



**Report To:** Spalding Town Forum

**Date:** 22 January 2025

**Subject:** Spalding Special Expenses and Quarter 2 Forecast 2024-25

**Purpose:** To consider the Spalding Special Expenses Quarter 2 forecast outturn for 2024-25

**Key Decision:** N/A

**Portfolio Holder:** Councillor Redgate – Portfolio Holder for Finance

**Report Of:** Christine Marshall – Deputy Chief Executive Corporate s151

**Report Author:** Carl Holland, Head of Finance, PSPS

**Ward(s) Affected:** Spalding Town Forum

**Exempt Report:** No

### **Summary**

This report is presented to the Spalding Town Forum to provide detail of the forecast outturn against budget for 2024/25.

### **Recommendations**

That Spalding Town Forum Members note the forecast for 2024/25.

### **Reasons for Recommendations**

To ensure the Spalding Special Expenses forecast financial position for 2024/25 is considered.

### **Other Options Considered**

Do nothing.

## 1. Background

- 1.1 The budget of £246,350 for 2024/25 was approved by Full Council on 29 February 2024. The forecast outturn for the year as at 30 September 2024 (Quarter Two) is £208,147 as detailed in section 3 of this report.

## 2. Report

- 2.1 For 2024/25, the commentary on the following pages highlights the variations in actual and forecasted spend from the original budget. Spend is forecast to be £38,203 less than budget, any savings realised at year end will be transferred to the earmarked Spalding Special Account reserve.

### 2.2 Employees

The employee related costs include salaries, NI and pension costs, and takes account of incremental pay progression and national pay awards. This category also includes agency staff costs. At Quarter 2, employee costs are forecast in line with budget.

### 2.3 Income

This category includes rents, hire fees and other fees and charges. Quarter 2 includes a modest overachievement of £1,081 due to rental income for Allotments and Halley Stewart, and additional recharges in Ayscoughfee Leisure.

### 2.4 Premises

Premises costs includes building maintenance and repairs, utilities, insurance and grounds maintenances. Overall premises costs are forecast to be £38,322 under budget at Quarter 2 resulting primarily from anticipated savings linked to the Halley Stewart lease agreement with Spalding United Football Club.

### 2.5 Supplies and Services

This category includes furniture and equipment, materials and consumables, professional and contractors fees and licence fees. A small saving of £400 on licence fees is forecast at Q2.

### 2.6 Transport

This category covers transport running costs, including fuel and tyres costs. At Quarter 2, transport costs are forecast to budget.

### 2.7 Support Services

Support Services are recharge costs for support provided by Finance, Democratic Services and Asset Management. Full year expenditure is expected to be in line with budget.

### 2.8 Transfer Payments

This category contains the cost of grants and contributions paid to outside bodies. These costs are expected to be in line with budget.

