

# STROUD DISTRICT COUNCIL

## COMMUNITY SERVICES AND LICENSING COMMITTEE

### REPORT FOR INFORMATION

<b>Report Title</b>	<b>Community Services and Licensing Budget Monitoring Report Q1 2020/21</b>			
<b>Purpose of Report</b>	To present the 2020/21 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.			
<b>Decision(s)</b>	<b>The Committee RESOLVES to:</b>  a) To note the outturn forecast for the General Fund Revenue budget and the Capital Programme for this Committee.			
<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 forecast income and expenditure.			
<b>Report Author</b>	Adele Rudkin, Accountant Tel: 01453 754109 Email: <a href="mailto:adele.rudkin@stroud.gov.uk">adele.rudkin@stroud.gov.uk</a>			
<b>Options</b>	None			
<b>Background Papers</b>	None			
<b>Appendices</b>	None			
<b>Implications (further details at the end of the report)</b>	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

## 1 Background

1.1 This report provides the first monitoring position statement for the financial year 2020/21. 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 June 2020 shows a projected net revenue overspend of £1.458m against the latest budget, as summarised in Table 1.

2.2 The Capital programme is showing a forecast spend of £147k against a budget of £147k.

2.3 Table 3 shows the capital spend and projected outturn for the Community Services & Licensing Committee for 2020/21.

2.4 This position does include the expected financial impact of Covid-19, with detail included in the narrative where necessary. It is expected that the loss of sales, fees and charges due to Covid-19 will be, in part, supported by central government. This will be reported to members when the detail of the scheme, and its effect on the financial position, is known.

## 3. Revenue Budget Position

3.1 Council approved the General Fund Revenue budget for 2020/21 in February 2020 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 £3.110m (Original Budget was £2.966m).

3.3 The monitoring position for the Committee at 30 June 2020 shows a **projected net overspend of £1.458m** against the latest budget, as summarised in Table 1. The overall position on the General Fund will be reported to Strategy and Resources Committee.

3.4 The outturn position is mainly attributable to the major items outlined in Table 2 with an explanation of the significant variances 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 2019/20**

	Para Refs	2020/21 Original Budget (£'000)	2020/21 Revised Budget (£'000)	2020/21 Forecast Outturn (£'000)	2020/21 Outturn Variance (£'000)
<b>Community Services Committee</b>					
Community Safety	3.6	211	226	249	22
Cultural Services - Arts and Culture	3.7	415	415	462	47
Cultural Services - Community Health & Wellbeing		159	179	182	3
Cultural Services - Sports Centres	3.8	(162)	(90)	836	926
Customer Services	3.9	403	403	381	(22)
Grants to Voluntary Organisations		341	341	341	0
Licensing	3.10	(59)	(59)	(35)	24
Public Spaces		1,412	1,430	1,420	(11)
Revenues and Benefits	3.11	141	141	614	473
Youth Services		104	123	119	(5)
<b>Community Services and Licensing TOTAL</b>		<b>2,966</b>	<b>3,110</b>	<b>4,568</b>	<b>1,458</b>

Table contains roundings.

The table below outlines the key variances for this Committee.

**Table 2 - Headline Budget variances**

Service	Para Refs	Overspend/ (Underspend) (£'000)
Community Safety	3.6	22
Cultural Services - Arts and Culture	3.7	47
Cultural Services - Sports Centres	3.8	926
Customer Services	3.9	(22)
Licensing	3.10	24
Revenues and Benefits	3.11	473
<b>TOTAL</b>		<b>1,470</b>

### 3.6 Community Safety - £22k unachieved income

(Michael Towson 01453 754336, [micheal.towson@stroud.gov.uk](mailto:micheal.towson@stroud.gov.uk))

Car Park enforcement has been directly affected by the suspension of Car Parking charges in the District (March 2020 until July 21 2020). This was due to the lockdown measures as a result of Covid-19. It is expected that user numbers will also be down over the next twelve months; therefore, budget expectations will not be reached.

### 3.7 Cultural Services - £47k unachieved income/underspends

(Kevin Ward 01453 760916, [kevin.ward@stroud.gov.uk](mailto:kevin.ward@stroud.gov.uk))

Income targets will not be met this year due to the Museum being closed from mid-March to July 2020 as a result of the Covid-19 pandemic. There will be some recovery from July onwards with a phased re-opening. However, with very limited visitor numbers permitted on site, to take into account the ability to accommodate guidelines on social distancing, normal earned income will be restricted. Maintaining public trust and confidence during the phased re-opening is crucial. There are some small underspends forecast that will offset the full financial year impact on income.

**3.8 Cultural Services – Sports Centres - £926k unachieved income/overspend**  
(Angela Gillingham 01453 540995, [angela.gillingham@stroud.gov.uk](mailto:angela.gillingham@stroud.gov.uk))

The Pulse re-opened on the 27 July after being shut since mid-March - The studio and gym were originally opened for members only, however with only 800 members reactivating their memberships instead of 1,400 annual members, the decision was taken to open to non-members as well. The uptake of gym usage has been extremely slow which at this point is probably due to a mix of Covid-19 concerns and the August holidays which is the slowest footfall month nationally. The swimming pool is performing better with 1,000 children back on lessons. The downside is that we have had to reduce the number in lesson by 50 and give more pool time for lessons. The reduction in capacity across the site has meant that we have had to reduce numbers in the centre by around 45%. As we move into September the early signs are that schools will not be returning to swimming lessons until January at the earliest. We have however invited head teachers to come and view the measures we have put in place to see if we can encourage an earlier start. This month has shown an increase in agitation by customers due to the Covid-19 constrictions which the team are dealing with really well. I do however have concerns that customers will not be as willing to queue outside in the winter months. An overspend of £40k is also forecast regarding essential repairs to the roof coverings at The Pulse. These are some thirty plus years old and whilst they remain serviceable a recent survey has highlighted a large number of areas that need remediation. The roof has been subject to water ingress for the last 3-4 years and we have carried out some minor repairs without success. The tender returns ranged from £44K to £61k and greatly exceeded the initial projection. The successful contractor specialises in the repair of this type of roof covering, with the completion of these works we will be able to extend the life of the roof coverings for another twenty plus years.

**3.9 Customer Services – (£22k) underspend**  
(Shobhan Sen 01453 754700, [shobhan.sen@stroud.gov.uk](mailto:shobhan.sen@stroud.gov.uk))

An underspend is forecast on salaries, there are currently in year vacancies within the team which are anticipated to be filled by October 2020. A saving has also been achieved regarding the G4S cash collection service, which has not been in operation due to the Mill being closed as a result of the Covid-19 pandemic.

**3.10 Licensing – (£22k) unachieved income**  
(Rachel Andrew 01453 754401, [rachel.andrew@stroud.gov.uk](mailto:rachel.andrew@stroud.gov.uk))

Due to the Covid-19 restrictions all pubs, cafes and bars had to be closed from March until 4 July 2020. They are now able to open but with limitations. During this period there were some licence applications to the Council but less than normal. The Council made a decision to not raise invoices for annual fees due on premises licences and club premises certificates during this period due to the financial hardships the businesses have been suffering. Raising of invoices for annual fees will recommence in September 2020 starting with those that are have been overdue the longest. It is anticipated that some of the variance will be recuperated as annual fees start to be paid, however some premises may have decided not to re-open. Additionally, during this period events have been prohibited due to the Covid-19 restrictions which means very few temporary event notices have been submitted between March 2020 and the current time. For the same period in 2019 the Council received 405 temporary event notices with an income of £8,505. This amount cannot be recuperated.

### 3.11 Revenues & Benefits – £473k unachieved income

(Simon Killen 01453 754013, [simon.killen@stroud.gov.uk](mailto:simon.killen@stroud.gov.uk))

The most significant variance (£440k) 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 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 2.7% 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 underspend on salaries is also forecast (£77k) which is primarily around three vacant posts that have not been filled over the lockdown period.

Due to the Covid-19 pandemic, it is expected that enforcement income and recoverable costs will be lower than budget. In order to support residents, enforcement action was not undertaken during the lockdown period and a sensitive approach is currently being used.

## CAPITAL

4. Table 3 below shows the 2020/21 Capital Programme for this Committee.

**Table 3 – Capital Outturn forecast**

		<b>2020/21 Original Budget (£'000)</b>	<b>2020/21 Revised Budget (£'000)</b>	<b>2020/21 Forecast Outturn (£'000)</b>	<b>2021/22 Original Budget (£'000)</b>
<b>Community Services Capital Schemes</b>	<b>Para Refs</b>				
Community Buildings Investment	4.1	117	117	117	117
Stratford Park Lido	4.2	30	30	30	30
<b>Community Services Capital Schemes TOTAL</b>		<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>

### 4.1 Community Buildings Investment

The Kingshill House Trust continues to be keen to take on the freehold interest of Kingshill House (Community Buildings Investment). Discussions are ongoing and a transfer date of 2020/21 is now anticipated. It is expected that a report will be taken to a future meeting of Strategy and Resources Committee to approve, in principle, the terms for a transfer once they have been agreed.

### 4.2 Stratford Park Lido

The preparation work has been undertaken by the consultants regarding submission of a bid. This work has now been completed but due to Covid-19 has not been followed up. Their recommendation is to submit bids into alternative funding before a submission is made to HLF. These bids will support the submission to the HLF as well as catering for any possible changes that might be recommended following the Stratford Park review.

## Appendix A

	Para Refs	2020/21 Original Budget (£'000)	2020/21 Revised Budget (£'000)	2020/21 Forecast Outturn (£'000)	2020/21 Outturn Variance (£'000)
<b>Community Services Committee</b>					
Abandoned Vehicles		0	0	0	0
Car Parks Enforcement		44	44	67	22
Careline Services		(103)	(103)	(103)	0
Community Safety		14	29	29	0
Neighbourhood Wardens		230	230	230	0
Stroud and Dursley CCTV		27	27	27	0
<b>Community Safety</b>	<b>3.6</b>	<b>211</b>	<b>226</b>	<b>249</b>	<b>22</b>
Museum in the Park		401	401	448	47
Subscription Rooms		4	4	4	0
Tourism		10	10	10	0
<b>Cultural Services - Arts and Culture</b>	<b>3.7</b>	<b>415</b>	<b>415</b>	<b>462</b>	<b>47</b>
Community Health & Wellbeing		159	179	182	3
<b>Cultural Services - Community Health &amp; Wellbeing</b>		<b>159</b>	<b>179</b>	<b>182</b>	<b>3</b>
Stratford Park Leisure Centre		122	194	203	9
The Pulse		(284)	(284)	633	917
<b>Cultural Services - Sports Centres</b>	<b>3.8</b>	<b>(162)</b>	<b>(90)</b>	<b>836</b>	<b>926</b>
Customer Service Centre		403	403	381	(22)
<b>Customer Services</b>	<b>3.9</b>	<b>403</b>	<b>403</b>	<b>381</b>	<b>(22)</b>
Grants to Voluntary Organisations		341	341	341	0
<b>Grants to Voluntary Organisations</b>		<b>341</b>	<b>341</b>	<b>341</b>	<b>0</b>
Licensing		(59)	(59)	(35)	24
<b>Licensing</b>	<b>3.10</b>	<b>(59)</b>	<b>(59)</b>	<b>(35)</b>	<b>24</b>
Amenity Areas		152	170	167	(4)
Cemeteries		28	28	28	0
Commons and Woodlands		14	14	14	0
Grassed Areas Contribution to HRA		200	200	200	0
Public Conveniences		248	248	227	(21)
Public Space Service		554	554	554	0
Stratford Park		212	212	226	14
Street Naming Maintenance		5	5	5	0
<b>Public Spaces</b>		<b>1,412</b>	<b>1,430</b>	<b>1,420</b>	<b>(11)</b>
Business Rate Collection		(101)	(101)	(105)	(3)
Council Tax Collection		211	211	307	97
Council Tax Support Administration		21	21	11	(10)
Creditors		79	79	72	(7)
Housing Benefit Administration		110	110	66	(43)
Rent Allowances and Rebates		(178)	(178)	262	440
<b>Revenues and Benefits</b>	<b>3.11</b>	<b>141</b>	<b>141</b>	<b>614</b>	<b>473</b>
Hear by Right / Youth Services		104	123	119	(5)
<b>Youth Services</b>		<b>104</b>	<b>123</b>	<b>119</b>	<b>(5)</b>
<b>Community Services and Licensing TOTAL</b>		<b>2,966</b>	<b>3,110</b>	<b>4,568</b>	<b>1,458</b>

The outturn variances on the above table reflect reserve movements as outlined in Table 1, table contains roundings.

## **4. IMPLICATIONS**

### **4.1 Financial Implications**

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

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### **4.2 Legal Implications**

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

Patrick Arran, Interim Head of Legal Services & Monitoring Officer  
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### **4.3 Equality Implications**

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

### **4.4 Environmental Implications**

There are no significant implications within this category.