

Decision maker: Cabinet 27th Sept 2022

Subject: Revenue Budget Monitoring 2022/23 (First Quarter) to end June 2022

Report by: Director of Finance & Resources

Wards affected: All

Key decision (over £250k): No

1. Purpose of Report

1.1 The purpose of this report is to update members on the current Revenue Budget position of the Council as at the end of the first quarter for 2022/23 in accordance with the proposals set out in the "Portsmouth City Council - Budget & Council Tax 2022/23 & Medium Term Budget Forecast 2023/24 to 2025/26" report approved by the City Council on 15th February 2022.

2. Recommendations

2.1 It is recommended that:

(i) The General Fund Forecast Outturn for 2022/23 (as at 30th June 2022) be noted consisting of:

- £2,991,300 overspend (before the Employers 2022/23 Pay Offer of a flat increase to all Spinal Column Points of £1,925); and
- £6,791,300 overspend (after the pay offer)

The overspend is analysed as follows:

FORECAST OUTTURN 2022/23		£000
Forecast Net Overspend (before transfers to/from) Reserves		8,121.1
Less Expenditure funded from Corporate Contingency:		
	Covid-19 Costs	(2,643.7)
	Windfall Costs	(2,127.0)
Less Transfers From Portfolio / Cabinet Reserve:		
	Overspendings (in accordance with approved Council resolutions)	(856.9)
Add Transfers to Portfolio and Other Reserves:		
	Underspendings (in accordance with approved Council resolutions)	497.8

Forecast Net Overspend Before 2022/23 Pay Award	2,991.3
Impact of Employers Pay Offer of a Flat Increase of £1,925	3,800.0
Overall Forecast Net Overspend 2022/23 (after Pay Award)	6,791.3

- (ii) The forecast additional spending and forgone income as consequence of the continuing impact of the Covid-19 Pandemic totalling £2.64m be noted
- (iii) Members note that the financial consequences arising during 2022/23 from the Covid-19 pandemic will be met from the provision held within the Council's Corporate Contingency which was set aside specifically for this purpose as approved by City Council on 15th February 2022.
- (iv) Members note the impact of the overspending capital schemes outlined in Section 7 and the consequent effect this will have on the availability of new capital resources to fund new capital schemes commencing in April 2023.
- (v) Members note that in accordance with approved policy as described in Section 8, any actual non Covid-19 overspend at year end will in the first instance be deducted from any Portfolio Reserve balance and once depleted then be deducted from the 2023/24 Cash Limit.
- (vi) Directors, in consultation with the appropriate Cabinet Member, consider options that seek to minimise any forecast non Covid-19 overspending presently being reported and prepare strategies outlining how any consequent reduction to the 2023/24 Portfolio cash limit will be managed to avoid further overspending during 2023/24.
- (vii) Cabinet plan for placing up to £3m of contractually uncommitted Capital Schemes on "hold" pending the outcome of the cost and funding reviews described in Paragraphs 7.1 and 7.3.

3. Background

- 3.1 A Budget for 2022/23 of £173,501,200 was approved by City Council on 15th February 2022. This level of spending enables a contribution to General Reserves of £0.1m since in year income exceeds in year expenditure.
- 3.2 The Budget approved by City Council in February 2022 included provision within the Corporate Contingency of £4.5m to meet estimated Covid-19 related costs and lost income during 2022/23.
- 3.3 Along with the summary of the forecast full year variances as usually reported through these quarterly budget monitoring reports, this Quarter 1 report also includes an updated assessment of the financial impact on the Councils capital programme as a consequence of the high levels of inflation currently being experienced on building materials and labour costs.
- 3.4 Since the 15th February City Council meeting, the Council has been allocated additional one off non ring-fenced grants totalling £436,500 in 2022/23. In order to

achieve the Government's priorities in these areas, service budgets have been adjusted as appropriate. In addition, due to a change in the Government scheme relating to the COVID-19 Additional Relief Fund a Section 31 Grant totalling £2,620,900 has been received to reimburse Covid-19 Collection Fund Deficits that will arise from the granting of this relief. This has been transferred to an earmarked reserve to be released back to the General Fund when the resulting Collection Fund Deficit impacts the General Fund in 2023/24. This results in a neutral impact on the Council over the period 2022/23 to 2023/24. Finally, Portfolio overspendings relating to 2021/22 within Climate Change & Environment Portfolio (£67,200) and Culture, Leisure and Economic Development (£4,600) has been deducted from 2022/23 cash limits in accordance with Council policy.

