
Agenda Item: Finance Report

Meeting Date: 17 March 2025

Contact Officer: Responsible Financial Officer

Should Members have any queries about this report advance notice would be appreciated, in writing, by 12 noon on Friday 14 March 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. The period to which this report relates is 1 April 2024 to 31 January 2025.

Current Situation

A Management accounts

The Council has appointed five standing committees which have delegated powers to make decisions, including financial decisions, regarding the services which are 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.

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.

The cost centres for which this committee has **responsibility** are:

agreed revenue budgets.

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 “3” or “4” are expenditure codes.

The format of this report is as follows:

- (i) Last year 2023-24 - the first two columns relate to the original budget from 2023-24 against the actual figures for last year.
- (ii) Current year 2023-24. (a) Brought forward – sums brought forward from last year against specific codes. (b) Net virement – this represents in year transfers between budget lines. (c) Agreed budget – estimate agreed by the Council in January 2024. (d) EMR – budgeted use of earmarked reserves. (e) Total – this is the total amount approved in the current year budget, the total of columns (a) to (e) inclusive. (f) Actual year to date spend.
- (iii) Next year 2025-26. The three columns show, respectively, the agreed budget to be funded from precept, the contribution to or from earmarked reserves and any sums which are budgeted to be carried forward.

The Omega financial programme has a number of different report formats and this is the first time that I have chosen to present this one to this Committee. This format has been chosen because it shows much more clearly the use of earmarked reserves by including columns showing the earmarked reserve movements. The downside is that this report format does not show the revised 2024-25 estimates agreed in January 2025 and for these I would refer Members to the report submitted to the meeting of 6 January 2025.

A full review of the budgetary position was undertaken during the budget cycle. Most areas of interest were raised at the last meeting of this committee and the subsequent Policy Governance and Finance Committee and full Council meetings. The RFO would refer members to the finance/ budget reports which were approved at those meetings for further details.

However there are a number of points it is worth emphasizing:

1. Current year budget: In terms of the report presented at this meeting, the current year (2024/25) budget is that originally agreed in January 2024 ahead of the 2024/25 year – see comments above.
2. The actual year to date figures are for the period 1 April 2024 to 31 January 2025, subject to the comments in relation to recharges of overheads (point 3, below).
3. The treatment of overheads was previously reported to Members. Central support overheads (nominal ledger codes 4892 and 4893) have been allocated in the current

year to 31 January 2025. Works overheads (nominal ledger codes 4888, 4890 and 4899) have been allocated in the current year to 30 September 2024.

During the final stage of the budget process all central support and works overheads were removed from the service cost centres in relation to the revised 2024/25 estimates and the 2025/26 estimates . There was no impact on the Council's overall budget. I have now transferred these overheads back to the individual cost centres based on updated estimates of staff time allocations. Again, there is no impact on the bottom line – as the transfers are agreed the net cost of the cost centres 601,602 and 604 are reduced by the same amount as the increases to the service cost centres.

Impact Assessments

The Town Council has a duty to consider the effects of its decisions, functions and activities on equality, biodiversity, and crime & disorder. Consideration should also be given to effects on the environment, given the Council's Climate Emergency declaration in 2019.

- a) Equality – no implications directly resulting from this report.
- b) Biodiversity - no implications directly resulting from this report.
- c) Crime & Disorder - no implications directly resulting from this report.
- d) Environment & Climate Emergency - no implications directly resulting from this report.

Risk

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

The provision of regular financial reports is part of the Council's risk management system.

Social Value

Social value is the positive change the Council creates in the local community within which it operates. Social value is not quantified in the financial reports but clearly the creation of social value is dependent on setting adequate budgets to meet the Council's objectives.

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 also in the attached appendices.

This report forms part of the Council's mechanisms for budgetary control, as it enables income and expenditure incurred to be reviewed and to be compared with the Council's budgets.

Recommendations

Members are invited to approve the report and the management accounts of the Committee's services to 31 January 2025.