



Public Document Pack STROUD DISTRICT COUNCIL

Council Offices • Ebley Mill • Ebley Wharf • Stroud • GL5 4UB
Telephone 01453 766321
www.stroud.gov.uk Email: democratic.services@stroud.gov.uk

Wednesday, 22 September 2021

STRATEGY AND RESOURCES COMMITTEE

A meeting of the Strategy and Resources Committee will be held on **THURSDAY, 30 SEPTEMBER 2021** in the Council Chamber, Ebley Mill, Ebley Wharf, Stroud at **7.00 pm**

Kathy O'Leary
Chief Executive

Please Note: The meeting is being held in the Council Chamber at Stroud District Council and will be streamed live on the Council's [YouTube Channel](#). A recording of the meeting will be published onto the [Council's website](#). The whole of the meeting will be recorded except where there are confidential or exempt items, which may need to be considered in the absence of press and public.

Due to current Covid-19 regulations a maximum of 6 members of public will be permitted in the Council Chamber at any one time, if you would like to attend this meeting please contact democratic.services@stroud.gov.uk.

AGENDA

1. **APOLOGIES**
To receive apologies of absence.
2. **DECLARATIONS OF INTEREST**
To receive declarations of interest.
3. **MINUTES (Pages 3 - 8)**
To approve the Minutes of the meetings held on 22 July 2021.
4. **PUBLIC QUESTION TIME**
The Chair of the Committee will answer questions from members of the public submitted in accordance with the Council's procedures.

DEADLINE FOR RECEIPT OF QUESTIONS Noon on Monday, 27 September 2021

Questions must be submitted to the Chief Executive, Democratic Services, Ebley Mill, Ebley Wharf, Stroud and can be sent by email to Democratic.services@stroud.gov.uk

5. **DRAFT COUNCIL PLAN (Pages 9 - 28)**

This report presents the draft Council Plan which sets out the council's priorities and objectives for the next five years.

6. **BUDGET MONITORING REPORT Q1 - 2020/21 (Pages 29 - 46)**

To present to the Committee a forecast of the outturn position against the General Fund revenue budget, Housing Revenue Account and capital programme for 2021/22, in order to give an expectation of possible variances against budget.

7. **BUDGET STRATEGY (Pages 47 - 62)**

To set out the assumptions that will be used when preparing the upcoming Medium-Term Financial Plan.

8. **MEMBER / OFFICER REPORTS (TO NOTE)**

- (a) Leadership Gloucestershire Update
- (b) Gloucestershire Economic Growth Joint Committee (GEGJC)
- (c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) (Pages 63 - 64)
- (d) Regeneration and Investment Board
- (e) Brimscombe Port Update
- (f) Water Source Heat Pumps

9. **MEMBER QUESTIONS**

See Agenda Item 4 for deadlines for submission.

10. **WORK PROGRAMME (Pages 65 - 66)**

To consider the work programme.

Members of Strategy and Resources Committee

Councillor Doina Cornell (Chair)

Councillor Chris Brine
Councillor Gordon Craig
Councillor Stephen Davies
Councillor Nicholas Housden
Councillor Nick Hurst
Councillor Martin Percy

Councillor Catherine Braun (Vice-Chair)

Councillor Keith Pearson
Councillor Steve Robinson
Councillor Mattie Ross
Councillor Ken Tucker
Councillor Chloe Turner



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Email: democratic.services@stroud.gov.uk

STRATEGY AND RESOURCES COMMITTEE

22 July 2021

7.00 - 8.33 pm

Council Chamber - SDC

Minutes

Membership

Councillor Doina Cornell (Chair)

Councillor Chloe Turner

Councillor Gordon Craig

Councillor Martin Percy

Councillor Steve Robinson

Councillor Chris Brine

Councillor Nicholas Housden*

*= Absent

Councillor Catherine Braun (Vice-Chair)

Councillor Stephen Davies

Councillor Nick Hurst

Councillor Mattie Ross

Councillor Ken Tucker

Councillor Keith Pearson*

Officers in Attendance

Chief Executive

Strategic Director of Resources

Accountancy Manager

Interim Monitoring Officer

Senior Policy and Governance Officer

Senior Democratic Services and Elections
Officer

Democratic Services and Elections Officer

SRC.010 Apologies

Apologies for absence were received from Councillors Housden and Pearson. Councillor Hurst also provided apologies but joined the meeting during Item 10.

SRC.011 Declarations of Interest

There were none.

SRC.012 Minutes

RESOLVED That the Minutes of the meetings held on 10 June 2021 are approved as a correct record.

SRC.013 Public Question Time

There were none.

SRC.014 Procurement Update Report

The Senior Policy and Governance Officer introduced the report and explained that the procurement strategy was adopted in 2019 with 3 main aims which had been set out in the report. An update was also provided on the following:

- A new Contract Management Framework had been formed which set out a standardised approach to managing contracts, included within were the roles and responsibilities of officers and reporting guidelines.
- The Spend Analysis. Last year out of a £29million spend, £12million of that was spent with local suppliers (those with a GL postcode). There was a slight decrease from the previous year due to the Housing Repairs contracts being brought in-house.
- Audit and Risk Assurance (ARA) colleagues had carried out a procurement consultancy review which concluded with 5 recommendations each of which were put into an action plan. Those recommendations included ensuring induction training was taking place, amending the way contracts were managed and published on the Council website and the creation of a register for contracts which had been let or extended under the Covid guidelines.
- New regulations would be coming into effect, following Brexit the Government has agreed to review public contract regulations. Once the new regulations were in place an information sheet would be published to advise the Committee of the main changes.

In response to questions from Councillor Davies the Senior Policy and Governance Officer explained there was a thorough training programme for procurement 5 years ago which was very successful and they had recently asked all managers what they felt training requirements now were. Councillor Davies asked for the full list of recommendations raised by ARA. The Strategic Director of Resources pointed out that the report they were looking at was an action plan of what they were going to do to improve the recommendations which were included in the report to Audit and Standards Committee. The Strategic Director of Resources confirmed he would be happy to share the report that went to Audit and Standards Committee with Members.

Councillor Brine asked if spend within the local area was growing year on year and what the council would be doing to support local spending. The Senior Policy and Governance Officer noted that the local spend fell this year compared to the previous years due to the Housing Repairs being brought in-house. She stated that one of the aims for 2022 was to increase local spending and to do this they needed to understand who the local suppliers were. In response to a further question from Councillor Brine she stated that she hoped that the revised regulations, which were due imminently, would make the process simpler for local suppliers to apply for council contracts.

Councillor Braun raised a question regarding the monitoring dashboard and whether it would be available for members to review on a quarterly basis. The Senior Policy and Governance Officer confirmed that local spend information could be made available in briefing notes to Councillors.

2021/22

Councillor Percy raised two points, the first regarded maximising the opportunities of positive engagement with the supply chain in particular with local suppliers. The second point he raised was regarding responsibilities, he felt that the organisations and legal office responsibilities had been omitted. The Senior Policy and Governance Officer agreed to take these points on board.

Councillor Brine Proposed and Councillor Braun Seconded.

The Chair thanked the Senior Policy and Governance Officer for the report and stated that it was great to see so many local suppliers and was interested to see how we could increase this further. Councillor Braun welcomed section 2.5 of the report, the aims and objectives and stated she looked forward to the new positive ways of working being embedded.

On being put to the vote, the motion was carried unanimously.

RESOLVED To note the report.

SRC.015 Parliamentary Boundary Review

The Strategic Director of Resources introduced the report to the committee explaining that there was no requirement for the Council to respond to the consultation however they had encouraged all Town and Parish Councils to respond. He drew the Members attention to Section 3.2 which included the proposal for the Stroud District and Sections 4.2 and 4.3 which set out the proposed response.

Councillor Turner Proposed and Councillor Robinson Seconded.

Councillor Davies stated that this was a difficult issue and that the proposed response had summarised well the Councils position.

On being put to the vote, the motion was carried unanimously.

RESOLVED a) **Note the initial proposals from the Boundary Commission for England; and**
b) **Approve the draft Council response to the consultation.**

SRC.016 General Fund and Housing Revenue Account Outturn Report 2020/21

The Strategic Director of Resources introduced the report and confirmed that the draft accounts had already been published a month ahead of schedule. The report covered the General Fund Outturn, Housing Revenue Account (HRA) Outturn, Reserves and Capital Project. The Strategic Director of Resources highlighted two of the decisions the Committee was being asked to make which were regards the business rates pool and the Capital Programme budget. He drew Committees attention to the Summary of the General Fund Outturn position in table 2, and confirmed that there was an overall underspend of £786,000 and listed the main reasons for the underspend.

The Strategic Director of Resources explained that as the Section 151 Officer it was his responsibility to allocate any under or overspend and was asking Members to consider his recommendations listed in Table 3. The Strategic Director of Resources also directed

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the Committee to table 4 in section 5.9. He explained the collection fund smoothing to the Committee stating that the government funding for business rates discounts arrived in the last financial year however the collection fund balance wouldn't unwind until the current financial year, so there is a timing difference.

The Accountancy Manager ran through the HRA report and directed members towards table 7 which set out the underspend of the HRA of £373,000. The committee was advised that the proposal for the underspend included £234,000 to be placed in the transformation fund and for £139,000 to be placed in the retrofit reserve as shown in table 8 and paragraph 8.3. The Accountancy Manager also brought the Committees attention to the HRA Earmarked reserves in Section 9 and the HRA general reserves in Section 10.

The Accountancy Manager introduced the Capital Programme and confirmed that there was a £12.7million spend against a budget of 22.7 million, this was largely due to timing differences as out of the £10million not spent in year £8.7million was linked to the slippage requested to roll forward into 2021/22.

In response to questions from Councillor Davies the Strategic Director of Resources explained that the Brexit funding had not been used and that there had been 3 grant allocations from Government to support the cost of Brexit and it would need to be decided where to put this funding. The Strategic Director of Resources also acknowledged the Council had received substantial support from the Central Government but noted that there was still no information regarding funding after March 2022.

Councillor Percy asked whether the dispersal of the money shown in Appendix H was spread equally distributed across the district including the more rural areas. The Strategic Director of Resources explained that expenditure was not looked at on a ward by ward basis. If there was something specific within the rural areas that needed to be targeted, then that could be done however, it would have needed to be addressed during the planning stage.

Councillor Turner asked where the green homes LADS funding had come from, the Accountancy Manager confirmed it had been received in the form of Government grants and that an extension into 2022 has been allowed for the unallocated funding from 2021. Councillor Craig asked whether the Council could advertise the grants so that more residents who have problems with insulation could apply. The Strategic Director of Resources advised that there were strict rules as to where the funding would be used but he would pass the comments on to the Housing Renewal Manager.

Councillor Tucker drew attention to the underspend listed for the disabled facilities grant scheme and questioned whether this was a result of Covid. The Accountancy Manager confirmed there were delays due to Covid and the teams were working with County and other agencies to clear the backlog. She also explained that it is an opportunity based fund and therefore they have little control over what is spent, if more money was required in any year they would be able to claim it from the Better Care Fund.

Councillor Brine Proposed and Councillor Braun Seconded.

2021/22

Councillor Davies commented that he was impressed with the improvements on the Ubico contract and raised one concern over the savings accrued from vacancies, he stated that this meant that some departments may have been understaffed or may not have been able to complete pieces of work due to the vacancy.

The Chair, Councillor Cornell, supported the report and acknowledged the work of Officers who had been able to continue delivering on projects despite the challenges.

Councillor Brine expressed his gratitude to the teams who were able to distribute grant funding quickly to provide support to local businesses.

Councillor Braun thanked the finance team for a detailed report and presentation and encouraged new Councillors to look at the spends relevant to their Committees. She welcomed the Climate Change reserve which would allow the Council to look to the future, she was keen to see the carbon impact of future projects being considered.

On being put to the vote, the motion was carried unanimously.

- RESOLVED**
- a) **Note the General Fund Revenue Outturn position for 2020/21, as shown in Table 1.**
 - b) **Note the Housing Revenue Account outturn position for 2020/21, as shown in Table 6.**
 - c) **To note the transfers to and from earmarked reserves for the year, as detailed in Sections 5 and 8 and Appendix E.**
 - d) **Approve the ring-fencing of the Business Rates pool gain for economic development projects.**
 - e) **To note the Capital Programme outturn position for 2020/21, as shown in Table 11.**
 - f) **Approve slippage of the Capital Programme budget and a revised Capital Programme budget for 2021/22, as shown in Table 11 and Appendix H**

SRC.017 Leadership Gloucestershire Update

The Chief Executive provided a brief update to advise that Gloucester City Council were canvassing support for the UK City of Culture bid however, due to tight deadlines they withdrew their Expression of Interest.

SRC.018 Performance Monitoring

The Chair advised that they were looking to ensure that a youth council representative was able to participate in the Performance Monitoring Meetings going forward.

SRC.019 Regeneration and Investment Board

The Chair of the Committee stated that the economic development strategy was due at the Committee in September however, that wouldn't provide enough time to carry out a full consultation and that therefore more time was needed before it would be reported on at Committee.

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SRC.020 **Support of the Leisure Contract Provider in Stroud (Sport and Leisure Management) to Recover from the Impact of COvid-19 Update**

The Strategic Director of Resources stated they were continuing to support SLM and that they were using the National Leisure Recovery Fund to support them with reopening costs. It was also confirmed that there was £82k left from the initial agreed funding of £150k.

SRC.021 **Brimscombe Port Update**

The Strategic Director of Place advised that work was ongoing with Grace Network and Rush to find suitable accommodation, he confirmed that Rush was currently progressing opportunities themselves but the offer of support from the Council was still available. The Council was also still assisting Grace Network to explore opportunities. The pre-demolition surveys and contract works were ongoing. There was a community zoom meeting scheduled for the 4 August 2021 for resident to ask questions and find out more information about the project. He stated there was a long term development proposal with the Parish Council to help keep residents informed and involved in the project as it progresses.

Councillor Davies suggested there should be follow up sessions for those that couldn't attend the meeting as it was being held in the summer holidays. The Chair agreed and echoed the proposal in place with the Parish Council to come up with an ongoing plan in order to keep residents updated.

Councillor Ross paid a tribute to the fantastic work completed by Dave Marshall, the previous Canal Manager, and stated the current success of the project was a great testimony to him.

SRC.022 **Members' Questions**

There were none.

SRC.023 **Work Programme**

The Strategic Director of Resources advised that the Committee may need to consider holding an additional meeting in January to consider the Budgets. He proposed an additional Strategy and Resources Committee meeting on 27 January 2022. Councillor Davies asked if they could make the decision imminently so that Members could ensure they were available.

The Chair expressed her thanks to the Interim Monitoring Officer who was would be departing the council shortly. She added that he had been a huge support to members and wished him all the best in his new role. The Interim Monitoring Officer thanked the Chair and added that he had really enjoyed working for Stroud District Council. Councillor Davies echoed the chairs comments and added that it was a shame that he did not take a permanent position at the Council.

