
Agenda Item: Finance Report

Meeting Date: Monday 15 June 2026

Contact Officer: Responsible Financial Officer

Should Members have any queries about this report advance notice would be appreciated, in writing, by 9am on the day of the meeting to allow for a full response at the meeting.

The purpose of this report is to present to the Committee the draft management accounts for the services delivered by this Committee during the financial year 2025-26.

Background

Detailed income and expenditure statements for budgets which are the responsibility of this committee are attached. The period to which this report relates is 1 April 2025 to 31 March 2026.

Current Situation

The draft management accounts being presented are those for 2025-26. The cost centres for which this committee has responsibility are:

Cost centre	Service
402	Community Infrastructure
408	Community Activities

Steady progress is being made on closing down the 2025-26 accounts ahead of the Annual Governance and Accountability Return being drafted for approval at the Council meeting on 22 June. However, before this date there are likely to be further adjustments made which will affect the final management accounts for the cost centres which are the responsibility of this committee. Therefore, Members may notice some differences to some of the figures when they are presented to the Policy, Governance and Finance Committee later in the cycle.

There is further work planned in relation to adjustments to earmarked reserve movements. Adjustments have been undertaken so the financial accounts are in accordance with AGAR requirements.

A full commentary on the budget lines was undertaken as part of the budget process. Members may wish to note the following:

1. There will be some codes where the year-to-date figure in 2025-26 now exceeds the projected figure for the 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 are made where they can be justified but overall there are no budget lines which cause concern.

2. As reported previously was a change to Committee responsibilities earlier in the financial year which affects the Stronger Communities Committee and its management accounts.

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).

As a consequence, the following budget lines have been transferred to the Climate and Biodiversity Committee:

402 – Community Infrastructure, nominal ledger codes – 4017, 4036, 4037, 4039, 4040, 4066, 4067, 4888, 4890, 4892, 4893 and 4899.

This resulted in a virement in relation to the 2025/26 original budget amounted to £238,491.

3. There are differences to note on the treatment of EMRs which are made between the budget cycle and the production of the final management accounts. This is due to limitations in relation to the reports produced by the Council's accounting software.

During the budget cycle, in order to represent proposed EMR movements within the "Projected" figures column for the year transfers from the EMRs are shown against line 4495; transfers to EMRs are represented by retaining the original budget, thus impacting the General Fund, and then at 31 March 2026 underspends may be transferred to the reserve, where appropriate. This is done in this way because the software does not include a column for earmarked reserve movements within the "Projected" estimates for the current year.

However, at year end this treatment has to be reversed and movements are represented as follows:

- (i) Where in-year expenditure is funded from the EMR – line 6000/ cost centre. This is one figure for the whole cost centre rather than showing as accruing to specific codes.
- (ii) Where in-year income (e.g. unspent grants) is transferred to the EMR – line 6001/ cost centre. Again, this is one figure for the whole cost centre rather than showing as accruing to specific codes.
- (iii) Where budget is not spent during the year but is transferred to an EMR for future expenditure then the transfer is from the General Fund to the EMR. It will not show against the cost centre or the committee, as it does not relate to actual expenditure during the year.

I am looking at ways ahead of the budget cycle to address this issue and to make the transfers easier to track within the reports. The solution is likely to export reports from the accounting software into Excel where it can be amended to suit the requirements of the Council.

It is not easy to explain the above issues in this written report so if the above is difficult to follow then the main point at this stage is to be aware of the differences in terms of the treatment of the EMRs during the budget and the changes at year-end.

4. During 2025-26 the Committee's services were delivered within agreed budgets. The original budget, following earmarked reserve movements, was revised down from £308,288 (column headed 2025-26 Total) to £264,503 (column headed 2025-26 Projected) during the budget cycle. The draft actual net expenditure (column headed 2025-26 Actual YTD), following earmarked reserve movements, was £278,932.

Corporate Strategy

The Council's Strategic Plan 2025–29 sets out the Council's long-term priorities and direction, supporting its mission to 'make Witney a great place to live, work and visit.' This report contributes to the delivery of the following strategic pillar of the plan:

1. A Forward Looking Town Council

However, as all services require financing and their efficient delivery relies on robust controls, strong financial management and constant monitoring, of which this report is an integral part, this report may be said to contribute to all of the strategic pillars.

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 income and expenditure statements.

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 note the report and further

1. To approve the report and the draft management accounts of the Committee's services for the period 1 April 2025 to 31 March 2026.