



Report to the Partnership for South Hampshire Joint Committee

Date: 04 April 2023
Report of: Mel Creighton, Executive Director – Corporate Service,
Southampton City Council
Subject: BUDGET MONITORING 2022/23 AND PROPOSED BUDGET
2023/24

SUMMARY

This report provides an update for the Joint Committee on the position against the approved budget for 2022/23 and sets out the proposed revenue budget for 2023/24.

RECOMMENDATIONS

It is recommended that The Joint Committee:-

- a) NOTES the budget monitoring position for 2022/23, as set out in the report;
- b) NOTES that the forecast outturn from the 2022/23 budgets is provisional and may be subject to change in the final outturn budget report;
- c) APPROVES the proposed revenue budget for 2023/24, as set out in the report;
and
- d) APPROVES the partner contributions for 2023/24 as shown on table 5.

1. INTRODUCTION

1.1 This report provides an update for the Joint Committee on the position against the approved budget for 2022/23.

1.2 The report also sets out the proposed revenue budget allocations for 2023/24 in line with the budget arrangements approved by the Joint Committee as part of the partnership's Business Plan.

2. RESOURCES

2.1 Table 1 below sets out the PfSH resources available for 2022/23, together with the funds that have been received as of February 2023.

Table 1: Total Resources Available

| | Approved Budget | Actual received to Feb 23 | Forecast Outturn |
|---|-----------------|---------------------------|------------------|
| | £000s | £000s | £000s |
| <u>Revenue Funds</u> | | | |
| Core funding (local authorities) | 126 | 118 | 126 |
| Interest on balances | 0 | | 2 |
| Unallocated balances c/f from previous year | 123 | | 123 |
| Sub-Total | 249 | | 251 |
| <hr/> | | | |
| Total Resources | 249 | | 251 |

3. REVENUE BUDGET

3.1 Table 2 below, sets out the revenue budget for 2022/23.

3.2 The table also shows spend in the current financial year to the end of February 2023, and the forecast outturn for the year.

Table 2 Revenue Allocations

| | Approved Budget | Actual spend to Feb 22 | Forecast Outturn |
|--|-----------------|------------------------|------------------|
| | £000s | £000s | £000s |
| Culture, Creative Industries and the Built Environment | 28 | 28 | 28 |
| Core Projects & Central Costs | 98 | 63 | 93 |
| Total | 126 | 91 | 121 |
| <hr/> | | | |
| Unallocated balances available | 123 | | 130 |
| Total revenue resources | 249 | | 251 |

3.3 The **Culture, Creative Industries and the Built Environment Delivery Panel** budget of £27,500 is to fund the transitional period of the Panel in 2022/23. This is split £15,000 for Creative Network South, and £7,500 for workshops hosted by the Southern Policy Centre and £5,000 for the Design Awards.

3.4 The **core projects and central costs** budget covers the costs of meetings, the programme office, along with legal and financial advice.

3.5 **Unallocated balances** are forecast to be £130,000 at the end of 2022/23. 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 | 123 |
| To fund 2022/23 expenditure | (121) |
| Contribution income 2022/23 | 126 |
| Interest income 2022/23 | 2 |
| Forecast balance 2022/23 | 130 |

4. 2023/24 BUDGET

4.1 Proposals for the 2023/24 budget are set out below for approval. The proposed budget is based on the funding and subscription arrangements approved by the Joint Committee as part of the PfSH Business Plan. Under the budget arrangements 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 unless a decision is made that some additional costs should be funded through the core budget.

4.2 The Core projects and central costs budget has increased by 6% to £103,600 to reflect the estimated average inflationary pressures on staffing and other administrative costs.

4.3 Funding is required for the Culture, Creative Industries and the Built Environment Delivery Panel of £15,000 for Creative Network South (see part A, PfSH Coordinator's Report and recommendations).

4.4 In addition to this, a budget of £14,000 is proposed to cover the cost of the Brent Geese Strategy for the region.

Table 4: Revenue Allocations 2023/24

| | 2023/24 Proposed Budget |
|--|--|
| | £000 |
| Culture, Creative Industries & the Built Environment | 15 |
| Brent Goose Strategy | 14 |
| Core Projects & Central Costs | 104 |
| Total Core and Panel Budgets | 133 |

4.5 It is proposed that the revenue contributions for 2023/24 fund the total core project and panel budgets. Partnership contributions are proportioned based on based on the percentage of population within each authority area. Consideration is also given to the population of the relevant areas for the authorities that are partly included within the PfSH boundary. For the 2023/24 budget the population data has been updated to use figures from the 2021 Census (although for the 'part-in' authorities the mid-year estimate data previously used has been adjusted by the same proportion as the change for the whole authority because census data below middle super output was not available at the time of the initial calculation and discussion with local authorities). It is likely that any difference between that and the 2021 census data will be negligible.

Table 5: Revenue contributions 2023/24

| | 2023/24 |
|------------------------------------|----------------|
| | £ |
| Partner contributions: | |
| Southampton City Council | 27,200 |
| Portsmouth City Council | 22,800 |
| Hampshire County Council | 40,600 |
| Eastleigh Borough Council | 7,500 |
| Fareham Borough Council | 6,300 |
| Gosport Borough Council | 4,500 |
| Havant Borough Council | 6,800 |
| Test Valley Borough Council | 2,500 |
| Winchester City Council | 2,400 |
| East Hampshire District Council | 1,200 |
| New Forest District Council | 9,600 |
| New Forest National Park Authority | 1,200 |
| Total | 132,600 |

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

Table 6 Unallocated balances 2023/24

| | £000 |
|---------------------------------|-------------|
| Forecast balance 2022/23 | 130 |
| To fund 2023/24 budget | (133) |
| Contribution income 2023/24 | 133 |
| Interest income 2023/24 | 2 |
| Forecast balance 2023/24 | 132 |

RECOMMENDATION

It is RECOMMENDED that The Joint Committee:-

- a) NOTES the budget monitoring position for 2022/23, as set out in the report;
- b) NOTES that the forecast outturn from the 2022/23 budgets is provisional and may be subject to change in the final outturn budget report;
- c) APPROVES the proposed revenue budget for 2023/24, as set out in the report; and

d) APPROVES the partner contributions for 2023/24 as shown on table 5.

Background Papers:

Joint Committee 5 July 2022 – Item 10: Revenue Budget Monitoring and Statement of Accounts.

Joint Committee 14 February 2022 – Item 8: Budget Report.

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

Enquiries:

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