------------------------	------------------------	------------------------

**Housing and Preventing Homelessness Portfolio****Director of Housing, Neighbourhood & Building Services**

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

<b>Housing and Preventing Homelessness Portfolio Total</b>			<b>131,300</b>	<b>131,300</b>	<b>131,300</b>
--	--	--	----------------	----------------	----------------

**Leader Portfolio****Director of Regeneration**

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

<b>Leader Portfolio Total</b>			<b>225,000</b>	<b>225,000</b>	<b>225,000</b>
-------------------------------	--	--	----------------	----------------	----------------



## INDICATIVE BUDGET SAVINGS 2022/23

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

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

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

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

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

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

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



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

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

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

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

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

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

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

## NEW SCHEMES STARTING IN 2022/23 and Relying on Reserves

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



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

**RESOURCES AVAILABLE**

**Specific Resources**

Prudential Borrowing
Other Capital Receipts
Other Capital Reserves
Other Contributions
Government Grants
Other Grants
<b>Sub Total - Specific Resources</b>

Specific Resources Used

**Specific Resources Available**

**Corporate Resources**

Corporate Capital Receipts
Corporate Capital Reserves
Corporate S106 Contributions & CIL
Capital Settlement - Non Ring Fenced Grants
Corporate Grants
<b>Sub Total - Corporate Resources</b>

Corporate Resources Used

**Corporate Resources Available**

**Total Resources Available**

**Total Resources Used**

**Total Remaining Resources Available**

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

## CHILDREN, FAMILIES &amp; EDUCATION PORTFOLIO

## CAPITAL PROGRAMME

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

## CHILDREN, FAMILIES &amp; EDUCATION PORTFOLIO

## CAPITAL PROGRAMME

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



## CHILDREN, FAMILIES &amp; EDUCATION PORTFOLIO

## CAPITAL PROGRAMME

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

## CHILDREN, FAMILIES &amp; EDUCATION PORTFOLIO

## CAPITAL PROGRAMME

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

## CHILDREN, FAMILIES &amp; EDUCATION PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
28	Maintained Schools - Urgent Conditions Projects	CorpRsv	-	228,092	32,100						260,192
		CP(DCSF)BN	269,717	( 20,417)							249,300
		CP(DCSF)CM	190,151	954,976							1,145,127
		OC	-	100,000							100,000
	<b>Sub Total</b>		<b>459,868</b>	<b>1,262,651</b>	<b>32,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,754,619</b>
29	Additional Special School Places - The Lantern	CorpRsv	13,099								13,099
		UBIR	486,001								486,001
		CP(ESFA)SEND	538,500								538,500
		CP(DCSF)BN	109,448								109,448
	<b>Sub Total</b>		<b>1,147,048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,147,048</b>
30	Additional School Places in Mainstream Schools - Design	CorpRsv	62,460	20,000	100,540	67,000					250,000
31	Additional Secondary School Places - St Edmunds	CP(DCSF)BN	650,148								650,148
32	Additional School Places - 2020/21	CP(DCSF)BN	46,044	100,000	800,000	800,000	453,956				2,200,000
33	Sufficiency at Wymering Site improvement	CorpRsv	6,640	63,360							70,000
		CP(DCSF)BN	25,531	124,469							150,000
	<b>Sub Total</b>		<b>32,171</b>	<b>187,829</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>220,000</b>
34	Wimbourne Amalgamation	CP(DCSF)BN	9,330	77,670							87,000
35	School Places - SEND Phase 1 & Phase 2	CIL	8,528	( 8,528)							-
		S106(EC)	-	22,400							22,400
		CP(DCSF)BN	-	1,338,247							1,338,247
	<b>Sub Total</b>		<b>8,528</b>	<b>1,352,119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,360,647</b>

