

AGENDA ITEM 7 - Portsmouth City Council Budget & Council Tax 2021/2022 & Medium Term Budget Forecast 2022/23 to 2024/25

Amendment to Cabinet recommendations attached.

Proposed by (Name) Councillor Claire Udy

Signed _____

Seconded by (Name) Councillor Jeanette Smith

Signed _____

Amendment proposed by the Progressive Portsmouth People Group

Portsmouth City Council - Budget & Council Tax 2021/22 & Medium Term Budget Forecast 2022/23 to 2024/25

That the recommendations of the Cabinet of 02 February 2021 (Minute 12/21) on "Portsmouth City Council - Budget & Council Tax 2021/2022 & Medium Term Budget Forecast 2022/23 to 2024/25" be amended as follows:

Recommendation 3.1 1) be amended to:

1) The revised Revenue Estimates for the financial year 2020/21 and the Revenue Estimates for the financial year 2021/22 as set out in the General Fund Summary (Appendix A amended) including the changes described in paragraph 22 below:

22) The following changes be made to Cash Limits for 2021/22 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	2021/22	2022/23 & Future Years
		£	£
Communities & Central Services Portfolio			
Reduce management level staffing within Human Resources	Existing management span of control is high at 1 Manager to 16 staff. Further reduction in management capacity would result in: <ul style="list-style-type: none"> • The transfer of work to front line services and consequent reduction in their capacity • Reduced capacity to manage / avoid Employment Tribunal claims and potential additional cost • Reduced ability to effectively support organisational / legislative change (e.g. Brexit - EU workers, discrimination, bullying, employment legislation, in sourcing) • Reduction in management capacity would risk external income to the council generated by the HR service 	(150,000)	(150,000)
Reduce staffing level within Information Technology	<ul style="list-style-type: none"> • Ability to deliver the IT strategy will be compromised / delayed • Inability to optimise the IT capital investment already made • High risk that significant costs associated with maintaining the current outdated IT will continue to increase 	(100,000)	(100,000)
Total		(250,000)	(250,000)

ii) Additions to Revenue Estimates

Saving No.	Increases to Portfolio Cash Limits	2021/22	2022/23 & Future Years
		£	£
Children, Families & Education Portfolio			
New	Expansion of the 4US Project by one Full Time Equivalent Member of Staff with the objective of providing a safe, secure and supportive environment to the adult LGBT+ community	25,000	25,000
Communities & Central Services Portfolio			
New	Hive Community Fund (Recovery Project and Mental Health projects)	225,000	225,000
Total		250,000	250,000

Recommendation 3.1 3) be amended to:-

3) The Portfolio Cash Limits for the Revised Budget for 2020/21 and Budget for 2021/22 incorporating the savings amounts for each Portfolio and amounting to £1.3m as set out in Sections 7 and 11, respectively as amended by paragraph 23 below:-

23) The following changes be made to Cash Limits for 2021/22 and future years

Portfolio / Committee	2021/22	Future Years
	£	£
Children, Families & Education Portfolio	25,000	25,000
Communities & Central Services Portfolio	(25,000)	(25,000)
Total	0	0

Recommendation 3.1 24)

It is requested that the Leader considers transferring responsibility for all community related functions, from the Communities and Central Services Portfolio to the Culture, Leisure & Economic Development Portfolio

Recommendation 3.1 25)

That the Cabinet Member for Communities and Central Services Portfolio is requested to undertake a review of the Council's Communications function, evaluating the effectiveness of the current function and the allocation of communications resources across the council with a view to ensuring that adequate communications and social media resources are provided to priority areas such as Education, Public Health and other such areas which have a high social value; engaging residents in different ways and by age group, ethnicity, gender and sexual orientation.

