



Report to the Partnership for South Hampshire Joint Committee

Date: 14 February 2022

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

Subject: PFSH BUDGET MONITORING 2021/22 AND PROPOSED BUDGET 2022/23

SUMMARY

This report provides an update for the Joint Committee on progress to date against the approved budget, including a forecast outturn for the current financial year. This report also sets out the proposed revenue budget for 2022/23.

RECOMMENDATIONS

It is RECOMMENDED that the Joint Committee:-

- a) NOTES the budget monitoring position for 2021/22, as set out in the report;
- b) NOTES that the forecast outturn from the 2021/22 budgets is provisional and may be subject to change in the final outturn budget report;
- c) APPROVES the proposed revenue budget for 2022/23, as set out in the report; and
- d) APPROVES the partner contributions for 2022/23 as shown on table 5.

INTRODUCTION

1. This report provides an update for the Joint Committee on progress to date against the approved budget for the current financial year.
2. The report also sets out the proposed revenue budget allocations for next financial year 2022/23 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 below sets out the PfSH resources available for 2021/22, together with the funds that have been received as of January 2022.

Table 1: Total Resources Available	2021/22	2021/22	2021/22
	Budget Approved Jun 21	Actual received to Jan 22	Forecast Outturn
	£000s	£000s	£000s
<u>Revenue Funds</u>			
Core funding (local authorities)	76	46	76
Unallocated balances c/f from previous year	152	152	152
Sub-Total	228	198	228
Total Resources	228		228

REVENUE BUDGET

4. Table 2 below, sets out the revenue budget for 2021/22.

The table also shows spend in the current financial year to the end of January 2022, and the forecast outturn for the year.

Table 2 Revenue Allocations	2021/22	2021/22	2021/22
	Approved Budget	Actual spend to Jan 22	Forecast Outturn
	£000s	£000s	£000s
Culture, Creative Industries and the Built Environment	13	13	13
Greenprint for South Hampshire	20	20	20
Core Projects & Central Costs	75	43	75
Total	108	76	108
Unallocated balances available	120		120
Total revenue resources	228		228

5. The **Culture, Creative Industries and the Built Environment Delivery Panel** budget included £10,000 funding for a contribution to Creative Networks South and £2,500 for panel support.
6. The budget includes a contribution to the **Greenprint for South Hampshire** project as agreed by the Joint Committee in March 2021.
7. The **Core Projects & Central Costs** budget reflects commitments relating to staffing costs and other ongoing revenue activities led by the PfSH central team.
8. **Unallocated Balances** are forecast to be £120,000 at the end of 2021/22. 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

	£000
Balance brought forward	152
To fund 2021/22 expenditure	(108)
Contribution income 2021/22	76
Interest income 2021/22	0
Forecast balance 2021/22	120

2022/23 BUDGET

9. Proposals for the 2022/23 budget are set out below for 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.
10. As part of budget planning for 2022/23 an exercise was undertaken to review all costs associated with the administration of the Partnership and the arrangements for compensation.
11. In 2021/22 Portsmouth recharged the partnership for the cost of the core PfSH support team, Southampton received a reduction in contributions for Financial & Legal services provided and Fareham received no financial compensation for Democratic services. To make the arrangements more uniform it is proposed that in 2022/23 all administrative costs will be recharged to the Partnership and therefore Southampton contribution discount is removed and replaced with a recharge into the partnership and Fareham will also recharge for democratic services provided in 2022/23.
12. The current proportions of partnership contributions were also reviewed against up-to-date population data for the areas within the Partnership boundaries and the proposed split of contributions for 2022/23 is based on the percentage of population within each area.
13. In addition to this, funding is required for the Culture, Creative Industries and the Built Environment Delivery Panel of £27,500 to fund the transitional period of the Panel in 2022/23. This is split £15,000 for Creative Network South, £7,500 for Workshops hosted by the Southern Policy Centre and £5,000 for the Design Awards.

Table 4: Revenue Allocations 2022/23

	2021/22 Proposed Budget
	£000
Culture, Creative Industries & the Built Environment	28
Core Projects & Central Costs	98
Total Core and Panel Budgets	126

14. It is proposed the revenue contributions for 2022/23 fund the Core Project and Central Costs and the Culture, Creative Industries & the Built Environment Panel budget. The split is based on the up-to-date population proportions.

Table 5: Revenue contributions 2022/23

	2022/23
	£
Partner contributions:	
Southampton City Council	25,000
Portsmouth City Council	22,000
Hampshire County Council	39,000
Eastleigh Borough Council	7,000
Fareham Borough Council	6,000
Gosport Borough Council	4,500
Havant Borough Council	6,500
Test Valley Borough Council	2,000
Winchester City Council	2,000
East Hampshire District Council	1,000
New Forest District Council	9,500
New Forest National Park Authority	1,000
Total	125,500

15. Unallocated balances will be maintained at existing levels to support potential future opportunities as the arise.

Table 6 Unallocated balances 2022/23

	£000
Forecast balance 2021/22	120
To fund 2022/23 budget	(126)
Contribution income 2022/23	126
Interest income 2022/23	0
Forecast balance 2022/23	120

CONCLUSION

It is RECOMMENDED that the Joint Committee:-

- a) NOTE the budget monitoring position for 2021/22, as set out in the report
- b) NOTE that the forecast outturn from the 2021/22 budgets is provisional and may be subject to change in the final outturn budget report.

- c) APPROVE the proposed revenue budget for 2022/23, as set out in the report
- d) APPROVE the partner contributions for 2022/23 as shown on table 5.

Background Papers:

Joint Committee 27 July 2021 – Item 11: Budget Report.

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

Enquiries:

For further information on this report please contact:

**John Harrison, Executive Director –
Finance & Commercialisation**

T: 023 8083 4897

E: john.harrison@southampton.gov.uk

Jon Evans, Finance Business Partner

T: 023 8083 3162

E: jonathan.evans@southampton.gov.uk

