

SCRUTINY MANAGEMENT PANEL

Minutes of the meeting of the Scrutiny Management Panel held on Friday, 31 January 2020 at 12.30 pm at the Civic Offices, Portsmouth

Present

Councillor Jason Fazackarley (in the Chair)

Councillors Leo Madden
Simon Boshier
Ben Dowling
George Fielding
Jo Hooper
Scott Payter-Harris

Officers

Mr Chris Ward, Director of Finance and Resources and
S151 Officer

1. Apologies for Absence (AI 1)

The Chair welcomed everyone to the meeting and read out the evacuation procedures. He advised everyone that the meeting was being livestreamed.

Apologies for absence were received on behalf of Councillor Benedict Swann.

2. Declarations of Members' Interests (AI 2)

There were no declarations of members' interests.

3. Minutes of the Meeting held on 18 September 2019 (AI 3)

RESOLVED that the minutes of the meeting held on 18 September 2019 be confirmed and signed by the Chair as a correct record.

4. Presentation on Portsmouth City Council Budget and Council Tax 2020/21 and Medium Term Forecast 2021/22 to 2023/24 (AI 4) (TAKE IN PRESENTATION - for information only)

Mr Chris Ward introduced the item saying this was an opportunity for members of the Panel to ask questions on the budget prior to it going to Cabinet and Council.

Mr Ward explained each slide in turn covering

- the Financial Context
- the Revised Budget 2019/20
- The Budget 2020/21 (including Local Government Financial Settlement, Business Rates and Council Tax)

- Future Forecasts - 2021/22 to 2023/24
- Capital Programme 2019/20 to 2024/25

In summary Mr Ward said that the budget is robust and balanced accommodating all forecast overspendings. A great deal has been done to restore underlying deficits.

However the future is more difficult as there is much uncertainty for local government and the forecast could vary plus or minus £4m.

The Capital Programme is challenging. Statutory obligations for 2020/21 have been met but there are significant capital obligations going forward in Environment/renewables and really constrained capital resources. There is a substantial "Capital Gap" in the short to medium term. Council will have to consider how much of its revenue to put into capital and also the extent to which it can place bids for central government funds. The latter require business cases to be submitted and these are costly to prepare.

During discussion

- It was confirmed that some improvements to the Hard - Cathodic Protection (mentioned in the slide headed Future Capital Investment Obligations/Aspirations) were happening now but some remained aspirational.
- The current Spinnaker Tower sponsorship was coming to an end. This is included in the figures for savings and efficiencies. An assumption has been made that sponsorship funding would be continued but if that turns out to be incorrect, the budget has a contingency provision.
- It was confirmed that the consultancy costs for feasibility studies is part of the total figure for schemes included in the capital programme. In answer to a query about the consultancy cost for the Anaerobic Digester, Mr Ward said this would be in excess of £200k.
- With regard to a query about what is included in "other green and environmental schemes" Mr Ward said these included for example greening the city, Southsea common and town centre management, one way streets etc. Appendix 2 of the Budget papers sets out all the capital investment schemes.

The Chair thanked Mr Ward for his clear presentation.

The meeting concluded at 1.40 pm.

Councillor Jason Fazackarley
Chair