



<b>REPORT TO:</b>	Spalding Town Forum
<b>DATE:</b>	22nd January 2025
<b>SUBJECT:</b>	Draft Budget 2025/26
<b>PURPOSE:</b>	To consider the draft Spalding Special Expenses budget for 2025/26
<b>KEY DECISION:</b>	<i>N/A</i>
<b>PORTFOLIO HOLDER:</b>	Councillor Paul Redgate
<b>REPORT OF:</b>	Christine Marshall, Deputy Chief Executive Corporate Development
<b>REPORT AUTHOR:</b>	Carl Holland, Head of Finance PSPS
<b>WARD(S) AFFECTED:</b>	Spalding
<b>EXEMPT REPORT?</b>	<i>No</i>

## RECOMMENDATIONS

That Spalding Town Forum Members review the proposed Spalding Special Expenses Budget for 2025/26 and agree comments/feedback to be included within the final budget report to be considered by Cabinet on 18th February 2025.

## 1. BACKGROUND

- 1.1 This report is presented to the Spalding Town Forum as part of South Holland District Council's consultation on its 2025/26 budget.
- 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 Cabinet on 18th February 2025.

## 2. REPORT

- 2.1 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 Spalding Council Tax base has increased by 121 Band D equivalents (1.27%) from 9,540 to 9,661.
- 2.3 The proposed Spalding Special Expenses Council Tax Band D Equivalent for 2025/26 is £23.13, compared to 2024/25 Band D Equivalent of £25.83 a decrease of £2.70 or 10.45%.

### **3. SPALDING SPECIAL EXPENSES DRAFT ESTIMATES 2025/26**

- 3.1. The proposed budget for 2025/26 is £233,458, a £7,666 decrease from 2024/25 (£241,124). The surplus £27.9k between budgeted spend £195.5k and the Precept of £223.4k, is assumed to go to the Spalding Special Reserve.
- 3.2. **Employees**  
The employee related costs for the whole Spalding Special Account increase by £3.9k and takes account of incremental pay progression and a forecast national pay award. This category also includes agency staff costs, £7.4 of which are transferred to Supplies and Services for Ayscoughfee secure opening and closure arrangements. Following the introduction of new lease arrangements at Halley Stewart site an estimate of £2k is made for ongoing lease management costs.
- 3.3. **Premises**  
This category includes building maintenance and repairs, utilities, insurance and grounds maintenances. A reduction of costs of £49.4k relates to the new lease arrangements for the Halley Stewart site. Utilities increase by £0.4k across all cost centres. £2k reduction for Ground Maintenance external charges.
- 3.4. **Supplies and Services**  
This category includes furniture and equipment, materials and consumables, professional and contractors Fees and licence fees. Budget managers have been consulted and the Supplies and Services budgets have been reviewed. The transfer of budget from Employee costs of £7.4k this budget under Ayscoughfee Leisure is the main change in cost for the secure opening and closing for Ayscoughfee gardens.
- 3.5. **Recharges**  
Recharges relate to Support Service and are estimate of support provided by Finance, Democratic Services and Asset Management.

### 3.6. Spalding Cemetery

The Employee Direct budget has been inflated for estimated pay increases. The Supplies and Services costs have increased to facilitate purchase of Furniture and Equipment.

Cost Centre Name	Subjective Analysis	Budget 2024/25	Draft Budget 2025/26	Variance
<b>Cemeteries</b>	Employees Direct	46,240	49,310	3,070
	Income	(40,000)	(41,600)	(1,600)
	Premises	24,370	22,600	(1,770)
	Supplies & Services	1,400	1,600	200
	Support Services	2,800	2,800	0
	Transport	200		(200)
<b>Cemeteries Total</b>		<b>35,010</b>	<b>34,710</b>	<b>(300)</b>

### 3.7. Spalding Allotments

The Employee Direct budget has been inflated for estimated pay increases. Income allows for an increase in Fees and charges of 4.1%. Full year income is received in month one as invoices are sent in April.

Cost Centre Name	Subjective Analysis	Budget 2024/25	Draft Budget 2025/26	Variance
<b>Allotments</b>	Employees Direct	330	1,100	770
	Income	(4,400)	(5,400)	(1,000)
	Premises	6,800	6,800	0
	Supplies & Services	2,500	2,500	0
	Support services	1,500	1,500	0
<b>Allotments Total</b>		<b>6,730</b>	<b>6,500</b>	<b>(230)</b>

### 3.8. Ayscoughfee Leisure

The Employee Direct budget has been inflated for estimated pay increases. Previously the employee costs included £7400 of Agency Staff costs. This has now been moved to Supplies and Services to pay a company to secure the premises at the beginning and end of each day. Premise costs increased to reflect actual utilities usage. Income applies an inflationary increase to Tennis Court usage and premises rent.

Cost Centre Name	Subjective Analysis	Budget 2024/25	Draft Budget 2025/26	Variance
<b>Ayscoughfee Leisure</b>	Employees Direct	10,600	3,600	(7,000)
	Income	(7,000)	(7,200)	(200)
	Premises	10,000	10,300	300
	Supplies & Services	7,200	14,600	7,400
	Support services	1,500	1,500	0
<b>Ayscoughfee Leisure Total</b>		<b>22,300</b>	<b>22,800</b>	<b>500</b>

### 3.9. Halley Stewart Playing Field

Budget now reflects the new lease to Spalding Football Club. Employee costs reflect estimated lease management costs. Insurance for premises charge still remains for 25/26.

Cost Centre Name	Subjective Analysis	Budget 2024/25	Draft Budget 2025/26	Variance
<b>Halley Stewart</b>	Employees Direct	800	2,000	1,200
	Income	(6,900)	(11,600)	(4,700)
	Premises	49,450	100	(49,350)
	Supplies & Services	500	0	(500)
	Support Services	2,500	2,500	0
<b>Halley Stewart Total</b>		<b>46,350</b>	<b>(7,000)</b>	<b>(53,350)</b>

### 3.10. Monkhouse Lane Playing Fields

The Employee Direct budget has been inflated for estimated pay increases.

Cost Centre Name	Subjective Analysis	Budget 2023-24	Draft Budget 2024/25	Variance
<b>Monkhouse Lane</b>	Employees Direct	200	230	30
	Income	(1,500)	(1,500)	0
	Premises	30,630	30,630	0
	Supplies & Services	200	200	0
	Recharges	2,500	2,500	0
<b>Monkhouse Lane Total</b>		<b>32,030</b>	<b>32,060</b>	<b>30</b>

### 3.11. Christmas Decorations

The budget remains unchanged from 2024/25.

Cost Centre Name	Subjective Analysis	Budget 2024/25	Draft Budget 2025/26	Variance
<b>Christmas Decorations</b>	Premises	3,300	3,300	0
	Supplies & Services	7,600	7,600	0
<b>Christmas Decorations Total</b>		<b>10,900</b>	<b>10,900</b>	<b>0</b>

### 3.12. Spalding Special Recreation

The Employee Direct budget has been inflated for estimated pay increases. Increase to budget of £2k included against Ayscoughfest music festival which debuted in 2024.

Cost Centre Name	Subjective Analysis	Budget 2024/25	Draft Budget 2025/26	Variance
<b>Spalding Special Contributions</b>	Employees Direct	12,500	13,200	700
	Supplies & Services	25,200	27,200	2,000
	Transfer Payments	9,300	9,300	0
<b>Spalding Special Contributions Total</b>		<b>47,000</b>	<b>49,700</b>	<b>2,700</b>

### 3.13. Spalding Special Contributions

The budget remains unchanged from 2024/25.

Cost Centre Name	Subjective Analysis	Budget 2024/25	Draft Budget 2025/26	Variance
Spalding Special Recreation	Premises	44,900	44,900	0
	Supplies & Services	300	300	0
	Transfer Payments	800	800	0
<b>Spalding Special Recreation Total</b>		<b>46,000</b>	<b>46,000</b>	<b>0</b>
<b>Grand Total</b>		<b>246,350</b>	<b>195,510</b>	<b>(50,840)</b>

### 4. AREAS TO BE FINALISED

This report presents the draft Spalding Special Expenses budget, the final budget will be approved by Full Council on 27<sup>th</sup> February 2025. Some areas of the budget are still to be finalised, including a review of fees and charges and asset related matters.

### 5. RESERVES

The 2025/265 Budget assumes no use of reserves and that any surplus will be added to reserve.

Spalding Special Reserve:	
<b>01.04.2025 Balance</b>	<b>(146,587)</b>
Use of reserve - Capital	0
Use of reserve - Revenue	0
Forecast contribution to SSE Reserve	(27,900)
<b>Estimated 2025/26 Closing Balance</b>	<b>(174,487)</b>

### 6. RISK

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.

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

### 7. CONCLUSION

To review the 2025/26 draft budget and provide consultation feedback to be included in the final report presented to Cabinet on 18th February 2025.

**APPENDICES**

None.

**BACKGROUND PAPERS**

None.

**REPORT APPROVAL**

Report author:	Carl Holland, Head of Finance PPS <a href="mailto:Carl.Holland@pspsl.co.uk">Carl.Holland@pspsl.co.uk</a>
Signed off by:	Christine Marshall, Deputy Chief Executive Corporate Development <a href="mailto:Christine.Marshall@sholland.gov.uk">Christine.Marshall@sholland.gov.uk</a>
Approved for publication:	Councillor Paul Redgate, Portfolio Holder Finance, Commercialisation, UKSPF and Levelling Up