

To:
All members of the
Corporate Policy and Resources
Committee

Please reply to:
Contact: Karen Wyeth
Service: Committee Services
Direct line: 01784 446341
E-mail: k.wyeth@spelthorne.gov.uk
Date: 01 December 2025

Supplementary Agenda

Corporate Policy and Resources Committee - Monday, 1 December 2025

Dear Councillor

I enclose the following items which accompany Item 6 on the agenda for the Corporate Policy and Resources Committee meeting to be held on Monday, 1 December 2025:

6. Q2 Revenue Monitoring Report as at 30 September 2025 3 - 36

Committee is asked to consider the forecast Revenue Outturn that reflects the change in Minimum Revenue Provision (MRP) policy and debt refinancing discount approved at Full Council on 17 November 2025.

Yours sincerely

Karen Wyeth
Corporate Governance

To the members of the Corporate Policy and Resources Committee

Councillors:

J.R. Sexton (Chair)	J. Button	M.J. Lee
C. Bateson (Vice-Chair)	D.C. Clarke	S.C. Mooney
M.M. Attewell	S.M. Doran	L. E. Nichols
M. Beecher	R.V. Geach	H.R.D. Williams

Spelthorne Borough Council, Council Offices, Knowle Green

Staines-upon-Thames TW18 1XB

www.spelthorne.gov.uk customer.services@spelthorne.gov.uk telephone 01784 451499

J.R. Boughtflower
M. Buck

M. Gibson
K.M. Grant

Substitute Members: Councillors: M. Bing Dong, S.N. Beatty, H.S. Boparai, S.A. Dunn,
K. Howkins and K.E. Rutherford



Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Yes	18/11/25
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	Yes	26/11/25
Relevant Group Head review		
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Yes	04/11/25
This item is on the Forward Plan for the relevant committee		
	Reviewed by	
Risk comments		
Legal comments	LH	
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	27/11/25
S151 Officer commentary – at least 5 working days before MAT	T.Collier	26/11/25
Confirm final report cleared by MAT		

Corporate Policy & Resources Committee

Date of meeting – 1 December 2025

Title	Q2 Revenue Monitoring Report as at 30 September 2025
Purpose of the report	To acknowledge
Report Author	Ola Owolabi, Deputy Chief Finance Officer (Interim)
Ward(s) Affected	All Wards
Exempt	<p>Report – no Appendix J – yes.</p> <p>Investment Analysis contains exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to Information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in any contract or other type of negotiation with a prospective purchaser who could then know the position of the Council.</p>
Corporate Priority	Resilience
Recommendation	<p>Committee is asked to:</p> <p>Consider the forecast Revenue outturn that reflects the change in Minimum Revenue Provision (MRP) policy and debt refinancing discount approved at Full Council on 17 November 2025.</p>
Reason for Recommendation	The Committee needs to be informed of the Council's General Fund revenue budget position and consider any action required as appropriate.

1 Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • This report sets out the Council's estimated outturn based on financial information at the end of the second quarter (Q2) of the 2025/26 financial year with projected trends in income and expenditure. • As at 30 September 2025, the Q2 revenue position showed a small pre-Minimum Revenue Provision (MRP) Policy and re-financing adjustment underspend of £160k (paragraph 2.3) against a net budget of £17.1m for 2025/26. However, after applying revised MRP, this changes to a net overspend of £14.6m (Tables 1 and 2), which will be funded from reserves as part of the Council's approved financial planning strategy. • This represents a large proportion of the Council's remaining useable reserves. If all of the projected overspend were to be covered from available reserves on the balance sheet the projected closing balance for those reserves would be £21.8m at the end of 2025-26 • The modest underspend before MRP and refinancing adjustments reflects effective cost control measures, ongoing vacancy management, and deferring the £1.6m refurbishment at Roundwood Avenue, Stockley Park. • The Council's vacancy and corporate savings programme continues to perform well, achieving £1.2m of savings by mid-year against a target of £1.1m, largely through post deletions and efficiency measures. These are expected to deliver ongoing benefits into 2026/27. 	<ul style="list-style-type: none"> • Ensuring the financial stability of the Council • Seek to protect the ability of the Council to set a balanced budget for 2026-27 • Enabling councillors to be made aware of emerging issues on a timely basis to facilitate corrective action to be taken if required
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> • Continuing monitoring of Budget to ensure that the outturn remains on track to be within budget. • Measures to continue to review vacant posts, ensure any variances are reflected in medium term financial planning. • Focus on opportunities to deliver additional in-year savings in order to lessen the extent to which reserves are required to close the Budget gap at the year end 	<ul style="list-style-type: none"> • Reassessment of 2025/26 budget assumptions • Reprioritisation of the savings programme • Use the updated projected use of reserves to feed into updated Reserves Strategy and Medium Term Financial Strategy figures.

2 Key issues

- 2.1 This report provides the Committee with a forecast of the 2025/26 General Fund Revenue Budget outturn, based on expenditure incurred up to the end of September 2025. It reflects the adoption of a compliant MRP policy and discount from debt re-financing approved by Full Council on 17 November 2025.
- 2.2 At its meeting on 27th February 2025, the Council approved a Budget Requirement of £17.1 million for the year 2025-26, funded through a combination of government grants, council tax, business rates, and the use of earmarked reserves.
- 2.3 As at 30 September 2025, the Council's Quarter 2 revenue position showed, prior to the amendments relating to MRP and loan discount a small underspend of £160k, detailed within Appendix A2. The modest underspend against the original budget reflected effective cost control measures, ongoing vacancy management, and savings from deferring the £1.6m refurbishment at Roundwood Avenue, Stockley Park
- 2.4 After applying the changes to MRP and loan discount this shifts to a net projected overspend of £14.6m. The projected overspend will be funded from reserves as part of the Council's approved financial planning strategy. However, officers will seek to continue to maximise in-year savings in order to reduce that impact on reserves. The increase in MRP reflects statutory guidance and applying MRP on surplus regeneration assets which were omitted from the original 2025/26 budget.
- 2.5 The MRP charge has increased from £13m to £58m for 2025-26 as a result of the change in policy, loan discount for 2025/26 is £34m an interest costs will increase from £23m to £27m.

Table 1 changes relating to MRP, discount and interest	2025/26 £m	2025/26 £m
Re-stated MRP	57.6	
Original MRP	12.7	45.0
Interest payable	26.9	
Original Interest	22.9	4.0
Discount £342m over 10 years, £34m per annum		- 34.3
Net (surplus)/deficit to General Fund before other adjustments		14.7

- 2.6 These changes will significantly affect the reserve outturn balances for 2025/26. The use of reserves maintains a balanced position but reduces future financial flexibility, requiring close monitoring of reserve adequacy and the capital financing model through the Medium-Term Financial Strategy (MTFS). After taking into account the impact of these changes the overall projected net overspend is £14.6m (see Table 2 below). A drawdown of £16.4m represents a very large proportion of the remaining reserves balances.
- 2.7 The Council's vacancy and corporate savings programme continues to perform well, achieving £1.2m of savings by mid-year against a target of £1.1m, largely through post deletions and efficiency measures. These are expected to deliver ongoing benefits into 2026/27.

- 2.8 Looking ahead, the Council will continue to maintain strict financial discipline to, limit reliance on the use of reserves, managing the investment property portfolio, and delivering the asset rationalisation programme to restore long-term financial resilience.

