

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Director Commercialisation (S151)
To: Spalding Town Forum – 15 February 2018
(Author: Jane Crosby, Head of Finance
Subject: Draft Spalding Special Expenses 2018-19
Purpose: To consider the Spalding Special Expenses Draft Estimates 2018-19

Recommendation:

That Spalding Town Forum Members review the proposed Spalding Special Expenses Budget for 2018-19 and agree comments/feedback to be included within the final budget report to be considered by Council on 28th February 2018.

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 2018-19 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 28th February 2018.

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 over the next five years. 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 Employees

Employee costs are set at 100% of the full cost for the establishment, with the pay award set at 2%. Grounds Maintenance and other operational staff are budgeted at 100%. Grounds maintenance budgets have been based on eight amenity cuts funded by the Spalding Special budget, with two cuts paid for by Lincolnshire CC (safety cuts). South Holland officers are due to meet County officers on 20th February to confirm this, but do not foresee any issues that would affect these assumptions.

Employers' pension contributions for 2018/19 have been budgeted for at 26.9% of gross pay (including 10.2% to cover the annual deficit payment for those that are in the pension scheme).

3.0 CAPITAL

No contribution towards capital expenditure is required in 2018-19.

4.0 SPALDING SPECIAL EXPENSES DRAFT ESTIMATES 2018-19

4.1 The draft Spalding Special Expenses Budget for 2018-19 is presented at Appendix 1. The proposed budget for 2018-19 is £216,000, an increase of 5.7% over the 2017-18 Budget, primarily due to the cost (£8,000) for cutting grass on amenity areas no longer maintained by Lincolnshire County Council. This cost was funded through reserves in 2017-18 and has now been provided for on an on-going basis through this base budget increase.

4.2 The Spalding Council Tax base has risen by 145 (1.6%) from 8,857 to 9,002.

4.3 The proposed Spalding Special Expenses Council Tax Band D Equivalent for 2018-19 is £23.99 - an increase of 3.99% over 2017-18 (£23.07).

5.0 COMMENTARY

5.1 Spalding Cemetery

There are no changes to fees and charges for 2018-19.

5.2 Spalding Allotments

There are no changes to fees and charges for 2018-19.

5.3 Ayscoughfee Gardens

There are no changes to the Ayscoughfee café rental income budget, as other longer term work is being looked at.

5.4 Halley Stewart Playing Field

The cost for hiring sports fields is currently being reviewed, as we are seeing an increased demand for usage. Any work at Halley Stewart for league requirements is undertaken by the club and is not paid for by SSE Fees.

5.5 Thames Road

Tree works have been included at the same level as 2017-18.

5.6 Monkshouse Playing Field

There are no changes to fees and charges for 2018-19.

5.7 Play Areas

A budget of £1,000 has been included for maintenance of play areas. This is the same provision as in 2017-18.

5.8 Town Centre Promotion

The Town Centre Promotion budget has been maintained at £1,500 for a contribution to events such as the Christmas lights switch-on. .

5.9 Crime Prevention

The budget of £7,700 represents the estimated annual revenue costs for cameras as part of the District-wide CCTV scheme.

5.10 Chairman's Special Events

There is a small special event budget of £750 built in, for use by the Chairman of the Town Forum. This is in line with the provision in 2017-18, The Portfolio Holder for Communities and Facilities will be asked to approve the Chairman's expenditure plans.

6.0 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 2018-19 to 2021-22, however a detailed review of Spading Special Expenses budgets will be undertaken during 2018-19. The impact of other Council initiatives, such as the Place Review, will be considered as part of the detailed review.

7.0 RESERVES

Consideration will be required as to the minimum level of balances that will be required to fund unexpected events or emergency expenditure as part of the in-year review.

8.0 TIMETABLE

The final Budget Setting and Council Tax report will go to Full Council in 28th February 2018.

9.0 RISK

9.1 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.

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

10.0 OPTIONS

10.1 The forum is invited to consider the draft 2018-19 estimates. Comments will be reported back to Members.

Background papers:- None

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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 A - Spalding Special Expenses 2018-19

	2017-18 Estimates	2018-19	2017-18 to 2018-19 Variance
	£	£	£
Spalding Cemetery	56,600	57,200	600
Spalding Allotments	3,700	3,600	(100)
Playing Fields at:-			
Ayscoughfee (excluding gardens)	26,190	26,700	510
Halley Stewart	27,100	30,900	3,800
Thames Road	13,580	14,750	1,170
Fulney Road	10,380	10,380	0
Monkshouse Lane	30,300	29,500	(800)
Contribution to Voluntary Car Scheme	8,500	8,500	0
Christmas Decorations	7,800	9,900	2,100
Contribution to management of churchyard of St Mary & St Nicolas Parish Church	750	750	0
Administrative Support	4,500	4,500	0
Bus Shelter Maintenance	370	370	0
Contribution to play areas	1,000	1,000	0
Spalding Town Centre Promotion	1,500	1,500	0
Crime prevention	7,700	7,700	0
Chairman's contingency	750	750	0
Grass Cutting	0	8,000	8,000
Contribution to Spalding Special Reserve	3,633	0	(3,633)
Total Expenditure	204,353	216,000	11,647
Funding			
Total Expenditure	204,353	216,000	11,647
Capital Reserve	0	0	0
Charged	204,353	216,000	11,647
Tax Base	8,857	9,002	145
Band D equivalent	23.07	23.99	0.92
Actual Balances			
Balance Brought Forward	(157,349)	(147,349)	
Funded From Reserves			
Contribution from SSE reserves (forecast)	10,000	0	
Forecast reserve carried forward	(147,349)	(147,349)	

Appendix B Four Year Forecast Spalding Special Expenses

4-year Forward Estimates Spalding Special Expenses

	2018-19 Estimate £	2019-20 Forward Estimate £	2020-21 Forward Estimate £	2021-22 Forward Estimate £
Employees	25,800	26,100	26,300	26,500
Premises	191,000	195,000	199,000	204,000
Transport	600	600	600	600
Supplies & Services	11,700	11,700	11,700	11,700
Third Party Payments	0	0	0	0
Transfer Payments	8,500	8,500	8,500	8,500
Support Services	17,500	17,500	17,500	17,500
Depreciation & Impairment Charges	7,300	7,300	7,300	7,300
Total Expenditure	262,400	266,700	270,900	276,100
Total Income	(46,400)	(46,400)	(46,400)	(46,400)
NET COST OF SERVICES	216,000	220,300	224,500	229,700
TO BE RAISED FROM COUNCIL TAX	216,000	220,300	224,500	229,700
TAX BASE	9,002			
BAND D COUNCIL TAX	£ 23.99			
PERCENTAGE INCREASE	3.99%			