Report to the Partnership for South Hampshire Overview and Scrutiny Committee

Date: **27 February 2025**

Report of: **Mel Creighton, Executive Director – Corporate Service, Southampton City Council**

Subject: **BUDGET MONITORING 2024/25 AND PROPOSED BUDGET 2025/26**

SUMMARY

This report provides an update for the Overview and Scrutiny Committee on the position against the approved budget for 2024/25 and sets out the proposed revenue budget for 2025/26 alongside the annual partnership contributions from members.

RECOMMENDATIONS

It is RECOMMENDED that the Overview and Scrutiny Committee:-

a) NOTES the contents of this report

b) NOTES that Joint Committee will be asked to:-

i) NOTE the budget monitoring position for 2024/25, as set out in the report

ii) NOTE that the forecast outturn from the 2024/25 budgets is provisional and may be subject to change in the final outturn budget report.

iii) APPROVE the proposed revenue budget for 2025/26, as set out in the report

iv) APPROVE the partner contributions for 2025/26 as shown on table 4

c) CONSIDERS any comments to be passed to Joint Committee for its consideration.

PLEASE NOTE this report is a draft version of the PfSH Joint Committee report and is subject to change before being considered by the PfSH Joint Committee. The final report will be published ahead of the PfSH Joint Committee.

INTRODUCTION

1. This report provides an update for the Overview and Scrutiny Committee on the position against the approved budget for 2024/25.

2. The report also sets out the proposed revenue budget allocations for 2025/26 in line with the budget arrangements approved by the Joint Committee as part of the partnership's Business Plan.

REVENUE BUDGET

3. Table 1 below, sets out the final revenue budget for 2024/25 as approved by the Joint Committee in March 2024.

   The table also shows spend in the current financial year to the end of January 2025, and the forecast outturn for the year.

Table 1: Revenue Allocations

	Approved Budget	Actual spend to Jan 25	Forecast Outturn
	£000s	£000s	£000s
Culture, Creative Industries and the Built Environment	15	15	15
Solent Waders & Brent Goose Strategy	14	14	14
Core Projects & Central Costs	102	55	89
Total	**131**	**84**	**118**
Unallocated balances available	153		160
Total revenue resources	**284**		**278**

4. The **Culture, Creative Industries and the Built Environment Delivery Panel** budget is for a £15,000 contribution to Creative Network South.

5. The **Solent Waders and Brent Goose Strategy** budget is an annual contribution towards the cost of a post to facilitate the delivery strategy, as agreed by the Joint Committee in February 2022.

6. The **Core Projects & Central Costs** budget covers the costs of meetings, the programme office, along with legal and financial support.

7. **Unallocated Balances** are forecast to be £160,000 at the end of 2024/25. 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 2: Unallocated balances

	£000
Balance brought forward from 2023/24	153
To fund forecast 2024/25 expenditure	(131)
Contribution income 2024/25	131
Interest income forecast 2024/25	7
Forecast balance 2024/25	**160**

2025/26 BUDGET

8. Proposals for the 2025/26 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 the Panel budgets and core central costs covering meetings, the programme office, along with legal and financial advice. Specific project work is then funded by those local authorities participating within any work undertaken.

9. The Core projects and central costs budget have decreased to £90,100 (23/24: £102,400) due to a reduction in staffing costs from PCC. Costs includes a 3% inflationary increase across all the activity levels.

10. A budget of £15,000 is proposed for the Culture, Creative Industries and the Built Environment Delivery Panel for a contribution to Creative Network South[1]. A further £15,000 is also proposed for a one off investment to support the establishment of the screen agency working with The Solent Growth Partnership[2].

11. Another budget of £14,000 is proposed to cover the annual contribution towards the cost of the Solent Waders and Brent Goose Strategy for the region.

12. In addition to this, a budget of £7,500 is proposed to support networking, conferencing and promoting Greentprint. Funding of this activity will be by way of a drawdown from the increasing unallocated resources.

Table 3: Revenue Allocations 2025/26	**2025/26 Proposed Budget**
	£000
Culture, Creative Industries & the Built Environment	15
Screen Agency Feasibility	15
Solent Waders & Brent Goose Strategy	14
Core Projects & Central Costs	98
Total Core and Panel Budgets	**142**

[1] Annual recommended PfSH Contribution

[2] A £15k contribution to the development of a regional film office for the Solent is the subject of a separate report to Joint Committee on 5 March 2025. This budget report has been drafted to accommodate that request, but will otherwise be withdrawn should Joint Committee not agree.

13. It is proposed that the revenue contributions for 2025/26 fund the total Core Project and Panel budgets. Partnership contributions are proportioned based on the percentage of population within each authority area. Consideration is also giving to the population of the relevant areas for the authorities that are partly included within the PfSH boundary. For 2025/26 the population data used is the same as 2024/25 and is based on the 2021 Census and MYE data for part in authorities.

14.

Table 4: Revenue contributions 2025/26

	2025/26
	£
Partner contributions:	
Southampton City Council	27,500
Portsmouth City Council	23,000
Hampshire County Council	41,200
Eastleigh Borough Council	7,600
Fareham Borough Council	6,300
Gosport Borough Council	4,500
Havant Borough Council	6,900
Test Valley Borough Council	2,600
Winchester City Council	2,400
East Hampshire District Council[3]	1,200
New Forest District Council	9,700
New Forest National Park Authority	1,200
Total	**134,100**

15. Unallocated balances will be maintained at existing levels to support potential future opportunities as they arise and also includes a potential £10,000 to cover the cost of the Bird Aware summer birds survey in 2025/26

Table 5 Unallocated balances 2025/26

	£000
Forecast balance 2024/25	160
To fund 2025/26 budget	(142)
Contribution income 2025/26	134
Interest income forecast 2025/26	7
Forecast balance 2025/26	**159**

[3] It is acknowledged that Joint Committee may agree, at its meeting on 5 March 2025, to waive East Hampshire District Council's PfSH membership contribution 2025/26 - following its decision to withdraw from the Partnership (letter dated 6 February 2025). In the event that there is Joint Committee agreement to do so, PfSH revenue contributions will be adjusted as appropriate in the future. It is *not* the intention, on this occasion, that the value of East Hampshire District Council's contribution for FY 2025/26 will be absorbed by other local authorities membership contributions, rather it is envisaged that the shortfall will be made up from unallocated balances.

RECOMMENDATION

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c) CONSIDERS any comments to be passed to Joint Committee for its consideration.

Background Papers:

Joint Committee 11 July 2023 – Item 11: Statement of Accounts.
Joint Committee 4 April 2023 – Item 9: PfSH Budget Monitoring Report.
Joint Committee 4 June 2019 – Item 10: Review of PUSH and Business Plan

Enquiries:
For further information on this report please contact:

Mel Creighton, Executive Director – Corporate Services
T: 023 8083 3528
E: mel.creighton@southampton.gov.uk

Acqusilia Mudzingwa, Finance Business Partner
T: 023 8083 3529
E: acqusilia.mudzingwa@southampton.gov.uk