

Enc viii) Half-Year Budget Review - Summary Report

Executive Summary and Recommendations

Key Financial Position

The Council shows significant budget availability across multiple areas, with employment costs alone showing £52,823 remaining from a £314,852 budget. However, this reflects operating with skeleton staffing levels, which raises questions about service delivery capacity and strategic implementation.

Critical Decisions Required

Immediate Action Items:

- Strategic Planning and Priorities
- Hirst East End Allotments - Resolve current overspend, which will grow, with a definitive decision on CCTV funding
- Staffing Strategy - With over £52k available in employment costs, determine optimal staffing levels for effective service delivery
- Fleet Management - Urgent review required with only £1,013.72 remaining from vehicle budget

Budget Reallocations Needed:

- Telecommunications & IT (projected £1,476.10 overspend)
- Election expenses (projected £979.85 overspend)
- Annual Grants (agreed £1,944 overspend)
- Eco Fair (projected £1,805.22 overspend)

Strategic Opportunities

Significant Underutilised Resources:

- Climate Change: Full £25,000 budget unspent
- Environmental Contracts: £14,885.50 available (68% remaining)
- Environmental Enhancements: £12,488.66 available (63% remaining)
- Litter Bins: Complete £8,000 budget available
- Small Grants: £11,320.83 remaining (85% unspent), with further rounds to action
- Youth Initiatives: £20,484.30 available (40% remaining), with request from NCC Project Shield ASB Team
- Training Budgets: £9,698.79 combined unspent (Staff: £7,323.79, Councillor: £2,375)

Recommended Actions:

- ✓ Establish clear delivery plans for environmental programmes to utilise the £25k Climate Change allocation

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- ✓ Accelerate more specific small grant opportunities according to an identified need, exact funding available will depend on take-up of next two rounds
- ✓ Develop comprehensive training programme using the £9.7k available
- ✓ Consider strategic redirection of unspent capital budgets (Litter Bins) to Earmarked Reserves
- ✓ Implement proactive environmental works using available Environmental Enhancement funds

Financial Summary by Category

- Total Available Funding: Over £180,000 across all budget headings
- Projected Overspends in several headings that can be managed: (Allotments, Vehicle Costs, Tools & Equipment, Telecoms & IT, Election Costs)
- Agreed Overspends: Christmas Lights Contract (£1,725.50), Annual Grants (£1,944)
- Largest Opportunities: Environmental Services, Events & Engagement, Funding & Community Support.

Long-term Considerations

Asset Management:

- Complete stock inventory for tools and equipment
- Finalise water billing arrangements for High Market Allotments
- Updated asset management of all street scene assts

Service Development:

With substantial unspent budgets totalling over £180,000, Councillors should urgently assess whether current service levels meet community expectations and identify strategic investments that deliver measurable community benefit.

Conclusion

While the financial position demonstrates financial prudence, it also reveals significant underperformance in programme delivery. The Council faces a critical opportunity to either reallocate resources for maximum community impact or build appropriate reserves for future strategic initiatives. Immediate action is required to balance financial responsibility with effective service delivery.

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Notes from Budget Summary Spreadsheet

The numbered notes below relate to each budget heading highlighted either yellow or green. Green highlights significant, formative direction is needed. Whilst yellow highlights work, or action that is in hand or expected.

Allotments

1. **High Market Allotments** - Currently showing a £930 projected overspend against a £1,198 budget. The current overspend reflects an administrative anomaly in our water billing system. As a self-managed site, the Council reads and pays for water usage, subsequently issuing invoices to three separate creditors. This creates timing differences that are not of financial concern but do impact budget reporting. We are actively working with the water company to establish direct billing to the appropriate creditors to resolve this historical irregularity.
2. **Hirst East End Allotment Site** - Operating with a £680 projected overspend (£2,164 spent against £935 budget plus £550 committed). This site will continue to show an overspend, which will increase, while the Council maintains CCTV coverage. A decision is required either to allocate additional budget to cover CCTV costs or to discontinue camera monitoring. Water represents the only other significant cost at this location, highlighting that any improvements or works programmes will require dedicated budget allocation.
3. **NS Colliery Allotment Site** - Currently showing a significant £1,666 projected overspend, however the current financial year rents have not been collected which will address the current overspend position once completed. Water costs represent the primary expenditure category for this location.
4. **Woodhorn Road Allotment Site** - Strong financial position with £5,714 available budget remaining from the £8,313 allocation (£1,361 spent, £1,237 committed). Available budget will be allocated based on recommendations from monthly meetings with site representatives. The presence of active volunteers provides valuable support for practical implementation. Water costs remain a significant consideration and vary so are difficult to accurately forecast at this point in the year. Proactive maintenance works are progressing effectively.

Environmental Services

5. **Environmental Contracts** - Excellent budget position with £14,885.50 remaining from £22,000 budget (£5,852 spent, £1,262.50 committed). Substantial savings have been achieved by bringing planter and tower maintenance in-house. Competitive procurement of winter plantings (pansies and bulbs) has generated additional savings, with installation also managed internally. Budget capacity exists for environmental works, and Councillors are encouraged to consider proposals for the eastern border of the Memorial Garden and modifications to the Woodhorn Roundabout Gateway.
6. **Environmental Enhancements** - Strong position with £12,488.66 remaining from £19,664.69 budget (£6,696.03 spent, £480 committed). Councillors are reminded of available ward-specific funding within this allocation for projects and improvements. Ward Councillors are invited to submit proposals, with officer support available for

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development before Council approval. It is essential to consider ongoing maintenance requirements when evaluating capital expenditure.

7. **Climate Change Budget** - No expenditure recorded against the full £25,000 allocation. While the committee has actively sought new members, proactive project development is required given historical underspending. Previous wildflower planting initiatives require maintenance planning to ensure long-term effectiveness.
8. **Litter Bins** - Full £8,000 budget remains unspent. Additional bin procurement has been postponed pending clarification of Wansbeck Square site. Plans for Station Road west and associated public realm involved extending grey bin provision and replacing existing units. Given delays to Wansbeck Square developments, redirection of this expenditure to Earmarked Reserves is recommended.
9. **Repairs and Maintenance** - £7,316 remaining from £8,500 budget (£1,184 spent). Higher expenditure is anticipated in the latter half of the year when horticultural activities reduce and maintenance work intensifies. Councillors may be asked to approve budget transfers to tools and equipment depending on repair priorities.
10. **Community Engagement** - £3,021 available from £5,000 budget (£1,878.35 spent, £100 committed). Councillors are requested to identify additional engagement activities they wish to pursue. Filming has increased spending in this heading and there are suggestions to look at newsletters.
11. **Christmas Lights Contract** - Overspend of £1,725 (£42,725 total cost against £41,000 budget) due to the replacement of failed children's motifs from the design specification.
12. **Environmental Events** - Multiple programmes showing varied positions:
 - **Eco Fair**: £1,805 actual underspend (requires budget adjustment)
 - **Great Big Green Week**: £1,257 actual underspend (requires budget adjustment)
 - **Great Big Spring Clean**: Full £2,500 budget unspent as later in year (March 2026)

These programmes require strategic direction and project development.

13. **Great Big Green Week** - £1,257 budget remaining - requires strategic direction for effective utilisation.
14. **Great Big Spring Clean** - Full £2,500 budget unspent as yet but unlikely to achieve spending at this level based on previous years.
15. **Annual Grants** - Operating at £1,944 agreed overspend (£56,944 committed/spent against £55,000 budget).
16. **Youth Initiatives** - Strong position with £20,484.30 remaining from £51,161.30 budget (£18,957 spent, £11,720 committed). Current request for support from Project Shield under consideration.
17. **Small Grants Programme** - Excellent availability with £6,320 predicted to be remaining from £13,320.83 budget (only £2,000 spent). Increased applications are expected in the upcoming rounds. £2,500 committed for each. The Council has flexibility to offer

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additional small grants for priority areas if desired. Identify gaps and offer funding to supports projects/activities to fill those gaps.

18. **Staffing Position** - Employment costs show £52,823 remaining from £314,852 budget (£109,179 spent, £152,850 committed). The Council is currently operating with skeleton staffing levels. A strategic budget review is required to align spending priorities with staffing requirements to deliver Council objectives effectively.
19. **Fleet Management** - Vehicle costs show £1,014 remaining from £10,000 budget (£2,746 spent, £6,240 committed). A comprehensive vehicle review is required. The current arrangement of NCC vehicles combined with Officers using both shared and personal vehicles is unsustainable. Discussions with officers and NCC Fleet are needed to develop viable solutions.
20. **Green Lane Storage Unit** - Currently showing £4,109 remaining from £5,600 budget (£1,491 spent). An overspend is anticipated due to rent increases. Budget reallocation will be requested once lease negotiations are finalised.
21. **Tools and Equipment** - £2,163 remaining from £5,000 budget (£2,539 spent, £298 committed). An overspend is projected requiring budget transfer approval as tools and equipment will be required. A comprehensive stock inventory will be conducted on a rainy day.
22. **Telecommunications and IT** - Currently showing a projected overspend of £1,476 (£12,976 spent/committed against £11,500 budget) due to Councillor tablet provision and Clerk laptop renewal. Expenditure controls will be implemented to minimise further budget variance.
23. **Staff Training** - Significant underspend with £7,324 remaining from £9,000 budget (only £1,676 spent).
24. **Councillor Training** - Major underspend with £2,375 remaining from £2,500 budget (only £125 spent).
25. **Hirst Ward By-Election** - £980 projected overspend (£26,480 total against £25,500 budget) due to electoral costs. The impact of by-election is less due to accurate May Election forecasting, combined with Hirst Ward not having election in May.

Report compiled by Sarah Eden, Executive Officer/Responsible Financial Officer

23rd September 2025

Allotments				Payments			Balance	Notes
Code	Title	Receipts	Budget	Actual	Committed			
25	Allotments (General)		£ 2,669.00	£ 25.60		£ 2,643.40		
40	Green Lane		£ 174.00	£ 87.00	£ 87.00	£ -		
41	High Market	£ 1,198.00		£ 2,128.00		£ 930.00	1	
42	Hirst East End	£ 934.50	£ 550.00	£ 2,164.19		£ 679.69	2	
43	North Seaton Colliery	£ 225.00	£ 320.00	£ 1,370.36	£ 841.12	£ 1,666.48	3	
44	Nursery Park	£ 406.50	£ 5,090.00	£ 180.18	£ 5,090.00	£ 226.32		
45	Seaton Hirst		£ 3,000.00	£ 750.00	£ 2,250.00	£ -		
46	Wansbeck Road	£ 235.50				£ 235.50		
47	Woodhorn Road	£ 8,312.50		£ 1,361.05	£ 1,237.36	£ 5,714.09	4	
	SUB TOTAL	£ 11,312.00	£ 11,803.00	£ 8,066.38	£ 9,505.48	£ 5,543.14		
Environmental Services				Payments			Balance	Notes
Code	Title	Receipts	Budget	Actual	Committed			
26	ATC Neighbourhood Partnership Agreement		£235,740.00		£234,550.00	£ 1,190.00		
27	Environmental Contracts		£22,000.00	£5,852.00	£1,262.50	£ 14,885.50	5	
28	Environmental Enhancements		£19,664.69	£6,696.03	£480.00	£ 12,488.66	6	
29	Climate Change Projects & Initiatives		£25,000.00			£ 25,000.00	7	
30	Bus Shelters (Capital)					£ -		
31	Litter Bins (Capital)		£8,000.00			£ 8,000.00	8	
32	Street Scene Repairs & Maintenance		£8,500.00	£1,184.00		£ 7,316.00	9	
64	Public Seats	£450.00		£447.00		£ 3.00		
	SUB TOTAL	£450.00	£318,904.69	£14,179.03	£236,292.50	£68,883.16		
Events				Payments			Balance	Notes
Code	Title	Receipts	Budget	Actual	Committed			
20	Engagement		£5,000.00	£1,878.35	£100.00	£3,021.65	10	
23	Christmas Lights Contract		£41,000.00	£22,015.00	£20,710.50	£-1,725.50	11	
48	Ashington Community Fair Day	£1,300.60	£13,000.00	£12,965.00	£785.22	£550.38		
49	Christmas Lights Switch-On		£5,000.00		£5,000.00	£0.00		
50	Northumberland Miners Picnic		£5,000.00	£213.50	£5,000.00	£-213.50		
51	Pride Picnic		£3,000.00		£3,000.00	£0.00		
52	Remembrance Sunday/Civic		£1,000.00			£1,000.00		
53	Eco Fair	£5,155.00	£3,320.83	£6,670.61		£1,805.22	12	
54	Great Big Green Week		£2,500.00	£1,242.93		£1,257.07	13	
55	Spring Clean and Litter Picking		£2,500.00			£2,500.00	14	
	SUB TOTAL	£6,455.60	£81,320.83	£44,985.39	£34,595.72	£8,195.32		
Funding & Community Support				Payments			Balance	Notes
Code	Title	Receipts	Budget	Actual	Committed			
33	Annual Grants		£55,000.00	£25,424.00	£31,520.00	£-1,944.00	15	

34	Youth Initiatives & Support			£51,161.30	£18,957.00	£111,720.00	£20,484.30	16
63	Small Grants			£13,320.83	£2,000.00	£5,000.00	£6,320.83	17
	SUB TOTAL			£119,482.13	£46,381.00	£48,240.00	£24,861.13	
Management & Support								
Code	Title	Receipts	Budget	Actual	Committed	Balance	Notes	
3	Employment Costs		£314,852.00	£109,178.64	£152,850.00	£52,823.36	18	
4	Office Rental		£6,500.00	£3,250.00	£3,250.00	£0.00		
5	Meeting Hire		£1,000.00	£210.00		£790.00		
6	ATC Vehicle Costs		£10,000.00	£2,746.28	£6,240.00	£1,013.72	19	
7	Storage Unit (Green Lane)		£5,600.00	£1,490.82		£4,109.18	20	
8	Tools & Equipment		£5,000.00	£2,539.13	£297.98	£2,162.89	21	
9	Office, Stationery & Sundries	£1.00	£5,000.00	£1,831.98	£2,986.19	£182.83		
10	Telecoms & IT		£11,500.00	£8,160.10	£4,816.00	-£1,476.10	22	
11	Professional Expenses		£1,000.00	£1,663.15		-£663.15		
12	Publicity & Comms		£1,200.00			£1,200.00		
13	Audit Fee		£2,750.00	£275.00		£2,475.00		
14	Insurance		£8,500.00	£8,647.38		-£147.38		
15	Subscriptions		£5,800.00	£5,421.24		£378.76		
16	Expenses (Phone, Mileage, Clothing)		£2,500.00	£1,160.67	£1,300.00	£39.33		
17	Civic Head Expenses		£500.00	£100.00		£400.00		
18	Staff Training		£9,000.00	£1,676.21		£7,323.79	23	
19	Member Training		£2,500.00	£125.00		£2,375.00	24	
	SUB TOTAL		£1.00	£393,202.00	£148,475.60	£171,740.17	£72,987.23	
Other Services								
Code	Title	Receipts	Budget	Actual	Committed	Balance	Notes	
35	Election Expenses		£25,500.00	£20,979.85	£5,500.00	-£979.85	25	
36	CCTV Provision (Town Centre)		£36,144.00	£18,070.02	£18,070.02	£3.96		
37	CCTV Provision (Play/Other)		£10,716.00	£5,356.02	£5,356.02	£3.96		
38	Defibrillators		£500.00	£668.79		-£168.79		
39	Interactive Cameras		£1,000.00			£1,000.00		
	SUB TOTAL		£73,860.00	£45,074.68	£28,926.04	-£140.72		
Play Areas								
Code	Title	Receipts	Budget	Actual	Committed	Total	Notes	
56	Aintree Close		£500.00	£59.50		£440.50		
57	Alexandra Road		£1,000.00	£277.50		£722.50		
58	Epsom Drive		£500.00	£59.50		£440.50		
59	North Seaton Colliery		£750.00	£78.50		£671.50		
60	Paddock Wood		£1,500.00			£1,500.00		
61	Peoples Park		£1,750.00	£735.20		£1,014.80		

62	Seaton Vale		£1,500.00	£176.50		£1,323.50
	SUB TOTAL		£7,500.00	£1,386.70	£0.00	£6,113.30
Earmarked Reserves						
Code	Title	Receipts	Budget	Actual	Committed	Total
65	Play Areas		£45,000.00			
66	Memorials		£1,000.00			
67	Full Council Election					
68	Allotments		£5,000.00			
69	Contingency		£171,523.41			
	SUB TOTAL		£222,523.41			