

AGENDA SUPPLEMENT



- Committee - **SPALDING TOWN FORUM**
- Date & Time - Tuesday, 28 January 2020 at 6.30 pm
- Venue - Meeting Room 1, Council Offices, Priory Road, Spalding

Membership of the Spalding Town Forum:

Councillors: A C Cronin, H Drury, R Gambba-Jones, R A Gibson (Vice-Chairman), M Hasan, C J Lawton, J D McLean (Chairman), A M Newton, G A Porter, G P Scalese, G J Taylor and E J Sneath (Advisory Member)

No substitutions permitted. Revised quorum 3.

Persons attending the meeting are requested to turn their mobile telephones to silent mode

Democratic Services
Council Offices, Priory Road
Spalding, Lincs PE11 2XE

Date: 24 January 2020

AGENDA

5. Draft Spalding Special Expenses Budget 2020/21 - (Pages
To Consider the Draft Budget 2019/20 for Spalding Special Expenses. 11 - 20)
6. Spalding Special Expenses Additional Works Update - (Pages
To receive an update on the Spalding Special Expenses additional 21 - 28)
works

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Director Commercialisation (S151)
To: Spalding Town Forum – 28 January 2020
Author: Carl Holland, Deputy Head of Finance
Subject: Draft Budget for Spalding Special Expenses 2020/21
Purpose: To consider the Spalding Special Expenses Draft Budget 2020/21

Recommendation:

1. That Spalding Town Forum Members review the proposed Spalding Special Expenses Budget for 2020/21 and agree comments/feedback to be included within the final budget report to be considered by Council on 26th February 2020.
2. That Spalding Town Forum Members consider and note the forecast outturn for 2019/20.

1.0 INTRODUCTION

- 1.1 This report is presented to the Spalding Town Forum as part of South Holland District Council's consultation on its 2020/21 budget and 4-year medium term financial plan.
- 1.2 All responses to South Holland District Council's Draft Budget consultation will be considered as part of the budget planning process ahead of consideration by Full Council on 26th February 2020.

2.0 APPROACH

2.1 Background

As part of the Council's integrated planning and performance framework, our business plans reflect how we will deliver our corporate priorities. The draft budgets are the financial representation of these plans. Service Managers have prepared their budgets to reflect their plans and strategies and in accordance with the principles outlined in the Council's Medium Term Financial Strategy. Budget managers have not incorporated any growth into their service budgets, unless it was in relation to contract inflation, supporting the delivery of corporate priorities, health and safety issues or reflecting demand-led budgets.

- 2.2 The draft Spalding Special Expenses Budget for 2020/21 is presented at Appendix 1. The proposed budget for 2020/21 is £223,100, an increase of 2.50% over the 2019/20 Budget (£217,650).
- 2.3 The Spalding Council Tax base has increased by 175 band d equivalents (1.90%) from 9,197 to 9,372.
- 2.4 The proposed Spalding Special Expenses Council Tax Band D Equivalent for 2020/21 is £23.82 - an increase of 0.63% over 2019/20 (£23.67).

3.0 SPALDING SPECIAL EXPENSES DRAFT ESTIMATES 2020/21

3.1 Employees

The employee related costs for the whole Spalding Special Account increase by £8.9k and takes account of incremental pay progression and a forecast national pay award up to 2%. The Council received the results of the pension triennial valuation in November 2019. This resulted in the employer's contribution rate increasing from 16.7% to 17.4% for 2020/21 to 2022/23.

3.2 Support Services

A review of support service recharges has resulted in some movements between budgets, but overall the costs has reduced by £700 to £10k.

3.3 Spalding Cemetery

The budget for income increases by £5.2k reflecting the 2019/20 forecast. This has enabled additional budget (£6k) to be assigned to Premises costs, which have increased by £6k to fund additional maintenance work to the footpaths and roadways.

	Estimate 2019/20	Estimate 2020/21	Variance
Employees	37,100	37,800	700
Premises	19,000	25,000	6,000
Supplies & Services	300	400	100
Support Services	1,200	2,700	1,500
Income	(20,000)	(25,200)	(5,200)
Net cost of service	37,600	40,700	3,100

3.4 Spalding Allotments

The budget for income increases by £700 reflecting the 2019/20 forecast. The increase in Premises budget reflects an increase in Grounds Maintenance service recharge as a result of employee costs.