### 3. Spalding Special Expenses 2024-25 Quarter 2 Forecast

| Cost Centre Name                 | Subjective Analysis     | Revised Budget 2024/25 | Actual spent at 30 Sep 2024 | Forecast Outturn 2024/25 | Forecast Outturn Variance | Comments   |
|----------------------------------|-------------------------|------------------------|-----------------------------|--------------------------|---------------------------|--|
| <b>Allotments</b>                | Employees               | £330                   | £165                        | £330                     | £0                        | Full year income is received in month one as invoices are sent in April. Forecast aligned with actual rental income. Drainage Rates forecast aligned with actual cost, small underspend.   |
|                                  | Income                  | (£4,400)               | (£5,081)                    | (£5,481)                 | (£1,081)                  |  |
|                                  | Premises                | £6,800                 | £1,808                      | £6,708                   | (£92)                     |  |
|                                  | Supplies & Services     | £2,500                 | £415                        | £2,500                   | £0                        |  |
|                                  | Support services        | £1,500                 | £750                        | £1,500                   | £0                        |  |
| <b>Allotments Total</b>          |                         | <b>£6,730</b>          | <b>(£1,943)</b>             | <b>£5,557</b>            | <b>(£1,173)</b>           |  |
| <b>Ayscoughfee Leisure</b>       | Employees               | £10,600                | £1,625                      | £10,600                  | £0                        | £6k rental income received for year. Forecast assumes reduced hire fee income for Tennis Courts due to delay in set up of online payment facility. Favourable variance arising from utility cost recharges to Ayscoughfee Café.<br><br>Actuals to date relate to an accrual which will be reversed. Small forecast underspend relating to cleaning contract. |
|                                  | Income                  | (£7,000)               | (£7,422)                    | (£7,600)                 | (£600)                    |  |
|                                  | Premises                | £10,000                | £1,462                      | £9,900                   | (£100)                    |  |
|                                  | Supplies & Services     | £7,200                 | £2,434                      | £7,200                   | £0                        |  |
|                                  | Support services        | £1,500                 | £750                        | £1,500                   | £0                        |  |
| <b>Ayscoughfee Leisure Total</b> |                         | <b>£22,300</b>         | <b>(£1,151)</b>             | <b>£21,600</b>           | <b>(£700)</b>             |  |
| <b>Cemeteries</b>                | Employees               | £46,240                | £23,120                     | £46,240                  | £0                        | Savings offered in relation to Maintenance of Footpaths and Roadways, less works expected to reflect improvement works completed in recent years.<br><br>Council's capital scheme for improvements at Spalding Cemetery.<br><br>Funding for capital works. £25k reserve funding from Spalding Special, £7k funding from Council's Invest & Growth reserve.   |
|                                  | Income                  | (£40,000)              | £0                          | (£40,000)                | £0                        |  |
|                                  | Premises                | £24,370                | £11,487                     | £22,120                  | (£2,250)                  |  |
|                                  | Supplies & Services     | £1,400                 | £0                          | £1,400                   | £0                        |  |
|                                  | Support Services        | £2,800                 | £1,400                      | £2,800                   | £0                        |  |
|                                  | Transport               | £200                   | £0                          | £200                     | £0                        |  |
|                                  | Capital Programme       | £32,000                | £0                          | £32,000                  | £0                        |  |
|                                  | Transfers from Reserves | (£32,000)              | (£24,593)                   | (£32,000)                | £0                        |  |
| <b>Cemeteries Total</b>          |                         | <b>£35,010</b>         | <b>£11,413</b>              | <b>£32,760</b>           | <b>(£2,250)</b>           |  |

|   |                     |                 |                |                 |                  |   |
|---|---------------------|-----------------|----------------|-----------------|------------------|---|
| <b>Christmas Decorations</b>                | Premises            | £3,300          | £992           | £3,300          | £0               |   |
|   | Supplies & Services | £7,600          | £0             | £7,600          | £0               |   |
| <b>Christmas Decorations Total</b>          |                     | <b>£10,900</b>  | <b>£992</b>    | <b>£10,900</b>  | <b>£0</b>        |   |
| <b>Halley Stewart</b>                       | Employees           | £800            | £400           | £800            | £0               | Spalding United FC lease commenced in July. Forecast includes hire income July-March overachieving against original budget.<br><br>Forecast captures anticipated savings from new lease signed July 2024. Most savings to be achieved on ground and building maintenance and utilities budgets.     |
|   | Income              | (£6,900)        | (£8,007)       | (£7,800)        | (£900)           |   |
|   | Premises            | £49,450         | £15,549        | £17,200         | (£32,250)        |   |
|   | Supplies & Services | £500            | £0             | £300            | (£200)           |   |
|   | Support Services    | £2,500          | £1,167         | £2,500          | £0               |   |
| <b>Halley Stewart Total</b>                 |                     | <b>£46,350</b>  | <b>£9,109</b>  | <b>£13,000</b>  | <b>(£33,350)</b> |   |
| <b>Monkshouse Lane</b>                      | Employees           | £230            | £115           | £230            | £0               | No hire fee income received to date and no customers anticipated for rest of year.<br><br>Forecast underspend on utilities due to reduced use. £2.9k savings forecast for Responsive Buildings Maintenance, minor repair costs expected in year.<br><br>License Fees budget not required for 24/25. |
|   | Income              | (£1,500)        | £0             | £0              | £1,500           |   |
|   | Premises            | £30,630         | £12,850        | £27,000         | (£3,630)         |   |
|   | Supplies & Services | £200            | £0             | £0              | (£200)           |   |
|   | Support Services    | £2,500          | £1,250         | £2,500          | £0               |   |
| <b>Monkshouse Lane Total</b>                |                     | <b>£32,060</b>  | <b>£14,215</b> | <b>£29,730</b>  | <b>(£2,330)</b>  |   |
| <b>Spalding Special Contributions</b>       | Employees           | £12,500         | £6,250         | £12,500         | £0               |   |
|   | Supplies & Services | £25,200         | £0             | £25,200         | £0               |   |
|   | Transfer Payments   | £9,300          | £4,422         | £9,300          | £0               |   |
| <b>Spalding Special Contributions Total</b> |                     | <b>£47,000</b>  | <b>£10,672</b> | <b>£47,000</b>  | <b>£0</b>        |   |
| <b>Spalding Special Recreation</b>          | Premises            | £44,900         | £22,450        | £44,900         | £0               |   |
|   | Supplies & Services | £300            | £0             | £300            | £0               |   |
|   | Transfer Payments   | £800            | £0             | £800            | £0               |   |
| <b>Spalding Special Recreation Total</b>    |                     | <b>£46,000</b>  | <b>£22,450</b> | <b>£46,000</b>  | <b>£0</b>        |   |
| <b>Grand Total</b>                          |                     | <b>£246,350</b> | <b>£65,757</b> | <b>£206,547</b> | <b>(£39,803)</b> |   |

#### 4. Forecast Reserve Position

4.1. Any savings realised at year end will be transferred to the earmarked Spalding Special Account reserve. The table below shows the estimated closing balance with the Quarter 2 forecast underspend.

| <b>Spalding Special Reserve:</b>         |                  |
|--|------------------|
| <b>01.04.2024 Balance</b>                | <b>(138,187)</b> |
| Use of reserve - Capital                 | 25,000           |
| Use of reserve - Revenue                 | 0                |
| Forecast contribution to SSE Reserve     | (39,803)         |
| <b>Estimated 2024/25 Closing Balance</b> | <b>(146,587)</b> |

4.2. Reserves are intended to cushion the impact of unexpected events or emergencies, or to finance one-off investment. Reserves are only replenished by contributions made from revenue budget and therefore use of reserves should be carefully planned.

4.3. Use of reserves can be approved under delegated authority by the section 151 Officer up to the value of £75,000, use above this is to be approved by Cabinet.

#### **Implications:**

##### **South and East Lincolnshire Councils Partnership**

None

##### **Corporate Priorities**

None

##### **Staffing**

None

##### **Workforce Capacity Implications**

None

##### **Constitutional and Legal Implications**

None

##### **Data Protection**

None

##### **Financial**

*As contained in body of report.*

##### **Risk Management**

None

**Stakeholder / Consultation / Timescales**

None

**Reputation**

None

**Contracts**

None

**Crime and Disorder**

None

**Equality and Diversity / Human Rights / Safeguarding**

None

**Health and Wellbeing**

None

**Climate Change and Environmental Implications**

None

**Acronyms**

None

**Appendices**

None

**Background Papers**

*No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.*

**Chronological History of this Report**

*A report on this item has not been previously considered by a Council bod.*

**Report Approval**

Report author:

Carl Holland, Head of Finance, [Carl.Holland@pspsl.co.uk](mailto:Carl.Holland@pspsl.co.uk)

Signed off by:

Carl Holland, Head of Finance, [Carl.Holland@pspsl.co.uk](mailto:Carl.Holland@pspsl.co.uk)

Christine Marshall, Deputy Chief Executive Corporate

Development– S151, [Christine.Marshall@sholland.gov.uk](mailto:Christine.Marshall@sholland.gov.uk)

Approved for publication:

Councillor Paul Redgate