The meeting closed at 8.33 pm

Chair

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

30 SEPTEMBER 2021

Report Title	DRAFT COUNCIL PLAN 2021 - 2026			
Purpose of Report	This report presents the draft Council Plan which sets out the council's priorities and objectives for the next five years.			
Decision(s)	The Committee RECOMMENDS to Council that the draft Council Plan 2021 – 2026 is adopted.			
Consultation and Feedback	The draft Council Plan has been developed in consultation with the Alliance Leadership Team, Alliance members, the Strategic Leadership Team, the Leadership and Management Team and Council officers and the Stroud District Youth Council.			
Report Author	Andrew Cummings, Strategic Director of Resources Email: Andrew.cummings@stroud.gov.uk Hannah Emery, Corporate Policy and Governance Manager Email: Hannah.emery@stroud.gov.uk			
Options	Option 1: to do nothing. This is not recommended as it could lead to the Council being without a clearly articulated plan and priorities consequently reducing its public accountability. Option 2: to agree or make amendments to the draft Council Plan and recommend to Council			
Background Papers	None			
Appendices	Appendix A – Draft Council Plan 2021 - 2026			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	Yes	Yes

1. INTRODUCTION

- 1.1** The council previously adopted the Corporate Delivery Plan 2019 – 2020 and a revised Corporate Delivery Plan was due to be developed after the May 2020 Elections. However, as a result of the Covid-19 pandemic and the delayed local elections the council developed and adopted the 'Recover, Reset and Renew Strategy' for 2020 - 2021.
- 1.2** The Covid-19 pandemic has had a major impact on our district's economy and communities and within the work delivered under the Recover, Reset and Renew Strategy we have been taking stock of the impact of the pandemic, focusing on recovery and

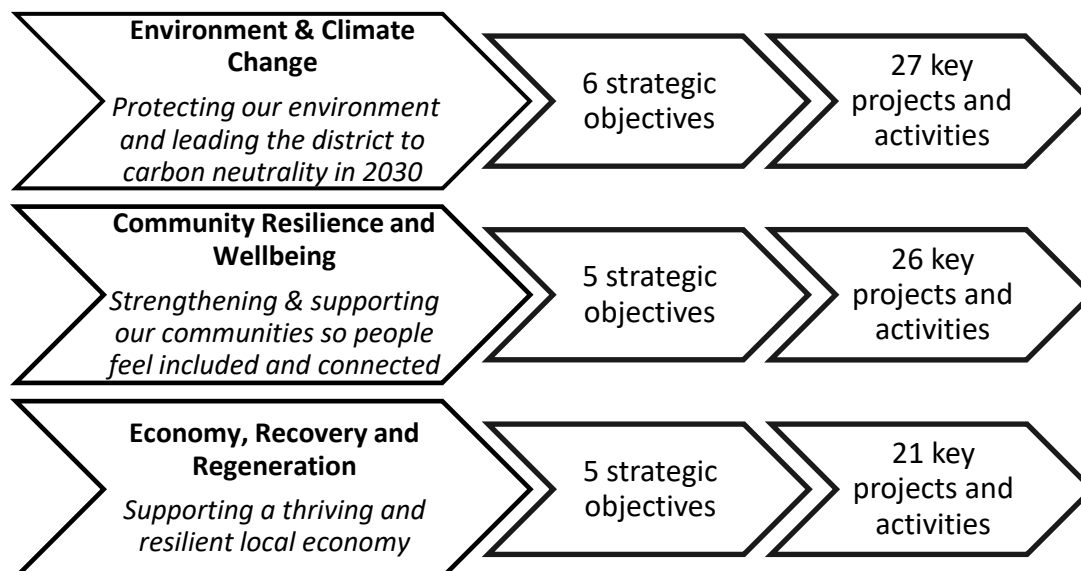
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renewal and identifying opportunities to join up processes and engage with our communities and key partners. From this we have reviewed and developed our priorities and projects and integrated the Recover, Reset and Renew strategy and other recovery activities into the new Council Plan.

- 1.3 When the Council Plan is adopted, the Recovery, Reset and Renew Strategy will be considered as subsumed into the Council Plan which becomes the overarching set of strategic priorities for the Council.
- 1.4 The draft Strategy has been considered at Environment, Housing and Community Services and Licensing Committees. At all three of those committees the plan was approved with no amendments. Strategy and Resources Committee can now discuss the plan and make a recommendation on to the Council meeting on October 21st 2022.

2. THE COUNCIL PLAN

- 2.1 The draft Council Plan 2021 - 2026 attached at Appendix A is built on three tiers consisting of our priorities, our objectives and the key projects and activity the council will undertake to achieve our objectives.



- 2.2 To ensure that the council has a co-ordinated approach to delivering its objectives, the key projects and activities have been outlined in the Delivery Plan which also includes the governance arrangements, the timescale for start and completion of the project and the Lead Officer responsible for the successful delivery.
- 2.3 The Council Plan is a five-year strategy to align with the financial planning cycle and to reflect the longer term goals and ambitions within the plan. Uncertainty due to the ongoing Covid-19 pandemic continues and the Delivery Plan will therefore remain under review to ensure that resources are being appropriately applied to meet our priorities. The Delivery Plan will be formally reviewed at Strategy & Resources Committee on an annual basis.
- 2.4 The Council Plan is not intended to capture all of the services the Council provides. The priorities and objectives are owned by the whole council and many of the key projects and activities are not solely the responsibility of one service, but a number of services. Other

council wide strategies and service plans will capture in more detail the priorities of the services the council provides.

- 2.5** Members will have oversight of the delivery of the Council Plan through the governance and decision making arrangements for the council. For some key projects, other governance arrangements are in place for members to provide input and advice through Task and Finish Groups, Boards and Working Groups as outlined in the Delivery Plan.

3. PERFORMANCE MANAGEMENT

- 3.1** The Council Plan is an integral element of the council's performance management framework (PMF). The Plan is the golden thread that links service, team and personal performance to the priorities of the organisation.
- 3.2** The commitments within the Council Plan will be reflected in service plans and progress in achieving the activities identified as part of the Council Plan will be monitored on an ongoing basis and progress will be reported quarterly to Strategy and Resources Committee.
- 3.3** Where other policy committees have direct responsibility for an objective or key project, it will be considered as part of their work programme and their performance monitoring process.
- 3.4** The council's performance management framework is currently under review to be adopted at November's Strategy & Resources Committee. The draft Council Plan sets out the priorities and what the council will do to achieve its objectives. If The Council Plan is agreed to be adopted, the revised council performance management framework will identify the individual performance measures for each project or activity within the Delivery Plan.
- 3.5** Risks associated with each objective and key projects will be entered onto the relevant service or corporate risk register and elevated as appropriate. The corporate risk register is a living document regularly reviewed by the Strategic Leadership Team.

4. IMPLICATIONS

4.1 Financial Implications

There are no direct financial implications from adopting the plan. It will be a key document as part of the Medium-Term Financial Planning process and resources will be allocated to projects as appropriate

Andrew Cummings, Strategic Director of Resources
Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk

4.2 Legal Implications

There are no direct legal implications arising from the adoption of the Council Plan but legal advice and support will be available when implementing the projects and activities set out in the Council Plan and associated documents.

One Legal
Tel: 01684 272691 Email: legalservices@onelegal.org.uk

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4.3 Equality Implications

The Council's commitments to improving equality of opportunity and access, and reducing inequalities are expressed throughout the Council Plan.

Detailed equality implications relating to the key projects and activities outlined in the Council Plan will be assessed as necessary as part of the service planning processes. Equality impact assessments will be carried out for any services, projects or other schemes that have the potential to impact on communities and/or staff on the grounds of protected characteristics.

4.4 Environmental Implications

Environmental sustainability and carbon neutrality are key drivers of the Council Plan and are reinforced as a council priority. The Council Plan identifies how the council aims to tackle the declared Climate Emergency and protect and enhance the natural environment.

THE COUNCIL PLAN 2021 – 2026, OUR VISION FOR THE STROUD DISTRICT

FOREWORD

Stroud district is a unique and beautiful part of the world, a place of stunning landscapes and innovation in business and community-led initiatives, but our district also faces significant challenges: the ecological and climate emergency, rising inequality, and the impacts of the pandemic on our health and wellbeing.

The pandemic reminded us how local government and communities working together can make a real difference to people's lives, providing essential services, supporting local residents and businesses, and helping to ensure everyone in our district can continue to lead safe and fulfilling lives.

Over the last year, we have listened to what people in our district have been saying about the challenges they face, and what is important to them. This is the basis for our new five-year plan, based on three key priorities: the environment, community wellbeing, and our local economy.

At the heart of the plan is partnership and collaboration, shown by the Cooperative Alliance of Labour, Green and Liberal Democrats that has run Stroud District Council since 2012.

We recognise that achieving our plan depends on partnerships – with the county council, towns and parishes, the voluntary and charitable sectors, and local businesses.

The next five years bring much uncertainty. Since 2010 we have seen our funding decrease, and the strains of the pandemic are likely to make this worse. However, we will keep working for the best interests of the district, securing funds to invest in our district, in the people and the places where we live. With your support, there is much we can achieve together to make this district a better place for all who live and work here and face the challenges of our time.

Doina Cornell
*Council Leader and Labour
Group Leader*

Catherine Braun
*Deputy Leader and Green Group
Leader*

Ken Tucker
Liberal Democrat Group Leader

INTRODUCTION

The Council Plan has been developed collectively by Alliance Members, the Strategic Leadership Team and all services across the Council.

In July 2020 we published our 'Recover, Reset and Renew a strategy for the Stroud district 2020-2021'. The work delivered under the strategy focused on recovery and renewal and identifying opportunities to 'join up' processes and engage with our communities and key partners in a conversation to help define our overall priorities.

As a result of this work and the lessons we have learnt from the pandemic, we have asked what good practice looks like and we have taken stock on how the crisis has affected our finances, organisation, residents, businesses, communities and our district. From this, we have determined our priorities and the activity to undertake to ensure resources are directed to where they will be most effective.

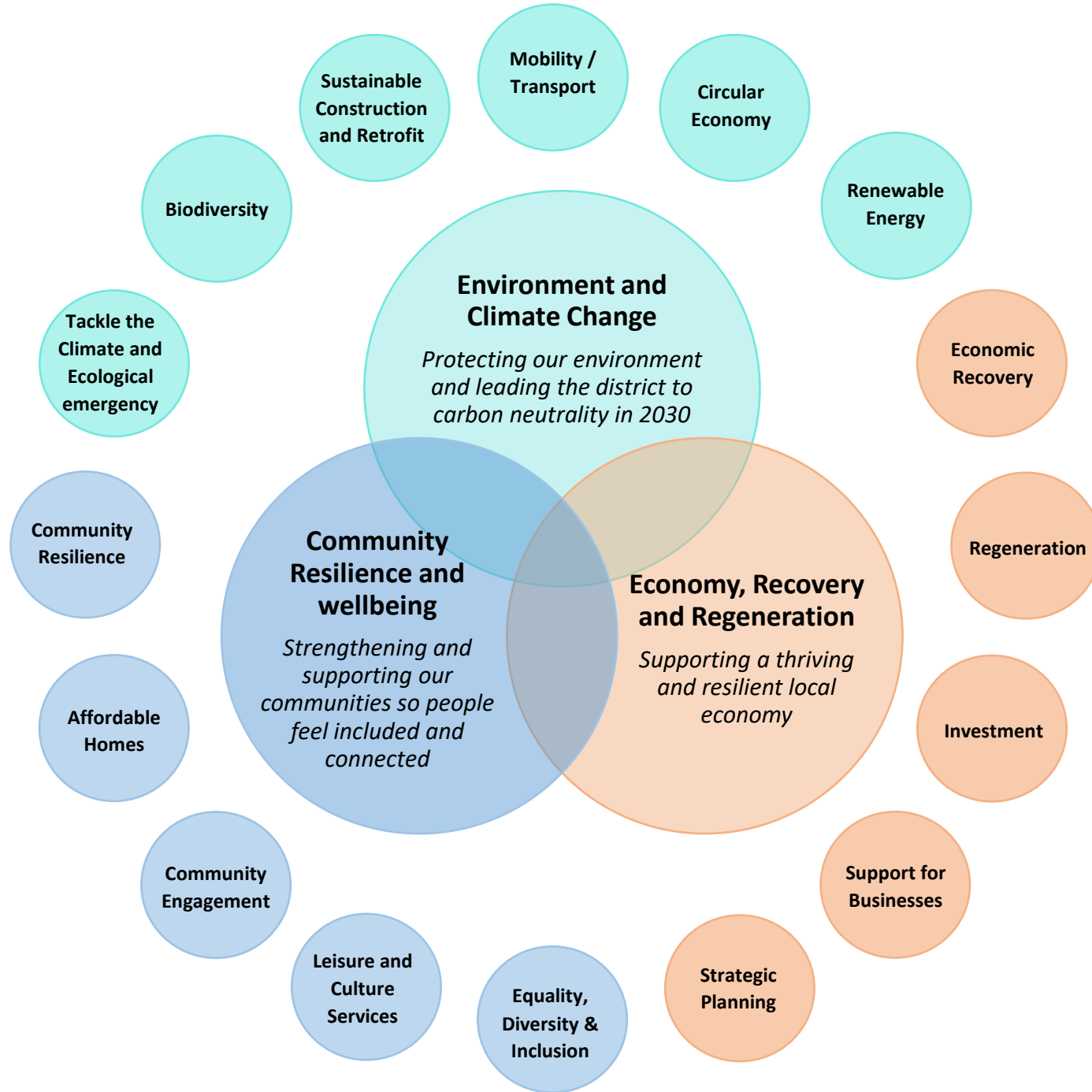
The Council Plan has been built on three tiers consisting of our priorities, our objectives and the key projects and activity we will carry out to achieve our objectives.

The Council Plan is not an exhaustive list of everything we will be doing in the next five years, it sets out the critical activity for the council and ensures this activity is focused through our governance arrangements. Elected Members from all political parties will consider the activity within the plan as it progresses through the Council's governance structure.

PRIORITIES

The Council Plan focuses on three distinct priorities:

- Environment and Climate Change
- Community Resilience and Wellbeing
- Economy, Recovery and Regeneration



OBJECTIVES

Each priority has a set of strategic objectives represented in the outer circles.

The Delivery Plan underpins the objectives and outlines the key projects and activities the council will undertake to deliver our objectives.

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Appendix A

ENVIRONMENT & CLIMATE CHANGE

Protecting our environment and leading the district to carbon neutrality in 2030

We want to ensure our district is a place where people and communities can thrive, while respecting the wellbeing of all people and the health of the whole planet.

In 2018 the council declared a climate emergency and made the commitment to 'do everything within the council's power' to become a carbon neutral district by 2030. We recognise that this ambition needs a huge amount of work not only from the council but across all parts of the district, and our 2030 Strategy mission is to act as an example in the community, to be an enabler and encourager of positive action. The detailed action plan underpinning the 2030 strategy, as adopted by the council in 2020, has informed the objectives of our plan to take the first crucial steps towards net zero and lay the foundations for the work to come.

We are fortunate in that in our communities there is so much support for making the changes that are needed, and expertise amongst local people, businesses and organisations to help shape solutions, reducing our carbon emissions, and building resilience into our natural surroundings. We also face an ecological emergency, and our plan includes key objectives to protect and enhance biodiversity.

We know we cannot achieve this alone, and through our services, policies and projects, we need to do all we can to collaboratively achieve a just transition to a carbon neutral, resilient, inclusive and equality driven district.

