

PARKS AND RECREATION COMMITTEE

Date: Monday 22 May 2023

Title: Finance Report

Contact Officer: Responsible Financial Officer (RFO) – Nigel Warner

Should Members have any queries about this report advance notice would be appreciated, in writing, by 5pm on the Friday before the meeting to allow for a full response at the meeting.

BACKGROUND

Detailed income and expenditure statements for budgets which are the responsibility of this committee are enclosed; these are the management accounts for this committee. The period to which this report relates is 1 April 2022 to 31 March 2023.

COUNCIL COMMITTEE STRUCTURE, COST CENTRES, NOMINAL LEDGER CODES AND STRUCTURE OF THE FINANCIAL STATEMENTS

The Council has appointed five standing committees which have delegated powers to make decisions, including financial decisions, regarding the services included within their terms of reference, subject to the committee having the necessary budget. The Council's coding system and management accounts reflect the committee structure.

Council financial years run from 1 April to 31 March following. Consequently, the Council is almost seven weeks in to the 2023/24 year. For the first meeting of the Council year the management accounts presented to each Committee are those based on 2022/23 activity but also showing 2023/24 budget. The Council is so early in the new year that the 2023/24 income and expenditure does not as yet yield any meaningful information but if there were significant variances against the agreed budgets these would be reported even at this early stage as yet there are no such variances for this committee for 2023/24.

Within each committee, there are individual cost centres, comprising three digits, typically representing a discrete service entity, to which income and expenditure is allocated against previously agreed revenue budgets.

For the Parks and Recreation Committee the following cost centres are in place:

Cost centre	Service
201	Splash Park at the Leys Recreation Ground
202	The Leys Recreation Ground
203	West Witney Sports Ground
204	Burwell (Queen Elizabeth 2) Sports Ground
205	King George V/ Newland Recreation Ground
207	Moorland Road Play Area
208	Woodgreen/ Play Area

209	Eton Close Play Area
210	Oxlease Play Area
211	Fieldmere Play Area
212	Quarry Road Play Area
213	Raleigh Crescent Play Area
214	Park Road Play Area

Within each cost centre income and expenditure is then allocated to a four-digit nominal ledger code; these codes are common across the cost centres. Nominal ledger codes further define the costs associated with the cost centre and correspond to a specific type of account, such as materials or staffing costs. Codes commencing with “1” are income codes; codes commencing with “4” are expenditure codes.

The report, which is presented to Members has several columns, as follows and working from left to right:

1. 2021-22 Budgeted income and expenditure (I&E).
2. 2021-22 Actual I&E.
3. 2022-23 Total – this is the original budget as agreed in January 2022.
4. 2022-23 Actual YTD – this is the actual I&E shown in the Council’s ledger.
5. 2022-23 Projected – this is the revised I&E projection made in November 2022 and approved by the Council in January 2023.
6. 2022-23 Committed – this column is not currently used but would show committed I&E in the management accounts e.g. for an order for goods or services which has been issued but which has yet to be invoiced. However, note that accruals are made in the financial accounts at year end.
7. 2023-24 Agreed shows the budgets set by the Council at its meeting in January 2023.
8. and 9. These two columns are not currently used but could be if the Council set aside budgets to fund services/ projects from 2024/25 onwards.

A report is submitted to every ordinary meeting of the standing committees and previous reports are available via the relevant committee section of the website.

CURRENT SITUATION

Overall, the summary of the management accounts in relation to 2022/23 and 2023/24 are as follows:

	2022/23 Original budget	2022/23 Provisional outturn*	2022/23 Projected estimate	2023/24 This year’s budget set in January 2023
Expenditure	£316,286	£311,721	£351,806	£365,008
Less income	(£65,412)	(-£70,784)	(-£64,012)	(£80,471)
Net expenditure	£250,874	£240,937	£287,794	£284,537

*Note that work in relation to the final accounts for 2022/23 is ongoing. This means that the outturn figure shown is subject to some variation in relation to any additional accruals identified or earmarked reserve movements; more detail in this regard will be given to the meeting of the Policy, Governance and Finance Committee.

With regard to the table above overall the Committee's services, based on provisional outturn were operated within the agreed original budget: expenditure at 98.5% of original and income at 108.2% resulting in net expenditure at 96.0% of budget.

ENVIRONMENTAL IMPACT

The Council declared a Climate Change Emergency at its meeting on 26 June 2019; with this in mind Councillors should have due regard to the environmental impact of any decisions they make regarding the facilities and services it operates.

Officers are continually assessing the environmental impact of services and assets to ensure that where possible measures are taken to support the Council's climate declaration of carbon neutrality by 2028. This extends to the procurement of goods and services.

RISK

In decision making Councillors should consider any risks to the Council and any action it can take to limit or negate its liability.

Members are reminded that collectively they are custodians of the public purse with most of the funding coming from the taxpayers of Witney. Therefore, Officers ensure they get best value, value for money, and comply with the Council's Standing Orders, Financial Regulations, and Procurement Policy.

FINANCIAL IMPLICATIONS

This report forms part of the Council's due diligence and a process in line with its Financial Regulations. The financial implications are detailed above and in the attached appendices.

RECOMMENDATION

Members are invited to note the report.