3 General Fund Revenue 2025/26 – Projected Outturn

	Budget	Forecast	Q2
Table 2 - Variance by service area summary	Revised	Outturn	Variance
	£000	£000	£000
Gross Expenditure	64,464	59,346	-5,118
Less Housing Benefit grant	-21,759	-15,725	6,034
Less Specific fees and charges income	-16,476	-17,636	-1,160
Net Expenditure - broken down as below	26,229	25,985	-244
Assets Management.	2,086	2,655	569
Commissioning & Transformation	3,981	3,829	-151
Community & Wellbeing	5,738	5,736	-2
Finance & Corporate Services	5,034	5,524	490
Legal and Elections	1,913	1,732	-181
Neighbourhood Services	3,566	2,854	-712
Place, Protection & Prosperity	3,912	3,656	-256
Net Expenditure at Service Level	26,230	25,986	-244
Investment & Regeneration (see Table 3 below)	-45,581	-44,864	717
Minimum Revenue Provision	12,688	57,644	44,956
Loan Interest	22,866	26,882	4,016
Loan Discount	-	-34,261	-34,261
Debt Interest Payable (Non-Investment)	3,005	2,599	-406
Interest Earnings	-2,222	-2,405	-183
Contributions to/from Reserves	158	111	-47
Budget Requirement	17,144	31,692	14,548
External Grants	-2,053	-2,053	-
National Non-Domestic Rates	-4,917	-4,910	7
Net Budget Requirement	10,174	24,729	14,555
Collection Fund Surplus/(deficit)	-877	-877	-
Income from Council Tax	-9,296	-9,296	-
Net Position - Over/ (Under) budget	0	14,555	14,555

- 3.1 The details broken down by service area, is summarised in Appendix A2. A detailed projection, analysed by committee, is provided in Appendix A.
- 3.2 The overall net budget requirement has risen from £17.1m to £31.7m, largely due to the technical adjustments described above. The corresponding movement is fully mitigated through an additional contribution from reserves of £14.6m, ensuring the overall net position remains balanced.

Commissioners' Expenses

- 3.3 In May 2025, the Secretary of State for Housing, Communities and Local Government issued Directions under sections 15(5) and 15(6) of the Local Government Act 1999 ("the Act") in relation to the Council. These Directions followed concerns about the Council's performance, prompting the appointment

of Commissioners with expertise in leadership, decision-making, governance, finance, regeneration, property management, procurement, and commercial investments.

- 3.4 The Directions stipulate that the Council is responsible for covering the Commissioners' reasonable expenses and such fees as the Secretary of State determines. Appointment letters can be seen [here](#).
- 3.5 In setting these fees, the Secretary of State has been mindful of the need to ensure value for money for local taxpayers. In light of the scale and complexity of the intervention, the Secretary of State has set the daily fees at £1,200 for the Lead Commissioner and £1,100 for the other three Commissioners which is consistent with other interventions. Commissioners are able to claim up to 150 days pa but are currently estimated to be working less than this.
- 3.6 The current projected costs to the Council for the financial year 2025/26 is estimated as £450k for the year. Commissioners' expenses are published on the Council's [website](#).

4 Commercial/Investment Assets

Table 3 - Commercial Assets

Investment & Regeneration	Revised Budget	Projected Outturn	Variance
	£'000	£'000	£'000
Rental Income	-44,400	-42,541	1,859
Regeneration Property Income	-4,023	-4,055	-32
/less: Landlord costs	7,224	6,112	-1,112
Net Rental Income receivable	-41,199	-40,484	716
Sinking Funds - contributions to	1,003	1,003	0
Management costs	670	670	0
Net cost before reserves usage	-39,526	-38,810	716
Sinking Funds - release from reserves	-6,054	-6,054	0
Net Income (after reserve movements before financing)	-45,580	-44,864	716

- 4.1 Table 3 above outlines the income and costs relating to investment properties, with an estimated a net (before landlord costs) rental income of £38.8m before the use of the sinking funds reserves, and £44.9m after including the use of the reserves. This is £0.7m less than assumed in the revenue budget with lower income than anticipated. This variance is primarily due to lower-than-expected occupancy levels, delays in lease renewals, and rent-free periods offered as incentives. Detailed breakdowns are provided within the attached Appendix J - Investment Assets Analysis.
- 4.2 In addition, the asset management team has reviewed and subsequently deferred the planned £1.6 million refurbishment expenditure on Roundwood Avenue, Stockley Park, which had been assumed in the revenue budget.
- 4.3 The revenue budget assumed a net £5.1 million contribution from the sinking fund which was established to provide for future costs and variances to net income to support service provision including meeting future risks.

5 2025/26 Salary Monitoring and Corporate Savings

- 5.1 The 2025/26 budget originally included a target of £0.5m which was then subsequently increased to £1m vacancy savings. As of 30 September 2025, savings of £1m have been realised (Appendix I), primarily through the deletion of various posts. Based on current trends, the Council has achieved the full-year vacancy savings target and is likely to exceed £1m should the vacancies review continue throughout the remainder of the year.
- 5.2 As part of the 2025/26 budget approved by Council in February 2025, several corporate savings measures were agreed to ensure a balanced budget. These measures include £156k in cashable efficiency savings, as outlined in Appendix I.
- 5.3 The savings realised by the end of Quarter 2 amount to £1.2m, as detailed in Table 4 below. These savings will deliver a sustained financial benefit into 2026/27. Current projections indicate that the total savings will exceed the projected £1.2m by year-end. Any additional efficiencies identified during the remainder of the year will be monitored, recorded, and incorporated into future Budget revisions as appropriate.

Table 4 – 2025/26 Corporate Savings	Revised Budget	Savings Banked as at September	Expected by 31 March 2026
	£000	£000	£000
Vacancy-related deleted posts	1,000	1,034	>1,034*
Other Cashable Savings	156	149	>156
Total	1,156	1,183	>1,190

*>: greater than

6 Projected Movement in Earmarked Reserves

- 6.1 The level of earmarked reserves projected for discretionary or committed use by the Council is expected to decrease from £41.8 million as of 31 March 2025 to £21.8m million by 31 March 2026. The projected balances are detailed in Table 5 below. Note the original proposed use of reserves built into the Budget for 2025-26 was made up of £8.7million to offset anticipated writing off part of accumulated capitalised costs on housing sites, £0.4 million for specific growth pressures and £5.1 million net use of sinking funds balances. Subsequent to the Budget being set all of the abortive costs were dealt with as part of closing 2024-25 Accounts as a prior year issue and therefore is no longer required.

Table 5 - Movement in Earmarked Reserves Summary		
	£'000	£'000
Useable Earmarked Reserves and available unapplied Revenue Grants set aside at 1st April 2025 (adjusted)		41,786
2025/26 Approved Usage	-5,452	
Q2 Projected Outturn at 30 September 2025	-14,555	
Projected use of reserve – 2025/26		-20,007
Earmarked Reserves at 31st March 2026 (Projected)		21,779

7 Options appraisal and proposal

- 7.1 The current financial projection for 2025/26 at Q2 require continuing the existing mitigations to reduce expenditure and improve cashable efficiency savings. Officers will work to identify further offsetting savings to seek to reduce the extent of the draw down of reserves. The outturn overspend will be transferred and funded from reserves.

8 Risk implications

- 8.1 While vacancy savings can offer financial benefits, they also pose a risk to the Council's ability to deliver its full range of services. In particular, unfilled roles in specialist or technical areas may lead to critical gaps in expertise and the potential loss of recognised knowledge, which can adversely affect decision-making and service continuity. This challenge, of recruiting and retaining the right people is one being experienced across local authorities in Surrey.
- 8.2 The Council faces ongoing financial and operational risks despite a broadly balanced forecast for 2025/26. The substantial increase in the Minimum Revenue Provision (MRP) introduces a recurring budgetary pressure that will constrain future financial flexibility, while reliance on reserves to balance the in-year position is only sustainable in the short term.
- 8.3 Reduced income from investment assets and continuing market uncertainty add further risk to the medium-term outlook. These risks collectively heighten the Council's exposure to financial instability if mitigations are not delivered as planned. Ongoing monitoring through the corporate risk register, alongside actions in the Improvement and Recovery Plan, will remain critical to ensuring the Council's long-term financial sustainability and its ability to deliver core services effectively.
- 8.4 Reserves can only be spent once, the Council commenced the year with available reserves balances on the Balance Sheet of £41.8 million, the greater the level of overspend in 2025-26 the greater the draw down of reserves in 2025-26 and the lower the reserves balances available to support the Medium Term Financial Strategy of smoothing transitional impacts in 2026-27 and beyond. The risk is that the reserves position becomes increasingly tight for future years.

9 Financial implications

- 9.1 The financial implications are as set out and addressed in the body of this report. The report reinforces the importance of identifying in year additional savings, particularly those which are ongoing and can contribute towards closing the Budget gap for future years.

