

**AGENDA ITEM 8 - Portsmouth City Council Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24**

Amendment to Cabinet recommendations attached.

Proposed by (Name) Councillor Donna Jones

Signed \_\_\_\_\_

Seconded by (Name) Councillor Luke Stubbs

Signed \_\_\_\_\_



## **Amendment proposed by the Conservative Group**

### **Portsmouth City Council - Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24**

That the recommendations of the Cabinet of 4<sup>th</sup> February 2020 (Minute 13/20) on "Portsmouth City Council - Budget & Council Tax 2020/21 & Medium Term Budget Forecast 2021/22 to 2023/24" be amended as follows:-

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

- 1) The revised Revenue Estimates for the financial year 2019/20 and the Revenue Estimates for the financial year 2020/21 as set out in the General Fund Summary (Appendix A amended) including the changes described in paragraph 17 below:-
  
- 17) The following changes be made to Cash Limits for 2020/21 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	2020/21	2021/22 & Future Years
		£	£
<b>Housing Portfolio</b>			
Reduction in Landlords Maintenance undertaken at the Guildhall	The reduction will delay completion of maintenance works scheduled over the coming 5 years and limit the ability to undertake any further reactive repairs that arise over the intervening period. <b>Note that this reduction in funding has the effect of deleting the "Guildhall Regeneration" scheme of £1.7m contained within the "Capital Programme 2019/20 to 2024/25" report considered elsewhere on this agenda</b>	200,000	200,000
<b>Resources Portfolio</b>			
Reduce Human Resources Staffing	<ul style="list-style-type: none"> <li>• Reduced capacity to manage / avoid Employment Tribunal claims and potential additional cost</li> <li>• Reduced ability to support organisational / legislative change (e.g. Brexit - EU workers, discrimination, bullying, employment legislation, in sourcing - e.g. Harry Sotnick House staff etc.)</li> </ul>	98,000	98,000
Move to "All Out" Elections*		0*	0*
<b>Other Expenditure</b>			
Reduction in Transfer to MTRS Reserve	Reduced scope to fund 'invest to save' or 'invest to avoid cost' initiatives	500,000	0
<b>Total</b>		<b>798,000</b>	<b>298,000</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 2021)**
- 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 2021 and the saving is estimated to be £56,000 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	2020/21	2021/22 & Future Years
		£	£
<b>Community Safety</b>			
New	Project to tackle bike thefts across the City - 2 Year contribution to the Police	60,000	60,000
<b>Culture and City Development</b>			
New	High Street events	120,000	
<b>Environment &amp; Climate Change</b>			
New	Provision of additional dog waste bins across the City	12,000	8,000
<b>Health, Wellbeing &amp; Social Care Portfolio</b>			
New	Reinstate a cap (set at £200 per week) on client contributions in respect of Day Care, Community Support and Health & Independence services**	25,000	25,000
<b>Housing</b>			
New	Homes in Multiple Occupation - 2 x Enforcement Officers (2 Year project) and on-going licence costs	66,000	76,000
<b>Traffic &amp; Transportation Portfolio</b>			
New	On island parking zone referendum	100,000	
New	City Wide Review of double yellow lines and unused disabled parking bays	20,000	
<b>Other Expenditure</b>			
New	Remove Residents Parking First Permit Charge (Currently £30)	255,000	255,000
<b>Total</b>		<b>658,000</b>	<b>424,000</b>

**Notes:**

In aggregate, total savings exceed total expenditure by £14,000 over the 2 year period 2020/21 and 2021/22 (see table below). There are surplus savings in 2020/21 of £140,000 funding the excess costs in 2021/22 of £126,000.

The "steady state" ongoing costs of the spending proposals beyond 2021/22 amount to £298,000 and are equivalent to the amount of ongoing savings.

**\*\* Re-instatement of the care cap is conditional upon legal opinion confirming that the implementation of such a cap is not discriminatory in law and that clients with a protected characteristic will not be determined to be treated unfairly.**

**Recommendation 2 be amended to:-**

2) The Portfolio Cash Limits for the Revised Budget for 2019/20 and Budget for 2020/21 incorporating the savings amounts for each Portfolio and amounting to £2.5m as set out in Sections 7 and 11, respectively as amended by paragraph 18 below:-

18) The following changes be made to Cash Limits for 2020/21 and future years

<b>Portfolio / Committee</b>	<b>2020/21 £</b>	<b>Future Years £</b>
Community Safety	60,000	60,000
Culture & City Development	120,000	0
Environment & Climate Change	12,000	8,000
Health Wellbeing & Social Care	25,000	25,000
Housing	(134,000)	(124,000)
Resources	(98,000)	(98,000)
Traffic & Transportation	120,000	0
Other Expenditure	(245,000)	255,000
<b>Total</b>	<b>(140,000)</b>	<b>126,000</b>

**SECTION 151 OFFICER'S COMMENTS**

**Under Recommendation 16, 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 15 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.

# GENERAL FUND SUMMARY - 2019/20 to 2023/24

# APPENDIX A (amended)

Original Budget 2019/20 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2019/20 £	Original Budget 2020/21 £	Forecast 2021/22 £	Forecast 2022/23 £	Forecast 2023/24 £
29,428,800	Children & Families	29,650,500	36,049,800	38,889,000	39,136,600	40,071,900
2,085,700	Community Safety	2,084,100	2,718,900	2,738,200	2,709,100	2,789,900
9,732,460	Culture Leisure & City Development	9,906,860	11,624,900	12,197,900	12,551,800	12,681,300
24,283,257	Education	24,580,357	21,047,200	21,321,400	21,577,100	21,840,700
14,283,513	Environment & Climate Change	14,349,713	14,092,100	14,513,500	15,129,800	14,096,100
47,682,279	Health, Wellbeing & Social Care	47,882,379	51,038,400	53,815,300	56,029,000	58,217,200
11,105,728	Housing	11,135,528	8,335,500	8,492,400	8,983,300	9,154,800
(9,681,818)	Leader	(11,999,818)	(24,229,200)	(25,641,400)	(27,377,200)	(28,082,900)
21,408,334	Resources	22,677,834	25,361,700	26,935,800	27,571,600	27,981,200
17,012,607	Traffic & Transportation	18,068,307	21,326,100	22,316,800	23,425,400	25,438,100
(228,095)	Licensing Committee	(223,495)	(129,000)	(133,100)	(137,300)	(141,600)
<b>167,112,765</b>	<b>Portfolio Expenditure</b>	<b>168,112,265</b>	<b>167,236,400</b>	<b>175,445,800</b>	<b>179,599,200</b>	<b>184,046,700</b>
	<u>Other Expenditure</u>					
8,018,900	Pension Costs	7,803,800	1,470,700	1,506,200	1,542,600	5,579,900
9,489,000	Contingency Provision	8,534,500	10,345,500	4,631,000	4,631,000	4,631,000
6,600,000	Revenue Contributions to Capital Reserve	11,379,900	10,000,000	3,000,000	3,000,000	0
(570,600)	Transfer to / (from) Other Reserves	(7,630,400)	2,681,500	1,660,500	2,291,200	291,200
(28,643,765)	Treasury Management	(27,068,765)	(19,983,600)	(18,372,200)	(18,488,200)	(19,053,900)
2,995,700	Other Expenditure	4,780,700	2,697,900	2,621,400	3,145,000	3,145,000
<b>(2,110,765)</b>	<b>Other Expenditure</b>	<b>(2,200,265)</b>	<b>7,212,000</b>	<b>(4,953,100)</b>	<b>(3,878,400)</b>	<b>(5,406,800)</b>
<b>165,002,000</b>	<b>TOTAL NET EXPENDITURE</b>	<b>165,912,000</b>	<b>174,448,400</b>	<b>170,492,700</b>	<b>175,720,800</b>	<b>178,639,900</b>
	<b>FINANCED BY:</b>					
(42,690)	Contribution (to) from Balances and Reserves	20,238	2,439,937	2,291,650	3,843,153	3,036,470
0	Revenue Support Grant	0	11,669,696	0	0	0
66,700,841	Business Rates Retention	66,834,896	55,391,749	62,276,977	64,422,667	66,629,273
17,054,314	Other General Grants	17,767,331	20,546,742	20,400,921	20,229,795	20,013,451
81,289,535	Council Tax	81,289,535	84,400,276	85,523,152	87,225,185	88,960,706
<b>165,002,000</b>		<b>165,912,000</b>	<b>174,448,400</b>	<b>170,492,700</b>	<b>175,720,800</b>	<b>178,639,900</b>
	<b>BALANCES &amp; RESERVES</b>					
23,022,170	Balance brought forward at 1 April	23,022,156	23,001,918	20,561,981	18,270,331	14,427,178
42,690	Deduct (Deficit) / Add Surplus for Year	(20,238)	(2,439,937)	(2,291,650)	(3,843,153)	(3,036,470)
<b>23,064,860</b>	<b>Balance carried forward at 31 March</b>	<b>23,001,918</b>	<b>20,561,981</b>	<b>18,270,331</b>	<b>14,427,178</b>	<b>11,390,708</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>(42,690)</b>	<b>Underlying Budget Deficit / (Surplus)</b>	<b>20,238</b>	<b>2,439,937</b>	<b>2,291,650</b>	<b>3,843,153</b>	<b>3,036,470</b>