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**Agenda Item:** Finance Report

**Meeting Date:** Monday 23 March 2026

**Contact Officer:** Responsible Financial Officer

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***Should Members have any queries about this report advance notice would be appreciated, in writing, by 12 noon on Friday 20 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 to 31 December 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 and to which income and expenditure is allocated against previously agreed revenue budgets.

The cost centres for which this committee has responsibility are:

Cost centre	Service
402	Community Infrastructure
408	Community Activities

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: the first two columns relate to the original budget from 2024/25 against the actual figures for last year. The middle columns relate to the current

year's original budget, actual expenditure year to date, the projected budget to 31 March 2026, based on the estimates agreed during the budget cycle. The right-hand columns relate to the agreed estimates for 2026/27.

A full review of the budgetary position was undertaken during the budget cycle. This received detailed consideration 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 information.

Members may wish to note the following:

1. There will be some codes where the year-to-date figure now exceeds the projected estimate for the whole year. This is to be expected as the projections were the best estimates made in September/ October and clearly matters move on. Equally there will be other codes where not all the projected budgets will be required. Virements (transfers) between budgets will be made where these can be justified but overall there are no budget lines which cause concern.
2. However, notwithstanding the above comments, on line 4200/402 year to date expenditure of £6,953 is higher than the revised budget of £6,000. The major item of expenditure in this budget line is the purchase of six Eastgate seats at a total cost of £3,648 including carriage. This may be funded at year end via transfer in from the earmarked reserve 369 (Infrastructure) and will be a judgement to be made at year end taking in to account the Council's outturn for the year and the impact on the general reserve.
3. As reported previously was a change to Committee responsibilities earlier in the financial year which affects the Stronger Communities Committee and its estimates.

Within the terms of reference for the Climate and Biodiversity Committee there are a number of responsibilities budgetary provision for which were previously under the remit of this Committee. These are, referenced directly from the Committee terms of reference for 2025-26:

*(b) To manage the Council's Environmental Spaces, including Amenity Areas...*

*c) To oversee the management of the Council's tree stock across the town;*

*h) To oversee the maintenance of the Council's infrastructure concerning planting displays (including hanging baskets).*

Your officers have now made the necessary changes to the budget/cost centre structures which will relate to cost centre 402 – Community Infrastructure and

specifically nominal ledger codes – 4017, 4036, 4037, 4039, 4040, 4066, 4067, 4888, 4890, 4892, 4893 and 4899. These have been transferred in whole or in part a new cost centre attached to the Climate and Biodiversity Committee. The virement in relation to the 2025/26 original budget amounted to £238,491.

Note that in relation to works team allocations, of which a total of £162,990 has been transferred in relation to the 2025/26 budget, the amounts will be subject to review over the next twelve months.

4. At line 4141/408 (Events) the current year budget of £12,477 includes earmarked reserve funding of £5,500. This will not all be spent during 2025/26 and so as agreed during the budget cycle any underspend will be transferred to the earmarked reserves. This has enabled the Council to hold the budget funded through precept for 2026/27 at £7,500.
5. The Committee's services are operating within agreed budgets – the original budget for 2025/26 was revised down from £308,288 to £264,503 during the budget cycle and net expenditure to 31 December 2025 was £174,378 (57% of original and 66% of revised budget).

## **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 consider 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 December 2025.