10 Legal comments

- 10.1 Under the provisions of the Local Government Act 2003 the Council has a statutory duty to review and monitor its budget throughout the year, make allowances for the uncertainties and risks, and take action if deemed necessary.
- 10.2 Section 151 of the Local Government Act 1972 imposes a duty on the Council to make arrangements for the proper administration of its financial affairs.
- 10.3 This report enables the Committee to understand the financial position and supports in the discharge of the statutory duties. 4

Corporate implications

11 S151 Officer comments.

- 11.1 The shift from a projected £1.9m overspend in Q1 to a £160k pre-MRP adjustment underspend in Q2 represents a positive financial turnaround. It reflects effective in-year financial management, improved income forecasts, and proactive mitigation strategies. However, some volatility especially in areas like Investment & Regeneration and Housing Benefit grants warrants ongoing scrutiny to ensure the council remains within budget through the remainder of the financial year.
- 11.2 The significant Quarter 2 movements post-MRP and refinancing variance of £14.6m reflect the impact of the MRP and capital financing adjustments, which were not anticipated at the time the Budget was set. This is a very significant increase and represents a major drain on the Council's remaining reserves balances. In this context it is important that the Council intensifies its efforts to seek to identify and deliver any additional revenue savings. Continued close monitoring in Quarters 3 and 4 will be essential to ensure emerging pressures, particularly around borrowing costs and investment income, are effectively contained within the overall financial framework.
- 11.3 The Council will explore whether any of the transformation costs incurred in 2025–26 can be capitalised under the Flexible Use of Receipts Strategy, should the Strategy be approved by Council, with such expenditure to be funded from Capital Receipts.

12 Monitoring Officer comments.

- 12.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

13 Procurement comments

- 13.1 None

14 Equality and Diversity

- 14.1 Equality, diversity, and inclusion (EDI) are central to everything that we do and are woven throughout our Strategic Plans.

15 Sustainability/Climate Change Implications

- 15.1 There are no climate change implications arising directly from this report. However, prudent financial management contributes indirectly by enabling future investment in sustainability initiatives.

16 Other considerations

- 16.1 Regular monitoring and reporting of the revenue budgets enable decisions to be taken in a timely manner, which may produce revenue benefits and will improve financial control within the Council. The projections are made against the latest approved budget and based on data received from Budget Managers.

17 Timetable for implementation.

- 17.1 Not applicable.

18 Contact

- 18.1 Ola Owolabi, Deputy Chief Finance Officer (Interim) -
O.Owolabi@spelthorne.gov.uk.

19 Background papers:

- 19.1 Detailed Revenue Budget for 2025-26. Council, 27 February 2025

20 Appendices:

- Appendix A – Q2 Revenue Analysis by Committee
- Appendix A2 – Movement between Q1 and Q2 Forecast Key Drivers
- Appendices B – H: Services Q2 Revenue Variance Analysis
- Appendix I – 2025/26 Salary/Corporate Savings -updates
- Appendix J - Investment Assets Analysis.

APPENDIX A

Net Revenue Budget Monitoring - As at the end of 30 September 2025 - Q2

	2025/26 Budget Revised £000	2025/26 Forecast Outturn £000	2025/26 Variance Over/(Under) spent £000
Gross Expenditure	64,464	59,345	(5,119)
Less Housing Benefit grant	(21,759)	(15,725)	6,034
Less Specific fees and charges income	(16,476)	(17,636)	(1,160)
Net Expenditure - broken down as below	26,229	25,985	(244)
Corporate Policy & Resources	10,809	11,008	199
Community Wellbeing & Housing	6,268	6,244	(25)
Business Infrastructure & Growth	2,413	2,844	430
Environment & Sustainability	6,739	5,890	(849)
Net Expenditure at Service Level	26,229	25,985	(244)
Investment & Regeneration (see Table 2 below)	(10,028)	(9,312)	716
Capital Financing	3,005	2,599	(407)
Interest Earnings	(2,222)	(2,405)	(184)
Contributions to/from Reserves	158	111	(48)
Budget Requirement	17,143	16,977	(167)
External Grants	(2,053)	(2,053)	-
National Non-Domestic Rates	(4,917)	(4,910)	7
Net Budget Requirement	10,173	10,014	(160)
Collection Fund Surplus/(deficit)	(877)	(877)	-
Income from Council Tax	(9,296)	(9,296)	-
Net Position - Over/ (Under) budget	-	(160)	(160)
Contribution (from)/to Reserve	-	160	160
Balance at Year-end	-	-	-

This page is intentionally left blank

Movement between Q1 and Q2 Forecast Key Drivers and the Projected Variance Analysis by Service

1 Movement between Q1 and Q2 Forecast

- 1.1 The Quarter 2 (Q2) is projecting an underspend of £160k pre-MRP and refinancing adjustment. An overspend of £16.4m post-MRP adjustment, which will be funded largely through the use of reserves. The details broken down by service area, is summarised in Table 1a and 1b below. A detailed projection, analysed by committee, is provided in Appendix A.
- 1.2 The revised budget provides a more accurate representation of the Council's expected financial position and activity for the year.

Table 1a – Q2 2025/26 Budget Monitoring Statement (*pre-MRP Adjustments*)

Net Revenue Budget Monitoring - As at the end of 30 September 2025 - Q2			
	2025/26		
	Budget Revised £000	Forecast Outturn £000	Q2 Variance £000
Gross Expenditure	64,464	59,345	(5,119)
Less Housing Benefit grant	(21,759)	(15,725)	6,034
Less Specific fees and charges income	(16,476)	(17,636)	(1,160)
Net Expenditure - broken down as below	26,229	25,985	(244)
Assets Mgt.	2,086	2,655	569
Commissioning & Transformation	3,981	3,829	(151)
Community & Wellbeing	5,738	5,736	(2)
Finance & Corporate Services	5,034	5,524	491
Legal and Elections	1,913	1,732	(181)
Neighbourhood Services	3,566	2,854	(712)
Place, Protection & Prosperity	3,913	3,656	(257)
Net Expenditure at Service Level	26,229	25,985	(244)
Investment & Regeneration	(10,028)	(9,312)	716
Debt Interest Payable (Non-Investment)	3,005	2,599	(407)
Interest Earnings	(2,222)	(2,405)	(183)
Contributions to/from Reserves	158	111	(48)
Budget Requirement	17,143	16,977	(167)
External Grants	(2,053)	(2,053)	-
National Non-Domestic Rates	(4,917)	(4,910)	7
Net Budget Requirement	10,173	10,014	(160)
Collection Fund Surplus/(deficit)	(877)	(877)	-
Income from Council Tax	(9,296)	(9,296)	-
Net Position - Over/ (Under) budget	-	(160)	(160)
Contribution (from)/to Reserve	-	160	160
Balance at Year-end	-	-	-

- 1.3 The updated Quarter 2 (Q2) is projecting an overspend of £16.4m post-MRP adjustment, which will be funded through the use of reserves. The details broken down by service area, is summarised in Table 2b below.

Table 1b – Q2 2025/26 Budget Monitoring Statement (*post-MRP Adjustments*)

Net Revenue Budget Monitoring - As at the end of 30 September 2025 - Q2					
	2025/26				
	Budget	Forecast			Movement
	Revised	Outturn	Q2	Q1	between Q1
	£000	£000	Variance	Variance	and Q2
			£000	£000	Forecast
					£000
Gross Expenditure	64,464	59,346	(5,118)	(5,206)	88
Less Housing Benefit grant	(21,759)	(15,725)	6,034	6,156	(122)
Less Specific fees and charges income	(16,476)	(17,636)	(1,160)	(967)	(193)
Net Expenditure - broken down as below	26,229	25,985	(244)	(16)	(228)
Assets Mgt.	2,086	2,655	569	598	(29)
Commissioning & Transformation	3,981	3,829	(151)	(165)	13
Community & Wellbeing	5,738	5,736	(2)	114	(116)
Finance & Corporate Services	5,034	5,524	490	498	(8)
Legal and Elections	1,913	1,732	(181)	(180)	(1)
Neighbourhood Services	3,566	2,854	(712)	(948)	236
Place, Protection & Prosperity	3,912	3,656	(256)	67	(323)
Net Expenditure at Service Level	26,229	25,985	(244)	(16)	(228)
Investment & Regeneration	(45,581)	(42,973)	2,609	2,116	492
Minimum Revenue Provision	12,688	57,644	44,956	-	44,956
Loan Interest	22,866	26,882	4,016	-	4,016
Loan Discount	-	(34,261)	(34,261)	-	(34,261)
Debt Interest Payable (Non-Investment)	3,005	2,599	(407)	(407)	-
Interest Earnings	(2,222)	(2,405)	(183)	221	(405)
Contributions to/from Reserves	158	111	(48)	(23)	(25)
Budget Requirement	17,143	33,581	16,438	1,892	14,546
External Grants	(2,053)	(2,053)	-	0	-
National Non-Domestic Rates	(4,917)	(4,910)	7	0	7
Net Budget Requirement	10,173	26,617	16,445	1,892	14,553
Collection Fund Surplus/(deficit)	(877)	(877)	-	0	-
Income from Council Tax	(9,296)	(9,296)	-	0	-
Net Position - Over/ (Under) budget	(0)	16,444	16,445	1,892	14,553