Environment and Climate Change Objectives

EC1. Tackle the Climate and Ecological Emergency: Achieve the commitments set for 2021-2024 of the Strategy to be a carbon neutral and ecologically sound district by 2030

EC2. Biodiversity : Work with local communities and partners to protect and enhance the district's green infrastructure and biodiversity providing accessible environments that people can enjoy and which positively contribute to their good health

EC3. Sustainable Construction and Retrofit: Work with partners to establish Stroud district as a sustainable construction centre of excellence, investing in the skills and capacity in the local economy so public and private buildings across the district can become low carbon and energy efficient

EC4. Mobility / Transport: Support development of an integrated active travel (walking and cycling) and public transport network and the development of electric charging infrastructure working with county and regional partners

EC5. Circular economy: Develop the foundations of a sustainable circular economy for the district by minimizing consumption, reducing the quantity of resources sent to incineration and applying the waste hierarchy; prevent, reduce, reuse, recycle, recover and as a last resort, disposal

EC6. Renewable energy: Increase the proportion of energy generated by renewable sources in the district and work on decarbonizing existing networks

CW1. Community resilience: Support communities to help each other and build resilience through a network of community hubs and other community-led networks, with mental and physical health and wellbeing at its heart

CW2. Affordable homes: Build affordable, energy efficient homes and deliver high quality services for all tenants by investing in the renovation of existing council homes and meet a range of housing needs for those who experience disadvantage and creating a culture of tenant engagement and empowerment

CW3. Community engagement: Strengthen local democracy by developing a culture of community engagement to enable greater involvement of residents, council tenants, communities and businesses in decisions on council services and priorities

CW4. Leisure and Culture Services: Adopt a long term investment plan for leisure services and facilities across the district to ensure everyone has access to good quality leisure opportunities that meet their needs

CW5. Equality, diversity and inclusion: Embed equality, diversity and inclusion as a priority across the Council and the District with targeted support for those who experience the most disadvantage in our communities

COMMUNITY RESILIENCE & WELLBEING

Strengthening and supporting our communities so people feel included and connected

What matters to us is that local people can live healthy and happy lives whatever their background or life situation, and that the places where they live and work can thrive.

Our objectives under this priority are focused on measures that support people to lead healthier and happier lives, tackle racism and inequality, put people at the heart of decision making, enable residents to live in an accessible and inclusive community and ensure our vibrant local communities continue to grow.

Our district is also a deeply rural place of tiny hamlets and farms. We recognise the specific rural challenges many people face, and we want to make sure that access to services and housing is fair wherever you live.

We will tackle housing needs on a variety of fronts, such as: increasing supply of affordable homes of all tenures, action to prevent housing debt in all sectors, action to provide temporary housing where homelessness arises and action to ensure that best use is made of housing stock in all tenures.

Supporting our residents' health and well-being is also more important than ever. Our leisure services are much valued by our communities and have been especially badly affected by the COVID-19 pandemic.

ECONOMY, RECOVERY & REGENERATION

Supporting a thriving and resilient local economy

Stroud District has begun to recover from the economic impact of the pandemic, but significant challenges remain. It is critical that our high streets are supported in their recovery, and that district's economy remains resilient and makes a rapid transition to the low carbon economy of the future. We will continue to support those sectors of the economy that have been most affected, recognising our local strengths in the visitor economy, manufacturing and the creative industries.

Our district has one of the largest numbers of small and medium sized businesses in the county. Our objectives aim to support the creation of local decent jobs, support our market towns and provide assistance for our home-grown businesses, large and small.

The pandemic has seen a groundswell of innovation and energy in our market towns and communities in creating locally led approaches to economic recovery and revival. Our objectives focus on harnessing that energy and finding local solutions to big challenges.

In 2018 we adopted the principles of 'Community Wealth Building', to maximise the value of local assets and enable the benefits of economic development to be retained locally, spend local on goods and services and wealth created by a community stay in the area in which it was earned. Our objectives under this priority will help us to achieve this.

Economy, Recovery and Regeneration Objectives

ER1. Economic recovery: Support our high streets and businesses to enable recovery of the local economy from the impacts of COVID-19 and build foundations for a sustainable and inclusive local economy

ER2. Regeneration: Deliver key regeneration sites across the district, especially brownfield sites and long-term empty properties, for local jobs, homes, community facilities and green spaces

ER3. Investment: Promote the Stroud district to attract investment in key infrastructure and high quality jobs with a focus on environmental technologies, engineering and manufacturing and creative industries

ER4. Support for Businesses: Champion local businesses of all types and sizes that lead on environmental and social good practice and support them to grow, keeping wealth in the district, strengthening local supply chains and offering rewarding local jobs

ER5. Strategic Plan: Adopt the new Stroud District Local Plan

Appendix A
Agenda Item 5

DELIVERY

The Delivery Plan translates the priorities and objectives into tangible work to be undertaken and commitments to be achieved through its lifespan.

Our priorities and objectives are cross-cutting and owned by the whole council, this is reflected in many of the projects and activities not solely being the responsibility of one service, but a number of services.

The Plans will be delivered in times of uncertainty and therefore the Delivery Plan will be reviewed annually to allow for some flexibility and opportunity for redesign to be built into the process.

THE ROLE OF STAFF AND ELECTED MEMBERS

The Council Plan cannot be delivered without the hard work and contribution of our staff. The Delivery Plan outlines the Lead Officers who are responsible for making sure each activity is delivered effectively. The detail of how and when activity and projects will be achieved sits in underpinning documents, such as business cases and project plans. The responsibility for successfully delivering the objectives sits with the Strategic Leadership Team who ensure the right resources and capacity are in place to support delivery.

Elected Members play an important role in considering the key projects and activities through the governance and decision making arrangements for the council. Committees will drive and scrutinise the effectiveness of delivery for the benefit of the district's residents and taxpayers.

Members will also work with officers to provide input and advice and have oversight of delivery through other governance arrangements such as Task and Finish Groups, Boards and Working Groups.

PERFORMANCE MANAGEMENT

The Council Plan will sit at the heart of our Performance Management Framework. The Framework is intended to ensure that we are meeting our milestones and objectives, drive change and improvement across the organisation, enable effective measurement of the Council Plan and provide a golden thread throughout the organisation.



As part of delivering our Council Plan, we shall be monitoring and reporting on progress in relation to the delivery. Progress updates will be provided to Strategy and Resources Committee on a quarterly basis, these progress updates will be published quarterly so residents, communities and businesses can see how we are delivering for them as an organisation.

THE DELIVERY PLAN

















The Delivery Plan outlines the key projects and activity we are committed to undertaking in order to achieve our objectives. Projects which are contributing to one or more of the priorities are denoted by the use of the related priority colour

ENVIRONMENT AND CLIMATE CHANGE







Protecting and enhancing our environment and leading the district to carbon neutrality in 2030

		OBJECTIVES	KEY PROJECTS & ACTIVITIES	GOVERNANCE		TIMESCALE		LEAD OFFICER
				START	END	START	END	
EC1	Tackle the Climate and Ecological Emergency Achieve the commitments set for 2021-2024 of the Strategy to be a carbon neutral and ecologically sound district by 2030	EC1.1 	Set up a 2030 Core Group to provide high level strategic overview on delivery, engage with external stakeholders and the public, identify funding opportunities and resourcing required to meet them	2030 Core Group (Community Engagement Board)	Full Council, Strategy themes to relevant committee	2021	2021	Rachel Brain
		EC1.2 	Establish the performance management of the 2030 Strategy across the organisation to monitor and report progress towards the Strategy's aims and commitments	2030 Core Group (Officer/Member)	Full Council, Strategy themes to relevant committee	2021	2021	Eka Nowakowska
		EC1.3 	Plan and implement the community engagement aspect of the Strategy, to include a 2030 community website and direct activities with residents, linking to the Community Engagement Strategy (CW3.1)	2030 Core Group (Officer)	Full Council, Strategy themes to relevant committee	2021	2021	Liz Shellam
		EC1.4 	Establish an ethics policy for our investments, incorporating work within the Brunel Partnership to divest pension funds from fossil fuels	Regeneration and Investment Board	Audit & Standards /Strategy & Resources	2021	2021	Lucy Clothier
		EC1.5 	Explore and progress additional projects for carbon reduction and /or biodiversity net gain and funding opportunities to deliver them.	2030 Core Group	Strategy & Resources Committee/Environment	2021	Ongoing	Rachel Brain
EC2		EC2.1 	Develop a district Local Nature Recovery Strategy (2030 commitment NE7) and seek opportunities for re-wilding to boost biodiversity in partnership with landowners, businesses, the farming community,		Environment	2021	2024	Conrad Moore/Vicki Pettigrew



Appendix A
Agenda Item 5












<p>Biodiversity Work with local communities and partners to protect and enhance the district's green infrastructure and biodiversity providing accessible environments that people can enjoy and which positively contribute to their good health and well-being</p>		parish and town councils and local environmental organisations						
	EC2.2  	Deliver the natural flood management project (Stroud Rural SUDS) for the Frome Valley in Stroud in partnership with the Environment Agency, working closely with landowners and communities using innovative flood management techniques	Stroud Rural SUDS Project Board	Environment	2021	2026	Maria Hickman	
	EC2.3  	Develop and establish an action plan to Increase our tree canopy, woodland and forestry in line with the Gloucestershire Local Nature Partnership Tree Strategy ambition for 20% canopy cover across the County by 2030		Environment	2021	2022	Conrad Moore	
	EC2.4  	Work with partners to protect and enhance green spaces in residential neighbourhoods and town centres, promote 'No Mow May' and adopt best practice for road verges to encourage wildflowers and reduce pesticide use.	2030 Explore Group on Biodiversity/ Market Town Forum	Environment	2022	2023	Mike Hammond/ Kev Topping	
	EC2.5   	Use the Building with Nature standards for key regeneration sites across the district	Regeneration and Investment Board	Environment, Full Council	2021	Ongoing	Mark Russell/Alison Fisk	
	<p>Sustainable Construction and Retrofit Work with partners to establish Stroud district as a sustainable construction centre of excellence, investing in the skills and capacity in the local economy so public and private buildings across the district can become low carbon and energy efficient</p>	EC3.1  	Agree a costed plan to retrofit all council homes as necessary and begin the first phase of delivery to realise optimum emission reductions and achieve an average Energy Performance Certificate (EPC) rating C across all council homes by 2030	Retrofit task and finish group	Housing	2021	2023	Joe Gordon
		EC3.2  	In line with the Zero Carbon Public Estate project, produce blueprints for the retrofitting of identified public buildings such as Beeches Green and the Rail Station/Cheapside areas of Stroud as well as identifying other opportunities across the district	Regeneration and Investment Board	Strategy & Resources	2021	Ongoing	Alison Fisk
		EC3.3 	Develop partnerships, provide advice, and support local action to help private home owners and businesses meet the retrofit challenge (CN2030 BE2, BE7 and BE8)	Warm & Well Steering Group	Housing	2021	2023	Maria Hickman / Amy Beckett
		EC3.4  	Work with partners to position Stroud District as a Retrofit Centre for Excellence which provides training and develops the skills needed to retrofit homes and businesses	Regeneration and Investment Board / 2030 Explore Group	Strategy & Resources	2021	2026	Rachel Brain / Amy Beckett

	EC3.5	Develop planning policies and developer guidance to enable all new buildings to achieve a net zero carbon standard			2021	2023	Mark Russell	
EC4	Mobility / transport Support development of an integrated active travel (walking and cycling) and public transport network and development of electric vehicle charging infrastructure working with county and regional partners	EC4.1	Work with GCC and through the new Cycling & Walking Strategy Task & Finish Group to develop and implement three Local Cycling and Walking Infrastructure Plans (LCWIP) for Stroud; Cam, Dursley and Uley; Wotton-under-Edge and Kingswood, support safe cycling, and identify and prioritise the main strategic cycling routes within the district.	Cycling & Walking Strategy Task & Finish Group	Environment	2021	2023	Simon Maher
		EC4.2	In partnership with the County Council, encourage the expansion and improvement of public transport and links to walking and cycling routes – to include bus services and railway stations and services, and bids for new facilities that benefit residents of the District		Strategy & Resources	2021	Ongoing	Conrad Moore
		EC4.3	Working with partners, expand the network of Electric Vehicle charging points and increase support for low carbon transport , and a reduction in private car use and explore measures to reduce air pollution such as no-idling zones		Environment	2021	2023	Mike Towson
		EC4.4	Review taxi and private hire licensing conditions to consider moving from an ‘age’ condition to an ‘emissions’ based condition – to encourage an increase in the percentage of low and Ultra Low Emission Vehicles (CN2030 M8)		Community Services & Licensing	2021	2022	Rachel Andrew
EC5	Circular economy Develop the foundations of a sustainable circular economy for the district by minimising consumption, reducing the quantity of	EC5.1	Further reduce the quantity of resources discarded as waste and minimise its environmental impact.		Environment	2021	2023	Mike Towson / Rachel Brain
		EC5.2	Work with our partner Ubico to identify joint opportunities for carbon reduction projects in household collection and management of public spaces		Environment	2022	2025	Mike Towson









	resources sent to incineration and applying the waste hierarchy: prevent, reduce, reuse, recycle, recover and as a last resort disposal	EC5.3 	Support the phasing out of single use plastics in the district and encourage and support local initiatives to 'reduce, repair and recycle'		Environment	2021	2023	Mike Towson / Rachel Brain
		EC5.4 	Continue to increase recycling rates across the district.		Environment	2021	2023	Mike Towson
EC6	Renewable energy Increase the proportion of energy generated by renewable sources in the district and work on decarbonising existing networks	EC6.1 	Continue to increase renewable generation in the district and to decarbonise existing networks, and support community-owned renewable energy schemes	2030 Governance Energy Explore Group	Environment	2021	Ongoing	Rachel Brain
		EC6.2 	Deliver the water source heat pump projects at Ebley and Brimscombe Port Mills		Strategy & Resources	2021	2021	Alison Fisk
		EC6.3 	Increase the proportion of Council and partner fleet vehicles powered by zero or low carbon technologies		Environment	2021	Ongoing	Joe Gordon / Mike Hammond / Mike Towson
		EC6.4 	Deliver key low carbon demonstrator projects , including a project for 7 homes in Draycott, Cam	Retrofit task and finish group	Housing	2021	2023	Joe Gordon




PRIORITY: COMMUNITY RESILIENCE AND WELLBEING*Strengthening and supporting our communities so people feel included and connected*

OBJECTIVES	KEY PROJECTS AND ACTIVITIES	GOVERNANCE	TIMESCALE		LEAD OFFICER	
			START	END		
Community resilience Support communities to help each other and build resilience through a network of community hubs and other community-led networks, with mental and physical	CW1.1 	Develop community led networks and community hubs across the district by helping communities to develop their own networks and hubs, connecting smaller and larger hubs and providing support and training	Community Services & Licensing	2021	2024	Angela Gillingham
	CW1.2 	Act to improve the physical and mental health and wellbeing of people in the district through delivery of a new 3 year Health and Wellbeing Plan	Community Services & Licensing	2021	2024	Angela Gillingham

CW1	health and wellbeing at its heart	CW1.3 	Ensure residents continue to receive the advice they need, by continuing our work in partnership with the Citizens Advice Bureau and developing a new Service Level Agreement		Community Services & Licensing	2021	2022	Keith Gerrard
		CW1.4  	Work to reduce the impacts and causes of anti-social behaviour by developing a district wide policy in partnership with the Community Safety Partnership		Community Services & Licensing /Housing	2021	2022	Kevin Topping Mike Hammond
		CW1.5  	Appoint Food Justice Champions to work with partners to tackle food injustice, set up a food partnership and develop a food strategy to address the causes of food poverty, promote sustainability and food justice	Food Justice Champions	Community Services & Licensing /Full Council	2021	2022	Angela Gillingham
CW2	Affordable homes Build affordable, energy efficient homes and deliver high quality services for all tenants by investing in the renovation of existing council homes and meet a range of housing needs for those who experience disadvantage and creating a culture of tenant engagement and empowerment	CW2.1  	Deliver new affordable homes across the District, through planning policy and work with partners including community-led housing groups, housing associations and via our own New Homes Programme, which will deliver EPC-A rated properties in line with our Strategy for New Council Homes 2020-2024		Housing	2021	2024	Alison Fisk / Pippa Stroud
		CW2.2  	Invest £30m over the next 5 years to repair, maintain and invest in current council housing stock and bring empty council homes back into use as soon as possible	Voids and Repairs Task and Finish Group	Housing	2021	2026	Joe Gordon
		CW2.3  	Prioritise the prevention of homelessness by delivering the Next Steps Accommodation Programme and invest in temporary accommodation and specialist support, including working with partners countywide to develop the specialist housing and support needed		Housing	2021	2024	Pippa Stroud
		CW2.4 	Provide more opportunities for resident involvement in housing decisions through delivery of the Charter for Social Housing Residents and our continuing commitment to build on resident involvement opportunities	Tenant engagement & empowerment Task and Finish Group	Housing	2021	2023	Kev Topping


