## CHILDREN, FAMILIES &amp; EDUCATION PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
36	Northern Parade Family Hub	CorpRsv	19,627	5,373							25,000
37	Replacement Education Case Mmgt System	CorpRsv	-		1,000,000	250,000					1,250,000
38	Maintained Schools - Urgent Conditions Projects (2 year Planned Programme 2021/22 to 2022/23)	CorpRsv	-	804,896	700,000						1,504,896
		OC	-	83,400							83,400
		CP(DCSF)BN		8,545							8,545
	<b>Sub Total</b>		-	<b>896,841</b>	<b>700,000</b>	-	-	-	-	-	<b>1,596,841</b>
39	Accommodation for Special Education Needs (additional School Places)	CorpRsv	116		464,384	500,000					964,500
		CIL	-	612,700	1,200,000	500,000					2,312,700
		CP(DCSF)CM	-	(66,100)	1,569,100						1,503,000
		CP(ESFA)SEND	-	256,900	374,400						631,300
		CP(DCSF)BN	-	1,464,134	1,000,000						2,464,134
	<b>Sub Total</b>		<b>116</b>	<b>2,267,634</b>	<b>4,607,884</b>	<b>1,000,000</b>	-	-	-	-	<b>7,875,634</b>
40	Acquisition of Mosaic Mobile Work Force Cloud Technology	CorpRsv	-		416,100						416,100
		CROC	-	50,000	78,900						128,900
	<b>Sub Total</b>		-	<b>50,000</b>	<b>495,000</b>	-	-	-	-	-	<b>545,000</b>
41	The Whitehorse Children's Home Driveway Replacement	CorpRsv	-		16,800						16,800
		S106(hsg)	-		5,700						5,700
	<b>Sub Total</b>		-	-	<b>22,500</b>	-	-	-	-	-	<b>22,500</b>
42	Create Garden Workspace for Young People	CorpRsv	-		14,100						14,100
43	Accom for Special Educational Needs - Arundel Court Inclusion Unit	CP(ESFA)SEND	-		275,000	275,000					550,000
<b>Grand Total</b>			<b>54,625,608</b>	<b>9,479,850</b>	<b>9,193,234</b>	<b>2,644,800</b>	<b>453,956</b>	-	-	-	<b>76,397,448</b>



## COMMUNITIES &amp; CENTRAL SERVICES PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	Portico - Capital Advances	UB OG(DCLG)CD	10,394,000 250,000	177,250							10,571,250 250,000
	<b>Sub Total</b>		<b>10,644,000</b>	<b>177,250</b>	-	-	-	-	-	-	<b>10,821,250</b>
2	Port Leased Plant & Equipment - Portico Crane	UB LEP	720,247 2,326,450								720,247 2,326,450
	<b>Sub Total</b>		<b>3,046,697</b>	-	-	-	-	-	-	-	<b>3,046,697</b>
3	IS Road Map	CorpRsv OG(DCLG)CD CP(DCLG)DFG CRGG CP(DFI)IT ITR	393,696 321,482 151,400 2,320 196,000 223,470	67,196							460,892 321,482 151,400 2,320 196,000 233,176
	<b>Sub Total</b>		<b>1,288,368</b>	<b>76,902</b>	-	-	-	-	-	-	<b>1,365,270</b>
4	PSN CoCo Compliance	CorpRsv OG(DCLG)CD ITR	24,861 99,384 46,847	73,908							98,769 99,384 46,847
	<b>Sub Total</b>		<b>171,092</b>	<b>73,908</b>	-	-	-	-	-	-	<b>245,000</b>
5	IS - Server & Database	CorpRsv UB	71,568 94,572	33,860							105,428 94,572
	<b>Sub Total</b>		<b>166,140</b>	<b>33,860</b>	-	-	-	-	-	-	<b>200,000</b>

## COMMUNITIES &amp; CENTRAL SERVICES PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
6	Working Anywhere	CorpRsv	193,829	43,336							237,165
		OG(DCLG)CD	67,344								67,344
		MTRS	47,325								47,325
		CP(DCLG)DFG	626,166								626,166
	<b>Sub Total</b>		<b>934,664</b>	<b>43,336</b>	-	-	-	-	-	-	<b>978,000</b>
7	Channel Shift Phase 1	CorpRsv	652,553								652,553
8	Channel Shift Phase 2	CorpRsv	469,971	112,529							582,500
9	Portsmouth Hive Project	CorpRsv	40,413								40,413
		OC	28,358								28,358
	<b>Sub Total</b>		<b>68,771</b>	-	-	-	-	-	-	-	<b>68,771</b>
10	Local Full Fibre Network Project	OG	1,155,000	1,749,712							2,904,712
		CorpRsv	97,302	987,000	523,163						1,607,465
		LEP	192,217								192,217
	<b>Sub Total</b>		<b>1,444,519</b>	<b>2,736,712</b>	<b>523,163</b>	-	-	-	-	-	<b>4,704,394</b>
11	Review of Revenues & Benefits Software Applications	CorpRsv	521,915	118,385							640,300
		OR	-	98,102	94,498						192,600
	<b>Sub Total</b>		<b>521,915</b>	<b>216,487</b>	<b>94,498</b>	-	-	-	-	-	<b>832,900</b>
12	The People's Network - Windows 10 Upgrade	CorpRsv	-	150,000	200,000						350,000
13	Modern Ways of Working	MTRS	986,516	13,484							1,000,000
		OR	644,746	718,958							1,363,704
		CorpRsv	437,794	1,477,169							1,914,963
		RCCO	-	30,392							30,392
	<b>Sub Total</b>		<b>2,069,056</b>	<b>2,240,003</b>	-	-	-	-	-	-	<b>4,309,059</b>

