

**STROUD DISTRICT COUNCIL**  
**STRATEGY AND RESOURCES COMMITTEE**

**AGENDA  
ITEM NO**

**13 OCTOBER 2016**

**10**

<b>Report Title</b>	<b>BUDGET MONITORING REPORT 2016/17 – QUARTER 1</b>
<b>Purpose of Report</b>	To present to the Committee a forecast of the outturn position against the revenue budget and capital programme for 2016/17.
<b>Decision(s)</b>	<b>The Committee RESOLVES:</b> <b>a) to note the outturn forecast for the General Fund Revenue budget and Capital Programme</b> <b>b) that the proposed Capital Budget changes for 2016/17 are incorporated into the updated Capital Programme for 2016/17 to 2020/21 to be presented to the committee in January 2017.</b>
<b>Consultation and Feedback</b>	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.
<b>Financial Implications and Risk Assessment</b>	There are a number of variances between General Fund revenue budgets and the projected outturn. Overall, a net variation of £277,000 has been projected and results in £1.330m being drawn from the Council's General Fund Balance (as opposed to £0.916m being drawn from balances as per the 2016/17 budget approved by Council in February 2016).  The General Fund Capital Programme has been shown with a reprofiled budget for 2016/17. The Capital Programme will need to be updated for 2016/17 to 2020/21 to reflect these changes and will be considered by the committee in January 2017.  David Stanley – Accountancy Manager Tel: 01453 754100 Email: <a href="mailto:david.stanley@stroud.gov.uk">david.stanley@stroud.gov.uk</a>
<b>Legal Implications</b>	This report is provided largely for information and as such there are no legal implications to report. Karen Trickey, Legal Services Manager Tel: 01453 754369 Email: <a href="mailto:karen.trickey@stroud.gov.uk">karen.trickey@stroud.gov.uk</a>

<b>Report Author</b>	Adele Rudkin, Accountant Tel: 01453 754109 Email: <a href="mailto:adele.rudkin@stroud.gov.uk">adele.rudkin@stroud.gov.uk</a>
<b>Options</b>	None
<b>Performance Management Follow Up</b>	Budgets will continue to be monitored on a regular basis by budget holders supported by Finance. Further finance reports will update the committee in January 2017 and April 2017, with the outturn position reported to Strategy and Resources committee in May/June 2017.

1. This report provides the first monitoring position statement for the financial year 2016/17, figures have been updated to include all transactions up to 31 August 2016 in order to provide the committee with meaningful data. 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 2016/17 is £16.133m as approved by Council at their meeting in February 2016. This has now been revised to £16.715m after allowing for the increase to the Waste and Recycling budgets approved by Strategy and Resources committee in April 2016 and carry forwards approved in June 2016.
4. The latest budget for Strategy and Resources Committee is £8.837m.
5. The monitoring position for Strategy & Resources at 31 August 2016 shows a projected net **overspend of £22k (0.24%)**. Taking into account the variation reported to Community Services and Licensing and Environment committees, the overall position on the General Fund is a net **overspend of £277k (1.63%)**. Appendix A provides an overview of both the committee's budget and the General Fund position.

<b>GENERAL FUND</b>	Para Refs	<b>2016/17 Revised Budget (£'000)</b>	<b>2016/17 Spend to date (£'000)</b>	<b>2016/17 Forecast Outturn (£'000)</b>	<b>2016/17 Outturn Variance (£'000)</b>	<b>2016/17 Outturn Variance after reserve tfrs (£'000)</b>
Community Services Committee		6,613	(1,676)	6,517	(95)	(95)
Environment Committee		6,753	2,586	7,132	379	350
Strategy & Resources Committee		8,837	6,359	8,966	129	22
Accounting Adjustments (incl SSS's)		(5,487)	(7,776)	(5,487)	0	0
<b>Net Service Revenue Expenditure</b>		<b>16,715</b>	<b>(507)</b>	<b>17,128</b>	<b>413</b>	<b>277</b>
Other Operating Income & Expenditure		(575)	(85)	(575)	0	0
Funding from Govt Grants/Council Tax		(15,223)	(5,353)	(15,223)	0	0
<b>TOTAL General Fund</b>		<b>917</b>	<b>(5,946)</b>	<b>1,330</b>	<b>413</b>	<b>277</b>

The effect of the Outturn Forecast on GF Balances is shown in the table below

<b>GENERAL FUND BALANCES</b>	<b>2015/16 Outturn (£'000)</b>	<b>2016/17 Original (£'000)</b>	<b>2016/17 Revised (£'000)</b>	<b>2016/17 Outturn Forecast (£'000)</b>
General Fund Balance b/f	8,647	8,662	8,662	8,662
Change in Balances	15	(335)	(916)	(1,330)
<b>General Fund Balance c/f</b>	<b>8,662</b>	<b>8,327</b>	<b>7,746</b>	<b>7,332</b>

## Budget Issues of concern

### 6. ICT

Historically, there has been limited visibility of ICT spend by the Committee and budget provision has been made through changes to the ICT reserve rather than changes to revenue or capital budgets. There is a need to set out clear budget headings and to monitor these accordingly. The Committee approved additional expenditure at its July meeting and made available 50% of the £106k approved cost from the ICT reserve. The other 50% is to be met from service budgets.

The current expenditure plan for ICT in 2016/17 comprises of:

- Additional connectivity (Ethernet circuits) for Ebley Mill, Museum in the Park and Dursley pool for Business Continuity. (£14k)
- Additional storage capacity for the network of which will in addition support the roll out of Office 2013 (£25k)
- Small Server room construction at Dursley Pool in conjunction with off site storage for data replication in relation to Business Continuity (Server room build at Dursley Pool and storage for real time data replication) £23k
- Purchase of additional software to mitigate evolving cyber threats to the computer network (£10k)
- Mobilisation of ICT regarding the utilisation of Laptops within the team (£4k)

There is a need to plan the necessary ICT investment better. This investment will update infrastructure and also enable services to operate in different ways producing efficiencies and productivity gains. Some of this expenditure can be classed as 'invest to save', with the savings being achieved in service areas. Other

elements of the current investment are delivering solutions for 'high risk' business continuity infrastructure.