3.5 In summary, changes to the budget as approved on 15th February 2022 are as follows:

	£
Budget Approved 15th February 2022	173,501,200
Staying Close Grant - Children's Social Care	272,300
Extended Personal Advisor Duty (New Burden)	28,000
Delay of Implementation of CARF Until 2022/23 (s31 Grant)	2,620,900
Section 31 Support for care leavers at risk of rough sleeping Grant	35,600
Charging Reform Grant - Adult Social Care	100,600
Clawback of 2021/22 Overspending	(71,800)
Adjusted 2022/23 Budget	176,486,800

3.6 This is the first quarter monitoring report of 2022/23 and reports on the forecast 2022/23 outturn as at the end of June 2022. The forecasts summarised in this report are made on the basis that management action to address any forecast overspends are only brought in when that action has been formulated into a plan and there is a high degree of certainty that it will be achieved.

3.7 Any variances within Portfolios that relate to windfall costs or windfall savings will be met / taken corporately and not generally considered as part of the overall budget performance of a Portfolio. "Windfall costs" are defined as those costs where the manager has little or no influence or control over such costs and where the size of those costs is high in relation to the overall budget controlled by that manager. "Windfall costs" therefore are ordinarily met corporately from the Council's central contingency. A manager / Cabinet Member however, does have an obligation to minimise the impact of any "windfall cost" from within their areas of responsibility in order to protect the overall financial position of the Council. Similarly, "windfall savings" are those savings that occur fortuitously without any manager action and all such savings accrue to the corporate centre.

4. Forecast Revenue Outturn 2022/23 – As at end June 2022

4.1 At the first quarter stage the General Fund Revenue Outturn for 2022/23 is forecast to be overspent by £2,991,300. This is represented in the tables shown in paragraphs 4.2 and 4.3. Paragraph 4.2 represents the financial position before any transfers to

and from Portfolio and Other Reserves. Paragraph 4.3 shows the overall financial position of the Council once "windfall costs" have been funded and Portfolio Reserves have been used to fund any remaining overspendings.

- 4.2 The Quarter 1 General Fund Outturn before transfers to / from Reserves is an overall overspend of £8,121,100. After releases from Contingency (to fund Covid related costs of £2,643,700 and Windfall Costs of £2,127,000), there is a net forecast overspend of £3,350,400 as summarised below.

	Total Portfolio Variance	Less Covid-19 Related Costs Met From Contingency	Net Variance
	£	£	£
Children, Families & Education	1,860,700	(1,028,700)	832,000
Communities & Central Services	1,679,600	(100,000)	1,579,600
Climate Change & Environment	314,400	0	314,400
Culture, Leisure & Economic Development	1,029,900	0	1,029,900
Health, Wellbeing & Social Care	2,314,000	0	2,314,000
Housing & Preventing Homelessness	415,400	0	415,400
Leader	12,000	0	12,000
Port	1,953,000	(1,485,000)	468,000
Planning Policy & City Development	277,600	0	277,600
Safety in the Community	70,000	0	70,000
Licensing Committee	0	0	0
Traffic & Transportation	(75,500)	(30,000)	(105,500)
Total Portfolio Variance	9,851,100	(2,643,700)	7,207,400
Levies	(2,700)		(2,700)
Treasury Management	(2,077,300)		(2,077,300)
Other Misc. - Portico	350,000		350,000
Total Budget Variance	8,121,100	(2,643,700)	5,477,400
Other Costs - Met from Corporate Contingency			(2,127,000)
Total General Fund Variance (Excluding Pay Award)			3,350,400

- 4.3 As described above, the forecast Portfolio variances do not take account of:

- i) Windfall costs funded by the Council's Corporate Contingency
- ii) Transfers from Portfolio Reserves to fund Portfolio Overspendings

- iii) Transfers to Portfolio and Other Reserves for forecast Underspendings
- iv) Employers 2022/23 pay offer of a flat increase to all Spinal Column Points of £1,925.

These are taken into account in the table below and illustrate that after transfers to and from Reserves, the Council is forecasting an overall overspend of £2,991,300 before the Employers 2022/23 Pay Offer and £6,791,300 after this pay offer.

	Net Portfolio Variance	Less Windfall and Exceptional & Significant Items	Transfers (from)/to Portfolio/ Parking Reserves	Total Variance Excluding Covid-19 Costs
	£	£	£	£
Children, Families & Education	832,000	(100,500)		731,500
Communities & Central Services	1,579,600	(1,201,700)	(377,900)	0
Climate Change & Environment	314,400			314,400
Culture, Leisure & Economic Development	1,029,900	(1,042,200)	12,300	0
Health, Wellbeing & Social Care	2,314,000	(232,000)	(478,500)	1,603,500
Housing & Preventing Homelessness	415,400	(415,200)	(200)	0
Leader	12,000	(11,700)	(300)	0
Port	468,000	(468,000)		0
Planning Policy & City Development	277,600	(119,600)		158,000
Safety in the Community	70,000			70,000
Licensing Committee	0			0
Traffic & Transportation	(105,500)	(380,000)	485,500	0
Total Portfolio Variance	7,207,400	(3,970,900)	(359,100)	2,877,400
Levies	(2,700)			(2,700)
Treasury Management	(2,077,300)			(2,077,300)
Other Misc. - Portico	350,000			350,000
Energy Costs in Excess of Contingency Provision		1,843,900		1,843,900
Overall Variance (Excl. Pay Award)	5,477,400	(2,127,000)	(359,100)	2,991,300
Impact of Employers Pay Offer of a Flat Increase of £1,925				3,800,000
Overall Variance	5,477,400	(2,127,000)	(359,100)	6,791,300

5. Quarter 1 Budget Variations – Forecast Outturn 2022/23

5.1 Children, Families & Education – Non Covid-19 related Overspend £832,000 or After windfall costs £731,500; Covid-19 related costs funded from Corporate Contingency £1,028,700

The cost of Children, Families & Education is forecast to be £832,000 higher than budgeted.

The Non Covid-19 overspend is largely due to: Higher Home to School Transport costs totalling £658,000; the cost of placements for children with disabilities who have exceptionally high needs and rising numbers of families with no recourse to public funds (£392,000); higher Looked after Children costs of £456,000 due to a small number of very high cost semi residential placements and higher utility costs across the Portfolio totalling £101,000. These costs are offset by additional grant received in respect of Unaccompanied Asylum Seeking Children totalling £642,000 and staff vacancies within School Improvement and Inclusion Services (£145,000).

Additional costs expected to arise as a result of the pandemic total £1.0m; primarily due to higher costs relating to Looked After Children (£0.8m) due to a delay in the implementation of planned savings (expected now to be implemented by April 2023) and additional staffing costs arising from an increase in referrals leading to more children being subject to a child protection plan (£0.2m). These costs will be met from Corporate Contingency.

5.2 Communities & Central Services – Non Covid-19 related Overspend £1,579,600 or After Transfer From Portfolio Reserve and windfall costs Nil; Covid-19 related costs funded from Corporate Contingency £100,000

The cost of Communities & Central Services is forecast to be £1,579,600 higher than budgeted.

Overspending relating to non COVID-19 activity of £1.6m is currently being forecast. Of this £1.1m relates to higher utility costs relating to the Civic Offices; forecast overspending within Human Resources of £70,000 as a result of reduced income from traded services and funding for Wellness Support ending; Information Services is forecast to overspend by £293,000 due to a delay in the Office 365 project (of which £168,000 relates to delayed staff savings) and the introduction of Universal Credit for new clients from September 2018 has resulted in a fall in the level of subsidy received for rent allowances and rent rebates of £100,000 (this is a windfall cost and will be met from Corporate Contingency - see Para 3.7).

Following the pandemic there is shortage of available court dates relating to recovery action on overdue Council Tax. This delay is forecast to result in a shortfall in court fee income of £0.1m. These costs will be met from Corporate Contingency.

5.3 Climate Change & Environment – Non Covid-19 related Overspend £314,000

The cost of Climate Change & Environment is forecast to be £314,000 higher than budgeted.

The Overspend is entirely as a consequence of reduced income within the Waste Disposal Service due to falling recycling income, reduced Energy Recovery Facility and Material Recycling Facility income and a reduction in recycling credits. The volatility of commodity prices continues due to the uncertain economic climate combined with ongoing pressure of increased kerbside refuse tonnages, which remain higher than pre-pandemic levels because of the trend towards home working.

5.4 Culture, Leisure & Economic Development – Non Covid-19 related Overspend £1,029,900 or After Transfer To Portfolio Reserve costs and windfall costs Nil;

The cost of Culture Leisure & Economic Development is forecast to be £1,029,900 higher than budgeted.

Overspending relating to non COVID-19 activity of £1.0m is forecast as a consequence of increased utility costs at leisure sites operated by BH Live.

5.5 Health, Wellbeing and Social Care – Non Covid-19 related Overspend £2,314,000 or After Transfer From Portfolio Reserve and windfall costs £1,603,500

The cost of Health, Wellbeing and Social Care is forecast to be £2,314,000 higher than budgeted.

Overspending relating to non COVID-19 activity of £2.3m is currently being forecast.

Higher than anticipated care package costs and higher client numbers within Domiciliary and Nursing Care totalling £1.8m are currently forecast. Due to increasing client numbers, Supported Living and Residential Care are also forecasting expenditure in excess of budget of £125,000. In addition a further £232,000 relates to higher utility costs within Adult Social Care buildings.

5.6 Housing & Preventing Homelessness – Non Covid-19 related Overspend £415,400 or After Transfer From Portfolio Reserve and windfall costs Nil;

The cost of Housing is forecast to be £415,400 higher than budgeted.

The forecast overspend of £0.4m is as a consequence increased demand for temporary accommodation within the City. This is a windfall cost and will be met from Corporate Contingency (Para 3.7)

5.7 Leader – Non Covid-19 related Overspend £12,000 or After Transfer From Portfolio Reserve and windfall costs Nil

The cost of Leader is forecast to be £12,000 higher than budgeted.

The net forecast overspending of £12,000 has arisen as result of the Emirates sponsorship agreement of the Spinnaker Tower expiring and a replacement sponsor still being sought (£0.7m). Due to the uncertainty around the timing of any new sponsorship arrangement, budget provision for this loss had been made in the Council's Corporate Contingency. This income loss is offset by net additional rental income from the Property Portfolio (£0.7m). Both of these are windfall items and are therefore accommodated corporately from within the Council's Contingency.

5.8 Port – Non Covid-19 related Overspend £468,000 or After windfall costs Nil; Covid-19 related costs funded from Corporate Contingency £1,485,000

The overall net General Fund contribution by the Port excluding the impact of Covid-19 is forecast to be £468,000 lower than target. This shortfall is entirely as a consequence of higher utility costs being experienced at the Port.

Due to a net reduction in port dues because of reduced traffic passing through the Port, net income as a consequence of the COVID-19 Pandemic is £1.5m lower than originally budgeted. The income shortfall will be met from Corporate Contingency.

5.9 Planning Policy & City Development – Non Covid-19 related Overspend £277,600 or After windfall costs £158,000

The cost of Planning Policy & City Development is forecast to be £277,600 higher than budgeted.

The Planning Development Control Service is currently forecast to overspend by £296,100 as a consequence of Agency Staff employed within the service to assist with clearing the back log of planning applications and a shortfall in Planning income.

£119,600 of this overspending relates to Planning Application Fee income which is a windfall cost and will be met from the Corporate Contingency allocation (Para 3.7).

5.10 Safety in the Community Non Covid-19 related Overspend £70,000

The cost of Safety in the Community is forecast to be £70,000 higher than budgeted. Licensing income arising from Housing Regulations is forecast to be £60,000 less than budgeted due to the number of currently unlicensed properties required to become licensed being lower than originally expected.

5.11 Traffic and Transportation – Non Covid-19 related Underspend £105,500 or After Transfer To Parking/PFI Reserve and windfall costs Nil; Covid-19 related costs funded from Corporate Contingency £30,000

The cost of Traffic and Transportation is forecast to be £105,500 lower than budgeted.

Underspending relating to non COVID-19 activity of £105,500, is primarily as a result of lower Concessionary Travel payments to bus operators due to significantly lower passenger miles travelled (£0.6m) and Staff Vacancies (£0.1m) offset by higher Street Lighting Utility costs (£0.3m), a fall in Park & Ride Income due to lower passenger numbers (£0.2m) and reduced coach volumes departing from the Hard Interchange leading to a shortfall in income (£0.1m).

Additional net expenditure expected to arise as a result of the pandemic totals £30,000. These costs will be met from Corporate Contingency.

5.12 Treasury Management – Underspend £2,077,300

This budget funds all of the costs of servicing the City Council's long term debt portfolio that has been undertaken to fund capital expenditure. It is also the budget that receives all of the income in respect of the investment of the City Council's

surplus cash flows. As a consequence, it is potentially a very volatile budget particularly in the current economic climate and is extremely susceptible to both changes in interest rates as well as changes in the Council's total cash inflows and outflows.

5.13 Other Miscellaneous - Portico - Overspend £350,000

Due to a reduction in income, Portico is forecasting an increased loss totalling £350,000.

5.14 Corporate Contingency – Non Covid-19 related releases £2,127,000; Covid-19 related releases £2,643,700

As at Quarter 1, windfall costs totalling £4,770,700 are being forecast which will be met from Corporate Contingency. (Para 3.7)

Items identified as windfall or exceptional and significant costs in this Quarter 1 report are:

Loss of Housing Benefit Subsidy (windfall)	£100,000
Homelessness (windfall)	£415,200
Spinnaker Tower Sponsorship (windfall)	£700,000
Commercial Property Income (windfall)	(£688,300)
Planning Development Control Fee Income (windfall)	£119,600
Covid-19 (windfall)	£2,643,700
Contingency Provision for exceptional Utility Costs	1,480,500
Total Windfall and Exceptional & Significant Costs	£4,770,700

Portfolios are currently forecasting increased utility costs of £3,324,400 which is £1,843,900 in excess of the Contingency Provision provided for this known risk.

6. Transfers From/To Portfolio Specific Reserves

6.1 In November 2013, Full Council approved the following changes to the Council's Budget Guidelines and Financial Rules:

- Each Portfolio to retain 100% of any year-end underspending and to be held in an earmarked reserve for the relevant Portfolio
- The Portfolio Holder be responsible for approving any releases from their reserve in consultation with the Section 151 Officer
- That any retained underspend (held in an earmarked reserve) be used in the first instance to cover the following for the relevant portfolio:
 - i) Any overspendings at the year-end
 - ii) Any one-off Budget Pressures experienced by a Portfolio

- iii) Any on-going Budget Pressures experienced by a Portfolio whilst actions are formulated to permanently mitigate or manage the implications of such on-going budget pressures
 - iv) Any items of a contingent nature that would historically have been funded from the Council's corporate contingency provision
 - v) Spend to Save schemes, unless they are of a scale that is unaffordable by the earmarked reserve (albeit that the earmarked reserve may be used to make a contribution)
- Once there is confidence that the instances i) to v) above can be satisfied, the earmarked reserve may be used for any other development or initiative

6.2 The forecast balances on Portfolio Reserves are set out below:

Portfolio/Committee	Balance Brought Forward	Approved Transfers	Forecast Under/(Over) Spending	Balance Carried Forward
	£	£	£	£
Children, Families & Education	199,300	(199,300)		0
Communities & Central Services	845,000	(302,800)	(377,900)	164,300
Climate Change & Environment	195,000	(195,000)		0
Culture, Leisure & Economic Development	50,000	(50,000)	12,300	12,300
Health, Wellbeing & Social Care	478,500	0	(478,500)	0
Housing & Preventing Homelessness	17,900	0	(200)	17,700
Leader	177,400	(100,400)	(300)	76,700
Port	2,758,300	(2,758,300)		0
Planning Policy & City Development	19,900	(19,900)		0
Safety in the Community	62,000	(62,000)		0
Traffic & Transportation	0			0
Licensing Committee	72,000			72,000
	4,875,300	(3,687,700)	(844,600)	343,000

7. Capital Programme Forecast of Outturn

- 7.1 On 15th February 2022, City Council approved a capital programme of expenditure totalling £1.084bn. As a result of the current high levels of inflation being experienced on building materials and labour costs, a full review of the forecast spend on all capital schemes as at the end of Quarter 1 has been undertaken. This has identified pressures across the Capital Programme of circa £8.6m with the main driver of this forecast cost increase being the Border Control Point at £6.2m.
- 7.2 Whilst there are financial pressures across a number of Capital Schemes, work is underway to evaluate opportunities to engineer schemes for cost reduction as well as engaging with Central Government Departments for additional grant funding.
- 7.3 The indicative level of new Corporate Resources available to fund identified overspending of approved capital schemes and new scheme starts in 2023/24 is £9.1m.

- 7.4 As a consequence of approved capital schemes currently being forecast to require an increased call on Corporate Resources of circa £8.6m, available capital resources to fund new schemes commencing in April 2023 are likely to be extremely limited and, in all likelihood, will be restricted to new investment that mitigates the risk of service failure only (e.g. high priority building maintenance) and schemes that are of an Invest to Save nature that can be funded by Prudential Borrowing.
- 7.5 Cabinet are therefore recommended to plan for placing up to £3m of contractually uncommitted Capital Schemes on "hold" pending the outcome of the cost and funding reviews described above.

8. Conclusion - Overall Financial Summary

- 8.1 Before the impact of the Employers 2022/23 pay offer the overall 2022/23 forecast outturn for the City Council as at the end of June 2022 is forecast to be £179,478,100. This is an overall overspend of £2,991,300 against the Adjusted Budget. This overspend is forecast to rise to £6,791,300 after the Employers current pay offer is taken into account.
- 8.2 The forecast takes account of all known variations at this stage, but only takes account of any remedial action to the extent that there is reasonable certainty that it will be achieved.
- 8.3 The overall overspend has been mitigated only by the use of the Council's forecast contingency of £4.8m and the drawdown from Portfolio Reserves of £0.8m.
- 8.4 The overall financial position is deemed to be "red" as in year expenditure exceeds in year income, although the Council's Corporate Contingency has sufficient funding to meet this "in year" overspending if required. The overspending however, may indicate financial difficulties for Portfolios in future years particularly as Portfolio Reserves are largely depleted (paragraph 6.2).
- 8.5 The overall financial forecast for Quarter 1 for the whole Council is a cause for concern with significant forecast utilities overspends across all Portfolio's totalling a combined pressure of £3.3m (£1.8m in excess of the Contingency provision) and significant forecasts overspends in the areas of Home to School Transport (£0.7m), Family Safeguarding (£0.4m), Looked after Children (£0.5m), Information Technology (£0.3m), Waste Disposal (£0.3m), Domiciliary & Nursing Care (£1.8m), Temporary Accommodation (£0.4m) and Planning Development Control (£0.3m).
- 8.6 Whilst the approved Budget 2022/23 originally sought to remedy unavoidable budget pressures, world events since the budget was approved in February have introduced new pressures or exacerbated known pressures. As a consequence there remains longer term uncertainty relating to further increases in demand. Should this persist, the Council's savings requirements in the future could rise. Consequently, it is recommended that Directors continue to work with the relevant portfolio holder to consider measures to significantly reduce the adverse budget position presently being forecast by Portfolios with a view to eliminating deficits in the medium term, and any necessary decisions presented to a future meeting of the relevant Portfolio.

- 8.7 Where a Portfolio is presently forecasting a net overspend, in accordance with current Council policy, any overspending in 2022/23 which cannot be met by transfer from the Portfolio Specific Reserve will be deducted from cash limits in 2023/24 and therefore the appropriate Directors in consultation with Portfolio Holders should prepare an action plan outlining how their 2022/23 forecast outturn or 2023/24 budget might be reduced to alleviate the adverse variances currently being forecast.
- 8.8 Based on the Budget of £176,486,800 the Council will remain within its minimum level of General Reserves for 2022/23 of £8.0m as illustrated below:

	£m
General Reserves brought forward at 01/04/2022	21.424
Less:	
Forecast Overspend 2022/23	(2.991)
Less:	
Planned Contribution to General Reserves 2022/23	0.1
Forecast General Reserves carried forward into 2022/23	18.533

- 8.9 Capital schemes are currently forecasting an increased call on Corporate Capital resources of circa £8.6m that cannot be met from underspending elsewhere within the relevant Portfolio's Capital Programme. As a consequence, it would be prudent to review the current approved capital programme and for Cabinet to plan for placing up to £3m of contractually uncommitted Capital Schemes on "hold" pending the outcome of the cost and funding reviews outlined in Section 7. It is likely that the funding for any new schemes commencing in April 2023 will be extremely limited and, in all likelihood, be restricted to new investment that mitigates the risk of service failure only (e.g. high priority building maintenance) and schemes that are of an Invest to Save nature that can be funded by Prudential Borrowing.

9. City Solicitor's Comments

- 9.1 The City Solicitor is satisfied that it is within the Council's powers to approve the recommendations as set out.

10. Equalities Impact Assessment

- 10.1 This report does not require an Equalities Impact Assessment as there are no proposed changes to PCC's services, policies, or procedures included within the recommendations.

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Chris Ward
Director of Finance & Resources

Background List of Documents –

Section 100D of the Local Government Act 1972

The following documents disclose facts or matters which have been relied upon to a material extent by the author in preparing this report –

Title of Document	Location
Budget & Council Tax 2022/23 & Medium Term Budget Forecast 2023/24 to 2025/26	Office of Deputy Director of Finance
Electronic Budget Monitoring Files	Financial Services Local Area Network

The recommendations set out above were:

Approved / Approved as amended / Deferred / Rejected by the Cabinet on 27th September 2022

Signed: