



STROUD DISTRICT COUNCIL

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STRATEGY AND RESOURCES COMMITTEE

29 September 2022

7.00 - 9.01 pm

Council Chamber

Minutes

Membership

Councillor Catherine Braun (Chair)

Councillor Chris Brine
Councillor Doina Cornell
Councillor Nick Hurst
Councillor Martin Percy
Councillor Gordon Craig*
Councillor Nick Housden*

*Absent

Councillor Natalie Bennett (Vice-Chair)

Councillor Keith Pearson
Councillor Mattie Ross
Councillor Ken Tucker
Councillor Chloe Turner
Councillor Stephen Davies*

Officers in Attendance

Strategic Director of Resources
Accountancy Manager

Senior Democratic Services & Elections
Officer

SRC.107 Apologies

Apologies for absence were received from Councillors Craig, Davies and Housden.

SRC.108 Declarations of Interest

There were none.

SRC.109 Minutes

RESOLVED That the Minutes of the meetings held on 12 July were approved as a correct record.

SRC.110 Public Question Time

There were none.

SRC.111 General Fund and Housing Revenue Account Outturn Report 2021/22

The Accountancy Manager presented the report which related to the last financial year, she highlighted the following key points:

- The General Fund had an underspend of £1.76m, the key reasons were set out in Table 2.
- The underspend had been allocated by the Section 151 Officer and was set out on page 4. This included allocations for cost of living support, levelling up funding projects, cyber security and inflationary pressures.
- There had been a net reserve movement within the year of £171k.
- Carry forward requests were set out in Table 5 and totalled £566k.
- Overall overspend on the HRA of £332k which was broadly in line with the forecasts throughout the year.
- Section 9 set out the position of the HRA General Reserve.
- The General Fund Capital programme had a net underspend of £2.154m of which £2.1m had been requested as slippage.
- 2 areas of overspend were highlighted in paragraph 10.6.
- Major Works in the HRA Capital Programme had a net slippage of £1.6m.

Councillor Pearson asked for clarification on the £616k underspend for Waste and Recycling shown in table 2. The Accountancy Manager advised that the narrative provided in the report was correct and that additional information would be provided in the report to Environment Committee.

In response to Councillor Pearson the Accountancy Manager confirmed that if all staffing vacancies had been filled then there would have been additional pressures on the HRA budget.

Proposed by Councillor Brine and Seconded by Councillor Percy.

The Chair, Councillor Braun, stated that it was great to be able to allocate money towards the Cost of Living Crisis, Carbon Neutral 2030 projects and be able to respond the growing inflationary pressures.

Councillor Pearson suggested that the large underspend meant that the council overbudgeted.

Councillor Percy thanked the finance team for putting the report together and stated that the underspend was helpful to cover other costs following a challenging year.

On being put to the vote, the Motion was agreed unanimously.

- RESOLVED**
- a) to note the General Fund Revenue Outturn position for 2021/22, as shown in Table 1.**
 - b) to note the Housing Revenue Account outturn position for 2021/22, as shown in Table 6**
 - c) to note the transfers to and from earmarked reserves for the year, as detailed in Sections 5 and 8 and Appendix F**
 - d) to note the Capital Programme outturn position for 2021/22, as shown in Appendix G**
 - e) to approve the slippage of the Capital Programme budget and a revised Capital Programme budget for 2022/23, as shown in Table 11 and Appendix H.**

SRC.112 Strategy and Resources Budget Monitoring Report Q1 2022/23

The Accountancy Manager introduced the report and provided a summary:

- The General Fund projected a net overspend of £87k.
- Figures were expected to change throughout the year due to a number of uncertainties that could not be costed including the salary uplift, utility costs and the cost of labour and materials.
- Key areas of variance included Housing Benefit, Waste and Recycling, Covid-19, Housing Advice and Facilities Management.
- A projected net overspend for Strategy and Resources Committee Revenue budget of £40k.
- Pressures had been identified on the Fit for the Future project however it would be largely covered by earmarked reserve funding..
- Additional spend for a new HR payroll system however this would drive savings over the medium term to help offset the cost.
- The Housing Revenue Account (HRA) was forecast an overspend of £269k which was expected to rise further.
- The void rate had decreased significantly and continued to decrease.
- An expected overspend of £218k for repairs and maintenance.
- The General Fund Capital spend was predicted to have a £1.9m underspend and includes some areas of slippage for the Canal Phase 1B and the Walking and Cycling Plan.
- The HRA Major Works programme was showing additional spend of £2.7m which related solely to the Wave 1 Decarbonisation works. The schemes would need to be reviewed and the budget for this area would be revised.
- There had been additional costs for the New Build Programme in particular at Ringfield Close which was likely to have an impact on the programme going forward.

Councillor Turner questions the uplift for Brimscombe Port and asked for further information regarding how this would be covered including the income from Brimscombe Port Mill. The Accountancy Manager advised that she would be able to request further information regarding the income of Brimscombe Port Mill and clarified that it wasn't an overspend for the total cost of the project just against this years budget which was due to a timing difference. Councillor Turner advised that she would be interested in receiving more detail as the project progressed.

Councillor Pearson asked whether section 7.3 should be titled Electric Vehicle (EV) Charging Points instead of EV Acquisition. The Accountancy Manager confirmed that the original budget was for EV Vehicles and Charging Points however the vehicles had now been purchased.

In response to a question from Councillor Hurst the Accountancy Manager confirmed that they would be looking at costing the income effect of the Water Source Heat Pumps at Ebley Mill. The Strategic Director of Resources also confirmed that they were speaking with Managers regarding the occupancy of Ebley Mill and may stop heating certain floors to ensure the building was used as efficiently as possible.

Proposed by Councillor Turner and Seconded by Councillor Cornell.

Councillor Cornell confirmed that she was happy to support the report and was glad to see the void property numbers continuing to decrease, she congratulated the Voids Team for the work they had done.

Councillor Braun stated the report showed a good snapshot of where the council was at this point in time however advised that there was a horrible picture ahead which could change dramatically and that they would need to be reactive if and when the occasion occurred.

On being put to the vote, the Motion was carried unanimously.

RESOLVED To note:
a) the outturn forecast for the General Fund Revenue budget
b) the outturn forecast for the Housing Revenue Account
c) the outturn forecast for the Capital Programme.

SRC.113 MTFP Update

The Strategic Director of Resources advised the report would give Members an impression of what they would be working with in terms of the budget setting process. He advised that there was still uncertainty around the Local Government funding settlement and the Chief Executive of CIPFA had advised councils to prepare for the worst in terms of a funding agreement. He continued to highlight the following key information:

- There was a risk that local authorities would not continue to be fully compensated for any Central Government measures to reduce rates payable by businesses.
- When Council Tax levels are set they make an assumption as to how much will be collected which is usually assumed at 99% however with the cost of living crisis this may decrease.
- They were having discussions regarding housing rents, the Government have recently consulted on capping rent increases, with a preference of 5%. If rent increases rose by less than the level of cost that would result in a significant loss of income.
- Price inflation was significant with a Consumer Price Index (CPI) of 9.9%.
- Energy costs would be at least £200k higher than they were last winter.
- The salary pay offer was for a pay increase of £1,925 for all staff, regardless of grade, the unions collectively had to reach agreement in order to proceed. Unison members had voted to accept the pay offer but they needed one further union to also accept the offer before it was agreed.
- If fees and charges were to increase less than inflation it would require further money to subsidise the costs.
- Ubico is subject to the same inflationary pressures and the Council would be following the same processes it has used previously to assist with budget setting.

Councillor Percy asked for clarification on business rates if more businesses were to close due to rising inflation and financial pressures. The Strategic Director of Resources advised that they make an assumption about how many business rates they would collect and they use many factors to put together an assumption. He also confirmed that the Revenue and Benefits Team were already working on ways to help businesses in the District.

In response to a question from Councillor Cornell the Strategic Director of Resources advised that the Business Rates Pool would be confirmed in the summer and they would be expecting around £0.5m.

Proposed by Councillor Brine and seconded by Councillor Bennett.

Councillor Hurst asked that they take into consideration any pressures that might arise from the Local Plan examination.

Councillor Braun advised that there was incredible economic uncertainty, and it was going to be difficult for the budget setting process ahead of them.

Councillor Cornell stated that she was worried about the efficiencies that may need to be made and was concerned that the retrofit project could slip. She hoped that the Housing Committee would be able to find a way to continue with the project.

Councillor Bennett thanked Officers for the report and highlighted the difficult decisions ahead that may need to be made.

Councillor Brine appreciated the quality of the reports received by elected Members which was invaluable to them out in the Communities and that this report was easy to understand.

On being put to the vote, the Motion was carried unanimously.

Resolved To Approve the MTFP update 2021/22 to 2025/26 as set out in this report and appendices, including included assumptions.

SRC.114 Member / Officer Reports (To Note)

a) Performance Management

The Strategic Director of Resources introduced the report and advised that the Performance Monitors were unable to attend the meeting to discuss the report but representatives from the Youth Council were in attendance.

In response to a question from Councillor Turner it was advised that he would speak to the Accountancy Manager and Finance Team regarding an update on the progress of ethics policy for investments.

Furthermore, Councillor Turner asked for further narrative for any performance monitoring objectives which haven't been assigned deadlines.

Councillor Percy asked if an 'amber' RAG Status could be added to show that the item is at risk of becoming overdue. The Strategic Director of Resources advised he would look into whether the system is able to do this.

Councillor Brine raised concerns regarding the Canal progress, the Strategic Director of Resources confirmed that there had been delays but the Lottery had been informed and were understanding of the time delays.

b) Gloucestershire Economic Growth Joint Committee (GEGJC)

Councillor Braun introduced the report which had been included in the published reports pack. There were no questions.

c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC)

Councillor Turner introduced the report which had been circulated to Members ahead of the meeting.

Councillor Cornell thanked Councillor Turner for the update on the work to improve the bus services and asked if Councillors would be involved with the Task and Finish Group. Councillor Turner advised that it would be a cross party group and she would be able to report back to Members at Stroud District.

d) Canal Update

The Strategic Director of Resources introduced the report which had been circulated to Members ahead of the meeting. He confirmed that a full report would be brought to Strategy and Resources Committee in November.

Councillor Hurst asked whether Phase 1b was on target for completion, the Strategic Director of Resources advised he would speak to the Canal Manager to confirm.

e) Property Review Update - Information Sheet

The update had been published in the Reports Pack.

SRC.115 Work Programme

The following additions were made to the Work Programme:

- Corporate Asset Management Strategy Report will be added for April 2023.
- An update on Kingshill House and Stroud Cemetery Chapel will be added for March 2023.
- A report on Public Conveniences will be added for a meeting in late 2023.
- A report on Community wealth building will be added for April 2023.
- Canal Report added for November 2022.

RESOLVED To note the above update to the Work Programme.

SRC.116 Member Questions

There were none.

The meeting closed at 9.01 pm

Chair