## 7. Canal Project Team

The salaries of the remaining Canal Project Team are no longer capitalised. It is anticipated that these costs can be met by workforce planning savings across the Council in 2016/17. However this position cannot be sustained beyond the current financial year and a reconsideration of the financing options will need to be made and presented in the next monitoring report.

## 8. Multi Service Contract

Currently, the budget of the multi-service contract is allocated across committees. A summary of the total forecast spend is shown below.

<b>Multi Service Contract</b>	<b>2016/17 Revised Budget (£'000)</b>	<b>2016/17 Spend to 31/08/2016 (£'000)</b>	<b>2016/17 Forecast Outturn (£'000)</b>	<b>Forecast Variance (£'000)</b>
Refuse	1,201	663	1,530	330
Food Waste	341	9	247	-94
Garden Waste	-162	-87	21	183
Recycling and Bulky Collections	1,104	413	1,007	-97
Street Cleansing	586	254	625	39
Building Cleaning	366	111	296	-70
Grounds Maintenance	425	143	402	-23
<b>Multi Service Contract TOTAL</b>	<b>3,861</b>	<b>1,505</b>	<b>4,128</b>	<b>267</b>

The areas of concern are:

- An income shortfall in the garden waste service estimated to be £135k by the end of 2016/17.
- It will be imperative that the number of paying customers achieves the 'break even' figure by March 2017. The 'break even' point is based on 8,000 customers and there are currently only 6,000.
- Additional costs of £76k (£34k for interim black sacks in the period July to November 2016 and £42k for beige sacks for residents unable to have a wheeled bin).
- Additional costs of £14k for containers
- An income shortfall of £63k in GCC incentive payments based on a miscalculation of the qualifying period. Initial figures were based on a 12 month period and not the 5 months that the new service will operate in 2016/17

These total £288k of additional unbudgeted cost in 2016/17. Taking into account the additional income expected during 2016/17 for the bulky waste service, the revenue forecast overspend on the Multi-Service contract is £267k.

## Capital Programme

9. The Committee's 2016/17 Capital Programme of £10.620m was approved by Council in January 2016. This has subsequently been revised to £11.552m following approval of the carry forwards/slippage and profiling changes by Strategy and Resources Committee at their meeting in July 2016.
10. Table 2 below shows the Capital Forecast position at the end of August 2016 and shows a projected overspend of £10k.

Strategy & Resources Capital Schemes	2016/17 Original Budget (£'000)	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Projected Outturn (£'000)	Proposed re-profile to Capital budget (£000's)	2016/17 Outturn Variance (£'000)
Building Maintenance	0	3	13	13	0	10
Car Park schemes	0	85	0	0	85	0
Financial Systems	0	9	0	9	0	0
Stroud Valleys Initiative	500	500	26	35	465	0
Public Open Space	0	90	0	0	90	0
Multi Service Contract	7,670	8,365	4,850	7,299	1,066	0
New Housebuilding - General Fund	1,000	1,000	0	1,000	0	0
Brimscombe Port Redevelopment	1,450	1,500	0	350	1,150	0
<b>TOTAL S&amp;R Capital</b>	<b>10,620</b>	<b>11,552</b>	<b>4,889</b>	<b>8,706</b>	<b>2,856</b>	<b>10</b>

It is now evident that some of the capital projects will not spend at the rate originally envisaged. The key changes requiring a re-profiling of capital spend are:

- **Stroud Valley Initiative** – further consultant work is being carried out in order to satisfy the Environment Agency. This additional work delays expenditure on flood alleviation works and therefore the budget needs to be re-profiled
- **Multi-Service Contract** – the original budget of £4.466m was to buy new vehicles. A combination of new and used vehicles have been bought, so providing for a rolling replacement programme rather than the whole fleet needing replacement at the same time.
- **Brimscombe Port** – the revised programme now means that physical works will not start until the year end meaning there no construction payments in 2016/17. The project spend is re-profiled.

Members may recall that a £1.75m capital budget for the Industrial Unit development at Littlecombe was approved in April 2016. A funding bid has been made as part of GFirst LEP's Growth Deal 3. The Capital Programme will be updated to include this scheme and the potential funding stream(s) in January 2017.

**Table 2 – Revenue budget outturn forecast**

Strategy & Resources Committee	Para Refs	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Forecast Outturn (£'000)	2016/17 Outturn Variance (£'000)	2016/17 Outturn Variance after reserve tfrs (£'000)	Net		
							Salary Variations (£000)	Exp Variations (£000)	Income Variations (£000)
Investment Assets	11	197	153	233	35	35	0	54	(19)
Other Assets		194	144	212	18	18	0	18	0
Car Parks		(273)	(100)	(255)	18	18	0	18	0
Head of Asset Management		88	46	93	5	5	5	1	0
Asset Management Team	12	524	312	447	(78)	(78)	(80)	2	0
Facilities Management		941	462	933	(8)	(8)	(3)	0	(5)
Democratic Representation and Management	13	979	1,058	1,013	34	1	0	34	0
Resources and Finance - Direct Spend		2,144	1,949	2,158	14	14	0	14	0
Chief Executive		195	92	195	0	0	0	0	0
Strategic Head (Corporate Services)		59	32	59	0	0	0	0	0
Corporate Services (HR etc)		717	425	733	16	16	0	16	0
Corporate Services (Legal)		729	402	729	0	0	0	0	0
Strategic Head (Finance and Business Services)		133	76	133	0	0	0	0	0
Finance and Business Services	14	2,211	1,307	2,285	74	0	(14)	88	1
<b>Strategy &amp; Resources TOTAL</b>		<b>8,837</b>	<b>6,359</b>	<b>8,966</b>	<b>129</b>	<b>22</b>	<b>(93)</b>	<b>245</b>	<b>(23)</b>

## STRATEGY AND RESOURCES COMMITTEE

### 11. Investment Asset – £35k overspend

(Andy Nash/Alison Fisk xtn 4430

[andy.nash@stroud.gov.uk](mailto:andy.nash@stroud.gov.uk) [alison.fisk@stroud.gov.uk](mailto:alison.fisk@stroud.gov.uk))

**£25k** of this variance is attributable to the Industrial Units. £8k is due to expected premises insurance costs and the remaining £17k is for dilapidation costs associated with Phase 111 of the Industrial Units and will form part of the overall settlement figures as reported to members in

The remaining £10k overspend has been forecast for rates at the new Waste and Recycling site at Gossington.

### 12. Asset Management Team – (£78k) underspend

(Andy Nash/Alison Fisk, xtn 4430

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A predicted underspend of (£78k) is forecast on salaries within Asset Management. This is an in year salary saving due to vacancies arising for a Business Support role and an Estates Surveyor. The service has undertaken a review of its establishment and new approved structure has been put in place.

### 13. Democratic Representation and Management (Elections) - £34k overspend

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

This variation relates directly to the likely cost to the council of the recent PCC and District Elections in May 2016 and the EU Referendum in June 2016. The outturn forecast has been calculated against an estimate of the likely level of funding claimable for the Election. Overall there has been a significant increase in costs to administer whole Council elections. This overspend will be funded from reserves.

### 14. ICT – £74k additional expenditure

(Stuart Spain xtn 4250, [stuart.spain@stroud.gov.uk](mailto:stuart.spain@stroud.gov.uk))

Members will recall that the 'ICT- investment requirement for 2016/17 report approved by Strategy and Resources Committee in July 2016, informed the committee of the progress with the delivery of the ICT Strategy (approved July 2015), future plans and improvements that needed to be undertaken to enable a business as usual approach for the Council.

Additional expenditure is due to the impending purchase of Office 2013 and subsequent rollout, investment within key areas regarding Business Continuity and mitigation against ever evolving cyber threats to the Council and the computer network.

Strategy & Resources Committee	Para Refs	2016/17 Original Budget (£'000)	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Forecast Outturn (£'000)	2016/17 Outturn Variance (£'000)	2016/17 Outturn Variance after reserve trfs (£'000)
Brunel Mall		(33)	(33)	(16)	(33)	0	0
Industrial Units		13	13	(38)	39	25	25
Brimscombe Port		146	146	125	146	0	0
Littlecombe site, Dursley		72	72	72	72	0	0
Gossington Depot		0	0	10	10	10	10
<b>Investment Assets</b>	11	<b>197</b>	<b>197</b>	<b>153</b>	<b>233</b>	<b>35</b>	<b>35</b>
Dursley Bus Station		(1)	(1)	0	(2)	(1)	(1)
Miscellaneous Properties and Land		195	195	144	214	19	19
<b>Other Assets</b>		<b>194</b>	<b>194</b>	<b>144</b>	<b>212</b>	<b>18</b>	<b>18</b>
<b>Car Parks</b>		<b>(273)</b>	<b>(273)</b>	<b>(100)</b>	<b>(255)</b>	<b>18</b>	<b>18</b>
<b>Head of Asset Management</b>		<b>88</b>	<b>88</b>	<b>46</b>	<b>93</b>	<b>5</b>	<b>5</b>
Asset Management		430	430	256	356	(75)	(75)
Asset Building Maintenance		94	94	56	91	(3)	(3)
<b>Asset Management Team</b>	12	<b>524</b>	<b>524</b>	<b>312</b>	<b>447</b>	<b>(78)</b>	<b>(78)</b>
Facilities Management		260	265	139	262	(3)	(3)
Ebley Mill		572	567	284	562	(5)	(5)
Emergency Management		109	109	39	109	0	0
<b>Facilities Management</b>		<b>941</b>	<b>941</b>	<b>462</b>	<b>933</b>	<b>(8)</b>	<b>(8)</b>
Members Expenses		573	573	334	573	0	0
Democratic Representation and Management		87	87	66	87	0	0
Electoral Registration		141	141	67	141	0	0
Elections		173	173	590	206	33	0
Youth Councils		5	5	2	6	1	1
<b>Democratic Representation and Management</b>	13	<b>979</b>	<b>979</b>	<b>1,058</b>	<b>1,013</b>	<b>34</b>	<b>1</b>
Past Service Pension Costs/Central Budget Alloc		1,714	1,714	1,583	1,714	0	0
Corporate Management		366	366	311	380	14	14
Pension Costs		50	50	20	50	0	0
Land & Property Custodian		14	14	35	14	0	0
<b>Resources and Finance - Direct Spend</b>		<b>2,144</b>	<b>2,144</b>	<b>1,949</b>	<b>2,158</b>	<b>14</b>	<b>14</b>
<b>Chief Executive</b>		<b>195</b>	<b>195</b>	<b>92</b>	<b>195</b>	<b>0</b>	<b>0</b>



Strategy & Resources Committee	Para Refs	2016/17 Original Budget (£'000)	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Forecast Outturn (£'000)	2016/17 Outturn Variance (£'000)	2016/17 Outturn Variance after reserve tfrs (£'000)
<b>Strategic Head (Corporate Services)</b>		<b>59</b>	<b>59</b>	<b>32</b>	<b>59</b>	<b>0</b>	<b>0</b>
Human Resources		454	454	298	470	16	16
Policy and Review		177	177	88	177	0	0
Marketing		86	86	40	86	0	0
<b>Corporate Services (HR etc)</b>		<b>717</b>	<b>717</b>	<b>425</b>	<b>733</b>	<b>16</b>	<b>16</b>
Legal Services		508	508	269	508	0	0
Democratic Services		220	220	133	220	0	0
<b>Subtotal Corporate Services (Legal)</b>		<b>729</b>	<b>729</b>	<b>402</b>	<b>729</b>	<b>0</b>	<b>0</b>
<b>Strategic Head (Finance and Business Services)</b>		<b>133</b>	<b>133</b>	<b>76</b>	<b>133</b>	<b>0</b>	<b>0</b>
Financial Services		1,097	1,097	706	1,097	0	0
Business Projects		64	64	30	64	0	0
Information & Communication Technology		1,050	1,050	572	1,124	74	0
<b>Subtotal Finance and Business Services</b>	14	<b>2,211</b>	<b>2,211</b>	<b>1,307</b>	<b>2,285</b>	<b>74</b>	<b>0</b>
<b>Strategy &amp; Resources TOTAL</b>		<b>8,837</b>	<b>8,837</b>	<b>6,359</b>	<b>8,966</b>	<b>129</b>	<b>22</b>

## Community Services and Licensing

**Table2 – Revenue budget outturn forecast**

Community Services Committee	Para Refs	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Forecast Outturn (£'000)	2016/17 Outturn Variance (£'000)	2016/17 Outturn Variance after reserve tfrs (£'000)	Net		
							Salary Variations (£'000)	Expenditure Variations (£'000)	Income Variations (£'000)
Community Safety		673	362	676	3	3	(6)	0	8
Youth Services		102	(32)	103	1	1	(0)	1	0
Grants to Voluntary Organisations	8	370	214	340	(30)	(30)	0	(30)	0
Housing (General Fund)	9	744	488	706	(38)	(38)	(36)	3	(4)
Licensing		(30)	(0)	(36)	(6)	(6)	(1)	(2)	(3)
Strategic Head (Customer Services)		195	69	195	0	0	0	0	0
Customer Services		504	287	516	12	12	0	12	0
Cultural Svcs - Arts and Culture	10	966	454	971	6	6	(22)	33	(5)
Cultural Svcs - Sport & Health Dev.		204	85	202	(2)	(2)	(0)	(2)	0
Cultural Svcs - Sports Centres	11	543	351	565	22	22	(51)	54	19
Public Spaces	12	1,520	1,829	1,550	30	30	3	26	0
Revenues and Benefits	13	821	(5,784)	729	(92)	(92)	(92)	0	0
<b>Community Services TOTAL</b>		<b>6,613</b>	<b>(1,676)</b>	<b>6,517</b>	<b>(95)</b>	<b>(95)</b>	<b>(205)</b>	<b>94</b>	<b>15</b>

## COMMUNITY SERVICES AND LICENSING COMMITTEE

### 1. Grants to Voluntary Organisations – (30k) Saving/Underspend

(Joanne Jordan 4005, joanne.jordan@[stroud.gov.uk](mailto:joanne.jordan@stroud.gov.uk))

The Community Investment Grant (CIG) scheme helps to support voluntary and community sector organisations with their core costs e.g. salaries, volunteer costs, rent, utilities etc. An underspend of £30k has been identified as there are two organisations that are no longer funded (£27k Volunteer and Community Action – Stroud District ceased operating and £3k Gloucestershire Voices merged with another organisation).

### 2. Housing General Fund – (£38k) Saving/Underspend

(Jon Beckett xtn 4443, [jon.beckett@stroud.gov.uk](mailto:jon.beckett@stroud.gov.uk))

An in-year salary saving of (£38k) has been identified within Private Housing; there are two vacant Principal Environmental Health Officers and a trainee vacancy within the service. Recruitment is currently underway to fill these posts. Several members of staff are now working on part time basis and any potential savings will be reviewed as part of the budget setting process.

### 3. Cultural Svcs – Arts and Culture – £5k Overspend

(Paul Mclaughlin xtn1991, [paul.mclaughlin@stroud.gov.uk](mailto:paul.mclaughlin@stroud.gov.uk))

Whilst the overall variance is insignificant, there are larger offsetting variances within the Subscription rooms.

#### Subscription Rooms - £10k Overspend

There is a combined salary saving of (£15k) following a member of contracted staff leaving post in January 2016 and not being replaced. Further, a second member of staff left on a STR5 salary at the end of April and was replaced at the beginning of June with a part time STR3 role. An overspend of £17k has been forecast, a proportion of this cost will be offset against the salary saving above as it concerns freelance staff being brought in to help develop the marketing role which was not replaced in January 2016. An Income shortfall of £8k has also been identified.

### 4. Cultural Services – Sports Centres - £22k Overspend

(Angela Gillingham xtn 01453 540995, [angela.gillingham@stroud.gov.uk](mailto:angela.gillingham@stroud.gov.uk))

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

The overall overspend is made up of several variances as detailed below.

#### The Pulse – Dursley

The material variances are listed below. The forecast has been based on historical data (previous 3 years performance) membership targets outlined in the original business plan and predicted increase in prices.

Salary saving (£48k) – (£17k) of the saving is due to Sports centre staff no longer contracted from July 2016, the Sports Centre opening hours have been reduced to reflect the current programme. The remaining (£31k) has been identified at 'The

Pulse' where a number of vacancies have not been filled while considering the options to evaluate what staff are needed once the centre has been up and running for 6 months. Vacancies are currently being filled by casual members on an adhoc basis.

An overspend of **£55k** has been forecast across the service and is largely attributable to the following: Rateable value of the centre has increased by £14k. IT upgrading, additional networking, IT licences, data line and telecommunications of £15k. Additional costs associated with IT equipment, Marketing and signage of £12k. Utilities are still an unknown quantity until we have a full year of CHP in operation, an additional £5k spend has been forecast There are also increased costs around freelance instructors, music licenses of £6k. The remaining **£3k** is attributable to small overspends within the service.

The remaining overspend of **£9k** is attributable to essential building works programmed for 2016/17 at Stratford Park Leisure Centre and **£4k** overspend on Joint Use Sports Centres.

**5. Public Spaces - £30k overspend**

(Carlos Novoth xtn 4406, [carlos.novoth@stroud.gov.uk](mailto:carlos.novoth@stroud.gov.uk))

This overspend directly relates to the new Grounds Maintenance Contract with Ubico. Whilst the council has signed off Ubico's budgeted proposal, there has been a minor redistribution of costs across services. This has resulted whilst the grounds maintenance service is showing an overspend, the street cleansing service (Environment Committee) is showing a projected underspend this year. These budgets will be reviewed during the budget review process later this year.

**6. Revenues and Benefits – (£92k) underspend**

(Simon Killen xtn 4013, [simon.killen@stroud.gov.uk](mailto:simon.killen@stroud.gov.uk))

A projected salary underspend of **(£92k)** is due to two new vacancies arising within the team through retirement and a job opportunity in a different service, as well as a reduction in hours for two further posts. The continued use of 'Civica on Demand' is allowing the service to continue managing fluctuations and operating effectively without replacing these posts. Funding has been awarded from the FERIS project, which has been used to cover costs associated with the use of 'Civica on Demand'. Salary budgets will be continued to be monitored and reviewed as part of the budget setting process.

Community Services Committee	Para Refs	2016/17 Original Budget (£'000)	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Forecast Outturn (£'000)	2016/17 Outturn Variance (£'000)	2016/17 Outturn Variance after reserve tfrs (£'000)
Abandoned Vehicles		32	32	37	31	(0)	(0)
Careline Services		(9)	(9)	(49)	(10)	(1)	(1)
Neighbourhood Wardens		220	221	74	220	(1)	(1)
Car Parks Enforcement		111	111	78	110	(0)	(0)
Stroud and Dursley CCTV		43	43	18	48	5	5
<b>Community Services</b>		<b>397</b>	<b>397</b>	<b>158</b>	<b>400</b>	<b>3</b>	<b>3</b>
<b>Hear by Right / Youth Services</b>		<b>89</b>	<b>102</b>	<b>(32)</b>	<b>103</b>	<b>1</b>	<b>1</b>
<b>Grants to Voluntary Organisations</b>	8	<b>370</b>	<b>370</b>	<b>214</b>	<b>340</b>	<b>(30)</b>	<b>(30)</b>
Homelessness		186	186	107	186	0	0
Homelessness Prevention		136	136	60	136	0	0
Housing Strategy		116	116	59	125	9	9
Private Housing		306	306	262	260	(46)	(46)
<b>Housing - General fund</b>	9	<b>744</b>	<b>744</b>	<b>488</b>	<b>706</b>	<b>(38)</b>	<b>(38)</b>
<b>Licensing</b>		<b>(30)</b>	<b>(30)</b>	<b>(0)</b>	<b>(36)</b>	<b>(6)</b>	<b>(6)</b>
<b>Strategic Head (Customer Services)</b>		<b>195</b>	<b>195</b>	<b>69</b>	<b>195</b>	<b>0</b>	<b>0</b>
<b>Customer Service Centre</b>		<b>504</b>	<b>504</b>	<b>287</b>	<b>516</b>	<b>12</b>	<b>12</b>
Museum in the Park		484	484	227	489	5	5
Subscription Rooms		296	296	150	306	10	10
Tourism		186	186	78	176	(10)	(10)
<b>Cultural Services - Arts and Culture</b>	10	<b>966</b>	<b>966</b>	<b>454</b>	<b>971</b>	<b>6</b>	<b>6</b>
Health and Wellbeing		33	38	18	36	(2)	(2)
Sport and Health Development		149	166	67	166	0	0
<b>Cultural Services - Sports and Leisure</b>		<b>182</b>	<b>204</b>	<b>85</b>	<b>202</b>	<b>(2)</b>	<b>(2)</b>
The Pulse Dursley		257	257	196	266	10	10
Joint Use Sports Centres		124	125	78	128	4	4
Stratford Park Leisure Centre		162	162	77	170	9	9
<b>Cultural Services - Sports Centres</b>	11	<b>542</b>	<b>543</b>	<b>351</b>	<b>565</b>	<b>22</b>	<b>22</b>

<b>Community Services Committee</b>	<b>Para Refs</b>	<b>2016/17 Original Budget (£'000)</b>	<b>2016/17 Revised Budget (£'000)</b>	<b>2016/17 Spend to date (£'000)</b>	<b>2016/17 Forecast Outturn (£'000)</b>	<b>2016/17 Outturn Variance (£'000)</b>	<b>2016/17 Outturn Variance after reserve tfrs (£'000)</b>
Public Space Service		537	537	1,519	537	1	1
Cemeteries		133	133	62	134	1	1
Amenity Areas		170	170	34	200	30	30
Commons and Woodlands		14	14	8	14	0	0
Stratford Park Grounds Maintenance		223	223	118	223	0	0
Grassed Areas Contribution to HRA		171	171	1	171	0	0
Public Conveniences		273	273	88	272	(1)	(1)
<b>Public Spaces</b>	<b>12</b>	<b>1,520</b>	<b>1,520</b>	<b>1,829</b>	<b>1,550</b>	<b>30</b>	<b>30</b>
Business Rate Collection		(78)	(78)	48	(82)	(5)	(5)
Council Tax Collection		518	518	363	474	(44)	(44)
Council Tax Support Admin		74	74	0	61	(13)	(13)
Rent Allowances and Rebates		(73)	(73)	(6,501)	(73)	0	0
Housing Benefit Administration		380	380	307	349	(31)	(31)
<b>Revenues and Benefits</b>	<b>13</b>	<b>821</b>	<b>821</b>	<b>(5,784)</b>	<b>729</b>	<b>(92)</b>	<b>(92)</b>
<b>Community Services TOTAL</b>		<b>6,299</b>	<b>6,337</b>	<b>(1,880)</b>	<b>6,242</b>	<b>(95)</b>	<b>(95)</b>

## Environment Committee

**Table2 – Revenue budget outturn forecast**

							Net		
Environment Committee	Para Refs	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Forecast Outturn (£'000)	2016/17 Outturn Variance (£'000)	2016/17 Outturn Variance after reserve trfs (£'000)	Salary Variations (£000)	Expenditure Variations (£000)	Income Variations (£000)
Canal	11	85	130	222	137	137	137	0	0
Strategic Head (Development Services)		127	62	126	(1)	(1)	(1)	0	0
Head of Environmental Health		73	34	73	0	0	(0)	0	0
Environmental Health		1,311	761	1,312	1	1	1	12	(12)
Statutory Building Control	12	422	169	354	(67)	(67)	(73)	(1)	6
Planning Strategy/Local Plan	13	336	201	280	(56)	(56)	24	25	(105)
Development Control	14	628	494	735	107	107	94	185	(173)
Economic Development	15	210	104	232	22	(7)	(0)	23	0
Carbon Management		171	66	164	(7)	(7)	(4)	(3)	0
Waste and Recycling	16	2,731	403	3,000	269	269	(0)	91	178
Street Cleansing	17	661	161	635	(26)	(26)	0	(26)	0
<b>Environment TOTAL</b>		<b>6,753</b>	<b>2,586</b>	<b>7,132</b>	<b>379</b>	<b>350</b>	<b>177</b>	<b>306</b>	<b>(104)</b>

## ENVIRONMENT COMMITTEE

### 7. Canal - £137k overspend

(Dave Marshall xtn 4646, [dave.marshall@stroud.gov.uk](mailto:dave.marshall@stroud.gov.uk))

Additional expenditure on the Canal project relates to salaries of the Canal Project Team. A decision was taken in 2015 not to capitalise the salaries as the project will be drawing to a close. This cost will be funded by salary savings across the General Fund. Currently the project is continuing restoration of the Cotswold Canals between Stonehouse and Brimscombe, with a focus on works at Wallbridge, Cheapside and Bowbridge and should be concluded by the end of 2016.

### 8. Statutory Building Control – (£67k) underspend

(Paul Bowley xtn 4250, [paul.bowley@stroud.gov.uk](mailto:paul.bowley@stroud.gov.uk))

Gloucestershire Building Control Partnership is a shared service with Gloucester City Council and hosted by Stroud. The service is provided under the auspices of the Building Act 1984, an element of the service is in competition with the private sector. The shared service was established on the 1<sup>st</sup> July 2015 and has resulted in an increase in income due to receiving applications from both Stroud and Gloucester areas.

There are in year salary savings of (£73k) as a result of 2 vacancies (Building Control Technician and a Principal Building Control Surveyor). both posts will be reviewed as part of the budget setting process later in the year. The remaining £6k is a result of small overspends within the service.

### 9. Strategic Planning of Local Plan – (£56k) underspend

(Mark Russell xtn 4305, [mark.russell@st56roud.gov.uk](mailto:mark.russell@st56roud.gov.uk))

A (£49k) underspend is forecast regarding the funding for the Neighbourhood Development Plan. The NDP gives local community groups the power to produce planning policies to guide the determination of planning applications within their area, and/or the power to grant planning permission for specific schemes i.e. a new community shop, sport pavilions, affordable housing, allotments etc.

The Council has a duty to guide and assist communities through the neighbourhood planning process. The Council is also responsible for publicising and submitting neighbourhood plans and proposals through an independent examination and referendum as well as taking decisions at key stages.

Up until March 2016, Central Government provided up to £30k in grant money to cover the costs imposed by the duties described above. The Council was entitled to apply to receive specific sums leading up to the £30k at different stages of the process. However, from March 2016 onwards, the amount of funding the Council is able to claim was reduced to £20k and the Council only becomes eligible for that sum at the end of the process, i.e once a referendum date has been set. Whilst the amount of funding the Council gets to support neighbourhood planning is capped, our duty to support



communities is not. Any unspent funding will be transferred to reserves to cover the future costs of providing ongoing support for communities.

An additional small underspend of (£7k) has been identified within Planning Strategy.

## **10. Development Control – £107k overspend**

(Geraldine LeCointe xtn 4233, [geraldine.lecointe@stroud.gov.uk](mailto:geraldine.lecointe@stroud.gov.uk))

There a number of reasons for the net variation on this budget which are outlined below.

Application Fees are forecasting a healthy surplus of (£185k). This additional income is based on the number and type of applications received at this time with the expected outcome similar to 2015/16.

A predicted Salary overspend of £94k – This variance is currently made up of two Case Management Assistant roles and casual staff. They are employed directly to manage the additional application fee workload, this overspend is offset against the income surplus above.

£125k overspend on consultants fees, this is for required for essential expert advice which is not available in-house. (This is currently being reviewed with a view to employ our own Biodiversity Officer). The remaining £13k is made up of small over and under spends across the service.

Planning Appeal costs are anticipated to be £60k over budget. It is common for complex applications which do not accord with the local plan to go to appeal. Such appeals need to be defended robustly, which is expensive because of legal costs and specialist input. If appeal cases are not properly defended, this leaves the Council open to an award of costs, which will have to borne by the Council.

A proportion of the additional costs relating to planning appeals could be funded from the Planning Appeal reserve which will need to be considered by Strategy and Resources committee.

## **11. Economic Development - £22k net variation (£29k of expenditure funded from Jobs & Growth reserve)**

(Mark Russell xtn 4305, [mark.russell@st56roud.gov.uk](mailto:mark.russell@st56roud.gov.uk))

Additional expenditure of £29k is attributable to the Great Glos High Street Project and represents the Council's contribution to the project which will be funded from Jobs and Growth Reserve. A pilot scheme will create an environment that connects the local high street to social and mobile channels so that retailers and other businesses can more readily participate in conversational commerce through a mobile first channel that drives footfall, sales and engagement.

This project is being run by external consultants, Maybe and Clockwork City who are aiming to get further training money from Central Government. If this is successful they will roll out the training to businesses operating in Stroud.

Some additional minor underspends have also been identified within the service of (£7k).

## **12. Waste & Recycling – £269k overspend**

(Carlos Novoth xtn 4406, [carlos.novoth@stroud.gov.uk](mailto:carlos.novoth@stroud.gov.uk))

The variation on the Waste and Recycling services is attributable to the following:

- The new garden waste service, introduced in February 2016, has shown a shortfall in the council's long term targeted income by £135,000. The service currently has a customer base of 6,300 residents, which is encouraging for its first year. 8,000 Customers will however be needed to cover direct service costs. Officers believe this will be achieved during year two of operation.
- The council's incentive payments from Gloucestershire County Council will not achieve its predicted income level during 2016/17. The original budget for 16/17 was based on 8 months income totaling £133k; the start date for the new service will only accommodate 5 months income – this was to ensure these very high profile service changes were managed effectively.
- A number of unanticipated additional costs arose from the time the original budget was approved by Council. These include
  - a. the purchase and delivery of refuse sacks during the period July 16 to November 16 generally and more specifically for those residents unable to accommodate wheeled bins (£76k)
  - b. Additional recycling containers for those residents either wishing to recycle for the first time or having to accommodate more material as a direct result of the new services (£5k)
  - c. Rental of interim storage space for the new service containers (£9k)
- The successful introduction of the council's relatively new chargeable bulky waste collection service is expected to show an additional income of £22k.

## **13. Street Cleansing – (£26k) underspend**

(Carlos Novoth xtn 4406, [carlos.novoth@stroud.gov.uk](mailto:carlos.novoth@stroud.gov.uk))

The underspend directly relates to the new Street Cleansing Contract with Ubico. Whilst the council has signed off Ubico's budgeted proposal, there has been a minor redistribution of costs across services. This has resulted with the Street Cleansing service (Environment Committee) showing an underspend, whilst the Grounds Maintenance Service (Community Services & Licensing Committee) is showing a projected overspend this year. These budgets will be reviewed during the budget setting process later this year.

Environment Committee	Para Refs	2016/17 Original Budget (£'000)	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Forecast Outturn (£'000)	2016/17 Outturn Variance (£'000)	2016/17 Outturn Variance after reserve tfrs (£'000)
<b>Canal Partnership</b>	11	85	85	130	222	137	137
<b>Strategic Head (Dev Services)</b>		0	0	0	0	0	0
<b>Head of Environmental Health</b>		73	73	34	73	0	0
Environmental Health Team		224	224	138	218	(6)	(6)
Contaminated Land		40	40	20	39	(1)	(1)
Dog Warden Service		120	120	66	129	10	10
Environmental Protection		245	245	122	247	2	2
Food Safety		203	203	114	195	(7)	(7)
Health and Safety		121	121	60	112	(9)	(9)
Land Drainage		72	126	69	135	9	9
Public Health		89	89	59	85	(4)	(4)
Pest Control		109	109	89	115	6	6
Port Health		15	15	13	13	(3)	(3)
Planning Liaison		19	19	11	24	5	5
<b>Environmental Health</b>		<b>1,257</b>	<b>1,311</b>	<b>761</b>	<b>1,312</b>	<b>1</b>	<b>1</b>
Planning and Building Control Admin		313	313	151	304	(9)	(9)
Building Control		(19)	(19)	(97)	(67)	(48)	(48)
Securing Dangerous Structures		20	20	18	18	(2)	(2)
Building Regulation Enforcement / Advice		106	106	95	97	(9)	(9)
Street Naming		2	2	3	2	0	0
<b>Building Control</b>	12	<b>422</b>	<b>422</b>	<b>169</b>	<b>354</b>	<b>(67)</b>	<b>(67)</b>
Planning Strategy		336	336	201	330	(6)	(6)
Preparation of Core Strategy		0	0	0	(50)	(50)	(50)
<b>Planning Strategy/Local Plan</b>	13	<b>336</b>	<b>336</b>	<b>201</b>	<b>280</b>	<b>(56)</b>	<b>(56)</b>
Development Control		295	295	303	341	45	45
Trees		49	49	25	47	(2)	(2)
Conservation		75	75	46	78	3	3
Appeals		0	0	0	(2)	(2)	(2)
Planning Appeal Costs		81	81	66	141	60	60
Enforcement		128	128	54	131	3	3
Footpath Diversion		(1)	(1)	1	(1)	0	0
<b>Development Control</b>	14	<b>628</b>	<b>628</b>	<b>494</b>	<b>735</b>	<b>107</b>	<b>107</b>

<b>Environment Committee</b>	<b>Para Refs</b>	<b>2016/17 Original Budget (£'000)</b>	<b>2016/17 Revised Budget (£'000)</b>	<b>2016/17 Spend to date (£'000)</b>	<b>2016/17 Forecast Outturn (£'000)</b>	<b>2016/17 Outturn Variance (£'000)</b>	<b>2016/17 Outturn Variance after reserve tfrs (£'000)</b>
Economic Development	15	54	54	17	52	(3)	(3)
Market Town Projects		24	24	7	53	29	0
Regeneration		131	131	81	127	(4)	(4)
<b>Economic Development</b>		<b>210</b>	<b>210</b>	<b>104</b>	<b>232</b>	<b>22</b>	<b>(7)</b>
Energy Efficiency		121	171	66	164	(7)	(7)
<b>Carbon Management</b>		<b>121</b>	<b>171</b>	<b>66</b>	<b>164</b>	<b>(7)</b>	<b>(7)</b>
Refuse Collection	16	1,293	1,293	351	1,370	77	77
Multi-Bank Recycling Sites		807	1,237	163	1,222	(15)	(15)
Recycling and Environmental Initiatives		201	201	(111)	408	207	207
<b>Waste and Recycling</b>		<b>2,301</b>	<b>2,731</b>	<b>403</b>	<b>3,000</b>	<b>269</b>	<b>269</b>
<b>Street Cleansing</b>		<b>661</b>	<b>661</b>	<b>161</b>	<b>635</b>	<b>(26)</b>	<b>(26)</b>

	2016/17 Original Budget (£'000)	2016/17 Revised Budget (£'000)	2016/17 Spend to date (£'000)	2016/17 Projected Outturn (£'000)	Proposed re-profile to Capital Budget (£000's)	2016/17 Outturn Variance (£'000)
<b>Capital Programme Outturn</b>						
<b>Community Services</b>						
LA Social Housing	0	239	0	100	139	0
Private Sector Housing Strategy	118	350	151	100	250	0
Dursley Pool Fitness Extension	52	900	841	900	0	0
Stratford Park Sensory Garden	0	8	0	8	0	0
Walled Garden Project (MITP)	16	25	20	25	0	0
<b>Subtotal Community Services</b>	<b>187</b>	<b>1,522</b>	<b>1,012</b>	<b>1,133</b>	<b>389</b>	<b>0</b>
<b>Environment Capital Schemes</b>						
Canal	206	773	456	773	0	0
CMP - Ebley Mill Hydro	(0)	362	0	0	362	0
CMP - Heat and Power	0	147	0	147	0	0
CMP - Target 2050 Loans	0	10	(1)	10	0	0
CMP - Invest to Save	0	30	0	30	0	0
MSC - Wheeled Bins	0	600	258	589	0	(11)
<b>Subtotal Environment</b>	<b>205</b>	<b>1,922</b>	<b>713</b>	<b>1,549</b>	<b>362</b>	<b>(11)</b>
<b>Strategy &amp; Resources Capital Schemes</b>						
Building Maintenance	0	3	13	13	0	10
Car Park schemes	0	85	0	0	85	0
Financial Systems	0	9	0	9	0	0
Stroud Valleys Initiative	500	500	26	35	465	0
Public Open Space	0	90	0	0	90	0
Multi Service Contract	7,670	8,365	4,850	7,299	1,066	0
New Housebuilding - General Fund	1,000	1,000	0	1,000	0	0
Brimscombe Port Redevelopment	1,450	1,500	0	350	1,150	0
<b>Subtotal Strategy &amp; Resources</b>	<b>10,620</b>	<b>11,552</b>	<b>4,889</b>	<b>8,706</b>	<b>2,856</b>	<b>10</b>
<b>TOTAL General Fund Capital Schemes</b>	<b>11,012</b>	<b>14,996</b>	<b>6,615</b>	<b>11,388</b>	<b>3,607</b>	<b>(1)</b>
<b>Housing Capital Schemes</b>						
New Build and Development	9,266	9,266	2,770	7,657	0	(1,609)
Other HRA Capital	7,870	7,870	282	5,095	0	(2,775)
<b>Subtotal Housing</b>	<b>17,136</b>	<b>17,135</b>	<b>3,052</b>	<b>12,752</b>	<b>0</b>	<b>(4,384)</b>
<b>TOTAL Capital Programme</b>	<b>28,148</b>	<b>32,131</b>	<b>9,667</b>	<b>24,140</b>	<b>3,607</b>	<b>(4,385)</b>

<b>Multi Service Contract</b>	<b>2016/17 Revised Budget (£'000)</b>	<b>2016/17 Spend to 31/08/2016 (£'000)</b>	<b>2016/17 Forecast Outturn (£'000)</b>	<b>Forecast Variance (£'000)</b>
Ubico Contract	1,201	663	1,455	254
Interim Black Sacks	0	0	34	34
Beige Sacks (Annual Cost)	0	0	42	42
<b>Refuse</b>	<b>1,201</b>	<b>663</b>	<b>1,530</b>	<b>330</b>
Ubico Contract	374	0	217	-157
Marketing Expenditure	100	9	100	0
JWP Incentive Payment	-133	0	-70	63
<b>Food Waste</b>	<b>341</b>	<b>9</b>	<b>247</b>	<b>-94</b>
Ubico Contract	234	124	280	46
Garden Waste Bin Purchase	0	47	64	64
Garden Waste Administration	55	0	55	0
Garden Waste Bags	0	1	2	2
Garden Waste Subscription Income	-451	-206	-285	166
Garden Waste Bin Income	0	-53	-96	-96
<b>Garden Waste</b>	<b>-162</b>	<b>-87</b>	<b>21</b>	<b>183</b>
Ubico Contract	1,513	530	1,437	-75
Recyclate Waste Disposal (April 16 Report)	230	0	230	0
Kerbside Boxes	13	11	11	-3
Recycling Credits	-60	0	-57	3
Bulky Collections	-43	-35	-65	-22
Material Recycling Contract	-749	-93	-549	200
Material Recycling Contract Decrease (April 16 Report)	200	0	0	-200
<b>Recycling and Bulky Collections</b>	<b>1,104</b>	<b>413</b>	<b>1,007</b>	<b>-97</b>
Ubico Contract	586	254	625	39
<b>Street Cleansing</b>	<b>586</b>	<b>254</b>	<b>625</b>	<b>39</b>
Ubico Contract	366	111	296	-70
<b>Building Cleaning</b>	<b>366</b>	<b>111</b>	<b>296</b>	<b>-70</b>
Ubico Contract	425	143	402	-23
<b>Grounds Maintenance</b>	<b>425</b>	<b>143</b>	<b>402</b>	<b>-23</b>
<b>Multi Service Contract TOTAL</b>	<b>3,861</b>	<b>1,505</b>	<b>4,128</b>	<b>267</b>