

**AGENDA ITEM 7 - Portsmouth City Council Budget & Council Tax 2019/20 & Medium Term Budget Forecast 2020/21 to 2022/23**

Amendment to Cabinet recommendations attached.

Proposed by (Name) CLW Donna Jones

Signed  \_\_\_\_\_

Seconded by (Name) LUKE STUBBS

Signed \_\_\_\_\_  \_\_\_\_\_

## Amendment proposed by the Conservative Group

### **Portsmouth City Council - Budget & Council Tax 2019/20 & Medium Term Budget Forecast 2020/21 to 2022/23**

That the recommendations of the Cabinet of 5<sup>th</sup> February 2019 (Minute 7/19) on "Portsmouth City Council - Budget & Council Tax 2019/20 & Medium Term Budget Forecast 2020/21 to 2022/23" be amended as follows:-

#### **Recommendation 1 be amended to:**

1 The revised Revenue Estimates for the financial year 2018/19 and the Revenue Estimates for the financial year 2019/20 as set out in the General Fund Summary (Appendix A amended) including the changes described in paragraph 19 below:-

19 the following changes be made to Cash Limits for 2018/19, 2019/20 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	2018/19	2019/20	2020/21 & Future Years
		£	£	£
<b>Resources</b>				
Move to "All Out" Elections*		0*	0*	0*
<b>Other Expenditure</b>				
Re-instate Victory Energy Supply Limited	Remove provision for loss on disposal	(2,500,000)	0	0
	Generate additional income for the Council to contribute to future savings, re-invest in the community as well as reducing residents bills and providing renewable energy	0	(325,000)	(430,000)
<b>Total</b>		<b>(2,500,000)</b>	<b>(325,000)</b>	<b>(430,000)</b>

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

- I. Full Council resolves to undertake public consultation as the Council thinks appropriate on any proposed change
- II. Have regard to the outcome of the consultation before making its decision
- III. Convene a special meeting of the Council
- IV. Full Council must pass a resolution by a two-thirds majority of those voting at that Special meeting
- V. The resolution must specify the commencement year (earliest date would be May 2020)
- VI. The resolution is the means by which the term of office is reduced for any members whose term would not be completed
- VII. Any election(s) scheduled to take place before the start date indicated in the Council's resolution would continue as normal
- VIII. An explanatory document on the decision must be published after the resolution is made
- IX. The Council must notify the Boundary Commission of the scheme adopted and the commencement year
- X. If the Council resolves to change to whole council elections, the decision cannot be reversed until five years from the date of the resolution

The earliest implementation date would be from May 2020 and the saving is estimated to be £47,000 per annum.

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

**ii) Additions to Revenue Estimates**

Saving No.	Increases to Portfolio Cash Limits	2018/19	2019/20	Future Years
		£	£	£
<b>Culture, Leisure &amp; Sport Portfolio</b>				
010	Re-instate - Parks - Teams using all sports pavilions to become responsible for sports attendant duties	0	17,000	17,000
New	Maintenance associated with Design and implementation of a scheme to enable disabled access to the beach (as proposed in the Conservative Capital Amendment)	0	10,000	10,000
<b>Environment &amp; Community Safety Portfolio</b>				
New	Provision of 20 additional dog waste bins across the city	0	12,000	8,000
New	Maintenance of Installation of 8 Toilet Pods around the City including: Paulsgrove Park; Bransbury Park and Tipner Lake (as proposed in the Conservative Capital Amendment)	0	96,000	96,000
<b>PRED Portfolio</b>				
032	Re-instate - Deletion of vacant Planning Policy Officer post	0	40,000	40,000
New	High street events	0	120,000	0
New	Additional Planning Officer/Project Manager for the Redevelopment of the St James' Site	0	40,000	40,000
<b>Traffic &amp; Transportation Portfolio</b>				
New	On island parking zone referendum	0	100,000	0
New	Free 30 minute parking concession in Cosham, Southsea & North End shopping areas for 12 months	0	250,000	0
New	Marketing of a public cycle sharing scheme	0	50,000	0
<b>Other Expenditure</b>				
New	Transfer to Revenue Reserve For Capital	2,090,000	0	0
<b>Total</b>		<b>2,090,000</b>	<b>735,000</b>	<b>211,000</b>

**Recommendation 2 be amended to:-**

- 2 The Portfolio Cash Limits for the Revised Budget for 2018/19 and Budget for 2019/20 as set out in Sections 7 and 9, respectively as amended by paragraph 20 below:-
- 20 The following changes be made to Cash Limits for 2018/19, 2019/20 and future years

<b>Portfolio / Committee</b>	<b>2018/19 £</b>	<b>2019/20 £</b>	<b>Future Years £</b>
Culture, Leisure & Sport	0	27,000	27,000
Environment & Community Safety	0	108,000	104,000
Planning Regeneration & Economic Development	0	200,000	80,000
Traffic & Transportation Portfolio	0	400,000	0
Other Expenditure (Victory Energy)	(410,000)	(325,000)	(430,000)
<b>Total</b>	<b>(410,000)</b>	<b>410,000</b>	<b>(219,000)</b>

**Recommendation 3 be amended to:**

- 3 That the transfer to the Revenue Reserve for Capital in 2018/19 be reduced by £1.0m to offset overspendings within the current year and maintain General Reserves at levels consistent with maintaining the Councils financial resilience over the medium term

**SECTION 151 OFFICER'S COMMENTS**

**Under Recommendation 18, 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 13 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.

## Conservative Group Amendment

### GENERAL FUND SUMMARY - 2018/19 to 2022/23

### APPENDIX A (amended)

Original Budget 2018/19 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2018/19 £	Original Budget 2019/20 £	Forecast 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £
24,904,800	Children & Families	24,926,600	29,600,800	34,178,800	35,151,500	36,194,100
8,993,160	Culture Leisure & Sport	8,330,960	8,944,160	9,322,460	9,589,560	9,869,560
24,294,457	Education	23,379,657	24,003,957	24,429,257	24,593,857	24,765,857
16,154,013	Environment & Community Safety	16,444,913	16,477,213	16,878,713	17,108,113	17,595,713
45,052,279	Health & Social Care	42,094,679	47,682,279	47,732,979	49,707,979	51,645,579
8,282,428	Housing	8,345,228	8,029,528	8,102,428	8,195,328	8,292,928
158,453	Leader	184,953	152,853	157,253	161,753	166,453
(4,490,371)	Planning Regeneration Economic Development	(6,181,171)	(7,500,971)	(8,699,971)	(9,597,571)	(9,932,771)
22,289,434	Resources	24,177,734	23,993,734	25,828,234	26,507,634	27,116,134
16,443,707	Traffic & Transportation	16,469,507	16,642,107	16,350,707	16,429,007	17,522,507
199,400	Governance, Audit & Standards Committee	241,800	210,200	219,300	114,600	238,100
(222,795)	Licensing Committee	(223,895)	(228,095)	(230,795)	(233,895)	(237,595)
<b>162,058,965</b>	<b>Portfolio Expenditure</b>	<b>158,190,965</b>	<b>168,007,765</b>	<b>174,269,365</b>	<b>177,727,865</b>	<b>183,236,565</b>
	<u>Other Expenditure</u>					
0	Precepts	0	0	39,400	40,400	41,500
(150,000)	Portchester Crematorium - Share of Dividend	(150,000)	(160,000)	(150,000)	(150,000)	(150,000)
7,672,000	Pension Costs	7,241,200	8,018,900	8,352,900	8,698,300	9,106,100
6,384,000	Contingency Provision	10,179,500	9,489,000	4,713,500	4,713,500	4,713,500
10,344,500	Revenue Contributions to Capital Reserve	9,738,300	6,600,000	2,000,000	0	0
3,155,900	Transfer to / (from) Other Reserves	6,260,300	(570,600)	1,124,100	1,396,300	396,300
(27,225,965)	Treasury Management	(30,528,865)	(28,643,765)	(26,361,665)	(24,480,165)	(24,720,565)
2,536,600	Other Expenditure	5,611,600	2,995,700	1,628,400	2,161,800	2,695,600
<b>2,717,035</b>	<b>Other Expenditure</b>	<b>8,352,035</b>	<b>(2,270,765)</b>	<b>(8,653,365)</b>	<b>(7,619,865)</b>	<b>(7,917,565)</b>
<b>164,776,000</b>	<b>TOTAL NET EXPENDITURE</b>	<b>166,543,000</b>	<b>165,737,000</b>	<b>165,616,000</b>	<b>170,108,000</b>	<b>175,319,000</b>
	<b>FINANCED BY:</b>					
(304,260)	Contribution (to) from Balances and Reserves	(366,346)	692,310	2,471,355	4,574,197	7,279,038
0	Revenue Support Grant	0	0	0	0	0
73,567,319	Business Rates Retention	73,971,976	66,700,841	66,577,515	67,454,236	68,424,771
15,827,049	Other General Grants	17,251,478	17,054,314	15,264,935	15,159,284	15,044,859
75,685,892	Council Tax	75,685,892	81,289,535	81,302,195	82,920,283	84,570,332
<b>164,776,000</b>		<b>166,543,000</b>	<b>165,737,000</b>	<b>165,616,000</b>	<b>170,108,000</b>	<b>175,319,000</b>
	<b>BALANCES &amp; RESERVES</b>					
20,645,474	Balance brought forward at 1 April	20,565,824	20,932,170	20,239,860	17,768,505	13,194,308
304,260	Deduct (Deficit) / Add Surplus for Year	366,346	(692,310)	(2,471,355)	(4,574,197)	(7,279,038)
<b>20,949,734</b>	<b>Balance carried forward at 31 March</b>	<b>20,932,170</b>	<b>20,239,860</b>	<b>17,768,505</b>	<b>13,194,308</b>	<b>5,915,270</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>(304,260)</b>	<b>Underlying Budget Deficit / (Surplus)</b>	<b>(366,346)</b>	<b>692,310</b>	<b>2,471,355</b>	<b>4,574,197</b>	<b>7,279,038</b>