

# STROUD DISTRICT COUNCIL

## COMMUNITY SERVICES AND LICENSING COMMITTEE

### REPORT FOR INFORMATION

<b>Report Title</b>	<b>Community Services and Licensing Budget Monitoring Report Q3 2019/20</b>			
<b>Purpose of Report</b>	To present the 2019/20 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 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 third position monitoring statement for the financial year 2019/20.** 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.**
- 1.3 Council approved the General Fund revenue budget at its meeting in January 2019.
- 1.4 The revised budget for Community Services and Licensing Committee, taking into account adjustments for workforce plan, carry forwards and re-profiling of service budgets, is **£3.154m** (Original Budget was **£3.334m**).

- 1.5 The monitoring position for the service at 31st December 2019 shows a projected net **underspend of (£77k)**, against the latest budget. The overall position on the General Fund will be considered by Strategy and Resources Committee at their meeting on 16<sup>th</sup> April 2020.
- 1.6 Table 1 below shows the overall projected outturn position for this Committee. Table 2 outlines the services with significant variations along with an explanation of why they have arisen (a significant variation is defined as being +/- £20,000 on each reporting line). Table 4 provides a more detailed breakdown of the committee's budgets.
- 1.7 Table 3 shows the updated Capital Programme for Community Services and Licensing Committee for 2019/20 and 2020/21.
- 1.8 The forecast for Q3 has changed by £103k. This predominately relates to additional grant income not budgeted in Revenues & Benefits and additional pressures forecast at The Pulse.

## 2. Table 1 – Community Services and Licensing Revenue budgets 2019/20

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
<b>Community Services Committee</b>						
Community Safety		208	220	193	17	(10)
Cultural Services - Arts and Culture		700	640	658	0	17
Cultural Services - Community Health & Wellbeing		169	205	185	20	0
Cultural Services - Sports Centres	2.1	(170)	(153)	(5)	(42)	106
Customer Services	2.2	387	387	331	0	(55)
Director (Customer Services)		135	23	9	0	(14)
Grants to Voluntary Organisations		337	337	343	0	5
Licensing		(62)	(62)	(53)	0	9
Public Spaces	2.3	1,286	1,323	1,344	0	21
Revenues and Benefits	2.4	244	129	(16)	0	(145)
Youth Services		101	106	90	5	(11)
<b>Community Services and Licensing TOTAL</b>		<b>3,334</b>	<b>3,154</b>	<b>3,077</b>	<b>0</b>	<b>(77)</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)
Cultural Services - Sports Centres	2.1	106
Customer Services	2.2	(55)
Public Spaces	2.3	21
Revenues and Benefits	2.4	(145)
<b>TOTAL</b>		<b>(73)</b>

## 2.1 Cultural Services – Sports Centres - £106k overspend

(Angela Gillingham 01453 540995, [angela.gillingham@stroud.gov.uk](mailto:angela.gillingham@stroud.gov.uk))

A £49k variance is forecast within salaries. This financial year has been extremely challenging with regards to staffing. Two members of the team were on maternity leave, one on long term sick and a re-allocation of duties due to medical needs for another employee. This has all contributed to the rise in staff costs. Utilities are forecast to overspend by £16k, this is due to the Combined Heat and Power units being out of action. After investigation it appears that one unit needs to be replaced and one sensor has never been commissioned. Going forward into the new financial year a reduction in utility costs should be achieved as these issues will be rectified. An additional overspend has been identified in marketing. This is directly attributable to the investment of a new website in order to develop the business, going forward this will prove to be an important asset in terms of generating further income and communicating to both new and existing customers. Additional costs have also been incurred on electrical upgrades following statutory tests and repairs to mechanical plant and equipment.

## 2.2. Customer Services – (£55k) underspend

(Shobhan Sen 01453 754700, [shobhan.sen@stroud.gov.uk](mailto:shobhan.sen@stroud.gov.uk))

This underspend is directly attributable to salaries. Within the service there are two vacant STR3 Customer Service Advisor posts. As part of the Council's transformation and change programme, Customer Services are in the process of collaborating with service units across the Council to deliver services more efficiently and in a more customer-focussed way, from first point of contact to resolution. It is anticipated that these vacancies are likely to be filled in the FY 2020-21, to provide additional capacity.

## 2.3 Public Spaces - £21k overspend

(Mike Hammond 01453 754447, [mike.hammond@stroud.gov.uk](mailto:mike.hammond@stroud.gov.uk))

This overspend is mostly concerned with business rates on Public Conveniences. The Government announced in Oct 2018 that business rates would no longer be applicable from 2019. An update from MHCLG states that the relief has not been actioned and will be delayed beyond the next financial year.

## 2.4 Revenues & Benefits – (145k) additional income/underspend

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

The majority of the variance relates to unbudgeted additional grant income. This income is mainly around New Burdens and DHP Funding. Forecasting concerning Housing Benefit subsidy and performance in recovering overpayments is unpredictable, this variance has additional income received from the government in its drive to combat income related fraud. There are small additional underspends across the service relating to salaries and general supplies and services.

## **CAPITAL**

3. Table 3 below shows the 2019/20 Capital Programme for this Committee which has now been re-profiled to 2020/21, as set out in the budget setting report in November 2019.

**Table 3 – Capital Outturn forecast**

		2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2020/21 Original Budget (£'000)
<b>Community Services Capital Schemes</b>	Para Refs				
Community Buildings Investment	3.1	0	0	0	117
Stratford Park Lido	3.2	200	0	0	30
<b>Community Services Capital Schemes TOTAL</b>		<b>200</b>	<b>0</b>	<b>0</b>	<b>147</b>

### **3.1 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.

### **3.2 Stratford Park Lido**

Following completion of the business case, the project team are looking at the opportunity to submit bids for other community funding streams ahead of the bid to the HLF. The submission for bids will commence from March 2020 and will continue throughout the year. 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.

**Table 4**

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
<b>Community Services Committee</b>					
Community Safety		24	36	19	0
Abandoned Vehicles		3	3	3	0
Careline Services		(89)	(89)	(86)	3
Neighbourhood Wardens		194	194	194	0
Car Parks Enforcement		40	40	18	(22)
Stroud and Dursley CCTV		37	37	45	8
<b>Community Safety</b>		<b>208</b>	<b>220</b>	<b>193</b>	<b>(10)</b>
Museum in the Park		378	387	384	(2)
Subscription Rooms		230	230	234	5
Tourism		92	24	40	15
<b>Cultural Services - Arts and Culture</b>		<b>700</b>	<b>640</b>	<b>658</b>	<b>17</b>
Community Health & Wellbeing		169	205	185	0
<b>Cultural Services - Community Health &amp; Wellbeing</b>		<b>169</b>	<b>205</b>	<b>185</b>	<b>0</b>
Joint Use Sports Centres		0	0	0	0
Stratford Park Leisure Centre		122	124	172	6
The Pulse		(292)	(277)	(177)	100
<b>Cultural Services - Sports Centres</b>	<b>2.1</b>	<b>(170)</b>	<b>(153)</b>	<b>(5)</b>	<b>106</b>
Customer Service Centre		387	387	331	(55)
<b>Customer Services</b>	<b>2.2</b>	<b>387</b>	<b>387</b>	<b>331</b>	<b>(55)</b>
Director (Customer Services)		135	23	9	(14)
<b>Director (Customer Services)</b>		<b>135</b>	<b>23</b>	<b>9</b>	<b>(14)</b>
Grants to Voluntary Organisations		337	337	343	5
<b>Grants to Voluntary Organisations</b>		<b>337</b>	<b>337</b>	<b>343</b>	<b>5</b>
Licensing		(62)	(62)	(53)	9
<b>Licensing</b>		<b>(62)</b>	<b>(62)</b>	<b>(53)</b>	<b>9</b>
Public Space Service		526	526	526	0
Cemeteries		27	27	29	1
Amenity Areas		136	154	158	4
Commons and Woodlands		14	14	17	3
Stratford Park		190	203	207	4
Grassed Areas Contribution to HRA		170	170	170	0
Public Conveniences		215	220	229	9
Street Naming Maintenance		9	9	9	0
<b>Public Spaces</b>	<b>2.3</b>	<b>1,286</b>	<b>1,323</b>	<b>1,344</b>	<b>21</b>
Business Rate Collection		(119)	(111)	(112)	(0)
Creditors		39	72	70	(3)
Council Tax Collection		208	196	210	13
Council Tax Support Administration		52	(4)	(20)	(16)
Rent Allowances and Rebates		(77)	(77)	(77)	0
Housing Benefit Administration		142	53	(87)	(139)
<b>Revenues and Benefits</b>	<b>2.4</b>	<b>244</b>	<b>129</b>	<b>(16)</b>	<b>(145)</b>
Hear by Right / Youth Services		101	106	90	(11)
<b>Youth Services</b>		<b>101</b>	<b>106</b>	<b>90</b>	<b>(11)</b>
<b>Community Services and Licensing TOTAL</b>		<b>3,334</b>	<b>3,154</b>	<b>3,077</b>	<b>(77)</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.

Andrew Cummings, Strategic Director of Resources

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### **4.2 Legal Implications**

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

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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.