CW3	Community Engagement Strengthen local democracy by developing a culture of community engagement to enable greater involvement of residents, council tenants, communities and businesses in decisions on council services and priorities	CW2.5 	Continue to invest and deliver the programme to modernise our Independent Living homes for older people		Housing	2021	Ongoing	Alison Fisk
		CW3.1 	Develop a Community Engagement Strategy , which incorporates the Council's Hear by Right Commitment for young person's involvement, and ensures the voice of the community and key stakeholders is at the heart of council priorities	Fit for the Future Board	Community Services & Licensing	2021	2023	Mike Hammond
		CW3.2 	Improve customer service for residents by procuring a Digital Platform that provides for centralised first contact ensuring an easier access to services and that provides additional support for those with complex needs	Fit for the Future Board	Strategy & Resources and Community Services & Licensing	2021	2021	Mike Hammond/ Adrian Blick
		CW3.3 	Work with Town and Parish Councils to develop, agree and implement a new strategic approach for partnership working between district, towns and parishes including specific support for rural communities.		Strategy & Resources and Community Services & Licensing	2021	2022	Hannah Emery
		CW3.4 	Provide dedicated support to communities for the registration of community assets so communities have more control and ownership of local buildings, land and community shops as well as protecting publicly owned land and assets		Strategy & Resources	2021	2023	Simon Maher / Mike Hammond
CW4	Leisure and Culture Services Adopt a long term investment plan for leisure services and facilities across the district to ensure	CW4.1 	Continue work to ensure that our leisure and wellbeing services are fit for the future by completing the Leisure Review options appraisal as well as supporting the recovery of the leisure centres from the pandemic.	Leisure and Wellbeing Task & Finish Group	Community Services & Licensing Committee	2021	2022	Angela Gillingham
		CW4.2 	Working with partners, increase the number, accessibility, and quality of playing pitches, play areas and outside spaces within the district	Leisure and Wellbeing Task & Finish Group	Community Services & Licensing	2021	2023	Angela Gillingham / Mike Towson / Kev Topping / Conrad Moore / Alison Fisk

	everyone has access to good quality leisure opportunities that meet their needs	CW4.3 	Increase physical activity and sports participation through our Healthy Lifestyles Scheme and in partnership with the Gloucestershire We Can Move programme	Leisure and Wellbeing Task and Finish Group	Community Services & Licensing	2021	2023	Angela Gillingham
		CW4.4 	Support refurbishment of Stratford Park Lido by submitting a bid, in partnership with Stroud Town Council and Friends of the Lido to the National Lottery Heritage Fund		Community Services & Licensing	2022	2024	Angela Gillingham / Mike Hammond / Natalie Whalley
		CW 4.5 	Building on previous work, develop an Arts and Culture Strategy for the District		Community Services & Licensing	2022	2024	Keith Gerard
		CW4.6 	Implement the Museum in the Park's free-to-join Supporter Scheme to provide residents with exciting opportunities to engage with the museum and extend community reach to new audiences ensuring the museum remains at the heart of the wider community	Museum in the Park Governing Body	Community Services & Licensing	2021	2022	Kevin Ward
CW5	Equality, diversity and inclusion Embed equality, diversity and inclusion as a priority across the Council and the District with targeted support for those who experience the most disadvantage in our communities	CW5.1 	Deliver our Equality, Diversity and Inclusion Action Plan 2021-25, through engaging with communities, showing leadership and championing equality, diversity and inclusion in all that we do.	ED&I Working Group	Full Council	2021	2025	Hannah Emery
		CW5.2 	Adopt effective and transparent policies to reduce inequalities that result from socio-economic disadvantage in line with Section 1 of the Equality Act, the socio-economic duty, as an effective framework for tackling local poverty and economic inequality	ED&I Working Group	Full Council	2021	2022	Sarah Turner
		CW5.3 	Lead and support action to reduce health inequalities in partnership with Public Health and local NHS trusts		Community Services and Licensing	2021	2024	Angela Gillingham / Emma Keating-Clark
		CW5.4 	Work with partners to improve the accessibility and welcome of public spaces and shops, and improve awareness of impairments both visible and invisible	ED&I Working Group and Market Towns Forum	Strategy & Resources /Community Services & Licensing	2021	Ongoing	Amy Beckett

	<p>CW5.5</p> <p> </p>	Work with partners to support older people to stay in their homes for longer and continue to work to become a dementia friendly district	Community Services & Licensing	2021	2024	Angela Gillingham
	<p>CW5.6</p> <p></p>	Support our Armed Forces Champion and provide help as needed to former members of the armed services who need extra support and continue to deliver the Armed Forces Covenant across the local area	Strategy & Resources	2021	2024	Kev Topping

PRIORITY: ECONOMY, RECOVERY AND REGENERATION

Supporting a thriving and resilient local economy

	OBJECTIVES	KEY PROJECTS AND INITIATIVES	GOVERNANCE		TIMESCALE		LEAD OFFICER
					START	END	
ER1	<p>Economic recovery</p> <p>Support our high streets and businesses to enable recovery of the local economy from the impacts of COVID-19 and building foundations for a sustainable and inclusive local economy</p>	<p>ER1.1</p> <p>  </p> <p>Develop and implement an inclusive and sustainable 'Economic Development Strategy' including supporting market towns and sectors most impacted by the pandemic</p>	Regeneration and Investment Board	Strategy & Resources Committee	2021	2023	Amy Beckett
		<p>ER1.2</p> <p>  </p> <p>Continue to support high street businesses to increase their digital and online visibility</p>		Strategy & Resources Committee	2021	Ongoing	Amy Beckett / Ben Falconer
		<p>ER1.3</p> <p>  </p> <p>Support local high streets through the 'Think Local, Shop Local' campaign and local initiatives to increase footfall such as markets, events and community-led initiatives</p>	Market Towns Forum	Strategy & Resources Committee	2021	2022	Amy Beckett / Ben Falconer
		<p>ER1.4</p> <p> </p> <p>Work with partners across Stroud district to grow a sustainable visitor economy, including the night time economy, walking and cycling, culture and leisure attractions</p>		Community Services and Licensing Committee	2021	Ongoing	Amy Beckett
		<p>ER1.5</p> <p>  </p> <p>Consult with all types of businesses on how to improve business services, for example by providing a 'one door' access point into the Council, direct engagement from Councillors and in particular actions to address the needs of small businesses</p>	Fit for the Future Board	Strategy & Resources Committee	2022	2024	Amy Beckett
ER2	<p>Regeneration</p>	<p>ER2.1</p> <p>  </p> <p>Develop Brimscombe Port as a key strategic site to support a thriving community, in line with project</p>	Brimscombe Port Project Board	Strategy & Resources Committee	2021	2026	Alison Fisk / Leonie Lockwood

	Deliver key regeneration sites across the district, especially brownfield sites and long-term empty properties, for local jobs, homes, community facilities and green spaces		milestones which include securing a development partner and delivering infrastructure works					
		ER2.2 	Deliver Phase 1b of the Canal Project (Cotswold Canals Connected), incorporating land acquisition, planning application for the 'missing mile', Ocean Bridge works and a range of activities including five local activity hubs along the canal	Canal Project Board	Strategy & Resources Committee	2021	2025	Chris Mitford-Slade
		ER2.3 	Produce a pipeline of regeneration schemes progressing 'hard to develop' brownfield sites and long-term empty properties across the district, delivering quality local jobs and homes, while preserving and enhancing biodiversity	Regeneration and Investment Board	Strategy & Resources Committee	2021	2026	Leonie Lockwood / Mark Russell
		ER2.4 	Support the development of a diverse local economy of social enterprises, cooperatives and small businesses by working with others to increase commercial space available for expansion and by exploring the use of land for low cost sites and start-ups, as well as protecting existing employment sites	Regeneration and Investment Board	Strategy & Resources Committee	2021	Ongoing	Mark Russell / Alison Fisk
ER3	Investment Promote the Stroud District to attract investment in key infrastructure and high quality jobs with a focus on environmental technologies, engineering and manufacturing and creative industries	ER3.1 	Attract investment by setting out the offer of Stroud District in a new ' Place Prospectus ' to showcase the district's achievements and future priorities	Regeneration and Investment Board	Strategy & Resources Committee	2021	2021	Mark Russell
		ER3.2 	Promote prosperity and visitors to the district's waterways, by developing a Canal Strategy , which links to heritage and biodiversity objectives	Regeneration and Investment Board	Strategy & Resources Committee	2021	2022	Mark Russell
		ER3.3 	Work to secure external funding for priority projects, by establishing a task force to review bid options and developing a bid to the Government's Levelling Up Fund and other funding opportunities	Levelling Up Fund Working Group Regeneration and Investment Board	Strategy & Resources Committee	2021	2022	Brendan Cleere
		ER3.4 	Work with partners to support the bid to the UK Atomic Energy Authority to secure the first prototype commercial fusion plant and associated research and innovation park at Oldbury & Berkeley	Regeneration and Investment Board	Strategy & Resources Committee / Full Council	2021	2024	Mark Russell
ER4	Support for businesses Champion local businesses of all types and sizes that lead on	ER4.1 	Create a ' favoured trader ' list of local businesses and champion those businesses that are living wage employers and lead on environmental and social good practice		Strategy & Resources Committee	2022	2023	Amy Beckett

ER5	environmental and social good practice and support them to grow, keeping wealth in the district, strengthening local supply chains and offering rewarding local jobs	ER4.2  	Explore options for bringing more financial power and resilience to our district such as cooperative banking, credit unions, investment in local schemes including renewable energy projects, and local government bonds		Strategy & Resources Committee/Audit & Standards	2021	2025	Andrew Cummings
		ER4.3   	Support procurement from local businesses and drive local spending on low carbon goods and services to create stronger supply chains within the local economy. This may include collaborative partnerships with local anchor institutions to encourage community wealth building		Strategy & Resources Committee	2021	Ongoing	Hannah Emery
		ER4.4   	Work with partners to support the development of skills and training for all ages , including the unemployed, young people and apprentices, and across key sectors including the low carbon sector and visitor economy.	Regeneration and Investment Board	Strategy & Resources Committee	2021	Ongoing	Lucy Powell / Amy Beckett
		ER4.5 	Work with trade unions to support fair employment , encouraging more local businesses and organisations to be real living wage employers	Regeneration and Investment Board	Strategy & Resources Committee	2022	2024	Lucy Powell / Amy Beckett
		ER5.1   	Progress the Local Plan through public examination and secure its adoption		Environment Committee, Full Council	2021	2022	Mark Russell
	ER5.2   	Support the delivery of strategic site allocations contained within the local plan and the key infrastructure required to support it		Environment Committee, Full Council	2021	2026	Mark Russell	
	ER5.3   	Work with parish councils to develop Neighbourhood Development Plans and Orders to meet local development needs		Environment Committee, Full Council	2021	Ongoing	Simon Maher	
	ER5	Strategic Planning Adopt the new Stroud District Local Plan						

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

30 SEPTEMBER 2021

Report Title	BUDGET MONITORING REPORT Q1 2021/22			
Purpose of Report	To present to the Committee a forecast of the outturn position against the General Fund revenue budget, Housing Revenue Account and capital programme for 2021/22, in order to give an expectation of possible variances against budget.			
Decision(s)	The Committee RESOLVES to: a) To note the outturn forecast for the General Fund Revenue budget. b) To note the outturn forecast for the Housing Revenue Account c) To note the outturn forecast for the Capital Programme.			
Consultation and Feedback	Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated into to the report to explain difference between budgets and actual income and expenditure.			
Report Author	Adele Rudkin, Accountant Tel: 01453 754109 Email: adele.rudkin@stroud.gov.uk Lucy Clothier, Accountancy Manager Email: lucy.clothier@stroud.gov.uk			
Options	None			
Background Papers	None			
Appendices	Appendix A – Other Service Committee Summaries Appendix B – Strategy and Resources Committee Detailed Breakdown Appendix C – Housing Revenue Account Breakdown Appendix D – Covid Pressures			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	No	No	No	No

1 Background

- 1.1 This report provides the first monitoring position statement for the financial year 2021/22. The purpose of this report is to notify members of any known significant variations to budgets for the current financial year, highlight any key issues and to inform members of any action to be taken if required.

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2. Summary

- 2.1 The monitoring position for the General Fund at 30 June 2021 shows a projected net revenue overspend of £587k against the latest budget, as summarised in Section 3.
- 2.2 The Housing Revenue Account (HRA) shows a forecasted overspend of £352k, as shown in Section 5.
- 2.3 The capital programme, as detailed in Section 6, shows a forecast spend of £37.452m against a budget of £37.877m.

3. Revenue Budget Position

- 3.1 Council approved the General Fund Revenue budget for 2021/22 in February 2021.
- 3.2 The budget has been revised to include the budget allocations carried forward from 2020/21, as reported to Strategy and Resources Committee in July 2021, as well as the distribution to committees of the additional recovery budget items for 2021/22 which were held centrally in Strategy and Resources in the base budget.
- 3.3 The monitoring position for the General Fund at 30 June 2021 shows a **projected net overspend of £587k** against the latest budget, as summarised in Table 1.

Table 1 – General fund Summary

	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
GENERAL FUND					
Community Services and Licensing	3,010	3,288	3,629	0	341
Environment	6,172	6,346	6,215	100	(32)
Housing General Fund	773	980	991	0	11
Strategy and Resources	8,031	7,882	8,233	(85)	267
Accounting Adjustments	(2,058)	(2,058)	(2,058)	0	0
Net Revenue Expenditure	15,927	16,439	17,010	15	587
Funding from Govt Grants/Council Tax	(14,867)	(14,867)	(14,867)	0	0
Transfers to/(from) Earmarked Reserves	(1,060)	(1,572)	(1,572)	0	0
Total General Fund	0	0	572	15	587

- 3.4 Key areas of variance:

3.5 Covid-19 Impact - £77k pressure

A budget allowance of £1,540k was approved by Council in February. This was to be funded, in part, by £804k of Government funding. The loss of income from key areas such as The Pulse, car parking and planning are now expected to be lower than budgeted, which in turn lowers the expectation of grant income from Government to compensate for the lost income.

Additional expenditure is still required for temporary accommodation, the Ubico contract (waste collection, fly tipping and cleaning of public conveniences) as well as additional staffing in The Pulse and the Planning Team.

A full breakdown of the additional pressure relating to Covid-19 are included in Appendix D.

3.6 Housing Benefit - £370k additional expenditure

A shortfall on housing benefit subsidy claims is expected, principally for supported accommodation. Although there is a higher rent allowable in supported accommodation, where the cost of housing is significantly higher than the amount allowable under housing benefit, this cannot all be claimed back through housing benefit subsidy and part of the cost is borne by the local authority. Although a significant amount it should be noted that this represents a variance of only 2.3% on the housing benefit subsidy budget. This will continue to be monitored and the situation is subject to change throughout the year as housing benefit claims change and are difficult to predict.

3.7 Information and Communication Technology – £292k overspend

The additional spend in IT predominantly relates to an overspend in software costs, with £184k relating to existing contracts and £78k from new software costs. The impact of the additional costs will be considered in the Budget Strategy and budget setting.

3.8 Waste and Recycling – (£78k) underspend

Additional income for garden waste subscriptions (-£55k) and a more buoyant paper recycling market (-£63k) have been partially offset by an expectation of having to replace a number of waste and recycling bins due to age (+£48k). Ubico have raised a potential change to rates of pay (in part linked to the national driver shortage), which will be considered as part of the budget setting process.

3.9 Minimum Revenue Provision – (£88k) underspend

A reduction to MRP (the amount which must be set aside from revenue as a provision for repayment of borrowing) is lower than budgeted due to slippage in the capital programme lowering the amount borrowed (compared to the budget) in 2020/21.

3.10 Modernisation Savings

3.11 The Medium Term Financial Plan includes a Modernisation savings target. In 2021/22 a £200k savings target is included in the base budget which it is expected will be achieved in year through vacancy savings, pending ongoing savings being found through the Fit for the Future programme.

3.12 The Quarter 1 position includes an estimate of £87k vacancy savings to be achieved during the year. This would leave £113k to be found during the year.

Agenda Item 6

Table 2: Current estimate of vacancy savings

Service	Vacancy Saving Forecast (£'000)
Car Park Enforcement	16
Monitoring Officer	28
Finance	25
Property Services	16
Total	87

4. Strategy & Resources Committee Revenue budget

- 4.1 The latest budget for Strategy and Resources Committee is £7.882m. The monitoring position at Quarter 1 shows a projected net overspend of £267k.
- 4.2 The below table gives a summary by service, with narrative given for major variances. Appendix B gives a further breakdown of the Strategy and Resources revenue budget.

Table 3 – Strategy & Resources Revenue budgets 2021/22

Strategy & Resources Committee	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)	Covid-19 Pressures (Reported in Covid 19)
Car Parks	4.3	(687)	(687)	(682)	0	5	256
Commercial Properties	4.4	(152)	(152)	(136)	0	16	33
Communications		163	163	163	0	0	0
Corporate Expenditure & Income	4.5	1,322	892	801	0	(91)	48
Corporate Policy & Governance		1,147	1,147	1,147	0	(1)	0
Corporate Services (Legal)		437	450	450	0	0	0
Covid-19	4.6	562	721	798	0	77	305
Facilities Management		415	415	427	0	12	69
Financial Services		833	833	833	0	(1)	0
Human Resources		562	562	562	0	0	0
Information & Communication Technology	4.7	1,702	1,702	2,013	(19)	292	0
Other Properties	4.8	(711)	(711)	(590)	(130)	(9)	13
Pension Lump Sum		1,362	1,362	1,362	0	0	0
Property Services		443	552	519	0	(33)	0
Senior Leadership Team	4.9	629	629	564	64	(1)	0
Youth Councils		3	3	3	0	0	0
Strategy and Resources TOTAL		8,031	7,882	8,233	(85)	267	724

4.3 Car Parks - £261k income shortfall

(Mike Hammond, xtn 4447, mike.hammond@stroud.gov.uk)

Car Park use in Stroud is illustrating a varied post pandemic picture. Rowcroft Car Park in particular is almost back to 'normal', whilst commuter car parks, particularly Cheapside, are still seeing far fewer visitors, this will take some time to see if user numbers revert to pre-lockdown levels and will be monitored very closely over the coming months. It is prudent at this stage to predict an income shortfall.

4.4 Commercial Properties - £49k income shortfall

(Alison Fisk, xtn 4430, alison.fisk@stroud.gov.uk)

Brunel Mall is forecasting a loss of income, this is directly related to Covid as tenants were impacted by lock down and rent holidays were granted to some of the businesses. Littlecombe – the majority of units have been sold rather than let, so capital receipts have been achieved rather than rental income. The last unit sale has been delayed, but is still expected to complete. Deals have slowed during the pandemic impacting on lettings and sales.

4.5 Corporate Expenditure and Income – £91k underspend

(Lucy Clothier, xtn 4343, lucy.clothier@stroud.gov.uk)

A reduction to MRP (the amount which must be set aside from revenue as a provision for repayment of borrowing) is lower than budgeted by £88k due to slippage in the capital programme lowering the amount borrowed (compared to the budget) in 2020/21.

4.6 COVID 19 – £77k overspend/income shortfall

(Lucy Clothier, lucy.clothier@stroud.gov.uk)

A budget allowance of £1,540k was approved by Council in February. This was to be funded, in part, by £804k of Government funding. The loss of income from key areas such as The Pulse, car parking and planning are now expected to be lower than budgeted, which in turn lowers the expectation of grant income from Government to compensate for the lost income.

Additional expenditure is still required for temporary accommodation, the Ubico contract (waste collection, fly tipping and cleaning of public conveniences) as well as additional staffing in The Pulse and the Planning Team.

A full breakdown of the additional pressures relating to Covid-19 are included in Appendix D. This includes where the costs have been met from the recovery reserve and external funding.

4.7 ICT – £273k overspend

(Adrian Blick, adrian.blick@stroud.gov.uk)

The cost of software continues to be higher than budget, with the additional costs reported in 2020/21 continuing into 2021/22. There have also been £78k of additional software costs in this financial year. Spend is being very closely monitored this year and will be able to improve the accuracy of forecasting (especially for next annual period) due to this increased focus and through review of costs incurred.

A £67k variance is also forecast on staffing as a result of the continued extension of a networks/infrastructure contractor due to challenges with recruitment. This should be resolved next quarter subject to references.

4.8 Other Properties – Brimscombe Port

(Alison Fisk, xtn 4430, alison.fisk@stroud.gov.uk)

The Brimscombe Port site has been transferred to Stroud District Council in line with the redevelopment agreement. There will be no impact on the overall General Fund as any running costs (including some major refurbishment works to the Mill already undertaken) will be funded from rental income from the site which has also been transferred to SDC. All remaining funding will be used to fund the redevelopment of the site.

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4.9 Senior Leadership Team

The recruitment of the Head of IT as the Director of Transformation has allowed a saving in the director post budget. As this post is funded from the modernisation programme, any savings from the post will remain for modernisation and will be available for the Fit for the Future project.

5. Housing Revenue Account Budget Position

5.1 The original net Housing Revenue Account (HRA) budget for 2021/22 is a transfer to reserves of £281k, as approved by Council in February 2021.

5.2 The budget monitoring position for the HRA at Quarter 1 shows a projected net overspend of £352k (1.5% of gross spend) against the current budget, as shown in the below table.

Table 4: HRA Revenue Summary

Housing Committee	2020/21 Original Budget (£'000)	2020/21 Revised Budget (£'000)	2020/21 Forecast Outturn (£'000)	2020/21 Reserve Transfers (£'000)	2020/21 Outturn Variance (£'000)
Total Income	(23,208)	(23,208)	(22,947)	0	260
Total Expenditure	10,142	10,163	10,231	0	69
Total Other Costs and Income	13,306	13,306	13,329	0	23
Total Net Expenditure	240	261	613	0	352
Transfers to/from Earmarked reserves	(521)	(542)	(542)	0	0
Transfers to/from General Reserves	281	281	281	0	0
Total Housing Revenue Account	0	0	352	0	352

5.3 A more detailed breakdown of this table can be found in Appendix C.

5.4 Key areas of variance of variance are set out below. Further detail can be found in the Housing Committee report.

5.5 Rents and Service Charges – £292k loss of income

Void loss continues to be much higher than budgeted due to a large backlog of void properties following Covid-19 lockdowns.

5.6 Supervision and management – (£230k) underspend

A number of posts are currently vacant and it is expected that the total staffing saving across the year will total £171k. This will fluctuate throughout the year as vacancies are filled.

There is also an underspend of £37k on IT software. This predominantly relates to budget available for a new housing system which is now due for implementation later in the year.

5.7 Repairs and maintenance – £185k pressure

Void costs are expected to be higher than budget due to an increase in council tax of £100k because of the higher void rates.

There is also an overspend of £85k in Property Care. This largely relates to the use of subcontractors for specialist roles such as roofing and drainage.

6. Capital Programme

- 6.1** The current capital programme, following the addition of slippage from 2021/22 is £15,303k. The current forecast spend is £14,289, a net underspend of £1,015k.
- 6.2** This underspend is largely due to changes in timing in the capital programme as the projects span more than one financial year. There are some areas of forecast slippage, including the Canal restoration and the Stroud and District cycling and walking plan. There is also additional spend on Brimscombe Port where demolition works have been brought forward into 2021/22. These are all only timing differences and will not affect the overall costs.
- 6.3** The General Fund capital programme has one area of overspend relating to the water source heat pumps at Ebley Mill and Brimscombe Port Mill. The expected cost is higher than the budget, in part due to the need to upgrade electrical systems which will have wider benefits including the ability to add additional electric vehicle charging points. The project is also expected to have increased Renewable Heat Incentive (RHI) income which can be used to fund the increased cost and so no overall impact is expected on the General Fund.
- 6.4** Following capital slippage from 2021/22 and the addition of the Decarbonisation project, the revised HRA capital programme has a budget of £22,573k. The current forecast spend is £23,164k, additional spend of £590k, however this includes some opportunity led pots for land and property acquisition that may not fall in this financial year.
- 6.5** The only significant variance currently expected is £600k of refurbishment works at Park Road and Park Parade flat blocks being brought forward to complete in one financial year rather than being spread over two years. This is fully funded in the MTFP, and a revised budget will be requested at budget setting.

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Table 5 – Capital Summary

	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Outturn Variance (£'000)
Capital Schemes				
Community Buildings Investment	0	117	117	0
Stratford Park Lido	30	30	30	0
Community Services Capital Schemes TOTAL	30	147	147	0
Canal	6,631	8,215	6,603	(1,611)
Market Town Centres Initiative Fund	50	40	40	0
Multi-Service Contract Vehicles	859	1,208	1,208	0
Rural SuDS Project	30	30	30	0
Stratford Park Acquisition of Machinery	0	14	14	0
Stroud District Cycling & Walking Plan	200	404	165	(239)
Wallbridge-Gateway	100	100	100	0
Environment Capital Schemes TOTAL	7,870	10,011	8,160	(1,850)
Affordable Housing-Support to Registered Providers	0	39	39	0
Better Care Fund Projects	0	0	3	3
Disabled Facilities Grant Scheme	330	330	330	0
Green Home LADS Park Homes	950	1,604	1,604	0
Health through Warmth Grants	200	200	200	0
Private Sector Housing Loans	15	15	15	0
Temporary Accommodation	500	500	500	0
Warm Homes	0	343	343	0
Housing General Fund Capital Schemes TOTAL	1,995	3,031	3,034	3
Brimscombe Port Redevelopment	153	273	944	671
Electric Vehicle Acquisition	0	12	12	0
ICT Investment Plan	400	476	476	0
MSCP Resurfacing	0	0	0	0
Subscription Rooms - Refurbishment	0	0	2	2
Water Source Heat Pump-Ebley Mill & Brimscombe Port	0	1,354	1,514	160
Strategy and Resources Capital Schemes TOTAL	553	2,115	2,948	833
TOTAL GENERAL FUND CAPITAL SCHEMES	10,448	15,303	14,289	(1,015)
Acquisitions	2,000	5,492	5,492	0
Independent Living Modernisation	358	403	398	(5)
Major Works	9,317	10,459	11,054	595
New Build and Development	11,249	5,784	5,784	0
Other Capital Works	435	435	435	0
TOTAL HRA SCHEMES	23,359	22,573	23,164	590
TOTAL CAPITAL SCHEMES	33,807	37,877	37,452	(425)

7. Strategy and Resources Capital Programme

7.1 Table 6 below shows the Capital Forecast position at Quarter 1 for Strategy and Resources Committee and shows a projected outturn of **£2.948m**.

Table 6 – Strategy and Resources Capital Programme

	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Outturn Variance (£'000)
Strategy & Resources Capital Schemes					
Brimscombe Port Redevelopment	7.2	153	273	944	671
Electric Vehicle Aquisition	7.3	0	12	12	0
ICT Investment Plan	7.4	400	476	476	0
Subscription Rooms - Refurbishment (retention only)		0	0	2	2
Water Source Heat Pump-Ebley Mill & Brimscombe Port	7.5	0	1,354	1,514	160
Strategy and Resources Capital Schemes TOTAL		553	2,115	2,948	833

7.2 Brimscombe Port Redevelopment

The budget for Brimscombe Port, agreed as part of the budget setting process for 2021/22, was approved at £273k. As the demolition is now to be carried out by the Council the budget forecast has changed to £943,895 as the demolition costs and associated fees have been added to the forecast expenditure for this financial year. This fits within the budget of £2.6 million already allocated to this project.

7.3 Electric Vehicle Acquisition

The remaining capital budget of £12k will be utilised in installing electric vehicle points across the county. The requirements are currently being investigated by the Senior Carbon Neutral Officer in conjunction with the County Council.

7.4 ICT Investment Plan

The remaining funding from the ICT Investment Plan will form part of the Fit for the Future modernisation programme.

7.5 Water Source Heat Pumps

The water source heat pump installation at Brimscombe Port is on programme and is due to be commissioned by 4th October 2021. There are however areas of work still to be undertaken that could potentially delay the commissioning including the installation of the heat collectors in the river and the switch over of the main electricity supply with Western Power Distribution.

The installation at Ebley Mill is delayed by approximately two weeks and is now due to be commissioned by 18th October 2021. As mentioned previously works are still to be undertaken within the river and a new electrical transformer is programmed both of which may potentially delay the commissioning.

As has been previously reported, the costs of the project have increased from initial estimates, in part due to additional works needed which will have other wider benefits, including the ability to add additional electric vehicle charging points at Ebley Mill in the future. The forecast of the grant income associated with the scheme has also increased and so the additional cost can be met from the increased income.

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8. IMPLICATIONS

8.1 Financial Implications

There are no financial implications arising from this report as it reports on previous financial activities, and expected forecasts.

Lucy Clothier, Accountancy Manager

Email: lucy.clothier@stroud.gov.uk

8.2 Legal Implications

There are no legal implications arising from the recommendations in this report.

One Legal

Tel: 01684272691

Email: legal.services@onelegal.org.uk

8.3 Equality Implications

An EIA is not required because there are not any specific changes to service delivery proposed within this decision.

8.4 Environmental Implications

There are no significant implications within this category.

Appendix A - Other Service Committee Summaries

Community Services & Licensing Committee

	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Outturn Variance (£'000)	Covid-19 Pressures (Reported in S&R)
Community Services Committee					
Community Safety	213	249	249	(1)	22
Cultural Services - Arts and Culture	416	430	434	4	38
Cultural Services - Community Health & Wellbeing	160	279	280	1	0
Cultural Services - Sports Centres	(119)	(34)	(1)	33	416
Customer Services	392	392	413	20	0
Grants to Voluntary Organisations	336	336	335	(2)	0
Licensing	(54)	(54)	(51)	4	12
Public Spaces	1,408	1,427	1,415	(12)	0
Revenues and Benefits	152	152	445	293	80
Youth Services	105	110	110	0	0
Community Services and Licensing TOTAL	3,010	3,288	3,629	341	568

Environment Committee

	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)	Covid-19 Pressures (Reported in S&R)
Environment Committee						
Canal	379	379	279	100	(1)	0
Carbon Management	110	173	181	0	9	0
Development Control	197	197	210	0	13	275
Economic Development	101	101	101	0	0	0
Health & Wellbeing	830	941	960	0	18	0
Land Charges & Street Naming	(18)	(18)	(18)	0	0	0
Planning Strategy/Local Plan	370	370	363	0	(7)	0
Statutory Building Control	(137)	(137)	(139)	0	(2)	50
Waste & Recycling: Other	12	12	28	0	16	0
Waste and Recycling: MSC	4,329	4,329	4,251	0	(78)	0
Environment TOTAL	6,172	6,346	6,215	100	(32)	325

Housing Committee – General Fund

	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Amount 21/22	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
Housing Committee						
Housing Advice	479	519	(191)	530	0	11
Housing Strategy	136	303	(4)	303	0	0
Private Sector Housing	157	157	38	158	0	1
Housing General Fund Total	773	980	(158)	991	0	11

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Appendix B - Strategy and Resources Committee – Detailed Breakdown

	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
Strategy & Resources Committee						
Car Parks (Other)		53	53	49	0	(4)
Car Parks (Stroud)		(740)	(740)	(732)	0	9
Car Parks		(687)	(687)	(682)	0	5
Brunel Mall		(68)	(68)	(41)	0	27
Gossington Depot		(57)	(57)	(72)	0	(15)
Littlecombe Development, Dursley		(27)	(27)	(22)	0	5
Commercial Properties		(152)	(152)	(136)	0	16
Communications		163	163	163	0	0
Communications		163	163	163	0	0
Corporate Expenditure & Income		1,322	892	801	0	(91)
Corporate Expenditure & Income		1,322	892	801	0	(91)
Democratic Services		104	104	105	0	1
Elections		92	92	91	0	(2)
Electoral Registration		94	94	94	0	0
Executive Support		82	82	82	0	0
Members Expenses		364	364	364	0	0
Policy		411	411	411	0	0
Corporate Policy & Governance		1,147	1,147	1,147	0	(1)
Legal Services		437	450	450	0	0
Corporate Services (Legal)		437	450	450	0	0
Covid-19		562	721	798	0	77
Covid-19		562	721	798	0	77
Ebley Mill		393	393	405	0	12
Emergency Management		22	22	22	0	0
Facilities Management		415	415	427	0	12

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Appendix B

	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
Strategy & Resources Committee						
Financial Services		833	833	833	0	(1)
Financial Services		833	833	833	0	(1)
Human Resources		562	562	562	0	0
Human Resources		562	562	562	0	0
Information & Communication Technology		1,702	1,702	2,013	(19)	292
Information & Communication Technology		1,702	1,702	2,013	(19)	292
Brimscombe Port Business Park		27	27	156	(130)	0
Bus Stations/Shelters		(1)	(1)	2	0	3
May Lane		4	4	1	0	(4)
Miscellaneous Properties and Land		(740)	(740)	(749)	0	(8)
Other Properties		(711)	(711)	(590)	(130)	(9)
Pension Lump Sum		1,362	1,362	1,362	0	0
Pension Lump Sum		1,362	1,362	1,362	0	0
Building Maintenance		107	107	68	0	(39)
Head of Property Services		61	61	61	0	(0)
Property Services		275	384	390	0	6
Property Services		443	552	519	0	(33)
Chief Executive		164	164	164	0	0
Director of Communities		113	113	113	0	0
Director of Place		120	120	120	0	0
Director of Resources		116	116	116	0	(0)
Director of Transformation		117	117	52	64	(1)
Senior Leadership Team		629	629	564	64	(1)
Youth Councils		3	3	3	0	0
Youth Councils		3	3	3	0	0
Strategy and Resources TOTAL		8,031	7,882	8,233	(85)	267

Appendix C - Housing Revenue Account

	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
Housing Committee					
Dwelling Rents and service charges	(22,779)	(22,779)	(22,487)	0	292
Other charges and income	(629)	(629)	(661)	0	(32)
Provision for Bad Debt	200	200	200	0	0
Total Income	(23,208)	(23,208)	(22,947)	0	260
Supervision and Management	4,196	4,196	3,966	0	(230)
Repairs and Maintenance	4,482	4,503	4,688	0	185
Independent Living Service	637	637	637	0	0
Other Expenditure	540	540	591	0	52
Independent Living Modernisation	287	287	349	0	62
Total Expenditure	10,142	10,163	10,231	0	69
Support Service Charges from the GF	2,058	2,058	2,058	0	0
Interest Payable/Receivable	3,334	3,334	3,357	0	23
Provision for repaying debt	967	967	967	0	0
Revenue Funding of Capital Programme (Depn & RCCO)	6,947	6,947	6,947	0	0
Total Other Costs and Income	13,306	13,306	13,329	0	23
Total Net Expenditure	240	261	613	0	352
Transfers to/from HRA Earmarked reserves	(521)	(542)	(542)	0	0
Transfers to/from General Reserves	281	281	281	0	0
Total Housing Revenue Account	0	0	352	0	352

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Appendix D – Covid Pressures

	Budget	Forecast	Recovery /Other Reserve Funding	Grant Funding	Variance
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
LOSS OF INCOME					
Car Parks income	354	278			(76)
The Pulse	518	388			(130)
Museum in the Park	41	38			(3)
Development Control	286	200			(86)
Building Control	48	50			2
Rental Income	145	215	(106)		(36)
Other service income	26	19			(7)
Investment Income	0	48			48
Revs & Bens - Enforcement Income	50	80			30
Government Grant - Covid Support	(470)	(470)			0
Government Grant - Sales Fees and Charges	(334)	(200)			134
Income General Fund - Total	664	1,016	(106)	0	(125)
ADDITIONAL EXPENDITURE					
Housing Advice		60			60
Ubico contract	60	86			26
Additional Staffing (Planning and The Pulse)	12	103			91
Other service expenditure (PPE and IT)		25			25
Elections		50		(50)	0
Recovery - Community resilience		96	(96)		0
Senior Economic Development Specialist		41	(41)		0
Reopening the High Street Safely/welcome back fund		142		(142)	0
Compliance and Enforcement		15		(15)	0
COMF		218		(218)	0
Additional Expenditure - Total	72	835	(137)	(424)	202
Total General Fund	736	1,851	(243)	(424)	77

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STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

30 SEPTEMBER 2021

Report Title	BUDGET STRATEGY 2021/22 TO 2025/26			
Purpose of Report	To set out the assumptions that will be used when preparing the upcoming Medium-Term Financial Plan			
Decision(s)	<p>The Committee RECOMMENDS to Council to:</p> <p>a. Approve the Budget Strategy 2021/22 to 2025/26 as set out in this report and appendices</p> <p>b. Continue with the Business Rates pooling agreement, until such time as the Section151 Officer may determine.</p>			
Consultation and Feedback	Formal budget consultation is currently taking place in the form of a telephone survey of local council tax and business rate payers			
Report Authors	Andrew Cummings, Strategic Director of Resources Email: andrew.cummings@stroud.gov.uk			
Options	To review assumptions made in funding. To challenge long term cost projections.			
Background Papers	None			
Appendices	Appendix A – Draft Medium-Term Financial Plan 2021/22 to 2025/26 Appendix B – Current assumptions on budget changes.			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1. INTRODUCTION / BACKGROUND

- 1.1 This report set outs the current assumptions on funding available throughout the period 2021/22 to 2024/26, and initial estimates on the level of cost pressures and savings that the Council may expect in that time. That information forms the basis for the detailed budget setting process now taking place throughout the Authority. Officers are reviewing all expenditure and income budgets to determine appropriate levels and identify savings where possible.
- 1.2 This is the second Budget Strategy produced against the backdrop of the Covid-19 pandemic. This places a degree of uncertainty on expenditure budgets but most

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particularly the levels of income which may be received. The detailed budget setting process will include extensive considerations of the likely impact of the pandemic.

- 1.3 The Council's General Fund and Housing Revenue Account (HRA) budgets for 2022/23, including the budget proposals of the administration, will be presented to full Council at their meeting on 17 February 2022. Proposed budgets will have first been reviewed by service committees.
- 1.4 This strategy represents the first stage of the budget setting process for 2021/22 and many of the figures involved will be subject to significant review in the coming months before final Council budget approval. As stated at 1.2 this will include any adjustments as necessary for the impact of Covid. An indicative draft Medium-Term Financial Plan (MTFP) is shown at Appendix A showing the assumptions at the current time,
- 1.5 At its meeting in October 2021 the Council will also be considering the new Council Plan for adoption. If adopted these will set out the priority projects and commitments for the Council over the next five years. As part of the budget setting process, consideration will be given to ensure sufficient sums are in place to fund these projects.

2. General Fund Budget Strategy and Medium-Term Financial Plan

Funding Projections

- 2.1 The current financial year represents a period of a one-year financial settlement from Central Government with no clarity over the position after 2021/22. Council noted this uncertainty when agreeing the current MTFP in February 2020.
- 2.2 Central Government has recently confirmed its intention to announce the results of a three-year spending review, to cover the period up until 2024/25, on October 27th, 2021. Local Government funding is usually not explicitly covered by Central Government reviews; however, they are dictated in part by the funding available for the Ministry of Housing, Communities and Local Government and therefore the spending review is a key milestone. The impact of the review on local government may not be known until the Provision Settlement, expected in December. The following paragraphs and tables set out what is anticipated at this point but much of the information is provisional until the settlement is received.
- 2.3 The "Fair Funding Review" to reallocate local government funding across the sector is still technically scheduled for 2022/23. However, there has been no recent consultation on the proposals and although theoretically possible it would seem to be very unlikely for it to be implemented in time for next year. More details will be known later in the Autumn.

New Homes Bonus

- 2.4 As with the previous years, 2021/22 has again seen one additional year of New Homes Bonus growth awarded as part of the roll over settlement giving a total grant of £880k in the current year. This grant has declined for some years having reduced from £3.2m in 2016/17.

- 2.5 The only expected payment in 2022/23 is £218k representing the final payment of the four years of award of the 2017/18 housing growth. Confirmation that this grant will be honoured won't be available until the settlement but as all previous legacy payments have been honoured it has been included at this point. Additional one-off reward payments, as awarded for the last two years, have not been included in the MTFP.
- 2.6 Earlier in 2021 Central Government consulted on various possibilities for the future of a New Homes Bonus Scheme. SDC was among those who responded to the consultation. As yet, there has not been a Government response to the feedback received and therefore no further details are known. For the purposes of this Strategy it is assumed that the NHB will cease after the final payment in 2022/23. A replacement scheme is possible but there is no certainty on any funding which may be removed through such a scheme.
- 2.7 The table below sets out the amounts of New Homes Bonus within the draft MTFP.

Table 1 – NHB Forecast 2021/22 to 2024/25 (MTFP assumption)

	2020/21	2021/22	2022/23	2023/24	2024/25
Year of Reward	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
2015/16	238				
2016/17	337	337			
2017/18	218	218	218		
2018/19	538				
2019/20		225			
TOTAL NHB	1,331	880	218	0	0

Business Rates

- 2.8 The level of business rates income permitted to be retained by the Council is closely linked to the local authority financial settlement. It is through setting the baselines of retained rates that Central government can allocate this taxation income across the Country.
- 2.9 Stroud as an area has benefited from considerable growth above the baseline of expected rates since the retention system was introduced in 2013. For context the current baseline of retained growth is £2.4 million, yet the income included within the MTFP is £4 million.

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- 2.10 It is for this reason that SDC is particularly vulnerable to the planned “reset” of baselines across the country as much of the growth against baseline would likely be redistributed elsewhere and a new baseline calculated. A baseline reset was anticipated in 2022. There has been no firm news to the contrary therefore the figures for business rates have been left unchanged from the February MTFP. Further details can be expected in either the October spending review or the Local Government Settlement.
- 2.11 However, with the timescales involved it seems increasingly unlikely that any reset will occur in 2022. The Council’s funding advisors are currently modelling on the basis of a one-year delay to the reset of business rates growth. For information purposes only, the table shows the impact that this would have over the life of the MTFP

Table 2 – Impact of a delay to rates reset

Business Rates Retained	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Current MTFP	4,077	2,287	2,333	2,379	2,439	13,515
Delayed reset	4,077	4,806	2,466	2,568	2,642	16,559

- 2.12 The businesses rates base in Stroud has held up well in Stroud during the pandemic, albeit with an increased level of arrears which were provided for in the 2020/21 accounts. What was also seen in 2020/21 was large deficits in the collection fund for both Council Tax and Business Rates. These were largely compensated for by central government and sums held in an earmarked reserve to protect the Council’s position. The MTFP has been updated to transparently reflect the unwinding of both the deficit and the earmarked reserve over three years. This has no overall net impact on the financial position.
- 2.13 Within the overall business rates retention system, the rates collected by renewable energy facilities within the District is retained 100% by this Council and is not redistributed elsewhere. The amount collected from such facilities has greatly increased in recent years from £107k in 2018 to £358k in 2021. Previously these amounts have been presented as part of overall rates in the MTFP. However, they have now been split out. This allows a greater transparency on rates collected through this method and gives greater visibility to increases in renewable energy generation across the district.
- 2.14 The Gloucestershire Business Rates Pool is continuing in 2021/22 and at the early monitoring stage a pool gain of £500k is predicted for Stroud. This is not included in the base MTFP as sums to be retained are unpredictable and vary depending on rates collected across the County.
- 2.15 If the businesses rates baseline is reset, then the financial incentive for pooling is removed and the Gloucestershire Pool will not continue. MHCLG have recently written to

Stroud as pool lead asking for an indication by October 8th as to whether the pool members wish to proceed. Section 151 Officers across the County agree that pooling should continue based on current arrangements. Members are asked to endorse this approach. If the Local Government Settlement makes pooling unfavourable then we can choose to revoke the pool at that point.

Council Tax

- 2.16 For the current financial year the Council was limited to, and applied, a Council Tax increase of £5 for a Band D property. There have been no announcements as to potential limits in future years and so a limit of £5 has been assumed for each year of this Strategy. The final budget proposals to Council will include a recommendation to increase Council Tax by the referendum limit. With inflation currently increasing this is a vital part of the financial resilience of the authority.
- 2.17 For the current year the growth in the Council Tax base was 1.17% which was lower than in previous years. This was a result of an increase in the number of claimants of local Council Tax support. The level of claims has actually slightly decreased to date in the current year and therefore the Council Tax base growth included in the Strategy is 1.5% as in previous years.
- 2.18 As anticipated at the time of Budget Setting in February the final position for the Council Tax collection fund was a deficit as income had fallen lower than anticipated in the 2020/21 year as a result of the Covid. The SDC deficit was estimated at that point to be £120k and the collection is spread over 3 years as permitted by Central Government. This adjustment is shown in Appendix A. The actual year end deficit for SDC was £175k and the MTFP has been adjusted to reflect this.
- 2.19 Central Government compensated Councils for 75% of lost Council Tax income in 2020/21. The amount received for SDC was £120k. This was included in the year end collection fund smoothing reserve which will be used to fund the deficits.

Lower Tier Services Grant

- 2.20 District Councils have received additional grant funding in 2021/22 to reflect the cost of providing lower tier services. The allocation for SDC was £105k. There has been no indication that this grant will continue and therefore it is not included in the MTFP after the current year.

3. Budget Assumptions

Pay and Price Inflation

- 3.1 Inflation linked increases will be added to budgets for spend with external partners. At the time of writing the CPI inflation rate in the UK is 3.2% and is expected to increase further in the Autumn. This Budget Strategy and Draft MTFP plans to allow for annual

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inflationary increases of 3% on contract sums but this will be updated to reflect the September CPI during the budget setting process.

