

## STRATEGY AND RESOURCES COMMITTEE REVENUE DETAIL

Table 1 Strategy &amp; Resources Outturn Detail

	Para Refs	2020/21 Original Budget (£'000)	2020/21 Revised Budget (£'000)	2020/21 Actual (£'000)	2020/21 Reserve Transfers (£'000)	2020/21 Outturn Variance (£'000)
<b>Strategy &amp; Resources Committee</b>						
Car Parks		(668)	(680)	(142)	0	538
Commercial Properties		(72)	(78)	(82)	0	(4)
Communications		154	154	143	0	(12)
Corporate Expenditure & Income		894	877	2,035	(1,013)	145
Corporate Policy & Governance		1,135	1,080	911	0	(169)
Corporate Services (Legal)		418	418	505	13	100
Covid-19		0	0	549	(139)	410
Facilities Management		475	484	452	0	(32)
Financial Services		884	884	784	0	(100)
Human Resources		431	435	412	0	(23)
Information & Communication Technology		1,654	1,654	1,992	(195)	144
Other Operating Income & Expenditure		0	0	0	0	0
Other Properties		(717)	(731)	(1,530)	761	(38)
Pension Lump Sum		1,567	1,567	1,567	0	(0)
Property Services		439	400	375	0	(26)
Senior Leadership Team		607	607	609	4	7
Youth Councils		3	4	1	0	(3)
<b>Strategy and Resources TOTAL</b>		<b>7,204</b>	<b>7,076</b>	<b>8,581</b>	<b>(569)</b>	<b>937</b>

**1.1 Car Parks - £538k Unachieved Income**

(Mike Hammond xtn 4447, [mike.hammond@stroud.gov.uk](mailto:mike.hammond@stroud.gov.uk))

Members will recall that an income shortfall had been forecast due to Covid-19 restrictions and national lockdowns in the subsequent budget monitoring reports for this Committee. The continued guidance to work from home has severely impacted car park revenues. Its unclear how quickly pre-lockdown conditions will return, if indeed they will at all, given new ways of working.

Government grant funding of £342k has been received to offset the lost car park income as part of the Sales, Fees and Charges scheme. This is included in the Funding from Government Grants line in the General Fund Summary.

**1.2 Corporate Expenditure & Income – £145k**

(Lucy Clothier xtn 4343, [lucy.clothier@stroud.gov.uk](mailto:lucy.clothier@stroud.gov.uk))

The significant reduction in the Bank of England base rate due to the impact of Covid-19 has led to a much reduced expectation of investment income in this financial year.

This has been partly offset by a lower than budgeted Minimum Revenue Provision (MRP). This is a combination of slippage in the Capital Programme and the sale of industrial units at Littlecombe that allow the debt to be 'repaid' using the capital receipt from the sale.

**1.3 Corporate Policy & Governance - (£169k) Underspend**

(Hannah Emery xtn 4383, [hannah.emery@stroud.gov.uk](mailto:hannah.emery@stroud.gov.uk))

The proportional significant variance that contributes to the underspend is salary related (£94k) This is due to the delay in recruitment to the new posts within the structure of the Corporate Policy and Governance Team as well as the retirement of the Democratic

Services and Elections Officer. Recruitment has now taken place and the following posts have now been filled, Information Governance Officer, Senior Executive Assistant, Executive Assistant and the Democratic Services and Elections Officer.

In addition, there was a general underspend (£26k) within Members Expenses and the Civic Fund. Due to the effects of the pandemic, all committee meetings and other meetings have been held online, therefore there has been no mileage or general expenses incurred for attending events or external training, there has also been a vacancy in Amberley and Woodchester ward since April 2020.

A (£27k) saving has also been achieved within Elections. The Coronavirus Act 2020 delayed the elections scheduled for May 2020 and all by-elections were postponed. The underspend in is also due to the change of process to the annual canvass held in 2020; this is partly due to the reform but also to the pandemic as we were unable to undertake the personal canvass and knock on the door of households which reduced canvasser fees.

#### **1.4 Corporate Services - Legal – £100k Overspend**

(Andrew Cummings, xtn 4115, [andrew.cummings@stroud.gov.uk](mailto:andrew.cummings@stroud.gov.uk))

The transfer of legal services to One Legal was delayed from April 2020 to October 2020 due to Covid-19. The additional cost relates in part to one-off costs associated with the transfer and loss of income during the year due to Covid-19.

#### **1.5 Covid-19 – £410k Additional Cost**

(Lucy Clothier, xtn 4343, [lucy.clothier@stroud.gov.uk](mailto:lucy.clothier@stroud.gov.uk))

Additional spend has been identified in many service areas including homelessness and temporary accommodation, additional staff and personal protective equipment (PPE) for Ubico contracts, PPE for SDC staff and modifications for Ebley Mill, community grants. Some additional spend relating to Covid-19 has been included within service lines.

Further costs associated with Covid-19 are included in other service lines. A full list of the financial impact of Covid-19 can be found in Appendix J.

#### **1.6 Facilities Management – (£32k) Underspend**

(Brian McGough xtn 4411, [brian.mcgough@stroud.gov.uk](mailto:brian.mcgough@stroud.gov.uk))

(Adrian Blick, [adrian.blick@stroud.gov.uk](mailto:adrian.blick@stroud.gov.uk))

The majority of the variance relates to Ebley Mill and the vacant space (BBG & New Build) which we have been unable to let. The New Build suite was occupied until November 2020, when the tenant surrendered their lease when winding up the company due to the impact of the pandemic. There is some additional income offsetting the income shortfall relating to the dilapidations and settlement figure of the former tenant of BBG. There is also an underspend on electricity which will have been impacted by lower usage in 20/21 due to staff working from home, rather than in the Mill.

The Business Continuity budget is underspent as these funds were allocated to support BC/DR Testing. Prioritising the associated activity to move people to home working during the Pandemic has completed the Business Continuity test. Disaster Recovery testing is currently being worked on to establish a complete capability at Littlecombe and will engage with the wider business sponsor in order to agree the DR Plan later in second half of 2021-22 and after Covid-19 responsibilities have reduced.

**1.7 Financial Services – (£100k) Underspend**

(Lucy Clothier, xtn 4343, [lucy.clothier@stroud.gov.uk](mailto:lucy.clothier@stroud.gov.uk))

This underspend is due to vacancy savings within the finance team. The vacant Principal Accountants Post has now been recruited to, with the Post holder due to start in July 2021.

**1.8 Human Resources – (£23k) Underspend**

(Lucy Powell xtn 4286, [lucy.powell@stroud.gov.uk](mailto:lucy.powell@stroud.gov.uk))

An underspend is forecast due to a delay in recruitment around the Apprentice Budget and events not progressing as intended this year due to Covid-19 restrictions. However, we plan to use this funding to support jobs and skills growth within the District in line with Council priorities for the forthcoming financial year.

**1.9 ICT – £144k Overspend**

(Adrian Blick, [adrian.blick@stroud.gov.uk](mailto:adrian.blick@stroud.gov.uk))

This forecast is mainly due to several large offsetting variances. A (£86k) in year saving on salaries, this is due to the delayed recruitment of several senior posts. The Head of Technology and Infrastructure Manager posts have now been filled. An overspend of £60k is also forecast which is directly attributable to Foresight consultancy for the ICT review. An additional one off £40k variance has also arisen due to the migration to a cloud based fully hosted Civica Pay service. This upgrade was necessary because the current version was no longer being supported and not WCAG compliant. Additional costs include Unit4, Resource-link and Mimecast Licences amounting to £90k. A new five-year contract was also established for hardware £52k to provide an upgrade to licences for Ebley Mill & Littlecombe so data can be synchronised between both sites. A number of smaller overspends have also been recognised across the whole of the service which contribute to this variance.

**1.10 Other Properties (£38k) Underspend**

(Alison Fisk xtn 4430, [alison.fisk@stroud.gov.uk](mailto:alison.fisk@stroud.gov.uk))

The Brimscombe Port site has been transferred to Stroud District Council in line with the redevelopment agreement. There will be no impact on the overall General Fund as any running costs (including some major refurbishment works to the Mill already underway) will be funded from rental income from the site which has also been transferred to SDC. All remaining funding will be used to fund the redevelopment of the site.

At 31 March 2021 a net amount of £397k has been transferred to a Brimscombe Port development reserve from the funding received from Stroud Valleys Canal Company as part of the transfer.

**1.11 Property Services – (£26k) Underspend**

(Alison Fisk xtn 4430, [alison.fisk@stroud.gov.uk](mailto:alison.fisk@stroud.gov.uk))

This underspend is mainly due to a reduction in hours within the current establishment. Additional resource will be needed in 2021-22 so the budget will be fully utilised. There are a number of additional small variances which contribute the overall underspend with the service.