SECTION 151 OFFICER'S COMMENTS

Under Recommendation 21, 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 16 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 - 2020/21 to 2024/25

APPENDIX A (amended)

Original Budget 2020/21 £	NET REQUIREMENTS OF PORTFOLIOS	Revised Budget 2020/21 £	Original Budget 2021/22 £	Forecast 2022/23 £	Forecast 2023/24 £	Forecast 2024/25 £
57,097,000	Children, Families & Education	57,109,400	56,453,700	57,385,400	58,938,700	60,071,200
25,155,700	Communities & Central Services	26,213,100	25,255,000	28,079,100	28,314,000	28,725,400
2,686,900	Community Safety	3,488,900	2,752,200	2,877,300	2,942,900	3,020,800
11,114,700	Culture, Leisure & Economic Development	13,284,400	13,111,200	14,041,900	14,036,600	13,805,400
13,505,700	Environment & Climate Change	13,704,600	13,751,600	14,699,100	13,632,900	13,922,200
51,013,400	Health, Wellbeing & Social Care	50,981,000	54,446,000	57,506,800	59,374,400	61,107,400
8,469,500	Housing & Preventing Homelessness	7,446,500	7,421,700	7,836,900	7,805,900	7,966,100
(24,229,200)	Leader	(24,714,600)	(25,708,200)	(25,399,900)	(26,418,800)	(26,946,300)
1,306,600	Planning Policy & City Development	1,374,100	1,229,100	1,274,200	1,321,300	1,369,900
21,206,100	Traffic & Transportation	22,011,900	21,097,000	23,199,700	25,183,600	24,931,300
(129,000)	Licensing Committee	(125,000)	(126,500)	(130,900)	(135,400)	(140,000)
167,197,400	Portfolio Expenditure	170,774,300	169,682,800	181,369,600	184,996,100	187,833,400
	<i>Other Expenditure</i>					
1,470,700	Pension Costs	1,348,200	1,394,900	1,428,500	5,563,000	5,598,300
10,345,500	Contingency Provision	31,678,600	26,295,700	9,562,900	5,587,600	5,587,600
10,000,000	Revenue Contributions to Capital Reserve	8,144,800	6,234,000	3,500,000	0	0
2,860,500	Transfer to / (from) Other Reserves	29,667,300	(28,281,800)	(7,031,800)	(1,892,200)	(760,700)
(19,983,600)	Treasury Management	(21,984,100)	(17,661,500)	(16,872,000)	(18,470,200)	(18,162,100)
2,697,900	Other Expenditure	1,407,300	3,670,000	3,510,000	3,950,000	3,950,000
7,391,000	Other Expenditure	50,262,100	(8,348,700)	(5,902,400)	(5,261,800)	(3,786,900)
174,588,400	TOTAL NET EXPENDITURE	221,036,400	161,334,100	175,467,200	179,734,300	184,046,500
	FINANCED BY:					
2,579,937	Contribution (to) from Balances and Reserves	(364,220)	2,041,226	1,876,422	3,438,612	2,933,505
11,669,696	Revenue Support Grant	11,669,696	11,734,229	11,968,914	12,208,292	12,452,459
55,391,749	Business Rates Retention	80,005,046	30,730,310	52,485,182	53,072,167	55,044,897
20,546,742	Other General Grants	44,863,946	31,511,241	20,935,147	20,551,525	20,720,656
84,400,276	Council Tax	84,861,932	85,317,094	88,201,535	90,463,704	92,894,983
174,588,400		221,036,400	161,334,100	175,467,200	179,734,300	184,046,500
	BALANCES & RESERVES					
23,001,918	Balance brought forward at 1 April	23,010,130	23,374,350	21,333,124	19,456,702	16,018,090
(2,579,937)	Deduct (Deficit) / Add Surplus for Year	364,220	(2,041,226)	(1,876,422)	(3,438,612)	(2,933,505)
20,421,981	Balance carried forward at 31 March	23,374,350	21,333,124	19,456,702	16,018,090	13,084,585
8,000,000	Minimum Level of Balances	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
2,579,937	Underlying Budget Deficit / (Surplus)	(364,220)	2,041,226	1,876,422	3,438,612	2,933,505