

COMMUNITY SERVICES AND LICENSING COMMITTEE

26 NOVEMBER 2020

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Report Title	COMMUNITY SERVICES AND LICENSING COMMITTEE REVENUE ESTIMATES – REVISED 2020/21 AND ORIGINAL 2021/22			
Purpose of Report	To present to the Committee the revised estimates for 2020/21 and original estimates for 2021/22.			
Decision(s)	<p>The Committee RECOMMENDS to Strategy and Resources Committee</p> <p>a) The revised Community Services and Licensing revenue budget for 2020/21 and original 2021/22 revenue budget are approved.</p> <p>b) The Fees and Charges list as shown at Appendix B is approved.</p>			
Consultation and Feedback	Consultation has been undertaken with residents and businesses. Feedback on the outcome of the consultation will be provided to members in January 2021.			
Report Author	Adele Rudkin, Accountant Tel: 01453 754109 Email: adele.rudkin@stroud.gov.uk			
Options	The Administration will be considering its budget options at the Strategy and Resources Committee meeting on 28 January 2021. Council will consider the overall budget position for 2020/21 on 25 February 2021.			
Background Papers	None			
Appendices	Appendix A – Committees detailed Budgets Appendix B – Schedule of Fees and Charges			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1 Background

1.1 The Budget Strategy report to Strategy and Resources Committee in October 2020 set out the way in which the Council would approach setting budgets for the forthcoming financial year.

1.2 Members will be aware from both the 2020/21 budget and MTFP (approved in January 2020) and the Budget Strategy reports, the Council is facing a number of financial challenges in 2021/22 and future years. A budget deficit has been forecast in the latter part of the medium term due to anticipated reductions in the level of Government funding and inflationary/cost pressures across the Council's services.

- 1.3 The Medium Term Financial Plan (MTFP) report to Strategy and Resources will set out a projection of General Fund expenditure over the medium term 2021/22 to 2024/25. This report sets out a more detailed analysis of the changes to the Community Services and Licensing Committee budget for 2020/21 (Revised Estimates) and 2021/22 (Original Estimates).
- 1.4 The Committee's service revenue budgets have been prepared in accordance with the budget framework set out in the Budget Strategy report. They are presented in draft format and are subject to further change as the budget setting process progresses. Any subsequent changes will be included in the MTFP report to Strategy and Resources and Council.
- 1.5 It would be helpful where members have questions on matters of detail if they could be referred to the report author or the appropriate service manager before the meeting.**

2 Summary

- 2.1 The original budget for the Community Services and Licensing Committee was **£2.966m** (the base budget has subsequently been changed to **£2.931m** due to a technical adjustment on The Pulse regarding re-payment of debt from major works). The revised budget in 2020/21 has been updated with the following adjustments to reflect carry forwards and re-profiling of service budgets. It also includes an increase in budget to reflect the payment of the Real Living Wage for staff at Stratford Park Leisure Centre, as agreed at Community Services and Licensing Committee on 23 January 2020, calculated at £72k.
- 2.2 This has subsequently been used as the base estimate for both 2020/21 revised and 2021/22 original estimates. The revised estimates incorporate changes arising from budget pressures and efficiency savings. The original budget approved in February 2020 has only changed as a result of items reported to the Committee in budget monitoring reports.
- 2.1 The original estimate for Community Services and Licensing budget for 2021/22 is **£3.053m an increase of £122k** on the base budget. This is largely due to the following budget changes, as outlined in table one below.

Table 1 – Summary of changes from the 2020/21 Original Budget

Community Services and Licensing Committee	para	2020/21 Revised Estimate (000's)	2021/22 Original Estimate (000's)
Base Budget		2,931	3,136
Virements/adjustments	3.1	205	(147)
Recurring changes:			
Pay increases	3.3		99
Fees and charges growth	3.4		(32)
Contract increases	3.5		3
Proposed budget adjustments			(5)
Net Service Budget		3136	3,053

(Table subject to roundings)

3 In year virements/adjustments

3.1 In year virements include carry forwards from prior year, re-distribution of corporate maintenance budgets according to the proposed schedule of works within each Committee, and the Real Living Wage contribution for staff at Stratford Park Leisure Centre.

3.2 Inflation

3.3 Pay Inflation - £99k

The 2021/22 salary budgets have been increased by an initial 2.75% in line with budget strategy.

3.4 Fees & Charges Growth – (£32k)

Fees and charges budgets have been inflated by 2% unless stated otherwise on the fees and charges appendix.

A full list of fees and charges for this committee is included in Appendix B.

3.5 Contract Increases - £3k

Contract inflation has been updated in line with the Budget Strategy. The Multi Service Contract (Grounds maintenance and building cleaning) will be reported through to Strategy & Resources when the 2021/22 budget has been agreed with Ubico.

4 Budget Pressures- Covid-19

4.1 As reported in the Budget Strategy reported to Council on 8 October 2020, the financial impact of the Covid-19 pandemic is expected to continue into 2021/22. As this impact cannot yet be quantified, an overall allowance for all service areas be included centrally, within the Strategy and Resources Committee budget.

4.2 An estimate of the impact on the Community Services and Licensing Committee service areas is included below. This is an estimate based on current assumptions and is likely to vary as the position changes. Further updates of the financial impact of Covid-19 will continue to be reported to committees.

Table 2 – Covid 19 Pressures

SERVICE	Para Refs	REASON FOR PRESSURE	2021/22 (£'000)
Museum in the Park	4.3	Revised income forecasts due to Pandemic	41
The Pulse - Dursley	4.4	Covid-19 Additional Expenditure - increased cleaning costs & additional Instructors	12
The Pulse - Dursley	4.4	Revised income forecasts due to Pandemic	518
Licensing	4.5	Revised income forecasts due to Pandemic	12
Revenues & Benefits	4.6	Revised enforcement income forecasts due to Pandemic	50
		Subtotal - Pressures	633

4.3 **Museum in the Park - £41k – Covid-19 loss of income**

Income assumptions have been revised down in light of experience in 2020/21 due to Covid-19 restrictions, it is hoped that if the situation improves income will increase.

4.4 **The Pulse - £530k pressure – Covid-19 loss of income/pressure**

Due to uncertainty over future operating guidelines, income has been forecasted using September 2020 as a benchmark. It is hoped that a relaxation in regulations would improve this position. Additional pressures are recognised due to increased cleaning costs and extra instructors needed to adhere with social distancing rules outlined by government regulations.

4.5 **Licensing – £12k pressure – Covid-19 loss of income**

Due to Covid regulations many licensed premises have had to close or have had to restrict trading. In addition, most of the large events that have a premises licence, have not been able to take place. About 15 businesses have already surrendered their premises licences completely as they have either closed or are not having licensable activities. During September and October 2020 the Licensing Team have been sending out the bulk of the invoices for the 2020 annual fees, however it is anticipated that this will prompt further businesses to either surrender their licence because they are not using them or simply not pay the annual fee which means the licence will go into a state of suspension. All this will reduce the annual fee income certainly into 2021/22.

4.6 **Revenues & Benefits - £50k pressure – Covid19 loss of income**

It is expected that enforcement income will remain lower into 2021/22 as the use of bailiffs for outstanding council tax may still be reduced.

5 **CAPITAL PROGRAMME**

5.1 Table three below outlines the capital schemes that the Committee is responsible for. These changes have been reflected in the table below, but at this stage, no further changes have been incorporated into the Capital Programme. Council will consider the Capital Programme and the Capital Strategy at their meeting in January 2020.

Table 3 – Capital schemes 2020/21 and 2021/22

		2020/21 Original Budget (£'000)	2020/21 Revised Budget (£'000)	2021/22 Original Budget (£'000)
Community Services Capital Schemes	Para Refs			
Community Buildings Investment	5.2	117	117	0
Stratford Park Lido	5.3	30	0	30
Community Services Capital Schemes TOTAL		147	117	30

5.2 **Community Building Investment**

The Kingshill House Trust continues to be keen to take on the freehold interest of Kingshill House (Community Buildings Investment). Discussions are ongoing and a transfer date of 2020/21 is now anticipated. It is expected that a report will be taken to a future meeting of Strategy and Resources Committee to approve, in principle, the terms for a transfer once they have been agreed.

5.3 **Stratford Park Lido**

The preparation work has been undertaken by the consultants regarding submission of a bid. This work has now been completed but due to Covid-19 has not been followed up. Their recommendation is to submit bids into alternative funding before a submission is made to HLF. These bids will support the submission to the HLF as well as catering for any possible changes that might be recommended following the Stratford Park review. Due to the impact of Covid19 this has now been re-profiled to 2021/22.

6 **IMPLICATIONS**

6.1 **Financial Implications**

This report sets out the draft budget relating to the Committee for 2021/22. This will form part of the budget setting process to be considered by Strategy and Resources Committee in January 2021 and Council in February 2021.

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6.2 **Legal Implications**

There are no legal implications arising from this report

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6.3 **Equality Implications**

There are not any specific changes to service delivery proposed within this decision

6.4 **Environmental Implications**

There are no significant implications within this category.

	2020/21 Original Budget (£'000)	2020/21 Revised Budget (£'000)	2021/22 Original Budget (£'000)
Community Services Committee			
Car Parks Enforcement	44	44	44
Careline Services	(103)	(103)	(106)
Community Safety	14	29	13
Neighbourhood Wardens	230	230	240
Stroud and Dursley CCTV	27	27	27
Community Safety	211	226	218
Museum in the Park	401	414	407
Subscription Rooms	4	4	4
Tourism	10	10	10
Cultural Services - Arts and Culture	415	428	421
Community Health & Wellbeing	159	179	162
Cultural Services - Community Health & Wellbeing	159	179	162
Stratford Park Leisure Centre	122	197	193
The Pulse	(319)	(278)	(299)
Cultural Services - Sports Centres	(197)	(81)	(106)
Customer Service Centre	403	403	399
Customer Services	403	403	399
Grants to Voluntary Organisations	341	341	336
Grants to Voluntary Organisations	341	341	336
Licensing	(59)	(59)	(56)
Licensing	(59)	(59)	(56)
Amenity Areas	152	170	151
Cemeteries	28	27	30
Commons and Woodlands	14	14	15
Grassed Areas Contribution to HRA	200	200	200
Public Conveniences	248	229	238
Public Space Service	554	554	570
Stratford Park	212	235	215
Street Naming Maintenance	5	5	5
Public Spaces	1,412	1,434	1,424
Business Rate Collection	(101)	(101)	(100)
Council Tax Collection	211	211	203
Council Tax Support Administration	21	21	24
Creditors	79	79	81
Housing Benefit Administration	110	110	118
Rent Allowances and Rebates	(178)	(178)	(178)
Revenues and Benefits	141	141	148
Hear by Right / Youth Services	104	123	107
Youth Services	104	123	107
Community Services and Licensing TOTAL	2,931	3,136	3,053

(Budgets are shown excluding support service charges, depreciation and technical adjustments.
Table is subject to roundings