

HALLS, CEMETERIES & ALLOTMENTS COMMITTEE

Date: Monday 5 June 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, on this occasion by 10am on the day of 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 which 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 two months 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 showing also 2023/24 budget. It is early in the new financial year so 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 Halls, Cemeteries and Allotments Committee the following cost centres are in place:

Cost centre	Service
102	Langdale Hall
103	Bars
104	Corn Exchange
105	Burwell Hall
106	Madley Park Community Centre
301	Tower Hill Cemetery
302	Windrush Cemetery
303	Closed churchyards – St Mary's/ Holy Trinity
305	Allotments

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 a number of 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 on 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 Projected estimate	2022/23 Provisional outturn inc. capital charges*	2022/23 Provisional outturn ex. capital adjustments*	2023/24 This year's budget set in January 2023
Expenditure	£730,328	£717,000	£695,508	£629,683	£899,770
Less income	(£214,916)	(£249,423)	(£304,974)	(£304,974)	(£255,381)
Net expenditure	£515,412	£467,577	£390,534	£324,709	£644,389

*Note that work in relation to the final accounts for 2022/23 is ongoing albeit substantially complete. This means the outturn figure shown in the summary table above is subject to some variation in relation to any additional accruals identified or earmarked reserve movements. In addition Members will note that management accounts for 2022/23 now also, as part of the process of producing the year-end financial statements, include capital adjustments in relation to deferred grants (nominal code 5198) and depreciation charged (nominal code 5199). These items are not budgeted in the committee revenue budgets and so this has the unfortunate effect of distorting the estimate/ outturn comparisons. More detail in this regard will be given to the meeting of the Policy, Governance and Finance Committee.

With regard to the summary table overall the Committee's services, based on provisional outturn were operated within the agreed original budget: expenditure at 95.2% of original (reducing to 86.2% without capital adjustments) and income at 141.9% of original budget resulting in net expenditure at 75.8% of budget (reducing to 63.0% without capital adjustments).

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 to achieve 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 council 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.