- 3.2 Considerable inflationary pressure is expected on utilities where changes in wholesale markets have led to large increases in the price of energy. The Council's contracts are due for renewal in October 2022 and further adjustments to the budget may be required at that time. Insurance is a further area where increases are expected for both the General Fund and the HRA.
- 3.3 The biggest contractual partner for General Fund budgets is Ubico and discussions have already begun on the level of budget for next year.
- 3.4 Inflation will not be included on budgets which are not related to salaries or contracts. It is anticipated that efficiencies will be used to maintain expenditure within existing budgets. This approach represents a small but significant way that the Council can achieve some real terms savings in expenditure.
- 3.5 There has been no agreement on the local government pay award for the current year of 2021/22. A final offer of 1.75 on most grades has been rejected by Unions. The budget for this year assumed an increase of 1%, in line with government expectations on public sector pay. Therefore, when an agreement is reached there will be additional cost over and above budget for both the HRA and General Fund. At the present time this cost is estimated as £73k for the General Fund and included in the MTFP estimates accordingly.
- 3.6 With the fact that there is yet no agreement on the 2021/22 pay award this of course means that there is no indication as to the level of award in future years. For the purposes of the draft MTFP this has been included at 2.5%.
- 3.7 It has been confirmed that the rate of employer's National Insurance contributions will increase in 2022/23. The increase is 1.25%. This is for one year only but will then be replaced by a new Health and Social Care Levy of 1.25% which is to be ringfenced for Health and Social Care spending. The increase to the NI percentage and subsequent new tax are expected to cost the Council £130k p.a. It is possible that the local government settlement will include funding for Councils to meet this cost but at this point in time that has not been confirmed.

Local Government Pension Scheme

- 3.8 Currently the Council is part way through a three-year period in which the local government actuary has determined that the level of contribution into the Gloucestershire Pension Fund should be reduced. This will continue into 2022/23. After that point the MTFP assumes that the level of pension contribution will remain stable with no further fluctuation after that point. There will be a further actuarial valuation at the end of this period to determine the level of future contributions.
- 3.9 At the point of a further actuarial valuation the Council will again seek to gain savings through the up-front payment of pension contributions. This has previously been achieved successfully but was not taking up at the start of the current valuation period as a result of the cash flow uncertainty at the start of the pandemic.

Interest Rates & Investment Income

- 3.10 As part of their pandemic response the Bank of England reduced the base rate of interest to 0.1%. It is unlikely that there will be any increase in this during the upcoming financial year. As reported previously in the MTFP this has a budget impact on SDC as large cash balances are often held. As the budget was adjusted in February 2021 no further adjustment is required at this stage.
- 3.11 The Council currently has four investments totalling £10 million in pooled funds covering both property and multi-asset funds. These have a higher level of risk as unlike other investments they are exposed to variations in capital value. These have consistently achieved higher rates than the traditional investments and capital values have not decreased in the last year. Through the Treasury Management Strategy process opportunities will be explored to increase the level of yield, without unduly threatening the security of investments.

Fees & Charges

- 3.12 It is now a standard part of our budget setting procedures that full Council approves a comprehensive list of fees and charges to be levied by the Council for services in the upcoming year. This is good practice both in terms of financial efficiency and transparency.
- 3.13 The level of increase in fees and charges was set at an average of 2% at the current year's budget setting decision. This introduced an extra £66k per annum into the MTFP.
- 3.14 As previously discussed in this report the level of CPI inflation is expected to be higher in the current year. It is therefore proposed that all fees and charges, including car parking, are increased by the level of inflation as per the September CPI. For the purposes of the draft MTFP this is estimated as being 3%. This is estimated to allow for income growth of £120k per annum
- 3.15 Income Streams are recovering from the pandemic, but this process may take some time. Where necessary, income budgets will be adjusted for Covid impact during the detailed budget setting process.
- 3.16 The table below gives a summary of the main assumptions included within the Budget Strategy.

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Table 3 – Assumptions included within the Strategy

	2022/23	2023/24	2024/25	2025/26
Band D Council Tax Increase	£5	£5	£5	£5
Tax Base Increase	1.5%	1.5%	1.5%	1.5%
Contract Inflation	3%	2%	2%	2%
Pay Inflation	2.5%	2.5%	2.5%	2.5%
Fees and Charges Growth	3%	2.5%	2.5%	2.5%

Borrowing and Minimum Revenue Provision (MRP)

- 3.17 The General Fund requirement for borrowing to fund past capital works currently stands at £15.202 million (increased from 14.647 million the year before). This creates a need for a Minimum Revenue Provision (MRP) to repay that borrowing. This was budgeted at £1.010 million in 2021/22.
- 3.18 The current budget strategy allows for increases of MRP in line with the borrowing included in the capital programme. The budget setting process will further review the level or provision required over the life of the MTFP. Where possible the capital reserve will be used instead of borrowing to limit MRP exposure.
- 3.19 This strategy does not consider the detail of the capital programme which will be included within the full budget report.

Longer Term Budget Adjustments

- 3.20 The following paragraphs set out those items in the draft MTFP which represent significant changes to the budgets which have previously been approved by Council. Expected changes to the budget are all shown in Appendix B. These are early estimates at this stage and further work will be carried out through the budget setting process.
- 3.21 Further budget is likely to be needed to meet the shortfall on housing benefit subsidy claims, as reported previously to this committee in the outturn report. This is principally for supported accommodation. There is a higher rent allowable for supported accommodation, however, if the cost of housing is significantly higher than the amount allowable under housing benefit this cannot all be claimed back through housing benefit subsidy. This means that the excess cost falls back to be met by the General Fund. As the cost and number of placements has continued to be increased an additional budget allowance of £200k has currently been estimated.

3.22 The Fit for the Future Programme has continued to progress using the funding previously allocated. This was from the IT capital budget, including for a digital platform, and the modernisation reserve which was established to fund the programme. As the programme develops there are likely to be additional costs identified as the Council transitions to new ways working beyond the initial implementation stage. Two additions are considered likely at this stage. The first is an allowance for IT software and the second is for a permanent resource to promote good organisational development throughout the Council. The organisational development resource is being provided by consultants in the early stages but that cannot be a permanent solution. Additions of £50k and £60k respectively have been made for these items at this draft stage.

3.23 The MTFP still includes projected savings from the modernisation programme. In the initial stages this is likely to be through vacant posts. As the programme develops service efficiencies are expected to deliver savings. The current target of £1m has been included from the existing MTFP and will be reassessed as needed if a long-term financial settlement is received.

4. General Fund Medium Term Financial Plan Financial Resilience and Use of Reserves

4.1 The Council continues to use an equalisation reserve to manage the General Fund budget over the medium term and this remains a fundamental part of the Budget Strategy.

4.2 In the 2021/22 budget an estimate was made for the impact of Covid of £1.54 million, partially offset by government grant of £978k. No further government support is expected and at this stage no Covid adjustments have been made to the budget. This will be reviewed throughout the budget setting process with detailed analysis of expenditure and income streams.

4.3 The balance of General Fund earmarked reserves, excluding the capital reserve and collection fund smoothing reserve, at the end of 2019/20 was 16.37 million (2019/20 £13.94 million), including the £6.85 million General Fund equalisation reserve. This is in addition to the General Fund balance of £2.169 million which this Strategy recommends be held at that level.

4.4 The Business Rates Risk Reserve remains a core part of the MTFP in smoothing the impact of the potential Business Rates reset. The balance on this reserve was £2.49 million at the end of 2020/21 after £600k was added in line with the agreed budget. It had previously been reported to Committee that the transfer was at risk as a result of the pandemic, but that risk did not materialise. Council has agreed to £500k in 2021/22 in preparation for the rates reset and the balance is then released over the remainder of the MTFP.

4.5 The S151 Officer has reviewed the reserves as part of the outturn process, and they were also agreed by Strategy and Resources Committee. The level of Reserves is deemed to be sufficient at this stage.

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- 4.6 The Council has been managing its budgets through a series of single year settlements and delayed reviews of Local Government finance. These have made longer term budgeting difficult but in the interim period the Council has continued to invest in priority projects, usually for fixed terms. At the same time the reserves which protect the Council against short-term financial shocks have been maintained, even through the pandemic. If, as hoped, a longer-term settlement is received this may include a reduction in funding as has been anticipated by the MTFP.
- 4.7 If these further funding reductions are realised this will be the point at which clear decisions must be made to reduce costs or grow income. This must be done with the intention of bringing anticipated expenditure in line with anticipated income. This must be a whole Council effort including members across all committees and officers across the Council
- 4.8 The table below shows the current forecast of General Fund equalisation Reserve over the life of the draft MTFP.

Table 4 – Forecast level of General Fund equalisation reserve

	2021/22	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000	£000
Estimated Surplus / (Deficit)	(104)	(1,359)	(1,803)	(1,020)	(1,270)
GF equalisation reserve					
Opening	6,846	6,742	5,383	3,580	2,389
Change	(104)	(1,359)	(1,803)	(1,191)	(1,270)
Closing	6,742	5,383	3,580	2,389	1,119

5. Housing Revenue Account (HRA)

- 5.1 HRA balances and reserves at the end of 2019/20 were relatively robust at £4.611 million in general reserves and £5.668 million in earmarked reserves. In common with the General Fund, the Housing Revenue Account (HRA) faces financial pressures over the medium-term plan period.
- 5.2 The proposed Budget and Rent Setting 2022/23 Report will be presented to Housing Committee in December, followed by Strategy and Resources Committee in January 2022 and Council in February 2022.

- 5.3 2022/23 is the third year of permissible rent increases of Consumer Price Index (CPI) +1% following the four-year rent reduction set out in the Welfare Reform and Work Act 2016. Based on national rent guidance, rents are assumed to increase by CPI +1% for a further two years after 2022/23.
- 5.4 CPI had been included in the MTFP and 30-year position at an assumed rate of 2%, in line with the Bank of England target rates. Following a very low inflationary uplift for 2021/22 (CPI of 0.5% + 1% = 1.5%), a revised rate of 1.6% (which would give rent increases of 2.6%) had been included in the MTFP for 2022/23 only. The latest reported figures (August 2021) show CPI at 3.2%. Should rates remain at this level rent increases of up to 4.2% would be allowable under the rent regulations. The inflationary uplift for rents is set using September CPI, which will not be available until 20 October 2021.
- 5.5 The total net borrowing incurred for the HRA is currently £101.947million. All the external debt is at fixed rates and so there will be no fluctuations in interest payments for current borrowing over the medium term. There may be opportunities to re-schedule the debt to take advantage of lower rates and this will be kept under review. Of the borrowing, £4.230 million is internally borrowed (net of existing provisions made for the repayment of debt). This utilises HRA balances and lowers interest payments over the short term. This position will continue to be reviewed as balances reduce and borrowing increases, in line with the Treasury Management Strategy.
- 5.6 The HRA MTFP currently includes an annual contribution towards repaying borrowing. This base amount will increase by inflation each year, with additional amounts added to reflect any new borrowing.
- 5.7 Following the decision of a preferred option of retrofit works to council housing stock by Housing Committee in September 2021, the MTFP and 30-year position will be updated to include the additional cost. The option of increasing the average SAP rating to C, will have additional borrowing required of approximately £18million over seven years.
- 5.8 This additional cost will need to be funded through new savings, or additional income, with an indicative savings target required of £900k per year (assuming that the borrowing will be repaid over 30 years). These savings would not need to be found in year one of the MTFP but could be phased in over the MTFP period to allow for a period of change.
- 5.9 The HRA will also be affected by pay and price inflation as set out in section 3 of this report. In particular price inflation, public sector pay (including the increase of 1.25% in National Insurance contributions), and the cost of utilities and insurance are expected to increase significantly. Where these costs are incurred for service charge areas, such as independent living or shared communal areas, these cost increases would impact the service charges to tenants, in order to cover the cost of the service being provided.
- 5.10 Overall, the medium and long position of the HRA is under significant financial pressure, with the additional retrofit works and external cost pressures. An increase in rents and charges in line with the rent regulations would help support this, but it is expected that new savings will need to be found. It may not be possible to identify savings to fund the full extent of the pressures during this budget round. Any remaining

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savings needed would remain in the MTFP as a savings target, which would need to be allocated to specific savings at a later date.

6 RISKS

- 6.1 All of the figures in this report are estimates and there is a clear risk that final outcomes will differ. The budget monitoring process will review things as the year progresses.
- 6.2 If the long-term impact on budgets of the pandemic is greater than anticipated a further revision of the MTFP will be required including measures to bring Council expenditure in line with the funding available.

7 IMPLICATIONS

7.1 Financial Implications

The whole report is of a financial nature.

Andrew Cummings, Strategic Director of Resources
Email: andrew.cummings@stroud.gov.uk

7.2 Legal Implications

There are no legal implications arising from the recommendations made in this report

One legal
Email: legal.services@onelegal.org.uk

7.3 Equality Implications

An EqIA is not required because no changes to service levels are proposed

7.4 Environmental Implications

There are no direct financial implications to the budget strategy. The Council has identified funding to support its CN2030 Action Plan.

Medium Term Financial Plan 2020/21 - 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
<u>Budget</u>					
Opening Budget	14,587	15,187	15,260	15,582	15,569
<u>Recurring Changes</u>					
Pay Increases	134	260	260	260	260
NI Increase		130			
Additional Pay Award		73			
Fees and Charges Growth	(66)	(120)	(100)	(100)	(100)
Pensions Changes	(206)	(206)	0	0	0
Contract Increases	65	250	200	200	200
Revised Budget	14,514	15,574	15,620	15,942	15,929
Proposed Budget Adjustments	673	(314)	(38)	(373)	7
Building Control Reserve					
Revised Budget	15,187	15,260	15,582	15,569	15,936
<u>Funding</u>					
Council Tax	9,913	10,293	10,682	11,081	11,489
Collection Deficit (Council Tax)	(40)	(94)	(40)	0	0
Business Rates (incl grants)	3,719	1,929	1,975	2,021	2,081
Business Rates - Renewable Energy	358	358	358	358	358
Collection Deficit (Business Rates)	(4,286)	(711)	(48)	0	0
Use of Collection Fund Smoothing Reserve	4,326	805	104	0	0
Other Grant	143	38	38	38	38
New Homes Bonus	880	218	0	0	0
Covid Grant Support	978	0	0	0	0
Total Funding	15,991	12,836	13,069	13,498	13,966
Surplus / (Deficit) before Reserves Movements	804	(2,424)	(2,513)	(2,071)	(1,970)
Reserves Movements					
Business Rates Reserve	500	(800)	(700)	(700)	(700)
Waste and Recycling Reserve	(181)	(180)		(180)	
Capital Reserve - Canal	(372)				
Growth and Recovery Reserve Funding	(579)	(85)	(10)		
Estimated Surplus / (Deficit)	1,436	(1,359)	(1,803)	(1,191)	(1,270)
<u>GF Equalisation Reserve</u>					
Opening	6,846	6,742	5,383	3,580	2,389
Change	1,436	(1,359)	(1,803)	(1,191)	(1,270)
Covid Shortfall	(1,540)				
Closing	6,742	5,383	3,580	2,389	1,119

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Appendix B

MTFP Changes

	2021/22	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000	£000
Pressures					
Pressure on existing services					
Housing Subsidy		200			
IT Software		50			
Organisational Development			60		
Additional Recycling Round		180		180	
Ubico salaries					
Drainage Board Levy increase	7	7	7	7	7
Homelessness Grant	(29)	154			
Investment income/borrowing costs	205	39	11	44	0
2021/22 Budget Items					
Canal (funded within Canal Project)	372	(372)			
Strategy and Resources Committee	423	(314)	(109)		
Environment Committee	68	(36)	(32)		
Community Services & Licensing Committee	119	(99)		(20)	
Housing Committee	11	(11)			
Total Pressure	1,386	(202)	(63)	211	7
Savings					
Planned Savings					
Modernisation Programme	(200)	(150)	(150)	(500)	
Kingshill House	(5)	(5)	(5)	(5)	
MRP on capital spend	(82)	43	180	(79)	
Other minor adjustments	(27)				
Total Saving	(713)	(112)	25	(584)	0
Net Changes	673	(314)	(38)	(373)	7

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STROUD DISTRICT COUNCIL

Council Offices • Ebley Mill • Ebley Wharf • Stroud • GL5 4UB
 Telephone 01453 766321 • Facsimile 01453 750932
 www.stroud.gov.uk

STRATEGY & RESOURCES COMMITTEE MEMBER/OFFICER REPORT

NAME OF ORGANISATION/BODY	Gloucestershire Economic Growth Scrutiny Committee (GEGSC)
DATE OF LAST MEETING ATTENDED	15 September 2021
BRIEF REPORT:	
<p>Nigel Jobson, Chair of the LEP’s Retail and High St Sector Group, and Chief Commercial Officer for social media engagement firm, Maybe, outlined how the firm gathers data for 3.9m businesses, linked to location and sector. Currently 10,000 (less than half of all) businesses across Gloucestershire have a social media presence, but only 2,500 post regularly. Nigel outlined how county businesses can use Maybe data to pick up on and make use of local discussion topics, and so improve customer interaction and the value of their social media engagement. Members were interested in how the council itself might benefit from this ‘social listening’ to improve customer service.</p> <p>Andy Sanders, Community and Economic Development Manager at Tewkesbury Borough Council, outlined the town’s High Street Heritage Action Zone project, where a £2m investment (£1m from Historic England) is set to be used to revitalise the high street and attract new visitors, using the historic environment as a catalyst.</p> <p>Neil Hopwood of GFirstLEP updated the Committee on the Local Growth Fund Programme, which has delivered the following outcomes to date (August 2021):</p> <ul style="list-style-type: none"> • 390 homes • 2,227 jobs, and • £205m in leverage. <p>Neil also outlined the ongoing development of the Gloucester Transport Hub and associated commercial development, homes (c.100) and the city’s first 4* hotel.</p> <p>Committee members were briefed by Colin Chick, Executive Director of Economy, Environment and Infrastructure, on the latest edition of the COVID 19 recovery dashboard, and the future workplan of the Committee was discussed.</p>	
FUTURE MEETINGS	20 th October 2021 (Joint meeting with Environment Scrutiny members on Local Transport Plan) 17 th November 2021
REPORT SUBMITTED BY	Cllr Chloe Turner
DATE	20 th September 2021

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Brimscombe Port Members Information Sheet Sept 2021

- 1.1 The purpose of this Information Sheet is to update members on the current position with tenancies and programme for the redevelopment of Brimscombe Port.
- 1.2 The last committee decision was made on the 10th June 2021 and an update on tenancies was provided at an all member briefing on the 7th September 2021. This update is to inform members of the progress made in the last 2 weeks (at time of drafting) and where we expect to be in next few weeks and months.

2 Tenancies update and continuing support

- 2.1 RUSH closed for business on the 29th August, having re-opened for the summer after closures for the pandemic, and has been moving out of Unit 3 since that date. It is expected to have left the building on the 30th September, once it does so the Council will immediately stop the legal action seeking vacant possession of the unit; rent arrears and other costs will not be pursued.
- 2.2 The Crowdfunding campaign to raise £25,000 as a starter fund to develop plans for new premises and launched by Friends of RUSH has reached just over £12,000. The joint RUSH / Friends of RUSH / SDC / Active Gloucestershire and MP comms. campaign to find new premises was launched following a meeting on the 12th August. A number of sites, countywide, have been investigated and RUSH is currently following up potential new sites within the district, with advice from planning officers.
- 2.3 **The Grace Network**
- 2.4 There have been several meetings between Members, Senior Officers and the Grace Network to discuss its transition plans, moving from Brimscombe Port. The Grace Network secured a lease of the adjacent site at Brimscombe Mills in July for an initial 3-year period.
- 2.5 Terms have also been agreed with the council (and solicitors instructed) for a lease of a ground floor office suite at Brimscombe Port Mill. This lease can commence as soon as the Water Source Heat Pumps are commissioned and works completed, which is expected to be by the end of October. In the meantime, short term storage has been provided to help Grace Network with its move.
- 2.6 Pre- Application planning advice has been given for the Brimscombe Mills site and a planning application is required for some of the uses planned. This is expected to be submitted by the end of September. Grace Network plans to cease operations at Brimscombe Port by the 30th September. As for RUSH once it does so the Council will immediately stop the legal action seeking vacant possession of the unit.

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Brimscombe Port Members Information Sheet Sept 2021

2.7 The planning considerations at Brimscombe Mills are finely balanced and there is potential for the exploration of other Council sites for Grace Network in the longer term, if access issues cannot be overcome.

2.8 The remaining tenant of the Units to be demolished has secured alternative premises and is expected to vacate on the 30th September as well.

3 Demolition contract

3.1 29 Tenders were received for the demolition contract for these units, and resulted in some very competitive pricing. The contract is expected to start in mid-October with security fencing and asbestos strip out taking place first. Information about the contractor, site security, programme etc. will be made public on the council's website and immediate neighbours directly informed.

4 Project progress/next steps

4.1 Legal Advisors for the procurement of a developer partner have been appointed and are drafting the Development Agreement and associated documents which will reduce clarifications during the procurement process. Whilst this means more time is being taken at this point in the process it will lead to a shortening of timescales further on, keeping the programme on track overall.

4.2 The marketing of the development opportunity has started with a video launched the week commencing 27th September and the commencement of procurement for developer is still expected to start in October 2021 with contracts to be completed June 2022. Work is also progressing on the procurement of the remaining infrastructure work.

5 Key Milestones

Activity	Estimated date
Marketing of development opportunity	Sept 2021
Commencement of procurement process to select a developer partner	Oct 2021
Demolition start	Oct 2021
Procurement of infrastructure contract	Oct 2021
Demolition complete*	Apr 2022
Approval to appoint developer partner	May 2022
Development Agreement Completed	Jun 2022
Infrastructure can start	Jun 2022
Planning application submission	Jan 2023
Redevelopment can commence	Oct 2023
Redevelopment can complete	Oct 2025

* The demolition of the curtilage Listed Port House, may be moved to June, depending on consent from the EA and the release of a planning condition regarding phasing.

6 Community Engagement & Comms Plan

**Brimscombe Port
Members Information Sheet
Sept 2021**

6.1 In addition to the information regarding the imminent demolition works, the Project Team has met with the Parish Council to work together on future events, and in particular to discuss how the vision for a community enterprise centre can be realised.

6.2 A leaflet drop will be taking place in early October to all households within Brimscombe and Thrupp Parish and part of Minchinhampton Parish to build a contact register of people and businesses who wish to be involved with or receive information about the project.

7 Moorings and cranage

7.1 There has been considerable interest in the moorings which are included in the infrastructure design and the facility for craning boats into the canal and basin until the canal is joined to Phase 1a. Attached is a note from Stroud Valleys Canal Company which explains why these have been included, how they will operate and their importance to the future sustainability of the canal and to the Port development.

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Background to moorings at Brimscombe Port

Stroud Valleys Canal Company (SVCC) is a company limited by guarantee and was established in 2009 to own by a combination of leasehold and freehold the canals that extend from close to Saul Junction up to and including Brimscombe Port. Our fundamental objective is to sustain this waterway in terms of restoration and ongoing maintenance. We are a not-for-profit organisation run by eleven Directors who are unremunerated.

Historically, the port was established around a very large basin that could accommodate some 100 boats and enable them to manoeuvre and handle cargo on its way to and from the Thames. As well as accommodating boats, the basin had another vital role. Every time a lock is operated a large volume of water passes down the waterway. In fact, just three lock operations release around a million litres. Gone are the days when the boat traffic was heavy but when the canal is restored there will be a fair number of movements. A steady supply of water will be required and a large storage area will be necessary. In other words, we will need a basin albeit this can be smaller than in the canal's heyday.

The Brimscombe Port development scheme is very much built around the basin and aims to provide a lot more than just housing. It is intended to be an inspiring space that will truly enrich the lives of both residents and visitors. Clearly, an important element will be the presence of boats and associated activities. In the short term the basin will be landlocked. However, by 2024 the canal below Stroud Brewery will be connected to the national network and plans will be in place to connect this to the basin. In anticipation of this, there are plenty of owners who will happily rent moorings within the basin and use their boats with short stays for maintenance etc. but NOT as residences. There will be a lot of demand for moorings generally and these will be in a prime location. In canal terms such moorings are 'permanent' in that the boat can stay there as desired and without time restrictions. A second category is 'visitor moorings' and plainly these will not be required until connection. However, the third category is 'residential'. This means what it says and can only be established with planning consent. In general our canal will not have these but Brimscombe Port is an exception. As part of the overall planning strategy there will be seven residential moorings and these will widen allowance for differing lifestyles.

In order to have boats in the basin before network connection these will have to be craned in. The new road connection will be carefully designed to accept boats up to 20 metres in length arriving from the Stroud direction only. Allowance will be made for manoeuvring as well as for a mobile crane. There will be an area large enough to accommodate the boat on its trailer and the mobile crane side by side and next to the water. Clearly, craning activities will not be carried out very often and the rest of the time the open space will be available for other purposes. Perhaps an outdoor performance area, art exhibition, craft market or just overflow parking for a specific event. It should be noted that there is very little additional project expenditure required since the boat owner will pay for crane hire and no other special equipment will be needed.

John Twydell
Chair SVCC

10 September 2021

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Members' Briefing Note Dated 22.09.21

Water Source Heat Pump Schemes

S & R 09.07.20 (Item 5) & Council 16.07.20 (Item 7B)

Brimscombe Port	
Progress	<p>Works to replace radiators and pipework to internal spaces is largely complete save to a few areas of office suites where the supply of specific radiator types has caused delay.</p> <p>The installation of the river collectors and associated pipework is nearing completion together with the internal plant room housing the heat pumps. Electrical works are well advanced and there are now no major risks to be overcome before commissioning.</p> <p>The difficulties with the supply of radiators and the planning of works in a partially occupied building have resulted in a projected delay to getting heat on which is now more likely to be week commencing 18th October (where initially it was planned for 4th October).</p>
Ebley Mill	
Progress	<p>Works to replace radiators has been completed to the majority of offices with parts of the ground floors currently in progress.</p> <p>Installation of heat pumps is underway but a major part of work in laying of pipework to the rear of the building is not to be undertaken until week commencing 4th October.</p> <p>The required changeover of the mains electricity supply and replacement of transformer will commence on 1st October.</p> <p>The performance of some subcontractor and suppliers have largely resulted in a delay to getting heat on by 4th October as planned and this is now more likely to be week commencing 18th October.</p>
Project Management	
	<p>The client and their consultant continue to hold weekly design /progress meetings with the contractor and the officer project team meet on the back of those contractor meetings.</p> <p>The risk register is reviewed in line with progress of the schemes.</p> <p>The facilities team have continued throughout to ensure that there are no hindrances to the main contractor's work flow whilst tenants and staff at both sites have been most accommodating in ensuring the earliest possible finish.</p>
Renewable Heat Incentive	
	<p>Stage 3 (Final) application will coincide with the commissioning of heat pumps when the council can begin to draw down funding.</p>
Budgets	
	<p>The main electrical supplies require upgrading together with controls at both sites and an additional £159,890 is required over and above the approved budget of £1,432,000.</p> <p>Although this is an increase in the capital budget, the RHI revenue funding to be received is estimated to be £14k per annum more than originally anticipated. Therefore over the twenty years which the RHI will be paid for the net cost to the Council has decreased in spite of the increased capital</p>
Summary	
	<p>The client team and consultant are satisfied with the progress and quality of the installations and consider that the contractor has satisfactorily overcome the major risks and he is making every effort to limit any delay to completion.</p>

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STRATEGY AND RESOURCES COMMITTEE

30 SEPTEMBER 2021

WORK PROGRAMME

Date of meeting	Matter to be considered	Reporting Member/Officer
25.11.21	Council Tax Support	Revenue & Benefits Manager
	Council Tax Discount for Care Leavers	Revenue & Benefits Manager
	ED Strategy Adoption	Senior ED Specialist
	Performance Management Framework Review	Senior Policy & Governance Officer
	Review of Statues, Street names and Monuments	Corporate Policy and Governance Manager
	Member\Officer update reports: a) Performance Monitoring b) Gloucestershire Economic Growth Joint Committee (GEGJC) (20 October & 17 November) c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) (20 October & 17 November) d) Regeneration & Investment Board e) Brimscombe Port Board	Councillors Pearson & Housden Chair & Chief Executive Councillor Turner
	Work Programme	Strategic Director of Place Regeneration Delivery Lead
13.01.22	Community Infrastructure Levy – Spending Allocations	Senior Community Infrastructure Officer
	The Fair Pay and Senior Pay Policy Statement 2020/21	HR Manager
	Stroud Cemetery Chapel	Property Manager
	Canal Corridor Strategy	Strategic Director of Place
	Budget Monitoring 2021/22 Q2	Accountancy Manager
	Member\Officer update reports: a) Leadership Gloucestershire Update b) Performance Monitoring c) Gloucestershire Economic Growth Joint Committee (GEGJC) d) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) e) Regeneration & Investment Board f) Brimscombe Port Board g) Council Plan Update Q3	Chair & Chief Executive Councillors Pearson & Housden Chair & Chief Executive Councillor Turner
	Work Programme	Strategic Director of Place Regeneration Delivery Lead Chief Executive/Policy & Performance Officer
27.01.22 Extraordinary Budget Meeting	SDC Capital Strategy	Strategic Director of Resources
	General Fund Budget 2022-23, Capital Programme and MTFP	Strategic Director of Resources
	HRA Budget 2022/23 and MTFP	Accountancy Manager

Agenda Item 10

10.03.22	Play Areas Strategy	Head of Housing Services, Community Services Manager
	Asset Review	Property Manager
	Member\Officer update reports: a) Leadership Gloucestershire Update b) Performance Monitoring c) Gloucestershire Economic Growth Joint Committee (GEGJC) d) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) e) Regeneration & Investment Board f) Brimscombe Port Board g) Council Plan Update Q4	Chair & Chief Executive Councillors Pearson & Housden Chair & Chief Executive Councillor Turner Strategic Director of Place Regeneration Delivery Lead Chief Executive/Policy & Performance Officer
	Work Programme	
07.04.22	Budget Monitoring Report 2021/22 Q3	Accountancy Manager
	Member\Officer update reports: a) Leadership Gloucestershire Update b) Performance Monitoring c) Gloucestershire Economic Growth Joint Committee (GEGJC) d) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) e) Regeneration & Investment Board f) Brimscombe Port Board	Chair & Chief Executive Councillors Pearson & Housden Chair & Chief Executive Councillor Turner Strategic Director of Place Regeneration Delivery Lead
	Work Programme	

Items for a future Meeting:

- Kingshill House – Date TBC - Property Manager
- CN2030 Update – Date TBC – Senior CN2030 Officer
- Leisure Review - Dependant on CS&L decision (December)
- Modernisation Update

Items for Next Civic Year:

- Brimscombe Port Developer Partner – May 2022 – Head of Property Services
- Procurement Update – June 2022 – Senior Policy and Governance Officer