

STROUD DISTRICT COUNCIL

COMMUNITY SERVICES AND LICENSING COMMITTEE

THURSDAY, 2 DECEMBER 2021

Report Title	COMMUNITY SERVICES AND LICENSING BUDGET MONITORING REPORT Q2 2021/22			
Purpose of Report	To present the 2021/22 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 to the report to explain difference between budgets and forecast income and expenditure.			
Report Author	Adele Rudkin, Accountant Tel: Email: adele.rudkin@stroud.gov.uk			
Options	None			
Background Papers	None			
Appendices	Appendix A – Detailed breakdown of revenue position			
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 second monitoring position statement for the financial year 2021/22. The purpose of this report is to notify members of any known significant variations to budgets for the current financial year, highlight any key issues and to inform members of any action to be taken if required.
- 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 at 30 September 2021 shows a **projected net revenue overspend of £430k** against the latest budget, as summarised in Table 1.

- 2.2** This position does not include the expected financial impact of Covid-19, which is reported to Strategy and Resources Committee. A summary of the position for this committee included in Section 4.
- 2.3** The Capital programme is showing a forecast spend of £30k against a budget of £147k.
- 2.4** Table 3 shows the capital spend and projected outturn for the Community Services & Licensing Committee for 2021/22.

3. REVENUE BUDGET POSITION

- 3.1** Council approved the General Fund Revenue budget for 2021/22 in February 2021 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 £3.252m (Original Budget was £3.010m). An adjustment re-designating Tourism and Car Park Enforcement budgets has been actioned, these will now sit under Environment and Strategy & Resources Committee.
- 3.3** The monitoring position for the committee at 30 September 2021 shows a **projected net overspend of £430k** against the latest budget, as summarised in Table 1. This does not incorporate the Covid pressures outlined in table 2, this will be reported in the overall position on the General Fund to Strategy and Resources Committee.
- 3.4** The outturn position is mainly attributable to those items outlined in Table 1 with an explanation of the significant variances (including Covid related issues) that have arisen (a significant variation is defined as being +/- £20,000 on each reporting line).
- 3.5** Appendix A provides a more detailed breakdown on the Committee's budget.

Table 1 – Community Services and Licensing Revenue budgets 2021/22

	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Outturn Variance (£'000)	Covid-19 Pressures (Reported in S&R)
Community Services Committee						
Community Safety		213	207	207	0	0
Cultural Services - Arts and Culture		416	426	434	8	18
Cultural Services - Community Health & Wellbeing	3.6	160	279	276	(3)	0
Cultural Services - Sports Centres	3.7	(119)	(20)	27	47	306
Customer Services	3.8	392	392	474	82	0
Grants to Voluntary Organisations		336	336	335	(2)	0
Licensing		(54)	(54)	(39)	15	0
Public Spaces		1,408	1,423	1,408	(15)	0
Revenues and Benefits	3.9	152	152	451	299	80
Youth Services		105	110	111	0	0
Community Services and Licensing TOTAL		3,010	3,252	3,682	430	404

Table contains roundings

3.6 Cultural Services - £26k unachieved income/underspends

(Kevin Ward 01453 760916, kevin.ward@stroud.gov.uk)

Museum in the Park

Income targets will not be met this year due to the Museum being closed for the first quarter of this financial year as a result of the Covid-19 pandemic. Some indoor areas were opened from 18th May but controls remained and limited numbers and activities for the remainder of the quarter and into the next. The museum establishment also had two Stroud 2 posts vacant during the first quarter which will contribute towards the corporate vacancy saving target.

3.7 Cultural Services – Sports Centres - £353k unachieved income/overspend

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

The Pulse

During Q1 2021/22 we continued to see a huge impact to capacities in the centre both due to national restrictions and local customer nervousness. As a result, the centre operated at 60% capacity for the period 12th April to 30th June 2021 which was reflected in income for that period.

Capacities in the centre have increased during Q2 and we target close to 100% removal of capacity restrictions towards the end of Q3 so the expectation is that this will start to be evidenced financially during Q4, with the desire to work hard to squeeze the operational deficit for this financial period.

Expenditure remains high in the area of staffing and cleaning materials as we continue to constantly move round the centre making it clean, sanitised and safe for our visitors but again this will return to a more 'normal' level from late Q3 with no additional staff scheduled to clean areas.

In summary, Q3 & Q4 should start to see expenditure stabilise and income start to build to normal monthly levels.

3.8 Customer Services – £82k overspend

(Keith Gerrard 01453 754227, keith.gerrard@stroud.gov.uk)

Additional staffing costs have been recognised as part of the Customer Services review and transformation. These new posts within the team will strengthen our ability to handle all community contact as efficiently and effectively as possible. It will help provide more resilience and stability with good quality first point of contact and additional support for those with complex needs. The additional budget pressure will be dealt with as part of the budget setting paper.

Some savings have also been achieved with the cancellation of the G4S cash collection service at Ebley Mill.

3.9 Revenue & Benefits - £379k unachieved income/overspends

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

The most significant variance £370k 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.

Although a significant amount it should be noted that this represents a variance of only 2.3% on the housing benefit subsidy budget. This will continue to be monitored and the situation is subject to change throughout the year as housing benefit claims change and are difficult to predict.

An in year saving on salaries (£68k) is forecast 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.

Due to the Covid-19 pandemic enforcement income and recoverable costs will be lower than budget £80k. In order to support residents, enforcement action was suspended during the lockdown period and a sensitive approach will be considered for the immediate future.

4. COVID PRESSURES

4.1 Table 2 below outlines the particular Covid pressures borne though either additional expenditure or loss of income within with each service for this Committee.

4.2 The impact of these figures will be included in the budget monitoring report to Strategy & Resources Committee against the budget allocated by Council in February, and any expected grant income from Government.

Table 2 – Covid Pressures reports to Strategy and Resources Committee

Committee Summary Heading	Committee Service Area	Outturn Forecast (£'000)
Cultural Services - Sports Centres	The Pulse	28
Subtotal Covid-19 Additional Expenditure		28
Cultural Services - Arts and Culture	Museum in the Park	18
Cultural Services - Sports Centres	The Pulse	278
Revenues and Benefits	Council Tax Collection	80
Subtotal Covid-19 Loss of Income		376
TOTAL Covid Pressures		404

5. CAPITAL

5.1 Table 3 below shows the 2021/22 Capital Programme for this Committee.

Table 3 – Capital Outturn forecast

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

5.2 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 21/22). Covid has had a significant impact on Kingshill House and there have been changes on the board of Trustees. 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 S&R for approval.

5.3 Stratford Park Lido

Due to Covid19 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.

6. IMPLICATIONS

6.1 Financial Implications

There are no financial implications arising from this report as it looks at current revenue and capital forecasts for this committee's budgets.

Lucy Clothier, Accountancy Manager

Tel: 01453 754343 Email: lucy.clothier@stroud.gov.uk

6.2 Legal Implications

There are no significant legal implications arising from this report and the recommendation.

One Legal

Tel: 01684 272012 Email: legalservices@onelegal.org.uk

6.3 Equality Implications

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

6.4 Environmental Implications

There are no significant implications within this category.