	Estimate 2019/20	Estimate 2020/21	Variance
Employees	400	700	300
Premises	5,700	6,000	300
Supplies & Services	0	0	0
Support Services	1,200	1,300	100
Income	(4,500)	(5,200)	(700)
Net cost of service	2,800	2,800	0

3.5 Ayscoughfee Gardens

The budget for income increases by £1.8k reflecting the 2019/20 forecast. Premises costs have reduced £2,500 as result of reduced water charge £900 and reduced responsive repairs £1,600 to reflect 2019/20 forecasts.

	Estimate 2019/20	Estimate 2020/21	'Variance
Employees	31,200	32,000	800
Premises	6,200	3,700	(2,500)
Supplies & Services	13,300	13,300	0
Support Services	0	1,400	1,400
Income	(5,200)	(7,000)	(1,800)
Net cost of service	45,500	43,400	(2,100)

3.6 Halley Stewart Playing Field

Following review of the forecast for 2019/20 the Premises related budget reduces by £600 for electricity and £100 for insurance. The budget for income reduces by £1k reflecting the 2019/20 forecast.

	Estimate 2019/20	Estimate 2020/21	'Variance
Employees	600	1,000	400
Premises	38,100	37,400	(700)
Supplies & Services	200	300	100
Support Services	2,400	2,300	(100)
Income	(7,900)	(6,900)	1,000
Net cost of service	33,400	34,100	700

3.7 Monkshouse Playing Field

Following review of the forecast for 2019/20 the Premises related budget increases by £2.3k for responsive repairs and offset by a reduction for Grounds Maintenance £200 and insurance £100. The budget for income reduces by £1.4k reflecting the 2019/20 forecast.

	Estimate 2019/20	Estimate 2020/21	'Variance
Employees	200	400	200
Premises	23,600	25,600	2,000
Supplies & Services	200	200	0
Support Services	2,400	2,300	(100)
Income	(2,900)	(1,500)	1,400
Net cost of service	23,500	27,000	3,500

3.8 Other Premises

Any work to play areas is being undertaken by the Parks and Grounds team. As a result the budget for Play Areas Buildings Maintenance of £1k is not forecast to be required for 2020/21.

A new budget for maintenance of Defibrillators £300 has been included. Chairman's Contingency fund allocation remains the same as previous year. Grounds Maintenance budgeted costs are increased for both Fulney Road £400 and Thames Road playing fields £600.

	Estimate 2019/20	Estimate 2020/21	Variance
Employees	200	600	400
Play Areas	1,000	0	(1,000)
Thames Road	16,500	17,100	600
Fulney Road	11,600	12,000	400
Grass cutting verges	11,000	11,300	300
Supplies & Services	0	300	300
Chairman's Contingency	700	700	0
Net cost of service	41,000	42,000	1,000

3.9 Christmas Decorations

New contract for storage and installation has been negotiated resulting in a reduction of cost of £3.4k.

	Estimate 2019/20	Estimate 2020/21	Variance
Premises	200	300	100
Supplies & Services	11,000	7,600	(3,400)
Net cost of service	11,200	7,900	(3,300)

3.10 Contributions

Management Costs continue to reflect the support costs in respect of the Council's Democratic Services team and Service Management which has increased by £2,550 and is included in the Employee Costs referred to in paragraph 3.1. The other contributions towards town activities remain unchanged from the previous year.

	Estimate 2019/20	Estimate 2020/21	Variance
General Management	5,750	8,300	2,550
Crime prevention	7,700	7,700	0
Contribution to Voluntary Car Scheme	8,500	8,500	0
Contribution to management of churchyard of St Mary & St Nicolas Parish Church	700	700	0
Net cost of service	22,650	25,200	2,550

4.0 FOUR YEAR PLAN (see Appendix B)

Appendix B sets out the draft 4 year financial plan. The draft plan takes into account any additional costs, efficiencies or charges that may have an impact on the Spalding Special Expenses Account from 2020/21 to 2022/23. Employee and Premises costs have been estimated to increase by 2% each year. No provision has been made to increase income over this period.

5.0 RESERVES

The Budget assumes no use of reserves, however it may be necessary to fund unexpected events or emergency expenditure as part of in-year monitoring and reporting.

6.0 FORECASTED OUTTURN 2019/20 (Appendix C)

6.1 The forecast outturn based on actual expenditure and income to Quarter 3 2019/20 shows a favourable variance of (£5.2k).

- Income from the cemetery is forecast to increase by (£6k). Income is forecast to reduce for Halley Stewart £1.2k and Monkshouse Lane £1.2k.
- The storage and installation of Christmas lights has a reduced contract cost resulting in a favourable movement of (£3k).
- Underspend on utilities at Halley Stewart (£1.8k) and Monkshouse Lane (£900). Water charge pressure emerging at Ayscoughfee Gardens £1.8k, which is under review with the supplier. £600 increased utility costs at the cemetery which had accrued from the previous financial year.
- Extra grass cutting has been undertaken in October and November increasing costs by £900.
- New football posts Halley Stewart £600.

7.0 TIMETABLE

The final Budget Setting and Council Tax report will go to Full Council on 26th February 2020.

8.0 RISK

8.1 The Council must set a budget, which is a realistic statement of its estimated income and expenditure for the coming year based upon information currently available to it. It has a duty to take into account the demand for its services, and the effect upon council tax payers of meeting those demands at varying levels of services.

8.2 A risk assessment has been undertaken regarding major items of income and expenditure, which may adversely affect the Council's budget position.

9.0 OPTIONS

9.1 To review the 2020/21 draft estimates and provide consultation feedback to be included in the final report presented to Council on 26th February 2020.

Background papers:- None

Lead Contact Officer

Name and Post: Carl Holland – Deputy Head of Finance – PSPSL
Telephone Number 01775 764681
Email: carl.holland@pspsl.co.uk

Key Decision: No

Exempt Decision: No

This report refers to a Mandatory Service

Appendices attached to this report:

Appendix A - Summary of Spalding Special Expenses Account
Appendix B - Four-Year Forecast Spalding Special Expenses
Appendix C – Forecasted Outturn 2019/20

APPENDIX A - Spalding Special Expenses Proposed Budget for 2020/21

	2019/20 Estimates	2020/21 Estimates	Variance
Spalding Cemetery	£37,600	£40,700	£3,100
Spalding Allotments	£2,800	£2,800	£0
Playing Fields at:			
Halley Stewart	£33,400	£34,100	£700
Thames Road	£16,500	£17,100	£600
Fulney Road	£11,600	£12,000	£400
Monkshouse Lane	£23,500	£27,000	£3,500
Ayscoughfee Leisure	£45,500	£43,400	(£2,100)
Contribution to Voluntary Car Scheme	£8,500	£8,500	£0
Christmas Decorations	£11,200	£7,900	(£3,300)
Contribution to management of churchyard of St Mary & St Nicolas Parish Church	£700	£700	£0
General Management/Support	£5,950	£8,900	£2,950
Contribution to play areas	£1,000	£0	(£1,000)
Crime prevention	£7,700	£7,700	£0
Defibrillators	£0	£300	£300
Chairman's contingency	£700	£700	£0
Grass Cutting	£11,000	£11,300	£300
Contribution from Spalding Special Reserve	£0	£0	£0
Total Expenditure	£217,650	£223,100	£5,450
Financing:			
Capital Reserve	£0	£0	
Charged to residents	£217,650	£223,100	
Tax Base	9,197	9,372	
Band D equivalent	£23.67	£23.82	
Reserves:			
Balance brought forward	(£121,397)	(£126,589)	
Contributions to reserves (forecast)	(£5,192)	£0	
Contributions from reserves (forecast)	£0	£0	
Forecast reserve carried forward	(£126,589)	(£126,589)	

Appendix B Four Year Forecast Spalding Special Expenses

	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Employees	£71,800	£80,700	£82,300	£84,000	£85,700
Premises	£132,900	£138,300	£138,300	£138,300	£138,300
Supplies & Services	£32,700	£29,800	£29,800	£29,800	£29,800
Transfer Payments	£9,900	£10,100	£10,100	£10,100	£10,100
Support Services	£10,700	£10,000	£10,000	£10,000	£10,000
Income	(£40,500)	(£45,800)	(£45,800)	(£45,800)	(£45,800)
Net cost of services	£217,500	£223,100	£224,700	£226,400	£228,100
Council Tax requirement	£217,500	£223,100	£224,700	£226,400	£228,100
Tax Base	9,197	9,372			
Band D Council Tax	£23.67	£23.82			
Percentage increase	0.77%	0.63%			

Appendix C Q3 Forecast Outturn 2019/20

Cost Centre Name	Subjective Analysis	Original Budget 2019/20	Revised Estimate 2019/20	Q3 Forecast Outturn 2019/20	Forecast Outturn Variance 2019/20
Christmas					
Decorations	Premises	£200	£200	£269	£69
	Supplies & Services	£11,000	£11,000	£7,552	(£3,448)
		£11,200	£11,200	£7,821	(£3,379)
Cemeteries	Employees Direct	£37,100	£37,100	£37,100	£0
	Premises	£19,000	£18,900	£19,499	£599
	Supplies & Services	£300	£200	£201	£1
	Support Services	£1,200	£1,200	£1,200	£0
	Income	(£20,000)	(£20,000)	(£26,000)	(£6,000)
		£37,600	£37,400	£32,000	(£5,400)
Allotments	Employees Direct	£400	£400	£400	£0
	Premises	£5,700	£5,700	£5,659	(£41)
	Support Services	£1,200	£1,200	£1,200	£0
	Income	(£4,500)	(£4,500)	(£4,493)	£7
		£2,800	£2,800	£2,766	(£34)
Halley Stewart	Employees Direct	£600	£600	£600	£0
	Premises	£38,100	£38,000	£36,211	(£1,789)
	Supplies & Services	£200	£200	£814	£614
	Support Services	£2,400	£2,400	£2,400	£0
	Income	(£7,900)	(£7,900)	(£6,700)	£1,200
		£33,400	£33,300	£33,325	£25
Monkshouse Lane					
Monkshouse Lane	Employees Direct	£200	£200	£200	£0
	Premises	£23,600	£23,500	£22,682	(£818)
	Supplies & Services	£200	£200	£200	£0
	Support Services	£2,400	£2,400	£2,400	£0
	Income	(£2,900)	(£2,900)	(£1,700)	£1,200
		£23,500	£23,400	£23,782	£382
Ayscoughfee Leisure					
Ayscoughfee Leisure	Employees Direct	£31,200	£31,200	£31,200	£0
	Premises	£6,200	£6,200	£8,093	£1,893
	Supplies & Services	£13,300	£13,300	£13,584	£284
	Income	(£5,200)	(£5,200)	(£5,063)	£137
		£45,500	£45,500	£47,814	£2,314
Spalding Special Contributions					
Spalding Special Contributions	Employees Direct	£2,100	£2,100	£2,100	£0
	Supplies & Services	£7,700	£7,700	£7,700	£0
	Support Services	£3,500	£3,500	£3,500	£0

Cost Centre Name	Subjective Analysis	Original Budget 2019/20	Revised Estimate 2019/20	Q3 Forecast Outturn 2019/20	Forecast Outturn Variance 2019/20
	Transfer Payments	£9,200	£9,200	£9,250	£50
		£22,500	£22,500	£22,550	£50
Spalding Special					
Various Sites	Employees Direct	£200	£200	£200	£0
	Premises	£40,100	£40,100	£40,950	£850
	Chairman's				
	Contingency	£700	£700	£700	£0
		£41,000	£41,000	£41,850	£850
		£217,500	£217,100	£211,908	(£5,192)

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Portfolio Holder for Communities and Facilities and Executive Director - Place

To: Spalding Town Forum

Author: Anita Goddard-Gill Property Asset Services Manager

Subject Spalding Special Expenses, Additional Works

Purpose: To agree to additional expenditure for works in financial year 2019/20

Recommendation(s):

- 1) To support the additional expenditure and fund the work required from Spalding Special Reserves

1.0 BACKGROUND

1.1 The works are for three parks which fall within the Spalding area. These are:

- Halley Stewart Playing Field
- Monks House Lane Pavilion
- Spalding Cemetery

1.2 A cyclical and response repair budget is set annually for maintenance of the properties over the year to cover such as aspects as legionella testing, fire alarm testing and response repairs that need urgently addressed. The budget does not contain budgets for capital expenditure that arise from either commissioned surveys or visual inspections.

1.3 To date almost all of the response budgets have been spent. The additional expenditure requested has arisen from surveys and visual inspection and is aimed at addressing the immediate hazards that have been identified.

1.4 In 2019 a condition survey was commissioned to assess the work required to the football stand and ancillary equipment.

1.5 Monks House Pavilion has been identified locally as a key site in terms of recreational facilities. It has been identified within the playing pitch strategy (Lincolnshire County Council) which looks at open spaces and how many pitches are required over the next 30 years, and has also been identified within the Local Football Facilities Plan through Lincolnshire Football Association as an important grass roots site

1.6 The roadway within the cemetery requires essential maintenance works.

1.7 This report raised a number of areas where work is required as routine planned and cyclical maintenance.

1.8 We commissioned the survey of the stand recommended works to provide a life span on 20 years. This work can be picked up under budgeted planned and cyclical maintenance.

1.9 The works will be quoted in accordance with procurement regulations

2.0 **OPTIONS**

2.1 To agree to the expenditure requested

2.2 To do nothing

3.0 **REASONS FOR RECOMMENDATION(S)**

3.1 To agree to the release of funds from the Spalding Town Council reserves.

4.0 **EXPECTED BENEFITS**

4.1 To ensure that the Council takes a prudent approach to investing in its assets to achieve longevity of the asset, obtain value for money and comply with. health and safety obligations

5.0 **IMPLICATIONS**

5.1 **Equality and Diversity/ Human Rights**

5.1.1 To ensure that three public sites are continue to be safe and accessible for all to use.

5.2 **Financial**

5.2.1 Agreed funds to be released from Spalding Town Council reserves to carry out the work.

5.3 **Health & Wellbeing**

5.3.1 To enable the Council to continue to support sport and exercise facilities within the district and work with strategic partners to promote outdoor exercise.

5.3.2 Providing continued access to visit graves within the cemetery

5.4 **Reputation**

5.4.1 Maintaining sporting facilities to support outdoor exercise and Lincolnshire County Councils strategic aims.

5.5 **Risk Management**

5.5.1 Failure to take action will allow the facilities to deteriorate which will give rise to high risk health and safety concerns at on all three sites...

Background papers: - Pro-forma B Request

Lead Contact Officer

Name and Post: Anita Goddard-Gill, Property Asset Services Manager

Telephone Number

Email: Anita.Goddard-Gill@sholland.gov.uk

Key Decision: N

Exempt Decision: N

This report refers to a Discretionary Service

Appendices attached to this report:

Appendix A Proforma B

This page is intentionally left blank

SOUTH HOLLAND DISTRICT COUNCIL FINANCIAL COMMENTS & APPRAISAL

THIS DOCUMENT PROVIDES THE FINANCIAL IMPLICATIONS
IN RESPECT OF THE ATTACHED REPORT

FROM: Rachael Hunns (Technical Project Coordinator)

REPORT: Spalding Special Additional Funds for Works

REPORT DATE: 09/01/2020

INTRODUCTION

As part of the review of condition of South Hollands Assets, a number of works have been identified as urgent which fall outside of the original allocated budget. The works required are detailed below for the following Spalding Special Sites:

- Halley Stewart Pavilion
- Monks House Lane Pavilion
- The Spalding Cemetery

Halley Stewart Pavilion

In May 2018 an Electrical Condition Report, Fire Risk Assessment and a Health and Safety inspection was carried out at the Halley Stuart pavilion and grounds. Following this a structural survey was commissioned In January 2019 to understand the extent of works required and to ensure the safety of the pavilion.

The structural survey has recommended the following works

- Repair concrete posts by wire brushing off loose rust scale and pointing up with propriety epoxy concrete repair product, the surround group of 4 with 500mm high concrete plinth

The H&S report recommended the following works:

- Steps need resurfacing with an epoxy mortar due to uneven levels.
- Bannisters needs inserts to restrict width

And the Electrical Condition report flagged the following concerns

- Flood light control boxes need new casing and relays, and investigation into the live wire which goes underground

Therefore the following funds are being requested:

- £7,500 - Repair concrete posts by wire brushing off loose rust scale and pointing up with propriety epoxy concrete repair product, the surround group of 4 with 500mm high concrete plinth.
- £4,500 – Steps need resurfacing with an epoxy mortar due to uneven levels.

- £1,400 – Bannister H&S inserts
- £9,000 - Flood light control boxes need new casing and relays, and investigation into the live wire which goes underground

Halley Stuart Pavilion has an existing budget of £10,200 within the planned and programmed accounts. The works required equate to £22,400. £6,600 has been spent, and it is anticipated that a further £2,000 responsive budget will be required before the end of the financial year. Therefore the total funds being requested are an additional £20,800.

The other works identified can be picked up under a planned and cyclical programme.

Monks House Lane Pavilion

The current condition of Monks House Lane is very poor, a number of items have been identified on the recent Health and Safety, Fire Risk, Legionella Risk and general condition inspections as requiring immediate action. However it is believed that the life span of the building is now nearing its limits and it would require significant investment.

Monks House Pavilion has been identified locally as a key site in terms of recreational facilities. It has been identified within the playing pitch strategy which looks at open spaces and how many pitches are required over the next 30 years, and has also been identified within the Local Football Facilities Plan through Lincs FA as an important grass roots site.

Lincs FA requested a stock condition survey to determine the extent of works required at Monks House and determine the grant funding required. SHDC will lead on the grant funding request to Sports England and the Football Foundation with Lincs Fa supporting the request.

Alongside this structural issues were raised due to the extent of cracking identified along the gable end of Monks House Pavilion. The cracking had been monitored over a period of 12 months and was deteriorating. A structural survey was commissioned which identified some remedial actions estimated to cost around £600.

Monks House Pavilion has an existing budget of £2,300 within the building maintenance account, £3,500 has been spent, and it is anticipated that a further £1,000 responsive budget will be required before the end of the financial year. Therefore the total funds being requested are an additional £2,800.

The Spalding Cemetery

The roadway within the cemetery is on a poor condition and requires essential maintenance works. It is recommended that over the course of the next 3 years a budget is allocated for these works which will greatly improve the current health and safety issues identified at this site in terms of severe pot holes and trip hazards.

The wall at the cemetery had been identified as dangerous requiring immediate works to ensure safety. These works have been carried out as a matter of priority but there is insufficient funds within the s/s account for the cemetery to support these works.

The funds requested are therefore:

- £3,500 - Essential maintenance works to the road way.

- £4,650 - Works to the cemetery wall.

Spalding Cemetery has an existing budget of £3,000 allocated for building, footpath and road maintenance, therefore the total funds being requested are an additional £5,150.

Below is an overview of the Budget Request for Spalding Special

Site	Current Budget	Requested additional Funds for 2019/20
Halley Stewart Pavilion	£10,200	£20,800
Monks House Lane Pavilion	£2,300	£2,800
The Spalding Cemetery	£3,000	£5,150
Total	£15,500	£28,750

Please note no works require capital funding

More detail around the costs can be found below in 'background information'.

Considered By: _____

Date:

This appraisal is valid for 1 month from issue date.
If there are changes to the original report it may invalidate this document & must be reviewed by Finance.

01/03/2020

Page 1 of 2

PROFORMA B

Financial Services Comments

Financial Risk

Current reserve level is £121,397, which would reduce to £92,647 if these works are approved.

This appraisal is valid for 1 month from issue date.
If there are changes to the original report it may invalidate this document & must be reviewed by Finance.

01__/_03_/2020

Page 2 of 2

This page is intentionally left blank