

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Director Commercialisation (S151)

To: Spalding Town Forum – 30 September 2020

Author: Carl Holland, Strategic Finance Partner

Subject: Spalding Special Expenses Year End Outturn 2019/20 & 2020/21 Quarter 1 Forecast

Purpose: To consider the Spalding Special Expenses Year End Outturn 2019/20 & 2020/21 Quarter 1 Forecast

Recommendation:

1. That Spalding Town Forum Members note the Spalding Special Expenses Outturn for 2019/20.
2. That Spalding Town Forum Members note the forecast for 2020/21.

1.0 INTRODUCTION

- 1.1 This report is presented to the Spalding Town Forum to provide detail of the outturn against budget for 2019/20. The budget has been reported to the Town Forum throughout the year.
- 1.2 The report includes an update to the forecast for 2020/21 as at the end of Quarter 1 30th June 2020.

2.0 BACKGROUND

- 2.1 The budget of £217,500 for 2019/20 was presented to the Town Forum on 22nd January 2019 and approved by Council 27th February 2019. The outturn for the year is detailed in section 3 of this report.
- 2.2 Appendix B attached shows the forecast for 2020/21 against the budget as at the end of Quarter 1 showing a forecast overspend of £5,550.

3.0 COMMENTARY

- 3.1 For 2019/20 the commentary on the following pages highlight the variations in actual spend from the original budget. Overall an underspend has been achieved of (£7,913), which has been transferred to the Spalding Special Account reserves. This underspend results from the re-phasing of Halley Stewart buildings works and increased cemetery income, further detail is provided below.

3.2 Allotments

There are no significant variances between budget and outturn.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Allotments	Employees Direct	400	400	400	0
	Premises	5,700	5,700	5,626	(74)
	Support Services	1,200	1,200	1,296	96
	Income	(4,500)	(4,500)	(4,463)	37
Allotments Total		2,800	2,800	2,859	59

3.3 Ayscoughfee Leisure

Premises costs have increased due to a one-off increase in water charges. Supplies and services expenditure have decreased due to a reduced contractor usage.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Ayscoughfee Leisure	Employees Direct	31,200	31,200	30,452	(748)
	Premises	6,200	6,200	16,415	10,215
	Supplies & Services	13,300	13,300	6,988	(6,312)
	Income	(5,200)	(5,200)	(4,763)	437
Ayscoughfee Leisure Total		45,500	45,500	49,093	3,593

3.4 Cemeteries

Income levels are higher than budgeted, partially offset by increased buildings maintenance works to access roads.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Cemeteries	Employees Direct	37,100	37,100	37,100	-
	Premises	19,000	19,000	21,378	2,378
	Supplies & Services	300	300	101	(199)
	Support Services	1,200	1,200	1,296	96
	Income	(20,000)	(20,000)	(25,625)	(5,625)
Cemeteries Total		37,600	37,600	34,250	(3,350)

3.5 Christmas Decorations

New contract procured in year in relation to installation, removal and storage has resulted in a supplies and services saving.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Christmas Decorations	Premises	200	200	269	69
	Supplies & Services	11,000	11,000	7,552	(3,448)
Christmas Decorations Total		11,200	11,200	7,821	(3,379)

3.6 Halley Stewart

Premises saving in year due to scheduled buildings maintenance works being re-phased to 2020/21.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Halley Stewart	Employees Direct	600	600	600	-
	Premises	38,100	38,100	31,255	(6,845)
	Supplies & Services	200	200	814	614
	Support Services	2,400	2,400	2,592	192
	Income	(7,900)	(7,900)	(6,933)	967
Halley Stewart Total		33,400	33,400	28,327	(5,073)

3.7 Monkhouse Lane

Income is lower than the budgeted value due to lower than anticipated demand for facilities.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Monkhouse Lane	Employees Direct	200	200	200	-
	Premises	23,600	23,600	23,436	(164)
	Supplies & Services	200	200	-	(200)
	Support Services	2,400	2,400	2,592	192
	Income	(2,900)	(2,900)	(1,493)	1,407
Monkhouse Lane Total		23,500	23,500	24,735	1,235

3.8 Spalding Special Contributions

The variance represents the Spalding Special budget underspend in year, transferred to Spalding Special reserve.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Spalding Special Contributions	Employees Direct	2,100	2,100	2,100	-
	Supplies & Services	7,700	7,700	7,700	-
	Support Services	3,500	3,500	3,213	(287)
	Grant contributions	9,200	9,200	9,250	50
	Transfer to Reserve	-	-	7,913	7,913
Spalding Special Contributions Total		22,500	22,500	30,176	7,676

3.9 Spalding Special Recreation

There are no significant variances between budget and outturn.

Cost Centre Name	Subjective Analysis	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20
Spalding Special Recreation	Employees Direct	200	200	200	0
	Premises	40,100	40,100	39,499	(601)
	Grant Contribution	700	700	540	(160)
Spalding Special Recreation Total		41,000	41,000	40,239	(761)

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 2019/20 Outturn and forecast for 2020/21.

Background papers:- None

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 2019/20

Appendix B - Spalding Special Expenses Forecast 2020/21

Appendix A - Spalding Special Expenses Outturn 2019/20

Cost Centre Name	Original Estimate 2019/20	Revised Estimate 2019/20	Outturn 2019/20	Outturn Variance 2019/20	Comments
Allotments	2,800	2,800	2,859	59	
Ayscoughfee Leisure	45,500	45,500	49,093	3,593	Premises costs have increased to make provision for a disputed invoice in relation to a water leak. Supplies and services expenditure have decreased due to a reduced contractor usage.
Cemeteries	37,600	37,600	34,250	(3,350)	Income levels higher than budgeted, partially offset by increased buildings maintenance works.
Christmas Decorations	11,200	11,200	7,821	(3,379)	New contract procured in year in relation to installation, removal and storage has resulted in a supplies and services saving.
Halley Stewart	33,400	33,400	28,327	(5,073)	Premises saving in year due to scheduled buildings maintenance works being re-phased into 2020/21.
Monkshouse Lane	23,500	23,500	24,735	1,235	Income down against budget, due to reduced demand for facilities.
Spalding Special Contributions	22,500	22,500	30,176	7,676	Spalding Special budget underspend in year, transferred to Spalding Special reserve.
Spalding Special Recreation	41,000	41,000	40,239	(761)	
Grand Total	217,500	217,500	217,500	-	
Reserves Outturn 2019/20:					
Balance b/f	(121,397)				
Contribution to SSEE Reserves	(7,913)				
Balance c/f	(129,310)				

Appendix B - Spalding Special Expenses Forecast 2020/21

Cost Centre Name	Subjective Analysis	Original Budget 2020/21	Revised Budget 2020/21	Actual Expenditure	Forecast Outturn 2020/21	Forecast Outturn Variance 2020/21	Comments
Allotments	Employees Direct	700	700	292	700	-	
	Premises	6,000	6,000	1,300	6,000	-	
	Support Services	1,300	1,300	542	1,300	-	
	Income	(5,200)	(5,200)	(4,409)	(5,200)	-	
Allotments Total		2,800	2,800	(2,275)	2,800	-	
Ayscoughfee Leisure	Employees Direct	32,000	32,000	11,876	32,000	-	
	Premises	3,700	3,700	(12,179)	3,700	-	
	Supplies & Services	13,300	13,300	3,691	13,300	-	
	Support Services	1,400	1,400	583	1,400	-	
	Income	(7,000)	(7,000)	(6,000)	(5,250)	1,750	Reduction in café lease income, due to COVID-19 lockdown period April-June 2020
Ayscoughfee Leisure Total		43,400	43,400	(2,030)	45,150	1,750	
Cemeteries	Employees Direct	37,800	37,800	15,750	37,800	-	
	Premises	25,000	30,200	14,156	30,200	-	
	Supplies & Services	400	400	-	400	-	
	Support Services	2,700	2,700	1,125	2,700	-	
	Income	(25,200)	(25,200)	(13,096)	(25,200)	-	
	Movement in Reserves	-	(5,200)	-	(5,200)	-	
Cemeteries Total		40,700	40,700	17,935	40,700	-	
Christmas Decorations	Premises	300	300	375	300	-	
	Supplies & Services	7,600	7,600	-	7,600	-	
Christmas Decorations Total		7,900	7,900	375	7,900	-	
Halley Stewart	Employees Direct	1,000	1,000	417	1,000	-	
	Premises	37,400	58,200	11,890	58,200	-	

Cost Centre Name	Subjective Analysis	Original Budget 2020/21	Revised Budget 2020/21	Actual Expenditure	Forecast Outturn 2020/21	Forecast Outturn Variance 2020/21	Comments
	Supplies & Services	300	300	-	300	-	
	Support Services	2,300	2,300	958	2,300	-	
	Income Movement in Reserves	(6,900)	(6,900)	-	(3,900)	3,000	Reduction in hire fees, due to COVID-19 lockdown restrictions
		-	20,800	-	20,800	-	
Halley Stewart Total Monkshouse Lane		34,100	34,100	13,265	37,100	3,000	
	Employees Direct	400	400	167	400	-	
	Premises	25,600	28,400	8,815	28,400	-	
	Supplies & Services	200	200	-	200	-	
	Support Services	2,300	2,300	958	2,300	-	
	Income Movement in Reserves	(1,500)	(1,500)	(258)	(700)	800	Reduction in hire fees, due to COVID-19 lockdown restrictions
		-	(2,800)	-	(2,800)	-	
Monkshouse Lane Total		27,000	27,000	9,682	27,800	800	
Spalding Special Contributions							
	Employees Direct	8,200	8,200	3,417	8,200	-	
	Supplies & Services	7,700	7,700	7,700	7,700	-	
	Support Services	-	-	-	-	-	
	Transfer Payments	9,300	9,300	4,250	9,300	-	
	Movement in Reserves	-	-	-	-	-	
Spalding Special Contributions Total		25,200	25,200	15,367	25,200		
Spalding Special Various Sites							
	Employees Direct	600	600	250	600	-	
	Premises	40,600	40,600	24,259	40,600	-	

Cost Centre Name	Subjective Analysis	Original Budget 2020/21	Revised Budget 2020/21	Actual Expenditure	Forecast Outturn 2020/21	Forecast Outturn Variance 2020/21	Comments
	Transfer Payments	800	800	-	800	-	
Spalding Special Various Sites Total		42,000	42,000	24,509	42,000		
Grand Total		223,100	223,100	76,828	228,650	5,550	
Reserve Contribution Charged to residents		-	-	-	(5,550)	(5,550)	
Total Funding		(223,100)	(223,100)	(223,100)	(228,650)	(5,550)	

Reserves Forecast 2020/21:	
Balance b/f 1 April 2020	(129,310)
Approved asset works	28,800
Contribution from SSEE Reserves	5,550
Balance c/f 31 March 2021	(94,960)

