

STRATEGY AND RESOURCES COMMITTEE REVENUE DETAIL

Table 1 Strategy & Resources Outturn Detail

Strategy & Resources Committee	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Actual (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
Car Parks		(653)	(618)	(528)	0	90
Commercial Properties		(71)	(64)	(112)	0	(48)
Communications		137	137	136	0	(1)
Corporate Business Services		201	201	143	0	(57)
Corporate Expenditure & Income		2,539	1,193	2,456	(1,160)	103
Corporate Services (Legal)		476	476	467	0	(8)
Democratic Representation & Management		506	696	714	0	18
Director (Corporate Services)		48	48	52	0	4
Facilities Management		442	441	548	(40)	67
Financial Services		721	721	670	0	(51)
Head of Finance		83	27	16	0	(12)
Human Resources		407	411	358	4	(49)
Information & Communication Technology		1,604	1,604	1,457	0	(147)
Other Operating Income & Expenditure		0	0	0	0	0
Other Properties		(540)	(533)	(580)	0	(47)
Pension Lump Sum		0	1,883	1,883	0	(0)
Property Services		470	379	366	0	(14)
Senior Leadership Team		112	357	430	0	73
Strategy and Resources TOTAL		6,480	7,358	8,476	(1,196)	(78)

1.1 Car Parks - £90k unachieved income

(Mike Hammond xtn 4447, mike.hammond@stroud.gov.uk)

Members will recall that an income shortfall has been forecast in the subsequent Budget Monitoring Reports for this Committee, due to underperforming revenue streams. This trend has continued throughout the last quarter with the situation worsening across the parking estate. In summary, fewer people were using the car parks in Stroud operated by SDC. We believe there are a number of contributory factors to this, including a greater utilisation of free on street parking.

1.2 Commercial Properties - (£48k) underspend

(Alison Fisk xtn 4430, alison.fisk@stroud.gov.uk)

Members will recall that the Council's head lease of Phase 4 of the industrial units at Oldends Lane, Stonehouse expired on the 6 December 2019. The Dilapidation costs at the end of the lease have been settled. This is the final phase of units to be handed back.

Lettings, sales and interest in the Littlecombe Units increased substantially pre-Covid 19. There are now five units occupied, three are sold subject to contract, and the last unit is under offer. It is not clear whether all those sold subject to contract will now complete, but there has been renewed interest in the units recently and it is anticipated that new deals can be achieved if necessary. There is a loss of rental income in the budget of £30k due to units being sold rather than let and as more of the units are expected to be sold this will further impact on the revenue budget, which assumes lettings. The sale of the units and subsequent repayment of debt will create a saving within the Minimum Revenue Provision

budget. This variance also includes the rental income from Ubico regarding Gossington Depot.

1.3 Corporate Business Services – (£57k) underspend
(Andrew Cummings, xtn 4115, andrew.cummings@stroud.gov.uk)

This underspend is due to a salary vacancy within the service.

1.4 Corporate Expenditure & Income – £103k overspend
(Lucy Clothier xtn 4343, lucy.clothier@stroud.gov.uk)

A central provision for the non payment of all general fund service income of £325k. This is higher than in previous years due to the expected impact of Covid-19 leaving residents and businesses less able to pay outstanding invoices in some cases.

This has been partially offset by additional investment income of £44k, unused savings of £77k largely due to Work Force Plan pension savings that have been taken from 2020/21, and a lower Minimum Revenue Provision (MRP) of £89k. This is an amount put aside to repay borrowing, which in 2019/20 is lower than budgeted as the sale of two industrial units at Littlecombe has allowed the associated borrowing to be 'repaid' from the capital receipts from the sale.

1.5 Facilities Management – £67k overspend
(Mike Hammond xtn 4447, mike.hammond@stroud.gov.uk)

The income shortfall has arisen due to a tenant within Ebley Mill exercising their right to use the break clause within their contract, the premises were vacated in January 2020. Additional Income has been taken into consideration with the letting of the New Block vacant office space from October 2019.

An overspend has been forecast on Ebley Mill expenditure, predominately around Business Rates and internal refurbishment within the Mill. £40k has been set aside from the Repairs and Replacement Reserve to fund part of this overspend.

1.6 Financial Services – (£51k) underspend
(Lucy Clothier, xtn 4343, lucy.clothier@stroud.gov.uk)

This underspend is generally attributable to an in-year salary saving within the service. The Principal Accountant has been seconded to the Accountancy Managers role on an interim basis. The backfill arrangements that have been put into place have led to a saving.

1.7 Human Resources – (£49k) underspend
(Lucy Powell xtn 4286, lucy.powell@stroud.gov.uk)

This variance is directly related around events that have not been able to run this year that are supported by this budget. For the future we will consider how to use this funding to support jobs and skills growth within the District in line with Council priorities

1.8 ICT – (£147k) underspend

(Sean Ditchburn xtn 4256, sean.ditchburn@stroud.gov.uk)

A (£127k) underspend on salaries is forecast, this is attributable to two senior ICT posts not being recruited to this financial year. The service will be fully reviewed by the Director of Transformation.

Additional expenditure has been incurred on Foresight consulting. In addition, Civica issued a number of large credit notes in 19/20, this is a direct result of a drive to streamline the contract, and also fall in line with our Financial year.

1.9 Other Properties (£47k) underspend

(Alison Fisk xtn 4430, alison.fisk@stroud.gov.uk)

As previously reported additional rental income along with further meeting room bookings have been received in regard of the Old Town Hall. Corporate maintenance spend is forecasting an underspend due to works previously identified that have been put on hold. This will be part of the wider property review for 2020. There are also additional minor underspends across the service.

1.10 Senior Leadership Team – £73k overspend

(Kathy O'Leary xtn 4780, kathy.oleary@stroud.gov.uk)

This variance incorporates recruitment costs as well as salaries associated with the new senior management structure. The net variance can be funded from other in year underspends including the vacant Head of Finance post.