## COMMUNITIES &amp; CENTRAL SERVICES PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
14	HCM Fusion ORC	CorpRsv	-		285,500						285,500
15	Archive Tool	CorpRsv OR	36,850 -	( 36,850) 100,000	525,911	7,143	7,143	7,143	7,143	7,143	- 661,625
	<b>Sub Total</b>		<b>36,850</b>	<b>63,150</b>	<b>525,911</b>	<b>7,143</b>	<b>7,143</b>	<b>7,143</b>	<b>7,143</b>	<b>7,143</b>	<b>661,625</b>
16	Portico Capital Invest. Loan	UB LEP	2,500,000 2,500,000	4,500,000	4,000,000	750,000	750,000				12,500,000 2,500,000
	<b>Sub Total</b>		<b>5,000,000</b>	<b>4,500,000</b>	<b>4,000,000</b>	<b>750,000</b>	<b>750,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000,000</b>
17	Portico Freight System	OG	-	400,000							400,000
18	Applications Upgrade linked to Software Modernisation	MTRS	-	50,000	200,000						250,000
19	Office 365	MTRS CorpRsv CROC	820,000 122,353 200,000	188,747							820,000 311,100 200,000
	<b>Sub Total</b>		<b>1,142,353</b>	<b>188,747</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,331,100</b>
20	LAN Access Switches	CorpRsv	19,365	254,318	254,317						528,000
21	M365 Phase 2 incl Telephony Sharepoint & Security	CorpRsv CROC	- -	630,000 70,000	337,000						630,000 407,000
	<b>Sub Total</b>		<b>-</b>	<b>700,000</b>	<b>337,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,037,000</b>
22	Replacement Servers & Storage	CROC	9,500	128,500	400,000						538,000
23	Migration to Azure (Cloud Servers)	MTRS	237,919	1,223,000	887,081						2,348,000

## COMMUNITIES &amp; CENTRAL SERVICES PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
24	Implementation of Northgate Citizen Access Suite	MTRS	-	110,000							110,000
		OC	-	70,000							70,000
		OR	-		70,000						70,000
	<b>Sub Total</b>		-	<b>180,000</b>	<b>70,000</b>	-	-	-	-	-	<b>250,000</b>
25	CISCO Data Centre Switches	CorpRsv	-	30,000	30,000						60,000
26	Checkpoint Internall Firewall	CRGG	-		142,000						142,000
27	Replacement of Planet Press	CorpRsv	-		7,100						7,100
		CROC	-		300,300						300,300
		CRGG	-		120,200						120,200
		CP(DFT)IT	-		22,400						22,400
	<b>Sub Total</b>		-	-	<b>450,000</b>	-	-	-	-	-	<b>450,000</b>
28	Replacement Legal Case Management System	CROC	-	24,900							24,900
		CRGG	-	35,100							35,100
		CorpRsv	-	30,000							30,000
	<b>Sub Total</b>		-	<b>90,000</b>	-	-	-	-	-	-	<b>90,000</b>
29	Bring Your Own Device Phase 2	CorpRsv	-		75,000	75,000					150,000
30	TPN - Wifi Infrastructure Phase 1	CorpRsv	-		65,000						65,000
31	Cisco Perimeter Firewall	CorpRsv	-		103,500	103,500					207,000
32	Live Streaming	CorpRsv	-		15,000						15,000
33	Omni-Channel Contact Centre Platform	CorpRsv	-		43,950	43,950					87,900
	<b>Grand Total</b>			<b>27,923,733</b>	<b>13,668,702</b>	<b>8,701,920</b>	<b>979,593</b>	<b>757,143</b>	<b>7,143</b>	<b>7,143</b>	<b>52,052,519</b>



