# STRONGER COMMUNITIES COMMITTEE

WITNEY TOWN COUNCIL

**Agenda Item:** Finance Report

**Meeting Date:** 21 September 2026

**Contact Officer:** Responsible Financial Officer

***Should Members have any queries about this report advance notice would be appreciated, in writing, by 10am on the day of the meeting to allow for a full response at the meeting. E-mail nigel.warner@witney-tc.gov.uk and copy in townclerk@witney-tc.gov.uk***

## 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 to 31 July 2026.

For the Stronger Communities Committee the following cost centres are in place:

| Cost centre | Service |
|---|---|
| 402 | Community Infrastructure |
| 408 | Community Activities |

Cost centres, comprising three digits, typically represent a discrete service entity, to which income and expenditure is allocated against previously agreed revenue budgets.

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.

A report is regularly submitted to each of the standing committees and previous reports are available on the relevant committee section of the website.

At this meeting the Committee is requested to undertake initial consideration of the revenue budget for 2027-28 and the capital/special revenue budgets for 2027-28 and beyond. This is covered by a separate section within this report.

## Current Situation

The summary of income and expenditure for the committee for the first third of the financial year is as follows:

The summary for the period is:

| | Months 1 to 4 actual | Budget for 2026-27 | Percentage of budget spent/received in Months 1 to 4 (33% of the year) |
|---|---|---|---|
| Expenditure | £92,685 | £338,901 | 27.4% |
| Income | (£0) | (£11,057) | 0.0 |
| Net expenditure | £92,685 | £327,844 | 28.3% |

Members may wish to note the following matters in relation to the management accounts:

1. Income during the year to date is zero. The major driver of income in relation to this committee is line 1171/402 – community infrastructure/donations – this relates to Christmas lights sponsorship and grants to the Buttercross clock – no income received to date but expected later in the year.
2. In relation expenditure, there are some lines which are fully spent for the year and where no further expenditure is anticipated- 4025/402-408 Insurance, 4104/408 – grants to Rotary Club re carnival and Christmas lights switch-on and 4106/408 Oxfordshire Play Association Play Day. Whilst gross expenditure during the first four months was 27.4% of budget it should be remembered that the accounts are dynamic and during August 2026 non-salaried expenditure for this Committee was £41,092 which included youth services grants of £16,500 and the grant to Home Start of £12,000.
3. Overall the income and expenditure is within the range which is to be expected at this time of the year, at 28.3% of full year budget. During the budget process all budget lines will be examined and will be reported to this Committee at that time.

Note also the following comments relating to the management accounts across the Council:

1. Members should note that the management accounts and the Council's accounting system more generally are driven by the requirements in place for town and parish councils, including the Accounts and Audit Regulations 2015 and the Practitioners' Guide issued by the Smaller Authorities' Proper Practices Panel (SAPPP) to support the preparation by smaller authorities in England of statutory annual accounting and governance statements found in the Annual Governance and Accountability Return. This means that the accounts can only include actual income and expenditure in terms

of money (income and expenditure and sums held with financial institutions) and cannot include anything else.

2. There will always be an inevitable “lag” between expenditure being incurred and being shown in the accounts. In addition expenditure is not necessarily incurred evenly over the course of the year. For example most expenditure in relation to nominal ledger code 4025 (insurance) is incurred when the annual premium is paid in April. There are also be similar patterns on the income in particular seasonal items such as Christmas lights sponsorship.

<u>REVENUE BUDGET 2027-28 AND CAPITAL & SPECIAL REVENUE PROJECTS 2027-28 AND BEYOND</u>

In line with normal Council procedures, the RFO will shortly be commencing the annual review of all the Committees to prepare the revenue budget for 2027-28 and the review of the medium-term financial plan.

Draft budgets are prepared based upon current activities and patterns of income and expenditure. Any additional revenue expenditure is considered separately as Revenue Growth Items.

It is also normal practice that during the budget cycle the Council considers the Capital and Special Revenue budget to identify which projects or schemes are to be implemented and undertaken during the next financial year.

In drafting budgets your officers will have due regard to the Council’s Strategic Plan and other relevant policies.

This will again be a challenging budget round.

Members will be aware that the Council have a number of major projects in motion as well as facilities due to be transferred to the Council so there is an existing demand on financial and staffing resources. There are potential costs relating to local government reorganisation although there are many uncertainties regarding this matter. With continuing inflationary pressures and mindful of pressures on household budgets the Council is advised to be modest in relation to any additional proposals.

It should also be remembered that additional capital projects may have staffing implications – a sum in a budget to provide a new service or facility or organise an event will also mean that officer time needs to be dedicated to deliver the project.

Members are requested to consider items to be included in next year’s budget and any other adjustments in the context of the Council’s existing and upcoming service commitments. This will enable Officers to obtain costings and the RFO to draft as accurate budget estimates as possible.

## 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 – whilst a sufficient budget is necessary for the Council to meet its obligations and objectives, there are no implications directly resulting from this report.
b) Biodiversity – whilst a sufficient budget is necessary for the Council to meet its obligations and objectives, there are no implications directly resulting from this report.
c) Crime & Disorder – whilst a sufficient budget is necessary for the Council to meet its obligations and objectives, there are no implications directly resulting from this report.
d) Environment & Climate Emergency – whilst a sufficient budget is necessary for the Council to meet its obligations and objectives, there are 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 no 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.

## Recommendations

Members are invited:

1. To note and approve the report and the management accounts of the Stronger Communities Committee for the period 1 April to 31 July 2026.
2. Consider items to be included in next year's revenue and capital/special revenue item budgets, noting that approval of such items will be for the Council to consider in the budget cycle of meetings.