

## SOUTH HOLLAND DISTRICT COUNCIL

**Report of:** Executive Director Commercialisation (S151)  
**To:** Spalding Town Forum – 19 June 2019  
**Author:** Carl Holland, Strategic Finance Partner  
**Subject:** Spalding Special Expenses year end outturn 2018/19  
**Purpose:** To consider the Spalding Special Expenses Outturn 2018/19

### **Recommendation:**

1. That Spalding Town Forum Members note the Spalding Special Expenses Outturn for 2018/19.
2. That Spalding Town Forum Members note the budget for 2019/20.

### **1.0 INTRODUCTION**

- 1.1 This report is presented to the Spalding Town Forum to provide detail of the outturn against budget for 2018/19. The budget has been reported to the Town Forum throughout the year.

### **2.0 BACKGROUND**

- 2.1 The budget of £216,000 for 2018/19 was presented to the Town Forum on 15 February 2018 and approved by Council 8<sup>th</sup> March 2018.
- 2.2 A detailed review of Spalding Special Expenses budgets has taken place in the year. This has resulted in changes to apportionment of employee costs between Spalding Special Expenses budgets.
- 2.3 Appendix B is also attached for information confirming the budget for 2019/20.

### **3.0 COMMENTARY**

- 3.1 The commentary on the following pages highlights the variations in actual spend from the original budget. Overall there is an overspend of £21,453, which will need to be funded from reserves. This was a mainly due to the provision for charges received in respect of a water leak at Monkhouse Lane £7k, urgent electrical works at Halley Stewart £11k and reduced income at Ayscoughfee Hall Gardens £2.3k, further detail is provided in 3.4 to 3.6.

### 3.2 Spalding Cemetery

There are no changes to fees for 2019/20. Income is higher than budgeted and spend on footpaths and buildings is lower than budget.

	Original Budget 18/19 £	Outturn 18/19 £
Depreciation	7,300	-
Employees	13,100	13,514
Premises	54,300	50,559
Transport	100	-
Supplies & Services	200	505
Support Services	2,200	2,298
<b>Total Expenditure</b>	<u>77,200</u>	<u>66,876</u>
<b>Total Income</b>	(20,000)	(26,490)
<b>Net Expenditure</b>	<u>57,200</u>	<u>40,386</u>

### 3.3 Spalding Allotments

There are no changes to fees and charges for 2019/20. Some tree maintenance works have been undertaken externally which has increased the Premises costs.

	Original Budget 18/19 £	Outturn 18/19 £
Employees	1,400	1,358
Premises	5,300	7,634
Supplies and Services	-	16
Support Services	1,400	1,461
<b>Total Expenditure</b>	<u>8,100</u>	<u>10,469</u>
<b>Total Income</b>	(4,500)	(4,306)
<b>Net Expenditure</b>	<u>3,600</u>	<u>6,163</u>

### 3.4 Ayscoughfee Gardens

There are no changes to the Ayscoughfee café rental income budget. Ayscoughfee income has reduced following the cessation in trading of the Bowls club in 2019/20. The overall increase in estimated cost reflects an additional £13k of operational running costs not previously incorporated into the recharge of Grounds Maintenance. Premises also includes utility costs that are £3,200 lower than budget. Supplies and Services includes materials for planting of £4,600.

	Original Budget 18/19 £	Outturn 18/19 £
Employees	1,200	39,400
Premises	31,000	1,546
Supplies & Services	1,400	8,349
Transport	400	-
Support Services	3,600	3,600
<b>Total Expenditure</b>	<u>37,600</u>	<u>52,895</u>
<b>Total Income</b>	<u>(10,900)</u>	<u>(8,618)</u>
<b>Net Expenditure</b>	<u>26,700</u>	<u>44,277</u>

### 3.5 Halley Stewart Playing Field

There are no changes to fees and charges for 2019/20. The "Premises" budget includes provision for planned and responsive maintenance of £10,200 which has been used towards electrical safety works. This work does not relate to football league requirements in which case the cost would be borne by the club and not paid for by SSE Fees.

	Original Budget 18/19 £	Outturn 18/19 £
Employees	2,100	2,280
Premises	29,900	37,531
Supplies & Services	200	368
Transport	100	-
Support Services	6,500	6,836
<b>Total Expenditure</b>	<u>38,800</u>	<u>47,015</u>
<b>Total Income</b>	<u>(7,900)</u>	<u>(6,736)</u>
<b>Net Expenditure</b>	<u>30,900</u>	<u>40,279</u>

### 3.6 Monkshouse Playing Field

There are no changes to fees and charges for 2019/20. Premises costs have increased to make provision for a disputed invoice in relation to a water leak.

	Original Budget 18/19 £	Outturn 18/19 £
Premises	28,800	34,258
Support Services	3,800	3,999
<b>Total Expenditure</b>	<u>32,600</u>	<u>38,257</u>
Total Income	(3,100)	(1,699)
<b>Net Expenditure</b>	<u>29,500</u>	<u>36,558</u>

### 3.7 Other Premises

Grounds maintenance budget 2019/20 reflects budgeted employee and operational running costs.

	Original Budget 18/19 £	Outturn 18/19 £
Thames Road	14,750	14,750
Fulney Road	10,380	10,380
Grass Cutting Verges	8,000	8,000
Bus Shelter Maintenance	370	-
Play Areas	1,000	-
<b>Total Expenditure</b>	<u>34,500</u>	<u>33,130</u>

### 3.8 Christmas Decorations

Increased costs for installation, removal and storage by external supplier.

	Original Budget 18/19 £	Outturn 18/19 £
Premises	-	210
Supplies and services	9,900	15,144
<b>Total Expenditure</b>	<u>9,900</u>	<u>15,354</u>

### 3.9 Contributions

The contributions towards other town activities were made with the exception of Bus Shelter Maintenance, Play Areas and Spalding Town Centre Promotion fund.

	Original Estimate 18/19 £	Outturn 18/19 £
Support Services	4,500	4,500
Voluntary Car Scheme	8,500	8,500
Maintenance of churchyard St Mary and St Nicholas Parish Church	750	750
Spalding Town Centre Promotion	1,500	-
Crime Prevention	7,700	7,700
Chairman's Contingency	750	750
Defibrillator	-	155
<b>Total Expenditure</b>	<b>23,700</b>	<b>22,355</b>

### 4.0 RISK

4.1 Officers of the Council review data monthly to consider the impact of unforeseeable spend and take appropriate corrective action regarding major items of income and expenditure, which may adversely affect the Spalding Special Account's budget position.

### 5.0 OPTIONS

5.1 The forum is invited to consider the draft 2018/19 Outturn.

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Background papers:- None

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#### Lead Contact Officer

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**Key Decision:** No

**Exempt Decision:** No

**This report refers to a Mandatory Service**

**Appendices attached to this report:**

Appendix A –Outturn of Spalding Special Expenses Account 2018/19  
Appendix B - Spalding Special Expenses Forecast 2019/20

## Appendix A - Spalding Special Expenses Outturn 2018/19

	Original Budget £	Revised Budget £	Actual Expenditure £	Variance £	Comments
Christmas Decorations	9,900	14,900	15,354	454	
Cemeteries	57,200	50,215	40,386	- 9,829	Revised Budget reduced by £7k, reflecting the reallocation of depreciation to a corporate code for central accounting purposes. Favourable outturn variance due to an increase in cemetery income & underspend on footpaths/buildings maintenance budgets.
Allotments	3,600	3,560	6,163	2,603	Adverse variance against budget due to external grounds maintenance works.
Halley Stewart	30,900	31,779	40,279	8,500	Outturn position adverse variance due to electrical rewire of Halley Stewart building, offset slightly by use of planned and responsive repairs budget.
Monkhouse Lane	29,500	29,500	36,558	7,058	Budget pressure forecast due to water leak, provision made pending outcome of disputed invoice.
Ayscoughfee Gardens	26,700	45,089	44,277	- 812	Revised Budget increased by £18k reflects the reversal of the grounds maintenance recharge (£22k) and the inclusion of specific grounds maintenance budgets £40k based on a 50% split with Ayscoughfee Hall Gardens (non-Spalding Special element).
Spalding Special Contributions	22,950	22,950	21,450	- 1,500	£1.5k favourable Forecast Outturn variance reflects the officers agreement that the Town Centre Contribution will cease and this cost will be absorbed by the Communities team.
Spalding Special Various Sites	35,250	35,250	34,035	- 1,215	Specific Bus Shelter Maintenance contribution will cease £370 pending a review of options for the individual asset, £1k play area budget not utilised in year.
<b>Total Expenditure</b>	<b>216,000</b>	<b>233,243</b>	<b>238,502</b>	<b>5,259</b>	
Reserve Contribution	- 4,500	- 4,500	25,953		Additional -£21k reserve funding required to offset the Halley Stewart rewire, Monkhouse Lane water leak & Ayscoughfee Garden costs omitted from the 18/19 budgets.
Charged to residents	- 211,500	- 211,500	211,500		
<b>Total Funding</b>	<b>- 216,000</b>	<b>- 216,000</b>	<b>237,453</b>	<b>-</b>	<b>21,453</b>

### Reserves Outturn:

Balance b/f	-	147,349
Contribution from SSE reserves	-	25,953
Balance c/f	-	121,396

## Appendix B - Spalding Special Expenses Forecast 2019/20

	Original Budget £	Revised Budget £	Actual Expenditure £	Forecast Expenditure £
Christmas Decorations	11,200	11,200	-	11,200
Cemeteries	37,600	37,600	953	37,600
Allotments	2,800	2,800	(3,293)	2,800
Halley Stewart	33,400	33,400	(1,100)	33,400
Monkshouse Lane	23,500	23,500	(8,067)	23,500
Ayscoughfee Gardens	45,500	45,500	827	45,500
Spalding Special Contributions	22,500	22,500	750	22,500
Spalding Special Various Sites	41,000	41,000	-	41,000
<b>Total Expenditure</b>	<b>217,500</b>	<b>217,500</b>	<b>(9,930)</b>	<b>217,500</b>
Reserve Contribution	-	-	-	-
Charged to residents	(217,500)	(217,500)	(217,500)	(217,500)
<b>Total Funding</b>	<b>(217,500)</b>	<b>(217,500)</b>	<b>(217,500)</b>	<b>(217,500)</b>

### Reserves Forecast:

Balance b/f	(121,396)
Contribution from SSE reserves	-
Balance c/f	(121,396)