## COMMUNITY SAFETY &amp; ENVIRONMENT PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
1	Household Waste Collection	CorpRsv	99,424	11,776							111,200
2	Public Toilets New Provision, across the City	CorpRsv	271,128	108,873							380,001
3	Wheeled Bins for Refuse	CorpRsv	1,022,073	97,927							1,120,000
4	Dog Kennels Vehicles	CorpRsv	9,549	8,451							18,000
5	Air Quality Equipment & Monitoring Station	CorpRsv	47,466								47,466
6	Air Quality Initiatives	CorpRsv	-	50,000	100,000						150,000
7	Single Material Recycling Facility	UB	-	1,500,000	3,338,400						4,838,400
8	Waste collection Vehicle Replacement	UB	-		4,125,000						4,125,000
9	Replacement of WC Hand Washing and Drying Units	CorpRsv	130,047								130,047
10	Food Waste Recycling - Pilot	CorpRsv CP(DFI)IT	326,916 29,200	53,884							380,800 29,200
	<b>Sub Total</b>		<b>356,116</b>	<b>53,884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>410,000</b>
11	Anaerobic Digestion Plant	CorpRsv UB	50,955 -	149,045	22,000,000						200,000 22,000,000
	<b>Sub Total</b>		<b>50,955</b>	<b>149,045</b>	<b>22,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,200,000</b>
12	Greening the City	CorpRsv	-	50,000	50,000						100,000
13	Energy Recovery Facilities - Emissions control equipment upgrade	CorpRsv	-	115,000							115,000
14	High Street Improvements & Greening The City	CorpRsv	-	87,500	87,500						175,000

## COMMUNITY SAFETY &amp; ENVIRONMENT PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
15	Southsea Sea Defences - Public Realm Enhancements	CorpRsv	-		376,000						376,000
16	Additional 2 Food Waste Recycling Vehicles	CorpRsv	-	150,000	190,000						340,000
17	CCTV Upgrades	GGNR(HO)SSC	69,500								69,500
		RCCO	217,306	5,194							222,500
		CorpRsv	238,615								238,615
		S106(OS)	15,373	24,627							40,000
	<b>Sub Total</b>		<b>540,794</b>	<b>29,821</b>	-	-	-	-	-	-	<b>570,615</b>
18	CCTV Systems & Control Room Infrastructure	CorpRsv	133,190								133,190
		OG(PHE)CS	15,000								15,000
	<b>Sub Total</b>		<b>148,190</b>	-	-	-	-	-	-	-	<b>148,190</b>
19	Refresh of CCTV Control Room Infrastructure	CorpRsv	-	25,000							25,000
20	3 Additional Redeployable CCTV Cameras	CorpRsv	-	25,000							25,000
21	Depot Expansion to Meet Increased Fleet (Env Bill)	UB	-		600,000	600,000					1,200,000
22	CCTV IT Infra, Security & Upgrade	CorpRsv	-		75,000						75,000
23	Waste Collection Fleet Replacement 2023	UB	-	573,000	4,584,000	573,000					5,730,000
24	City Wide Food Waste Collection Service	CorpRsv	-	63,500	571,500						635,000
25	Anaerobic Digestion Plant Project	CorpRsv	-		60,000						60,000
26	Mixed Plastic Recycling Bank & Glass Refurbishment	CorpRsv	-		32,500						32,500

## COMMUNITY SAFETY &amp; ENVIRONMENT PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate				Estimate for 2025/26	Estimate for 2026/27	Exp. in Subsequent Years	Final Cost
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25				
27	Greening the City Fund	S106(HSG)	-		30,000						30,000
		CorpRsv	-		20,000						20,000
	<b>Sub Total</b>		-	-	<b>50,000</b>	-	-	-	-	-	<b>50,000</b>
28	Redeployable CCTV Cameras for Env Issues	CorpRsv	-		45,000						45,000
29	Sea Water Quality Alert System	CorpRsv	-		35,000						35,000
<b>Grand Total</b>			<b>2,675,743</b>	<b>3,098,777</b>	<b>36,319,900</b>	<b>1,173,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,267,420</b>

