

STROUD DISTRICT COUNCIL

COMMUNITY SERVICES AND LICENSING COMMITTEE

14 MARCH 2024

Report Title	Community Services and Licensing Budget Monitoring Report Q3 2023/24			
Purpose of Report	To present the 2023/24 forecast outturn position against the revenue budgets and Capital Programme that the Committee is responsible for, in order to give an expectation of possible variances against budget.			
Decision(s)	The Committee RESOLVES to note the outturn forecast for the General Fund Revenue budget and the Capital Programme for this Committee.			
Consultation and Feedback	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 forecast income and expenditure.			
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Options	None			
Background Papers	None			
Appendices	Committee Budget Breakdown			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1 Background

- 1.1 This report provides the third monitoring position statement for the financial year 2023/24. 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.
- 1.2 **Due to the volume of information contained in the report, it would be helpful where members have questions on matters of detail if they could be referred to the report author or the appropriate service manager before the meeting.**

2. Summary

- 2.1 The monitoring position for the Committee as at 31 December 2023 shows a **projected net revenue underspend of (£216k)** against the latest budget.

- 2.2 The Capital programme is showing a forecast spend of £5.489m against a revised budget of £5.557m.
- 2.3 Table 2 shows the capital spend and projected outturn for the Community Services & Licensing Committee for 2023/24.

3. Revenue Budget Position

- 3.1 Council approved the General Fund Revenue budget for 2023/24 in February 2023 including budget proposals of the administration.
- 3.2 The latest budget for Community Services and Licensing Committee, taking into account the adjustments for carry forwards, is £5.030m (Original Budget was £4.400m) This considers any MTFP adjustments, carry forwards and re-profiling of corporate maintenance budgets, as well as the 2023/24 pay award (£1,925 or 3.88%).
- 3.3 The outturn position is mainly attributable to those items outlined in Table 1, with an explanation of the significant variations that have arisen (a significant variation is defined as being +/- £20,000 on each reporting line).
- 3.4 Appendix A provides a more detailed breakdown on the Committee's budget.

Table 1 – Community Services and Licensing Revenue budgets 2023/24

	Para Refs	2023/24 Original Budget (£'000)	2023/24 Revised Budget (£'000)	2023/24 Forecast Outturn (£'000)	2023/24 Reserve Transfers (£'000)	2023/24 Outturn Variance (£'000)
Community Services Committee						
Community Safety	3.5	160	200	(206)	398	(8)
Cultural Services - Arts and Culture	3.6	493	500	491	(13)	(22)
Cultural Services - Community Health & Wellbeing	3.7	176	553	698	(150)	(5)
Cultural Services - Sports Centres	3.8	372	370	88	(19)	(300)
Customer Services	3.9	438	447	509	(63)	(0)
Grants to Voluntary Organisations	3.10	350	360	439	(80)	(1)
Licensing	3.11	(20)	(20)	(33)	16	3
Public Spaces	3.12	1,496	1,669	1,588	91	10
Revenues and Benefits	3.13	816	832	940	0	108
Youth Services	3.14	118	120	57	63	(0)
Community Services and Licensing TOTAL		4,400	5,030	4,571	244	(216)

Table contains roundings.

- 3.5 **Community Safety - £398k reserve transfer**
(Angela Gillingham xtn 4452, angela.gillingham@stroud.gov.uk)

Careline - £350k reserve transfer

Members will recall funding of £350k (GCC) has been awarded to implement a new Careline system in 2024/25 and this funding will be held in reserves until next financial year.

Neighbourhood Wardens – £48k salary saving/reserve transfer

The Community Services re-structure is now complete. The salary saving is due to in-year vacancies which have now all been filled apart from one Community Warden post currently

in the process of being recruited to. This amount has been factored into the overall corporate vacancy saving figure reported to Strategy & Resources Committee.

3.6 Cultural Services – Arts & Culture – (£22k) underspend

Kevin Ward, kevin.ward@stroud.gov.uk

A detailed exercise was undertaken at budget setting to reflect the national cost-of-living crisis for utility prices for the 2023/24 budget. In April 2023 a new Utilities contract was signed with a notable reduction in rates for both gas and electric, initiating a favorable forecast variance for the rest of this financial year.

Air source heat pumps are being installed at several sites including the Museum in the Park due to finished by the end of the financial year.

3.7 Cultural Services – Community Health & Wellbeing – (£150k) reserve transfer

(Angela Gillingham xtn 4452, angela.gillingham@stroud.gov.uk)

Funding received last financial year from the Integrated Locality Partnership & Integrated Care Board, is to support the delivery on their two priorities; Children and Young People's Mental Health & Dementia, Frailty and Carers. The funding has been used to increase staff hours to support the delivery of the Health & Wellbeing Plan and Physical Activity Action Plan 2022-2025. Examples of what this funding has achieved is the creation of a group called Connect-Ed for young people diagnosed with disordered eating in Dursley, reading well book collections into primary and secondary schools in Stroud District and setting up choose2move Dance and Yoga classes for residents who don't feel confident to attend mainstream classes. Any unspent funding is proposed to be carried forward to 2024/25 to support the delivery of two priorities, Children and Young People's Mental Health & Dementia, Frailty and Carers.

3.8 Cultural Services – Sports Centres – (£300k) underspend/additional income

(Darren Young 01453 540995, darren.young@stroud.gov.uk)

(Angela Gillingham xtn 4452, angela.gillingham@stroud.gov.uk)

The main variance is made up of two parts, firstly the proposed additional income of (£141k) and forecast savings of (£197k) on the Utilities contract at The Pulse.

A noticeable upward trend on pool-based activities has led to a projected favourable variance which does not seem to be affected by the cost-of-living crisis.

A detailed exercise was undertaken at budget setting to reflect the national cost-of-living crisis for utility prices for the 2023/24 budget. In April 2023 a new Utilities contract was procured with a notable reduction in rates for both gas and electric, initiating a favourable forecast variance for the rest of this financial year.

The Pulse has also been successful in bidding for £165k grant funding from the Swimming Pool Support Fund, central government funding. The funding has been made available to support the heating, maintenance and running costs which have increased significantly in recent months/years.

Community run Wotton Pool was also successful in receiving £10k in grant funding. Stratford Park Leisure Centre was not eligible for this fund.

The 40k transfer from reserves is attributable to the new Leisure review/set up costs for which funding was put aside from the 2022/23 outturn position.

The Pulse and Stratford Park Leisure Centre (along with the Museum in the Park) are having air source heat pumps installed this financial year to decarbonise the heating and hot water systems, as included in the capital programme. This forecast allows for small periods of closure to allow this to happen. It is expected that there will be an overspend on the project of £178k (paragraph 4.2). The in year revenue underspends for the leisure centres means that this capital overspend of £178k can be funded through a revenue contribution to capital within the service.

3.9 Customer Services – £63k reserve transfer

(Liz Shellam, ten 4234, liz.shellam@stroud.gov.uk)

Members will recall that two fixed term contract posts (2 years) were agreed at budget setting last financial year to be funded from reserves. Additionally, as part of the agreed Contact Centre Vision, two new posts have been created to allow us to centralise customer contact. The budget has been reviewed as part of the 2024/25 budget setting process.

3.10 Grants to Voluntary Organisations – £80k reserve transfer

(Angela Gillingham xtn 4452, angela.gillingham@stroud.gov.uk)

This funding from the Projects Reserve was agreed to resource activity that is supporting Stroud residents in the cost-of-living crisis. Small voluntary community hubs are leading the response in their neighbourhoods, additional support and guidance will be provided to them by more experienced organisations in their locality. This will be provided by GL11 Community Hub, The Keepers Community Hub and Stroud Town Council's Community Development team. This extra resource will be overseen by a newly formed partnership of organisations who have an investment in the Community Hubs network and by the SDC Cost of Living Working Group.

3.11 Licensing - £16k reserve transfer

(Rachel Andrew xtn 4401, rachel.andrew@stroud.gov.uk)

This reserve transfer is directly linked to COMF monies proposed to be carried forward to 2024/25 to fund supporting commercial business, licensed premises, and the event sector, to bounce back safely post pandemic.

3.12 Public Space Service – £91k reserve transfer

(Angela Gillingham xtn 4452, angela.gillingham@stroud.gov.uk)

This is an in-year salary saving (£91k) due to a re-structure within the Community services team, all vacancies have now been recruited to. This amount has been factored into the overall corporate vacancy saving figure reported to Strategy & Resources Committee.

3.13 Revenues & Benefits – £108k unachieved income/underspends

(Simon Killen 01453 754013, simon.killen@stroud.gov.uk)

Additional budget was actioned as part the budget setting process for 2023/24 for the shortfall on housing benefit subsidy claims. However, a significant variance of £221k has been forecast, which relates to supported and temporary accommodation. 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 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.

Unbudgeted grant income from DWP has been received supporting the Housing Benefit Award Accuracy Initiative. Concentrated work to undertake activity related to HB Full Case Reviews, Housing Benefit Matching Service referrals, Self-Employed Earnings Reviews and the correct recording of case information on IT systems.

3.14 Youth Services – £63k reserve transfer

(Angela Gillingham xtn 4452, angela.gillingham@stroud.gov.uk)

This transfer is in relation to in-year staff vacancies within the team. Recruitment is underway with a view to appointing over the next few months. This amount has been factored into the overall corporate vacancy saving figure reported to Strategy & Resources Committee.

4. Capital

Table 2 below shows the 2023/24 Capital Programme for this Committee.

Table 2 – Capital Outturn forecast

	Para Refs	2023/24 Original Budget (£'000)	2023/24 Revised Budget (£'000)	2023/24 Forecast Outturn (£'000)	2023/24 Outturn Variance (£'000)
Community Services Capital Schemes					
Community Buildings Investment	4.1	100	0	0	0
Decarbonisation SPLC/MIP/The Pulse	4.2	5,400	5,356	5,489	133
Stratford Park Lido	4.3	0	201	0	(201)
Stratford Park Tennis Courts		128	0	0	0
Community Services Capital Schemes TOTAL		5,628	5,557	5,489	(68)

4.1 Community Buildings Investment

Terms for a new lease to Kingshill House Ltd were approved by Strategy & Resources Committee on 23 November 2023. Under the terms of the new lease the council will take responsibility for the roof and structure of the building. This change will place a greater obligation on the council to meet repair costs and these must be included within appropriate budgets. The existing £100k earmarked in the capital budget will be used to carry out priority works and investigations in 2024/25 to continue to protect the structure and fabric of the building. As freeholder owner of this listed building the responsibility to maintain Kingshill House would fall to the district council if terms for a new lease weren't agreed.

4.2 Decarbonisation – Sports Centres

Members will recall that Salix funding was secured (<https://www.salixfinance.co.uk/>) to decarbonise the three sites (The Pulse, Stratford Park Leisure Centre and the Museum in the Park). The project is progressing and remains on programme and will be completed by 31st March 2024 in line with the requirements of the funding agreement. The total grant sum is £4,690,518 with the council contributing the requisite sum of £700k. Preliminary works started in 2022/23 with the mainstay of the project completed in this financial year. The forecast final spend is £178k overspend (3.3%) on the total project. £133k is estimated this financial year this is attributable to unforeseen costs of the transformer replacement and associated contractor costs at Stratford Park. The risks of additional costs from the Distribution Network Operator (National Grid) were set out at the beginning of the project. The overspend has been minimised as far as possible by amendments to the scope of the works (in particular at the Museum in the Park: ventilation and building works). Spend of £45k in 2024/5 is forecast for works associated with the DNO at SPLC. The total additional

cost of £178k could be funded from the expected underspend in Sports Centres as set out in paragraph 3.8.

4.3 Stratford Park Lido

The conditions survey has now been completed on the lido and will be looking at the next steps now to progress the project as repairs involved bringing it to an operational level will exceed the allocated budget. A paper will be brought back to members later this year in relation to the repair work and any additional funding that would be required. It is proposed that the unspent budget from 2023/24 is slipped into 2024/25.

5. IMPLICATIONS

5.1 Financial Implications

This report is of a financial nature and any financial implications are included in the report.

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5.2 Legal Implications

There are no legal implications arising from this report.

One Legal
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5.3 Equality Implications

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

5.4 Environmental Implications

There are no significant implications within this category.