Movement between Q1 and Q2 Forecast

- 1.4 As at the end of September 2025 (Quarter 2), the Council's net revenue forecast outturn position shows a balanced budget after proposed use of reserves, consistent with the approved financial strategy. However, there have been notable movements between the Quarter 1 and Quarter 2 positions, driven by both service-level variations and significant movements within capital financing and investment activities.

Key Drivers of Variance between Q1 and Q2

- 1.5 The Council's gross expenditure forecast at Quarter 2 stands at £59.3m, representing a reduction of £5.1m against the revised budget of £64.4m. This reflects a marginal upward movement of £87k compared to the Quarter 1 variance of £5.2m. The improvement is primarily offset by changes in income streams, particularly housing benefit grant and fees and charges, resulting in an overall net service expenditure underspend of £244k compared to the budget.
- 1.6 At the service level, performance remains generally stable, with the following notable variances and movements since Quarter 1:
- **Assets Management:** The service continues to forecast a pressure of £569k, a marginal improvement of £29k from Q1. This primarily relates to ongoing cost pressures in property maintenance and rental income shortfalls, partly mitigated by reduced utility costs.
 - **Commissioning & Transformation:** A continued underspend of £151k, reflecting a slight adverse movement of £13k, largely due to revised staffing forecasts and project rescheduling.
 - **Community & Wellbeing:** Now broadly on budget (£2k underspend), representing an improved position of £115k from Quarter 1. The improvement reflects additional grant income and vacancy management within community development programmes.
 - **Finance & Corporate Services:** A modest pressure of £491k, broadly unchanged (movement of £7k), reflecting ongoing temporary staffing and system improvement costs.
 - **Legal & Elections:** A stable underspend of £181k, driven by lower legal casework costs and deferred election preparation expenditure.
 - **Neighbourhood Services:** The most significant service improvement, with a reduced underspend from £948k to £712k, a movement of £236k, largely due to increased waste contract expenditure and fleet maintenance costs.
 - **Place, Protection & Prosperity:** Improved position from a £67k overspend in Q1 to a £257k underspend in Q2, a favourable movement of £324k, reflecting higher than anticipated planning and licensing income and staffing savings.
- 1.7 Overall, the aggregate service-level underspend of £244k indicates strong budgetary discipline across most service areas, despite localised pressures.

2 Projected Variance Analysis by Service

- 2.1 At service level, the net budget is projected to show a favourable variance of £244k. A full breakdown of variances is provided below, highlighting the most significant deviations, those exceeding £100k from the budget for each service. In these tables, figures without brackets indicate an overspend or income shortfall, while figures in brackets represent an underspend or income over-recovery. Appendices B to H contain the Q2 Revenue Variance Analysis for each service.

2.1.1 Asset Management is forecasting an overspend of £569k.

Service	Variance £'000	Comment
Development Properties	489	An adverse variance has arisen due to unbudgeted void costs associated with holding Thameside House. However, the Council has accepted an offer to dispose of this asset, which will bring any unanticipated revenue costs to an end. Weekly inspections are ongoing at Hanover House, alongside security measures and the rental of steel shutters at Ashford Victory Place. The majority of the overspend on Oast House relates to additional costs for vacant Council Tax on 34 Kingston Road (with demolition being considered) and ongoing pest control services.
Other under/overspend	80	The remaining under/overspends are due to various variations including the increase in the Property Management, Accounting system and license costs, additional expenditure forecasted for a property consultant to support the improvement plan (£11k), general property expenses, etc.
Total net variances	569	

2.1.2 Commissioning & Transformation services are projecting an underspend of £151k.

Service	Variance £'000	Comment
Customer Services Management and Support	(100)	An underspend is expected due to vacant posts, although this is partially offset by additional overtime payments.
Other under/overspend	(51)	The remaining under/overspends are due to other minor variations including various vacancies across the service.
Total net variances	(151)	

2.1.3 Community Wellbeing & Housing services are projecting a net underspend of £2k,

Service	Variance £'000	Comment
Assets Homelessness	186	Staffing costs have increased by £93k, driven by the use of agency staff and overtime to cover vacancies, sickness, and holidays. This is a temporary measure pending a more comprehensive staffing review scheduled for later in 2025. The service has also experienced two long-term property voids due to maintenance issues and poor management of repairs by the previous provider prior to the service being brought in house, resulting in a loss of service income of approximately £90k.
Other under/overspend	(188)	The remaining under/overspends are due to other variations including expected savings from vacancies.
Total net variances	(2)	

2.1.4 Finance & Corporate Services are projecting an overspend of £491k.

Service	Variance £'000	Comment
Accountancy	264	Additional payments of approximately £225k are expected to be made to interim specialists recruited to support finalising the 2024/25 accounts. This includes addressing recommendations from audit findings from the 2023/24 accounts which were disclaimed. There are also higher software charges due to an increased maintenance fee for the financial system and additional costs re fixed asset register software.
Corporate Management	378	The net overspend primarily results from unbudgeted expenditure of £450k associated with the costs of the Commissioners appointed the Minister of State for Local Government and English Devolution. Additional contributing factors include costs related to Green Initiative activities, such as energy efficiency improvements to the Scout hut. These overspends are partially offset by an increase of £67k in the Audit Backlog Grant received from the Government.
Unapportionable Central O/Heads	(104)	A projected underspend is anticipated based on monthly superannuation payments to SCC, which are expected to be lower due to a reduced number of staff occupying the posts.
Other under/overspend	(47)	
Total net variances	491	

2.1.5 Legal & Elections services are projecting an underspend of £181k.

Service	Variance £'000	Comment
Committee Services	(100)	Projected underspends from anticipated savings on vacancies, although agency staff temporarily fills some positions.
Other under/overspend	(81)	
Total net variances	(181)	

2.1.6 Neighbourhood Services are projecting an underspend of £712k.

Service	Variance £'000	Comment
Grounds Maintenance	(134)	There is an increase of £284k in contract income related to managing highway verges and weed maintenance within Spelthorne, on behalf of Surrey County Council. This is reduced by a £150k increase in salary costs, which are expected to rise because of this contract work.
Waste Recycling	(409)	An additional Extended Producer Responsibility (EPR) allocation of £593k in packaging grant has been notified for 2025/26, the Council reflected in its Budget the original allocation of £907k however it has recently been notified that this allocation has increased to £1,500k (most Surrey districts and boroughs have had similar increases). This UK-wide initiative requires producers of packaging to fund the full cost of managing household packaging waste, shifting the financial burden from taxpayers to producers. The grant supports local authorities in covering the costs of collecting, sorting, treating, and recycling packaging waste, thereby encouraging more sustainable packaging practices.
Other under/overspend	(169)	<p>The remaining under- and overspends are attributable to other minor variances, including increased income due to higher fees being implemented since October 2024 as a result of the parking order revision.</p> <p>Savings expected due to vacant posts, partially being covered by agency & temporary staff. Additional income of £30k from Heathrow Airport Ltd for Site Patrols and data capturing for Stanwell Taxi exclusion zone is offset by overtime costs and remainder for expected higher Penalty Notices income due to more activity.</p>
Total net variances	(712)	

