

18 February 2016

STRATEGY AND RESOURCES COMMITTEE

A meeting of the Strategy and Resources will be held on **THURSDAY, 03 MARCH 2016** in the Council Chamber, Ebley Mill, Ebley Wharf, Stroud at **19:00**.



David Hagg
Chief Executive

Please Note: This meeting will be filmed for live or subsequent broadcast via the Council's internet site (www.stroud.gov.uk). By entering the Council Chamber you are consenting to being filmed. The whole of the meeting will be filmed except where there are confidential or exempt items, which may need to be considered in the absence of the press and public.

AGENDA

- 1 **APOLOGIES**
To receive apologies of absence.
- 2 **DECLARATIONS OF INTEREST**
To receive declarations of interest.
- 3 **MINUTES - 7 JANUARY 2016**
To approve and sign as a correct record the Minutes of the meeting held on 7 January 2016.
- 4 **PUBLIC QUESTION TIME**
The Chair of the Committee will answer any questions from members of the public, submitted in accordance with the Council's procedures.

DEADLINE FOR RECEIPT OF QUESTIONS
Noon on Monday 29 February 2016.

Questions must be submitted in writing to the Chief Executive, Democratic Services, Ebley Mill, Ebley Wharf, Stroud, and sent by post, by fax (01453 754957), or by Email: democratic.services@stroud.gov.uk.

- 5 **WORK PROGRAMME - 3 MARCH 2016**
To consider the Committee's work programme and update accordingly.
- 6 **MEMBER REPORTS**
(a) Performance Monitoring
(b) Stroud Concordat
(c) Planning Review Panel
(d) Housing and Development Panel
- 7 **JOBS AND GROWTH PLAN 2015-18**

(a) Future Role and Function of Town Centres
(b) Stroud Valleys Initiative
(c) Infrastructure Investment
- 8 **REVIEW OF CORPORATE DELIVERY PLAN 2015-19**
- 9 **BUDGET MONITORING REPORT 2015-16 Q3**
- 10 **DEVOLUTION UPDATE**
To receive a verbal update.
- 11 **MEMBERS' QUESTIONS**
See Agenda Item 4 for deadline for submission.

Members of Strategy and Resources Committee

Councillor Geoff Wheeler (Chair)
Councillor Steve Lydon (Vice-Chair)
Councillor Chris Brine
Councillor Nigel Cooper
Councillor Paul Hemming
Councillor Nick Hurst
Councillor Julie Job

Councillor Haydn Jones
Councillor Keith Pearson
Councillor Simon Pickering
Councillor Mattie Ross
Councillor Martin Whiteside
Councillor Rhiannon Wigzell

STRATEGY AND RESOURCES COMMITTEE

7 January 2016

7.00 pm – 9.23 pm
Council Chamber, Ebley Mill, Stroud

3

Minutes

Membership:

Councillor Geoff Wheeler (Chair)	P	Councillor Haydn Jones	P
Councillor Steve Lydon (Vice-Chair)	A	Councillor Keith Pearson	P
Councillor Chris Brine	P	Councillor Simon Pickering	P
Councillor Nigel Cooper	P	Councillor Mattie Ross	P
Councillor Paul Hemming	P	Councillor Martin Whiteside	P
Councillor Nick Hurst	P	Councillor Rhiannon Wigzell	P
Councillor Julie Job	A		

P = Present

A = Absent

Officers Present:

Chief Executive	Principal Accountant
Strategic Head (Finance & Business Services)	Head of Asset Management
Accountancy Manager	Democratic Services Officer

SRC.047

APOLOGIES

An apology for absence was received from Councillors Julie Job and Steve Lydon.

SRC.048

DECLARATIONS OF INTEREST

None received.

SRC.049

MINUTES

RESOLVED

That the Minutes of the meeting held on 3 December 2015 were approved and signed as a correct record.

SRC.050

PUBLIC QUESTION TIME

None received.

as detailed in table 3 are approved.

- b) That from 01 April 2016:
- i) Subject to implementation of proposed government legislation namely, the Housing Bill, social rents and affordable rents be decreased by 1% as calculated in accordance with such legislation;
 - ii) Garage rents increase by 1% (as detailed in Appendix A);
 - iii) Other landlord service charges at general needs properties remain at 2015/16 levels (as detailed in Appendix A);
 - iv) Landlord service charges at Sheltered Housing Schemes are increased by 1% (See para 24 and Appendix A).
- c) That the Capital Programme for 2016/17 be approved.
- d) That the Head of Asset Management be authorised to dispose of the freehold interest in land at Fountain Crescent, Wotton Under Edge on the open market.
- e) To appropriate the former Ship Inn site, Stonehouse from the General Fund to the Housing Revenue Account at market value to add it to the new build programme for social housing.
- f) To appropriate land at Wharfdale Way, Stonehouse from the Housing Revenue Account to the General Fund at market value for canal related development.

SRC.053

GENERAL FUND REVENUE ESTIMATES – REVISED 2015/16 AND ORIGINAL 2016/17

The Accountancy Manager presented the report and explained that this gave Members an overview of the budgets, highlighting Table 2 of the report. The budgets had been discussed at the relevant committees.

RESOLVED To note the estimates set out in Table 2 of this report be approved.

RECOMMENDED TO COUNCIL The estimates set out in Appendix B of this report be approved.

SRC.054

CAPITAL PROGRAMME AND PROPOSED SCHEMES

The Accountancy Manager presented the report, explaining that budget included amounts for schemes such as the Multi Service Contract, Brimscombe Port, and Webcasting equipment.

During questions from Members the following was discussed:

- HCA Funding
- Hydro project, which will be discussed at Environment Committee at beginning of March 2016.

- Asset Review
- Multi Service Contract – the Committee would need all costs relating to this.

RECOMMENDED TO COUNCIL

- 1) That the revised current year’s programme in Appendix A to this report is approved;
- 2) That the programme is funded by the capital resources shown in Appendix B.

SRC.055 **THE GENERAL FUND REVENUE BUDGET 2016/17 AND MEDIUM TERM FINANCIAL PLAN 2015/16 – 2019/20**

The Strategic Head (Finance and Business Services) presented the report and gave explanations on the Revenue Support Grant, Business Rates, Council Tax, Local Government Pension Scheme.

Cllr Wheeler thanked staff for their work on this report.

At this point Councillor Pickering stated that he might have an interest due to the proposed allocation of £30,000 within the annual Council budget to outside welfare service organisations, which might include Citizens Advice Bureau, of which his wife was the Chief Executive of the local branch. As a consequence, he decided not to participate in the discussion on the budget or the vote.

During questions from Members the following was discussed:

- Business Rates Retention and Pooling
- New Homes Bonus
- Revenue support grant
- Council Tax

On being put to the vote it was:

RECOMMENDED TO COUNCIL

- a) To increase the council tax by 2% to £190.67 at Band D, an increase of 7p per week for the services provided by Stroud District Council;
- b) To approve the Medium Term Financial Plan as set out in Appendix A;
- c) To approve the changes to the reserves as set out in paragraphs 53 to 55 of the report and Appendix B.

SRC.056 **MEMBERS’ QUESTIONS**

None received.

Meeting closed at 9.23 pm.

Chair

STRATEGY AND RESOURCES COMMITTEE

3 MARCH 2016

5

Report Title	WORK PROGRAMME FOR 2015/16
Purpose of Report	To review the Committee's Work Programme.
Decision(s)	To AGREE the Committee's Work Programme 2015/16
Consultation and Feedback	As agreed at the Annual Council Meeting on 21 st May 2015, each committee is expected to consider its work programme for the civic year at each meeting
Report Authors	Councillor Geoff Wheeler, Chair David Hagg, Chief Executive
STRATEGY & RESOURCES COMMITTEE	
3 March 2016	
<ol style="list-style-type: none"> 1. Work Programme (Version 4) 2. Member Reports – Performance Monitoring; Stroud Concordat; Planning Review Panel, H&D Panel 3. Council Property Asset Register Review Phase 2 – Information Sheet 4. Jobs and Growth Plan 2015-18 – Future Role and Function of Town Centres; Stroud Valleys Initiative; Infrastructure Investment 5. Corporate Delivery Plan 2015-16 Review 6. Budget Monitoring – S&R Committee and Overall Budget Position 7. Devolution Update 	
7 April 2016	
<ol style="list-style-type: none"> 1. Work Programme 2. Member Reports – Performance Monitoring; Stroud Concordat; Planning Review Panel, H&D Panel 3. Jobs and Growth Plan 2015-18 – Future Role and Function of Town Centres; Stroud Valleys Initiative; Infrastructure Investment 4. Procurement Strategy 	

STROUD DISTRICT COUNCIL
STRATEGY & RESOURCES COMMITTEE

AGENDA
ITEM NO

3rd March 2016

8

Report Title	REVIEW OF CORPORATE DELIVERY PLAN 2015-19
Purpose of Report	To provide the Committee with a progress report on delivery
Decision(s)	To acknowledge progress being made in delivering the Corporate Delivery Plan 2015-19
Consultation and Feedback	No external consultation has taken place in the preparation of this report
Financial Implications and Risk Assessment	<p>There are no financial implications arising directly from this report. The budget is prepared to support the priorities and objectives within the Corporate Delivery Plan and so all activity in the delivery of the plan is contained within existing resources.</p> <p>Sandra Cowley, Strategic Head (Finance & Business Services) Tel: 01453 754136 Email: sandra.cowley@stroud.gov.uk</p> <p>Risk assessments associated with key actions in the Corporate Delivery Plan 2015-19 are detailed on the Excelsis system</p> <p>David Hagg, Chief Executive Tel : 01453 754290 Email : david.hagg@stroud.gov.uk</p>
Legal Implications	<p>No legal implications arising from this report.</p> <p>Karen Trickey, Legal Services Manager Tel : 01453 754369 Email : Karen.trickey@stroud.gov.uk</p>
Report Author	<p>David Hagg, Chief Executive Tel: 01453 754290 Email: david.hagg@stroud.gov.uk</p>
Options	The Council is not required to have a Corporate Delivery Plan but has chosen to have one since 2004. It enables the public, partners and staff to understand the Council's key priorities. It also forms the basis for members to review the Council's performance on a regular basis.
Performance Management Follow Up	The Excelsis system provides real time monitoring of the Corporate Delivery Plan for members and staff.

- Our council house building programme is delivering great new homes to very happy tenants
- We are a 'carbon neutral' council – the first in the UK to achieve this environment-friendly status
- Good progress is being made on developing Gloucestershire's largest single regeneration site at Littlecombe, Dursley – a site we now own
- Our largest regeneration scheme, the Cotswold Canal project, has won a national Living Waterways award
- In partnership with the University of Gloucestershire and South Gloucestershire & Stroud College, we have the biggest and best rated careers event in Gloucestershire. Over 1,600 students and parents meet 60 local companies and 14 higher/further education colleges at Stroud Ambitions
- Our work experience charter is the first in Gloucestershire and helping drive up standards and the range of opportunities across all employers
- innovative rural SUDs scheme as part of national project

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

03 MARCH 2016

9

Report Title	BUDGET MONITORING REPORT 2015/16 Q3
Purpose of Report	To present to the Committee a forecast of the outturn position against the revenue budget and capital programme for 2015/16.
Decision(s)	<p>The Committee RESOLVES</p> <p>a) to note the outturn forecast for the General Fund revenue budget and the capital programme for 2015</p> <p>b) to approve the provisional carry forward as detailed in paragraph 8 of the report.</p>
Consultation and Feedback	Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated in the report to explain differences between budgets and actual income and expenditure.
Financial Implications and Risk Assessment	<p>Outturn forecasts have been projected against the revised budget for each committee.</p> <p>There are a number of variances between General Fund revenue budgets and the projected outturn. Overall, a net variation of (£0.209m) has been projected and results in £0.412m being drawn from Council's General Fund balance (as opposed to £0.621m as per the 2015/16 revised budget approved by Council in January 2016).</p> <p>It is estimated the General Fund Capital Programme will be underspent by (£1.895m) in 2014/15. Slippage is committed against capital schemes and will be carried forward to 2016/17.</p> <p>David Stanley, Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk</p>
Legal Implications	<p>Unfortunately the report wasn't available before the print deadline for review by Legal Services. Unless a separate advice note from the Legal Services Manager is provided before the Committee, it may be assumed that there are no legal implications to report.</p> <p>Karen Trickey, Legal Services Manager Tel: 01453 754369 Email: karen.trickey@stroud.gov.uk</p>

Report Author	David Stanley, Accountancy Manager Tel: 01453 754100 Email: : david.stanley@stroud.gov.uk
Options	None
Performance Management Follow Up	Budgets will continue to be monitored on a regular basis by budget holders supported by Finance. Further finance reports will update the committee in March 2016, with the outturn position reported to the committee in June 2016.
Background Papers/ Appendices	None

Background

1. This report provides the final monitoring position statement for the financial year 2015/16. 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.
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.**

Revenue Budget position

3. The original net General Fund revenue budget for 2015/16 is £15.458m as approved by Council at their meeting in February 2015. This has now been revised to £15.665m as approved by Council in January 2016. The latest budget for Strategy and Resources Committee being £6.202m
4. The monitoring position quarter 3 shows a projected net underspend of (£31k) (-0.5%) against the committee's budget. Taking into account the variation reported to Community Services & Licensing and Environment committees (via briefing note), the overall position on the General Fund is a net underspend of (£209k). Appendix A provides an overview of both the committee's budget and the General Fund position.

Table 1 – General Fund Revenue Outturn Forecast

GENERAL FUND	2015/16 Original Budget (£000)	2015/16 Latest Budget (£000)	2015/16 Actual to date (£000)	2015/16 Projected Outturn (£000)	2015/16 Projected Variance (£000)
Community Services Committee	5,683	5,791	3,967	5,523	(267)
Environment Committee	4,813	4,893	3,145	5,203	310
Strategy & Resources Committee	6,211	6,202	4,375	6,171	(31)
Support Service Charges	(1,249)	(1,220)	(1,218)	(1,220)	0
Net Service Revenue Expenditure	15,458	15,665	10,270	15,676	11
Other Operating Income & Expenditure	(424)	(425)	1,454	(645)	(220)
Funding from Govt Grants/Council Tax	(14,620)	(14,620)	(8,798)	(14,620)	0
TOTAL General Fund	414	621	2,926	412	(209)

Report headlines and significant variations

5. The outturn position is mainly attributable to the major items outlined below. Appendix A provides a more detailed breakdown on the committee's budgets with an explanation of the significant variations that have arisen (a significant variation is defined as being +/- £20,000 on each reporting line), along with explanations of the variations on the Community Services and Licensing and Environment committee budgets.

- £66k additional expenditure on Investment Assets largely attributable to SVCC contribution.
- (£25k) income surplus on Merrywalks Multi-Storey Car Park – linked to the management agreement with Streetlands to be finalised later in this financial year.
- (£43k) saving on Strategic Head (Tenant and Corporate Services) as cost of Strategic Head post now allocated 50:50 to GF and HRA.
- (£16k) saving on HR Salaries – Restructure of service and staffing vacancies.
- (£23k) income surplus on Legal Services – additional income generated by additional work associated with planning applications and appeals.
- £60k net overspend on Finance & Business Services– (£25k) underspend on Corporate Fraud, £35k overspend in ICT Salaries. £50k essential infrastructure costs funded from IT reserve.
- (£267k) net underspend on Community Services & Licensing committee budgets – (£82k) salary savings within General Fund Housing, Homelessness and Revenues & Benefits teams; £16k income shortfall on Careline service, (£60k) underspend and cost recovery within Homelessness service.
- £310k net overspend on Environment committee budgets – (£73k) net underspend on Environmental Health, (£29k) salary saving on Planning, £176k additional expenditure on the Local Plan, £53k net overspend on Development Control, £110k spend on canal project management.
- (£220k) variation on Other Operating Income and Expenditure items. Largely due to transfers from earmarked reserves to fund expenditure associated with Planning Appeals.

Areas of Risk and Uncertainty

6. The forecast outturn variance highlighted in paragraph 4 of this report is based on known and estimated outcomes. However, there remains a degree of uncertainty with the forecast variance, either because;
 - There is insufficient data available at this stage of the financial year with which to estimate an outturn position
 - There are a number of different outcomes that may occur and it is difficult to predict with a degree of certainty which outcome is more likely
 - Seasonal factors affecting income from events and activities in specific budget area, or the overall position of the local economy and the effect on income generation.

7. Listed below are the main areas of risk and uncertainty associated with the outturn forecast.
 - **Business Rates Income** – Some risk remains around the operation of the Gloucestershire Business Rates pool in 2015/16, with the emerging issue of NHS Trusts applying for Mandatory Relief on their business rates. This is subject to considerable concern, with both CIPFA and the LGA raising the issue with CLG.
 - **Dursley Pool** - Scheduled construction works associated with the new extension are taking place throughout the year. This disruption was anticipated to have an adverse impact on the level of income. However after reviewing the outturn in this round of Budget Monitoring the forecast is now far more favourable and budget is expected to be met.

Carry Forwards- Provisional

8. Carry forwards of budgets may be approved if there are valid reasons why the underspend has happened and there is supporting evidence behind the request. Such requests include where we have had external funding for a particular scheme that has a revised schedule into the next financial year.
 - **Youth Services** – (£25k) – funding from Gloucestershire County Council to fund Youth Commission Projects.

Capital Programme

9. The Committee's 2015/16 Capital Programme of £0.278m was approved by Council in January 2015. This has subsequently been revised to £2.3m following approval of the carry forwards/slippage and profiling changes by Strategy and Resources Committee at their meeting in June 2015.

10. Table 2 below shows the Capital Forecast position for 2015/16 with a projected underspend on Strategy and Resources schemes (£0.199m). Taking into account variations on Community Services & Licensing and Environment committee schemes, the project outturn on the General Fund

capital schemes is an underspend of (£1.895m). A table showing the full capital programme outturn is shown in Appendix B.

Table 2 - Capital Outturn Forecast

	2015/16 Original Budget (£'000)	2015/16 Latest Budget (£'000)	2015/16 Spend to date (£'000)	2015/16 Projected Outturn (£'000)	2015/16 Outturn Variance (£'000)
2015/16 Capital Programme					
Community Services schemes	1,802	2,218	635	1,156	(1,062)
Environment schemes	1,626	1,598	452	964	(634)
Strategy & Resources schemes	278	2,303	995	2,104	(199)
TOTAL GF Capital Schemes	3,706	6,119	2,082	4,224	(1,895)
Housing Committee schemes	21,252	17,767	11,859	17,888	121
TOTAL Capital Programme	24,958	23,886	13,941	22,112	(1,774)

11. The main variations are summarised below with a brief explanation of each key variation given in Appendix B

- Dursley Pool (£993k) slippage – scheme on track, majority of construction costs likely in April-June period. Final outturn largely dependent upon valuation of work completed by 31 March 2016
- Private Sector Housing (£69k) underspend
- Carbon Management Programme (CMP) – Slippage on Ebley Mill Hydro (£345k), Combined Heat and Power (£147k), Target 2050 Loans (£142k)
- Stroud Valleys Initiative – (£100k) underspend – capital budget no longer required
- Wallbridge (£90k) slippage – To be transferred to reserves pending land transfer from Gloucestershire County Council.

Strategy and Resources – Breakdown of projected outturn/variations

Strategy & Resources Committee	2015/16 Original Budget (£000)	2015/16 Latest Budget (£000)	2015/16 Actual to date (£000)	2015/16 Projected Outturn (£000)	2015/16 Projected Variance (£000)	Salary Variations (£000)	Expenditure Variations (£000)	Income Variations (£000)
Investment Assets	(71)	(73)	(99)	(6)	66	0	99	(33)
Other Assets	37	44	26	35	(9)	0	(4)	(5)
Car Parks	(359)	(366)	(479)	(391)	(25)	0	0	(25)
Head of Asset Management	97	97	61	100	3	2	1	0
Asset Management Team	334	333	241	322	(12)	(18)	(1)	8
Facilities Management	809	826	514	807	(19)	(8)	(10)	(1)
Democratic Representation and Management	462	434	363	443	10	58	83	(132)
Resources and Finance - Direct Spend	1,490	1,498	1,393	1,474	(24)	0	(24)	0
Chief Executive	185	185	133	185	0	0	0	0
Strategic Head (Corporate Services)	93	93	36	50	(43)	(43)	0	0
Corporate Services (HR etc)	635	634	397	618	(16)	(44)	28	0
Corporate Services (Legal)	586	586	389	563	(23)	0	0	(23)
Strategic Head (Finance and Business Services)	113	113	76	113	0	0	0	0
Finance and Business Services	1,800	1,799	1,323	1,859	60	35	25	0
Strategy & Resources TOTAL	6,211	6,202	4,375	6,171	(31)	(18)	198	(211)
Funded from Reserves					(25)			
Carry Forwards					0			
Underlying Variation					(56)			

Appendix A

General Fund Revenue Outturn	2015/16 Original Budget (£'000)	2015/16 Latest Budget (£'000)	2015/16 Actual to date (£'000)	2015/16 Projected Outturn (£'000)	2015/16 Outturn Variance (£'000)
Community Services Committee					
Head of Community Safety	0	0	0	0	0
Community Safety	428	415	224	390	(25)
Youth Services	90	118	2	93	(26)
Grants to Voluntary Organisations	337	337	313	337	0
Housing (General Fund)	660	655	325	538	(117)
Licensing	(66)	(67)	(97)	(78)	(12)
Strategic Head (Customer Services)	195	188	81	188	0
Customer Services	386	386	266	385	(0)
Head of Cultural Services	0	0	31	0	0
Cultural Svcs - Arts and Culture	892	897	616	882	(15)
Cultural Svcs - Sports and Health Development	157	187	75	160	(28)
Cultural Svcs - Sports Centres	1,062	1,141	720	1,127	(14)
Public Spaces	1,138	1,135	1,202	1,151	16
Revenues and Benefits	405	398	211	350	(48)
Subtotal Community Services Committee	5,683	5,791	3,967	5,523	(267)
Environment Committee					
Canal	7	7	139	170	163
Strategic Head (Development Services)	113	113	80	114	1
Head of Environmental Health	70	70	50	72	2
Environmental Health	873	935	567	842	(93)
Head of Planning	71	12	8	8	(4)
Statutory Building Control	165	174	31	187	13
Strategic Planning of Local Plan	270	280	322	390	110
Development Control	159	214	165	335	121
Economic Development	206	196	132	206	10
Carbon Management	103	142	38	127	(15)
Waste and Recycling	2,164	2,137	1,262	2,139	2
Street Cleansing	612	612	352	614	2
Subtotal Environment Committee	4,813	4,893	3,145	5,203	310

Appendix A

General Fund Revenue Outturn	2015/16 Original Budget (£'000)	2015/16 Latest Budget (£'000)	2015/16 Actual to date (£'000)	2015/16 Projected Outturn (£'000)	2015/16 Outturn Variance (£'000)
Strategy & Resources Committee					
Investment Assets	(71)	(73)	(479)	(6)	66
Other Assets	37	44	61	35	(9)
Car Parks	(359)	(366)	241	(391)	(25)
Head of Asset Management	97	97	514	100	3
Asset Management Team	334	333	363	322	(12)
Facilities Management	809	826	1,393	807	(19)
Democratic Representation and Management	462	434	133	443	10
Resources and Finance - Direct Spend	1,490	1,498	36	1,474	(24)
Chief Executive	185	185	397	185	0
Strategic Head (Corporate Services)	93	93	389	50	(43)
Corporate Services (HR etc)	635	634	76	618	(16)
Corporate Services (Legal)	586	586	1,323	563	(23)
Strategic Head (Finance and Business Services)	113	113	4,375	113	0
Finance & Business Services	1,800	1,799	(1,194)	1,859	60
Subtotal Strategy & Resources Committee	6,211	6,202	7,629	6,171	(31)
Services Charges	(1,249)	(1,220)	(1,194)	(1,220)	0
Subtotal SERVICE REVENUE EXPENDITURE	15,458	15,665	13,547	15,676	11
CENTRAL ITEMS					
Service Expenditure adjustments					
Transfers to/from Earmarked Reserves	1,375	1,375	1,428	1,170	(205)
Contingency/Inflation	227	207	157	177	(30)
Subtotal Service Expenditure adjustments	1,602	1,582	1,585	1,347	(235)
Other Operating Income & Expenditure					
Drainage Board	103	106	106	106	0
Interest & Investment Income	(155)	(139)	(143)	(124)	15
Feed-in-tariff income	(27)	(27)	(23)	(27)	0
Other accounting adjustments	(1,947)	(1,947)	(71)	(1,947)	0
Subtotal Other Operating Income & Expenditure	(2,026)	(2,007)	(131)	(1,992)	15
Subtotal CENTRAL ITEMS	(424)	(425)	1,454	(645)	(220)

Appendix A

General Fund Revenue Outturn	2015/16 Original Budget (£'000)	2015/16 Latest Budget (£'000)	2015/16 Actual to date (£'000)	2015/16 Projected Outturn (£'000)	2015/16 Outturn Variance (£'000)
FUNDING					
Precept on Collection Fund	(7,744)	(7,744)	(5,464)	(7,744)	0
Retained Business Rates	(2,840)	(2,840)	(520)	(2,840)	0
Government Revenue Support Grant	(1,866)	(1,866)	(622)	(1,866)	0
Collection Fund surplus/deficit	251	251	(116)	251	0
Council Tax Freeze Grant/New Homes Bonus	(2,420)	(2,420)	(2,077)	(2,420)	0
Subtotal FUNDING	(14,620)	(14,620)	(8,798)	(14,620)	0
General Fund Outturn (Surplus)/Deficit	414	621	6,203	412	(209)

STRATEGY AND RESOURCES COMMITTEE

12. Investment Assets - £66K overspend

(Andy Nash / Alison Fisk xtn 4430)

andy.nash@stroud.gov.uk, alison.fisk@stroud.gov.uk

The Council has committed to funding the Stroud Valley Canal Company (SVCC) £50k each year from the rental income at Brimscombe Port towards the maintenance of the restored canal. This has always been paid annually in arrears once the Port accounts have been finalised. An annual budget of £50k has been approved from 2016/17. The amount for 2015/16 needs to be paid during this financial year in addition to that paid for 2014/15. It is likely that this can also be funded from the rental income from the Port during this year but is recognised here as a commitment.

13. Car Parks – (£25k) income surplus

(Andy Nash/Alison Fisk xtn 4430)

andy.nash@stroud.gov.uk alison.fisk@stroud.gov.uk

An income surplus on the Merrywalks Car Park is reported here and relates to SDC's proportion of the additional income after taking into account the management fee and income due to Streetlands in accordance with the terms of the agreement. The balance will be transferred to reserves at the end of the Financial Year.

14. Democratic Representation & Management – £10k overspend

(Hannah Emery, xtn 4383, hannah.emery@stroud.gov.uk)

As previously reported to Strategy and Resources committee in October 2015, a net variation remains at £10k and is predominantly due to cost pressures arising from Individual Electoral Registration (IER).

15. Corporate Services – (HR/Marketing) – (£16k) underspend

(Ros White, xtn 4314, ros.white@stroud.gov.uk)

Members will recall that a budget increase of £26k was approved in January 2015 to fund the restructure of the Human Resources service. Owing to changes within the team and difficulties in recruiting the right calibre of staff, this additional budget is largely underspent in the current financial year. The staffing budget for the HR team was reviewed in the light of this and reported to the committee in January as part of the budget setting process for 2016/17.

16. Strategic Head (Tenant and Corporate Services) – (£43k) saving

(Alison Richards xtn 4272, allison.richards@stroud.gov.uk)

Costs associated with the Strategic Head post are now allocated on a 50:50 basis between the General Fund and the Housing Revenue Account leading to a permanent reduced budget requirement from 2015/16.

17. Corporate Services (Legal) – (£23k) income surplus

(Karen Trickey xtn 4369, Karen.trickey@stroud.gov.uk)

Additional Income generated by the charging of legal costs to developers associated with planning development and appeals.

18. Finance and Business Services – £60k overspend

(Sandra Cowley xtn 4136, sandra.cowley@stroud.gov.uk)

There are two elements to the net variation reported for Finance and Business Services. Firstly, the budget of £25k for the Counter Fraud post has not been spent due to difficulties in recruiting suitably experienced candidates to the role. It was intended to utilise the resources of the Gloucestershire Counter Fraud Hub to undertake some of the work identified for the role, but it has not been possible for all Gloucestershire partners to agree the likely costs of this resource to each council.

An overspend on staffing costs of £35k is a result of having to employ agency staff to cover a long term sickness absence thus ensuring a 'business as usual' IT service within the Council. An additional £50k has also been spent on the essential ICT infrastructure; this is will be funded from the ICT reserve.

19. Central Items/Other Operating Income and Expenditure – (£220k) variation

(Sandra Cowley xtn 4136, sandra.cowley@stroud.gov.uk)

The main variation on this budget heading relates to the transfer to/from earmarked reserves of funding to support expenditure in the General Fund. The main transfers are:

- (£50k) transfer from the Jobs and Growth reserve to fund SVCC canal related expenditure
- (£50k) expenditure on ICT infrastructure funded from the IT reserve
- (£130k) transfer from the Planning Appeals reserve to fund cost associated with planning appeals
- £25k transfer to reserves in respect of net income from Merrywalks Car Park

In addition, the Contingency budget (£50k) will not be required, with any costs associated with the feasibility study for the Stroud Valleys Initiative reallocated to the General Fund revenue budget.

Finally, as reported to members of Strategy and Resources committee in October 2015, the council sold its remaining Icelandic currency holdings (ISK) to Deutsche Bank. Although provision had been made in the council's balance sheet for a loss on the repatriation of the ISK, the final currency and exchange rate loss exceed the provision by £65,000. However, this is in a large part offset by additional investment income of £50,000 in the current year.

COMMUNITY SERVICES AND LICENSING COMMITTEE

20. Community Safety – (£25k)- Underspend

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

An income shortfall of £16k from Careline has been identified. This decrease is due to the number of users who have been moved over to the free Telecare service provided by the County Council along with £6k of additional costs associated with the monitoring and maintenance contract. An anticipated overspend of £14k in abandoned vehicles removals & storage costs; these charges are now being pursued with GCC, along with other authorities who are experiencing similar costs.

Salary savings of (£49k) within the Neighbourhood Wardens budget relate to two vacancies within the service. Interviews were held in December and posts to be filled in January.

A small underspend of (£12k) has also been identified across the Community Safety budget.

21. Youth Services – (£25k)- Underspend

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

The Commissioning of Youth Provision outturn is subject to grant applications and successful grantee's accepting the respective offers. This is external money is devolved from the County Council. The current estimate for carry over is (£25k).

22. Housing General Fund – (£117k) Saving/Underspend

(Jon Beckett xtn 4443, jon.beckett@stroud.gov.uk)

(Philip Bishop (Homelessness) xtn 4065, philip.bishop@stroud.gov.uk)

A salary saving of (£30k) has been identified within Private Housing; several members of staff are now working on a part time basis, these posts currently being reviewed within the structure. There is a (£15k) underspend that relates to the Gardening Assistance Scheme. Funding was set aside to help fund a home improvement agency to deliver this scheme; however this scheme has been discontinued as the agency could no longer fulfil this role. A further (£12k) saving has been identified on non-pay expenditure budgets.

An underspend of (£20k) has arisen on homelessness; (10k) of this is attributable to the recovery rate for bed and breakfast costs being at a higher level than estimated. There is a salary saving of (£10k) across the service.

The remaining underspend of (£40k) is within homelessness prevention, where deposits are paid to help households threatened with homelessness, with the payments then being recovered at a later date. The payments are made from previous Government grant, which is recycled year on year through collection of the reimbursements with any surplus being carried over to the next financial year for reuse. The recovery process has been improved over the last year, resulting in a higher level of income being obtained. The

Government funding for this activity ended in 2014/15, meaning that these reimbursements will become more important to the operation of the service going forward.

23. Cultural Svcs – Sport & Health Development – (£28k) Underspend

(Jane Bullows xtn 4322, jane.bullows@stroud.gov.uk)

The variance is made up of the following items:

- (£8k) external funding for Cycling Scheme, this may remain underspent as there has been a further delay in launching of the scheme and will be carried forward to next year.
- (£18k) temporary saving has been identified within the staffing budget due to Health & Wellbeing officer's post falling vacant for 6 months.
- Small savings of (£2K) across the service have also been identified.

24. Revenues and Benefits – (£48k) underspend

(Simon Killen xtn 4013, simon.killen@stroud.gov.uk)

A projected salary underspend of (£48k) is due a number of vacancies within the team, and the use of 'Civica on Demand' service to manage fluctuations in workload rather than employing agency staff. Funding has been awarded from the FERIS project, which has been used to cover costs associated with the use of 'Civica on Demand'.

ENVIRONMENT COMMITTEE

25. Canal - £163k additional expenditure

(Dave Marshall xtn 4646, dave.marshall@stroud.gov.uk)

Additional expenditure on the canal project relates to salaries of the Canal Project Team. With the completion date of the project envisaged to be late 2015 a decision was made not to continue to capitalise the salaries of the project team as the project drew to a close. The report to Strategy and Resources committee in June 2015 that approved an additional £777k of funding did not include provision for these salaries. This cost was always anticipated to be funded from salary savings/underspends across the General Fund.

Included within the £160k reported here is £50k of funding provided to SVCC for canal related activities (land and excavator purchase) which is funded from the Jobs and Growth reserve. Therefore, the underlying additional expenditure for 2015/16 is projected to be £110k.

26. Environmental Health – (£93k) underspend

(Jon Beckett xtn 4443, jon.beckett@stroud.gov.uk)

There is a salary saving of (£42k) across the service. This variance relates to temporary and permanent savings, as several members of staff are now

working on a part time basis. These posts are currently being reviewed within the structure.

(£30k) relates to an income surplus within Land Drainage. This is due to the County Council (lead local flood authority) presently reviewing how they deliver their land drainage responsibilities and as a result of this they are currently contracting back part of this function relating to SDC.

Income surplus of (12k) across the service has also been identified. Additionally there are a number of small underspends spread across the service on non-pay expenditure of (£9k).

27. Statutory Building Control – £13k overspend

(Paul Bowley xtn 4250, paul.bowley@stroud.gov.uk)

Overall the building control budget is showing an insignificant variation, however there are some large offsetting variances. Additional salary costs will be incurred as a result of the formation of a shared service with Gloucester City Council on the 1st July 2015, of which Stroud is the host. These costs will be offset by additional income and partnership fees charged to Gloucester City Council as stated in the agreement.

28. Strategic Planning of Local Plan – £110k additional expenditure

(Mark Russell xtn 4305, mark.russell@stroud.gov.uk)

£83k is forecast to be spent on consultants' reports to support the Local Plan examination process. This work was required by the Local Plan Inspector to ensure that the plan achieved its examination outcome.

The estimated expenditure related to the cost of the Local Plan Inspector of £100k has now decreased to £64k. This is due to the Local Plan progressing smoothly through examination during 2015 with the Inspector spending less time on the plan than expected. The examination is now closed so no further expenditure envisaged. Additional underspends have been identified within salaries of (£13k) along with small savings across the service of (4k). The additional expenditure will in the first instance be met from any overall savings across the General Fund budgets. A review of both the Local Plan reserve and the Planning appeals reserve will be undertaken once the General Outturn is finalised in June.

There is a balance of (£20k) which relates to DCLG Neighbourhood Planning grant this will be transferred to reserves.

29. Development Control – £121k overspend

(Geraldine LeCointe xtn 4233, geraldine.lecointe@stroud.gov.uk)

The application fees show a healthy surplus of (£235k). This is due to an increase in all application types, reflecting larger applications as well as the number of small scale developments and householders.

An overspend of £28k has been identified relating to salaries. The department has had 5 vacancies. Extra capacity has had to be brought in and such

locums are very expensive. The staffing situation is not optimistic in the short term particularly for vacancies at senior levels. Such expenditure may be necessary for the rest of the calendar year at least. £16k variance on software support in order to maintain public access to Planning data on the SDC website previously carried out within ICT. The remaining variation is spread across the whole of the Development control service

A significant projected overspend of £160k has been forecast on consultants fees and £130K on appeal costs. Consultant's fees are essential to assist the team on large and complex applications. Appeal costs are accelerated when there are numerous planning appeals put forward. Such appeals can be hugely expensive. Residential development and supermarkets appeals are anticipated and will incur unpredictable expenses later in the financial year.

30. Waste & Recycling -£2k overspend

(Carlos Novoth xtn 4406, carlos.novoth@stroud.gov.uk)

Overall the Waste & Recycling budget is showing an insignificant variation, however there are two large offsetting variances.

Garden Waste scheme- 33k overspend

It has been critical for the council to implement the new garden waste service ahead of the handover of the Multi Service contract to Ubico in July 2016. To this end, the service has been promoted during the last few months and is scheduled to commence Feb 2016. Owing to key differences between Stroud's service and that of other districts, it has been difficult to accurately determine first year subscription rates and thus the level of income that will be generated. It is envisaged however that the service will be self financing either in the first full financial year or at least by the second.

Household bulky waste - (35k) income surplus

The council has generated a new income stream as a result of its decision to charge for the collection of 'Household bulky waste'. This new service was successfully implemented in September 2015 in line with the council's approved charging policy. A higher than anticipated take-up of the service has resulted in additional income received than originally budgeted for. The concern in relation to the potential increase in fly tipping occurrences and resultant expenditure has not materialised.

CAPITAL OUTTURN FORECAST

	2015/16 Original Budget (£'000)	2015/16 Latest Budget (£'000)	2015/16 Spend to date (£'000)	2015/16 Projected Outturn (£'000)	2015/16 Outturn Variance (£'000)
Capital Programme Outturn					
Community Services					
LA Social Housing	72	72	0	72	0
Private Sector Housing Strategy	340	401	263	332	(69)
Dursley Pool Fitness Extension	1,250	1,551	259	558	(993)
Stratford Park Sensory Garden	0	20	3	20	0
Walled Garden project (MITP)	140	174	110	174	0
Subtotal Community Services	1,802	2,218	635	1,156	(1,062)
Environment Capital Schemes					
Canal	916	891	435	891	0
CMP - Ebley Mill Hydro	365	365	2	20	(345)
CMP - Heat and Power	150	147	0	0	(147)
CMP - Target 2050 Loans	150	150	0	8	(142)
CMP - Invest to Save	45	45	15	45	0
Subtotal Environment	1,626	1,598	452	964	(634)
Strategy & Resources Capital Schemes					
Building Maintenance	100	113	48	113	0
Financial Systems	0	9	2	0	(9)
Ebley Mill New Block Lift	90	94	96	94	0
MSCP - Merrywalks	88	97	0	97	0
Car Parks Ticket Machines	0	120	88	120	0
Stroud Valleys Initiative	0	100	0	0	(100)
Wallbridge	0	90	0	0	(90)
MSC - Depot Acquisition	0	1,450	715	1,450	0
MSC - Vehicles	0	0	0	0	0
MSC - Equipment	0	100	0	100	0
New Housebuilding - General Fund	0	0	0	0	0
Brimscombe Port Redevelopment	0	50	0	50	0
Webcasting Equipment	0	80	46	80	0
Other Capital expenditure	0	0	0	0	0
Subtotal Strategy & Resources	278	2,303	995	2,104	(199)
TOTAL General Fund Capital Schemes	3,706	6,119	2,082	4,224	(1,895)

Appendix B

	2015/16 Original Budget (£'000)	2015/16 Latest Budget (£'000)	2015/16 Spend to date (£'000)	2015/16 Projected Outturn (£'000)	2015/16 Outturn Variance (£'000)
Capital Programme Outturn					
Housing Capital Schemes					
New Build and Development	11,126	9,193	6,460	9,193	0
Other HRA Capital	10,127	8,575	5,399	8,696	121
Subtotal Housing	21,253	17,768	11,859	17,889	121
TOTAL Capital Programme	24,959	23,887	13,941	22,113	(1,774)

31. The main variations are summarised below with a brief explanation of each key variation provided by the relevant budget holders.

- Dursley Pool Fitness Extension (£993k) expenditure reprofiled into 2016/17 – scheme is on target for July 2016 opening. Total budget spend of £1.551m remains on track, with the majority of construction costs due in Q1 2016/17 (April-June period). The outturn position for the year may change as it will be largely dependent on the valuation of work completed by 31 March 2016.
- Private Sector Housing (£69k) underspend relates to a projected underspend on Disabled Facilities Grant funded allocations.
- CMP - Ebley Mill Hydro (£345k) slippage – An update report on the feasibility study for the Ebley Mill Hydro scheme will be considered by Environment committee at their meeting in March 2016. As such, the budget will remain unspent in the current financial year, with a decision to proceed with the scheme to be taken at the March meeting.
- CMP – Combined Heat and Power (£147k) slippage – work at Stratford Park is now starting in 2016/17 financial year.
- CMP – Target 2050 Loans (£142k) slippage – Take up on the Target 2050 loan scheme has been slow, with the first loan taken recently. The council is committed to the programme until the end of the 2016/17 financial year.
- Stroud Valleys Initiative – (£100k) underspend – Total expenditure on the Stroud Valleys Initiative feasibility works means that it is no longer appropriate to capitalise the feasibility study cost. Therefore, the £100k capital budget allocated to the project is no longer required.
- Wallbridge (£90k) underspend – The budget will not be spent this year due to a delay in the transfer of the land from Gloucestershire County Council. Any scheme subject to matched funding by Ecotricity and additional contribution from Stroud Town Council. As such, it is recommended that the capital funding is transferred into an earmarked reserve until such a time that a viable scheme is able to proceed.