

STROUD DISTRICT COUNCIL

COMMUNITY SERVICES AND LICENSING COMMITTEE

THURSDAY, 2 DECEMBER 2021

Report Title	COMMUNITY SERVICES AND LICENSING COMMITTEE REVENUE ESTIMATES – REVISED 2021/22 AND ORIGINAL 2022/23			
Purpose of Report	To present to the committee the revised estimates for 2021/22 and original estimates for 2022/23			
Decision(s)	The Committee RECOMMENDS to Strategy and Resources Committee a) The revised Community Services and Licensing revenue budget for 2021/22 and original 2022/23 revenue budget are approved. b) The Fees and Charges list as shown at Appendix B is approved.			
Consultation and Feedback	Consultation has been undertaken with residents and businesses. Feedback on the outcome of the consultation will be provided to members in January 2022.			
Report Author	Adele Rudkin, Accountant Tel: Email: adele.rudkin@stroud.gov.uk			
Options	The Administration will be considering its budget options at the Strategy and Resources Committee meeting on 27 January 2022. Council will consider the overall budget position for 2022/23 on 17 February 2022.			
Background Papers	None			
Appendices	Appendix A – Committees detailed budgets Appendix B – Fees & Charges			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1. BACKGROUND

- 1.1 The Budget Strategy report to Strategy and Resources Committee in October 2021 set out the way in which the Council would approach setting budgets for the forthcoming financial year.
- 1.2 Members will be aware from both the 2021/22 budget and MTFP (approved in January 2021) and the Budget Strategy reports, the Council is facing a number of financial challenges in

2022/23 and future years. A budget deficit has been forecast in the latter part of the medium term due to anticipated reductions in the level of Government funding and inflationary/cost pressures across the Council's services.

- 1.3 The Medium Term Financial Plan (MTFP) report to Strategy and Resources will set out a projection of General Fund expenditure over the medium term 2022/23 to 2025/26. This report sets out a more detailed analysis of the changes to the Community Services and Licensing Committee budget for 2021/22 (Revised Estimates) and 2022/23 (Original Estimates).
- 1.4 The Committee's service revenue budgets have been prepared in accordance with the budget framework set out in the Budget Strategy report. They are presented in draft format and are subject to further change as the budget setting process progresses. Any subsequent changes will be included in the MTFP report to Strategy and Resources and Council.
- 1.5 **It would be helpful where members have questions on matters of detail if they could be referred to the report author or the appropriate service manager before the meeting.**

2. Summary

- 2.1 The original budget for the Community Services and Licensing Committee was **£3.010m** (the base budget has subsequently been changed to **3.252m**. The revised budget in 2021/22 has been updated with the following adjustments to reflect carry forwards and re-profiling of service budgets.
- 2.2 This has subsequently been used as the base estimate for both 2021/22 revised and 2022/23 original estimates. The revised estimates incorporate changes arising from budget pressures and efficiency savings. The original budget approved in February 2021 has only changed as a result of items reported to the Committee in budget monitoring reports.
- 2.1 The original estimate for Community Services and Licensing budget for 2022/23 is **£3.307m an increase of £55k** on the base budget. This is largely due to the following budget changes, as outlined in table one below.

Summary of change from the 2021/22 Original Budget

Community Services and Licensing Committee	para	2021/22 Revised Estimate (000's)	2022/23 Original Estimate (000's)
Base Budget		3,010	3,252
Virements/adjustments		243	(293)
Recurring changes:			
Pay increases			139
Fees and charges growth			(48)
Contract increases			44
Proposed budget adjustments			212
Net Service Budget		3,252	3,307

3. In year virements/adjustments

3.1 In year virements include carry forwards from prior year, re-distribution of corporate maintenance budgets according to the proposed schedule of works within each Committee.

3.2 Inflation

3.3 **Pay Inflation - £139k**

The 2022/23 salary budgets have been increased by an initial 2.5% in line with budget strategy.

3.4 **Fees & Charges Growth – (£48k)**

Fees and charges budgets have been inflated by 3% unless stated otherwise on the fees and charges appendix.

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

3.5 **Contract Increases - £44k**

Contract inflation has been updated in line with the Budget Strategy.

4. Budget Pressures

SERVICE	Para	REASON FOR PRESSURE/SAVING	2022/23 (£'000)
Revenue & Benefits		Shortfall on Housing Benefit Subsidy (supported accommodation)	200
Customer Services		Staffing (includes two fixed term temporary posts (2 years))	67
Kingshill House		MTFP saving	(5)
Various		Minor adjustments over all services	(50)
		Total Community Services & Licensing	212

4.1 **Revenue & Benefits - £200k pressure**

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

Further budget is likely to be needed to meet the shortfall on housing benefit subsidy claims, as reported previously to this committee. This is principally for supported accommodation. There is a higher rent allowable for supported accommodation, however, if the cost of housing is significantly higher than the amount allowable under housing benefit this cannot all be claimed back through housing benefit subsidy. This means that the excess cost falls back to be met by the General Fund. As the cost and number of placements has continued to increase an additional budget allowance of £200k has currently been included. This will be monitored going forward as additional resource may be required if the current level of pressures continues long term.

4.2 Customer Services – £67k pressure

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. This includes two posts that are fixed term for two years.

4.3 Adjustments – (£55k) saving

There are a number of minor adjustments across all services that contribute towards this figure and are generally below the reporting threshold (+/- £20k). An adjustment has been on the Ubico Contract at Stratford Park due to re-allocation of costs on the overall contract. Whilst in isolation this appears to be a saving, the 2022-23 contract has increased.

5. CAPITAL PROGRAMME

- 5.1 Table three below outlines the capital schemes that the Committee is responsible for. These changes have been reflected in the table below, but at this stage, no further changes have been incorporated into the Capital Programme. Council will consider the Capital Programme and the Capital Strategy at their meeting in January 2022.

Table 3 – Capital schemes 2021/22 and 2022/23

	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2022/23 Original Budget (£'000)
Capital Schemes			
Community Buildings Investment	0	117	0
Stratford Park Lido	30	30	170
Community Services Capital Schemes TOTAL	30	147	170

5.2 Community Building 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. Providing the criteria is met then the budget will be spent this year, however this may have to be re-profiled into 2022/23.

5.3 Stratford Park Lido

The planned spend for the Lido in 2022-23 will encompass the following areas, pool heating, disabled access, changing facilities along with establishing any possible match funding from the HLF to fund work on the diving boards which are a listed commodity. This will be discussed and agreed by the Stroud Lido Task and Finish group which will have their first meeting in December 2021. Further updates will be reported to Committee as the project

progresses. It is planned that the work will get underway prior to the opening of the next season particularly on the heating solution for the pool.

6. IMPLICATIONS

6.1 Financial Implications

This report sets out the draft budget relating to the Committee for 2022/23. This will form part of the budget setting process to be considered by Strategy and Resources Committee in January 2022 and Council in February 2022.

Lucy Clothier, Accountancy Manager
Tel: 01543 754343 Email: lucy.clothier@stroud.gov.uk

6.2 Legal Implications

The proposals in this report are designed to meet the Council's statutory obligations in relation to setting a balanced budget. This includes the duty to report to the Council on the robustness of the estimates provided and the adequacy of the financial reserves in place.

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.