Grand Total

## CULTURE, LEISURE &amp; ECONOMIC DEVELOPMENT

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified	Revised						Exp.	Final Cost	
		Source of Finance	Exp. to 31 Mar 2021	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27		in Subsequent Years
1	Hilsea Splashpool	CorpRsv S106(OS)	82,888 292,366								82,888 292,366
	<b>Sub Total</b>		<b>375,254</b>	-	-	-	-	-	-	-	<b>375,254</b>
2	Coastal Communities Bid (ARTches)	CorpRsv CP(DFT)IT OG OG(DCLG)CI PUSH	116,454 100,000 1,567,185 44,972 40,000		14,069 1,449						130,523 100,000 1,568,634 44,972 40,000
	<b>Sub Total</b>		<b>1,868,611</b>	-	<b>15,518</b>	-	-	-	-	-	<b>1,884,129</b>
3	Southsea Seafront Investment - D Day 75	CorpRsv LOT OG OC	528,872 2,793,537 617,307 215,060		12,000						528,872 2,793,537 629,307 215,060
	<b>Sub Total</b>		<b>4,154,776</b>	<b>12,000</b>	-	-	-	-	-	-	<b>4,166,776</b>
4	D Day Museum	CorpRsv	158,336	6,664							165,000
5	DDAY Landscaping Works	OG	576,777	23,223							600,000
6	Sports and Leisure Facilities Investment	UB	1,272,494	27,506	1,000,000						2,300,000
7	In-house Parks' Mobilisation - Vehicles & Equipment	CorpRsv RCCO	379,537 99,412	166,573	75,938	170,503	132,080				379,537 644,506
	<b>Sub Total</b>		<b>478,949</b>	<b>166,573</b>	<b>75,938</b>	<b>170,503</b>	<b>132,080</b>	-	-	-	<b>1,024,043</b>
8	Edwardian Seafront Shelter	CorpRsv	234		69,766						70,000
9	Re-provision of Bandstand at West Battery Gardens	CorpRsv	23,870	1,130							25,000

## CULTURE, LEISURE &amp; ECONOMIC DEVELOPMENT

## CAPITAL PROGRAMME

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



## CULTURE, LEISURE &amp; ECONOMIC DEVELOPMENT

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified	Revised							Exp.	Final Cost
		Source of Finance	Exp. to 31 Mar 2021	Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26	Estimate for 2026/27	in Subsequent Years	
18	Parks & Open Spaces Protection Measures to Prevent Incursion	S106(OS) CorpRsv	10,000 2,840								10,000 2,840
	<b>Sub Total</b>		<b>12,840</b>	-	-	-	-	-	-	-	<b>12,840</b>
19	Pyramids Refurbishment	CorpRsv CP(DFT)IT OR MTRS	- - 405,000 109,749	1,893,482 101,904 1,050,862 340,251							1,893,482 101,904 1,455,862 450,000
	<b>Sub Total</b>		<b>514,749</b>	<b>3,386,499</b>	-	-	-	-	-	-	<b>3,901,248</b>
20	Repair/Refurbishment of Southsea Splashpool	CorpRsv	101,736	264							102,000
21	World War 1 Memorial Plaques	CROC	-	30,000	15,000						45,000
22	Contribution to Roof Repairs at Southsea Skatepark	S106(OS)	6,240	3,760							10,000
23	Cont to Architectural Design to Enable Regeneration - Guildhall	CorpRsv	37,929	2,071							40,000
24	Cont to Architectural Design to Enable Regeneration - Kings Theatre	CorpRsv	27,235	12,765							40,000
25	Palmerston Road Improvements	CorpRsv	345,111	32,649		122,240					500,000
26	Brougham Road (Arts Centre) - External Repairs	CorpRsv CP(DFT)IT	- -	- -	167,000 83,000						167,000 83,000
	<b>Sub Total</b>		<b>-</b>	<b>-</b>	<b>250,000</b>	-	-	-	-	-	<b>250,000</b>
27	Southsea Common & Town Centres Litter Management	CorpRsv	27,830	22,170							50,000

## CULTURE, LEISURE &amp; ECONOMIC DEVELOPMENT

## CAPITAL PROGRAMME

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

## CULTURE, LEISURE &amp; ECONOMIC DEVELOPMENT

## CAPITAL PROGRAMME

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

**CULTURE, LEISURE & ECONOMIC DEVELOPMENT****CAPITAL PROGRAMME**

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

## HEALTH, WELLBEING &amp; SOCIAL CARE PORTFOLIO

## CAPITAL PROGRAMME

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



## HEALTH, WELLBEING &amp; SOCIAL CARE PORTFOLIO

## CAPITAL PROGRAMME

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

## LEADER PORTFOLIO

## CAPITAL PROGRAMME

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

## LEADER PORTFOLIO

## CAPITAL PROGRAMME

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

## LEADER PORTFOLIO

## CAPITAL PROGRAMME

Item No.	Description of Scheme	Identified Source of Finance	Exp. to 31 Mar 2021	Revised Estimate					Exp. in Subsequent Years	Final Cost	
				Estimate for 2021 / 22	Estimate for 2022 / 23	Estimate for 2023 / 24	Estimate for 2024 / 25	Estimate for 2025/26			Estimate for 2026/27
10	Tipner Regeneration	OG(DCLG)CD	4,072,035							4,072,035	
		CorpRsv	-			1,227,787				1,227,787	
		CIL	-			165,468	806,745			972,213	
		OC	121,089							121,089	
		OG(DCLG)CD	-							-	
		UB	22,004				3,106,263			3,128,267	
		CP(DCSF)CM	3,722,451							3,722,451	
		CP(DCSF)BN	-				4,478,312			4,478,312	
		CP(DH)CG	654,533							654,533	
		CP(DFT)IT	256,699	88,247			3,106,336			3,451,282	
		CP(DFT)HM	1,604,911	409,383						2,014,294	
		CP(DCLG)DFG	666,047							666,047	
		CRGG	-	769,589						769,589	
		CorpRsv	-	1,700,000						1,700,000	
		MTRS	775,705							775,705	
		ORCD	730,000	4,132,781	5,404,957					10,267,738	
		OR	-		4,751,043	8,935,051	172,306			13,858,400	
		CP(EFA)2YR	331,666							331,666	
		S106(ST)	161,376							161,376	
		S106(OS)	105,515							105,515	
	<b>Sub Total</b>		<b>13,224,031</b>	<b>7,100,000</b>	<b>10,156,000</b>	<b>10,328,306</b>	<b>13,306,342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,114,679</b>
11	Local Enterprise Partnership	OC	25,643,217								25,643,217
		LEP	77,006,999								77,006,999
		LEP(DCLG)	1,421,541	100,000	100,000	99,854					1,721,395
		LEP(OG)	6,672,217			417,783					7,090,000
		LEP(MHCLG)	7,368,044	7,950,000							15,318,044
		LEP(ERDF)	36,908								36,908
		UB	41,196,998								41,196,998
		CorpRsv	994,517								994,517
		CRGG	456,600								456,600
	<b>Sub Total</b>		<b>160,797,041</b>	<b>8,050,000</b>	<b>100,000</b>	<b>517,637</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169,464,678</b>

## LEADER PORTFOLIO

## CAPITAL PROGRAMME

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



## COMMERCIAL PORT

## CAPITAL PROGRAMME

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

## COMMERCIAL PORT

## CAPITAL PROGRAMME

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

## PLANNING, POLICY &amp; CITY DEVELOPMENT PORTFOLIO

## CAPITAL PROGRAMME

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

## PLANNING, POLICY &amp; CITY DEVELOPMENT PORTFOLIO

## CAPITAL PROGRAMME

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

## TRAFFIC AND TRANSPORTATION PORTFOLIO

## CAPITAL PROGRAMME

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



## TRAFFIC AND TRANSPORTATION PORTFOLIO

## CAPITAL PROGRAMME

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

## TRAFFIC AND TRANSPORTATION PORTFOLIO

## CAPITAL PROGRAMME

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

## TRAFFIC AND TRANSPORTATION PORTFOLIO

## CAPITAL PROGRAMME

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

## TRAFFIC AND TRANSPORTATION PORTFOLIO

## CAPITAL PROGRAMME

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

## TRAFFIC AND TRANSPORTATION PORTFOLIO

## CAPITAL PROGRAMME

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



## TRAFFIC AND TRANSPORTATION PORTFOLIO

## CAPITAL PROGRAMME

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

## HOUSING &amp; PREVENTING HOMELESSNESS PORTFOLIO

## CAPITAL PROGRAMME

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

## HOUSING &amp; PREVENTING HOMELESSNESS PORTFOLIO

## CAPITAL PROGRAMME

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

## HOUSING &amp; PREVENTING HOMELESSNESS PORTFOLIO

## CAPITAL PROGRAMME

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

## HOUSING &amp; PREVENTING HOMELESSNESS PORTFOLIO (HRA)

## CAPITAL PROGRAMME

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



## HOUSING &amp; PREVENTING HOMELESSNESS PORTFOLIO (HRA)

## CAPITAL PROGRAMME

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

## HOUSING &amp; PREVENTING HOMELESSNESS PORTFOLIO (HRA)

## CAPITAL PROGRAMME

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

## HOUSING &amp; PREVENTING HOMELESSNESS PORTFOLIO (HRA)

## CAPITAL PROGRAMME

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

## PRUDENTIAL INDICATORS

Details of the Capital Programme are contained in Appendix E

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

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

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

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

This page is intentionally left blank



# Agenda Item 10



Portsmouth  
CITY COUNCIL

**Title of meeting:** Cabinet  
**Date of meeting:** 8 February 2022  
**Subject:** Oversight and decision making for Council companies  
**Report by:** Chief Executive  
**Wards affected:** All  
**Key decision:** No  
**Full Council decision:** No

---

## 1. Purpose of report

- 1.1 To facilitate the replacement of the Cabinet sub-committee with an alternative executive procedure for discharging its functions by the full Cabinet, in accordance with the recommendation of the sub-committee on 15 December 2021.

## 2. Recommendations

- 2.1 If members wish to change the procedure for discharging the council's responsibilities as the sole shareholder of council companies, it must:
- 2.1.1 Abolish the constituted shareholder committee reverting the discharge of PCC company shareholder functions (executive functions) to full Cabinet;
  - 2.1.2 Agree that distinct and separate shareholder delegation(s) be provided for each PCC company to be agreed in each separate company paper going forward.

## 3. Background

### Reasons for establishing the sub-committee of Cabinet

- 3.1 Following the winding up of the Council's wholly owned energy company, Victory Energy Supply Limited ("VESL"), the Council undertook a thorough review and audit of the legality and best practice for management and governance of wholly owned local authority companies.
- 3.2 It identified that the Council required an appropriate structure to enable the Council to discharge its role as a company shareholder in an efficient, legally accountable and transparent way in order to protect those involved (officers, councillors and directors) and ensure a transparent and uniform approach in terms of governance and oversight for all PCC companies.



- 3.3 On 14 July 2020, Cabinet received advice in a report which identified three options for consideration;
- 3.3.1 Company matters going to full cabinet
  - 3.3.2 Company matters going to a committee of cabinet; or
  - 3.3.3 Delegations to certain members (individual portfolio holders) and/or senior officers

3.4 The need for a small committee, distinct from the functions of Cabinet, was considered necessary and best practice due to the number of companies the Council has ownership of, the need for specialist knowledge & training of those Councillors sitting on the committee and the corporate need for a consistent approach by the Council in relation to the governance oversight of its companies. In line with the legal advice, Cabinet agreed to establish a distinct 'Shareholder Committee' as a sub-committee of Cabinet, to be responsible for the oversight of all Council companies.

Establishment and recent developments

- 3.5 Following the Cabinet decision on the 14 July 2020, consultation was undertaken with the Governance & Audit & Standards Committee on 20 November 2020 and consequently the Terms of Reference of the sub-committee were incorporated into the Council's Constitution by the City Solicitor.
- 3.6 Members of the sub-committee drawn from the Cabinet, representatives of the opposition parties and the chair and deputy of the Governance & Audit & Standards Committee along with the key senior Officers (including statutory officers), attended a training session on 6 September 2021 by lead legal advisors in the area - Bevan Brittan - and a representative of Local Partnerships.
- 3.7 The City Solicitor also arranged training for Officers and Members who are company directors, to ensure that they are better informed as to their function. An initial training session was held on 21 September 2021 with generally good attendance. It is intended that further regular training will be provided and will be a requirement of PCC Officers or Councillors being company directors. Clear competency is to be encouraged through training and mentoring of all who seek to act as company directors before appointment.

1<sup>st</sup> meeting of the sub-committee

- 3.8 The sub-committee constituted on the 15 December 2021 and considered two reports including (1) "*The Council as a Company Owner*" reported by the City Solicitor.
- 3.9 The report noted the importance of the sub-committee to ensure the Council had a well-informed, trained and commercially aware political oversight of the companies, particularly considering a number of repeated governance failing identified in the recent past in other local authorities and within some of the PCC company structures most notably VESL.



- 3.10 The report included a recommendation that the sub-committee reconvene in early January to consider further detailed reports from the Council's companies.
- 3.11 In the discussion that followed, the elected chair of the sub-committee noted that Cabinet had considered that due to the *gravity of the Council owning private companies, it was felt that it was more appropriate for the Companies to report to Cabinet directly as it would provide a greater amount of scrutiny to the public as well as due to the logistics of it.*
- 3.12 It was further noted there had been a learning process over the time since the decision in July 2020 and consequently following discussions with opposition group leaders (the identity of whom had changed since 2020), it was felt that there should be greater emphasis on transparency and openness and that this aspiration would sit better within the scope of Cabinet rather than a distinct shareholder committee.
- 3.13 The sub-committee therefore substituted recommendation one of the report for one which recommended to Cabinet that the sub-committee be abolished and instead the companies report into full Cabinet.
- 3.14 This report has therefore been drafted as consequence of the sub-committee's recommendation.

#### **4. Options available to the Cabinet**

- 4.1 Cabinet has a number of options through which it can discharge the Council's shareholder function;

##### 4.1.1 (1) Full Cabinet

Executive functions of the Council are primarily discharged through full Cabinet. This is a forum which officers, councillors and members and the public at large are broadly familiar with. It will provide scope for the engagement of the full Cabinet in matters which may cross portfolios. It is open and transparent to the public and Opposition members may attend and put across their views (although not vote) in the forum.

The disadvantage is primarily one of logistics - Cabinet has a busy programme of work to consider at each meeting and it may therefore not be able to dedicate its focus solely to company matters in the detail and to consider in a scrutiny sense the best practice guidance as consistently advised by Legal Services and external legal input.

To mitigate this risk, there should be a regular Cabinet agenda reserved for company matters and the terms of reference of the existing sub-committee should be transferred to full Cabinet where it is solely considering company matters and key commercial advice on discharging of the full range of shareholder functions. This will include an explicit notification to Opposition party representatives to address the need for cross party oversight and

engagement in accordance with the previous audit review and best practice guidance as contained with the Cabinet report dated 14 July 2020. It should be noted that Opposition Councillor's may attend Cabinet but there is no voting right for any members other than those on the Cabinet.

4.1.2 Through a sub-committee

A sub-committee of Cabinet which solely focuses on company matters enables a cohort of members to be developed who are well-informed, trained and commercially aware on the matters they are considering. It is open and transparent to the public and the terms of reference of the sub-committee can expressly permit opposition members to attend and take part (although not vote) in the forum.

The disadvantages are that the oversight of the companies and the knowledge and skills held by the members of the sub-committee will be contained in a small cohort of members and other Cabinet members who are not members of the sub-committee and may not be aware of issues which impact on their portfolio.

To mitigate this risk, all Cabinet members (including non-members of the committee) can be invited to briefings.

4.1.3 Through delegations to certain members (individual portfolio holders) and/or senior officers

Delegation in this way may be an appropriate method of discharging the shareholder function even where the primary responsibility is discharged by Cabinet or a dedicated sub-committee. This would be particularly the case where the council has minimal ownership rights and therefore little leverage (and risk) concerning the company.

The disadvantages are that this does not address one of the fundamental purposes of establishing a dedicated body, that being to oversee the Council's companies and this omission, in effect will create risk that the Council will not provide oversight of its companies in a consistent way.

To mitigate this obvious risk, delegations should be joint with the City Solicitor and the s151 Officer and any delegations would need to include a requirement for regular report back to Cabinet or a sub-committee as to the effectiveness of the shareholder function so that Cabinet can ensure delegations are appropriate and functional in all cases.

**5. Reasons for recommendations**

5.1 The recommendations are set out to enable the Cabinet to consider the resolution of the sub-committee in the light of the legal advice set out below and previously issued.



**6. Integrated impact assessment**

6.1 The contents of this report do not have any relevant equalities impact and therefore an Integrated Impact Assessment is not required.

**7. Legal implications**

7.1 The 'shareholder function' is an executive function which falls to Cabinet to discharge.

7.2 As per the relevant legislation and the Council's own constitution, it is at the discretion of the Leader of the Council to decide how executive functions will be discharged whether by full Cabinet, sub-committees of Cabinet, individual portfolio holders or as delegated to senior officers.

7.3 Such decisions must however be recorded in writing and set out the alternative options considered and rejected by the decision maker. It must also reference any conflicts of interest relating to the matter declared by the decision maker (or decision making body).

7.4 In relation to the decision of the 14 July 2020, the decision to establish the sub-committee was one taken by Cabinet as a whole. The Council's executive procedure rules note that any decision which is likely to affect more than one portfolio be taken by the Cabinet as a whole. The decision should therefore be taken by Cabinet as a whole.

7.5 Cabinet should consider carefully in its decision making how best the Council can discharge the shareholder function. It is the City Solicitor's position, having considered carefully many of the best value reports and lessons learned from other local authorities, that a sub-committee of Cabinet is the best method through which the Council can discharge its shareholder function. That said, this is a matter in the discretion of Cabinet as to which of the options outlined at 4.1 of this report it chooses, though such a decision must evidence consideration of the relevant alternative options so that Cabinet can evidence it has made a rational decision.

**8. Director of Finance's comments**

8.1 There are no direct financial implications as a result of approving the recommendations within the report

.....  
Signed by:



**Appendices:**

**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

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

.....  
Signed by: