



STROUD DISTRICT COUNCIL

Council Offices • Ebley Mill • Ebley Wharf • Stroud • GL5 4UB

Telephone 01453 766321

www.stroud.gov.uk

Email: democratic.services@stroud.gov.uk

STRATEGY AND RESOURCES COMMITTEE

3

11 February 2021

7.00 pm – 9.05 pm

Remote Meeting

Minutes

Membership

Councillor Doina Cornell (Chair)	P	Councillor Keith Pearson	P
Councillor Martin Whiteside (Vice-Chair)	P	Councillor Simon Pickering	P
Councillor Chris Brine	P	Councillor Mattie Ross	P
Councillor Nigel Cooper	P	Councillor Tom Skinner	P
Councillor Rachel Curley	P	Councillor Ken Tucker	P
Councillor Stephen Davies	P	Councillor Debbie Young	A
Councillor Nick Hurst	P		

P = Present A = Absent

Officers in Attendance

Chief Executive	Principal Accountant
Strategic Director of Communities	General Manager
Strategic Director of Change & Transformation	Head of Community Services
Strategic Director of Place	Accountancy Manager
Strategic Director of Resources	Head of Property Services
Monitoring Officer	Senior Democratic Services & Elections Officer
Revenue & Benefits Manager	

SRC.055

APOLOGIES

Apologies were received from Councillor Young.

SRC.056

DECLARATIONS OF INTEREST

There were none.

SRC.057

MINUTES

Councillor Hurst advised that he had not been marked as present in the minutes from the 10 December 2020. It was confirmed that the minutes would be updated to mark Councillor Hurst Present.

RESOLVED

That the Minutes of the meeting held on 10 December are approved as a correct record.

SRC.058**PUBLIC QUESTION TIME**

There were none.

SRC.059**THE FAIR PAY AND SENIOR PAY POLICY STATEMENT 2020/21**

The Monitoring Officer introduced the report and key information regarding the salary ratio, apprentice salaries and that the Strategic Directors are paid on a spot salary basis.

Members requested further clarification on the ratios provided by other neighbouring local councils and asked questions about the Council's target on increasing the staff headcount and whether the figure in paragraph 3.2 included vacant posts. It was agreed that answers would be provided following the meeting.

Councillor Davies enquired about the Council's longer term plan with regards to the Monitoring Officer post. The Monitoring Officer advised Councillor Davies to contact the Chief Executive regarding this outside of the meeting.

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

RECOMMENDED TO COUNCIL **That the statement is approved.**

SRC.060**COUNCIL TAX SUPPORT SCHEME**

The Revenue and Benefits Manager introduced the report which outlined the recommendation to set a council tax support scheme from 1 April 2021 to 31 March 2022 that would mirror schemes set in previous years. Since 2013 the Council had adopted the Government's default scheme which had meant no changes or reduction in the support provided. In 2019 it was agreed at committee that alternative schemes would be explored however this piece of work had not yet been undertaken due to the pandemic. During 2021/22 a full review and modelling would be carried out and new proposals would be brought forward for consideration to change the scheme from 2022/23.

Councillor Pearson gave his thanks to the Revenue and Benefits Service for their work delivering grants across the District and stated that it was important that we continued with the scheme this year because of the impact of the pandemic. Councillor Davies echoed Councillor Pearson, advised that the current scheme should be continued and suggested it should be revisited when the time is right to bring forward alternative options.

The Chair, Councillor Cornell, gave her thanks to the Revenue and Benefits Service for their hard work and advised that she was concerned that once furlough ends there could be a large increase in caseloads.

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

RECOMMENDED TO COUNCIL **That it adopts the current default scheme for 2021/22 keeping the scheme unchanged.**

SRC.061**STROUD DISTRICT COUNCIL CAPITAL STRATEGY**

The Principal Accountant introduced the report which sets out the principles of putting together a capital programme, how capital is financed and how the Council approaches

and manages risks relating to capital. Members were advised that the only main change related to an announcement from Government in November 2020 which stated that access to the Public Works Loans Board (PWLB) was prohibited for any local authority with plans in their three-year capital programme for purchase of assets for yield.

Following a question from Councillor Hurst, further clarification was provided on the change following the Government's announcement. The Principal Accountant confirmed that the Government were advising that if the Council had any schemes that were purely for yield then borrowing from the PWLB would not be possible. However, since the Council did not have any schemes of that nature, access to the PWLB was allowable.

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

RECOMMENDED TO COUNCIL To approve the Capital Strategy at Appendix A.

SRC.062 GENERAL FUND BUDGET 2021/22, CAPITAL PROGRAMME AND MEDIUM-TERM FINANCIAL PLAN

The Strategic Director of Resources presented the report and provided an update to paragraph 2.2 to confirm that the settlement had now been finalised. This gave more confidence and certainty around the related figures. Members' attention was drawn to the main features of the settlement listed in paragraph 2.1 and the Covid-19 related grants. Members were also advised that they had been quite cautious in their estimate of Business Rates next year due to the uncertainty caused by the pandemic. It was also confirmed that, in line with the Budget Strategy approved by Council in October 2020, Council Tax would be increased by the maximum £5 a year for Band D Properties, which would make the total for Band D £217.52 per year.

The Strategic Director of Resources also highlighted the following areas:

- Additional budget allocations and the Covid-related pressures from paragraph 3.13;
- Allocation of budget to recovery items in Appendix C;
- The request from Environment Committee for additional investment in cycling infrastructure at paragraph 5.3, and
- Statement of the Chief Financial Officer in section 6.

Questions were asked by Members and the following points were discussed:

- The Strategic Director of Resources advised he would provide Councillor Hurst information regarding the grant to support the water source heat pumps.
- In reference to paragraph 3.7, it was confirmed that the Strategic Director of Resources was comfortable with the level.
- The budget allocated towards the Carbon Neutral 2030 aims was to appoint additional Officers.
- In reference to page 84 and 85, it was confirmed that further information would be provided to Councillor Davies to explain the 42% increase in GP Referral charges.
- Regards the Corporate Expenditure & Income listed on page 72, it was confirmed that further information would be provided to Councillor Cooper.

Councillor Davies stated that the budget was unambitious and he would be abstaining during the vote. Concerns were also raised as to the progress of the Council's CN2030 aims. Councillor Davies gave credit to the finance team for careful and prudent management of the Council's money.

Councillor Cooper advised that as a Council, the finances were in a much stronger position than would have been anticipated, in part thanks to the receipt of many Government grants.

Councillor Brine stated that he was proud to see the budget go before Council. The Chair stated it had been difficult to put the budget together this year in the face of a pandemic and uncertainty, however fantastic work had been done to include budgeting against certain proposals, making it a very sensible budget.

Councillor Whiteside advised that the budget included extra provision for staff to help deliver the environmental aims, adding that additional staff would be integral to the delivery of CN2030.

Councillor Pickering advised that he shared Councillor Davies frustration on the lack of progress on some of the CN2030 projects, however the District Council was only directly responsible for less than 1% of the emissions across the District, therefore it was important that the Council were appointing Officers to work with the community and the Council. He also advised that it was important to adopt 'cathedral' thinking to ensure foundations were established to then be built upon.

On being put to the vote, the Motion was carried 7 votes for and 4 abstentions.

RECOMMENDED TO COUNCIL

- a. **To approve the updated Medium-Term Financial Plan as set out in Appendices A-E**
- b. **To increase the council tax by £5 to £217.52 at Band D, an increase of less than 10p per week for the services provided by Stroud District Council;**
- c. **To note the uncertainty around the impact of changes to future local government funding**
- d. **To approve the Capital Programme, as set out in Appendix F**
- e. **To approve the planned changes to the reserves as set out in Section 4 of the report and Appendix G**
- f. **To approve the fees and charges policy and list of Council fees and charges as set out in Appendices H and I.**

SRC.063

HOUSING REVENUE ACCOUNT (HRA) ESTIMATES – REVISED 2020/21 AND ORIGINAL 2021/22 AND HOUSING REVENUE ACCOUNT (HRA) MEDIUM TERM FINANCIAL PLAN 2020/21 – 2024/25

The Accountancy Manager introduced the report. Since the report presented to Housing Committee in December 2020 there had been a small number of changes including a salary uplift in line with the General Fund and the addition of a regeneration and climate change staffing resource. Other key areas were highlighted including:

- A proposed uplift in rent and charges. All social and affordable rents had been increased by 1.5%. The Consumer Price Index of 0.5% was much lower than the assumed 2% Bank of England target rate in the Medium Term Financial Plan, because of lower inflation rates due to the pandemic. In one year this rent reduction represented an impact of £317k loss of income, compounded over the 30-year period to a loss of £13 million income. Over the next 30 years, general reserve levels

were still expected to remain above the recommended minimum, a positive position given the changes.

- Paragraph 4.11 which advised that from April 2021 sheltered housing service charges would be reset, in line with the Older Persons Housing Strategy.
- Paragraph 14.6 regarding the need for increased investment for existing properties in the HRA, in line with the Sustainable Energy Strategy.
- In reference to paragraph 12.2, there was a likely risk that Right to Buy receipts may need to be repaid. The Ministry of Housing, Communities and Local Government (MHCLG) had given an in-year extension for the use of receipts but there was no scope to catch up in time to benefit from this, since many schemes were still in the planning stages. This would result in delays which was disappointing given the causes were out of the Council's control. Talks with MHCLG were ongoing and Housing Committee would be updated in the Q3 Budget Monitoring Report.
- The Major Works Programme had been significantly affected by the pandemic and had been re-profiled. The New Homes Programme had also been affected and amended including a proposal to increase the existing £1.3million budget and scope for the acquisition of properties. This would give an ongoing £2million per year for the purchase of properties to add to the HRA stock, allowing flexibility with consultation and a business case still required for each purchase. Any spend would be funded by a combination of Right to Buy receipts and rental income. There would be no overall impact on the HRA but additional affordable housing could potentially be provided.
- The addition in paragraph 16.6 of a £600k budget for the purchase of properties under the Next Steps accommodation programme, part-funded by government grants and the remainder by borrowing derived from future rental income.

The Accountancy Manager answered questions from Councillor Hurst, Councillor Pearson and Councillor Davies on the following topics:

- Purchase of new properties and maintenance programme delivery: the majority of purchases were buy backs and maintenance was considered in consultation with Contract Services during decision-making and business case preparation.
- £31million borrowing for the New Homes Programme: this was purely for the new-build scheme. There would be no contribution from this towards the maintenance of existing stock.
- Garage-site Building Programme: this was still under consideration and had been delayed due to Covid-19. Each individual site was considered for the potential to build upon, ahead of any disposal decision being made.
- Savings due to Repairs and Maintenance being taken in-house: none were included to date but savings were expected to be seen in future years. They would be put in earmarked reserves, initially to put against further pandemic costs and eventually used to fund priorities in the HRA.
- Budget for the purchase of properties: properties had been identified for purchase which would provide the HRA an offset to the loss of stock to temporary accommodation. The Ship Inn was highlighted as an example. The whole stretch of the canal at Brimscombe was under consideration at the current time and it was the responsibility of Council to determine what was in the budget year on year.

On being put to the vote, the motion was carried with 7 votes for and 5 against.

**RECOMMENDED
TO COUNCIL**

- a. The revised HRA revenue budget for 2020/21 and original budget 2021/22 are approved
- b. The movement to and from HRA balances and earmarked reserves as detailed in Appendix B and section 9 are approved
- c. That from 1 April 2021:
 - i. Social rents and affordable rents are increased by 1.5%, in line with national rent guidance
 - ii. Garage rents are increased by 1.5%
 - iii. Landlord service charges are increased by 1.5%, except sheltered housing charges which are individually set
 As detailed in Appendix A
- d. That the HRA Capital Programme for 2020/21 to 2024/25, as detailed in Appendix C, be included in the Council's Capital Programme.

SRC.064**MEMBER/OFFICER REPORTS**

- a) Leadership Gloucestershire Update
A report had been circulated. There were no questions.
- b) Gloucestershire Economic Growth Joint Committee (GEGJC)
A report had been circulated. There were no questions.
- c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC)
Councillor Davies had attended the meeting in his County Councillor capacity and provided a verbal update. The Committee discussed Social Mobility and the work being carried out in Gloucester, Taxi Licensing and the decision-making and governance of the GFirstLEP.
- d) Strategic Recovery Board
A report had been circulated. The Chair provided a further verbal update and highlighted the following topics which had been covered in the last meeting:
 - The progress that had been made in becoming a Kickstart Gateway;
 - The specification for appointing someone to work on the Canal Strategy;
 - An update on homelessness;
 - Progress on the Salmon Springs site;
 - The launch of the Community Grants Scheme, and
 - A further successful Green Homes Grant.
- e) Brimscombe Port Redevelopment
A report had been circulated. Councillor Whiteside advised that Officers were currently working to really tight timescales. There had been a further meeting last week and Members were invited to an All-Member Brimscombe Port Briefing on the 17 February 2021. The current planning application for the infrastructure work was due to be taken to Development Control Committee on the 23 February 2021 and a further report would be brought to the next Strategy and Resources Committee.
- f) Corporate Delivery Plan Progress Update Q3
A report had been circulated. There were no questions.
- g) Corporate Peer Challenge Action Plan Progress Update Q3
A report had been circulated. There were no questions.

- h) Support of the Leisure Contract Provider in Stroud (Sport and Leisure Management)
A report had been circulated. Councillor Hurst asked whether there had been any update on support for leisure centres. The General Manager advised that a bid had been submitted and the Council should hear shortly how much support will be provided.
- i) Review of the Council Tax Hardship Scheme Covid-19 and Discretionary Housing
A report had been circulated. There were no questions.

SRC.065

WORK PROGRAMME

The Chair advised that the Kingshill House report had been taken off the March agenda, however an update would be provided in the Asset Review due in April 2021.

SRC.066

MEMBER QUESTIONS

There were none.

The meeting closed at 9.05 pm

Chair