



# Public Document Pack STROUD DISTRICT COUNCIL

Council Offices • Ebley Mill • Ebley Wharf • Stroud • GL5 4UB  
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21 September 2022

## STRATEGY AND RESOURCES COMMITTEE

A meeting of the Strategy and Resources Committee will be held on **THURSDAY, 29 SEPTEMBER 2022** 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.

If you wish to attend this meeting, please contact [democratic.services@stroud.gov.uk](mailto:democratic.services@stroud.gov.uk). This is to ensure adequate seating is available in the Council Chamber.

### 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 and Exempt Minutes of the meeting held on 12 July 2022.
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 Friday, 23 September 2022**

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](mailto:Democratic.services@stroud.gov.uk)

5. **GENERAL FUND AND HOUSING REVENUE ACCOUNT OUTTURN REPORT 2021/22 (Pages 9 - 56)**  
To present to the Strategy and Resources Committee the final outturn position against the General Fund revenue budgets for 2021/22.

6. **STRATEGY AND RESOURCES BUDGET MONITORING REPORT Q1 2022/23 (Pages 57 - 72)**  
To present to the Committee a forecast of the outturn position against the General Fund revenue budget, Housing Revenue Account and capital programme for 2022/23, in order to give an expectation of possible variances against budget.
7. **MTFP UPDATE (Pages 73 - 88)**  
To set out the assumptions and challenges in preparing the upcoming Medium-Term Financial Plan.
8. **MEMBER / OFFICER REPORTS ( TO NOTE)**
  - (a) Performance Management (Pages 89 - 108)
  - (b) Gloucestershire Economic Growth Joint Committee (GEGJC) (Pages 109 - 112)
  - (c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) (To Follow)
  - (d) Canal Update (To Follow)
  - (e) Property Review Update - Information Sheet (Pages 113 - 116)
10. **WORK PROGRAMME (Pages 117 - 118)**  
To consider the work programme.
11. **MEMBER QUESTIONS**  
See Agenda Item 4 for deadlines for submission.

#### **Members of Strategy and Resources Committee**

##### **Councillor Catherine Braun (Chair)**

Councillor Chris Brine  
Councillor Doina Cornell  
Councillor Gordon Craig  
Councillor Stephen Davies  
Councillor Nicholas Housden  
Councillor Nick Hurst

##### **Councillor Natalie Bennett (Vice-Chair)**

Councillor Martin Percy  
Councillor Keith Pearson  
Councillor Mattie Ross  
Councillor Ken Tucker  
Councillor Chloe Turner



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## STRATEGY AND RESOURCES COMMITTEE

12 July 2022

7.00 - 9.17 pm

Council Chamber

Minutes

### Membership

#### **Councillor Doina Cornell (Chair)**

Councillor Chris Brine  
Councillor Trevor Hall  
Councillor Nick Hurst  
Councillor Keith Pearson  
Councillor Gordon Craig\*  
Councillor Nicholas Housden\*  
\*Absent

#### **Councillor Catherine Braun (Vice-Chair)**

Councillor Mattie Ross  
Councillor Ken Tucker  
Councillor Chloe Turner  
  
Councillor Stephen Davies\*  
Councillor Martin Pearcy\*

### Officers in Attendance

Head of Law (Litigation and Planning)  
(One Legal)  
Chief Executive  
Strategic Director of Resources  
Head of Property Services

Regeneration Delivery Lead  
Project Manager  
Senior Democratic Services and Elections  
Officer

### Other Member(s) in Attendance

Councillor Beki Aldam

### SRC.097 Apologies

Apologies for absence were received from Councillors Craig, Davies, Housden and Pearcy. Councillor Hurst was travelling to the meeting and was hoping to join later.

### SRC.098 Declarations of Interest

There were none.

### SRC.099 Minutes

**RESOLVED** That the Minutes and exempt Minutes of the meeting held on 9 June were approved as a correct record.

**SRC.100    Public Question Time**

Public questions were submitted. They were answered by the Chair, Councillor Cornell. ([Refer to the recording of the meeting](#)).

**SRC.101    Member / Officer Reports ( To Note)**

a)     Fit for the Future Programme Update

The Interim Strategic Director of Transformation and Change and the Fit for the Future Programme Manager gave an update on the Fit for the Future (FFF) Programme and highlighted the following points:

- Changes to the HR system had been implemented sooner than expected due to a higher quote from the existing provider.
- The new HR system project began in March with a deadline of the end of April to ensure that staff could be paid in May using the new system.
- HR and Finance teams had put in a lot of work in order to implement the new system and migrate the data within 2 months.
- A project of this size would normally have taken 7-8 months.
- The iTrent system that had been implemented offered more functionality than had been available with the previous system and would improve Officers self service and decrease the amount of time HR would need to spend on admin.
- The next phase of the HR system project would begin in September 2022.
- They were looking at re-engineering processes to improve them within the service delivery workstream.
- It was important that when they introduced new processes they not only changed what they did but how they did it.
- They would be running a workshop for the Leadership and Management Team to help embed the values and behaviours into services.
- The process re-engineering was underway for the first cohort and there would be two further cohorts later in the year.
- They were very close to finishing the implementation of the bulky waste process on the digital platform.
- The Community Connection workstream was being approached in a way that it would help communities to be empowered with the ability to make decisions to and take action of their own volition.
- IT security was high on the agenda and they were focused on further improvements to their defences and were looking at how they would respond and recover from a hack.
- Work was ongoing on the new housing platform procurement.
- Put lots of effort in engaging with the FFF Champions and had campaigns running around security.
- They had been interviewing for a digital platform developer however they had found it challenging to recruit to the role.

In response to Councillor Pearson, the Interim Strategic Director of Transformation and Change confirmed that overall the project was on track but there were a couple of areas where he would like to see further progress.

In response to Councillor Turner, the FFF Programme Manager confirmed that there a 5 year contract had been agreed for iTrent with fixed costs.

b) **UK Shared Prosperity Fund**

The Strategic Director of Resources drew Members attention to the information sheet that had been published and circulated. He confirmed that they had spent the day going through the expressions of interest and putting together a draft list. They would be publishing the draft investment plan including an indicative amount they would be recommending to be allocated against 3 key themes, the plan would be taken to full Council on the 21<sup>st</sup> July 2022.

Councillor Hurst asked how often the list would be reviewed, the Strategic Director of Resources confirmed that they would need to submit the draft plan on the 1<sup>st</sup> August 2022 which would be considered by the Government over the summer. He advised that there may be scope in the future to revise however there would be a very defined allocation for each year which would need to be spent each year and could not be rolled over.

In response to Councillor Turner, the Strategic Director of Resources advised that there was not flexibility in the scheme however things that can move quickly would be allocated to the first year and those projects that may not be ready could be held until the 2<sup>nd</sup> or 3<sup>rd</sup> year.

**SRC.102**     **Work Programme**

**RESOLVED**   To note the Work Programme.

**SRC.103**     **Member Questions**

There were none.

**SRC.104**     **Brimscombe Port Redevelopment**

The Head of Property Services advised that the reports that the Committee were considering were a culmination of the last 8 years of focused work to de-risk and bring forward the brownfield site for development. The report focused on the procurement process to secure a developer for the site and how the decision would be made later tonight on whether to select the preferred bidder.

The Head of Property Services gave a brief overview of the report and introduced the following key elements:

- The competitive dialogue process followed had been set out in section 2 and summarised in Appendix E
- The output specification and tender evaluation matrix had been included in the appendices.
- Section 3 set out the legal and commercial reasons and the need for confidentiality of the preferred bidder's name to be retained until the standstill period had expired.
- Any subsequent appointment would be subject to Homes England approval.

## Agenda Item 3

2022/23

- Section 4 contains an update on the community facility and the position with the Parish Council, Officers would be meeting their working group to discuss the position further.
- Section 5 provides an update on Homes England
- Members were being asked to approve the Heads of Terms of the Development Agreement.
- Section 7 provided an update on the demolition works, 98.5% of the material by tonnage was recycled or reused.
- Current budget position was set out in the table, there was currently a shortfall forecasted on the budget however, future surplus income from management of the site was expected to offset this.
- Meetings with the developer were being arranged, there would be time for the local community to engage and feedback in addition to the formal planning permission process.

Councillor Turner asked who would have oversight of the community engagement plan. The Head of Property Services confirmed that the developer would have responsibility for delivering on community engagement and the Project Board would have oversight.

Councillor Pearson raised concerns regarding any changes to the budget that may come about from community engagement. The Head of Property Services confirmed that any changes during the process of community engagement or planning permission could affect the budget.

In response to Councillor Turner the Head of Property Services confirmed that the Parish Council had been making their views clear in recent meetings regarding the community facility. It was advised that the Parish Council had not yet seen the proposal and that community facilities were really important not only for the local community but for visitors to the Port. It was confirmed that there were opportunities to discuss this further with the Parish Council and Officers recognised that the Parish Council was small and they would continue supporting them.

Proposed by Councillor Turner and seconded by Councillor Pearson.

Councillor Pearson expressed his wish to see Brimscombe Port developed and advised that it was one of the reasons that the heritage lottery funding was granted and therefore they needed to ensure it was completed.

Councillor Braun thanked officers for the work they had undertaken to reach this milestone and advised that she looked forward to the next steps with further public engagement.

Councillor Hurst confirmed that he was in support with this report but expressed some concerns that he would raise during the next item.

Councillor Aldam, Ward Councillor, thanked the Officers for all of their work on the project and confirmed that the appointed developer would need to engage meaningfully with the community and that it was important that community voices were heard.

Councillor Turner stated that she was excited for them to move to a phase of delivery and to see community engagement included, she offered her thanks to Officers for all of their work and for talking Members through the project with such care.

On being put to the vote, the Motion was carried unanimously

- RESOLVED TO**
- 1) Delegate authority to the Head of Property Services to agree amendments to the Homes England Funding Agreement in consultation with the Strategic Director of Resources and the Chair and Vice-Chair of this Committee.
  - 2) Support Brimscombe and Thrupp Parish Council's continuing work with regard to the delivery of a community centre within the site.
  - 3) Note the completion of the competitive dialogue stage, (by the procurement team) of the previously approved procurement process to select a preferred tenderer for this site.
  - 4) Approve the draft Heads of Terms for the Development Agreement at Appendix F to this report.
  - 5) Welcome and support the next steps and the start of the developer's public engagement programme set out in paragraph 8.0.

**SRC.105 LOCAL GOVERNMENT ACT 2000 - EXCLUSION OF PRESS AND PUBLIC THE FOLLOWING REPORT CONTAINS EXEMPT INFORMATION BY VIRTUE OF PARAGRAPH 3 OF PART 1 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE FOLLOWING RESOLUTION MAY BE PASSED TO EXCLUDE THE PUBLIC DURING CONSIDERATION OF THIS ITEM.**

On being put to the vote, the Motion was carried.

**RESOLVED** That, pursuant to the provisions of Section 100 (A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the matter detailed at Agenda Item 10 on the grounds that involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

**SRC.106 BRIMSCOMBE PORT REDEVELOPMENT - SELECTION OF PREFERRED BIDDER**

During the closed session Councillor Turner proposed and Councillor Pearson seconded.

After being put to a vote, the Motion was carried unanimously.

- RESOLVED**
- a) to select tenderer 1 as preferred bidder for the redevelopment of Brimscombe Port and
  - b) to delegate authority to the Head of Property Services, in consultation with the Strategic Head of Resources and the Chair and Vice Chair of this Committee, to appoint the preferred bidder as Developer in due course and to finalise terms and take all necessary steps to complete the procurement process and enter into a Development Agreement with the Developer (once appointed), subject to

**the approval of Homes England.**

The meeting closed at 9.17 pm

Chair



## STROUD DISTRICT COUNCIL

## STRATEGY AND RESOURCES COMMITTEE

29 SEPTEMBER 2022

|  |   |       |          |               |
|--|---|-------|----------|---------------|
| <b>Report Title</b>  | <b>General Fund and Housing Revenue Account Outturn Report 2021/22</b>  |       |          |               |
| <b>Purpose of Report</b>                                       | To present to the Strategy and Resources Committee the final outturn position against the General Fund revenue budgets for 2021/22.   |       |          |               |
| <b>Decision(s)</b>   | <p><b>The Committee RESOLVES:</b></p> <p><b>a)</b> to note the General Fund Revenue Outturn position for 2021/22, as shown in Table 1.</p> <p><b>b)</b> to note the Housing Revenue Account outturn position for 2021/22, as shown in Table 6</p> <p><b>c)</b> to note the transfers to and from earmarked reserves for the year, as detailed in Sections 5 and 8 and Appendix F</p> <p><b>d)</b> to note the Capital Programme outturn position for 2021/22, as shown in Appendix G</p> <p><b>e)</b> to approve the slippage of the Capital Programme budget and a revised Capital Programme budget for 2022/23, as shown in Table 11 and Appendix H</p> |       |          |               |
| <b>Consultation and Feedback</b>                               | Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated into the report to explain difference between budgets and actual income and expenditure.  |       |          |               |
| <b>Report Author</b>   | <p>Lucy Clothier, Accountancy Manager<br/>Email: lucy.clothier@stroud.gov.uk</p> <p>Adele Rudkin, Accountant<br/>Email: adele.rudkin@stroud.gov.uk</p> <p>Jon Coldridge, Principal Accountant<br/>Email: Jon.coldridge@stroud.gov.uk</p>  |       |          |               |
| <b>Options</b>   | None  |       |          |               |
| <b>Background Papers</b>                                       | None  |       |          |               |
| <b>Appendices</b>  | <p>Appendix A – Strategy and Resources Committee Revenue Detail</p> <p>Appendix B – Community Services and Licensing Committee Revenue Detail</p> <p>Appendix C – Housing Committee (General Fund) Revenue Detail</p> <p>Appendix D – Environment Committee Revenue Detail</p> <p>Appendix E – Housing Revenue Account Revenue Detail</p> <p>Appendix F – Earmarked Reserve Detail</p> <p>Appendix G – Capital Outturn Detail</p> <p>Appendix H – Capital Financing</p> <p>Appendix I – Capital Budget 2022/23</p> <p>Appendix J – Covid-19 Financial Impact</p>  |       |          |               |
| <b>Implications (further details at the end of the report)</b> | Financial   | Legal | Equality | Environmental |
|  | No  | No    | No       | No            |

## Agenda Item 5

### 1. Background

- 1.1 This report sets out the final outturn position for the 2021/22 financial year and considers changes to balances and reserves.
- 1.2 This report is to provide members with a more detailed view of the performance against the General Fund revenue budget, Housing Revenue Account revenue budget and Capital programmes for 2021/22.
- 1.3 **Due to the volume of information contained in the report, it would be helpful where members have questions on matters of detail that they could be referred to the report author or the appropriate service manager before the meeting.**

#### Key

1,000 Expenditure / Overspend (higher spend or lower income)  
 (1,000) Income / Underspend (lower spend or additional income)

### 2. Summary

- 2.1 The **General Fund** has an **underspend of £1.761million**, as set out in Section 3. This has been allocated to a number of reserves for future use. A full breakdown of the allocation can be found in Section 4.
- 2.2 The **Housing Revenue Account (HRA)** has a net **overspend of £0.332million**, as set out in Section 7. This will be funded from HRA general reserves.
- 2.3 There is total **Capital expenditure of £23.955million**, giving net underspend/slippage of £9.126million. It is proposed that £7.076million is carried forward and added to the 2022/23 Capital Programme budget.

### 3. General Fund Revenue Outturn 2021/22

- 3.1 The final General Fund Revenue budget for 2021/22, including corporate items and reserve transfers, was £10.687m. The final outturn position for the year is £13.998m with a transfer from reserves of £1.882m. Total funding was £13.878m, generating an underspend of £1.761m.
- 3.2 Table 1 shows a breakdown of the outturn position, by Committee.

Table 1 – General Fund Outturn Summary

| <b>Committee Service Area</b>               | <b>Original Budget 2021/22<br/>£k</b> | <b>Revised Budget 2021/22<br/>£k</b> | <b>Outturn 2021/22<br/>£k</b> | <b>Reserve Transfers<br/>£k</b> | <b>Outturn Variance<br/>£k</b> |
|---|---------------------------------------|--------------------------------------|-------------------------------|---------------------------------|--------------------------------|
| Community Services and Licensing            | 3,010                                 | 3,252                                | 3,788                         | (172)                           | 364                            |
| Environment                                 | 6,172                                 | 5,917                                | 4,860                         | 214                             | (843)                          |
| Housing General Fund                        | 773                                   | 980                                  | 564                           | 344                             | (72)                           |
| Strategy and Resources                      | 8,031                                 | 8,184                                | 6,990                         | 724                             | (469)                          |
| Charges to HRA                              | (2,058)                               | (2,058)                              | (2,205)                       | 0                               | (147)                          |
| <b>NET SERVICE REVENUE EXPENDITURE</b>      | <b>15,928</b>                         | <b>16,275</b>                        | <b>13,998</b>                 | <b>1,109</b>                    | <b>(1,167)</b>                 |
| Funding from Govt Grants/Council Tax        | (14,867)                              | (10,687)                             | (13,878)                      | 2,235                           | (956)                          |
| Transfers to/(from) reserves                | (1,060)                               | (5,588)                              | (1,882)                       | (3,344)                         | 362                            |
| <b>TOTAL GENERAL FUND (after transfers)</b> | <b>0</b>                              | <b>0</b>                             | <b>(1,761)</b>                | <b>0</b>                        | <b>(1,761)</b>                 |

- 3.3 The underspend of £1.761m for the year is made up of items relating to the Service Committees as well as specific additional income sources and cost savings. This is after a net transfer of £1.882m from earmarked reserves, including a net transfer of government funding from the Collection Fund smoothing reserve. Further detail on reserve transfers can be found in Section 5.
- 3.4 A summarised table of the significant variances is shown below.

Table 2 – Summary of General Fund significant variances

| Service Area                                   | Para | Variance<br>(under)/<br>overspend<br>£k |
|--|------|---|
| <b>Community Services and Licensing</b>        |      |   |
| Housing Benefit subsidy                        | 3.5  | 406                                     |
| Community Health and Wellbeing                 | 3.6  | (67)                                    |
| Customer Services                              | 3.7  | 94                                      |
| Public spaces                                  | 3.8  | (90)                                    |
| <b>Environment</b>                             |      |   |
| Waste and recycling                            | 3.9  | (616)                                   |
| Development control                            | 3.10 | (138)                                   |
| <b>Strategy &amp; Resources</b>                |      |   |
| Covid-19 expenditure/loss of income            | 3.11 | (666)                                   |
| Information & Communication Technology         | 3.12 | 218                                     |
| Support charge income from HRA                 | 3.13 | (147)                                   |
| Remove transfer to Waste and Recycling reserve | 3.14 | 181                                     |
| Funding - Business Rates                       | 3.15 | (432)                                   |
| Business Rates Pool                            | 3.16 | (399)                                   |
| Other variances (net)                          |      | (105)                                   |
| <b>Total</b>                                   |      | <b>(1,761)</b>                          |

### 3.5 Housing Benefit Subsidy - £406k overspend

As previously reported, this relates to a shortfall on housing benefit subsidy claims, 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. This cost continues to rise as both the cost and number of supported accommodation placements increase. An increased budget has been included in the 2022/23 allocation.

### 3.6 Community Health and Wellbeing – (£67k) underspend

A number of Covid related grants were distributed from the County Council including the Practical Support Grant for self- isolating (help with practical tasks, accessing food, assisting with caring responsibilities and mental health, loneliness, and digital support). Staff have been carrying out these duties as their normal day job so the funding was allocated to staff costs and time.

### 3.7 Customer Services - £94k overspend

The development and modernisation of Customer Services has resulted in additional costs. This work has included reviewing our processes and staffing resource. It is part of wider improvements to the way support and engage communities and is linked to the Council's Fit for the Future programme.

## Agenda Item 5

### 3.8 Public Spaces – (£90k) underspend

The underspend is largely attributable to Public conveniences. A change in business rate relief for public lavatories means that they are no longer attract a charge, this budget has now been removed for 2022/23. Spend on repairs and utilities have also been low due to less usage through the pandemic.

### 3.9 Waste and Recycling – (£616k) additional income

Significant additional income for recycling credits from Gloucestershire County Council (£143k), income from the sale of recyclates (£411k) and garden waste subscriptions (£175k).

The Ubico final contract spend was £92k over the original budget of £6.379m for 2021-22 across all committees.

Further detail can be found in Appendix D.

### 3.10 Development Control – (£138k) additional income

The variance in income is due to the number and scale of applications received in the latter part of the year.

### 3.11 Covid-19 – (£666k) underspend

A budget allowance of £1,540k was approved by Council in February. This was to be funded, in part, by £978k of Government funding. The position has improved from this original estimate and the allocated funding has not been needed.

There has been a loss of income, primarily relating to The Pulse and car parking, as well as some additional expenditure, but this has been funded by government grants, other external funding and some planned use of recovery reserves.

A full breakdown of the Covid-19 additional costs and loss of income, along with grant funding, is included in Appendix J.

### 3.12 Information and Communication Technology – £226k overspend

The additional spend in IT predominantly relates to an overspend in software costs of £174k, and £51k of staffing costs.

### 3.13 Support Charges to the HRA - £147k underspend

The recharges to the HRA were £137k higher than budgeted. This predominantly relates to the increase in the cost of IT and the HRAs share of the Fit for the Future programme.

### 3.14 Waste and Recycling Reserve - £181k

Due to the underspend in Waste and Recycling the budgeted transfer of £181k from the Waste and Recycling Reserve is no longer required.

### 3.15 Funding – (£432k) additional income

Funding from Business Rates and Government grants is £432k higher than budgeted. This is in part due to the one year gain in renewable energy business rates income of £221k.

### 3.16 Business Rates Pool gain – (£399k)

There has been a benefit of £399k from being in the Gloucestershire Business Rates Pool.

3.17 Further detail on the year end variances can be found, by Committee, in the appendices.

## 4. **Allocation of General Fund Underspend**

4.1 The underspend position allows funding to be put in reserves to cover future costs and fund priority works. Delegations exist for the S151 Officer to place funding in reserves to meet

the expected pressures upon the Council and existing services. This forms part of the process of completing the end of year Statement of Accounts. It is then good practice for the committee to consider those allocations at a later date.

#### 4.2 The Section 151 Officer has allocated the funding as set out below.

Table 3 – allocation of General Fund underspend

| <b>Reserve</b>                         | <b>Allocation to Reserve<br/>£k</b> |
|--|-------------------------------------|
| Business Rates Pool gain               | 399                                 |
| Cost of living support                 | 100                                 |
| Equalities and wellbeing               | 20                                  |
| CN2030                                 | 80                                  |
| Salary inflation                       | 370                                 |
| Ubico inflationary pressures           | 311                                 |
| Repairs reserve                        | 250                                 |
| Housing Advice                         | 60                                  |
| Culture and Leisure – LATC Feasibility | 30                                  |
| Business Rates reset                   | 141                                 |
| <b>Total Allocation</b>                | <b>1,761</b>                        |

#### 4.3 Details of these reserves:

##### 4.4 Business Rates Pool - £399k

Income from the Business Rates Pool is always treated as an unbudgeted gain to the Council. The level of risk from the arrangements, pooling income from all six Gloucestershire authorities, means that it would not be prudent to allocate in advance of receipt.

It is recommended this year that the funding be held for use on two priority areas.

- 1) Administration of levelling up fund projects (should the bid be successful)
- 2) Further strengthening the Council's cyber security protection

##### 4.5 Cost of living support - £100k

The Cost of Living Crisis is the major issue affecting the District at the current time. The Council's Health and Wellbeing team are working with Community Hubs and other organisations across the District to help those who are most in need. An additional allocation is made to assist them in that work.

##### 4.6 Equalities and wellbeing - £20k

The Council is continuing its work around equalities and wellbeing. There are Officer Groups considering both issues and making recommendations on how to improve the Council offering. It is recommended that small sums of £10k each are allocated to both groups in order to assist with implementing those recommendations.

## Agenda Item 5

### 4.7 CN2030 - £80k

The 2030 Strategy remains a key document feeding into the Council Plan. The climate change reserve funds a significant portion of this work, including members of the 2030 team. Increasing the allocation into this reserve helps to ensure that this work can continue.

### 4.8 Salary Inflation - £370k

4.9 The Council is part of the national local government pay negotiations which are currently taking place in relation to the 2022/23 year. These discussions are not concluded at the current point. However, it is clear that the 2.5% allocated within the Medium Term Financial Plan will not be sufficient at this point. The Budget Strategy for the current year was produced at a time when CPI was 3.1%, it is currently 9.1%. Additional sums are therefore to be held within reserve to meet anticipated salary increases in the current year above budgeted sums. The Medium Term Financial Plan will also need to be updated to reflect this increase in cost.

### 4.10 Ubico inflationary pressures - £311k

Ubico are subject to the same inflationary pressures as the Council and therefore additional sums are to be held to cover the cost of higher than budgeted pay increases for Ubico staff. Also included within this sum is an allowance for higher than budgeted costs of fuel as the price of diesel at the pumps has risen significantly since Ubico budget estimates were produced.

### 4.11 Repairs reserve - £250k

An allocation into the Council's repairs reserve is good practice at the end of each financial year to provide an allowance for maintaining assets. At the end of 2022/23 there are three specific items which need allowing for. The first is to top the reserve up by £50k to cover the recent grant made by Community, Services and Licensing Committee. Secondly, an allowance is added each year to ensure that there is sufficient budget to replace the Council's low emission Community Services fleet when it reaches the end of its useful life. Finally, there are likely to be funds required to make Council assets suitable for a post-pandemic working environment. It is appropriate to reserve the funds at this points.

### 4.12 Revenues and Benefits - £60k

The Revs and Bens team continue to support residents and businesses across the District as part of pandemic recovery. Most recently on the £150 Council Tax payments. An element of the New Burdens funding received to run those services is held in a reserve to support the work carried out in future years.

### 4.13 Culture and Leisure – LATC feasibility - £30k

The work commissioned by Community, Services and Licensing to explore a Local Authority Trading Company is continuing and a business case is being developed. As the project progresses funds will be required for legal and other consultancy advice. Sums are to be placed in a reserve to meet those costs which will be overseen by C,S&L.

### 4.14 Business rate reset - £141k

The balance of the underspend for the year is to be held in the business rates reset reserve. This reserve underpins the Council's Medium Term Financial Plan and protects against the expected impact of the reset of Business Rates Growth from the bottom line budget. A Government Consultation on the future of local government finance was promised in Spring 2022 but at the time of writing there has not been a consultation issue. Whilst the future financial position remains so uncertain it is prudent to maintain the use of this reserve.

## 5. General Fund Earmarked Reserve Movements

- 5.1 The following section sets out the impact of the outturn on the earmarked reserves held by the Council. These are held for specific purposes and are in addition to the General Fund balance. The normal operation of Council business includes movements on earmarked reserves including spending existing reserves or placing new funding aside for use in future years.
- 5.2 General Fund earmarked reserves have reduced from £25.203m at 1 April 2021 to £24.032m at 31 March 2022. The in year movement of £0.171m is made up of budgeted transfers to or from reserves (including those approved during the year), transfers included in the year end position, the planned use of the capital reserve to finance the capital programme, and the allocation of the General Fund underspend to reserves for future use.
- 5.3 This includes a net transfer of £2.000m from the Collection Fund smoothing reserve. This reserve was set up in 2020/21, predominantly from specific grant funding from Government, to be used to offset the loss of council tax and business rates income from 2020/21. Under Government rules this will be gradually transferred to the General Fund over three financial years. A further sum was transferred to the reserve in 2021/22 to cover timing differences between business rates income and grant income.
- 5.4 The transfer to the Business Rates Safety Net Reserve of £500k is part of the agreed Medium-Term Financial Plan. This is intended to protect the Council from the anticipated loss of income from future reduction in permitted levels of retained Business Rates. A further £141k was allocated from the underspend.
- 5.5 A new Project earmarked reserve has been set up for specific, short term, projects. This includes £343k of external project funding, £14k funding from Lucky Severn Lottery, and the underspend allocations towards the cost of living (£100k), equalities and wellbeing (£20k), salary inflation (£370k) and Revenues and Benefits new burdens (£60k).
- 5.6 Community Infrastructure Levy (CIL), which has previously been included in the list of earmarked reserves, has been reallocated and is no longer included in this list. The funding is still available, with £1.704m available for infrastructure projects in 2022/23 and beyond.
- 5.7 The general movement of reserves was broadly stable for the year and there has been no movement in the Council's General Fund balance of £2.169 million.
- 5.8 A summary of these movements is included in the below table.

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Table 4 – Movements to/(from) earmarked reserves during 2021/22

| Reserve                           | Budgeted Transfers<br>£k | Capital Financing<br>£k | Other Transfers<br>£k | Underspend Allocation<br>£k | Total Reserve Movement<br>£k |
|-----------------------------------|--------------------------|-------------------------|-----------------------|-----------------------------|------------------------------|
| Building control shared service   | (52)                     |                         | 28                    |                             | (24)                         |
| Brimscombe Port Redevelopment     | (27)                     |                         | 89                    |                             | 62                           |
| Business rates pilot              |                          |                         | (22)                  | 399                         | 377                          |
| Business rates safety net         | 500                      |                         |                       | 141                         | 641                          |
| Capital                           | 66                       | (49)                    | (66)                  |                             | (49)                         |
| Climate change                    | (63)                     |                         | 19                    | 80                          | 36                           |
| Collection Fund Smoothing reserve | (4,325)                  |                         | 2,325                 |                             | (2,000)                      |
| Growth and Recovery               | (357)                    |                         | 115                   |                             | (242)                        |
| Culture, arts and leisure reserve | (99)                     |                         | 22                    | 30                          | (47)                         |
| General Fund carry forwards       | (511)                    |                         | 251                   |                             | (260)                        |
| Homelessness prevention           |                          |                         | 143                   |                             | 143                          |
| MTFP Equalisation                 | (104)                    |                         | 104                   |                             | -                            |
| Neighbourhood planning grant      | (6)                      |                         | 6                     |                             | -                            |
| Projects                          |                          |                         | 357                   | 550                         | 907                          |
| Repairs and replacement           |                          |                         | 17                    | 250                         | 267                          |
| Transformation                    | (429)                    |                         | 136                   |                             | (293)                        |
| Waste management                  | (181)                    |                         | 181                   | 311                         | 311                          |
| <b>Total</b>                      | <b>(5,588)</b>           | <b>(49)</b>             | <b>3,705</b>          | <b>1,761</b>                | <b>(171)</b>                 |

5.9 A full breakdown of the earmarked reserves can be found in Appendix F.

5.10 Included within the earmarked reserves is the Carry Forward Reserve, used where services need to transfer external funding or budget for specific projects from one year to the next. The reversals from 2020/21 and amounts carried forward from 2021/22 are shown in the table below.



Table 5 – Movement on General Fund Carry Forward Reserve

| Committee Sub-Heading                             | Detail   | 2020/21 Carry Forwards £k | 2021/22 Carry Forwards £k |
|---|--|---------------------------|---------------------------|
| <b>Community Services and Licensing Committee</b> |  |                           |                           |
| Revenues and Benefits                             | Council Tax hardship funding                                   | (314)                     | 0                         |
| Community Safety                                  | PCC External funding   | (37)                      | 8                         |
| Youth Services                                    | External funding   | (5)                       | 0                         |
| Public Spaces                                     | External funding for play areas                                | (19)                      | 19                        |
| Cultural Services - Community Health & Wellbeing  | External funding for health and inequalities projects          | (120)                     | 75                        |
| <b>Environment Committee</b>                      |  |                           |                           |
| Health & Wellbeing                                | Land drainage, joint flood alleviation and rural SUDS          | (112)                     | 28                        |
| Planning Strategy/Economic Development            | Funding carried forward to support the Local Plan              | 0                         | 130                       |
| <b>Housing Committee</b>                          |  |                           |                           |
| Private Sector Housing                            | Funding for Glos. Private Sector Housing Condition Survey 2022 | 0                         | 50                        |
| Housing Strategy                                  | Community Housing Fund and Custom Build grant funding          | (167)                     | 167                       |
| Housing Advice                                    | Salary funding for 2021/22                                     | (40)                      | 0                         |
| <b>Strategy and Resources Committee</b>           |  |                           |                           |
| Corporate Services (Legal)                        | One off costs from transfer to One Legal                       | (13)                      | 0                         |
| Human Resources                                   | Health and wellbeing development                               | 0                         | 14                        |
| Covid-19  | External funding   | 0                         | 77                        |
| <b>Total</b>                                      |  | <b>(825)</b>              | <b>566</b>                |

## 6. General Fund General Reserves

6.1 The General Fund balance has been maintained with no change at £2.169 million.

## 7. Housing Revenue Account

7.1 The HRA is a self financing account for the Council's landlord function, which must be budgeted to break even (net of transfers to/from HRA reserves).

7.2 The revenue outturn position of the HRA shows a **net overspend of £0.332m** (1.5% of gross expenditure budget).

7.3 A summary of the HRA position follows in Table 6.

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Table 6 – Summary of HRA Outturn Position

| Housing Revenue Account                  | 2021/22<br>Original<br>Budget £k | 2021/22<br>Revised<br>Budget £k | 2021/22<br>Amount<br>£k | 2021/22<br>Reserve<br>Transfers<br>£k | 2021/22<br>Outturn<br>Variance<br>£k |
|--|----------------------------------|---------------------------------|-------------------------|---------------------------------------|--------------------------------------|
| Total Income                             | (23,208)                         | (23,208)                        | (23,174)                | 0                                     | 34                                   |
| Total Expenditure                        | 10,142                           | 10,257                          | 10,359                  | 59                                    | 161                                  |
| Support Service Charges from the GF      | 2,058                            | 2,058                           | 2,204                   | 0                                     | 147                                  |
| Total Other Costs and Income             | 11,248                           | 10,518                          | 9,543                   | 970                                   | (5)                                  |
| <b>Total Expenditure/Income</b>          | <b>240</b>                       | <b>(375)</b>                    | <b>(1,068)</b>          | <b>1,029</b>                          | <b>336</b>                           |
| Transfers to/from HRA Earmarked reserves | (521)                            | 94                              | 1,119                   | (1,029)                               | (4)                                  |
| Transfers to/from General Reserves       | 281                              | 281                             | 281                     | 0                                     | 0                                    |
| <b>Total Housing Revenue Account</b>     | <b>0</b>                         | <b>0</b>                        | <b>332</b>              | <b>0</b>                              | <b>332</b>                           |

7.4 The outturn variance of £332k includes transfers to and from earmarked reserves. Further detail can be found on these transfers in Section 9 and Appendix F.

7.5 Below is a summary of the key variances within the HRA outturn position.

Table 7 – Summary of HRA key variances

| Area  | Para | Variance<br>(under)/<br>overspend<br>£k |
|---|------|---|
| Loss of rents and charges                                 | 7.6  | 257                                     |
| Lower provision for bad debt                              | 7.7  | (137)                                   |
| Salary underspends (excluding Property Care)              | 7.8  | (291)                                   |
| Additional revenue void spend                             | 7.9  | 196                                     |
| Additional council tax on void properties                 | 7.9  | 171                                     |
| Property Care   | 7.10 | 191                                     |
| Independent Living Schemes                                | 7.11 | (110)                                   |
| Additional grounds maintenance costs                      | 7.12 | 118                                     |
| Removal of provision held for capital works in 2014       | 7.13 | (624)                                   |
| Transfer of funding to Major Repairs Reserve for Retrofit | 7.13 | 624                                     |
| Other variances (net)                                     |      | (63)                                    |
| <b>Total Overspend</b>                                    |      | <b>332</b>                              |

7.6 Rents and Service Charges - £257k pressure

As has been reported during the year, there has been a loss in rents and service charges due to a higher than budgeted number of vacant properties. A lot of work has been undertaken to bring down the high numbers of voids that have occurred due to periods of lockdown and reduced staffing and it is anticipated that the numbers will be back down to budgeted level during the early part of 2022/23.

7.7 Provision for bad debt – (£137k) underspend

An increased provision for non payment of rents and charges has not been needed in full.

7.8 Salary underspends – (£291k) underspend

There have been a number of vacant posts during the year.

7.9 Voids - £367k overspend

A targeted resource of £250k has been allocated to provide additional capacity to deliver works on empty properties and bring them back to habitable use, to reduce vacant properties. £196k of this has been used on revenue costs of void properties. There has also been additional spend on capital works.

Additional council tax of £171k has been payable on the vacant properties held by the HRA.

7.10 Property Care - £191k overspend

This predominantly relates to the increased cost of materials use of subcontractors for specialist roles such as roofing and drainage.

7.11 Independent Living Schemes – (£110k) underspend

The underspend for the year primarily relates to savings in salaries where posts have remained unfilled in 2021/22 as well as underspends on fixtures and fittings where tenant improvements were restricted due to Covid, and within utilities where lockdown caused a significant reduction in communal utilities.

7.12 Grounds Maintenance - £118k overspend

Fly tipping and contaminated waste continues to be a costly problem within the estates. A cleaner estates action plan has recently been adopted by Housing Committee. This sets out the expectations, aspirations and methodology used in the delivery of the service and will be used to improve the service by looking at hot spots and the consideration of improved waste storage areas.

7.13 Reversal of Provision Held - £624k

A provision of £624k has been held following major works in 2014, for which the final payment has not been requested. It was reported at budget setting that this provision would be reversed, freeing up the funding of £624k. In line with that report this funding has been put in the Major Repairs Reserve to fund retrofit works.

7.14 Further detail on the HRA outturn position and variances can be found in Appendix E.

**8. Housing Revenue Account Earmarked Reserves**

8.1 These are held for specific purposes and are in addition to the HRA general reserves. The normal operation of Council business includes movements on earmarked reserves including spending existing reserves or placing new funding aside for use in future years.

8.2 HRA earmarked reserves have increased from £5.668m at 1 April 2021 to £6.787m on 31 March 2022.

8.3 The in year movement of £1.119m is made up of planned transfers to reserves of £1.118m (transfers to Independent Living Modernisation fund - net of use of the Independent Living Modernisation fund in year, and the provision for repayment of debt), a carry forward of £0.100m maintenance funding from 2021/22 into 2022/23, and movement of -£0.078m in the Transformation/Staffing reserve. This includes the use of -£137k for funding interim strategic support and also a redundancy payment, and £59k slippage of recovery posts.

Table 8 – Movements to/(from) HRA earmarked reserves during 2021/22

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| Reserve                          | Budgeted Transfers<br>£k | Provision for repayment of Debt<br>£k | Year end Transfers<br>£k | Total Reserve Movement<br>£k |
|----------------------------------|--------------------------|---------------------------------------|--------------------------|------------------------------|
| Independent Living Modernisation | 136                      |                                       | 15                       | 151                          |
| HRA Carry forwards               | (21)                     |                                       | 100                      | 79                           |
| Provision for repayment of debt  |                          | 967                                   |                          | 967                          |
| Transformation/Staffing          |                          |                                       | (78)                     | (78)                         |
| <b>Total</b>                     | <b>115</b>               | <b>967</b>                            | <b>37</b>                | <b>1,119</b>                 |

8.4 A full breakdown of earmarked reserves can be found in appendix F.

### 9. Housing Revenue Account General Reserves

9.1 The opening balance of HRA general reserves at 1 April 2020 was £4.611m. The base budget included a transfer of £0.281m to reserves, however the overspend of £0.332m has reduced the overall balance to £4.560m.

9.2 There is an additional £1.008m transfer from HRA general reserves budgeted in 2022/23.

Table 9 – HRA General Reserves

|  | 2021/22<br>£k | 2022/23<br>£k |
|--|---------------|---------------|
| Opening balance  | 4,611         | 4,560         |
| Budgeted transfer to/(from) general reserves<br>– Council Feb 2022 | 281           | (1,008)       |
| 2021/22 Overspend  | (332)         |               |
| <b>Closing balance</b>   | <b>4,560</b>  | <b>3,552</b>  |

### 10. Capital Programme

10.1 The 2021/22 Capital Programme of £33.082m was approved by Council in February 2022.

10.2 The full capital outturn position is included in Appendix G, along with detail of the variances. The funding of the Capital Programme is shown in Appendix H.

10.3 The **General Fund Capital Programme**, following the addition of slippage from 2021/22 and a reprofiling of budgets as part of the revised budget for 2021/22 is £11.292m. The total spend against this budget is £9.138m, a net underspend of £2.154m.

10.4 This variance is made up of many items, primarily where there are changes in the timing of delivery as the projects span more than one financial year. There are some areas of forecast slippage, including the Stroud and District cycling and walking plan, Multi Service Contract Vehicles, Canal (Phase 1B of Cotswold Canals Connected) and Community Buildings Investment (Kingshill House). 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.

10.5 Net slippage of £2.117m has been requested.

- 10.6 The General Fund capital programme has areas of overspend relating to the water source heat pumps at Ebley Mill and Brimscombe Port Mill, and the canal restoration (Phase 1A).
- 10.7 The **Housing Revenue Account Capital Programme** has a revised budget of £21,790.
- 10.8 Following capital slippage from 2021/22 and the addition of the Decarbonisation Demonstrator project and other changes, Major Works has a budget of £9.912m, with spend of £8.316m, giving net slippage of £1.595m. Of this, a total budget of £0.726m is requested to carry forward into 2022/23. A full review of the programme will be undertaken this year due to the successful bid for Social Housing Decarbonisation Wave 1 funding. There are also increasing pressures on the cost and availability of materials and labour which is likely to affect the affordability of the current programme.
- 10.9 The New Build and Development programme has a net underspend of £0.748m against a budget of £5.051m. Seven properties have been completed at Summerfield Road in Minchinhampton, with schemes at Broadfield Road and Ringfield Close expected to complete early in 2022/23.
- 10.10 The cost of building new properties has increased during the construction period and significant cost pressure is currently expected across the remainder of the new build programme. Further work will be undertaken to establish the affordability of the programme.
- 10.11 A total of six properties have been added to the HRA stock during the year from property acquisitions. This includes two properties that we purchased under the Next Steps Accommodation Programme for housing ex rough sleepers.
- 10.12 The Opportunity Land Acquisition Pot has not been utilised in year and will carry forward into 2022/23.
- 10.13 A copy of the revised capital programme for 2022/23, taking into account slippage from 2021/22 is in Appendix I. A full analysis of capital programmes across the General Fund and HRA will need to be undertaken to review costs and affordability in light of increasing inflationary pressures. Further detail will be presented to Committee as part of the budget setting report.

## 11. IMPLICATIONS

### 11.1 Financial Implications

The whole report is financial in nature, reporting the General Fund and Housing Revenue Account revenue and capital position for 2021/22.

Lucy Clothier, Accountancy Manager

Email: [lucy.clothier@stroud.gov.uk](mailto:lucy.clothier@stroud.gov.uk)

### 11.2 Legal Implications

There are no specific legal implications arising from this report and its recommendations.

One Legal Tel: 01684 272691 Email: [legal.services@onelegal.org.uk](mailto:legal.services@onelegal.org.uk)

### 11.3 Equality Implications

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

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### 11.4 Environmental Implications

There are no direct environmental implications arising from this report. The allocation of underspends includes an additional transfer of £80k to the General Fund climate change reserve.

## STRATEGY AND RESOURCES COMMITTEE REVENUE DETAIL

**Table 1 Strategy & Resources Outturn Detail**

| Strategy & Resources Committee         | Para Refs | 2021/22 Revised Budget £k | 2021/22 Actual £k | 2021/22 Reserve Transfers £k | 2021/22 Outturn Variance £k |
|--|-----------|---------------------------|-------------------|------------------------------|-----------------------------|
| Car Parks                              | 1.1       | (635)                     | (322)             | (281)                        | 32                          |
| Commercial Properties                  | 1.2       | (141)                     | (114)             | (4)                          | 24                          |
| Communications                         |           | 163                       | 181               | 0                            | 19                          |
| Corporate Expenditure & Income         | 1.3       | 795                       | 917               | (193)                        | (71)                        |
| Corporate Policy & Governance          |           | 1,147                     | 1,162             | 2                            | 16                          |
| Corporate Services (Legal)             |           | 450                       | 438               | 0                            | (12)                        |
| Covid-19                               | 1.4       | 721                       | (835)             | 891                          | (666)                       |
| Facilities Management                  | 1.5       | 425                       | 446               | (72)                         | (50)                        |
| Financial Services                     |           | 833                       | 803               | 37                           | 7                           |
| Fit for the Future                     | 1.6       | 414                       | 243               | 166                          | (5)                         |
| Human Resources                        | 1.7       | 562                       | 542               | 27                           | 7                           |
| Information & Communication Technology | 1.8       | 1,702                     | 1,920             | 0                            | 218                         |
| Other Properties                       | 1.9       | (718)                     | (761)             | 77                           | 34                          |
| Pension Lump Sum                       |           | 1,362                     | 1,362             | 0                            | (0)                         |
| Property Services                      |           | 513                       | 431               | 66                           | (16)                        |
| Senior Leadership Team                 |           | 587                       | 575               | 8                            | (4)                         |
| Youth Councils                         |           | 3                         | 1                 | 0                            | (3)                         |
| <b>Strategy and Resources TOTAL</b>    |           | <b>8,184</b>              | <b>6,990</b>      | <b>724</b>                   | <b>(469)</b>                |

### 1.1 Car Parks - £32k overspend

(Mike Hammond xtn 4447, [mike.hammond@stroud.gov.uk](mailto:mike.hammond@stroud.gov.uk))

A number of insignificant overspends have been identified across the District's Car Parks which make up the variance. However the £281k shortfall in income (transfer to reserves) relates to a shortfall in car park income for this Financial Year. Home working in particular has impacted on long stay car parking levels. This is expected to take some time to normalise. However, the revenue levels continue to represent a significant income.

A salary underspend has also been recognised in Car Parks Enforcement (£25k), this amount will contribute to the overall Corporate vacancy saving reported to this Committee.

### 1.2 Commercial Properties - £24k income shortfall/underspend

(Alison Fisk xtn 4430, [alison.fisk@stroud.gov.uk](mailto:alison.fisk@stroud.gov.uk))

The majority of the variance is concerned with income shortfall at Littlecombe – Most units have been sold rather than let, so capital receipts have been achieved rather than rental income. The last unit has now been sold. The underspend relates to Corporate maintenance work also at Littlecombe now taking place in 2022/23 and budgets reflected accordingly.

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## Appendix A

### 1.3 Corporate Expenditure & Income – (£71k) underspend

(Lucy Clothier xtn 4343, [lucy.clothier@stroud.gov.uk](mailto:lucy.clothier@stroud.gov.uk))

Minimum Revenue Provision (MRP), the amount that must be put aside toward the repayment of general fund borrowing, is lower than budgeted by £135k, mostly due to the slippage in the capital programme.

Provision for bad debt of £65k has been made to account for the non payment of monies owed to SDC.

### 1.4 COVID 19 – £666k underspend

(Lucy Clothier, xtn 4343, [lucy.clothier@stroud.gov.uk](mailto: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 £978k of Government funding. The position has improved from this original estimate and the allocated funding has not been needed.

There has been a loss of income, primarily relating to The Pulse and car parking, as well as some additional expenditure, but this has been funded by government grants, other external funding and some planned use of recovery reserves.

A full breakdown of the Covid-19 additional costs and loss of income, along with grant funding, is included in Appendix J.

### 1.5 Facilities Management – £50k unachieved income/underspends

(Brian McGough xtn 4411, [brian.mcgough@stroud.gov.uk](mailto:brian.mcgough@stroud.gov.uk))

This variance is predominantly due to lack of income for rental and service charge income in respect of the New Build and Bodley Block Ground in Ebley Mill. Both areas have been vacant all year and we are not actively pursuing the re-letting of these spaces as they are needed to enable more officers to return to the Mill safely and also whilst we consider our long-term accommodation strategy as part of the Fit for the Future programme.

### 1.6 Fit For the Future - £166k reserve transfer

(Adrian Blick, [adrian.blick@stroud.gov.uk](mailto:adrian.blick@stroud.gov.uk))

The underspend has been forecast throughout the year on the Fit for the future project. This has been due to two main factors: A delay in procurement of the Digital Platform which in turn has pushed back the process redevelopment work including API's to enable integration with other systems. Recruitment of several posts were behind schedule due to a shortage of suitable candidates for the roles. Two of the posts have now been filled with a Developer role still to be recruited to.

### 1.7 Human Resources – £7k overspend

(Lucy Powell xtn 4286, [lucy.powell@stroud.gov.uk](mailto:lucy.powell@stroud.gov.uk))

The reportable variance remains insignificant, however a £27k carry forward has been requested. This will then enable progression to embed the Councils Health & Wellbeing people's strategy now that the service is fully staffed for the forthcoming financial year.



**1.8 ICT – £218k overspend**  
(Adrian Blick, [adrian.blick@stroud.gov.uk](mailto:adrian.blick@stroud.gov.uk))

The cost of software continued to be higher than budget, with the additional costs reported in 2020/21 continuing into 2021/22. There have also been £86k of additional software costs in this financial year. A considerable amount of work has been undertaken to ensure the accuracy of the budget for 2022/23, which in turn has improved the forecasting for this financial year through the extensive review of costs over the last eighteen months. The budget setting process has now identified those areas where additional budget is needed.

A £54k in year variance on staffing has been identified, this is a result of the extension of a networks/infrastructure contractor due to challenges with recruitment. This post has now been filled.

**1.9 Other Properties £34k overspend**  
(Alison Fisk xtn 4430, [alison.fisk@stroud.gov.uk](mailto: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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**COMMUNITY SERVICES AND LICENSING COMMITTEE REVENUE DETAIL**

| Strategy & Resources Committee                   | Para Refs | 2021/22 Revised Budget<br>£k | 2021/22 Actual<br>£k | 2021/22 Reserve Transfers<br>£k | 2021/22 Outturn Variance<br>£k |
|--|-----------|------------------------------|----------------------|---------------------------------|--------------------------------|
| Community Safety                                 | 1.1       | 207                          | 156                  | 19                              | (32)                           |
| Cultural Services - Arts and Culture             | 1.2       | 426                          | 419                  | 21                              | 14                             |
| Cultural Services - Community Health & Wellbeing | 1.3       | 279                          | (125)                | 325                             | (80)                           |
| Cultural Services - Sports Centres               | 1.4       | (20)                         | 285                  | (263)                           | 42                             |
| Customer Services                                | 1.5       | 392                          | 486                  | 0                               | 94                             |
| Grants to Voluntary Organisations                |           | 336                          | 333                  | (6)                             | (8)                            |
| Licensing  |           | (54)                         | (57)                 | (11)                            | (14)                           |
| Public Spaces                                    | 1.6       | 1,423                        | 1,336                | 19                              | (68)                           |
| Revenues and Benefits                            | 1.7       | 152                          | 862                  | (287)                           | 422                            |
| Youth Services                                   |           | 110                          | 92                   | 11                              | (7)                            |
| <b>Community Services and Licensing TOTAL</b>    |           | <b>3,252</b>                 | <b>3,788</b>         | <b>(172)</b>                    | <b>364</b>                     |

**1.1 Community Safety – (£32k) underspend**  
(Mike Hammond xtn 4447, [mike.hammond@stroud.gov.uk](mailto:mike.hammond@stroud.gov.uk))

A favourable variance is being reported overall which includes in year salary vacancies within the Neighbourhood Wardens team. The Careline service is also reporting an underspend. A new contract for the control room monitoring has been procured in this financial year, however the impact of Covid and supply chain issues on the availability of microchips has meant that we have not been able to purchase items within the financial year that we had planned for with our equipment supplier.

**1.2 Cultural Services - Arts & Culture – £14k overspend**  
(Kevin Ward 01453 544335, [kevin.ward@stroud.gov.uk](mailto:kevin.ward@stroud.gov.uk))

**Museum in The Park**

Whilst the overall underspend is not material, there are a few offsetting reportable variances. Income targets recovered well after the Museum was closed for the first quarter of this financial year as a result of the Covid-19 pandemic, fully opening from end of July. The museum establishment had two Stroud 2 posts vacant during Q1 and Q2, with one continuing to be vacant during the Q3 and Q4, with a further Stroud 3 post being vacant for Q4 which has contributed towards the corporate vacancy saving target.

**1.3 Cultural Services - Community Health & Wellbeing – (80k) Underspend**  
(Angela Gillingham 01453 544177, [angela.gillingham@stroud.gov.uk](mailto:angela.gillingham@stroud.gov.uk))

The majority of this variance £67k is concerned with the underspend on Health & Wellbeing projects. A number of Covid related grants were distributed from the County Council including the Practical Support Grant for self- isolating (help with practical tasks, accessing food, assisting with caring responsibilities and mental health, loneliness, and digital support). Staff have been carrying out these duties as their normal day job so the funding was allocated to staff costs and time.

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## Appendix B

### 1.4 Cultural Services - Sports Centres – £42k Unachieved income/overspend

(Darren Young 01453 540995, [darren.young@stroud.gov.uk](mailto:darren.young@stroud.gov.uk))

The overall variance is split between The Pulse £68k and Stratford Park Leisure Centre (£26k).

#### The Pulse

2021/22 has been a year of incredibly cautious growth as we continued to recover from the pandemic. Income streams fell short of the budget by £285k (transfer to reserves), but by the end of the financial year we saw memberships increase to approximately 75% of pre covid levels which is in line with national statistics. Casual Staffing has attracted an overspend, this is predominantly due to increased cleaning and general staffing to ensure the site was safe and ready to accept mass community participation.

#### Stratford Park Leisure Centre

A saving of just over (£10k) is attributable to the SPLC reduction of the management fee (from November 2021) due to going into the extended contract term which ends in October 2024, this will be addressed at budget setting later in the year. There are also various small underspends across the service.

### 1.5 Customer Services - £94k overspend

(Keith Gerrard xtn 4227 , [keith.gerrard@stroud.gov.uk](mailto:keith.gerrard@stroud.gov.uk))

The development and modernisation of Customer Services has resulted in additional costs. This work has included reviewing our processes and staffing resource. It is part of wider improvements to the way support and engage communities and is linked to the Council's Fit for the Future programme.

### 1.6 Public Spaces – (£68k) underspend

(Mike Hammond xtn 4447, [mike.hammond@stroud.gov.uk](mailto:mike.hammond@stroud.gov.uk))

The underspend is largely attributable to Public conveniences. A change in business rate relief for public lavatories means that they are no longer attract a charge, this budget has now been removed for 2022/23. Spend on repairs and utilities have also been low due to less usage through the pandemic.

There are also some small favorable variances on the Multi Service Contract at Stratford Park and Brimscombe Cemetery.

### 1.7 Revenues and Benefits– £419k unachieved income

(Simon Killen xtn 4013, [simon.killen@stroud.gov.uk](mailto:simon.killen@stroud.gov.uk))

The most significant variance £406k is the shortfall on housing benefit subsidy claims, 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. This cost continues to rise as both the cost and number of supported accommodation placements increase. Although a significant amount it should be noted that this represents a variance of only 2.3% on the housing benefit subsidy budget. A number of small overspends have been realized across

the service totaling £57k, of which (£34k) relates to a HMCTS refund of overpaid court fees from previous years.

Enforcement income and recoverable costs were lower than budget by £20k. In order to support residents, enforcement action was suspended during the lockdown period and a sensitive approach will be considered for the immediate future. A pressure of £28k for Covid related costs which include Test & Trace and additional software. These additional costs are funded from Government grant income.

An in-year saving on salaries (£30k) due to a previous unsuccessful recruitment drive. The two posts have now been re-evaluated and currently being advertised with the intention to recruit in the near future. This amount has been factored into the overall corporate vacancy saving figure reported to Strategy & Resources Committee.

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## HOUSING COMMITTEE (GENERAL FUND) REVENUE DETAIL

Table 1 – Housing GF Outturn Detail

| <b>Strategy &amp; Resources Committee</b> | Para<br>Refs | <b>2021/22<br/>Revised<br/>Budget<br/>(£'000)</b> | <b>2021/22<br/>Actual<br/>(£'000)</b> | <b>2021/22<br/>Reserve<br/>Transfers<br/>(£'000)</b> | <b>2021/22<br/>Outturn<br/>Variance<br/>(£'000)</b> |
|---|--------------|---|---------------------------------------|--|---|
| Housing Advice                            | 1.1          | 519   | 376                                   | 114  | (30)  |
| Housing Strategy                          | 1.2          | 303   | 100                                   | 167  | (36)  |
| Private Sector Housing                    | 1.3          | 157   | 89                                    | 63   | (6)   |
| <b>Housing General Fund TOTAL</b>         |              | <b>980</b>  | <b>564</b>                            | <b>344</b>   | <b>(72)</b>   |

### 1.1 Housing Advice – (£30k) underspend

(Pippa Stroud, [pippa.stroud@stroud.gov.uk](mailto:pippa.stroud@stroud.gov.uk))

Spend on Temporary Accommodation and Bed and Breakfast continues to be high, and although much of this can be covered through Housing Benefit, the generally higher costs of temporary accommodation mean that the full cost can not be recovered. Across the service the shortfall within the Temporary Accommodation income has been compensated by greater grant income than budgeted within Homelessness and Homelessness Prevention.

### 1.2 Housing Strategy – (£36k) underspend

(Pippa Stroud, [pippa.stroud@stroud.gov.uk](mailto:pippa.stroud@stroud.gov.uk))

An underspend of (£36k) relates to budget which has not been utilised during the financial year after taking into account government grants and reserve transfers, with the focus being on Covid response and recovery.

### 1.3 Private Sector Housing – (£6k) underspend

(Maria Hickman, [maria.hickman@stroud.gov.uk](mailto:maria.hickman@stroud.gov.uk))

A number of small running costs and some salary underspends (£13k), along with small amounts of extra income and government grants make up this variance.

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## ENVIRONMENT COMMITTEE REVENUE DETAIL

Table 1 – Environment Committee Outturn Detail

| Strategy & Resources Committee | Para Refs | 2021/22 Revised Budget £k | 2021/22 Actual £k | 2021/22 Reserve Transfers £k | 2021/22 Outturn Variance £k |
|--------------------------------|-----------|---------------------------|-------------------|------------------------------|-----------------------------|
| Canal                          |           | (120)                     | (0)               | (120)                        | (0)                         |
| Carbon Management              |           | 173                       | 156               | 19                           | 3                           |
| Development Control            | 1.1       | 197                       | 42                | 17                           | (138)                       |
| Economic Development           | 1.2       | 111                       | 100               | (28)                         | (39)                        |
| Health & Wellbeing             | 1.3       | 941                       | 785               | 120                          | (37)                        |
| Land Charges & Street Naming   | 1.4       | (18)                      | (45)              | 0                            | (27)                        |
| Planning Strategy/Local Plan   | 1.5       | 430                       | 268               | 162                          | (0)                         |
| Statutory Building Control     | 1.6       | (137)                     | (173)             | 28                           | (7)                         |
| Waste & Recycling: Other       |           | 12                        | 30                | 0                            | 18                          |
| Waste and Recycling: MSC       | 1.7       | 4,329                     | 3,698             | 16                           | (616)                       |
| <b>Environment TOTAL</b>       |           | <b>5,917</b>              | <b>4,860</b>      | <b>214</b>                   | <b>(843)</b>                |

**1.1 Development Control – (£138k) additional income**

(Geraldine LeCointe xtn 4233, [geraldine.lecointe@stroud.gov.uk](mailto:geraldine.lecointe@stroud.gov.uk))

The variance in income is due to the number and scale of applications received in the latter part of the year. This has been affected in part by the submission of solar farm applications and the impact of the progression of the draft local plan which is due to have its examination later this year.

**1.2 Economic Development – (£39k) underspend**

(Tom Ridley, [tom.ridley@stroud.gov.uk](mailto:tom.ridley@stroud.gov.uk))

The majority of the underspend (£48k) is directly related to the CIL admin fee. CIL is collected over a number of years after planning permission is granted and therefore impacts when the funds can be collected. It has been running for several years and 21/22 has seen a considerable increase in what the Council has collected, therefore the 5% admin fee we retain is higher than expected. The regulations stipulate this money must be spent on CIL administration, it will therefore need to be reviewed annually in order to allocate as required and ultimately may make the CIL function fully self-sufficient in future years.

**1.3 Health & Wellbeing – (£37k) underspend**

(Sarah Clark, [sarah.clark@stroud.gov.uk](mailto:sarah.clark@stroud.gov.uk))

There are a number of insignificant variances across the whole of the Health & Wellbeing Service which contribute to the overall variance. The transfer to reserves movement (£120k) is directly attributable to Land Drainage Projects and is requested to be carried forward to 2022/23. This is external funding earmarked to fund SDC contributions to partnership flood alleviation schemes and opportunities which arise in future particularly where match funding is required.

Members will recall that a (£220k) underspend was identified relating to COMF (Containment Management Outbreak Funding) which continues to be in place for the council's operational

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### Appendix D

covid prevention, response and outbreak management function in the financial year 2022/23. The money was passported to SDC from GCC's Public Health COMF through business cases, to provide pandemic environmental health and licensing resource. The council is retaining a core team of specialist staff who will be repurposed to help other environmental health priorities such as licensing and health and safety at work interventions, and this core team could be stood back up to lead on covid response if another more severe variant emerges in the coming year. This meets SDC's responsibilities in the Living with Covid Plan, as well as providing resilience for future outbreak situations. The Leader of GCC has confirmed that this passported COMF is permitted to be carried forward in to 2022/23 and this has been further supported by written confirmation from DHSC.

#### **1.4 Land Charges & Street Naming – (£27k) additional income**

(Neil Marriott xtn 4112, [neil.marriott@stro7d.gov.uk](mailto:neil.marriott@stro7d.gov.uk))

Land charges have achieved additional income of (£39k) against budget. This is mainly due to the Property market activity and demand for Local Authority Local Land Charges Search requests continued to exceed expectations following the Government's announcement to extend the "Stamp Duty Holiday" until 30th September 2021. Local Land Charges continued to handle volumes of search requests at unprecedented levels in comparison to recent financial years.

New development activity and the subsequent requirement to name streets, number properties and issue official addresses was at a level lower than anticipated in comparison to recent financial years, resulting in a small under achievement of income of £12k.

#### **1.5 Planning Strategy – (£162k) Reserve transfer**

Mark Russell, [mark.russell@stroud.gov.uk](mailto:mark.russell@stroud.gov.uk)

The (£162k) favourable variance is to be transferred to reserves to contribute to the cost of local plan examination and additional transport modelling in 2022/23, with any surplus to cover economic development projects.

#### **1.6 Statutory Building Control – £7k underspend**

(Paul Bowley xtn 4250, [paul.bowley@stroud.gov.uk](mailto:paul.bowley@stroud.gov.uk))

The Building Control service is the lead Council in the Shared Service Partnership with Gloucester, the fee earning element is required to break even over a period of time. In 2021-22 the shared service board identified a financial risk to the service. Savings across all areas including a vacant surveyor post have mitigated some of this overall cost pressure.

The year end position includes a transfer from the Building Control reserve in line with the purpose of the reserve.

**1.7 Waste & Recycling – (£616k) additional income/overspend**  
(Mike Hammond xtn 4447, [mike.hammond@stroud.gov.uk](mailto:mike.hammond@stroud.gov.uk))

A more favourable outturn variance compared to the Q3 forecast has been achieved.

Recycling waste tonnages are still inflated, meaning revenue through credits has created a favourable variance, amounting to (£134k). This reflects the increased tonnage being collected at the kerbside. Generally speaking volumes are proportionate to residual waste increases and therefore overall recycling rates are stagnant. A buoyant recycling market has provided an additional (£411k) of income against budget. Increased demand for bulky waste collections is showing a (£31k) favourable variance, the service income continues to be inflated post pandemic. Sustained growth of garden waste subscriptions has also impacted the income variance by (£175k). Additional costs £80k have been incurred for replacing the ageing wheelie bin infrastructure. There are also a number of general savings across all the contracts.

The Ubico final contract spend was £92k over the original budget of £6.379m for 2021-22 across all committees. This variance is attributable to the following: A national shortage of drivers and rates of pay has attracted additional costs of £45k this financial year, this has been built into the budget for 2022-23. The theft of diesel at Gossington depot early in the year and the rising cost of fuel has led to an overspend of £81k. There have been some savings made around tyres & vehicle repairs about (£30k) overall. A provision for legal expenses for an ongoing insurance claim had been identified earlier in the year but this has been impacted by a saving on the overall budgeted insurance premium for the contract so no impact on the bottom line this financial year.

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### Housing Revenue Account

| Housing Committee                                  | Para Refs  | 2021/22 Revised Budget (£'000) | 2021/22 Amount (£'000) | Additional Reserve Transfers (£'000) | 2021/22 Outturn Variance (£'000) |
|--|------------|--------------------------------|------------------------|--------------------------------------|----------------------------------|
| Dwelling rents and service charges                 |            | (22,779)                       | (22,522)               |                                      | 257                              |
| Other charges and income                           |            | (629)                          | (715)                  |                                      | (86)                             |
| Provision for bad debt                             |            | 200                            | 63                     |                                      | (137)                            |
| <b>Total Income</b>                                | <b>1.1</b> | <b>(23,208)</b>                | <b>(23,174)</b>        |                                      | <b>34</b>                        |
| Supervision and management                         | 1.2        | 4,196                          | 3,967                  | (78)                                 | (307)                            |
| Repairs and maintenance                            | 1.3        | 4,503                          | 4,799                  | 100                                  | 396                              |
| Independent Living service                         | 1.4        | 637                            | 525                    |                                      | (112)                            |
| Other expenditure                                  | 1.5        | 540                            | 723                    |                                      | 183                              |
| Independent Living Modernisation                   | 1.6        | 381                            | 345                    | 37                                   | 1                                |
| <b>Total Expenditure</b>                           |            | <b>10,257</b>                  | <b>10,359</b>          | <b>59</b>                            | <b>161</b>                       |
| Support Service Charges from the GF                | 1.7        | 2,058                          | 2,204                  |                                      | 147                              |
| Revenue funding of capital programme (Depn & RCCO) |            | 6,217                          | 6,214                  | 3                                    | 0                                |
| Provision for repaying debt                        |            | 967                            | 0                      | 967                                  | 0                                |
| Interest payable/receivable                        |            | 3,334                          | 3,329                  |                                      | (5)                              |
| <b>Total Other Costs and Income</b>                |            | <b>12,576</b>                  | <b>11,747</b>          | <b>970</b>                           | <b>141</b>                       |
| <b>Total Expenditure/Income</b>                    |            | <b>(375)</b>                   | <b>(1,068)</b>         | <b>1,029</b>                         | <b>336</b>                       |
| Transfers to/(from) HRA earmarked reserves         |            | 94                             | 1,119                  | (1,029)                              | (4)                              |
| Transfers to/(from) HRA general reserves           |            | 281                            | 281                    | 0                                    | 0                                |
| <b>Total Housing Revenue Account</b>               |            | <b>0</b>                       | <b>332</b>             | <b>0</b>                             | <b>332</b>                       |

#### 1.1 Income – £34k loss of income

During the course of the financial year the number of empty council house properties undergoing works to make them ready to be let has significantly reduced. The number of properties recorded as work in progress at the start of the year was 164. This was as a consequence of Covid restrictions and labour market pressures. Since April 2021 this position has improved considerably. As at the year end this number has reduced to 71 and is anticipated to be in line with our forecast to return to pre pandemic levels by the end of the first quarter of 2022/2023.

The hard work of the Property Care team and its contractors assisted through additional targeted resources (see para 1.3) means we are continuing to reduce the recent historical backlog. Material and labour supply chains still remains uncertain, and we will continue monitor how this may impact on workstreams.

Garage rents are higher than budgeted but will continue to reduce in line with the approval to review the use of all garage sites.

An allowance for this non payment of rents is included in the Provision for Bad Debt line. This has not been as high as budgeted and has reduced during the year through proactive support for tenants including sustainable payment arrangements to maintain tenancies.

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## Appendix E

### 1.2 **Supervision and Management – (£307k) underspend**

Over the year a number of posts have become vacant and recruited to through due process. While these posts are in the process of recruitment, performance of the service has been strong. Taking into account vacancy and recruitment across the year the underspend is (£290k).

Transfers from reserves have been needed to cover the cost of transformation including redundancy costs and strategic housing support.

There is also an underspend of (£88k) on IT software. This predominantly relates to budget available for a new housing system which is now due for implementation later in the year.

### 1.3 **Repairs and maintenance – £396k overspend**

As referenced in para 1.1 above, a targeted resource of £250k was allocated to provide additional capacity to deliver works on empty properties and bring them back to habitable use. £196k has been used against revenue costs of void works, with further spend in capital void works. This is reducing the backlog of void properties undergoing works.

Numbers are on track to return to pre Covid levels by the end of Q1 2022/23 however while this work is still ongoing, voids costs are expected to be higher than budget. This is partly as a consequence of an increase in council tax of £171k on empty properties.

There is also an overspend of £191k in Property Care. This predominantly relates to the increased use of subcontractors and pressure on the cost of materials.

Included is a revenue transfer carry forward of £100k towards cyclical works which will be undertaken in 2022/23.

### 1.4 **Independent Living Service - (£112k) underspend**

The underspend for the year primarily relates to utilities where lockdown caused a significant reduction in communal utilities. There have also been savings in salaries where posts have remained unfilled in 2021/22 as well as underspends on fixtures and fittings where tenant improvements were restricted due to Covid.

### 1.5 **Other expenditure - £183k overspend**

Fly tipping and contaminated waste continues to be a costly problem within the estates. A cleaner estates action plan has recently been adopted by Housing Committee. This sets out the expectations, aspirations and methodology used in the delivery of the service and will be used to improve the service by looking at hot spots and the consideration of improved waste storage areas.

This includes additional UBICO activity at various sites throughout the year.

### 1.6 **Independent Living Modernisation**

The Independent Living Modernisation Programme (previously known as the Sheltered Modernisation Programme) includes modernisation works to green and amber schemes, as well as the decanting costs and void costs e.g. council tax for the red schemes. It consists of works to schemes that are part revenue and part capital and the budget is split based on estimates.

This is fully funded from the Independent Living modernisation earmarked reserve, along with a contribution towards the lost service charges that formed part of the original business case.

**1.7 Support Charges from the General Fund – £147 overspend**

Charges from the General Fund for shared and support services such as IT, HR and finance are £147k higher than budgeted for the year. This is largely due to overspends on ICT Service including salaries and running expenses as reported in the General Fund Outturn position.

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### EARMARKED RESERVES DETAIL

|  | <b>Balance<br/>31 March<br/>2021<br/>£000</b> | Transfers<br>From<br>2021/22<br>£000 | Transfers<br>To<br>2021/22<br>£000 | <b>Balance<br/>31 March<br/>2022<br/>£000</b> |
|--|---|--------------------------------------|------------------------------------|---|
| <b>General Fund:</b>                               |   |                                      |                                    |   |
| Brexit reserve                                     | 53  | -                                    | -                                  | 53  |
| Building control shared service                    | 75  | (24)                                 | -                                  | 51  |
| Brimscombe Port Redevelopment                      | 397   | -                                    | 62                                 | 459   |
| Business rates pilot                               | 976   | (22)                                 | 399                                | 1,353   |
| Business rates safety net                          | 2,492   | -                                    | 641                                | 3,133   |
| Capital  | 3,601   | (49)                                 | -                                  | 3,552   |
| Climate change                                     | 438   | (44)                                 | 80                                 | 475   |
| Collection Fund Smoothing reserve                  | 5,235   | (4,325)                              | 2,325                              | 3,235   |
| Covid-19 recovery                                  | 553   | (265)                                | 23                                 | 312   |
| Culture, arts and leisure reserve                  | 117   | (77)                                 | 30                                 | 69  |
| General Fund carry forwards                        | 975   | (825)                                | 566                                | 716   |
| Homelessness prevention                            | 98  | -                                    | 143                                | 240   |
| Investment risk                                    | 310   | -                                    | -                                  | 310   |
| Legal counsel                                      | 50  | -                                    | -                                  | 50  |
| MTFP equalisation                                  | 6,846   | -                                    | 1                                  | 6,847   |
| Neighbourhood planning grant                       | 12  | -                                    | -                                  | 12  |
| Opportunity land purchase                          | 250   | -                                    | -                                  | 250   |
| PDG  | 31  | -                                    | -                                  | 31  |
| Planning appeal costs                              | 100   | -                                    | -                                  | 100   |
| Projects   | -   | -                                    | 907                                | 907   |
| Redundancy   | 250   | -                                    | -                                  | 250   |
| Repairs and replacement                            | 304   | -                                    | 267                                | 570   |
| Street cleaning funding                            | 17  | -                                    | -                                  | 17  |
| Transformation                                     | 393   | (293)                                | -                                  | 100   |
| Waste management                                   | 600   | -                                    | 311                                | 911   |
| Welfare reform                                     | 30  | -                                    | -                                  | 30  |
| <b>Total earmarked reserves -<br/>General Fund</b> | <b>25,203</b>                                 | <b>(5,924)</b>                       | <b>5,755</b>                       | <b>24,032</b>                                 |
| <b>Housing Revenue Account</b>                     |   |                                      |                                    |   |
| Independent Living Modernisation                   | 2,836   | (849)                                | 1,000                              | 2,987   |
| Estate Redevelopment                               | 1,170   | -                                    | -                                  | 1,170   |
| Staffing   | 250   | (82)                                 | 59                                 | 227   |
| HRA General Contingency                            | 100   | -                                    | -                                  | 100   |
| HRA Carry forwards                                 | 21  | (21)                                 | 100                                | 100   |
| Provision for the repayment of debt                | 918   | -                                    | 967                                | 1,885   |
| Transformation                                     | 234   | (55)                                 | -                                  | 179   |
| Retrofit   | 139   | -                                    | -                                  | 139   |
| <b>Total earmarked reserves - HRA</b>              | <b>5,668</b>                                  | <b>(1,007)</b>                       | <b>2,126</b>                       | <b>6,787</b>                                  |

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## General Fund and Housing Revenue Account Capital Programme 2021/22

### 1. General Fund Capital Programme

| Capital Schemes                                     | Para Refs | 2021/22 Revised Budget<br>£k | 2021/22 Actual Spend<br>£k | 2021/22 Outturn Variance<br>£k | Slippage<br>£k |
|---|-----------|------------------------------|----------------------------|--------------------------------|----------------|
| Community Buildings Investment                      | 1.1       | 117                          | 0                          | (117)                          | 117            |
| Stratford Park Lido                                 | 1.2       | 30                           | 0                          | (30)                           | 30             |
| <b>Community Services Capital Schemes TOTAL</b>     |           | <b>147</b>                   | <b>0</b>                   | <b>(147)</b>                   | <b>147</b>     |
| Canal   | 1.3       | 4,624                        | 3,919                      | (705)                          | 767            |
| Market Town Centres Initiative Fund                 | 1.4       | 40                           | 40                         | 0                              | 0              |
| Multi-Service Contract Vehicles                     | 1.5       | 1,513                        | 747                        | (766)                          | 766            |
| Rural SuDS Project                                  | 1.6       | 30                           | 20                         | (10)                           | 10             |
| Stratford Park Acquisition of Machinery             | 1.7       | 14                           | 0                          | (14)                           |                |
| Stroud District Cycling & Walking Plan              | 1.8       | 404                          | 9                          | (395)                          | 395            |
| <b>Environment Capital Schemes TOTAL</b>            |           | <b>6,625</b>                 | <b>4,735</b>               | <b>(1,890)</b>                 | <b>1,938</b>   |
| Affordable Housing-Support to Registered Providers  | 1.9       | 39                           | 50                         | 11                             |                |
| Better Care Fund Projects                           | 1.10      | 0                            | 3                          | 3                              |                |
| Disabled Facilities Grant Scheme                    | 1.11      | 330                          | 79                         | (251)                          |                |
| Green Home LADS Park Homes                          | 1.12      | 1,604                        | 1,399                      | (205)                          |                |
| Green Homes LADS 3                                  | 1.13      | 0                            | 85                         | 85                             | (85)           |
| Health through Warmth Grants                        | 1.14      | 200                          | 151                        | (50)                           |                |
| Home Upgrade Grant - Sustainable Warmth             | 1.15      | 0                            | 85                         | 85                             | (85)           |
| Private Sector Housing Loans                        |           | 15                           | 9                          | (6)                            |                |
| Temporary Accommodation                             | 1.16      | 190                          | 0                          | (190)                          | 190            |
| Warm Homes  | 1.17      | 343                          | 404                        | 61                             |                |
| <b>Housing General Fund Capital Schemes TOTAL</b>   |           | <b>2,721</b>                 | <b>2,265</b>               | <b>(456)</b>                   | <b>20</b>      |
| Brimscombe Port Redevelopment                       | 1.18      | 273                          | 531                        | 259                            |                |
| Electric Vehicle Acquisition                        | 1.19      | 12                           | 0                          | (12)                           | 12             |
| ICT Investment Plan                                 | 1.20      | 0                            | 6                          | 6                              |                |
| Water Source Heat Pump-Ebley Mill & Brimscombe Port | 1.21      | 1,514                        | 1,600                      | 86                             |                |
| <b>Strategy and Resources Capital Schemes TOTAL</b> |           | <b>1,798</b>                 | <b>2,137</b>               | <b>339</b>                     | <b>12</b>      |
| <b>TOTAL GENERAL FUND CAPITAL SCHEMES</b>           |           | <b>11,292</b>                | <b>9,138</b>               | <b>(2,145)</b>                 | <b>2,117</b>   |

#### 1.1 Community Buildings Investment

Discussions have continued to take place with Kingshill House Trust regarding a Community Asset Transfer. A capital budget provision of £50,000 in 2017/18 and £50,000 in 2018/19 was made as part of a funding package to help assist the transfer. A tapering reduction in core funding was also agreed as part of the funding package, (£15K in 2021/22, £10k in

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## Appendix G

2022/23, £5k in 2023/4 then ceasing altogether. Covid-19 has had a significant impact on Kingshill House and there have been changes on the board of Trustees together with a new General Manager. The council will need to see a robust business case and be confident that the board is in a position to take on the freehold interest before agreeing final terms and reporting back to Strategy and Resources Committee for approval.

### 1.2 Stratford Park Lido

Due to Covid-19 pandemic, the 2019 business plan developed for the lido had not been explored further. It has subsequently been picked up by the leisure consultants and included within the 20-year Leisure and Wellbeing Strategy.

The indicative costs to fully upgrade the Lido were estimated at £7.3m. £1.8 m would provide a sustainable heating system and upgrade the plant room. The money allocated to the lido to upgrade the facility is not enough on its own, therefore one of the actions coming out of the strategy is to explore further funding options for this facility. This will be included as part of the bigger picture to secure future capital for all the leisure facilities.

### 1.3 Canal

Works continue on Phase 1B of Cotswold Canals Connected, connecting the Stroudwater Canal between Stonehouse and Saul Junction. During the year, the new Ocean Jubilee Bridge was successfully completed, ready to once again allow canal traffic under the railway line at Stonehouse.

There has also been a final payment of £60k for works relating to Phase 1A.

### 1.4 Market Town Centres Initiative Fund.

The Distribution of Market Towns Funding was agreed at the January 2019 by Strategy and Resources Committee. In order to be able to distribute the funds to the relevant Town Councils, written confirmation was sought as to how would spend the funds for agreement. Some responses were received after the relevant financial year, resulting in a variance against the profiled budget, this has been taken into account in 2021/22 and the remaining has now been spent.

### 1.5 Multi- Service Contract – Vehicles

The 2021-22 underspend reflects a number of vehicles that were due to be delivered before the 31 March, these have now been delayed due to the current global issues within the vehicle manufacturing industry. Delivery for the majority is now projected in the first quarter of the new financial year. Members will recall that the revised budget includes an additional Garden Waste RCV and the supplementary cost of the Electric Truck Sweeper. This was approved as part of the overall 5 year Capital Plan to S & R in January 2022 and Council in February 2022.

### 1.6 Rural SuDS Project

Four schemes have been completed in the first quarter of this financial year with 16 leaky dams and 3 small attenuation areas created plus additional small works. This has involved working with 5 new private landowners and 3 new contractors. There are currently 7 new schemes in planning stages for delivery later in 2022.

### 1.7 Stratford Park Acquisition of Machinery

The overall Capital project of £95k was approved in 2020-21 for the transfer of grounds maintenance contract for Stratford Park and Brimscombe Cemetery to Ubico. The remaining £14k is earmarked for site enhancements and options are currently being reviewed.

### **1.8 Stroud District Cycling and Walking Plan**

Improvements and important maintenance on the Stroud-Nailsworth track has almost been completed, with the final phase of work on the Newman Henders bridge under way. The Wotton-Kingswood-Charfield greenway has completed the initial feasibility stages and is ready to progress to the detailed design work. The Cycling and Walking Task and Finish Group has concluded with a long list of strategic and local projects to be assessed for potential funding during this financial year. The Stroud Local Cycling and Walking Plan has been published, with the Cam and Dursley LCWIP due to be published on 23rd June. These documents will help to direct current available funding as well as access other funding sources.

### **1.9 Affordable Housing (Support to Registered Providers)**

The additional grant funding of £11k to Registered Housing Providers will be funded from Section 106 monies from developers.

### **1.10 Better Care Fund Projects**

This is funding made available from the Better Care Fund (administered by Gloucestershire County Council).

### **1.11 Disabled Facilities Grant Scheme**

The Disabled Facilities Grant scheme (£251k) underspend is due to a backlog of referrals for occupational therapists from the County Council for adaptations.

### **1.12 Green Homes LADS Park Homes**

This is funding provided by BEIS following a successful bid to the Green Homes LADS scheme. SDC are the lead partner in this Countywide bid to provide insulation to park homes. The project was originally intended to finish at the end of December but BEIS extended the project delivery deadline to the end of April 2022. All funding Onsite delivery has been completed final invoices awaited.

### **1.13 Green homes LADS 3**

£85k relates to a new grant for energy efficiency improvements.

### **1.14 Health through Warmth Grants**

This is funded by the Clinical Commissioning Group (CCG) and like Warm Homes covers the whole county. The funding for the Health through Warmth is predominantly used for insulation and heating systems to increase thermal efficiency in homes of people with cold or damp related health issues. Where possible this used in conjunction with the Warm Homes funding. The (£50k) relates to an underspend on insulation grants.

### **1.15 Home upgrade grant**

The £85k relates to a new grant bid under sustainable warmth.

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### 1.16 Temporary Accommodation

The Temporary Accommodation budget of £500k within the capital programme as reported in the Budget Setting papers and also at this committee, had been revised to £190k which is now slippage into 2022-23. This grant is to be paid over to Gloucester City Homes to support their acquisition and conversion of the Salvation Army's former Minister's House to temporary accommodation. The grant will be spent in next financial year and are currently working on the legal agreement with One Legal to facilitate this.

### 1.17 Warm Homes

This is a partnership project to provide first time central Heating which was awarded funding from the National Grid Warm Homes Fund. SDC are the lead partner in the project which included all Gloucestershire districts, South Gloucestershire and the Gloucestershire CCG. The total fund awarded of £4.8 million was to be spent over 3 years across the partnership. However, this has been extended until the 31st May 2022 due to Covid. The project is being delivered by Severn Wye Energy Agency. The funding is released quarterly in arrears on submission of details of installations made during a quarter.

### 1.18 Brimscombe Port Redevelopment

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.

### 1.19 Electric Vehicle Acquisition

The remaining capital budget of £12k will be used to investigate and initiate the installation of electric vehicle charge points in the car park estate. An initial assessment will be carried out by independent experts early in the new financial year and this will guide future work.

### 1.20 ICT Investment Plan

The majority of original Capital project spend was in 2020-2, minor costs applicable to the project have fallen into 2021-22 with the remaining underspend transferred to the transformation programme in this financial year.

### 1.21 Water Source Heat Pumps

Both water source heat pump installations have been commissioned and are satisfactorily generating space heating. Practical completion was achieved on 31st December 2021 and all expenditure (with the exception of retention monies) has been certified. The stage 3 application to Ofgem for receipt of renewable heat incentive funding has been approved and we will now be drawing down payments.

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.

## 2. Housing Revenue Account Capital Programme

| Capital Summary  | Para Refs   | 2021/22 Revised Budget<br>£k | 2021/22 Actual Spend<br>£k | 2021/22 Outturn Variance<br>£k | Slippage<br>£k |
|--|-------------|------------------------------|----------------------------|--------------------------------|----------------|
| Central Heating  | 2.2         | 416                          | 136                        | (280)                          | 200            |
| Disabled Adaptations   | 2.3         | 150                          | 171                        | 21                             |                |
| Kitchens and Bathrooms                                       | 2.4         | 425                          | 59                         | (366)                          | 250            |
| Major Works  | 2.5         | 450                          | 639                        | 189                            |                |
| Compliance   | 2.6         | 422                          | 341                        | (81)                           |                |
| Doors and Windows  | 2.7         | 1,396                        | 783                        | (613)                          | 135            |
| Electrical Works   | 2.8         | 150                          | 7                          | (143)                          |                |
| Environmental Works  | 2.9         | 450                          | 383                        | (67)                           |                |
| Door Entry   | 2.10        | 180                          | 112                        | (68)                           |                |
| External Works   | 2.11        | 3,419                        | 3,467                      | 48                             |                |
| Special Projects   | 2.12        | 1,200                        | 1,250                      | 50                             |                |
| Fire Risk Assessments  | 2.13        | 150                          | 5                          | (145)                          |                |
| Decarbonisation Project                                      | 2.14        | 1,104                        | 963                        | (141)                          | 141            |
| <b>Total Major Works</b>                                     | <b>2.1</b>  | <b>9,912</b>                 | <b>8,316</b>               | <b>(1,595)</b>                 | <b>726</b>     |
| IT Systems   | 2.15        | 435                          | 0                          | (435)                          | 435            |
| <b>Total Other Capital Works</b>                             |             | <b>435</b>                   | <b>0</b>                   | <b>(435)</b>                   | <b>435</b>     |
| New Homes Contingency  |             | 11                           | 0                          | (11)                           |                |
| Canal side: Corner of A419/Downton Rd (Former Ship Inn site) |             | 27                           | 14                         | (13)                           | 13             |
| Glebelands   | 2.17        | 48                           | 24                         | (24)                           | 24             |
| Cambridge House  |             | 32                           | 45                         | 13                             | (13)           |
| Broadfield Road, Eastington                                  | 2.18        | 1,455                        | 1,503                      | 48                             |                |
| Orchard Road, Ebley  | 2.19        | 108                          | 3                          | (105)                          | 105            |
| Queens Drive, Cashes Green                                   |             | 10                           | 1                          | (9)                            | 9              |
| Ringfield Close, Nailsworth                                  | 2.20        | 3,004                        | 2,464                      | (540)                          | 540            |
| Summersfield Road, Minchinhampton                            |             | 955                          | 952                        | (3)                            |                |
| Gloucester St and Bradley St, WuE                            | 2.21        | 149                          | 29                         | (120)                          | 120            |
| Completed Schemes  |             | 0                            | 16                         | 16                             |                |
| <b>Total New Build and Development</b>                       | <b>2.16</b> | <b>5,799</b>                 | <b>5,051</b>               | <b>(748)</b>                   | <b>798</b>     |
| Sheltered Housing Modernisation                              |             | 359                          | 356                        | (3)                            | 0              |
| <b>Total Independent Living Modernisation</b>                | <b>2.22</b> | <b>359</b>                   | <b>356</b>                 | <b>(3)</b>                     |                |
| Acquisitions   |             | 2,285                        | 1,094                      | (1,191)                        |                |
| Opportunity Land Acquisition Pot                             |             | 3,000                        | 0                          | (3,000)                        | 3,000          |
| <b>Total Acquisitions</b>                                    | <b>2.23</b> | <b>5,285</b>                 | <b>1,094</b>               | <b>(4,191)</b>                 | <b>3,000</b>   |
| <b>Total Capital Expenditure</b>                             |             | <b>21,790</b>                | <b>14,817</b>              | <b>(6,972)</b>                 | <b>4,959</b>   |

### 2.1 Major Works – (£1,595k) underspend/slippage

Major works totalling £8,316k have been delivered during 2021/22.

### 2.2 Central Heating – (£280k) underspend/slippage

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Heating Installs and replacements have continued with a service based approach which reduced the overall spend. This year has seen fewer critical failures than previous years, which is down to higher value repairs being carried out and our maintenance programme being delivered in-house for gas boilers, with external specialists maintaining renewable technologies.

Slippage of £200k is being requested in order to replace the heating system at Walter Preston Court in 2022/23. The current system in place is still functioning however rather than proceeding with the original planned replacement upgrade, investigations are underway to ensure it is the most carbon neutral solution practical at this time.

#### 2.3 **Disabled Adaptations – £21k overspend**

The works completed during the year have exceeded that budgeted. This is a result of additional completed works carried over from the previous year that had been delayed due to COVID, therefore bringing programme more up to date.

#### 2.4 **Kitchens and Bathrooms – (£366k) slippage**

The underspend is due to re-tendering for both kitchens and bathrooms which proved extremely difficult to resource for the contractor.

Slippage is being requested of £150k for Kitchens and £100k bathrooms in order to reduce the backlog. Work on both Kitchens and bathrooms has been deferred until 2022/23.

#### 2.5 **Major Void Works – £189k overspend**

A number of void properties were carried forward from last year adding to the voids being completed in this year. As included in paragraphs 3.4 and 3.6, additional resource has been allocated to voids to bring forward properties into habitable use. Some voids are being returned in poor condition, including items to be cleared from the property and garden, further adding to the spend needed in order to relet them.

#### 2.6 **Compliance – (£81k) underspend**

Asbestos removal is responsive, and the asbestos removals programme was managed in line with the cyclical programmes. This resulted in an underspend as a result of delays to planned work due to the re-tendering process.

#### 2.7 **Doors and Windows – (£613k) slippage**

The programme has stalled due to the lack of resource to complete the works in 2021/22. The work for Nationwide and MD has been carried forward to 2022/23.

A request for slippage of £95k has been sought for Windows at Somerset Avenue and £40k to be used for the fire door programme.

#### 2.8 **Electrical Works – (£143k) underspend**

The primary reason for the underspend is due to non-delivery of the anticipated programme. This was the result of a change in regulations leading to a revision in the specification as well as not procuring a contractor until November 2021.

Another influencing factor was an unsuccessful recruitment campaign to source a direct operative to deliver fuse board changes and Electrical Installation Condition Reports (EICR). This resulted in having a back log of EICR's that required completion in order to maintain compliance.

The focus was on EICR testing and prioritised critical failures for rewires and fuse board changes, which resulted in delivery of the Electrical planned work being delayed until the 2022/23 financial year.



**2.9 Environmental Works – (£67k) underspend**

The environmental improvement works have recorded some slippage which is mainly the result of loft issues, damp proof course issues, contractor capacity restrictions for ground level reviews, tenancy dust issues and dis-repair claims.

**2.10 Door Entry – (£68k) underspend**

The underspend is primarily as a result of contractor staff sickness (COVID) which has resulted in part of the programme being delayed until 2022/23.

**2.11 External Works – £48k overspend**

The overspend relates to additional external works from 2021/22 that were not in the current year budget, including additional scaffolding hire and roofing works.

**2.12 Specific Projects - £50k overspend**

Factors creating the overspend on various projects included additional scaffold hire due to nesting birds at Park Parade post work commencement, installation of drains to prevent flooding and enabling works such as BT lines and ariel works, all of which had not been initially factored into the projects.

**2.13 Fire Risk Assessments (£145k) underspend**

The fire risk assessments have been completed however the variance results from an over estimation of the remedial works original spend for 2021/22.

**2.14 Decarbonisation Project (£141k) underspend**

Slippage of £141k has been requested to allow for the works not yet completed and paid for at the end of the financial year. The Decarbonisation Demonstrator Fund grant from Department for Business, Energy and Industrial Strategy (BEIS) has been fully utilised on this project.

**2.15 Other Capital Works – (£416k) underspend**

The underspend relates to the Housing Management system that was proposed in 2021/22 and is currently undergoing due diligence and testing with preferred suppliers. The new system is due to be sourced within the first quarter of 2022/23.

**2.16 New Build and Development – (£748k) underspend**

The properties at Summersfield Road in Minchinhampton were completed during the year. Work is progressing well at Broadfield Road and Ringfield Close with expected completion in early 2022/23. These sites will deliver a total of 36 affordable properties (31 affordable rent, 3 shared ownership and 2 Older person's shared ownership).

**2.17 Glebelands – (£24k) underspend**

Professional fees budgeted for within the Independent Modernisation programme but not used during the year, account for the bulk of the underspend.

**2.18 Broadfield Road, Eastington – £48k overspend**

The reported overspend relates to the latest cost estimate and additional extension of time costs.

**2.19 Orchard Road, Ebley – (£105k) underspend**

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The reported underspend is due to preparatory works being delayed with slippage to 2022/23.

#### 2.20 Ringfield Close, Nailsworth – (£540k) underspend

The reported underspend is due to delayed construction payments and a delayed programme as a result of work being set back due to material supplies.

#### 2.21 Gloucester St and Bradley St, WuE – (£120k) underspend

The reported underspend is due to the construction start being delayed until 2022/23.

#### 2.22 **Independent Living Modernisation Programme**

Works have been completed at Vizard Close and Jenner Court.

#### 2.23 **Acquisitions – (£4,191) underspend**

Three properties were purchased in quarter one and three properties in quarter two. Two of these are houses for ex rough sleepers under the Next Steps Accommodation Programme. Further properties have been identified to add to the general needs housing stock and work will continue to find properties and/or land to increase housing offered by the council.

The land acquisition budget of £3m will be carried forward to 2022/23. This budget is opportunity led, and will not necessarily be used in each year.

**Capital Programme Financing 2021/22**

|                                | General<br>Fund<br>£k | HRA<br>£k     | Total<br>£k   |
|--------------------------------|-----------------------|---------------|---------------|
| Capital Receipts               | 48                    | 2,136         | <b>2,184</b>  |
| External Funding:              |                       |               |               |
| Government grants              | 1,569                 | 567           | <b>2,136</b>  |
| Gloucestershire County Council | 408                   |               | <b>408</b>    |
| National Lottery Heritage Fund | 3,391                 |               | <b>3,391</b>  |
| Other external funding         | 778                   |               | <b>778</b>    |
| Revenue Funding                | 11                    |               | <b>11</b>     |
| Borrowing                      | 2,878                 | 3,868         | <b>6,746</b>  |
| Capital reserve                | 49                    |               | <b>49</b>     |
| Major Repairs Reserves         |                       | 8,090         | <b>8,090</b>  |
| Other reserves                 | 6                     | 156           | <b>162</b>    |
| <b>Total</b>                   | <b>9,138</b>          | <b>14,817</b> | <b>23,955</b> |

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**CAPITAL PROGRAMME 2022/23**

| <b>General Fund Capital Scheme</b>              | <b>2022/23<br/>Base<br/>Budget<br/>£k</b> | <b>Slippage<br/>£k</b> | <b>2022/23<br/>Revised<br/>Budget<br/>£k</b> |
|---|---|------------------------|--|
| <b>Community Services &amp; Licensing</b>       |   |                        |  |
| Community Building Investment                   | 0   | 117                    | 117  |
| Stratford Park Lido                             | 190                                       | 30                     | 220  |
| <b>Total Community Services &amp; Licensing</b> | <b>190</b>                                | <b>147</b>             | <b>337</b>                                   |
| <b>Environment</b>                              |   |                        |  |
| Canal Phase 1B                                  | 7,259                                     | 767                    | 8,026  |
| MSC - Vehicles                                  | 466                                       | 766                    | 1,232  |
| Stroud District Cycling & Walking Plan          | 0   | 395                    | 395  |
| Rural SuDS                                      | 30  | 10                     | 40   |
| Wallbridge                                      | 100                                       |                        | 100  |
| <b>Total Environment</b>                        | <b>7,855</b>                              | <b>1,938</b>           | <b>9,793</b>                                 |
| <b>Housing General Fund</b>                     |   |                        |  |
| CCG Health through Warmth Grants                | 200                                       |                        | 200  |
| Disabled Facilities Grants                      | 350                                       |                        | 350  |
| Green Homes LADS 3                              | 1,030                                     | (85)                   | 945  |
| Home Upgrade Grant - Sustainable Warmth         | 4,218                                     | (85)                   | 4,133  |
| Private Sector Homes Scheme                     | 15  |                        | 15   |
| Temporary Accommodation                         | 0   | 190                    | 190  |
| <b>Total Housing General Fund</b>               | <b>5,813</b>                              | <b>20</b>              | <b>5,833</b>                                 |
| <b>Strategy and Resources</b>                   |   |                        |  |
| Brimscombe Port Redevelopment                   | 174                                       |                        | 174  |
| Electric Vehicles                               | 0   | 12                     | 12   |
| <b>Total Strategy and Resources</b>             | <b>174</b>                                | <b>12</b>              | <b>186</b>                                   |
| <b>Total General Fund</b>                       | <b>14,032</b>                             | <b>2,117</b>           | <b>16,149</b>                                |

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## Appendix I

| Housing Revenue Account<br>Capital Scheme                       | 2022/23<br>Base<br>Budget<br>£k | Slippage<br>£k | 2022/23<br>Revised<br>Budget<br>£k |
|---|---------------------------------|----------------|------------------------------------|
| <b>Housing Revenue Account</b>                                  |                                 |                |                                    |
| Central Heating   | 1,181                           | 200            | 1,381                              |
| Disabled Adaptations  | 155                             |                | 155                                |
| Kitchens and Bathrooms  | 1,446                           | 250            | 1,696                              |
| Major Works   | 464                             |                | 464                                |
| Compliance  | 434                             |                | 434                                |
| Doors and Windows   | 509                             | 135            | 644                                |
| Electrical Works  | 499                             |                | 499                                |
| Environmental Works   | 515                             |                | 515                                |
| Door Entry  | 217                             |                | 217                                |
| External Works  | 2,515                           |                | 2,515                              |
| Fire Risk Assessments   | 490                             |                | 490                                |
| Decarbonisation Project   | 0                               | 141            | 141                                |
| <b>Total Major Works</b>  | <b>8,425</b>                    | <b>726</b>     | <b>9,151</b>                       |
| IT Systems  | 0                               | 435            | 435                                |
| <b>Total Other Capital Works</b>                                | <b>0</b>                        | <b>435</b>     | <b>435</b>                         |
| New Homes Contingency   | 50                              |                | 50                                 |
| Canal side: Corner of A419/Downton Rd<br>(Former Ship Inn site) | 284                             | 13             | 297                                |
| Glebelands  | 4,508                           | 24             | 4,532                              |
| Cambridge House   | 2,764                           | (13)           | 2,751                              |
| Broadfield Road, Eastington                                     | 0                               |                | 0                                  |
| Orchard Road, Ebley   | 762                             | 105            | 867                                |
| Queens Drive, Cashes Green                                      | 488                             | 9              | 497                                |
| Ringfield Close, Nailsworth                                     | 0                               | 540            | 540                                |
| Gloucester St and Bradley St, WuE                               | 1,665                           | 120            | 1,785                              |
| May Lane, Dursley   | 50                              |                | 50                                 |
| <b>Total New Build and Development</b>                          | <b>10,571</b>                   | <b>798</b>     | <b>11,369</b>                      |
| Independent Living Modernisation                                | 648                             |                | 648                                |
| <b>Total Independent Living Modernisation</b>                   | <b>648</b>                      | <b>0</b>       | <b>648</b>                         |
| Acquisitions  | 2,000                           |                | 2,000                              |
| Opportunity Land Acquisition Pot                                | 0                               | 3,000          | 3,000                              |
| <b>Total Acquisitions</b>                                       | <b>2,000</b>                    | <b>3,000</b>   | <b>5,000</b>                       |
| <b>Total HRA</b>  | <b>21,644</b>                   | <b>4,959</b>   | <b>26,603</b>                      |
| <b>Total Capital Programme</b>                                  | <b>35,676</b>                   | <b>7,076</b>   | <b>42,752</b>                      |

## General Fund Covid-19 Financial Impact 2021/22

1. The below table shows a summary of the financial impact, which for directly provided services totals £1.279m, a reduction from £3.586m in 2020/21.

**Impact on Services:**

|   | 2020/21<br>£k | 2021/22<br>£k | Total<br>£k  |
|---|---------------|---------------|--------------|
| <b>Loss of Income</b>                           |               |               |              |
| Car Parks                                       | 578           | 311           | <b>889</b>   |
| The Pulse                                       | 1,088         | 269           | <b>1,357</b> |
| Development Control                             | 235           | -             | <b>235</b>   |
| Building Control                                | 147           | -             | <b>147</b>   |
| Other fees and charges                          | 50            | 8             | <b>58</b>    |
| Rental Income                                   | 342           | 193           | <b>535</b>   |
| Investment Income                               | 259           | 53            | <b>312</b>   |
| Revenues enforcement income                     | 169           | 20            | <b>189</b>   |
| <b>Total loss of income</b>                     | <b>2,868</b>  | <b>854</b>    | <b>3,722</b> |
|   |               |               |              |
| <b>Additional Expenditure</b>                   |               |               |              |
| Homelessness                                    | 198           | 76            | <b>274</b>   |
| Ubico - waste and cleaning                      | 88            | 135           | <b>223</b>   |
| PPE and facilities management costs             | 67            | 30            | <b>97</b>    |
| Community Grants                                | 50            | -             | <b>50</b>    |
| Communications with residents                   | 56            |               | <b>56</b>    |
| Additional staff                                | 89            | 161           | <b>250</b>   |
| IT software and equipment                       | 41            | 8             | <b>49</b>    |
| Support for SLM (Stratford Park Leisure Centre) | 68            |               | <b>68</b>    |
| Elections                                       | 15            | 10            | <b>25</b>    |
| One Legal - loss of income                      | 17            |               | <b>17</b>    |
| Other identified costs                          | 29            | 5             | <b>34</b>    |
| <b>Total additional expenditure</b>             | <b>718</b>    | <b>425</b>    | <b>1,143</b> |
| <b>Total Financial Impact of Covid-19</b>       | <b>3,586</b>  | <b>1,279</b>  | <b>4,865</b> |

2. In order to support local authorities, Government have made large amounts of grant funding available, with specific grants totalling £0.777m available in 2021/22 (£2.839m in 2020/21). New burdens funding, to provide funding to support delivering new schemes has also been given, totalling £0.336m in 2021/22 (£0.302m in 2020/21). The Council has also supported adverse spend from its own reserves, including for additional staffing and backfilling staff where required.

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### Appendix J

| <b>Breakdown of funding</b>            | 2020/21<br>£k  | 2021/22<br>£k  | Total<br>£k    |
|--|----------------|----------------|----------------|
| Government Grant Funding               |                |                |                |
| Government Grant - Covid Support       | (1,486)        | (470)          | <b>(1,956)</b> |
| Sales, Fees and Charges                | (1,322)        | (133)          | <b>(1,455)</b> |
| BIS Funding                            | (31)           |                | <b>(31)</b>    |
| Council Tax Support                    |                | (174)          | <b>(174)</b>   |
| New Burdens Funding and Admin Payments | (302)          | (336)          | <b>(638)</b>   |
| SDC Contributions from reserves        |                | (271)          | <b>(271)</b>   |
| <b>Total Contributions</b>             | <b>(3,141)</b> | <b>(1,384)</b> | <b>(4,525)</b> |

### 3. Externally Funded Projects

4. Stroud District Council officers have also been involved in delivering schemes which have been fully, or substantially funded by Government, Gloucestershire County Council and other organisations.
5. Although any expenditure has been funded, officer resource and expertise has been provided by the Council.
6. The table below gives a summary of this work. Where projects are marked with an \*asterisk, the project/s will continue into 2022/23.

| <b>Externally Funded Projects</b>               | 2020/21<br>£k | 2021/22<br>£k | Total<br>£k   |
|---|---------------|---------------|---------------|
| GCC Funded Schemes*                             | 135           | 444           | <b>579</b>    |
| Externally funded Community grants              | 24            |               | <b>24</b>     |
| Government funded schemes:                      |               |               |               |
| Community Outbreak Management Fund (COMF)*      |               | 2             | <b>2</b>      |
| Council Tax Hardship funding                    | 314           | 314           | <b>628</b>    |
| Compliance and enforcement                      | 28            | 15            | <b>43</b>     |
| Support for SLM (Stratford Park Leisure Centre) | 127           | 95            | <b>222</b>    |
| Reopening the High Street/Welcome back fund     | 36            | 86            | <b>122</b>    |
| Business Grants                                 | 36,860        | 10,741        | <b>47,601</b> |
| Test and Trace Support Payments (£500)          | 98            | 337           | <b>435</b>    |
| <b>Total externally funded projects</b>         | <b>37,463</b> | <b>11,588</b> | <b>49,051</b> |



## STROUD DISTRICT COUNCIL

## STRATEGY AND RESOURCES COMMITTEE

29 SEPTEMBER 2022

|  |   |       |          |               |
|--|---|-------|----------|---------------|
| <b>Report Title</b>  | <b>Budget Monitoring Report Q1 2022/23</b>  |       |          |               |
| <b>Purpose of Report</b>                                       | To present to the Committee a forecast of the outturn position against the General Fund revenue budget, Housing Revenue Account and capital programme for 2022/23, in order to give an expectation of possible variances against budget.                      |       |          |               |
| <b>Decision(s)</b>   | <b>The Committee RESOLVES to note:</b><br><br>a) the outturn forecast for the General Fund Revenue budget.<br>b) the outturn forecast for the Housing Revenue Account<br>c) the outturn forecast for the Capital Programme.                                   |       |          |               |
| <b>Consultation and Feedback</b>                               | 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.   |       |          |               |
| <b>Report Author</b>   | Adele Rudkin, Accountant<br>Tel: 01453 754109 Email: <a href="mailto:adele.rudkin@stroud.gov.uk">adele.rudkin@stroud.gov.uk</a><br>Jon Coldridge, Principal Accountant<br>Email: <a href="mailto:jon.coldridge@stroud.gov.uk">jon.coldridge@stroud.gov.uk</a> |       |          |               |
| <b>Options</b>   | None  |       |          |               |
| <b>Background Papers</b>                                       | None  |       |          |               |
| <b>Appendices</b>  | Appendix A – Other Service Committee Summaries<br>Appendix B – Strategy and Resources Committee Detailed Breakdown<br>Appendix C – Housing Revenue Account Breakdown  |       |          |               |
| <b>Implications (further details at the end of the report)</b> | Financial   | Legal | Equality | Environmental |
|  | No  | No    | No       | No            |

**1 Background**

- 1.1 This report provides the first monitoring position statement for the financial year 2022/23. 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.

**2. Summary**

- 2.1 The monitoring position for the General Fund at 30 June 2022 shows a projected net revenue overspend of £87k against the latest budget, as summarised in Section 3.
- 2.2 The Housing Revenue Account (HRA) shows a forecasted overspend of £269k, as shown in Section 5.

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- 2.3 The capital programme, as detailed in Section 6, shows a forecast spend of £44,417m against a budget of £42,753m.
- 2.4 These figures are still subject to some significant uncertainties. It is expected that many costs will increase in excess of the inflationary uplifts allowed in the budget. In particular this is likely to be seen for salaries, utilities and labour and materials, and the full impact is not currently known.

### 3. Revenue Budget Position

- 3.1 Council approved the General Fund Revenue budget for 2022/23 in February 2022. This has been amended to split out the budgets now being reported to Development Control Committee.
- 3.2 The budget has been revised to include the budget allocations carried forward from 2021/22, as reported to this Committee in the Outturn 2021/22 Report.
- 3.3 The monitoring position for the General Fund at 30 June 2022 shows a **projected net overspend of £87k** against the latest budget, as summarised in Table 1.

Table 1 – General fund Summary

|  | 2022/23<br>Original<br>Budget<br>£k | 2022/23<br>Revised<br>Budget<br>£k | 2022/23<br>Forecast<br>Outturn<br>£k | 2022/23<br>Reserve<br>Transfers<br>£k | 2022/23<br>Outturn<br>Variance<br>£k |
|--|-------------------------------------|------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|
| <b>GENERAL FUND</b>                    |                                     |                                    |                                      |                                       |                                      |
| Community Services and Licensing       | 3,307                               | 3,463                              | 3,748                                | 0                                     | 285                                  |
| Development Control                    | 220                                 | 228                                | 239                                  | 0                                     | 11                                   |
| Environment                            | 6,465                               | 6,696                              | 6,847                                | (238)                                 | (87)                                 |
| Housing General Fund                   | 890                                 | 1,107                              | 945                                  | 0                                     | (162)                                |
| Strategy and Resources                 | 8,807                               | 8,761                              | 8,958                                | (157)                                 | 40                                   |
| Support service charges to HRA         | (2,408)                             | (2,408)                            | (2,408)                              | 0                                     | 0                                    |
| <b>Net Revenue Expenditure</b>         | <b>17,281</b>                       | <b>17,847</b>                      | <b>18,329</b>                        | <b>(395)</b>                          | <b>87</b>                            |
| Funding from Govt Grants/Council Tax   | (16,039)                            | (16,039)                           | (16,039)                             | 0                                     | 0                                    |
| Transfers to/(from) Earmarked Reserves | (1,242)                             | (1,808)                            | (1,808)                              | 0                                     | 0                                    |
| <b>Total General Fund</b>              | <b>0</b>                            | <b>0</b>                           | <b>482</b>                           | <b>(395)</b>                          | <b>87</b>                            |

- 3.4 Key areas of variance:
- 3.5 **Housing Benefit - £266k additional expenditure**

A pressure is ongoing for Housing Benefit payments for higher cost supported housing, where the additional cost of the charges is only reimbursed by Government at 60%. The remaining 40% is borne by SDC. Additional budget to address some of the costs was actioned as part of budget setting last financial year. 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.

- 3.6 **Waste and Recycling – (£110k) additional income**

Recycling credits and income from the sale of materials continues to be higher than budget (-£230k), although there is currently an expected overspend of £86k on the Ubico contract. This is predominantly due to rising costs. An allowance was made from the outturn position for inflationary pressures for Ubico and this will be monitored.

**3.7 Covid 19 – (£204k) underspend**

A budget allowance of £500k was approved to offset Covid related expenditure or loss of income by Council in February 2022.

Currently the only identified pressure relating to Covid-19 is a loss of car parking income of £296k. User numbers remain suppressed post pandemic, as people work in different ways, with less reliance on town centre locations.

**3.8 Housing Advice – (£162k) underspend**

The cost of temporary accommodation is currently forecast to be £100k under budget. It is possible that this could change significantly over winter. There is also additional grant income of £62k in this year.

**3.9 Facilities Management - £82k overspend**

There is reduced rental income due to vacant areas in Ebley Mill. These areas have been utilised whilst empty, but are being actively marketed to bring in income.

3.10 Further detail on all variances can be found in the service committee reports.

**3.11 Areas of significant uncertainty**

The pay award from April 2022 has not yet been agreed, although it is expected that it will be higher than the 2.5% included within the base budget. An amount of £370k has been set aside from the 2021/22 underspend and is held in reserves to help meet the additional cost.

The Council’s gas and electricity contracts are due for renewal from 1 October, and although the cost is not yet known, it is expected to be well in excess of the budgeted increase of 40-50%. This is likely to have a significant impact for council buildings, in particular Ebley Mill and The Pulse.

**3.12 Modernisation Savings**

The Medium Term Financial Plan includes a Modernisation savings target which for 2022/23 stands at £350k. It is expected that some of this savings target will be met through vacancy savings, with additional savings to be found through the Fit for the Future programme.

The Quarter 1 position includes an estimate of £224k vacancy savings to be achieved during the year, although it should be noted that this amount is likely to fluctuate throughout the year. This leaves an estimated savings target of £126k.

Table 2 - Current estimate of vacancy savings

| <b>Service</b>        | <b>Vacancy Saving Forecast<br/>£k</b> |
|-----------------------|---------------------------------------|
| Customer Services     | 21                                    |
| Revenues and Benefits | 88                                    |
| Biodiversity          | 22                                    |
| Finance               | 11                                    |
| HR                    | 24                                    |
| ICT                   | 37                                    |
| Property Services     | 21                                    |
| <b>Total</b>          | <b>224</b>                            |

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### 4. Strategy & Resources Committee Revenue budget

4.1 The latest budget for Strategy and Resources Committee is £8.761m. The monitoring position at Quarter 1 shows a projected net overspend of £40k.

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 2022/23

| Strategy & Resources Committee         | Para Refs | 2022/23 Original Budget<br>£k | 2022/23 Revised Budget<br>£k | 2022/23 Forecast Outturn<br>£k | 2022/23 Reserve Transfers<br>£k | 2022/23 Outturn Variance<br>£k |
|--|-----------|-------------------------------|------------------------------|--------------------------------|---------------------------------|--------------------------------|
| Car Parks                              | 4.3       | (659)                         | (659)                        | (362)                          | 0                               | 296                            |
| Commercial Properties                  |           | (136)                         | (136)                        | (137)                          | 0                               | (1)                            |
| Communications                         | 4.4       | 169                           | 169                          | 190                            | 0                               | 21                             |
| Corporate Expenditure & Income         |           | 1,486                         | 1,426                        | 1,435                          | 0                               | 8                              |
| Corporate Policy & Governance          | 4.5       | 1,162                         | 1,162                        | 1,176                          | 0                               | 13                             |
| Corporate Services (Legal)             |           | 512                           | 512                          | 512                            | 0                               | 0                              |
| Covid-19                               | 4.6       | 500                           | 500                          | 0                              | 0                               | (500)                          |
| Facilities Management                  | 4.7       | 434                           | 434                          | 516                            | 0                               | 82                             |
| Financial Services                     |           | 873                           | 873                          | 878                            | 0                               | 5                              |
| Fit for the Future                     | 4.8       | 334                           | 334                          | 563                            | (142)                           | 87                             |
| Human Resources                        | 4.9       | 659                           | 673                          | 673                            | 0                               | 0                              |
| Information & Communication Technology | 4.10      | 1,900                         | 1,900                        | 1,923                          | 0                               | 23                             |
| Other Properties                       |           | (768)                         | (768)                        | (749)                          | (16)                            | 3                              |
| Pension Lump Sum                       |           | 1,156                         | 1,156                        | 1,156                          | 0                               | 0                              |
| Property Services                      |           | 590                           | 590                          | 581                            | 0                               | (9)                            |
| Senior Leadership Team                 |           | 591                           | 591                          | 600                            | 0                               | 9                              |
| Youth Councils                         |           | 3                             | 3                            | 4                              | 0                               | 0                              |
| <b>Strategy and Resources TOTAL</b>    |           | <b>8,807</b>                  | <b>8,761</b>                 | <b>8,958</b>                   | <b>(157)</b>                    | <b>40</b>                      |

#### 4.3 Car Parks - £296k income shortfall

(Mike Hammond, xtn 4447, [mike.hammond@stroud.gov.uk](mailto:mike.hammond@stroud.gov.uk))

User numbers remain suppressed post pandemic, as people work in different ways, with less reliance on town centre locations. We continue to expect income levels to recover over the coming months, but to what degree is unclear. Numbers will be monitored very closely over the coming months. It is prudent at this stage to predict an income shortfall.

#### 4.4 Communications - £21k overspend

(Ben Falconer, xtn 4104, [ben.falconer@stroud.gov.uk](mailto:ben.falconer@stroud.gov.uk))

This forecast overspend is predominantly related to a salary post shared between Levelling Up and Fit for the Future. Funding for this post has been allocated within the two projects.

#### 4.5 Corporate Policy & Governance – £13k overspend

(Hannah Emery, xtn 4383, [hannah.emery@stroud.gov.uk](mailto:hannah.emery@stroud.gov.uk))

Following a review of the Members' Scheme of Allowances, Council approved the Independent Remuneration Panel's recommendations in July 2022 to increase the Basic Allowance for 2021/22 by £132.00 and 2022/23 by £250.00. Special Responsibility Allowances were also increased which has resulted in a predicted overspend of £28k. There are a small number of offsetting underspends within the service contributing to the overall variance.

### 4.6 COVID 19 – (£500k) underspend

(Lucy Clothier, [lucy.clothier@stroud.gov.uk](mailto:lucy.clothier@stroud.gov.uk))

A budget allowance of £500k was approved to offset Covid related expenditure or loss of income by Council in February 2022.

Currently the only identified pressure relating to Covid-19 is a loss of car parking income of £296k which can be funded from the allocated budget allowance, giving a net underspend of £204k.

### 4.7 Facilities Management - £82k unachieved income

Brian McGough, xtn 4411, [brian.mcgough@stroud.gov.uk](mailto:brian.mcgough@stroud.gov.uk)

This variance is predominantly due to lack of income for rental and service charge income in respect of the New Build and Bodley Block Ground in Ebley Mill. The District Council have been actively using the spaces either for additional space during the Covid pandemic or for the contractor's site set up during the installation of the water source heat pumps.

The letting agent is now marketing both suites and there is good interest in the New Build such that we anticipate its occupation within the next 10-12 weeks.

### 4.8 Fit for the Future - £87k

(Adrian Blick, xtn 4282, [adrian.blick@stroud.gov.uk](mailto:adrian.blick@stroud.gov.uk))

The overspend directly relates to the iTrent implementation project costs which due to a change of scope now sits within the FFF programme. £110k paid in this financial year. There is an offsetting favourable variance due to delays in recruitment of a number of roles (Business Analyst, IT Developer ) which meant that some project costs (staff and external spend on API software) were deferred from 2021/22 to 2022/23.

### 4.9 Human Resources – (24k) underspend

(Lucy Powell, xtn 4286, [lucy.powell@stroud.gov.uk](mailto:lucy.powell@stroud.gov.uk))

This forecast underspend is due to the service carrying several vacancies in this financial year. The current establishment has been considered and proposals raised as to what is needed going forward to ensure that the service is fully staffed in the near future. This saving has been included in the overall vacancy savings reported in 3.10.

### 4.10 ICT – £23k overspend

(Adrian Blick, xtn 4282, [adrian.blick@stroud.gov.uk](mailto:adrian.blick@stroud.gov.uk))

The principal variance is concerned with several software contracts including Gladstone, Civica and Uniform seeing a significant increase in their renewal costs. An underspend in salaries has been forecast due to an in year vacancy, this role is currently being recruited to with a view to the post being filled in September 2022. This saving has been included in the overall vacancy savings reported in 3.10.

## 5. Housing Revenue Account Budget Position

5.1 The original net Housing Revenue Account (HRA) budget for 2022/23 is a transfer to reserves of £1,008k, as approved by Council in February 2022.

5.2 The budget monitoring position for the HRA at Quarter 1 shows a projected net overspend of £269k (1.0% of gross spend) against the current budget, as shown in the below table.

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**Table 4: HRA Revenue Summary**

| Housing Committee                    | 2022/23<br>Original<br>Budget<br>£k | 2022/23<br>Revised<br>Budget<br>£k | 2022/23<br>Forecast<br>Outturn<br>£k | 2022/23<br>Reserve<br>Transfers<br>£k | 2022/23<br>Outturn<br>Variance<br>£k |
|--------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|
| Total Income                         | (24,058)                            | (24,058)                           | (23,885)                             | 0                                     | 173                                  |
| Total Expenditure                    | 11,551                              | 11,551                             | 11,647                               | 0                                     | 96                                   |
| Total Other Costs and Income         | 14,673                              | 14,673                             | 14,673                               | 0                                     | 0                                    |
| <b>Total Net Expenditure</b>         | <b>2,166</b>                        | <b>2,166</b>                       | <b>2,435</b>                         | <b>0</b>                              | <b>269</b>                           |
| Transfers to/from Earmarked reserves | (1,158)                             | (1,158)                            | (1,158)                              | 0                                     | 0                                    |
| Transfers to/from General Reserves   | (1,008)                             | (1,008)                            | (1,008)                              | 0                                     | 0                                    |
| <b>Total Housing Revenue Account</b> | <b>0</b>                            | <b>0</b>                           | <b>269</b>                           | <b>0</b>                              | <b>269</b>                           |

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 – £173k loss of income

Rents continue to be lower than budgeted, but voids have reduced dramatically from last year. During the course of the last financial year the number of empty council house properties undergoing works to make them ready to be let significantly reduced from 164 at the start of 2021/22 to 71 at the year end. The Property Care team have worked exceptionally hard over this period and during the first quarter of 2022, and have reduced the figure further to 41, which is now in line with pre pandemic levels.

Income levels will continue to be monitored.

### 5.6 Supervision and management – (£201k) underspend

There are salary savings of £172k, predominantly in Contract Services and the New Build team.

### 5.7 Repairs and maintenance – £218k overspend

Vacancies within the operatives at Property Care will need to be covered with subcontractors. The reported overspend relates to slippage on insurance works (+£140k) that were reported in 2021/22, but have slipped into 2022/23. There is also additional council tax payable on void properties of £50k.

### 5.8 Independent Living Modernisation - £75k overspend

Uncontrollable delays to the new build programme have meant that the demolition of Glebelands and Cambridge House is now later than planned with council tax remaining payable on the old properties, until demolition has taken place.

### 5.9 Areas of significant uncertainty

The financial position of the HRA will be greatly affected by changes in cost during the year which are not yet known. Unlike the General Fund the HRA will need to cover any additional salaries cost in year as there was no underspend in 2021/22 to put aside for these costs.

The expected increase in utilities will also affect the HRA for communal areas of blocks of flats and Independent Living Schemes. There are also five Independent Living Schemes that have district heating systems that supply approximately 168 properties. The heating and hot water used by the tenants is charged through a fixed service charge. This means that the increased cost will not be passed on to tenants unless new service charges are put

in place by Housing Committee, which is not currently being proposed. The additional cost will need to be subsidised by the wider HRA.

It is also expected that the cost of labour and materials will be in excess of the budget allowed. Further analysis is being undertaken to determine the expected costs and what can be delivered within the resources (predominantly staffing). This will affect repairs and maintenance, including works undertaken by Property Care and external contractors, as well as the new build programme.

### **6. Capital Programme**

6.1 The current capital programme, following the addition of slippage from 2021/22 is £42.753m. The current forecast spend is £44,417m, net additional spend of £1.664m.

#### **6.2 General Fund Capital**

6.3 Overall the total General Fund capital programme spend is expected to be £14,232k against a budget of £16,149k.

6.4 There are some areas of forecast slippage, including the Canal restoration (-£3,173k) and the Stroud and District cycling and walking plan (-£292k). These are all only timing differences and will not affect the overall costs, although a full update on the position of the Canal Phase 1B scheme will be reported later this year.

6.5 The General Fund capital programme has one area of overspend relating to Brimscombe Port. The expected cost is higher than the budget due to additional asbestos being found which has increased the cost of demolition.

6.6 The Green Homes LADS for park homes to provide insulation to Park Homes, and the Warm Homes partnership project to provide first time central heating, have both been extended into the early months of 2022/23. These schemes are now complete and the costs will be fully funded.

6.7 A new Warm homes Low Carbon Initiatives scheme has started after the last round of budget setting. This new project has been set up to provide first time renewable central heating to off gas homes with funding provided from the National Grid Warm Homes Fund. The budget will be brought into line with the overall budget allocation at the next budget setting and reported in Q2 2022/23.

#### **6.8 HRA Capital**

6.9 The Major Works programme is currently only showing additional spend of £2,742k relating to the successful bid for Wave 1 Decarbonisation funding scheme, which was secured following the last round of budget setting. The Decarbonisation project will be part grant funded from the Department for Business, Energy and Industrial Strategy (BEIS).

6.10 A review of all existing schemes will be undertaken, and a revised budget requested at budget setting to take into account increases in prices, internal resource available and issues with some existing contractors.

6.11 Construction is complete at Broadfield Road and Ringfield Close and an assessment of closure costs and the outturn position is underway. These sites have delivered a total of 29 affordable properties (24 affordable rent, 3 shared ownership and 2 Older person's shared ownership). The final project costs and outturn position will be reported in a future budget monitoring report when the assessment of closure costs is complete.

6.12 Broadfield Road, Eastington reports a £27k overspend and Ringfield Close, Nailsworth reports a £802k overspend which predominantly relates to additional costs being identified due to delays from covid and increased costs. Current indications show that the increase in

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build costs will have a significant impact on future schemes and further work is underway to establish viability of these schemes.

Table 5 – Capital Summary

|   | 2022/23<br>Original<br>Budget<br>£k | 2022/23<br>Revised<br>Budget<br>£k | 2022/23<br>Forecast<br>Outturn<br>£k | 2022/23<br>Outturn<br>Variance<br>£k |
|---|-------------------------------------|------------------------------------|--------------------------------------|--------------------------------------|
| <b>Capital Schemes</b>                              |                                     |                                    |                                      |                                      |
| Community Buildings Investment                      | 0                                   | 117                                | 117                                  | 0                                    |
| Stratford Park Lido                                 | 190                                 | 220                                | 220                                  | 0                                    |
| <b>Community Services Capital Schemes TOTAL</b>     | <b>190</b>                          | <b>337</b>                         | <b>337</b>                           | <b>0</b>                             |
| Canal   | 7,259                               | 8,026                              | 4,853                                | (3,173)                              |
| Multi-Service Contract Vehicles                     | 466                                 | 1,232                              | 1,232                                | 0                                    |
| Rural SuDS Project                                  | 30                                  | 40                                 | 70                                   | 30                                   |
| Stroud District Cycling & Walking Plan              | 0                                   | 395                                | 103                                  | (292)                                |
| Wallbridge-Gateway                                  | 100                                 | 100                                | 100                                  | 0                                    |
| <b>Environment Capital Schemes TOTAL</b>            | <b>7,855</b>                        | <b>9,793</b>                       | <b>6,358</b>                         | <b>(3,435)</b>                       |
| Better Care Fund Projects                           | 0                                   | 0                                  | 3                                    | 3                                    |
| Disabled Facilities Grant Scheme                    | 350                                 | 350                                | 350                                  | 0                                    |
| Green Home LADS Park Homes                          | 0                                   | 0                                  | 90                                   | 90                                   |
| Green Homes LADS 3                                  | 1,030                               | 945                                | 945                                  | 0                                    |
| Health through Warmth Grants                        | 200                                 | 200                                | 200                                  | 0                                    |
| Home Upgrade Grant - Sustainable Warmth             | 4,218                               | 4,133                              | 4,133                                | 0                                    |
| Private Sector Housing Loans                        | 15                                  | 15                                 | 15                                   | 0                                    |
| Temporary Accommodation                             | 0                                   | 190                                | 190                                  | 0                                    |
| Warm Homes  | 0                                   | 0                                  | 40                                   | 40                                   |
| Warm Homes-Low Carbon Initiatives                   | 0                                   | 0                                  | 1,000                                | 1,000                                |
| <b>Housing General Fund Capital Schemes TOTAL</b>   | <b>5,813</b>                        | <b>5,833</b>                       | <b>6,965</b>                         | <b>1,132</b>                         |
| Brimscombe Port Redevelopment                       | 174                                 | 174                                | 560                                  | 385                                  |
| Electric Vehicle Acquisition                        | 0                                   | 12                                 | 12                                   | 0                                    |
| ICT Investment Plan                                 | 0                                   | 0                                  | 0                                    | 0                                    |
| Water Source Heat Pump-Ebley Mill & Brimscombe Port | 0                                   | 0                                  | 0                                    | 0                                    |
| <b>Strategy and Resources Capital Schemes TOTAL</b> | <b>174</b>                          | <b>186</b>                         | <b>572</b>                           | <b>385</b>                           |
| <b>TOTAL GENERAL FUND CAPITAL SCHEMES</b>           | <b>14,032</b>                       | <b>16,149</b>                      | <b>14,232</b>                        | <b>(1,917)</b>                       |
| Major Works   | 8,425                               | 9,151                              | 11,893                               | 2,742                                |
| Other Capital Works                                 | 0                                   | 435                                | 435                                  | 0                                    |
| New Build and Development                           | 10,571                              | 11,369                             | 12,209                               | 840                                  |
| Independent Living Modernisation                    | 648                                 | 648                                | 648                                  | 0                                    |
| Acquisitions  | 2,000                               | 5,000                              | 5,000                                | 0                                    |
| <b>TOTAL HRA SCHEMES</b>                            | <b>21,644</b>                       | <b>26,603</b>                      | <b>30,185</b>                        | <b>3,582</b>                         |
| <b>TOTAL CAPITAL SCHEMES</b>                        | <b>35,677</b>                       | <b>42,753</b>                      | <b>44,417</b>                        | <b>1,664</b>                         |

### 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 **£572k**.



Table 6 – Strategy and Resources Capital Programme

|   | 2022/23<br>Original<br>Budget<br>(£'000) | 2022/23<br>Revised<br>Budget<br>(£'000) | 2022/23<br>Forecast<br>Outturn<br>(£'000) | 2022/23<br>Outturn<br>Variance<br>(£'000) |
|---|--|---|---|---|
| <b>Strategy &amp; Resources Capital Schemes</b>     |  |   |   |   |
| Brimscombe Port Redevelopment                       | 174                                      | 174                                     | 560                                       | 385                                       |
| Electric Vehicle Acquisition                        | 0  | 12                                      | 12  | 0   |
| <b>Strategy and Resources Capital Schemes Total</b> | <b>174</b>                               | <b>186</b>                              | <b>572</b>                                | <b>385</b>                                |

## 7.2 Brimscombe Port Redevelopment

The majority of the variance is due to the demolition costs being considerably more than anticipated. Legal fees are a lot higher than projected due to the complexities of the project becoming more apparent as it has progressed. In addition the change in programme (delays to demolition and extended procurement) resulted in re-profiling of the costs moving from 21/22 to 22/23.

## 7.3 Electric Vehicle Acquisition

The remaining capital budget of £12k will be utilised in installing electric vehicle points across the county. A Consultancy service have been engaged to produce a report to identify recommendations for EV charging rollout within our car parks and the most appropriate operating model.

## 8. IMPLICATIONS

### 8.1 Financial Implications

This report is of a financial nature, reporting on previous financial activities and expected forecasts. Potential financial pressures are detailed in the report.

Lucy Clothier, Accountancy Manager  
Email: lucy.clothier@stroud.gov.uk

### 8.2 Legal Implications

There are no specific legal implications arising from this report and its recommendations.

One Legal, Tel: 01684272691 Email: legal.services@teWKesbury.gov.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.

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Other Service Committee Summaries

**Community Services & Licensing Committee**

|  | 2022/23<br>Original<br>Budget<br>(£'000) | 2022/23<br>Revised<br>Budget<br>(£'000) | 2022/23<br>Forecast<br>Outturn<br>(£'000) | 2022/23<br>Outturn<br>Variance<br>(£'000) |
|--|--|---|---|---|
| <b>Community Services Committee</b>              |  |   |   |   |
| Community Safety                                 | 171                                      | 179                                     | 174                                       | (5)                                       |
| Cultural Services - Arts and Culture             | 410                                      | 410                                     | 400                                       | (11)                                      |
| Cultural Services - Community Health & Wellbeing | 165                                      | 295                                     | 296                                       | 2   |
| Cultural Services - Sports Centres               | (90)                                     | (90)                                    | (76)                                      | 14  |
| Customer Services                                | 475                                      | 475                                     | 458                                       | (17)                                      |
| Grants to Voluntary Organisations                | 330                                      | 330                                     | 330                                       | 0   |
| Licensing  | (44)                                     | (44)                                    | (44)                                      | 0   |
| Public Spaces                                    | 1,401                                    | 1,419                                   | 1,453                                     | 34  |
| Revenues and Benefits                            | 380                                      | 380                                     | 646                                       | 266                                       |
| Youth Services                                   | 109                                      | 109                                     | 110                                       | 1   |
| <b>Community Services and Licensing TOTAL</b>    | <b>3,307</b>                             | <b>3,463</b>                            | <b>3,748</b>                              | <b>285</b>                                |

**Environment Committee**

|                              | 2022/23<br>Original<br>Budget<br>(£'000) | 2022/23<br>Revised<br>Budget<br>(£'000) | 2022/23<br>Forecast<br>Outturn<br>(£'000) | 2022/23<br>Reserve<br>Transfers<br>(£'000) | 2022/23<br>Outturn<br>Variance<br>(£'000) |
|------------------------------|--|---|---|--|---|
| <b>Environment Committee</b> |  |   |   |  |   |
| Canal                        | 170                                      | 170                                     | 170                                       | 0  | 0   |
| Carbon Management            | 224                                      | 224                                     | 173                                       | 51   | (0)                                       |
| Economic Development         | 236                                      | 236                                     | 509                                       | (273)                                      | 0   |
| Health & Wellbeing           | 858                                      | 909                                     | 902                                       | 0  | (7)                                       |
| Land Charges & Street Naming | (14)                                     | (14)                                    | (14)                                      | 0  | 0   |
| Planning Strategy/Local Plan | 365                                      | 546                                     | 655                                       | (67)                                       | 43  |
| Statutory Building Control   | (131)                                    | (131)                                   | (195)                                     | 50   | (15)                                      |
| Waste & Recycling: Other     | 26                                       | 26                                      | 28  | 0  | 2   |
| Waste and Recycling: MSC     | 4,730                                    | 4,730                                   | 4,620                                     | 0  | (110)                                     |
| <b>Environment TOTAL</b>     | <b>6,465</b>                             | <b>6,696</b>                            | <b>6,847</b>                              | <b>(238)</b>                               | <b>(87)</b>                               |

**Housing Committee – General Fund**

|                                   | Para<br>Refs | 2022/23<br>Original<br>Budget<br>(£'000) | 2022/23<br>Revised<br>Budget<br>(£'000) | 2022/23<br>Forecast<br>Outturn<br>(£'000) | 2022/23<br>Reserve<br>Transfers<br>(£'000) | 2022/23<br>Outturn<br>Variance<br>(£'000) |
|-----------------------------------|--------------|--|---|---|--|---|
| <b>Housing Committee</b>          |              |  |   |   |  |   |
| Housing Advice                    |              | 562                                      | 562                                     | 399                                       | 0  | (162)                                     |
| Housing Strategy                  |              | 166                                      | 333                                     | 333                                       | 0  | 0   |
| Private Sector Housing            |              | 163                                      | 213                                     | 213                                       | 0  | 0   |
| <b>Housing General Fund Total</b> |              | <b>890</b>                               | <b>1,107</b>                            | <b>945</b>                                | <b>0</b>                                   | <b>(162)</b>                              |

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Strategy and Resources Committee – Detailed Breakdown

|   | Para Refs | 2022/23 Original Budget (£'000) | 2022/23 Revised Budget (£'000) | 2022/23 Forecast Outturn (£'000) | 2022/23 Reserve Transfers (£'000) | 2022/23 Outturn Variance (£'000) |
|---|-----------|---------------------------------|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| <b>Strategy &amp; Resources Committee</b> |           |                                 |                                |                                  |                                   |                                  |
| Car Parks (Other)                         |           | 55                              | 55                             | 56                               | 0                                 | 1                                |
| Car Parks (Stroud)                        |           | (763)                           | (763)                          | (478)                            | 0                                 | 285                              |
| Car Parks Enforcement                     |           | 50                              | 50                             | 60                               | 0                                 | 10                               |
| <b>Car Parks</b>                          |           | <b>(659)</b>                    | <b>(659)</b>                   | <b>(362)</b>                     | <b>0</b>                          | <b>296</b>                       |
| Brunel Mall                               |           | (66)                            | (66)                           | (56)                             | 0                                 | 11                               |
| Gossington Depot                          |           | (66)                            | (66)                           | (72)                             | 0                                 | (6)                              |
| Industrial Units, Stonehouse              |           | 0                               | 0                              | 0                                | 0                                 | 0                                |
| Littlecombe Development, Dursley          |           | (4)                             | (4)                            | (10)                             | 0                                 | (6)                              |
| <b>Commercial Properties</b>              |           | <b>(136)</b>                    | <b>(136)</b>                   | <b>(137)</b>                     | <b>0</b>                          | <b>(1)</b>                       |
| Communications                            |           | 169                             | 169                            | 190                              | 0                                 | 21                               |
| <b>Communications</b>                     |           | <b>169</b>                      | <b>169</b>                     | <b>190</b>                       | <b>0</b>                          | <b>21</b>                        |
| Corporate Expenditure & Income            |           | 1,486                           | 1,426                          | 1,435                            | 0                                 | 8                                |
| <b>Corporate Expenditure &amp; Income</b> |           | <b>1,486</b>                    | <b>1,426</b>                   | <b>1,435</b>                     | <b>0</b>                          | <b>8</b>                         |
| Democratic Services                       |           | 115                             | 115                            | 113                              | 0                                 | (3)                              |
| Elections                                 |           | 102                             | 102                            | 97                               | 0                                 | (5)                              |
| Electoral Registration                    |           | 116                             | 116                            | 109                              | 0                                 | (7)                              |
| Executive Support                         |           | 85                              | 85                             | 85                               | 0                                 | 0                                |
| Members Expenses                          |           | 364                             | 364                            | 392                              | 0                                 | 28                               |
| Policy                                    |           | 380                             | 380                            | 380                              | 0                                 | 0                                |
| <b>Corporate Policy &amp; Governance</b>  |           | <b>1,162</b>                    | <b>1,162</b>                   | <b>1,176</b>                     | <b>0</b>                          | <b>13</b>                        |
| Legal Services                            |           | 512                             | 512                            | 512                              | 0                                 | 0                                |
| <b>Corporate Services (Legal)</b>         |           | <b>512</b>                      | <b>512</b>                     | <b>512</b>                       | <b>0</b>                          | <b>0</b>                         |
| Covid-19                                  |           | 500                             | 500                            | 0                                | 0                                 | (500)                            |
| <b>Covid-19</b>                           |           | <b>500</b>                      | <b>500</b>                     | <b>0</b>                         | <b>0</b>                          | <b>(500)</b>                     |
| Ebley Mill                                |           | 411                             | 411                            | 494                              | 0                                 | 82                               |
| Emergency Management                      |           | 22                              | 22                             | 22                               | 0                                 | 0                                |
| Facilities Management                     |           | 0                               | 0                              | 0                                | 0                                 | 0                                |
| <b>Facilities Management</b>              |           | <b>434</b>                      | <b>434</b>                     | <b>516</b>                       | <b>0</b>                          | <b>82</b>                        |
| Financial Services                        |           | 873                             | 873                            | 878                              | 0                                 | 5                                |
| <b>Financial Services</b>                 |           | <b>873</b>                      | <b>873</b>                     | <b>878</b>                       | <b>0</b>                          | <b>5</b>                         |

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## Appendix B

|   | Para Refs | 2022/23 Original Budget (£'000) | 2022/23 Revised Budget (£'000) | 2022/23 Forecast Outturn (£'000) | 2022/23 Reserve Transfers (£'000) | 2022/23 Outturn Variance (£'000) |
|---|-----------|---------------------------------|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| <b>Strategy &amp; Resources Committee</b>         |           |                                 |                                |                                  |                                   |                                  |
| Fit for the Future                                |           | 334                             | 334                            | 563                              | (142)                             | 87                               |
| <b>Fit for the Future</b>                         |           | <b>334</b>                      | <b>334</b>                     | <b>563</b>                       | <b>(142)</b>                      | <b>87</b>                        |
| Human Resources                                   |           | 659                             | 673                            | 673                              | 0                                 | 0                                |
| <b>Human Resources</b>                            |           | <b>659</b>                      | <b>673</b>                     | <b>673</b>                       | <b>0</b>                          | <b>0</b>                         |
| Information & Communication Technology            |           | 1,900                           | 1,900                          | 1,923                            | 0                                 | 23                               |
| <b>Information &amp; Communication Technology</b> |           | <b>1,900</b>                    | <b>1,900</b>                   | <b>1,923</b>                     | <b>0</b>                          | <b>23</b>                        |
| Brimscombe Port Business Park                     |           | 30                              | 30                             | 46                               | (16)                              | 0                                |
| Bus Stations/Shelters                             |           | 8                               | 8                              | 8                                | 0                                 | (0)                              |
| May Lane  |           | 0                               | 0                              | 3                                | 0                                 | 3                                |
| Miscellaneous Properties and Land                 |           | (806)                           | (806)                          | (805)                            | 0                                 | 1                                |
| <b>Other Properties</b>                           |           | <b>(768)</b>                    | <b>(768)</b>                   | <b>(749)</b>                     | <b>(16)</b>                       | <b>3</b>                         |
| Pension Lump Sum                                  |           | 1,156                           | 1,156                          | 1,156                            | 0                                 | 0                                |
| <b>Pension Lump Sum</b>                           |           | <b>1,156</b>                    | <b>1,156</b>                   | <b>1,156</b>                     | <b>0</b>                          | <b>0</b>                         |
| Building Maintenance                              |           | 118                             | 118                            | 118                              | 0                                 | 0                                |
| Head of Property Services                         |           | 74                              | 74                             | 74                               | 0                                 | 0                                |
| Property Services                                 |           | 398                             | 398                            | 389                              | 0                                 | (9)                              |
| <b>Property Services</b>                          |           | <b>590</b>                      | <b>590</b>                     | <b>581</b>                       | <b>0</b>                          | <b>(9)</b>                       |
| Chief Executive                                   |           | 171                             | 171                            | 172                              | 0                                 | 2                                |
| Director of Communities                           |           | 117                             | 117                            | 118                              | 0                                 | 1                                |
| Director of Place                                 |           | 124                             | 124                            | 124                              | 0                                 | 0                                |
| Director of Resources                             |           | 121                             | 121                            | 125                              | 0                                 | 4                                |
| Director of Transformation                        |           | 58                              | 58                             | 60                               | 0                                 | 2                                |
| <b>Senior Leadership Team</b>                     |           | <b>591</b>                      | <b>591</b>                     | <b>600</b>                       | <b>0</b>                          | <b>9</b>                         |
| Youth Councils                                    |           | 3                               | 3                              | 4                                | 0                                 | 0                                |
| <b>Youth Councils</b>                             |           | <b>3</b>                        | <b>3</b>                       | <b>4</b>                         | <b>0</b>                          | <b>0</b>                         |
| <b>Strategy and Resources TOTAL</b>               |           | <b>8,807</b>                    | <b>8,761</b>                   | <b>8,958</b>                     | <b>(157)</b>                      | <b>40</b>                        |

## Housing Revenue Account

|  |                      | 2022/23<br>Original<br>Budget<br>(£'000) | 2022/23<br>Revised<br>Budget<br>(£'000) | 2022/23<br>Forecast<br>Outturn<br>(£'000) | 2022/23<br>Reserve<br>Transfers<br>(£'000) | 2022/23<br>Outturn<br>Variance<br>(£'000) |
|--|----------------------|--|---|---|--|---|
| <b>Housing Committee</b>                           | <b>Para<br/>Refs</b> |  |   |   |  |   |
| Dwelling rents and service charges                 |                      | (23,615)                                 | (23,615)                                | (23,442)                                  | 0  | 173                                       |
| Other charges and income                           |                      | (644)                                    | (644)                                   | (644)                                     | 0  | 0   |
| Provision for bad debt                             |                      | 200                                      | 200                                     | 200                                       | 0  | 0   |
| <b>Total Income</b>                                | <b>5.4</b>           | <b>(24,058)</b>                          | <b>(24,058)</b>                         | <b>(23,885)</b>                           | <b>0</b>                                   | <b>173</b>                                |
| Supervision and management                         | 5.5                  | 4,538                                    | 4,538                                   | 4,337                                     | 0  | (201)                                     |
| Repairs and maintenance                            | 5.6                  | 5,294                                    | 5,294                                   | 5,512                                     | 0  | 218                                       |
| Independent Living service                         |                      | 692                                      | 692                                     | 692                                       | 0  | 0   |
| Other expenditure                                  |                      | 575                                      | 575                                     | 579                                       | 0  | 4   |
| Independent Living Modernisation                   | 5.7                  | 452                                      | 452                                     | 527                                       | 0  | 75  |
| <b>Total Expenditure</b>                           |                      | <b>11,551</b>                            | <b>11,551</b>                           | <b>11,647</b>                             | <b>0</b>                                   | <b>96</b>                                 |
| Support Service Charges from the GF                |                      | 2,408                                    | 2,408                                   | 2,408                                     | 0  | 0   |
| Interest payable/receivable                        |                      | 3,359                                    | 3,359                                   | 3,359                                     | 0  | 0   |
| Provision for repaying debt                        |                      | 1,012                                    | 1,012                                   | 1,012                                     | 0  | 0   |
| Revenue funding of capital programme (Depn & RCCO) |                      | 7,894                                    | 7,894                                   | 7,894                                     | 0  | 0   |
| <b>Total Other Costs and Income</b>                |                      | <b>14,673</b>                            | <b>14,673</b>                           | <b>14,673</b>                             | <b>0</b>                                   | <b>0</b>                                  |
| <b>Total Net Expenditure</b>                       |                      | <b>2,166</b>                             | <b>2,166</b>                            | <b>2,435</b>                              | <b>0</b>                                   | <b>269</b>                                |
| Transfers to/(from) HRA earmarked reserves         |                      | (1,158)                                  | (1,158)                                 | (1,158)                                   | 0  | 0   |
| Transfers to/(from) HRA general reserves           |                      | (1,008)                                  | (1,008)                                 | (1,008)                                   | 0  | 0   |
| <b>Total Housing Revenue Account</b>               |                      | <b>0</b>                                 | <b>0</b>                                | <b>269</b>                                | <b>0</b>                                   | <b>269</b>                                |

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**STROUD DISTRICT COUNCIL**  
**STRATEGY AND RESOURCES COMMITTEE**

**29 SEPTEMBER 2022**

|  |   |       |          |               |
|--|---|-------|----------|---------------|
| <b>Report Title</b>  | <b>Medium Term Financial Plan Update 2022/23 TO 2025/26</b>   |       |          |               |
| <b>Purpose of Report</b>                                       | To set out the assumptions and challenges in preparing the upcoming Medium-Term Financial Plan  |       |          |               |
| <b>Decision(s)</b>   | <b>The Committee RESOLVES to Approve the MTFP update 2021/22 to 2025/26 as set out in this report and appendices, including included assumptions.</b> |       |          |               |
| <b>Consultation and Feedback</b>                               | Formal budget consultation is currently taking place in the form of a telephone survey of local council tax and business rate payers                  |       |          |               |
| <b>Report Authors</b>  | Andrew Cummings, Strategic Director of Resources<br>Email: <a href="mailto:andrew.cummings@stroud.gov.uk">andrew.cummings@stroud.gov.uk</a>           |       |          |               |
| <b>Options</b>   | To review assumptions made in funding. To challenge long term cost projections.   |       |          |               |
| <b>Background Papers</b>                                       | None  |       |          |               |
| <b>Appendices</b>  | Appendix A – Draft Medium-Term Financial Plan 2021/22 to 2025/26<br><br>Appendix B – Previously agreed budget changes                                 |       |          |               |
| <b>Implications (Further details at the end of the report)</b> | Financial   | Legal | Equality | Environmental |
|  | Yes   | Yes   | No       | No            |

## 1. INTRODUCTION / BACKGROUND

- 1.1 It is a standard part of the budget process for the Council to produce a Budget Strategy in the Autumn period which sets the foundations for the full Medium Term Financial Plan (MTFP) process. The Budget Strategy updates the MTFP with all the known changes and sets out the assumptions which will be used as part of the Budget Setting process
- 1.2 The Budget Strategy process for the upcoming 2023/24 years is, by necessity, less certain than at similar stages in previous years. This is a combination of the extremely high levels of economic uncertainty and a delay in communication from Central Government as to promised reforms of the local government financial system.
- 1.3 Nevertheless, it is a key part of the Council's sound financial governance to ensure that members are updated on financial matters. Although not as detailed as in previous years

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this paper informs on the current financial position and risks. The impact of all the included factors cannot be known at this stage but awareness of these matters is vital.

- 1.4 As in previous years, officers are currently reviewing all expenditure and income budgets to determine appropriate levels and identify savings where possible. This paper will include details of the current assumptions being used by officers on inflation levels and other changes to budgets.
- 1.5 As inflation is likely to be the dominating factor of this budget setting process it may be that a general allowance for inflation is used which is cross cutting across Council services. This will be determined by the detailed budget setting process.
- 1.6 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 16 February 2023. Proposed budgets will have first been reviewed by policy committees.
- 1.7 This update represents the first stage of the budget setting process for 2022/23 and many of the figures involved will be subject to significant review in the coming months before final Council budget approval.
- 1.8 Although not part of this report which focuses on the current revenue position the Capital Programme will also be reviewed in detail as part of the budget setting process. It is likely that there will need to be revisions to the programme in response to the current inflationary position. This may include allocations of existing budget for existing schemes or reductions in the number of schemes in the programme.

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

### **Funding Projections**

- 2.1 It was originally announced in October 2021 that the settlement for 2022/23 would be the start of a three-year settlement from central government. This eventually became a one-year rollover settlement when the provisional settlement was announced in December 2021.
- 2.2 When presenting the final settlement in February 2022, the then Secretary of State Michael Gove announced that the Government would be consulting on potential funding reform. In a later statement to the LGA conference he also confirmed that Councils will receive a two-year funding settlement. With the subsequent change in Prime Minister and Secretary of State there has been no further announcement from Central Government on either funding reforms or settlement length.
- 2.3 This clearly makes long term projections of funding challenging, most significantly around the level of retained business rates. The Council has for many years used funding advisors to help with medium term projections. Their current advice is that the funding reforms, and the resultant loss of income to SDC, will now not take place for the next two years. Their current projections have been used in this update of the MTFP.

**New Homes Bonus**

- 2.4 The situation with New Homes Bonus is unclear. There was a government consultation on its future in early 2021 and there has been no response from Government on the consultation since that closed.
- 2.5 For 2022/23 the final year of legacy funding was paid, and one additional year of growth was also included, with the caveat that it would be paid for one year only. The additional year of legacy funding was unusually large for SDC as a result of housing growth within the District.
- 2.6 There are a number of possibilities for the future of the scheme and with no clarity it is difficult to make clear assumptions. At this stage, with no consultation having taken place for twelve months it is assumed that an additional year of growth will be paid in 2023/24, albeit at a level of £400k which is more line with growth of previous years.
- 2.7 The table below sets out the amounts of New Homes Bonus within the current draft MTFP.

| <b>Table 1 –<br/>Current New<br/>Homes<br/>Bonus<br/>assumptions</b> | <b>2020/21</b> | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|--|----------------|----------------|----------------|----------------|----------------|
| <b>Year of Reward</b>  | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> |
| 2015/16  | 238            |                |                |                |                |
| 2016/17  | 337            | 337            |                |                |                |
| 2017/18  | 218            | 218            | 218            |                |                |
| 2018/19  | 538            |                |                |                |                |
| 2019/20  |                | 225            |                |                |                |
| 2020/21  |                |                | 1,213          |                |                |
| 2021/22 (and onwards)  |                |                |                | 400            | 400            |
| <b>TOTAL NHB</b>   | <b>1,331</b>   | <b>880</b>     | <b>1,431</b>   | <b>400</b>     | <b>400</b>     |

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### Business Rates

- 2.8 It is a key component of the Medium-Term Financial Plan of the Council that the retained business rates element of our income will drop at whatever point the anticipated fair funding review, and associated reset of business rates growth, takes place.
- 2.9 As discussed in paragraphs 2.2 and 2.3 it is now expected that this reset may not now take place for at least two further years, allowing the Council to continue to benefit from business rates growth in that time.. This will of course be updated during the budget process when details of the financial settlement are known.
- 2.10 As well as the delay in the rates reset, a key assumption included within the projected business rates income is that local authorities will continue to be fully compensated for any Central Government measures to reduce rates payable by businesses. It has been a component of the business rates system in recent years that Central Government has reduced, or indeed frozen, inflation linked increases in rates payable to businesses. This money has then been compensated directly to local authorities at the relevant rate of inflation which would otherwise have applied. The high level of inflation means that the cost to Central Government of providing support to businesses and compensating local authorities accordingly will increase greatly next year. If this element of funding is reduced it will remove a key inflationary link in the Council funding streams. Again, no details are known at this stage but are likely to be confirmed in the local government funding settlement.
- 2.11 The table below shows how the estimated retained rates are included over the life of the current MTFP and the latest estimates at this stage. The impact of the two-year delay can be seen in the fall in the increased income from 2023/24 onwards in the table below.

**Table 2 – Impact of a delay to rates reset**

|                                | 2021/22        | 2022/23        | 2023/24        | 2024/25        | 2025/26        | Total          |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Business Rates Retained</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> |
| Previous MTFP                  | 4,077          | 4,751          | 2,857          | 2,693          | 2,469          | <b>16,847</b>  |
| Delayed reset                  | 4,077          | 4,751          | 5,400          | 5,707          | 4,079          | <b>24,014</b>  |

- 2.12 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. Sums received are allocated by Strategy and Resources Committee as part of the outturn process.
- 2.13 As no business rates reset is expected in 2022/23 the financial incentive for pooling remains in place. The Countywide Section 151 Officer group has agreed that the Gloucestershire Pool should continue. In October 2021, the Council meeting at SDC

agreed that this authority should remain in the pool until such time as the Section 151 Officer advised otherwise, therefore our membership will continue.

2.14 As in previous years no gain from the pool is included within the base budget, due to the inherent risks of rates pooling, and any gain will be allocated in the outturn process.

### Council Tax

2.15 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, whatever that is ultimately set at. With inflation currently significantly higher than this level, and still increasing, it is a vital part of the financial resilience of the authority to maximise Council Tax income. £5 would represent an increase of 2.2%, a significantly below inflation increase.

2.16 At the time of writing there are no plans to reduce the level of Council Tax Support payable which currently provides 100% support to those most in need. This inevitably has an impact on the level of income received by the Council, but it is not considered to be an appropriate time to reduce levels of support in the current cost of living crisis.

2.17 The Council Tax base growth currently being assumed is 1.5%, in line with previous years. Increases in the number of Council Tax support claimants have the impact of reducing the level of Council Tax Base and therefore lower levels of growth for future years may be possible. There is not the data to support changing assumptions at this stage, but the number of claimants will be closely monitored during the budget setting process.

2.18 The collection rate for Council Tax will also be considered as part of the budget setting process. SDC currently assumes that 99% of tax will be collected as a result of the historic high performance of tax collection. It is anticipated that collection rates may fall with the severe impact of energy prices on household finances. The most recently published figures for Stroud showed a rate which had improved after the pandemic to 98.54% (the highest in the County). The table below shows the impact of any changes in collection assumptions.

**Table 3 – Collection Tax Collection**

|                                  | <b>2023/24</b> | <b>2024/25</b> | <b>2025/26</b> | <b>2026/27</b> | <b>Total</b>   |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Council Tax Income</b>        | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> | <b>(£'000)</b> |
| Current MTFP<br>(99% assumption) | 10,725         | 11,125         | 11,535         | 12,003         | <b>45,388</b>  |
| 98.5%                            | 10,671         | 11,069         | 11,476         | 11,943         | <b>45,159</b>  |
| 98%                              | 10,617         | 11,013         | 11,418         | 11,882         | <b>44,930</b>  |

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- 2.19 The table shows that a reduction in collection assumption from 99% to 98%, would result in a fall in estimated income of £458k over the next four years. There would also be an impact upon the County Council, the Police and Parish and Town Councils as a change in SDC collection assumption affects their respective tax bases. Therefore, any change in assumption would be carefully considered using current data.

### Housing Rents

- 2.20 Housing Rents are to be considered by the Housing committee as part of their budget setting process. Central Government have recently begun a process of consulting on a potential limit on social rent increases, with a preference of 5%. Housing rents in the existing MTFP are linked to Consumer Price Index (CPI) +1% so this would represent a significant loss of income. This is particularly the case when inflation in HRA costs, including construction and repairs is currently higher than the CPI rate suggests. In a similar situation to Local Council Tax Support those who are not able to meet the cost of Housing Rents will have those costs met by Housing Benefit.

### Income Performance

- 2.21 At times of economic downturn, it should be expected that levels of collection will decrease for all sources of Council income including taxation and housing rents. The budget setting process will consider expected collection levels and provisions for arrears.

## 3. Budget Assumptions

### Price Inflation

- 3.1 Issues around inflation will be the dominating factor in relation to the budget setting process. At the time of writing the CPI inflation rate in the UK is 9.9% and is expected to increase further in the Autumn, creating extreme pressure on Council budgets and those of our partners, residents, and businesses.
- 3.2 Many SDC contracts are linked to inflationary indexes as part of the process of setting annual charges. As part of the budget setting process an allowance of 10% is being added to budgets for contracts. This represents an additional cost of £896k per annum for contract costs.
- 3.3 The Medium-Term Financial Plan already includes budget for an increase of energy costs of 50% when the Council's contracts end at the end of September 2022. At the exact point of writing this report the government has announced support for businesses but the exact impact upon Councils is unclear as details on the scheme are not available. At this point in time an extra £1.1 million has been included for each of the next two years of the MTFP, reducing to an extra £600k in each of the next two years after that.
- 3.4 The contract for leisure services at Stratford Park Leisure Centre through SLM incorporates a benchmarking mechanism whereby the Council and SLM are to share 50% each of unexpected rises in energy costs. This clause would see the management fee increasing in 2023/24 to reflect higher costs incurred in the current financial year. There is no estimated figure for this at the current time, but it will be included in the budget estimates presented to the Community Services and Licensing Committee.

- 3.5 The biggest contractual partner for General Fund budgets is Ubico and discussions have already begun on the level of budget for next year. The biggest elements of variable cost in the Ubico budget are staffing and fuel so the level of increases in those budgets will be the main driver of increases in contract cost rather than CPI. At the present time an allowance of 10% has also been made as an estimate but this will be very much informed by the detailed budget setting process.
- 3.6 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 significant way that the Council can achieve some real terms savings in expenditure. The detailed budget process will also be identifying budgets no longer required and recommending them as savings.

### **Pay Inflation**

- 3.7 It is already clear that the level of pay inflation will be significantly higher than budgeted for in the MTFP. Our current budget included an assumption of 2.5%, at the higher end of most Council's position. For information CPI at the time of writing the budget setting report was 5.1%.
- 3.8 The National Joint Council's pay offer to Councils was for a pay increase of £1,925 for all staff, regardless of grade, along with an extra day's leave for all staff.
- 3.9 As a flat figure this represents a different percentage depending on the grade of the member of staff. For information purposes it would represent a 9.6% increase for a Stroud 2 grade and 3.3% for a Stroud 9 grade.
- 3.10 The outcome of pay negotiations is not certain with Trade Unions having either rejected the claim or being in the process of consulting with their members. If accepted the claim would add an estimated additional cost over the 2.5% of £417k in the General Fund. An allowance for inflation of £370k has been made in the General Fund as part of the outcome process although the HRA would have to provide funding for its share of salary increase from the current year budgets.
- 3.11 The significant increase in staffing costs above budgeted levels will also have an impact on the cost of the Ubico contract. An allowance of £311k has been included within the outcome report.
- 3.12 Although these higher than budget increases create an in-year pressure for 2022/23 they do of course create an annual increase which continues for each year of the MTFP. As a result of the continued high forecasts for inflation pay increases of 5% for 2024/25 before reverting to 3% in 2025/26.
- 3.13 The new Prime Minister has indicated her intention to reverse increases in National Insurance for businesses, although this has not yet been taken through parliament. The Draft MTFP has been prepared upon the assumption that this cost will be removed.

### **Local Government Pension Scheme**

- 3.14 Recently the results of the latest actuarial valuation of the position within the Pension Fund at March 31<sup>st</sup> 2022 have been received. Pleasingly this indicates a success of the

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current contribution strategy with the level of estimated future assets of the fund now at 110% of estimated future liabilities. It is therefore recommended that there are no further changes to contribution levels. The updated MTFP has now been prepared on that basis.

- 3.15 The Council has indicated to the Pension Fund that we will again make up-front payment of pension contributions. This brings with it a saving, albeit one which cannot be quantified until actuarial figures are received.

### **Interest Rates & Investment Income**

- 3.16 As part of their pandemic response the Bank of England reduced the base rate of interest to 0.1% resulting in a considerable reduction in investment income. As a result of the Bank of England's response to inflation there have been a number of changes to the base interest rate which currently stands at 1.75%, with a further rise expected in the coming weeks. Additional income has been factored into the MTFP at this stage but there is a corresponding increase in borrowing costs as a result of the borrowing incurred to fund the capital programme.

### **Fees & Charges**

- 3.17 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.
- 3.18 The level of increase in fees and charges was set at an average of 3% at the current year's budget setting decision. This introduced an extra £102k per annum into the MTFP.
- 3.19 The setting of fees and charges is recognised as a key area of the budget setting process. The Council's approved fees and charges policy sets out that fees and charges are "*a significant source of income that supports the delivery of the services. If the Council were to reduce or stop charges for services, it would not have the resources to continue providing all of the services it currently offers*". With the significant increases reflected in both pay and general inflation this will require the Council to either raise fees and charges in line with inflation, reduce the level of service provided, or provide a subsidy from the general Council budget.
- 3.20 The draft budget will be prepared on a general assumption of increasing all fees and charges, including car parking, by 5%. When considering fees and charges service committees may choose to lower the level of increase, with a corresponding impact on budgets. This overall level of increase in fee income will see additional revenue of £185k. It should be recognised however that this below inflationary increase effectively requires a subsidy from the general fund to chargeable services of approximately £180k. Individual committee budget papers will contain sufficient information to allow appropriate consideration of the impact of varying charging levels from this average.
- 3.21 The table below gives a summary of the main assumptions included within the budget process at this early stage.



**Table 4 – 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%      | 10%     | 5%      | 3%      |
| Pay Inflation               | 2.5%    | £1,925  | 5%      | 3%      |
| Fees and Charges Growth     | 3%      | 5%      | 5%      | 3%      |

### **Borrowing and Minimum Revenue Provision (MRP)**

- 3.22 This strategy does not consider the detail of the capital programme which will be included within the full budget report. However, it should be recognised at this stage that inflation is already causing significant cost increases in capital works. Strategies to mitigate this impact could include reducing the scope of planned capital works, increasing the number of years over which borrowing is repaid or changing the funding allocated to the programme.
- 3.23 This is likely to have a considerable impact upon the HRA with costs of retrofit works, the building of new homes, and enhancement works to existing stock all increasing. The impact of this will be considered in the budget setting report to the Housing Committee.
- 3.24 Where capital works are funded by borrowing the rise in interest rates will see an increase in the cost of borrowing. This will be included as a budget pressure in both the General Fund and Housing Revenue Account as appropriate.

### **Longer Term Budget Adjustments**

- 3.25 At this stage it is not possible to make any longer-term projections on additional budget required or savings needed to stabilise the medium-term financial position. This will be set out in the final budget papers to Committee. The budget setting process at officer level will include an enhanced level of robust challenge as to appropriate levels of budget required and possible savings.
- 3.26 All previously agreed savings, including the end of fixed term projects, are assumed to be proceeding as planned. For information purposes the agreed changes to the MTFP for future years, as agreed in February 2022, is reproduced again at Appendix B. The only change to this document has been the updated forecasts for investment income and borrowing based on the current interest rate position.
- 3.27 The MTFP still includes projected savings from the “Fit for the Future” modernisation programme. The tracking of these savings forms part of the budget monitoring process. The programme includes a process to identify improve and modernise business process to ensure the community is at the heart of Council activities. It is anticipated that the required savings will be facilitated through this process.

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## **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 The balance of General Fund earmarked reserves, excluding the capital reserve and collection fund smoothing reserve, at the end of 2021/22 was £17.2 million (2020/21 £16.37 million), including the £6.85 million General Fund equalisation reserve. This is in addition to the General Fund balance of £2.169 million which the S151 Officer recommends be held at that level.
- 4.3 The S151 Officer has reviewed the reserves as part of the outturn process. The level of Reserves is deemed to be sufficient at this stage.
- 4.4 This budget setting process will be dominated by managing the impacts of the high inflationary environment. The key focus will be in ensuring the financial resilience of the authority in the medium term. Existing funds reserved for Council Plan projects and supporting the community through cost-of-living projects will be protected but there is likely to be limited scope for adding additional projects.
- 4.5 The environment of continued uncertainty around the future of local government funding will also likely be maintained throughout this period. The Council is making good progress on delivering savings through the fit for the future programme but in the absence of longer-term funding support a wider programme of savings and consideration of service priorities will likely be required.

## **5. Housing Revenue Account (HRA)**

- 5.1 As set out in this report there are significant cost pressures expected over the short and medium term.
- 5.2 The previous MTFP showed that savings of £1million per annum would need to be found in order to balance the long-term position of the HRA, including funding the identified retrofit works to increase the average SAP rating to C.
- 5.3 Costs are expected to rise significantly in 2022/23 and 2023/24. Cost increases above the existing approved budget, which are expected for salaries, utilities, insurance and labour and materials, will need to be funded from HRA general reserves in 2022/23.
- 5.4 It is assumed that costs will continue to rise in line with the budget assumptions set out in this report. Additional work will be undertaken to establish the cost of repairs and maintenance, major works including the retrofit programme, and new build. At this point it is expected that many of these costs are rising by more than the cost of inflation which will put further pressure on the HRA.
- 5.5 The potential capping of rents at 5% (para 2.20) would have a significant impact on the financial stability of the HRA. Based on CPI of 9.9% (as at August 2022), this represents a reduction of 5.9% from the previously allowed rent increase of CPI plus 1%. Since this one-year reduction would be carried forward in the base rents each year,

over the 30 years of the HRA financial model this one-year rent cap would reduce income by approximately £47million.

- 5.6 This below inflationary increase in income, combined with expected above inflationary uplifts on some of the major costs is expected to increase the budget gap in the HRA significantly and limit what can be delivered within the available funding.
- 5.7 The HRA has external borrowing of £97.7m. This is all at fixed rates and so will not be affected by an increase in interest rates. The HRA also has internal borrowing of £9.9m. This is where available balances are utilised to fund expenditure temporarily to prevent paying interest charges. Additional borrowing of £38.7m is currently included for retrofit works and new build. However, this amount is expected to increase with an increase in the cost of works and building. This, together with an increase in interest rate, means that the cost of borrowing will also increase.
- 5.8 Since 2019/20 an annual amount has been put for the repayment of borrowing when it becomes due. There is currently £2.8m set aside for this purpose, of which £1.9m is in earmarked reserves.
- 5.9 There is currently £4.56m in HRA general reserves. This is comfortably above the minimum recommended balance of £1.6m, and these reserves can be used to fund the service over the short term. There is also £6.79m in earmarked reserves. It may be necessary to review and redistribute the balances held in reserves over the short term.
- 5.10 Overall, the medium- and long-term position of the HRA is under considerable financial pressure from increases costs and capped income. It is not expected that the long-term financial position will be balanced, and action will be required to mitigate the pressure.
- 5.11 Areas of consideration will include
  - Reviewing the level of capital works, including major works such as kitchens and bathrooms, as well as the retrofit programme
  - Reviewing revenue repairs, cyclical works, and the lettable standard for void properties
  - Establishing the level of service offered to tenants through the Tenancy Management and Income teams
  - Reviewing service charges to ensure that the cost of providing additional services is recharged to tenants where appropriate
  - Maximising grant and other income, especially for the retrofit programme
  - Reviewing the repayment of borrowing.
- 5.12 Given the cost increases and limited income generation, it can be expected that significant changes will need to be made to ensure a financially stable and sustainable HRA.

## 6 RISKS

- 6.1 This budget process will be making a number of significant assumptions on inflationary changes to both costs and income. Any differences between assumed and actual levels

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of inflation will represent a risk to the MTFP. All assumptions made will be clearly stated in the relevant budget papers.

- 6.2 The provisional local government financial settlement is expected to be announced in December. The details of that settlement, both short and medium term, will have a major impact upon the MTFP.

### **7 IMPLICATIONS**

#### **7.1 Financial Implications**

The whole report is of a financial nature.

Andrew Cummings, Strategic Director of Resources  
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#### **7.2 Legal Implications**

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

One legal  
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#### **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 2021/22 - 2025/26**

|  | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> | <b>2025/26</b> | <b>2026/27</b> |
|--|----------------|----------------|----------------|----------------|----------------|
|  | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    |
| <b><u>Budget</u></b>                                 |                |                |                |                |                |
| Opening Budget                                       | 14,815         | 16,751         | 17,747         | 18,316         | 18,607         |
| <b><u>Recurring Changes</u></b>                      |                |                |                |                |                |
| Pay Increases  | 273            | 606            | 636            | 401            | 413            |
| NI Increase  | 109            | (109)          |                |                |                |
| Additional Pay Award                                 | 79             | 417            |                |                |                |
| Fees and Charges Growth                              | (102)          | (185)          | (194)          | (123)          | (126)          |
| Pensions Changes                                     | (206)          | 0              | 0              | 0              | 0              |
| Contract Increases                                   | 313            | 1,994          | 553            | (168)          | 357            |
| Revised Budget                                       | 15,281         | 19,474         | 18,742         | 18,426         | 19,251         |
| Proposed Budget Adjustments                          | 1,470          | (1,727)        | (426)          | 181            | 0              |
| <b>Revised Budget</b>                                | <b>16,751</b>  | <b>17,747</b>  | <b>18,316</b>  | <b>18,607</b>  | <b>19,251</b>  |
| <b><u>Funding</u></b>                                |                |                |                |                |                |
| Council Tax  | 10,334         | 10,725         | 11,125         | 11,535         | 11,954         |
| Collection Fund Deficit (Council Tax)                | (85)           | (40)           | 0              | 0              | 0              |
| Business Rates (incl grants)                         | 4,393          | 5,014          | 5,313          | 3,677          | 3,754          |
| Business Rates - Renewable Energy                    | 358            | 386            | 394            | 402            | 410            |
| Collection Fund Deficit (Business Rates)             | (711)          | (48)           | 0              | 0              | 0              |
| Use of Collection Fund Smoothing Reserve             | 796            | 88             | 0              | 0              | 0              |
| Other Grant  | 319            | 38             | 38             | 38             | 38             |
| New Homes Bonus                                      | 1,431          | 400            | 400            | 0              | 0              |
| <b>Total Funding</b>                                 | <b>16,835</b>  | <b>16,563</b>  | <b>17,270</b>  | <b>15,652</b>  | <b>16,156</b>  |
| <b>Surplus / (Deficit) before Reserves Movements</b> |                |                |                |                |                |
|  | <b>84</b>      | <b>(1,184)</b> | <b>(1,046)</b> | <b>(2,955)</b> | <b>(3,095)</b> |
| <b>Reserves Movements</b>                            |                |                |                |                |                |
| Business Rates Reserve                               | 500            | (900)          | (800)          | (700)          | (700)          |
| Covid Income Contingency                             | 500            |                |                |                |                |
| Waste and Recycling Reserve                          | (180)          |                | (159)          |                |                |
| Growth and Recovery Reserve Funding                  | (745)          | (203)          |                |                |                |
| Inflationary Pressures Reserve Funding               |                | (370)          |                |                |                |
| <b>Estimated Surplus / (Deficit)</b>                 | <b>9</b>       | <b>289</b>     | <b>(87)</b>    | <b>(2,255)</b> | <b>(2,395)</b> |
| <b><u>GF Equalisation Reserve</u></b>                |                |                |                |                |                |
| Opening  | 6,742          | 6,751          | 7,040          | 6,952          | 4,697          |
| Change   | 9              | 289            | (87)           | (2,255)        | (2,395)        |
| <b>Closing</b>                                       | <b>6,751</b>   | <b>7,040</b>   | <b>6,952</b>   | <b>4,697</b>   | <b>2,302</b>   |

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**MTFP Changes**

|   | 2021/22      | 2022/23      | 2023/24        | 2024/25      | 2025/26    |
|---|--------------|--------------|----------------|--------------|------------|
|   | £000         | £000         | £000           | £000         | £000       |
| <b>Pressures</b>  |              |              |                |              |            |
| <b>Pressure on existing services</b>  |              |              |                |              |            |
| Housing Subsidy   |              | 200          |                |              |            |
| IT Software   |              | 50           |                |              |            |
| Ubico contract changes (including new rounds)                                 |              | 355          |                | 180          |            |
| Drainage Board Levy increase  | 7            | 4            | 7              | 7            | 7          |
| Investment income/borrowing costs   | 205          | 4            | (433)          | 174          | 174        |
| Homelessness Grant  | (29)         |              | 154            |              |            |
| Purchase of bins  |              | 68           |                |              |            |
| One Legal contract  |              | 61           |                |              |            |
| IT salaries   |              | 60           |                |              |            |
| Planning salaries   |              | 33           |                |              |            |
| Democratic Services and Elections salaries                                    |              | 36           |                |              |            |
| MRP on capital spend  | (82)         | 31           | 174            | (44)         |            |
| <b>2021/22 Budget Items - Growth and Recovery</b>                             | 621          | (460)        | (141)          | (20)         |            |
| <b>2022/23 Budget Items - Council Plan</b>                                    |              |              |                |              |            |
| EC1 – Tackling the Climate and Ecological Emergency                           |              | 266          | (266)          |              |            |
| EC2 – Biodiversity  |              | 52           |                |              |            |
| EC 6.3 – Increase the proportion of the fleet powered by zero carbon vehicles |              | 106          | (106)          |              |            |
| CW2.3 – Prioritising the prevention of homelessness                           |              | 102          | (102)          |              |            |
| CW 3.2 – Improve Customer Service for Residents                               |              | 157          | (157)          |              |            |
| CW 4.1 – Leisure Strategy   |              | 173          | (173)          |              |            |
| CW 4.2 – Play areas   |              | 330          | (330)          |              |            |
| CW 4.5 – Cultural Strategy  |              | 111          | (111)          |              |            |
| ER1 – Economic Recovery   |              | 193          |                | (193)        |            |
| ER 3.2 – Developing a Canal Strategy  |              | 75           | (75)           |              |            |
| ER3.3 – Levelling Up Fund   |              | 50           | (50)           |              |            |
| ER 4.4 – Skills and Training for All Ages                                     |              | 54           | 60             | (25)         |            |
| Crossplan – Fit for the Future  |              | 120          | (120)          |              |            |
| <b>Total Pressure</b>   | <b>932</b>   | <b>2,231</b> | <b>(1,669)</b> | <b>79</b>    | <b>181</b> |
| <b>Savings</b>  |              |              |                |              |            |
| <b>Planned Savings</b>  |              |              |                |              |            |
| Modernisation Programme   | (200)        | (150)        | (150)          | (500)        |            |
| Kingshill House   | (5)          | (5)          | (5)            | (5)          |            |
| <b>2022/23 Savings</b>  |              |              |                |              |            |
| Planning Income   |              | (67)         |                |              |            |
| Garden Waste income   |              | (80)         |                |              |            |
| Recycling income and credits  |              | (106)        | 106            |              |            |
| Charges to/from HRA   |              | (298)        |                |              |            |
| Monitoring Officer (shared arrangement)                                       |              | (45)         |                |              |            |
| Temporary Accommodation   |              | (9)          | (9)            |              |            |
| Other adjustments (net)   | (27)         | (1)          |                |              |            |
| <b>Total Saving</b>   | <b>(631)</b> | <b>(761)</b> | <b>(58)</b>    | <b>(505)</b> | <b>0</b>   |
| <b>Net Changes</b>  | <b>301</b>   | <b>1,470</b> | <b>(1,727)</b> | <b>(426)</b> | <b>181</b> |

Note: For conciseness individual rows have been omitted where the changes only impact 2021/22 and so the breakdown will not add up to the 2021/22 totals shown.

All lines remain in line with the MTFP published February 2022 with the exception of the 'Investment income/borrowing costs' which has been updated to reflect expected interest rates

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# STROUD DISTRICT COUNCIL

Ebley Mill • Ebley Wharf • Stroud • Gloucestershire • GL5 4UB

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## Performance Monitoring Report Q1: Strategy & Resources Committee

|   |  |   |
|---|--|---|
| <b>Date of Meeting</b>  | 20 <sup>th</sup> September 2022  |   |
| <b>Performance Monitors &amp; Officer(s)</b>  | <b>Members:</b> Cllr Nicholas Housden & Cllr Gordon Craig (apologies)<br><br><b>Youth Council:</b> Brandon; Cate; Steve Miles (Snr Youth Officer)<br><b>Officers:</b> Andrew Cummings (Strategic Director of Resources);<br>Adrian Blick (Director Transformation & Head of ICT);<br>Eka Nowakowska (Policy & Performance Officer)                               |   |
| <b>Performance Update</b> ( <i>See report below for full details</i> )  |  |   |
| <b>Council Plan Priorities</b> (see <i>performance management system</i> )  | <b>Summary:</b>  | <b>Progress &amp; RAG Status</b>  |
|   | <b>Action Plans: (30)</b>  | 25 On Target  |
|   |  | 1 Completed   |
|   |  | 1 Overdue   |
|   |  | 3 Not started   |
| <b>Council Plan Performance Indicators or Milestones</b> (see <i>performance management system where applicable</i> ) | <b>Summary:</b>  | <b>Progress &amp; RAG Status</b>  |
|   | <b>Milestones: (68)</b><br><br><i>(C) indicates that SDC can only contribute to the measure</i>  | 31 On Target  |
|   |  | 12 Completed  |
|   |  | 5 Overdue   |
|   | <b>Performance Indicators: (11)</b>  | 20 Not started  |
|   |  | 11 No data available<br><i>Officers are in the process of collecting numerical data</i> |
| <b>Risks</b>  | See attached Risk Register   |   |
| <b>Relevant finance issues</b>  | See Q1 Budget monitoring report  |   |
| <b>Abbreviations used in the report:</b>  | <b>NHLF</b> – National Heritage Lottery Fund<br><b>DCC</b> – Development Control Committee<br><b>DEFRA</b> – Department of Environment, Food and Rural Affairs<br><b>CCC</b> – Cotswold Canals Connected<br><b>M&amp;E</b> – Monitoring and Evaluation (in relation to Canal delivery)<br><b>Gfirst LEP</b> – Gloucestershire First Local Enterprise Partnership |   |

Agenda Item 9a  
**S&R Committee Q1 Performance Monitoring Report 2022/23**






|  |   |
|--|---|
| <b>Comments arising from the monitoring meeting:</b> | Comments have been included in the body of the report relating to the specific item |
|--|---|

|  |   |
|--|---|
| <b>Any issues of significant concern to be reported to Audit and Standards</b> |   |
|  |   |
| <b>Any actions/recommendations for the Committee</b>                           |   |
|  |   |
| <b>Report submitted by</b>   | <b>Andrew Cummings, Strategic Director of Resources</b> |
| <b>Date of report</b>  | <b>21<sup>st</sup> September</b>                        |







## S&R Committee Q1 Performance Monitoring Report 2022/23

### Action Plans, Milestones & Indicators (109)


**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.**

| Code  | Action Required / Description   | Deadline   | % Complete | Lead Officer | Status  | Comments   |
|---|---|------------|------------|--------------|---|--|
| <a href="#">CW3.2</a>   | 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. | 31/03/2023 | 25         | Adrian Blick | On Target      | 01/07/2022: Quarter 1: The team has developed a roadmap for process re-engineering and is now progressing the work in this priority order  |
| » <a href="#">CW3.2.1</a>   | First 2 contact services centralised by end of 2022   | 31/12/2022 | 10         | Adrian Blick | Overdue        | 01/07/2022: The Customer Contact Vision is being written and this will then be turned into a strategy which will include a roadmap for consolidation of these services. This is taking longer than anticipated due to competing priorities and may not now complete by end 2022.             |
| <b>Comments:</b> Youth Council members will be invited to contribute to the Fit for the Future programme in relation to preferred channels of communication |   |            |            |              |   |  |
| » <a href="#">CW3.2.2</a>   | Straightforward processes identified and made available for self-service via the internet   | 31/12/2022 | 10         | Liz Shellam  | On Target     | 01/07/2022: Bulky Waste process is nearing completion for deployment Q3 2022 A roadmap for delivery has been developed and the team will prioritise delivery accordingly. This is a change to original plan as the team is focusing on the services that are most committed to the activity. |
| » <a href="#">CW3.2.3</a>   | Repetitive processes identified and automated   | 31/12/2022 | 10         | Liz Shellam  | On Target    | 01/07/2022: As 3.2.2   |
| » <a href="#">CW3.2.4</a>   | Resource capacity increased to serve those with complex needs   | 31/03/2023 | 0          | Liz Shellam  | Not Started  |  |





## S&R Committee Q1 Performance Monitoring Report 2022/23

|                            |   |            |     |              |   |  |
|----------------------------|---|------------|-----|--------------|---|--|
| <a href="#">CW3.3</a>      | 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.                          | 31/12/2023 | 55  | Hannah Emery | On Target    | 13/07/2022: Quarter 1: The Draft Charter has been reviewed by the Working Group and SLT and is now ready for consultation with LMT and Members Work has started on the Town and Parish Council Hub which will be built on Sharepoint Workshop held on 13/07/2022 covered Emergency Response and draft annual schedule of events and training |
| » <a href="#">CW3.3.1</a>  | Over 50% of Town and Parish councils participate in developing a new strategic framework to identify key issues and ways of working jointly with district (end 22)  | 31/12/2022 | 10  | Hannah Emery | On Target    |  |
| » <a href="#">CW3.3.2</a>  | Positive feedback received from more than 50% of Parish & Town Councils on partnership working with district (end 2023)   | 31/12/2023 | 0   | Hannah Emery | Not Started  |  |
| » <a href="#">CW3.3.3</a>  | Market Town meetings and other town and parish meetings convened by SDC   | 31/12/2022 | 20  | Hannah Emery | On Target    |  |
| » <a href="#">CDPCW3.3</a> | % of Town and Parish Councils signed up to the Charter  | N/A        | N/A | Hannah Emery | Target:<br>Actual:  |  |
| <a href="#">CW3.4</a>      | 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. | 31/03/2023 | 40  | Simon Maher  | On Target    | 13/07/2022: Quarter 1: 4 ACV applications processed. Initial discussions held to improve information and support to prospective nominators   |
| » <a href="#">CW3.4.1</a>  | Monitor the number of community assets registered<br>• % of Communities which provide positive feedback on support received from SDC to register community assets (target 75 %)   | 31/12/2022 | 0   | Simon Maher  | On Target  |  |





## S&R Committee Q1 Performance Monitoring Report 2022/23

|                           |   |            |    |             |   |   |
|---------------------------|---|------------|----|-------------|---|---|
| » <a href="#">CW3.4.2</a> | Communications campaign publicising the process by September 2022 to include engaging with relevant community, social and recreational groups who may wish to register assets specific to their interest area | 30/09/2022 | 25 | Simon Maher | On Target  | 13/07/2022: Initial discussions held to improve information and support to prospective nominators |
|---------------------------|---|------------|----|-------------|---|---|



### **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.**

| Code                      | Action Required / Description   | Deadline   | % Complete | Lead Officer | Status  | Comments  |
|---------------------------|---|------------|------------|--------------|---|---|
| <a href="#">CW5.4</a>     | Work with partners to improve the accessibility and welcome of public spaces and shops and improve awareness of impairments both visible and invisible. | 31/03/2025 | 20         | Amy Beckett  | On Target    | 14/07/2022: Quarter 1: Stroud District and Stroud Town Council have looked at the accessibility of Stroud Town through the Levelling up fund  |
| » <a href="#">CW5.4.1</a> | Measured campaign relating to increasing awareness of invisible impairments including neurodiversity  | 31/03/2023 | 0          | Amy Beckett  | Not Started  | 14/07/2022: Not started   |
| » <a href="#">CW5.4.2</a> | Future bids for public space improvements to include consideration of accessibility   | 31/03/2024 | 10         | Amy Beckett  | On Target    | 14/07/2022: Considered accessibility of Stroud high street through the levelling up bid   |
| » <a href="#">CW5.4.3</a> | Working with business owners / community groups / community organisations (C)   | 31/03/2024 | 10         | Amy Beckett  | On Target  | 14/07/2022: Engagement with community hubs / social enterprises about how we can support them.<br>Working with the Growth Hub to offer business support to the districts social enterprises etc |







## S&R Committee Q1 Performance Monitoring Report 2022/23

|                            |  |            |     |                |   |  |
|----------------------------|--|------------|-----|----------------|---|--|
| <a href="#">CW5.6</a>      | 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. | 31/03/2024 | 90  | Helen Scullard | On Target    | 13/05/2022: Quarter 1: We have re-signed the Armed Forces Covenant and invited the Royal British Legion to resume advice surgeries at Ebley Mill |
| » <a href="#">CW5.6.1</a>  | Feedback on SDC report provided to be part of an annual update report  | 31/03/2023 | 0   | Helen Scullard | Not Started  |  |
| » <a href="#">CW5.6.2</a>  | Re-introduce a support officer from the Royal British legion back into Ebley Mill reception now that Covid-19 restrictions are lifted  | 29/04/2022 | 100 | Helen Scullard | Completed    |  |
| » <a href="#">CW5.6.3</a>  | Resigning of the armed forces covenant by all partners in Gloucestershire (currently expected to be 22 March 2022)   | 31/03/2022 | 100 | Helen Scullard | Completed    |  |
| » <a href="#">CDPCW5.6</a> | Number of veterans referred for support within one working day of request  | N/A        | N/A | Helen Scullard | Target:<br>Actual:  |  |






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

| Code                      | Action Required / Description  | Deadline   | % Complete | Lead Officer | Status  | Comments  |
|---------------------------|--|------------|------------|--------------|---|---|
| <a href="#">EC1.1</a>     | Set up a 2030 Core Group to provide high level strategic overview on delivery, identify funding opportunities and develop communication and community engagement | 31/03/2024 | 90         | Rachel Brain | On Target  | 06/07/2022: Quarter 1: The core group has been formed under the name "2030 Community Engagement Board" and has begun to collaborate on the development of their work plan |
| » <a href="#">EC1.1.1</a> | Establish the Community Engagement Board with a cross-section of community members.  | 31/03/2022 | 100        | Rachel Brain | Completed  |   |

## S&R Committee Q1 Performance Monitoring Report 2022/23




|                            |  |            |     |              |   |  |
|----------------------------|--|------------|-----|--------------|---|--|
| » <a href="#">EC1.1.2</a>  | Community Governance Group work plan identified and reviewed quarterly by Spring 2022  | 31/03/2023 | 40  | Rachel Brain | On Target    | 06/07/2022: The dates associated with this milestone are not correct. The group was formed this year, have their first meeting with a facilitator to help them identify their workplan in collaboration with the communities they represent in July and the whole process is planned to take a year with the plan to be ready in 2023. |
| » <a href="#">EC1.1.3</a>  | Community Governance Group progress to plan included to 2030 annual reporting to Full Council in October   | 31/03/2022 | 100 | Rachel Brain | Completed    |  |
| » <a href="#">EC1.1.4</a>  | Participation in Climate Leadership Gloucestershire Group and leader / convenor of retrofit theme (C)  | 31/03/2024 | 100 | Rachel Brain | Completed    |  |
| » <a href="#">CDPEC1.1</a> | % of CEG members who demonstrate participation in engagement with external stakeholders through participation in county / regional groups per year   | N/A        | N/A | Rachel Brain | Target:<br>Actual:  |  |
| <a href="#">EC1.2</a>      | Establish the performance management of the 2030 Strategy across the organisation to monitor and review progress towards the Strategy's aims and commitments                                       | 31/12/2022 | 85  | Rachel Brain | On Target    | 04/07/2022: Quarter 1: We continue to report via the council plan and excelsis.  |
| » <a href="#">EC1.2.1</a>  | Quarterly PM update reports on Council Plan to relevant Committee on progress for each activity / project  | 31/03/2022 | 25  | Rachel Brain | On Target  | 01/09/2022: A new report delivered each quarter via committee  |
| <a href="#">EC1.3</a>      | 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) | 31/12/2022 | 85  | Rachel Brain | On Target  | 04/07/2022: Quarter 1: We continue to work on content and have added pages to inform T&P councils about actions they can take. We also support countywide waste messaging campaigns.   |

## S&R Committee Q1 Performance Monitoring Report 2022/23

|   |  |            |     |               |   |   |
|---|--|------------|-----|---------------|---|---|
| » <a href="#">EC1.3.1</a>   | 2030 web pages live Spring 2021 with target of unique visits within the first year.  | 31/12/2022 | 90  | Rachel Brain  | On Target    |   |
| » <a href="#">EC1.3.2</a>   | Resident survey at end of 2022 aims for at least satisfied or very satisfied level of community engagement on climate and nature emergency.  | 31/12/2022 | 0   | Rachel Brain  | Not Started  |   |
| » <a href="#">EC1.3.3</a>   | Number of activities and residents engaged in community engagement aspect of 2030 strategy.  | 31/12/2022 | 20  | Rachel Brain  | On Target    | 18/07/2022: This is an extremely difficult milestone to monitor as we are rarely able to capture numbers of people engaged at events we attend rather than organise. Our support to Transition Stroud continues to deliver forum meetings for 18 Climate Action Neighbourhoods. The 2030 CEB are meeting now and working on their action plan which will provide a better basis for more formal monitoring. |
| » <a href="#">CDPEC1.3</a>  | Number of residents engaged in community engagement aspect of 2030 strategy  | N/A        | N/A | Rachel Brain  | Target:<br>Actual:  |   |
| <a href="#">EC1.4</a>   | Establish an ethics policy for our investments, incorporating work within the Brunel Partnership to divest pension funds from fossil fuels   | 31/03/2022 | 90  | Lucy Clothier | Overdue      | 03/05/2022: Quarter 1: The Ethical Investment Policy has been approved by Council in February 2022. Dialogue on the divestment of pension funds will remain ongoing.  |
| <b>Comments:</b> Ethical Policy and new assessment scoring to be shared with Youth Council members. |  |            |     |               |   |   |
| » <a href="#">EC1.4.1</a>   | Establish draft Ethics Policy for investments by December 2021 to become a core part of Treasury Management for 2022/23 Quarterly updates to audit committee on progress and activity, including compliance with the policy. | 31/03/2022 | 100 | Lucy Clothier | Completed  |   |







## S&R Committee Q1 Performance Monitoring Report 2022/23

|                                |  |            |     |               |   |   |
|--------------------------------|--|------------|-----|---------------|---|---|
| » <a href="#">EC1.4.2</a>      | Engage through dialogue with County Council Pensions Committee and Brunel Partnership towards divestment of pensions in partnership with others (C).   | 31/03/2022 | 40  | Lucy Clothier | Overdue    |   |
| <a href="#">EC1.5</a>          | Explore and progress additional projects for carbon reduction and /or biodiversity net gain and funding opportunities to deliver them.                 | 31/03/2026 | 50  | Rachel Brain  | On Target  | 06/07/2022: Quarter 1: 2030 Team capacity for project development this quarter has been focused on works in progress including EV infrastructure liaison with Highways authority on their LEVI and OLEV funds, support to UKSPF work and building pipeline for future resource to Inno2Reno partnership's "Retrofit Centre". SDC have contributed match to Transition Stroud/Big Solar Coop initiative which had launch meeting this quarter and other success has been seen in the work to secure SEDF for Berkeley Green. |
| » <a href="#">EC1.5.1</a>      | Money leveraged through successful funding bids and level of associated council investment approved by Councillors £s (ongoing 2026)                   | 31/03/2025 | 10  | Rachel Brain  | On Target  | 01/09/2022: For 2030 Team there is a development pipeline focused on retrofit. In quarter 1 funding streams are being researched to support our retrofit leadership.  |
| » <a href="#">CDPEC1.5 (C)</a> | Number of external projects SDC has worked on with partners for carbon reduction (C)   | N/A        | N/A | Jenny Youngs  | Target:<br>Actual:  |   |
| » <a href="#">CDPEC1.5a</a>    | Money leveraged through successful funding bids and level of associated council investment approved by Councillors (ongoing 2026)                      | N/A        | N/A | Rachel Brain  | Target:<br>Actual:  |   |
| » <a href="#">CDPEC1.5b</a>    | Number of additional projects established or supported with an estimate given of bio-diversity net gain and / or carbon savings that will be achieved. | N/A        | N/A | Jenny Youngs  | Target:<br>Actual:  |   |


## S&R Committee Q1 Performance Monitoring Report 2022/23

**EC3: Sustainable Construction and Retrofit: Work with partners to retrofit our council housing stock and other public sector buildings, and investing in the skills and capacity in the local economy so all buildings across the district can become energy efficient**






| Code                      | Action Required / Description   | Deadline   | % Complete | Lead Officer | Status  | Comments  |
|---------------------------|---|------------|------------|--------------|---|---|
| <a href="#">EC3.2</a>     | 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. | 31/03/2026 | 40         | Alison Fisk  | On Target    | 19/07/2022: Quarter 1: OPE retrofit workshop held. first Masterplans for Beeches Green received and MOU signed for Cheapside with an inaugural meeting of partners held   |
| » <a href="#">EC3.2.1</a> | Blueprints produced for identified buildings within the Zero Carbon Public Estate Project by 202X   | 31/03/2026 | 20         | Alison Fisk  | On Target    |   |
| » <a href="#">EC3.2.2</a> | At least XX other opportunities identified for retrofitting of public buildings, with blueprints produced by 202X   | 31/03/2026 | 0          | Alison Fisk  | Not Started  |   |
| <a href="#">EC3.4</a>     | 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.   | 31/03/2026 | 50         | Rachel Brain | On Target    | 06/07/2022: Quarter 1: Support to SGS for their bid to secure SDF + SEDF for new facilities for training on whole house retrofit has been successfully delivered. Under work as theme lead on retrofit for the county recommendations to CLG will be made in our June thematic presentation. An information exchange link to the thematic lead for skills from the LEP is established with catch up meetings proposed to keep retrofit high on their skills agenda. |

## S&R Committee Q1 Performance Monitoring Report 2022/23






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

| Code                       | Action Required / Description   | Deadline   | % Complete | Lead Officer | Status  | Comments   |
|----------------------------|---|------------|------------|--------------|---|--|
| <a href="#">EC6.2</a>      | Deliver the water source heat pump projects at Ebley and Brimscombe Port Mills            | 31/03/2022 | 100        | Alison Fisk  | Completed  | 21/04/2022: Quarter 4: WSHP's installed and commissioned |
| » <a href="#">CDPEC6.2</a> | At least 97 tonnes of carbon saved per annum for Ebley and Brimscombe Port Mills combined | N/A        | N/A        | Alison Fisk  | Target:<br>Actual:  |  |

**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**

| Code                      | Action Required / Description   | Deadline   | % Complete | Lead Officer | Status  | Comments  |
|---------------------------|---|------------|------------|--------------|---|---|
| <a href="#">ER1.1</a>     | Develop and implement an inclusive and sustainable 'Economic Development Strategy' including supporting market towns and sectors most impacted by the pandemic. | 31/03/2023 | 25         | Amy Beckett  | On Target      | 14/07/2022: Quarter 1: ED Strategy agreed and now implementing actions  |
| » <a href="#">ER1.1.1</a> | 10 year Economic Development Strategy shared for consultation, revised and adopted by March 2022  | 31/03/2022 | 100        | Amy Beckett  | Completed     |   |
| » <a href="#">ER1.1.2</a> | Regular market town forums  | 31/03/2023 | 50         | Amy Beckett  | On Target    | 14/07/2022: Quarterly Market Towns forums take place.   |
| » <a href="#">ER1.1.3</a> | % of actions in each prioritised annual action plan are delivered within the Civic Year (80% target)  | 31/03/2023 | 0          | Amy Beckett  | Not Started  |   |
| <a href="#">ER1.2</a>     | Continue to support high street businesses to increase their digital and online visibility.   | 31/03/2026 | 50         | Amy Beckett  | On Target    | 14/07/2022: Quarter 1: Businesses have had access to online and social media support through Maybe* since March 2022. |







## S&R Committee Q1 Performance Monitoring Report 2022/23

|                            |   |            |     |              |   |   |
|----------------------------|---|------------|-----|--------------|---|---|
| » <a href="#">CDPER1.2</a> | 10 % increase in online visibility for high street businesses annually  | N/A        | N/A | Amy Beckett  | Target:<br>Actual:  |   |
| <a href="#">ER1.3</a>      | 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.   | 31/03/2024 | 80  | Amy Beckett  | On Target    | 06/05/2022: Quarter 4: Welcome back funding was utilised to support with shop local campaigns and as well as supporting parishes increase footfall to the market towns, markets and events. |
| » <a href="#">ER1.3.1</a>  | Implement the Economic Development Strategy and adopt the Action Plan<br>• Monitor against performance targets within the Strategy  | 31/03/2024 | 10  | Amy Beckett  | On Target    | 14/07/2022: Implementing actions from strategy as agreed.   |
| » <a href="#">ER1.3.2</a>  | Social media reach of Shop Local messages   | 31/03/2023 | 100 | Ben Falconer | Completed    |   |
| <a href="#">ER1.5</a>      | 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. | 31/03/2024 | 0   | Amy Beckett  | Not Started  | 14/07/2022: Quarter 1: Not yet started  |
| » <a href="#">ER1.5.1</a>  | Implement regular business engagement through face to face and online methods to understand how the District can provide a meaningful one door access point to the Council.   | 31/12/2022 | 0   | Amy Beckett  | Not Started  | 14/07/2022: To be started - will look to develop engagement plan over summer 2022 to start progressing forward in the Autumn  |





### 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

| Code | Action Required / Description | Deadline | % Complete | Lead Officer | Status | Comments |
|------|-------------------------------|----------|------------|--------------|--------|----------|
|------|-------------------------------|----------|------------|--------------|--------|----------|





## S&R Committee Q1 Performance Monitoring Report 2022/23

|                           |  |            |     |                     |   |  |
|---------------------------|--|------------|-----|---------------------|---|--|
| <a href="#">ER2.1</a>     | Develop Brimscombe Port as a key strategic site to support a thriving community, in line with project milestones which include securing a development partner and delivering infrastructure works.   | 31/03/2026 | 75  | Leonie Lockwood     | On Target      | 12/07/2022: Quarter 1: Final tenders have been submitted by the three shortlisted tenderers for the redevelopment of Brimscombe Port, their tenders have been evaluated and moderated and a recommendation it to be presented to Strategy and Resources Committee on the 12 July to approve the preferred tenderer. If approved there will follow a 10 day stand still period before the name of the successful tenderer can be made public. |
| » <a href="#">ER2.1.1</a> | Year 1 • Demolition completed • Procurement process for developer commenced  | 31/12/2022 | 100 | Leonie Lockwood     | Completed      | 12/07/2022: Final tenders have been received by the three shortlisted tenderers and these have been evaluated and moderated. A recommendation is to be made to Strategy and Resources Committee on the 12 July to approve the preferred bidder. Demolition is complete. All on target within the key milestones set.   |
| » <a href="#">ER2.1.2</a> | Year 2 • Developer selected and appointed • Submission of planning application for redevelopment   | 31/03/2023 | 80  | Leonie Lockwood     | On Target      | 14/07/2022: At the Strategy and Resources Committee on the 12 July, members approved the selection of the preferred bidder. There now follows a 10 day standstill period before the selected developer can be made public.   |
| » <a href="#">ER2.1.3</a> | Year 3 • Planning approval for redevelopment • Commencement of construction of the redevelopment   | 31/03/2024 | 0   | Leonie Lockwood     | Not Started    |  |
| » <a href="#">ER2.1.4</a> | Year 5 • Completion of redevelopment   | 31/03/2026 | 0   | Leonie Lockwood     | Not Started  |  |
| <a href="#">ER2.2</a>     | 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. | 31/03/2025 | 10  | Chris Mitford-Slade | On Target    | 02/09/2022: Quarter 1: The project programme is still on track to be delivered by March 2025. However, there have been delays to both Planning Approval for the Missing Mile and Land Acquisitions. If these slip beyond 31st December 2022 then there will be an impact to the overall programme. NLHF have extended the deadline for meeting the Permission to Start criteria from 31st March 2022 to 31st December 2022.                  |





## S&R Committee Q1 Performance Monitoring Report 2022/23

| Comments: Youth Council members will consider how they would like to be engaged in the Canal Project |   |            |     |                     |   |   |
|--|---|------------|-----|---------------------|---|---|
| » <a href="#">ER2.2.1</a>  | Completion of the Ocean Rail Bridge project (April 2022)      | 30/04/2022 | 100 | Chris Mitford-Slade | Completed    |   |
| » <a href="#">ER2.2.2</a>  | Land acquisitions secured (April 2022)                        | 01/07/2022 | 80  | Chris Mitford-Slade | Overdue      | 02/09/2022: We have been given an extension until 31st December 2022 to get all land secured under the NLHF Permission to Start criteria. There are three remaining parcels of land to be finalised:<br>1. Teasdale and Goldingham. We have now received DEFRA consent and therefore we can complete these acquisitions. Expected by signed by end September.<br>2. Ecotricity. Verbal agreement and now with solicitors to finalise wording of lease, deed and TP1. Expected to be signed by end September.<br>3. Ractliffe. Commercial framework agreed. Meeting in mid-September to finalise and then write up. Aim to have finalised and signed by end October. |
| » <a href="#">ER2.2.3</a>  | Approval of the Missing Mile Planning Application (May 2022)  | 30/06/2022 | 75  | Chris Mitford-Slade | Overdue      | 02/09/2022: Granted an extension for Planning Approval to 31st December 2022 under NLHF Permission to Start Criteria. Working with SDC Planning Team to submit for DCC in December. Plan in place to get address remaining questions / concerns which relate to Ecology and Hydrology. CCC Project Board informed and aware.  |
| » <a href="#">ER2.2.4</a>  | Monitoring & Evaluation progress reports in place (June 2022) | 30/09/2022 | 10  | Chris Mitford-Slade | On Target  | 02/09/2022: M&E framework has been agreed. However, the Activity Plan is being reviewed. Formal workshop on 23 September to finalise the Activity Plan. KPIs and Targets will then be set on the revised Activity Plan. NLHF have agreed to this plan which will be formally presented on 1st November for sign-off.  |



## S&R Committee Q1 Performance Monitoring Report 2022/23

|                           |   |            |    |                     |   |   |
|---------------------------|---|------------|----|---------------------|---|---|
| » <a href="#">ER2.2.5</a> | The approved activity plan, focusing on social and community outcomes, is being delivered in line with the successful heritage lottery bid.   | 30/09/2023 | 75 | Chris Mitford-Slade | On Target    | 02/09/2022: Workshops being held in August and September. these are on track with final workshop on 23 September.   |
| <a href="#">ER2.3</a>     | 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. | 31/03/2026 | 75 | Leonie Lockwood     | On Target    | 12/07/2022: Quarter 1: LUF bid prepared and ready for submission when the on line portal is opened by the government for submissions. The deadline has been delayed and we will have two weeks for bid submission once the on line portal is ready but we do not know when that will be. In terms of brownfield land regeneration, the bid will include improvements to the Wallbridge public realm and the purchase of a key strategically important brownfield site by the Council. Entered into a MoU with Network Rail and LCR to look together at the regeneration opportunities around the station, included is the Cheapside car park area - a key brownfield site for the Council and one that is detailed in the OPE Zero carbon project. Work is progressing with May Lane, Tricorn House and the OPE project with highlight reports to be presented to RIB on the 26 July 2022 setting out progress. |
| » <a href="#">ER2.3.1</a> | SDC pipeline of regeneration schemes reviewed and reported twice per year   | 31/03/2026 | 15 | Alison Fisk         | On Target    |   |
| » <a href="#">ER2.3.2</a> | Annual progress achieved on each of the priority sites in accordance with approved milestones by 2026 and reported to RIB meetings  | 31/03/2026 | 15 | Alison Fisk         | On Target  |   |

## S&R Committee Q1 Performance Monitoring Report 2022/23






|                           |   |            |    |              |   |  |
|---------------------------|---|------------|----|--------------|---|--|
| <a href="#">ER2.4</a>     | 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. | 31/03/2026 | 70 | Mark Russell | On Target    | 04/07/2022: Quarter 1: The draft Local Plan allocates an additional 90 hectares of employment land within the District and seeks to protect existing employment areas. The approved Economic Development Strategy identifies a commitment to work to increase commercial space for smaller businesses. The Council is working up a proposal for new incubator space within the Levelling Up Bid for Stroud town centre and how to support social enterprises, cooperatives and small businesses through the proposed UK Shared Prosperity Local Investment Plan. |
| » <a href="#">ER2.4.1</a> | Sq M of new commercial development and number of new jobs (create KPI)  | 31/03/2023 | 0  | Alison Fisk  | Not Started  |  |
| » <a href="#">ER2.4.2</a> | Land identified for low cost sites  | 31/03/2026 | 0  | Mark Russell | Not Started  |  |
| » <a href="#">ER2.4.3</a> | Work with others (e.g. FSB) to offer appropriate advice to businesses, social enterprises and cooperatives (C)  | 31/03/2026 | 0  | Mark Russell | Not Started  |  |

### 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.






| Code                      | Action Required / Description   | Deadline   | % Complete | Lead Officer | Status  | Comments  |
|---------------------------|---|------------|------------|--------------|---|---|
| <a href="#">ER3.1</a>     | Attract investment by setting out the offer of Stroud District in a new 'Place Prospectus' to showcase the district's achievements and future priorities. | 31/03/2023 | 30         | Mark Russell | On Target  | 04/07/2022: Quarter 1: A request for quotations has been undertaken and a consultant procured for undertaking the work during summer/autumn 2022. |
| » <a href="#">ER3.1.1</a> | Produce and share 'Place Prospectus' by end 2022  | 31/03/2023 | 30         | Mark Russell | On Target  | 04/07/2022: A request for quotations has been undertaken and a consultant procured for undertaking the work during summer/autumn 2022.            |





## S&R Committee Q1 Performance Monitoring Report 2022/23

|  |   |            |    |                |   |   |
|--|---|------------|----|----------------|---|---|
| » <a href="#">ER3.1.2</a>  | Positive feedback from external stakeholders (including potential investors) on Place Prospectus  | 31/03/2023 | 0  | Mark Russell   | Not Started  |   |
| <a href="#">ER3.2</a>  | Promote prosperity and visitors to the district's waterways, by developing a Canal Strategy, which links to heritage and biodiversity objectives.   | 31/03/2023 | 90 | Mark Russell   | On Target    | 04/07/2022: Quarter 1: The Draft Canals Strategy was subject to public consultation which closed at the end of May 2022. Representations received are currently being analysed. The final document, including necessary changes as a result of public consultation, will be recommended to Environment Committee for approval, currently anticipated to be in September 2022.                       |
| » <a href="#">ER3.2.1</a>  | Canal Strategy adopted as a supplementary planning document by May 2022   | 31/05/2022 | 90 | Mark Russell   | Overdue      | 04/07/2022: Public consultation on the Draft Canals Strategy document was extended until the end of May 2022, responding to initial concerns regarding the readability of the documentation. Amendments to documents were made and an additional video explaining the documentation produced. The intention is to take an amended document to Environment Committee for approval in September 2022. |
| <b>Comments:</b> Youth Council members were particularly interested if provision had been made for play/leisure space for young people. A link to the Strategy and accompanying video will be sent to the Youth Council members. |   |            |    |                |   |   |
| » <a href="#">ER3.2.2</a>  | Action plan approved by December 2022   | 31/12/2022 | 0  | Mark Russell   | Not Started  |   |
| <a href="#">ER3.3</a>  | 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. | 31/07/2022 | 90 | Brendan Cleere | On Target  | 19/07/2022: Quarter 1: The scope of the Council's LUF bid has been agreed by the Council's S&R Cttee and also the key partners' Task Force. The original govt deadline for submission of 6 July 2022 has been extended to 2 Aug, due to delays in the opening of the Government application. Our bid of £16.7m is on course to be submitted by the revised deadline.                                |
| <b>Comments:</b> Youth Council members contributed letters of support for the Bid and have asked to be informed when the Council is notified of the outcome.   |   |            |    |                |   |   |









## S&R Committee Q1 Performance Monitoring Report 2022/23

|                           |  |            |     |                |   |   |
|---------------------------|--|------------|-----|----------------|---|---|
| » <a href="#">ER3.3.1</a> | Levelling Up Bid prepared and submitted in line with Government deadlines when known   | 31/07/2022 | 50  | Brendan Cleere | On Target  |   |
| » <a href="#">ER3.3.2</a> | Application made to GEGJC for green skills and retrofit local partnership – Spring 2022  | 30/06/2022 | 50  | Brendan Cleere | On Target  |   |
| » <a href="#">ER3.3.3</a> | Creation of a task force to succeed LUF working group  | 31/03/2022 | 100 | Brendan Cleere | Completed  |   |
| <a href="#">ER3.4</a>     | 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. | 31/03/2024 | 90  | Mark Russell   | On Target  | 04/07/2022: Quarter 1: It is understood that UKAEA has now submitted their assessment report and recommendations to Government. The Council is working with partners to lobby Government for Severn Edge to be announced as the successful bid. |
| » <a href="#">ER3.4.1</a> | Support provided for UK Atomic Energy Authority bid by December 2022   | 23/12/2022 | 90  | Mark Russell   | On Target  | 04/07/2022: It is understood that UKAEA has now submitted their assessment report and recommendations to Government. The Council is working with partners to lobby Government for Severn Edge to be announced as the successful bid.            |








### 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.

| Code                      | Action Required / Description  | Deadline   | % Complete | Lead Officer | Status  | Comments   |
|---------------------------|--|------------|------------|--------------|---|--|
| <a href="#">ER4.1</a>     | 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. | 31/03/2023 | 0          | Amy Beckett  | Not Started  | 14/07/2022: Quarter 1: Not yet started   |
| » <a href="#">ER4.1.1</a> | Favoured trader list on track to be developed and shared by March 2023   | 31/03/2023 | 0          | Amy Beckett  | Not Started  | 14/07/2022: Not started - consideration how to develop this will need to take place first. |

## S&R Committee Q1 Performance Monitoring Report 2022/23

|                           |   |            |    |                 |   |  |
|---------------------------|---|------------|----|-----------------|---|--|
| » <a href="#">ER4.1.2</a> | Increase in % of businesses that pay the living wage  | 31/03/2023 | 10 | Amy Beckett     | On Target      | 14/07/2022: Looking at how to gather data / including in the annual survey to start gathering data   |
| » <a href="#">ER4.1.3</a> | 2 articles annually showcase businesses with environmental and social good practice in Stroud District in regional/national and trade press   | 31/03/2023 | 0  | Amy Beckett     | Not Started    | 14/07/2022: Not started  |
| <a href="#">ER4.2</a>     | 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.   | 31/03/2025 | 20 | Andrew Cummings | On Target      | 05/09/2022: Quarter 1: No further actions completed in Q1 2022/23.   |
| » <a href="#">ER4.2.1</a> | Increase in support (time) / funding year on year provided to Community Banks and Credit Unions   | 31/03/2025 | 10 | Andrew Cummings | On Target      | 05/09/2022: No further actions completed in Q1 2022/23. £10K awarded to Stroud Valleys Credit Union in last quarter.   |
| » <a href="#">ER4.2.2</a> | Annual investment in renewable energy generation through treasury or capital investment   | 31/03/2024 | 0  | Andrew Cummings | On Target      | 05/09/2022: Treasury Management performance now to include ESG ratings, first report to come to Audit and Standards Committee in September 2022  |
| <a href="#">ER4.3</a>     | 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. | 31/03/2026 | 15 | Hannah Emery    | On Target      | 21/07/2022: Quarter 1: Continue to produce an annual spend analysis based on the previous year's expenditure to determine the level of local spend and report to SLT and members Implementing the Social Value portal to identify the level of social value brought to the district through procurement and contract management activity |
| » <a href="#">ER4.3.1</a> | Annual improvement in social value as measured through the Social Value Portal  | 31/03/2026 | 0  | Hannah Emery    | Not Started  |  |
| » <a href="#">ER4.3.2</a> | Partnering with local anchor institutions to support community wealth building  | 31/03/2026 | 0  | Hannah Emery    | Not Started  |  |

## S&R Committee Q1 Performance Monitoring Report 2022/23

|                               |  |            |     |              |  |  |
|-------------------------------|--|------------|-----|--------------|--|--|
| » <a href="#">CDPER4.3</a>    | % of overall annual spend from local businesses with a GL postcode.  | N/A        | N/A | Sarah Turner | Target:<br>Actual:   |  |
| <a href="#">ER4.4</a>         | 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. | 31/03/2026 | 20  | Amy Beckett  | On Target     | 14/07/2022: Quarter 1: Worked with GCC, training providers, further education and higher education provision to increase number of residents and workers who are taking up further skills. |
| » <a href="#">ER4.4.1</a>     | Provide regular opportunities for partners to share information on their skills and training provision that are available for the residents of our District including through community groups                         | 31/03/2026 | 0   | Amy Beckett  | Not Started   |  |
| » <a href="#">ER4.4.2</a>     | Continued support for SDC apprenticeship scheme and volunteer opportunities  | 31/03/2026 | 0   | Lucy Powell  | On Target     |  |
| » <a href="#">ER4.4.3</a>     | Collaboration with local training providers (C)  | 31/03/2026 | 10  | Amy Beckett  | On Target     | 14/07/2022: Met with training providers, higher education and further education provision to discuss their offer and increasing awareness of available courses                             |
| » <a href="#">ER4.4.4</a>     | Input and support for Gloucestershire Skills Strategy (C)  | 31/03/2026 | 100 | Lucy Powell  | Completed     | 14/07/2022: Worked with GCC and GFirst LEP to develop their strategy   |
| <a href="#">ER4.5</a>         | Work with trade unions to support fair employment, encouraging more local businesses and organisations to be real living wage employers.   | 31/03/2024 | 0   | Lucy Powell  | Not Started  | 14/07/2022: Quarter 1: Not yet started   |
| » <a href="#">ER4.5.1</a>     | Positive engagement with Trade Unions at SDC   | 31/03/2024 | 0   | Lucy Powell  | On Target   |  |
| » <a href="#">CDPER4.5(C)</a> | Number of businesses who have pledged to be real living wage employers   | N/A        | N/A | Amy Beckett  | Target:<br>Actual:   |  |



## STRATEGY & RESOURCES COMMITTEE

### MEMBER REPORT

|                                      |   |
|--------------------------------------|---|
| <b>NAME OF ORGANISATION/BODY</b>     | Gloucestershire Economic Growth Joint Committee |
| <b>DATE OF LAST MEETING ATTENDED</b> | 7 September 2022                                |

#### BRIEF REPORT:

A number of reports were received for information:

#### 1. Gloucestershire's role in Western Gateway's growth agenda

James Cooke of the Western Gateway Partnership gave a presentation reminding the committee of the partnership, its opportunities and challenges, key missions and key projects.

The pan-regional Western Gateway Partnership serves 4.4m people living in 2 countries, 8 cities and 3 city regions, and its Board is made up of local authority leaders, representatives from the city regions and Combined Authorities, LEPs and academic institutions.

Whilst the area has a £110bn economy, centred on advanced manufacturing, green and cyber technology, there are productivity and export gaps compared to the rest of the UK regional and Welsh economies, as well as pockets of deprivation and some of the least well-connected cities in the UK. There are some opportunities and ambitions particularly around a green energy super cluster concentrating on a hydrogen ecosystem and potentially tidal capacity of the Severn, and key projects in train include the Severn Edge STEP nuclear fusion project – we are down to the final 5 and expecting to hear soon.

#### 2. Statement of Common Ground

Tracey Birkinshaw of Cheltenham BC advised the committee that the Statement of Common Ground (SCG), which helps fulfil the local plan duty to co-operate requirement with neighbouring councils, had been signed by the county council, the LEP and all the district councils except for Tewkesbury BC, which now has that scheduled.

There is an ambition to develop an action plan to deliver on some of the strategic objectives of the SCG, including cross-cutting issues such as climate change, although the lack of resource to deliver that means that the Senior Officers Group will now work on developing a bid to SEDF to fund the development of an action plan. There was some debate about the length of time it had taken to prepare the SCG, whether it would have an enduring purpose subject to planning reforms and whether all councils would be able to agree on an action plan / funding one.



## **STRATEGY & RESOURCES COMMITTEE**

### **MEMBER REPORT**

#### **3. GFirst LEP Update**

Dev Chakraborty gave an update, the highlights of which were:

1. Progress made on capital projects, principally the opening of the Applied Digital Skills Centre at Cirencester College and Hartpury University's Digital Innovation Farm, and the completion of the West Cheltenham Transport Improvement Scheme to accelerate the release of employment land for the Cheltenham Cyber Park (using £23.6m of Growth Deal funding).
2. Inward investment project – progress made on 'Invest in Gloucestershire'.
3. The successful launch of the 'Made in Gloucestershire' initiative.

#### **4. Gloucestershire Business Rates Pool Update**

Andrew Cummings reported that the Gloucestershire S151 Officers had confirmed the business rates pool funding was available to fund the SEDF bids that had been agreed at the last meeting subject to the funding being available at outturn (Berkeley Low Carbon Training Centre and development of a project to create a World-leading Innovation Centre at the Royal Agricultural University).

The total growth in business rates funding was £12.87m for 2021/22, a reduction on the previous year where growth had been £13.85m. The reduction was mainly due to a large business rates appeal in TBC's area. The pooling system allows the total growth to be combined and a pool levy to be calculated, with a lower level of growth returned to Government than would be the case without pooling. This resulted in a pool gain of £3.9m in 2021/22 (as compared to £3.57m in 2020/21). Of this, £638k went into the Strategic Economic Development Fund (SEDF) administered by this committee, £2.04m went to the district councils and £51k to the county council.

The forecast for the pool gain in 2022/23 is currently £3.886m which will be revised and updated throughout the year. DLUHC has written to local authorities requesting proposals for pooling arrangements in 2023/24 which indicates that it is considering extending pooling into 2023/24 although this is not yet confirmed.

#### **5. UK Shared Prosperity Fund**

Lisa McCance of Shared Intelligence, who provide economic development consultancy support to GCC and had prepared an evidence base for the bids, updated the committee on the two UKSPF bid streams:

- a. Multiply, the £2.7m countywide programme to deliver adult numeracy improvements over the next 3 years, which had received full support following its June submission. and



# STROUD DISTRICT COUNCIL

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## STRATEGY & RESOURCES COMMITTEE

### MEMBER REPORT

- b. Core UKSPF to each district, totalling just over £7m. Districts updated to say that each had submitted its investment plan by the deadline of 1 August and we are now awaiting the outcomes.

The four rural districts in the county had just received news of a further allocation of funding from the Rural England Prosperity Fund, with bids to be submitted by the end of November as an addendum to the UKSPF bids already submitted. SDC has received a further allocation of £400,000 to be spent in the two years 2023-24 and 2024-25.

#### 6. Covid-19 and Economic Intelligence Dashboard

Kate Martin of GCC tabled an update on GCC’s Economic Dashboard which was taken as read.

#### 7. Forward (Work) Plan

There was some discussion about bringing forward some of the unscheduled items on the work plan related to the poor rural bus service, namely ‘Use and Access to Public Transport in Gloucestershire’, ‘The impact of the shortage of bus drivers on the local economy’ and ‘Addressing economic inactivity in Gloucestershire, how to encourage young people to stay and work in the county, and helping vulnerable communities become more resilient’. This resulted in the majority of the Members present voting to take all 3 items off the work plan and instead ask for an item to cover them at the Economic Growth Joint Scrutiny Committee, which SDC did not support.

|                            |  |
|----------------------------|--|
| <b>FUTURE MEETINGS</b>     | 16 November 2022<br>9 February 2023                            |
| <b>REPORT SUBMITTED BY</b> | Cllr Catherine Braun, Leader<br>Kathy O’Leary, Chief Executive |
| <b>DATE</b>                | 7 September 2022   |

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## **PROPERTY REVIEW UPDATE**

| Property/Project                    | Current position   | Target Date |
|-------------------------------------|--|-------------|
| Corporate Asset Management Strategy | <p>The Property Update report to the Strategy and Resources Committee (S&amp;R) in November 2021 set a timetable for updating the Corporate Asset Management Strategy (CAMS) in 2022. Long term sickness absence and volume of work across the Property Team has unfortunately led to a delay in progress. The strategy will also require input from officers in Tenant Services.</p> <p>The review of the CAMS has begun, the strategy will be updated to reflect the key priorities set for the next five years and identify actions required. The strategy will come back to Strategy &amp; Resources Committee in 2023 for its consideration.</p>  | April 2023  |
| Kingshill House                     | <p>Members will be aware that discussions have been ongoing with Kingshill House Trust for several years about a possible Community Asset Transfer but there have been delays because of the impact of the Covid 19 pandemic upon their financial situation. There have also been changes to the Board of Trustees and senior staff. A Capital budget provision of £50K in 2017/18 and £50K in 18/19 was made as part of an ongoing funding package to help assist the transfer together with a tapering reduction in core funding. It has recently been agreed that the £17,000 outstanding from this capital budget provision can be spent on essential works to the cottage and drains.</p> <p>Following discussions with the Chair and Vice Chair of S&amp;R and senior officers additional time was given for the Trust to finalise their Business Plan. The Trust has a 25-year lease which is due to expire on 17<sup>th</sup> October 2024. The council will need to be confident that the board is in a position to take on the freehold and has a robust business plan before a decision is made and reported back to S&amp;R for approval. Committee will be updated in March 2023.</p> | March 2023  |

**Jill Fallows, Property Manager**  
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|                        |  |            |
|------------------------|--|------------|
| Stroud Cemetery Chapel | In 2020 S&R recommended that the Chapels of Rest be transferred as a community asset to Stroud Preservation Trust subject to a detailed feasibility study, proof of community consultation and compliance with S123 of the Local Government Act. Despite covid, over the last 18 months, the Trust have commissioned a feasibility study and held consultation events. The feasibility report from Donald Install Associates has been completed and is on their website <a href="https://www.stroudpreservationtrust.org.uk/uploads/2/1/9/8/21981304/sccr.01_-_chapels_of_rest_pw_reduced.pdf">https://www.stroudpreservationtrust.org.uk/uploads/2/1/9/8/21981304/sccr.01_-_chapels_of_rest_pw_reduced.pdf</a> this has given the trust clear and current information on the buildings condition maintenance needs and large conservation deficit. The conclusions of the study are that short term uses would be possible with essential works £29-£50K minimum. Full repair and conversion to best contemporary standards would be very costly with estimates ranging from £1.3m to £2.2m. Officers are considering the options and proposals put forward by SPT and will prepare a report to S&R Committee | March 2023 |
| Old Town Hall          | Is a Grade II* listed building comprising of small office units, a meeting room and stores. It is currently underlet and requires modernisation. The Old Town Hall formed part of the successful One Public Estate (OPE) bid. Phase 1 of this project will look at a 4 Listed Buildings including the Old Town Hall where it is hoped to identify and implement energy efficiency measures. The Active Building Centre has been commissioned to undertake a desk based study to identify and categorise the areas for potential intervention for retrofit, to develop preliminary energy models of the Old Town Hall to determine the predicted energy demand and generation and subsequent energy balance for identifying potential upgrade options and then to undertake a whole-life carbon assessment of the refurbishment of the Old Town Hall building as an assessment template for the listed buildings in the project. This will feed into an options appraisal for this asset  | TBC        |
| Woodchester Mansion    | The Property Review for the mansion was completed and reported to S&R in November 2021. Regular meetings continue to be held with the Trust and members of the Strategic Leadership Team to maintain good partnership working and to consider what the council can do to help the Trust to   |            |

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|                     |   |          |
|---------------------|---|----------|
|                     | reach a sustainable position for the long-term conservation of the mansion including research on and links into other potential sources of funding and support. This is in line with the Council plan objective ER1.4 Work with partners across Stroud district to grow a sustainable visitor economy, including the night-time economy, walking and cycling, culture and leisure attractions. In March 2022 the Community Services and Licensing Committee awarded the trust a grant of £50K towards their ongoing building conservation objectives. |          |
| Public conveniences | The first stage of this review, to have initial conversations with Town and Parish Councils took place in 2020. All said that the PC's in their town or parish are an important local facility that should be retained. The second stage, to install counters to obtain accurate data on the number of people using the facilities was delayed because of Covid. It is anticipated that this work will be carried out in late spring/early summer 2023 before identifying options and making a recommendation to S&R in late 2023                     | Nov 2023 |

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## STRATEGY AND RESOURCES COMMITTEE

## WORK PROGRAMME

| Date  | Matter to be considered   | Reporting Member/Officer   |
|---|---|--|
| 24 Nov 2022   | Performance Management Framework Review   | Senior Policy and Governance Officer   |
|   | Annual Corporate Procurement Update   | Senior Policy and Governance Officer   |
|   | LGA Corporate Peer Challenge Action Plan Progress Report  | Chief Executive  |
|   | Canal Strategy Action Plan  | Head of Planning Strategy and Economic Development   |
|   | Update on the Economic Development Strategy   | Senior Economic Development Specialist   |
|   | Social Value Annual Report  | Policy & Projects Officer  |
|   | Member/Officer Update Reports:<br>a) Performance Management Q2<br>b) Gloucestershire Economic Growth Joint Committee (GEGJC)<br>c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC)<br>d) Regeneration & Investment Board<br>e) Fit for the Future Update | Councillors Craig & Housden Chair & Chief Executive<br><br>Councillor Turner<br><br>Strategic Director of Place<br>Strategic Director of Change and Transformation |
| 2 Feb 2023  | CIL Spending Allocations  | Senior Community Infrastructure Officer  |
|   | The Fair Pay and Senior Pay Policy Statement 2022/23  | Human Resources Manager  |
|   | Council Tax Support Scheme  | Revenue and Benefits Manager   |
|   | Budget Monitoring Report Q2   | Accountancy Manager  |
|   | Stroud District Council Capital Strategy  | Principal Accountant   |
|   | General Fund Budget 2023/24, Capital Programme and Medium-Term Financial Plan   | Strategic Director of Resources  |
|   | Housing Revenue Account Estimates – Revised 2022/23 and Original 2023/24 and Medium-Term Financial Plan 2022/23 – 2026/27   | Accountancy Manager  |
| Member/Officer Update Reports:<br>a) Gloucestershire Economic Growth Joint Committee (GEGJC)<br>b) Gloucestershire Economic Growth Scrutiny Committee (GEGSC)<br>c) Regeneration & Investment Board<br>d) Fit for the Future Update | Chair & Chief Executive<br><br>Councillor Turner<br><br>Strategic Director of Place<br>Strategic Director of Change and Transformation  |  |
| 9 Mar 2023  | Member/Officer Update Reports:<br>a) Performance Management Q3<br>b) Gloucestershire Economic Growth Joint Committee (GEGJC)  | Councillors Craig & Housden Chair & Chief Executive<br><br>Councillor Turner   |

## Agenda Item 10

|             |   |  |
|-------------|---|--|
|             | <ul style="list-style-type: none"> <li>c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC)</li> <li>d) Regeneration &amp; Investment Board</li> <li>e) Fit for the Future Update</li> </ul>   | <p>Strategic Director of Place</p> <p>Strategic Director of Change and Transformation</p>      |
| 20 Apr 2023 | Budget Monitoring Report Q3   | Accountancy Manager  |
|             | <p>Member/Officer Update Reports:</p> <ul style="list-style-type: none"> <li>a) Gloucestershire Economic Growth Joint Committee (GEGJC)</li> <li>b) Gloucestershire Economic Growth Scrutiny Committee (GEGSC)</li> <li>c) Regeneration &amp; Investment Board</li> </ul> | <p>Chair &amp; Chief Executive</p> <p>Councillor Turner</p> <p>Strategic Director of Place</p> |