

**AGENDA ITEM 11 - Portsmouth City Council Budget & Council Tax 2016/17 & Medium Term Budget Forecast 2017/18 to 2019/20**

Amendment to Cabinet recommendations attached.

Proposed by (Name) \_\_\_\_\_

Signed \_\_\_\_\_

Seconded by (Name) \_\_\_\_\_

Signed \_\_\_\_\_



## **Amendment proposed by the Labour Group**

### **Portsmouth City Council - Budget & Council Tax 2016/17 & Medium Term Budget Forecast 2017/18 to 2019/20**

That the recommendations of the Cabinet of 8 February 2016 (Minute 5/16) on "Portsmouth City Council - Budget & Council Tax 2016/17 & Medium Term Budget Forecast 2017/18 to 2019/20 be amended as follows:-

#### **Recommendation 1 (a) be amended to**

1(a) The revised Revenue Estimates for the financial year 2015/16 and the Revenue Estimates for the financial year 2016/17 as set out in the General Fund Summary (Appendix A) as amended by paragraph (q) below:-

1(q) the following changes be made to Cash Limits for 2016/17 and future years as set out in the table below, but Members note that:

**the responsibility of the City Council is to approve the overall Budget and the associated cash limits of its Portfolios and Committees; it is not the responsibility of the City Council to approve any individual savings or additions within those Portfolios/Committees, that responsibility is reserved for Cabinet Members. The budget savings and additions in the tables below are therefore indicative only.**

**i) Reductions to Revenue Estimates**

Indicative Portfolio Savings Proposal	Impact on Level of Service & Service Outcomes	2016/17	2017/18 & Future Years
		£	£
<b>Resources</b>			
Delete 1 post in the Strategy Unit	Significant reduction in the Council's ability to manage and oversee its major risks and projects and the Council's overall performance management and governance arrangements. Capacity to deliver future transformation will also be diminished. Support to the following will be reduced or provided by other Services where appropriate: Health & Well Being Board, Children's Trust Board, Public Services Board, Health & Social Care Executive, Health Integration, External Funding Bids, Devolution, University Technical College, Multi Assessment Teams project, preparation for Inspections, Risk Management, Performance Management.	(50,000)	(50,000)
Deletion of Leader's Project Manager post (return to 1 full time support officer)	Reduction in the availability and effectiveness of the Leader of the Council to promote the City and undertake Council duties	(36,000)	(36,000)
20% Reduction in all Councillor Allowances*	A reduction in allowances may cause the future recruitment of Councillors to be more challenging	(120,800)	(120,800)
Reduce PA's of Senior Management by 25%	Reduction in the capacity, availability and accessibility of Senior Officers. Senior Officers will spend a meaningful proportion of their time on administrative functions	(50,500)	(50,500)
A reduction in Cabinet Members from 8 to 6 **	A re-organisation of the portfolios of Cabinet Members such that some (or all) of the remaining Cabinet Members take on increased responsibilities.	0**	0**
<b>Total</b>		<b>(257,300)</b>	<b>(257,300)</b>

\* Members should have regard to the report of the Independent Remuneration Panel and recommendations of Council on 22<sup>nd</sup> January 2013 as amended by the City Council on 15 July 2014

\*\* Members should note that, in accordance with the Local Government Act 2000, this is a decision for the Leader of the Council not the Council itself. In the event that the Leader elects to take such a decision, the savings amount will increase by £14,700.

## ii) Additions to Revenue Estimates

Saving No.	Increases to Portfolio Cash Limits - Deletion of Indicative Savings and/or New Spending Proposals	2016/17	2017/18 & Future Years
		£	£
<b>Children &amp; Education</b>			
New	To enable additional staffing and a greater range of activities to be provided from Children's Centres	257,300*	257,300*
<b>Total</b>		<b>257,300*</b>	<b>257,300*</b>

\* In the event that the Leader accepts the proposal to reduce the number of Cabinet Members from 8 to 6, than the amount available for this proposal will increase by £14,700

### Recommendation 1(b) be amended to:-

1(b) The Portfolio Cash Limits for the Revised Budget for 2015/16 and Budget for 2016/17 as set out in Sections 7 and 9, respectively as amended by paragraph (r) below:-

1(r) The following changes be made to Cash Limits for 2016/17 and future years

Portfolio / Committee	2016/17 £	Future Years £
Children & Education Resources	257,300 (257,300)	257,300 (257,300)
<b>Total</b>	<b>0</b>	<b>0</b>

## **SECTION 151 OFFICER'S COMMENTS**

**Under Recommendation 1(p), the Section 151 Officer advises as follows:-**

The proposals contained within this amendment do not alter the statements made by the Section 151 Officer in Section 17 of this report.

## **CITY SOLICITOR'S COMMENTS**

The City Solicitor is satisfied that it is within the City Council's powers to approve the amendment as set out, and supports the advice of the Section 151 Officer given above.

## Labour Group Amendment

### GENERAL FUND SUMMARY - 2015/16 to 2019/20

### APPENDIX A

Original Budget 2015/16 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2015/16 £	Original Budget 2016/17 £	Forecast 2017/18 £	Forecast 2018/19 £	Forecast 2019/20 £
49,657,057	Children & Education	50,148,757	49,861,557	51,956,157	52,643,857	53,365,957
10,889,660	Culture Leisure & Sport	11,085,560	10,232,060	10,499,160	10,670,160	10,857,860
17,261,513	Environment & Community Safety	16,961,513	16,029,713	16,329,713	16,684,113	17,074,213
44,983,979	Health & Social Care	43,993,979	42,250,279	45,384,879	50,228,679	55,910,279
7,454,128	Housing	9,701,528	9,348,628	9,517,728	9,505,528	9,595,628
235,553	Leader	261,253	257,853	262,653	268,553	274,953
6,702,329	Planning Regeneration Economic Development	4,993,529	3,688,129	3,094,329	3,112,529	2,847,729
23,611,634	Resources	24,463,534	21,961,234	22,747,834	23,276,334	23,856,834
16,641,207	Traffic & Transportation	17,425,907	14,894,007	16,020,007	16,932,307	16,536,007
288,800	Governance, Audit & Standards Committee	318,800	249,700	114,600	120,100	125,800
(226,295)	Licensing Committee	(226,195)	(210,295)	(210,795)	(216,395)	(222,595)
<b>177,499,565</b>	<b>Portfolio Expenditure</b>	<b>179,128,165</b>	<b>168,562,865</b>	<b>175,716,265</b>	<b>183,225,765</b>	<b>190,222,665</b>
	<u>Other Expenditure</u>					
0	Precepts	0	0	37,400	38,300	38,300
(125,000)	Portchester Crematorium - Share of Dividend	(125,000)	(125,000)	(100,000)	(100,000)	(100,000)
6,261,000	Pension Costs	6,261,000	6,672,000	7,172,000	7,672,000	7,672,000
7,305,000	Contingency Provision	5,600,000	6,673,600	4,607,500	4,607,500	4,607,500
65,500	Revenue Contributions to Capital Reserve	1,645,700	1,565,500	1,500,000	0	0
1,411,700	Transfer to / (from) Other Reserves	1,444,900	(438,300)	(585,400)	(503,000)	(503,000)
(27,300,865)	Asset Management Revenue Account	(29,478,065)	(27,242,965)	(25,815,965)	(26,591,165)	(25,278,465)
3,224,000	Other Expenditure	2,748,000	2,325,000	1,775,000	2,375,000	3,125,000
<b>(9,158,665)</b>	<b>Other Expenditure</b>	<b>(11,903,465)</b>	<b>(10,570,165)</b>	<b>(11,409,465)</b>	<b>(12,501,365)</b>	<b>(10,438,665)</b>
<b>168,340,900</b>	<b>TOTAL NET EXPENDITURE</b>	<b>167,224,700</b>	<b>157,992,700</b>	<b>164,306,800</b>	<b>170,724,400</b>	<b>179,784,000</b>
	<b>FINANCED BY:</b>					
1,150,431	Contribution (to) from Balances and Reserves	(1,531,854)	(1,426,053)	9,237,942	15,731,202	23,924,278
38,375,386	Revenue Support Grant	38,537,645	30,363,225	22,313,120	16,956,583	11,482,607
42,768,544	Business Rates Retention	42,768,544	44,084,127	45,268,918	46,604,385	48,093,945
21,783,181	Other General Grants	23,184,969	19,970,156	19,652,090	20,884,689	22,916,811
64,263,358	Collection Fund	64,265,396	65,001,245	67,834,730	70,547,541	73,366,359
<b>168,340,900</b>		<b>167,224,700</b>	<b>157,992,700</b>	<b>164,306,800</b>	<b>170,724,400</b>	<b>179,784,000</b>
	<b>BALANCES &amp; RESERVES</b>					
14,599,236	Balance brought forward at 1 April	14,863,858	16,395,712	17,821,765	8,583,823	(7,147,379)
(1,150,431)	Deduct (Deficit) / Add Surplus for Year	1,531,854	1,426,053	(9,237,942)	(15,731,202)	(23,924,278)
<b>13,448,805</b>	<b>Balance carried forward at 31 March</b>	<b>16,395,712</b>	<b>17,821,765</b>	<b>8,583,823</b>	<b>(7,147,379)</b>	<b>(31,071,657)</b>
<b>6,500,000</b>	<b>Minimum Level of Balances</b>	<b>6,500,000</b>	<b>7,000,000</b>	<b>7,600,000</b>	<b>7,600,000</b>	<b>7,600,000</b>
<b>1,150,431</b>	<b>Underlying Budget Deficit / (Surplus)</b>	<b>(1,531,854)</b>	<b>(1,426,053)</b>	<b>9,237,942</b>	<b>15,731,202</b>	<b>23,924,278</b>