

Supplementary Papers for Council

Date: Tuesday, 21 February 2023



**10. Cabinet 8 February 2023 - Minute No 118 - Budget and Medium-Term
Financial Plan 2023/24**

Budget Amendments

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BCP Council - 21 February 2023

Item: Agenda Item 10

Budget and Medium-Term Financial Plan 2023/24

Budget Amendments

Budget Amendment – Administration.

Subject to Council's consent in accordance with Part 4D, Procedure Rule 14.12, it is proposed that the recommendations from Cabinet to Council are updated to reflect the following amendments.

- 1 d) approves the 2022/23 capital budget virement to accept the £19.9m Levelling Up Fund (Round 2) capital grant.
- 1 j) recognises that via the governments Council Tax Support Fund, and for 2023/24 only, LCTSS claimants' bills will be reduced by up to £40.
- 1 y) In addition, it is proposed that Council delegates to the Chief Finance Officer any minor and consequential changes to the recommendations from the budget amendments including the gross expenditure and income on the council tax resolution report.

It will be proposed that the Conservative Administrations amendment as circulated to all Councillors by Cllr P Broadhead on the 21 February 2023 will become the substantive budget recommendation on the agreement of the Council. This proposal makes the following adjustments to the position for 2023/24.

- 1) Recognise an **extra (£1.138m)** in resources as set out as follows.

(£546k) Extra One-off resources in the final Local Government Finance Settlement for 2023/24

(£441k) Saving item no.98 10% increase in parking charges at Seafront/Beach car parks and adjacent (existing) on-street pay and display areas from June 2023. Net of £60k to cover costs and as a mitigation against risk.

(£151k) Saving item no.114 Further reduce the budget for Marketing, PR, and web support.

- 2) To apply this additional **£1.138m** in resources to either defer or reduce the following savings.

£42k Saving item no.62 Provision and maintenance of Christmas Decorations & Trees

£50k Saving item no.78 Planting of perennial plants and flowers

£80k Saving item no.112 Library deliverable proposals for 2023/24

£200k Saving item no.113 Customer Contact Centre – delete vacant posts.

£164k Saving item no.128 Reduction of CSAS/ASB and Community Safety

£165k Saving item no.129 Reduction in grant support for central advice services and council for community and voluntary sector.

£59k Saving item no.130 Review CCTV provision/explore opportunities for improved efficiency of operational delivery and seek increased support from partners.

£70k Saving item no.131 Phased reduction in cultural grants over a 5-year period.

£90k Saving item no.133 Removing the Council's Arts Development.

£5k Saving item no.134 Seek community management of the Littledown LC Paddling Pool.

£75k Saving item no.136 Seek community management /transfer Paddling Pools.

£60k Saving item no.137 National Concessionary Fare Scheme – remove discretionary Elements.

£28k Saving item no.139 Review Community Transport

£50k Provision to create a High Street Renewal Fund.

Budget Amendment – Administration - s25 Statement of the Chief Finance Officer

The below comments should be considered as additional to those summarised in the report in paragraphs 177 to 182 and Appendix 10 the s25 Statement of the Chief Finance Officer.

Normally the final local government finance settlement only includes very minor amendments. This year it has released an extra £546k in one-off resources. The proposal is to use these resources, and those created by the following additional items to support the removal or reduction of savings items from those scheduled in 2023/24 and their deferment into 2024/25.

- a) increasing the already scheduled savings in Marketing, Public Relations, and Web support by (£151k).
- b) Introducing a 10% increase in parking charges at Seafront/Beach car parks and adjacent (existing) on street pay and display areas from June 2023 (net £441k allowing £109k to cover the costs associated with the proposal and as a mitigation risk factor).

The Council's Chief Financial Officer has reviewed this proposed budget amendment and can confirm that it complies with the Council's Financial Regulations in that it enables a balanced budget for 2023/24 still to be delivered. From an assessment of the risk, it is worth highlighting.

- i. The elasticity of demand issue in respect of the additional £550k in car parking income does need careful consideration especially as it will be in addition to the following assumptions of additional car parking income already included in the substantive budget proposal.
 - Extra £2.067m annual recovery in car parking income due from Covid19.
 - Extra £1.266m based on the forecast outturn for 2022/23 which included a 10% September 2022 increase to all beach tariffs.
 - Extra £1.399m from non-beach tariffs to reflect inflationary increases in costs.
 - Extra £0.2m from minor harmonisation charges pan BCP.
- ii. The extra car parking income and extra saving will potentially be permanent sources of income which will have a positive impact on the council's Medium Term Financial Plan (MTFP) in future years.

This proposal has no material impact on the robustness of the budget or the adequacy of the council's reserves.

The following Budget Amendments as proposed, in line with constitution, in the order that they were submitted.

Budget Amendment – Unity Alliance

Consider the following budget amendments from the Unity Alliance to the new substantive budget as amended by the administration.

Items generating an additional **(£605k)** resource compared to the new substantive budget including restoring previous savings proposals.

(£50k) Do not create the High Street Fund

(£42k) Saving item no.62 Provision and maintenance of Christmas Decorations & Trees

(£50k) Saving item no.78 Lower the value of the planting of perennial plants saving deferred.

(£49k)	Saving item no.98	Lower contingency associated with the car parking proposal
(£100k)	Saving item no.113	Lower the value of the Customer Contact Centre saving being deferred.
(£7k)	Saving item no.130	Lower CCTV saving being deferred.
(£107k)	Saving item no.141	Further reduce the budget for Economic Development.
(£200k)	Saving item no.134	Reduce budget for the Bournemouth Air Festival.

Apply this additional **(£605k)** of resources as follows.

£100k	Saving item no.53	Reshape Cultural Compact Activity with Partners.
£2k	Saving item no.70	Sport Grants
£300k	Saving item no.73	Highway Maintenance – 10% reduction.
£195k	Saving item no.127	Becoming an Enabling Council, rethinking Community Development
£8k	Saving item no.128	FCERM – Not undertaking technical incident response during flood events.

Budget Amendment – Unity Alliance - s25 Statement of the Chief Finance Officer

The below comments should be considered as additional to those summarised in the report in paragraphs 177 to 182 and Appendix 10 the s25 Statement of the Chief Finance Officer and additional to those as part of the substantive budget amendment.

The Council's Chief Financial Officer has reviewed this budget amendment and can confirm that it complies with the Council's Financial Regulations in that it enables a balanced budget for 2023/24 still to delivered and it has no material impact on the robustness of the budget or the adequacy of the council's reserves.

Budget Amendment – Poole Engage

Consider the following budget amendments from the Poole Engage to the new substantive budget as amended by the administration.

Items generating an additional **(£637k)** resource compared to the new substantive budget including restoring previous savings proposals.

(£50k)	Do not create the High Street Fund	
(£59k)	Saving item no.130	Do not defer CCTV saving.
(£40k)	Saving item no.133	Reduce the saving Arts Development being deferred.
(£60k)	Saving item no.137	Do not defer the National Concessionary Fare Scheme saving.
(£28k)	Saving item no.139	Do not defer the Review Community Transport saving
(£400k)	Saving item no.134	Removal all the budget for the Bournemouth Air Festival.

Apply this additional **(£637k)** of resources as follows.

£441k	Saving item no.98	Do not implement the Car Parking proposal.
£2k	Saving item no.70	Sport Grants
£194k	Saving item no.127	Becoming an Enabling Council, rethinking Community Development

Budget Amendment – Poole Engage - s25 Statement of the Chief Finance Officer

The below comments should be considered as additional to those summarised in the report in paragraphs 177 to 182 and Appendix 10 the s25 Statement of the Chief Finance Officer and additional to those as part of the substantive budget amendment.

The Council's Chief Financial Officer has reviewed this budget amendment and can confirm that it complies with the Council's Financial Regulations in that it enables a balanced budget

for 2023/24 still to delivered and has it no material impact on the robustness of the budget or the adequacy of the council's reserves.

From an assessment of the risk, it is worth highlighting that this proposal does not include the risk associated with the assumption of additional car parking income but does include a risk associated with the complete removal of the air show.

Appendix A presents a comparison of all three budget amendments side by side.

Summary Budget Amendments

				Administration			Additional UA Proposals		Poole Engage	
				Cabinet Budget Proposal £000s	Proposed Adjustment £000s	Net £000s	Proposed Adjustment £000s	Net £000s	Proposed Adjustment £000s	Net £000s
Recommendations										
1 d) approved the 2022/23 capital budget virement to accept the £19.9m Levelling Up Fund (Round 2) Capital Grant										
1 j) recognises that via the government Council Tax Support Fund, and for 2023/24 only, LCTSS claimants' bills will be reduced by up to £40										
1 y) Agrees to delegate to the Chief Finance Officer any minor and consequential changes to the recommendations from the below budget amendments										
Consistent Amendments to the Budget										
Final Local Government Finance										
Extra One-off Resources received via the Final 2023/24 Local Government Finance Settlement				0	(546)	(546)				
Additional Savings Proposal										
List One 114	Resources - Marketing	Service Reduction	Delete vacancies and reduce marketing, PR and web support	(87)	(151)	(238)				
Application of Resources										
List One 112	Resources - Customer/Svs Delivery	Service Reduction	Library deliverable proposals for 2023/24	(80)	80	0				
List Two 128	Operations - Communities	Service Reduction	Reduction of CSAS/ASB and Community Safety	(164)	164	0				
List Two 129	Operations - Communities	Service Reduction	Reduction in grant support for central advice services and council for community and voluntary sector	(165)	165	0				
List Two 131	Operations - Destination & Culture	Service Reduction	Phased reduction in cultural grants over a five year period	(70)	70	0				
List Two 133	Operations - Destination & Culture	Service Reduction	Removing the Council's Arts Development functions	(90)	50	(40)				
List Two 134	Operations - Destination & Culture	Service Reductions	Seek community management of Littledown Leisure Centre Paddling Pool (Outdoors) if not secured close	(5)	5	0				
List Two 136	Operations - Environment	Service Reductions	Seek community management / transfer of paddling pools	(75)	75	0				
Net Unapplied Additional Resources					(88)		(88)		(88)	
Proposals endorsed by at least two budget amendments										
List One 62	Operations - Destination & Culture	Service Reduction	Cease provision and maintenance of Christmas Decorations & Trees in Neighbourhood Areas	(42)	42	0			42	0
List One 98	Operations - Transport/Engineering	Fees and Charges	Car Parking income - Charges from June 2023 in line with inflation	(1,399)	(550)	(1,949)	(550)	(1,949)		
Contingency Provision re item 98				0	109	109	60	60		
List One 78	Operations - Environment	Service Efficiency	Planting of perennial plants and flowers	(60)	50	(10)			50	(10)
List One 113	Resources - Customer/Svs Delivery	Service Reduction	Customer Contact Centre - delete vacant posts	(200)	200	0	100	(100)	200	0
List Two 130	Operations - Communities	Service Reduction	Review CCTV provision/explore opportunities for improved efficiency of operational delivery and seek increased support from partners.	(59)	59	0	52	(7)		
List Two 133	Operations - Destination & Culture	Service Reduction	Removing the Council's Arts Development functions	(90)	40	(50)	40	(50)		
List Two 137	Operations - Transport/Engineering	Service Reduction	National Concessionary Fare Scheme - remove discretionary elements	(60)	60	0	60	0		
List Two 139	Operations - Transport/Engineering	Service Reduction	Review Community Transport	(28)	28	0	28	0		
Additional proposals savings & application resources					38		(210)		292	
Net Position					(50)		(298)		204	
Create a High Street Renewal Fund				0	50	50				
Application of Additional Resources					50					
Additional Savings Proposals (List 2 is based on 9/12th of the published annualised value)										
List Two 141	Resources - Development	Service Reduction	Reduction of Economic Development - Reduce Budget non staffing	(147)			(107)	(254)		
New	Operations - Destination & Culture	Service Reduction	Air Festival	0			(200)	(200)	(400)	(400)
Total Unapplied and Additional Resources							(605)		(196)	
Application of Resources										
List One 53	Operations - Destination & Culture	Service Reduction	Reshape Cultural Compact Activity with Partners	(100)			100	0		
List One 70	Operations - Destination & Culture	Service Reduction	Sports Grants - Reduce Sports grants by 10% a year for 5 years	(2)			2	0	2	0
List One 73	Operations - Environment	Service Reductions	Highway Maintenance - 10% reduction in Highway Maintenance	(300)			300	0		
List Two 127	Operations - Communities	Service Reduction	Becoming an Enabling Council, rethinking Community Development	(300)			195	(105)	194	(106)
List Two 138	Operations - Transport/Engineering	Service Reduction	FCERM - Not undertaking technical incident response during flood events	(8)			8	0		
Application of Additional Resources							605		196	

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