2.1.7 Place, Protection & Prosperity Services are projecting an underspend of £257k.

Service	Variance £'000	Comment
Planning Policy	(164)	Projected underspends from anticipated savings on vacancies, and recent restructuring, which included a reduction in hours for planning posts. Also, a projected underspend from the Local Plan growth bid by £100K.
Other underspend	(93)	
Total net variances	(257)	

This page is intentionally left blank

Assets Management

Appendix B

Results to 30-Sep-25	Budget	Forecast	Variance of	Comments
	Revised	Outturn	Forecast from Revised Bgt	
	£	£	£	
Employees	1,079,200	1,060,300	(18,900)	Underspend expected due to vacant posts, partially being covered by additional overtime payments and agency staff. Bluebox Property Management, Accounting system and license costs are forecasted to be higher than budgeted. Additional expenditure forecasted for property consultant appointed by commissioners (£75k).
Other Expenditure	(326,400)	(296,500)	29,900	
Income	(394,700)	(388,400)	6,300	
Asset Mgn Administration	358,100	375,400	17,300	
Employees	0	0	0	An adverse variance has arisen due to unbudgeted void costs associated with holding Thameside House. However, the Council has accepted an offer to dispose of this asset, which will bring any unanticipated revenue costs to an end, which might occur just before the year-end. There are weekly inspections ongoing at Hanover House plus security and rental of steel shutters at Ashford victory place. The majority of overspend on Oast House is due to the extra cost for vacant Council Tax on No.34 Kingston Road (looking into progressing for demolition) and ongoing pest services.
Other Expenditure	101,900	591,000	489,100	
Income	(34,800)	(34,800)	0	
Development Properties	67,100	556,200	489,100	
Employees	255,500	219,500	(36,000)	Underspend due to a role being vacant for 5 months Overspend forecasted due to increased utilities bills, including electricity and gas, than budgeted.
Other Expenditure	467,100	510,200	43,100	
Income	(24,100)	(24,200)	(100)	
Facilities Management	698,500	705,500	7,000	
Employees	0	0	0	This is due to unbudgeted ongoing legal costs relating to an adverse possession claim made by a resident.
Other Expenditure	44,400	56,500	12,100	
Income	(125,600)	(118,000)	7,600	
General Property Expenses	(81,200)	(61,500)	19,700	
Employees	0	0	0	
Other Expenditure	3,600	5,900	2,300	
Income	(500)	(2,600)	(2,100)	
Parks Properties Project	3,100	3,300	200	
Employees	237,200	274,600	37,400	Overspend expected due to additional overtime working and additional agency staff to cover a vacant role and staff sickness.
Other Expenditure	1,179,700	1,180,900	1,200	
Income	(3,500)	(6,600)	(3,100)	
Planned Maintenance Programme	1,413,400	1,448,900	35,500	
Employees	0	0	0	
Other Expenditure	0	0	0	
Income	(373,300)	(373,300)	0	
Staines Town Centre Management	(373,300)	(373,300)	0	
Total Employees	1,571,900	1,554,400	(17,500)	
Total Other Expenditure	1,470,300	2,048,000	577,700	
Total Income	(956,500)	(947,900)	8,600	
Net Total	2,085,700	2,654,500	568,800	

Commissioning & Transformation

Appendix C

Results to 30-Sep-25	Budget	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	Revised			
	£	£	£	
Employees	1,123,300	1,023,300	(100,000)	Underspend expected due to vacant posts, partially being covered by additional overtime payments. Transaction charges covers all card payments across the Council and will be higher against the budget due to increase in credit card costs.
Other Expenditure	500,500	543,800	43,300	
Income	(304,500)	(304,500)	0	
CServ Management & Support	1,319,300	1,262,600	(56,700)	
Employees	0	0	0	
Other Expenditure	75,500	75,500	0	
Income	0	0	0	
Emergency Planning	75,500	75,500	0	
Employees	0	0	0	
Other Expenditure	10,300	12,700	2,400	
Income	0	(2,400)	(2,400)	
Energy Initiatives	10,300	10,300	0	
Employees	399,000	402,800	3,800	
Other Expenditure	54,500	56,200	1,700	
Income	0	0	0	
HR	453,500	459,000	5,500	
Employees	850,800	775,800	(75,000)	Savings expected due to vacant posts
Other Expenditure	443,600	443,600	0	
Income	0	(5,000)	(5,000)	
Information & Comms Technology	1,294,400	1,214,400	(80,000)	
Employees	79,900	99,900	20,000	Overspend expected due to additional casual staff & overtime payments required to provide training to new members of staff.
Other Expenditure	200	200	0	
Income	0	0	0	
Payroll	80,100	100,100	20,000	
Employees	716,200	676,200	(40,000)	Savings expected due to a vacant post
Other Expenditure	5,100	5,100	0	
Income	0	0	0	
Project Management	721,300	681,300	(40,000)	
Employees	0	0	0	
Other Expenditure	26,100	26,100	0	
Income	0	0	0	
Water Courses & Land Drainage	26,100	26,100	0	
Total Employees	3,169,200	2,978,000	(191,200)	
Total Other Expenditure	1,115,800	1,163,200	47,400	
Total Income	(304,500)	(311,900)	(7,400)	
Net Total	3,980,500	3,829,300	(151,200)	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-25	Budget	Forecast	Variance of	Comments
	Revised	Outturn	Forecast from Revised Bgt	
	£	£	£	
Employees	533,200	489,600	(43,600)	Savings expected due to 2 vacant posts
Other Expenditure	17,900	19,900	2,000	
Income	(95,200)	(30,100)	65,100	Reduction in grant funding of £95k from NWS Alliance Prevention. Offset by SCC funding for Wellbeing Officer.
Community Care Administration	455,900	479,400	23,500	
Employees	145,100	139,100	(6,000)	Higher Disabled Facilities Grant (DFG) allocation allows a higher management fee to be taken (£34k more than expected). Home Improvement Agency Grant to be received from SCC for £31k.
Other Expenditure	0	3,000	3,000	
Income	(141,400)	(206,600)	(65,200)	
Home Improvement Agency	3,700	(64,500)	(68,200)	
Employees	542,500	544,700	2,200	Largely due to the increase in income from the sale of food across the day centres.
Other Expenditure	308,100	305,600	(2,500)	
Income	(303,300)	(350,100)	(46,800)	
Community Centres	547,300	500,200	(47,100)	
Employees	231,300	263,500	32,200	
Other Expenditure	5,000	5,500	500	
Income	(181,200)	(168,900)	12,300	
OPAL High Needs	55,100	100,100	45,000	
Employees	181,500	184,000	2,500	MoW income doing better than expected.
Other Expenditure	137,800	150,700	12,900	
Income	(199,100)	(228,000)	(28,900)	
Meals on Wheels	120,200	106,700	(13,500)	
Employees	0	0	0	
Other Expenditure	39,000	39,000	0	
Income	0	0	0	
Community Development	39,000	39,000	0	
Employees	0	0	0	
Other Expenditure	238,700	238,700	0	
Income	0	0	0	
General Grants	238,700	238,700	0	
Employees	311,700	404,700	93,000	Increased staffing costs due to use of agency staff and overtime to cover staff vacancies, sickness and holidays of colleagues, prior to a larger review of staffing needs and general structure later in 2025.
Other Expenditure	345,500	348,000	2,500	
Income	(717,100)	(626,700)	90,400	We have had 2 long term voids due to maintenance and poor management of the repairs by MTVH. This has impacted the income. Voids were also not completed to an acceptable standard, so this caused further delays, and further negative impact on the income
Assets Homelessness	(59,900)	126,000	185,900	
Employees	79,000	115,000	36,000	More resources have been directed at the Rough Sleeper Initiative. Asylum dispersal scheme costs expected to be higher due to increased B&B expenditure and Rough Sleeper B&B. HB claimed for people in B&Bs to offset the above.
Other Expenditure	5,067,600	5,191,400	123,800	
Income	(3,786,400)	(3,870,800)	(84,400)	
Homelessness	1,360,200	1,435,600	75,400	
Employees	95,000	95,000	0	
Other Expenditure	192,200	191,400	(800)	
Income	(287,200)	(287,200)	0	
Step-Down Accommodation	0	(800)	(800)	
Employees	1,642,300	1,565,800	(76,500)	Through out the year there has been some vacancies and some budgeted posts here have actuals going to other areas in Housing. This has been corrected in the draft 26/27 budget.
Other Expenditure	102,500	104,800	2,300	
Income	(1,000)	0	1,000	
Housing Needs	1,743,800	1,670,600	(73,200)	
Employees	264,700	317,600	52,900	Cost of staff supporting the refugee schemes. Costs relating to Longford Village scheme closure of passing properties back to the landlord. Extra grant funding to cover the expenditure expected above along with HB rents contributions for people placed in temporary accommodation. Overspends can also be offset by unspent grants from previous years, currently held in earmarked reserves.
Other Expenditure	722,500	784,000	61,500	
Income	(859,600)	(1,007,100)	(147,500)	

Community Wellbeing & Housing

Appendix D

Results to 30-Sep-25	Budget	Forecast	Variance of	Comments
	Revised	Outturn	Forecast from Revised Bgt	
	£	£	£	
Refugee Schemes	127,600	94,500	(33,100)	
Employees	795,200	565,000	(230,200)	We currently have vacancies within the benefit department. HB Admin grant has reduced as the subsidy payments received from central government have been reduced – we have no control on how much we are allocated. This has been partially offset by other DWP related grants received in the year to date.
Other Expenditure	36,300	42,300	6,000	
Income	(300,000)	(247,600)	52,400	
Housing Benefits Admin	531,500	359,700	(171,800)	
Employees	0	0	0	Reduction in expected housing benefit spending due to the transfer of working age claimants to Universal Credit. Reduction in expected housing benefit grant due to the transfer of working age claimants to Universal Credit.
Other Expenditure	21,872,000	15,838,000	(6,034,000)	
Income	(21,759,000)	(15,725,000)	6,034,000	
Housing Benefits Payments	113,000	113,000	0	
Employees	360,200	346,600	(13,600)	
Other Expenditure	18,500	18,300	(200)	
Income	0	0	0	
Leisure Administration	378,700	364,900	(13,800)	
Employees	0	0	0	Additional cost for Eclipse Leisure Centre Insurance (£19k), unexpected invoice for electricity for the old Leisure Centre (£54k) unbudgeted expenditure for Eclipse sign (£7k) and legal advice in regards to closing the learner pool at Eclipse (£6k) earlier in the year.
Other Expenditure	524,500	610,300	85,800	
Income	(460,900)	(460,900)	0	
Leisure Centres	63,600	149,400	85,800	
Employees	12,600	12,600	0	
Other Expenditure	5,700	6,000	300	
Income	(4,600)	(5,300)	(700)	
Resource Centre	13,700	13,300	(400)	
Employees	1,600	1,600	0	
Other Expenditure	22,400	22,400	0	
Income	(10,600)	(10,600)	0	
Sports and Active Lifestyle	13,400	13,400	0	
Employees	0	0	0	
Other Expenditure	0	0	0	
Income	(49,900)	(49,900)	0	
Sunbury Golf Club	(49,900)	(49,900)	0	
Employees	0	0	0	
Other Expenditure	2,900	2,900	0	
Income	(8,000)	(4,000)	4,000	
Museum	(5,100)	(1,100)	4,000	
Employees	0	0	0	
Other Expenditure	18,700	18,700	0	
Income	0	0	0	
Youth	18,700	18,700	0	
Employees	1,500	1,500	0	
Other Expenditure	30,300	30,300	0	
Income	(3,000)	(3,000)	0	
Arts Development	28,800	28,800	0	
Total Employees	5,197,400	5,046,300	(151,100)	
Total Other Expenditure	29,708,100	23,971,200	(5,736,900)	
Total Income	(29,167,500)	(23,281,800)	5,885,700	
Net Total	5,738,000	5,735,700	(2,300)	

Finance & Corporate Services

Appendix E

Results to 30-Sep-25	Budget	Forecast	Variance of	Comments
	Revised	Outturn	Forecast from Revised Bgt	
	£	£	£	
Employees	1,079,700	1,079,700	0	Additional payments expected of £225k to Consultants for Best Value related work and remainder higher software charges due to increase maintenance fee for the financial system and additional fixed asset register software , brought in to address one of the external audit recommendations.
Other Expenditure	(32,200)	231,300	263,500	
Income	0	0	0	
Accountancy	1,047,500	1,311,000	263,500	
Employees	242,100	242,100	0	
Other Expenditure	2,700	2,700	0	
Income	0	0	0	
Chief Executive	244,800	244,800	0	
Employees	319,200	321,400	2,200	
Other Expenditure	400	200	(200)	
Income	0	(100)	(100)	
Deputy Chief Executives	319,600	321,500	1,900	
Employees	372,800	778,700	405,900	Additional payments expected of £450k to Commissioners for Best Value related work, addressing external audit recommendations, Best Value statutory directions, etc. This was partially offset by lower costs relating to market supplements.
Other Expenditure	828,900	868,300	39,400	
Income	0	(66,600)	(66,600)	
Corporate Management	1,201,700	1,580,400	378,700	
Employees	321,900	311,400	(10,500)	Savings expected due to a vacant post
Other Expenditure	127,400	86,200	(41,200)	
Income	0	0	0	
Corporate Publicity	449,300	397,600	(51,700)	
Employees	0	0	0	
Other Expenditure	0	0	0	
Income	0	(4,500)	(4,500)	
Corporate Savings	0	(4,500)	(4,500)	
Employees	12,200	29,600	17,400	
Other Expenditure	411,400	399,500	(11,900)	
Income	0	0	0	
Democratic Rep & Management	423,600	429,100	5,500	
Employees	0	0	0	
Other Expenditure	368,200	368,200	0	
Income	0	(400)	(400)	
Insurance	368,200	367,800	(400)	
Employees	106,000	108,000	2,000	
Other Expenditure	2,500	2,300	(200)	
Income	0	0	0	
MaT Secretariat & Support	108,500	110,300	1,800	
Employees	0	0	0	
Other Expenditure	0	100	100	
Income	0	0	0	
Spelthorne Family Support	0	100	100	
Employees	761,900	660,300	(101,600)	Based on actual monthly payments to date, superannuation payments to SCC are expected to be lower based on number of staff in the posts (£100k).
Other Expenditure	108,400	105,600	(2,800)	
Income	0	0	0	
Unapportionable Central O/Heads	870,300	765,900	(104,400)	
Total Employees	3,215,800	3,531,200	315,400	
Total Other Expenditure	1,817,700	2,064,400	246,700	
Total Income	0	(71,600)	(71,600)	
Net Total	5,033,500	5,524,000	490,500	

Legal & Elections

Appendix F

Results to 30-Sep-25	Budget	Forecast	Variance of	Comments
	Revised	Outturn	Forecast from Revised Bgt	
	£	£	£	
Employees	0	0	0	
Other Expenditure	253,400	260,900	7,500	
Income	0	0	0	
Audit	253,400	260,900	7,500	
Employees	313,300	213,300	(100,000)	Savings expected due to vacant posts
Other Expenditure	26,400	26,300	(100)	
Income	0	0	0	
Committee Services	339,700	239,600	(100,100)	
Employees	329,000	298,000	(31,000)	Savings expected due to a vacant post, partially to be covered by agency staff
Other Expenditure	6,000	5,600	(400)	
Income	0	0	0	
Corporate Governance	335,000	303,600	(31,400)	
Employees	2,300	5,400	3,100	
Other Expenditure	8,700	10,800	2,100	
Income	0	0	0	
Elections	11,000	16,200	5,200	
Employees	201,100	176,100	(25,000)	Savings expected mainly due to vacant posts one of which is unlikely to be filled.
Other Expenditure	94,700	102,700	8,000	
Income	(1,000)	(1,000)	0	
Electoral Registration	294,800	277,800	(17,000)	
Employees	741,600	691,600	(50,000)	Savings expected due to vacant posts, partially being covered by agency staff
Other Expenditure	(27,000)	(22,500)	4,500	
Income	(35,700)	(35,700)	0	
Legal	678,900	633,400	(45,500)	
Total Employees	1,587,300	1,384,400	(202,900)	
Total Other Expenditure	362,200	383,800	21,600	
Total Income	(36,700)	(36,700)	0	
Net Total	1,912,800	1,731,500	(181,300)	

Neighbourhood Services

Appendix G

Results to 30-Sep-25	Budget Revised	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	
Note: SAT = Spelride				
Employees	201,600	189,600	(12,000)	
Other Expenditure	53,700	53,700	0	
Income	(77,700)	(82,700)	(5,000)	
SAT	177,600	160,600	(17,000)	
Employees	0	0	0	
Other Expenditure	3,600	3,600	0	
Income	0	0	0	
Abandoned Vehicles	3,600	3,600	0	
Employees	0	0	0	
Other Expenditure	22,800	22,800	0	
Income	(44,900)	(45,400)	(500)	
Allotments	(22,100)	(22,600)	(500)	
Employees	0	0	0	
Other Expenditure	23,500	24,200	700	
Income	0	0	0	
Bus Station	23,500	24,200	700	
Employees	361,600	376,600	15,000	
Other Expenditure	813,300	839,100	25,800	Electricity charges are expected to be higher
Income	(1,658,800)	(1,780,800)	(122,000)	Car Parking Fees & charges increased income due to higher fees being implemented since October 2024 as a result of the parking order revision.
Car Parks	(483,900)	(565,100)	(81,200)	
Employees	0	0	0	
Other Expenditure	36,400	36,500	100	
Income	(447,500)	(497,500)	(50,000)	Income is expected to be higher due to more burials
Cemeteries	(411,100)	(461,000)	(49,900)	
Employees	143,000	142,700	(300)	
Other Expenditure	181,900	181,400	(500)	
Income	0	0	0	
Community Safety	324,900	324,100	(800)	
Employees	0	0	0	
Other Expenditure	121,000	131,100	10,100	
Income	0	0	0	
Depot	121,000	131,100	10,100	
Employees	0	0	0	
Other Expenditure	13,600	30,000	16,400	Overspends funded through Revenue Reserves
Income	0	0	0	
Environmental Enhancements	13,600	30,000	16,400	
Employees	1,254,300	1,454,300	200,000	Salaries costs are expected to be higher due to contract work undertaken on behalf of Surrey County Council, please see note below against income line
Other Expenditure	645,100	645,100	0	
Income	(67,500)	(351,400)	(283,900)	Contract income to manage highway verges and weeds maintenance within Spelthorne on behalf of Surrey County Council
Grounds Maintenance	1,831,900	1,748,000	(83,900)	
Employees	1,294,600	1,264,600	(30,000)	Savings expected due to vacant posts, partially being covered by agency & temporary staff
Other Expenditure	132,800	132,800	0	
Income	(28,200)	(80,400)	(52,200)	Additional income of £30k from Heathrow Airport Ltd for Site Patrols and data capturing for Stanwell Taxi exclusion zone is offset by overtime costs and remainder for expected higher Penalty Notices income due to more activity.
Neighbourhood Serv Mgt Support	1,399,200	1,317,000	(82,200)	
Employees	0	0	0	
Other Expenditure	64,600	59,400	(5,200)	
Income	(76,400)	(84,600)	(8,200)	
Parks Strategy	(11,800)	(25,200)	(13,400)	
Employees	0	0	0	
Other Expenditure	0	0	0	
Income	0	0	0	
Public Conveniences	0	0	0	

Neighbourhood Services

Appendix G

Results to 30-Sep-25	Budget Revised	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	
Employees	0	0	0	
Other Expenditure	7,800	6,600	(1,200)	
Income	(29,900)	(29,900)	0	
Public Halls	(22,100)	(23,300)	(1,200)	
Employees	1,607,600	1,657,600	50,000	Vacant posts and long term sickness being covered by agency staff with higher costs
Other Expenditure	580,500	580,500	0	
Income	(1,204,600)	(1,206,500)	(1,900)	
Refuse Collection	983,500	1,031,600	48,100	
Employees	0	0	0	
Other Expenditure	138,600	140,800	2,200	
Income	(200,000)	(200,000)	0	
Staines Market	(61,400)	(59,200)	2,200	
Employees	711,400	661,400	(50,000)	Savings expected due to vacant posts, partially being covered by agency staff
Other Expenditure	208,000	208,000	0	
Income	(46,600)	(46,600)	0	
Street Cleaning	872,800	822,800	(50,000)	
Employees	0	0	0	Additional Recycling payments expected to be paid to Surrey Heath BC due to change of recycling financial mechanism PePR grant allocation of £593k higher than expected and the remainder relates to higher income expected due to change of recycling financial mechanism.
Other Expenditure	0	207,100	207,100	
Income	(1,173,500)	(1,789,900)	(616,400)	
Waste Recycling	(1,173,500)	(1,582,800)	(409,300)	
Total Employees	5,574,100	5,746,800	172,700	
Total Other Expenditure	3,047,200	3,302,700	255,500	
Total Income	(5,055,600)	(6,195,700)	(1,140,100)	
Net Total	3,565,700	2,853,800	(711,900)	

Place, Protection & Prosperity

Appendix H

Results to 30-Sep-25	Budget Revised	Forecast Outturn	Variance of Forecast from Revised Bgt	Comments
	£	£	£	
Employees	367,100	284,500	(82,600)	Savings due to one vacant post wef August.
Other Expenditure	81,800	81,500	(300)	
Income	(427,500)	(322,800)	104,700	Reduction in income due to staff shortages, and the public going to the private sector instead as a result. Unable to provide a satisfactory service.
Building Control	21,400	43,200	21,800	
Employees	0	0	0	Expenditure to be funded by in year receipts or from earmarked reserve for CIL.
Other Expenditure	0	0	0	
Income	0	0	0	
Community Infrastructure Levy	0	0	0	
Employees	138,800	137,800	(1,000)	
Other Expenditure	91,000	91,300	300	
Income	0	(5,000)	(5,000)	Donation to the Memorial Gardens playarea project
Economic Development	229,800	224,100	(5,700)	
Employees	1,455,600	1,520,400	64,800	This figure includes an additional for approved £93.6K In-Year Growth Bid for 2x Residential EHO's to deal with on-going additional workloads, plus an additional £90K for contract staff to clear backlog agreed by Administration August 2025. Current savings in salaries will be offset by recruitment of 2x vacant posts
Other Expenditure	51,800	75,000	23,200	Increase in Legal Costs, costs of hearing for Amusement Establishment Licence in Ashford
Income	0	(50,000)	(50,000)	Remediation Enforcement Grant received.
Environmental Health Admin	1,507,400	1,545,400	38,000	
Employees	1,200	1,200	0	
Other Expenditure	147,300	147,400	100	
Income	(3,200)	(3,200)	0	
Environmental Protection Act	145,300	145,400	100	
Employees	0	0	0	
Other Expenditure	2,700	2,700	0	
Income	(1,800)	(1,800)	0	
Food Safety	900	900	0	
Employees	0	0	0	
Other Expenditure	134,400	34,900	(99,500)	Imminent closure of Summit Centre has resulted reduction of costs
Income	(115,900)	(77,500)	38,400	Tenants leaving Summit Centre has led to reduction in income
Incubator	18,500	(42,600)	(61,100)	
Employees	81,600	81,400	(200)	
Other Expenditure	31,600	30,200	(1,400)	Less searches indicated below leads to a corresponding reduction in fees paid to SCC
Income	(140,700)	(120,100)	20,600	Using current trends fee income is unlikely to be achieved. Can be attributed to less people moving & economic situation.
Land Charges	(27,500)	(8,500)	19,000	
Employees	242,100	228,500	(13,600)	
Other Expenditure	4,400	5,200	800	
Income	(151,700)	(172,200)	(20,500)	Significant increase in HMO Licence renewals due to Article 4
Licensing	94,800	61,500	(33,300)	
Employees	1,321,600	1,291,500	(30,100)	Staffing restructure changes, 3x Planning posts reduction in hours, offset by increase in Agency costs to cover Interim Planning Development Manager
Other Expenditure	363,100	372,100	9,000	
Income	(796,300)	(802,300)	(6,000)	
Planning Development Control	888,400	861,300	(27,100)	
Employees	642,800	584,400	(58,400)	Staff restructure; 2x vacant CIL posts offset by cost of Agency staff
Other Expenditure	532,400	434,100	(98,300)	Local Plan growth bid underspent by £100K
Income	(215,600)	(223,100)	(7,500)	
Planning Policy	959,600	795,400	(164,200)	
Employees	0	0	0	
Other Expenditure	8,700	24,100	15,400	Funeral rate unpredictable & affected by seasonality. Costs of service are going up & this is a statutory requirement.
Income	(3,900)	(13,900)	(10,000)	Increased activity due to new premises in Elmsleigh Centre
Public Health	4,800	10,200	5,400	
Employees	0	0	0	
Other Expenditure	17,200	17,200	0	
Income	(500)	(2,800)	(2,300)	Increase in collection fees for strays.

Place, Protection & Prosperity

Appendix H

Results to 30-Sep-25	Budget	Forecast	Variance of	Comments
	Revised	Outturn	Forecast from Revised Bgt	
	£	£	£	
Rodent & Pest Control	16,700	14,400	(2,300)	
Employees	0	0	0	SBA will break even at year-end as the income collected is used for the expenditure to run the awards evening.
Other Expenditure	0	30,400	30,400	
Income	0	(32,000)	(32,000)	
Spelthorne Business Awards	0	(1,600)	(1,600)	
Employees	0	0	0	Income revised down to £44.5K to reflect more realistic assessment of income based on current trends. Licences don't all expire at same time.
Other Expenditure	3,600	3,600	0	
Income	(71,000)	(44,500)	26,500	
Taxi Licensing	(67,400)	(40,900)	26,500	
Employees	131,300	86,200	(45,100)	Temp Employment & Skills Work Coach was on maternity leave - has now returned. Costs will start going up £28k rebate received on Electricity (Laser Contract). Cost of Service Charge was originally overestimated by Building Services.
Other Expenditure	85,500	63,000	(22,500)	
Income	(96,400)	(101,700)	(5,300)	
Youth Hub	120,400	47,500	(72,900)	
Total Employees	4,382,100	4,215,900	(166,200)	
Total Other Expenditure	1,555,500	1,412,700	(142,800)	
Total Income	(2,024,500)	(1,972,900)	51,600	
Net Total	3,913,100	3,655,700	(257,400)	

Corporate Savings 2025/26

Appendix I

Service	Deleted Posts		Amount £
Planning Dev Control	Planning Development Restructure	Vacancy Saving	3,400
Economic Development	Assistant Economic Development Officer	Vacancy Saving	43,100
Economic Development	Economic Development Officer	Vacancy Saving	51,000
Corporate Publicity	Community Engagement Officer (Part-time)	Vacancy Saving	23,000
Legal Services	Senior Solicitor	Vacancy Saving	61,100
Refuse Collection	Refuse Collection Driver	Vacancy Saving	35,900
Refuse Collection	Refuse Collection Operative	Vacancy Saving	31,000
Refuse Collection	Refuse Collection Operative	Vacancy Saving	31,000
Grounds Maintenance	Grounds Maintenance Operative	Vacancy Saving	31,700
Grounds Maintenance	Park Patrol Operative	Vacancy Saving	31,400
Grounds Maintenance	Grounds Maintenance Operative	Vacancy Saving	31,600
Housing Benefit	Assessment Officer	Vacancy Saving	19,900
Housing Benefit	Assessment Officer	Vacancy Saving	33,200
Housing Benefit	Systems Administrator	Vacancy Saving	20,000
Housing Needs	Fraud Investigator	Vacancy Saving	8,300
Community Care Admin	Senior Occupational Therapists	Vacancy Saving	65,000
Community Care Admin	Support Worker	Vacancy Saving	35,100
Social Proscribing	Social Proscribing Link Officer	Vacancy Saving	44,300
Social Proscribing	Senior Borough Discharge Officer	Vacancy Saving	55,200
Social Proscribing	Borough Discharge Support Officer	Vacancy Saving	49,800
Social Proscribing	Hoarding & Decluttering Development Officer	Vacancy Saving	48,900
ICT Services	Corporate Document Management Officer	Vacancy Saving	60,300
Customer Services	Customer Services Control & Sales Ledger Officer	Vacancy Saving	36,500
Customer Services	Senior CS & Revenues Officer	Vacancy Saving	44,500
Customer Services	Customer Services & Revenue Officer	Vacancy Saving	38,400
Asset Management	Investment Asset Manager	Vacancy Saving	85,100
Spelride	Support Worker/ Driver	Vacancy Saving	15,500
Street Cleansing	Street Sweeper	Vacancy Saving	31,000
Neighbourhood Services	Neighbourhood Services Team Leader	Vacancy Saving	62,500
			1,127,700
Economic Development	Post x 2 funded by reserve	Funding	- 94,100
Total Vacancy Savings			1,033,600
Service	Other Corporate Savings		Amount £
Leisure	Postage Savings 4507	Cashable Savings	1,200
Leisure	Other Expenses 4979	Cashable Savings	5,000
Leisure	Operational Equipment 4001	Cashable Savings	1,000
Leisure	Other Expenses 4979	Cashable Savings	2,100
Leisure	Museum Budget 4894	Cashable Savings	4,000
Leisure	Skate Park Maintenance 2032	Cashable Savings	2,100
Leisure	Operational Equipment 4001	Cashable Savings	2,500
Leisure	Performers Fees 4441	Cashable Savings	1,100
Leisure	Playscheme Vouchers 4961	Cashable Savings	2,500
Leisure	Other Expenses 4979	Cashable Savings	2,500
Emergency Planning	Reduction in Resilience Services contract costs	Cashable Savings	20,000
Fordbridge DC	Duplicate budget for 25/26 - should have been removed as is also included within OPAL - 4108 (High Needs Group Food)	Cashable Savings	400
Fordbridge DC	Duplicate budget for 25/26 - should have been removed as is also included within OPAL - 4429 (High Needs Group Activities)	Cashable Savings	1,800
Greeno DC	Duplicate budget for 25/26 - should have been removed as is also included within OPAL - 4108 (High Needs Group Food)	Cashable Savings	500
Greeno DC	Duplicate budget for 25/26 - should have been removed as is also included within OPAL - 4429 (High Needs Group Activities)	Cashable Savings	1,800
Greeno DC	Duplicate budget for 25/26 - should have been removed as is also included within OPAL - 4954 (High Needs Misc)	Cashable Savings	200
Neighbourhood Services	Reduction in Playground Improvement/ Repairs Budget	Cashable Savings	20,000
Neighbourhood Services	Allotment Rents - removal of budget	Cashable Savings	2,000
Neighbourhood Services	Bus Station- Hard Surfaces - removal of budget	Cashable Savings	2,400
Neighbourhood Services	Depot Grounds Maint. - removal of budget	Cashable Savings	1,600
Neighbourhood Services	Grounds Maint. - Internal Print - removal of budget	Cashable Savings	1,000
Neighbourhood Services	Neighbourhood Service Management Uniforms - removal of budget	Cashable Savings	500
Neighbourhood Services	Neighbourhood Service Management Internal print - reduction of budget	Cashable Savings	12,500
Neighbourhood Services	Neighbourhood Service Management Books & Publications - removal of budget	Cashable Savings	1,700
Neighbourhood Services	Neighbourhood Service Management Books & Publications Post envelopes - reduction of budget	Cashable Savings	3,400
Neighbourhood Services	Refuse Collection - operational equip. purchase- removal of budget	Cashable Savings	2,400
Planning Policy	Planning Policy Restructure - Increase in use of CIL admin and reserves to fund staffing structure.	Cashable Savings	44,500
Environmental Health	Evotix contract for H&S ended; RIAMs & Uniform contracts total £17k+ potential uplift due to HMOs of £6.6K for Uniform	Cashable Savings	1,300
Corporate Publicity	Website contract with Goss ended and new website about to go live so net saving of £6,600 per year based on contract with the new supplier	Cashable Savings	6,600
Committee Services	Level Zero Expansion Connector for Modern.Gov contract ended with Goss- savings of £588 per year	Cashable Savings	600
Total Other Corporate Savings			149,200
Total Corporate Savings			1,182,800

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank