



## Report to the Partnership for South Hampshire Overview and Scrutiny Committee

Date: **09 March 2021**

Report of: **John Harrison, Executive Director – Finance & Commercialisation, Southampton City Council**

Subject: **PfSH Budget Monitoring 2020/21 and Proposed Budget 2021/22**

### SUMMARY

The report will provide an update for the Joint Committee on progress to date against the approved budget, including a forecast outturn for the current financial year. The report will also set out the proposed revenue budget for 2021/22.

### RECOMMENDATIONS

It is RECOMMENDED that the Overview & Scrutiny Committee:-

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to:
  - i. NOTE the budget monitoring position for 2020/21, as set out in the report;
  - ii. NOTE that the forecast outturn from the 2020/21 budgets is provisional and may be subject to change in the final outturn budget report;
  - iii. APPROVE the proposed revenue budget for 2021/22, as set out in the report;
  - iv. APPROVE the partner contributions for 2021/22 as shown on table 5; and
- c) consider any comments to be passed to the Joint Committee for consideration.

## INTRODUCTION

1. The report will provide an update for the Joint Committee on progress to date against the approved budget for the current financial year.
2. The report will also set out the proposed revenue budget allocations for next financial year 2020/21 in line with the budget arrangements approved by the Joint Committee in June 2019 as part of the partnership's Business Plan.

## Resources

3. Table 1 of the report sets out the estimated PfSH resources available for 2020/21, together with the funds that have been received as at the end of February 2021.

<b>Table 1: Total Resources Available</b>	2020/21	2020/21
	Budget Approved Jun 20	Actual received to end Feb 20
	£000s	£000s
<u>Revenue Funds</u>		
Core funding (local authorities)	75	76
Other contributions	-	-
Interest on balances	2	-
Underspend c/f from previous year	193	193
<b>Sub-Total</b>	<b>270</b>	<b>269</b>
<b>Total Resources</b>	<b>270</b>	<b>269</b>

## REVENUE BUDGET

4. Table 2 below, sets out the revenue budget for 2020/21.

The table also shows spend in the current financial year to the end of February 2021, the forecast outturn for the year and includes the carry forward request into 2021/22 on the Culture, Creative Industries and the Built Environment Delivery Panel approved by the Joint Committee in January.

<b>Table 2 Revenue Allocations</b>	2020/21	2020/21	2020/21	2020/21
	Approved Budget	Spend to end Feb 21	Forecast Outturn	Carry Forward Request
	£000s	£000s	£000s	£000s
Culture, Creative Industries and the Built Environment	42	28	32	10
Core Projects & Central Costs	75	53	75	
<b>Total</b>	<b>117</b>	<b>81</b>	<b>107</b>	<b>10</b>
Unallocated balance	153		163	
<b>Total revenue resources</b>	<b>270</b>	<b>81</b>	<b>270</b>	<b>10</b>

5. The **Culture, Creative Industries and the Built Environment Delivery Panel** budget included £30,000 for matched funding for a bid to the Arts Council to enable the Creative Industries support to cover a wider area than just Southampton. A base budget for the panel of £12,500 for 2020/21 was also agreed. This is to be split as £10,000 funding for Creative Networks South and £2,500 for panel support
6. The **Core Projects & Central Costs** budget reflects commitments relating to staffing costs and other ongoing revenue activities led by the PfSH central team.
7. **Unallocated Balances** are forecast to be £164,000 at the end of 2020/21. It was previously agreed by the Joint Committee that an unallocated budget would be maintained to enable the partnership to have resources available to react to potential future opportunities as they arise.

**Table 3: Unallocated balances**

	<b>£000</b>
Balance brought forward	193
To fund 2020/21 expenditure	(107)
Contribution income 2020/21	75
Interest income 2020/21	3
<b>Forecast balance 2020/21</b>	<b>164</b>

## 2020/21 BUDGET

8. Proposals for the 2020/21 budget are set out below for Joint Committee's approval. The proposed budget is based on the funding and subscription arrangements approved by the Joint Committee in June 2019 as part of the PfSH Business Plan. Under the budget arrangement in the plan all existing PfSH members are to contribute to maintain core central costs covering meetings, the programme office, along with legal and financial advice. Project work is then funded by those local authorities participating within any work undertaken.
9. In addition to this a request for funding was received from the Culture, Creative Industries and the Built Environment Delivery Panel of £12,500 to fund the work of the Panel in 2021/22. This was considered at the January 2021 Joint Committee meeting under item 8 and the budget below reflects the Joint Committee's decision.

**Table 4: Revenue Allocations 2021/22**

	<b>Carry Forwards from 2020/21 £000</b>	<b>2021/22 Budget Allocation £000</b>	<b>2021/22 Proposed Budget £000</b>
Culture, Creative Industries & the Built Environment	10	13	23
Core Projects & Central Costs		75	75
<b>Total Core and Panel Budgets</b>	<b>10</b>	<b>88</b>	<b>98</b>

10. It is proposed to retain subscription rates for 2021/22 at the same level as 2020/21 to fund the Core Project and Central Costs.

**Table 5 revenue contributions 2021/22**

	<b>2021/22</b>
	<b>£</b>
Partner contributions:	
Southampton City Council	10,500
Portsmouth City Council	15,700
Hampshire County Council	22,700
Eastleigh Borough Council	5,200
Fareham Borough Council	5,200
Gosport Borough Council	3,500
Havant Borough Council	5,200
Test Valley Borough Council	1,700
Winchester City Council	900
East Hampshire District Council	900
New Forest District Council	3,500
New Forest National Park Authority	750
<b>Total</b>	<b>75,750</b>

11. The Culture, Creative Industries and the Built Environment Delivery Panel budget for 2021/22 will effectively be funded out of the unallocated balances maintained by the partnership.

**Table 6 Unallocated balances 2021/22**

	<b>£000</b>
<b>Forecast balance 2020/21</b>	164
To fund carry forwards in 2021/22	(10)
To fund 2021/22 budget	(88)
Contribution income 2021/22	76
Interest income 2021/22	2
<b>Forecast balance 2021/22</b>	<b>144</b>

## **RECOMMENDATION**

It is RECOMMENDED that the Overview & Scrutiny Committee: -

- a) NOTE the contents of this report;
- b) NOTE that Joint Committee will be asked to:
  - i. NOTE the budget monitoring position for 2020/21, as set out in the report;
  - ii. NOTE that the forecast outturn from the 2020/21 budgets is provisional and may be subject to change in the final outturn budget report;
  - iii. APPROVE the proposed revenue budget for 2021/22, as set out in the report;
  - iv. APPROVE the partner contributions for 2021/22 as shown on table 5; and
- c) consider any comments to be passed to the Joint Committee for consideration.

**Background Papers:**

Joint Committee 7 July 2020 – Item 9: Budget Report.

Joint Committee 4 June 2019 – Item 10: Review of PUSH and Business Plan

**Enquiries:**

For further information on this report please contact:

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