

STRONGER COMMUNITIES COMMITTEE

Date: Monday 16 November 2020

Title: Financial Report: (a) Revised Budget 2020/21 and Proposed Budget 2021/22

Contact Officer: Town Clerk/RFO – Sharon Groth

Background

The purpose of this report is to present to Members the revised budget for 2020/21 and the first draft revenue budget for 2021/22 – in the document previously circulated under part a of this agenda item. Additionally, the Town Clerk/RFO will try to explain the key variances in the various budget lines within each cost centre for information so that members can try to understand how the accounts are formed, and why she has taken the action she has.

Recharge from Works Department, Central Support and for the Grounds Maintenance

In order to get a true cost of its services, the Council recharges the total cost of its Works Department (Cost Centre 601) and Central Support (Cost Centre 602) across its services. For the Works Department this is done based on the weekly time sheets, and for the Central Support is based on the apportionment of responsibilities of the Officers – time spent administering each department or service of the Council.

It should be noted when reviewing the accounts that the recharge from the Works Department and Central Support are yet to be made in this financial year and therefore these accounts have been excluded from this summary. Only when the budget for both these departments have been agreed by the Policy, Governance & Finance Committee will the Town Clerk/RFO be in the position to calculate the revised recharges and the estimates for 2021/22. However, there is an added complication/delay this year as the Council is currently undergoing an organisational review which may impact pay costs – until the new staffing structure is agreed the Town Clerk is unable to calculate salary costs – these have also therefore been removed from the draft budgets in order that Members can compare like for like.

Similarly with regard to the Grounds Maintenance Contract – [shown as 4891- Agency Services Recharge] – Members will note that the present contract comes to an end 30 September 2021 and the Policy, Governance & Finance Committee have requested a root and branch review of this contract- so for the purposes of this report the current year's figures have been retained in order to be able to make comparison on a like for like basis across the two years.

Members should also remember that with regard to patterns of income and expenditure, there will always be some variations over the course of the year and for that reason the Council works to annual budgets rather than monthly or quarterly.

Format of the Council's Base Revenue Budget

With regard to the Halls, Cemeteries and Allotments budget, the Committee's services are divided into 12 base revenue cost centres, responsibilities as follows:

<u>Cost Centre</u>	<u>Area</u>	<u>Description</u>
402	Community Infrastructure	This cost centre relates to the infrastructure found in the town like bus shelters, bins, benches, cycle racks, defibrillators, church clock, floral displays – and the maintenance of them.
408	Community Activities	This relates to community events like the advent fayre, remembrance Sunday parade, anniversaries, as well as supporting the Youth Council.

This Committee also is responsible for the Christmas Lights Display in the town centre, the grant funding towards the Children & Youth provision, Carnival, supporting the Twinning Association although the accounting of this falls with the accounts presented to PGF under Cost Centre 407 – Grant & Donations (S137).

Budget Parameters – Draft Estimates 2021-22

Draft budgets are prepared on current activities and patterns of income and expenditure – in a normal year! Obviously COVID-19 has impacted on the generation of income from the Council's facilities significantly due to the lockdown earlier in the financial year, and continues to be affected due to government guidelines operating within COVID-19 safe measures. In some areas additional expenditure has also been incurred.

The format of this report is quite straightforward; the first two columns relate to the original budget from 2019/20 against the actual figures for last year. The middle section of three columns relate to the current years original budget, actual expenditure year to date, the projected budget to 31st of March 2021. The remaining section of the report relates to the draft budget for 2021/22.

The Committee's revenue budget growth items for 2021/22, and its capital/special revenue projects programme for 2021/22 and beyond are dealt with as a separate budget item.

Revenue Budget Summary

The Base Revenue Budget for this Committee is summarised on the last page of the attached schedules.

In summary, the overall net costs have decreased by £4290 if comparing the original estimate for 2020/21 with the draft budget for 2021/22.

This Committee has very limited, if any, income streams – as mostly income is from grant awards or donations.

In respect of expenditure, a few savings have been identified due to COVID – where events haven't taken place – such as the full In Bloom Competition, and Events like the Advent Fayre, and Remembrance Sunday this has resulted in a saving of £25011 in the current financial year.

Cost Centre 402 Community Infrastructure

1170 – Grants Received. This relates to the funding received via WODC for Community Clean Ups and has been agreed that the majority of it would be spent on providing additional waste receptacles, and a small portion to buy equipment such as litter pickers for the community groups which help keep the town clean and tidy. It also includes a £500 donation towards the lights purchased to be used in light up the Corn Exchange to recognise community groups and national days throughout the year.

4013 – Rent Paid. Members may be aware that Woodgreen and Little Green adjacent to Woodstock Road is in fact in the historic ownership of Hailey Parish Council – but maintained by Witney Town Council as it now falls within the towns boundary. Several years ago the Council agreed to purchase this land for £100 in order to bring its ownership into the correct boundary. This is something the Town Clerk is now trying to progress with the Council's new Legal Advisors but is waiting on information from Hailey PC at the time of writing this report.

4017 – Contract Clean/Waste. This budget line relates to the purchase of bins and the associated emptying costs. There is a programme of replacement and upgrade to recycle bins and therefore it is expected that this will be used by the end of the financial year. This expenditure is offset against the grant received mentioned above.

4035 – Bus Shelter Maintenance. At agenda item 9 of this meeting there are two items relating to bus shelters and public transport infrastructure. With 18 bus shelters to maintain it is important that the Council has the necessary resources. The Town Clerk/RFO would be reluctant to remove this budget line in the current year as it is likely the Works Team will do their annual spruce up in the Spring. Members may also be aware of a project the Council facilitated with the college a few years ago – Bus Shelter Art Project. Members may wish to revisit this as part of the strategic plan in the new year. For the time being the funding will be retained for the current year and reduced to £2000 for next year.

4036 – Property Maintenance. This relates to the maintenance and refurbishment of benches, cycle racks, the two war memorials and other infrastructure in the town not covered by individual budgets. Whilst this budget line is currently unspent, like the bus shelter maintenance the Town Clerk would be reluctant to remove this budget line for the time being as the Works Team tend to do bench maintenance during the Spring.

4037 – Grounds Maintenance & 4039 – Horticulture. The Town Clerk has removed these budget – where were for watering the additional hanging baskets for the In Bloom – however this now forms part of the GM Contract and is covered off elsewhere within the Council's accounts. A budget has been put in for next year because of the planters agreed on the High Street as part of the temporary COVID road closures – this will allow for the planting in the spring and the ongoing maintenance of them.

4040 – Arboriculture/ 4066 – Tree Replacement/ 4067 – Tree Survey. The Council has an extensive tree stock of some 9000+ trees, the majority of which are mature trees. Consequently, and given the damage that trees can cause, the Council needs a budget to be able to carry out regular proactive maintenance (based on findings of a professional tree survey carried out each year) and reactive when sudden unexpected damage is brought about through bad weather. Not all last years tree budget was spent in that year but was committed and therefore rolled over into the current year – hence why this years budget is higher than originally agreed at £19,000. What usually happens is the central budget is held under this cost centre however if the tree works in question are for an example on the Leys Recreation Ground it will be charged there and the budget vired over to that cost centre when the invoices is processed.

The Council's Policy is to replace trees felled, where possible, and therefore a budget is provided for that accordingly. The Council is committed to regularly surveying its tree stock and has a rolling programme for these works. Having clear records of maintenance of its tree stock is important particularly when defending claims from householders through the Council's insurers for property damage. These have proved invaluable to demonstrate that the Council carries out regular maintenance and addresses problems identified in these professional reports.

4166 – Defibrillator maintenance. The Council has several defibrillators it now maintains – and Members will recall at a recent meeting it took over responsibility of the one procured by Tower Hill FC and sited on the West Witney Sports & Social Club. Next years budget has been increased slightly to take account of the additional replacement parts. Any unspent budget will be put into an earmarked reserve for the eventual replacement of the units.

4200 – Street Furniture. The unbudgeted expenditure relates to cycle stands which are to be funded through the OCC Councillor Priority Fund – this income will be shown in 1170/402 Grants Received when it is eventually reimbursed.

4205 – Climate Emergency. The Town Clerk is scheduled to meet with the Compliance & Environment Officer in order to discuss items of expenditure to be covered under this budget line in the current financial year. Members will recall that the Council has set a rather ambitious objective of being carbon neutral by 2028, the budget of £10000 has therefore been retained for the next year.

4210 – Church Clock. Historically the Council has maintained the clock on St Mary's Church, as it falls under its responsibility. There is a nominal budget for the annual service, and in this

years budget a sum of £1000 has been put aside for the eventual replacement of the motor. This, like the Buttercross clock, is maintained by Steve Fletcher of Clockworks following a long line of familiar tradition. Obviously with his involvement in the TV show Repair Shop his availability is somewhat restricted these days.

4215 – In Bloom – including Schools Challenge. Due to COVID the Thames & Chilterns In Bloom competition was cancelled this year, and therefore the majority of this budget was not used. It has been reduced but retaining a small budget in the current year to cover the cost of the temporary planters for the COVID road closure of the High Street, which Council agreed it would cover at the meeting of 12 October. Next years budget has been reduced to £6000 – although it is the Councils intention to enter the Leys Recreation Ground and the Cemetery in special categories, but this is covered off elsewhere in the Council's accounts.

4891 – Agency Services Recharge. The bulk of this cost centres expenditure relates to maintaining the open/amenity spaces across the town and housing estates. As mentioned at the beginning of this report the contract is up for renewal as it expires 30 September 2021. The Council has agreed that it needs an Open Spaces Strategy and will be commissioning these works through the Policy, Governance & Finance Committee in due course. For the time being the Town Clerk has retained the revised budget as the budget for 2021/22 at this stage the exact content of the contract is unknown. It may be the Council decides to bring certain areas of its grounds maintenance in house or contract out additional areas.

4990 – Contribution to CCTV Scheme. Historically the Council has contributed £10000 towards the Town's CCTV Scheme – this is for the running costs. It is administered by WODC and run by TVP. The future of the scheme has been under review for a long time now as the equipment/system has become outdated and needs upgrading.

Cost Centre 408 Community Activities

The only small adjustment to this Cost Centre is a reduction on the Youth Council Grant at 4103 – this was used by the Youth Council to facilitate fund raising events – they were raising funds towards installing a water fountain in the town; along with a reduction in the Council's Events budget at 4141 – because due to COVID events like the Advent Fayre, Remembrance etc haven't been able to take place as they normally do.

4109 – Blue Plaques. A budget of £1,000 was set aside in last year's budget (2019/20) and has been rolled over to the current year for Blue Plaques and in particular acknowledging Alice Batt on Batt House in Witney. The Oxfordshire Blue Plaques Board has recently awarded a plaque to commemorate her invaluable role of women in WWI. It is understood that as Batt House is Grade II* listed a planning application will need to be submitted to WODC. They have therefore scheduled a ceremony for 2022 as they currently have a backlog due to COVID. Members are asked to consider how much they wish to award to towards this plaque.

Cost Centre 407 Community Activities

As mentioned at the introduction there are some budget lines which fall under this Cost Centre but are under the jurisdiction of this Committee – namely:

4104 – Grant Carnival/Xmas to Rotary Club of Witney. The Council supports the Witney Carnival by giving over a grant towards the rental of more public toilets. The Rotary Club of Witney also puts on the Christmas Lights Switch-on event and the Council pays a grant to them to support the costs of the event. Due to COVID neither events have taken place this year so the budget provision has been removed but left in for 2021/22.

4105 – Xmas Lights. Members will be aware from previous reports that the Council's lights contract expired last year and it was the intention it should be tendered for 2020, however due to constraints on Officers time this was unachievable with COVID and therefore the Operations & Estates Officer got three quotes for a scaled back display in the town centre. This was agreed at the last meeting along with two Christmas Trees. The whole scheme should come within half the budget set – however the Town Clerk would suggest that it is all retained and rolled over to the next financial year as Officers are aware that the Council wishes to improve its infrastructure which supports the lights in order to make the more green and energy efficient in line with the Council's Climate emergency declaration.

Next years budget has been left at £40000 but Members may wish to consider the level of budget in light of the savings this year.

4107 – Witney Dementia Alliance. The Council has always supported the Witney in Blue Day to raise awareness of Dementia in the town and provided a grant up to £1000 to facilitate various activities in the town, and offering use of the Council's facilities such as the Corn Exchange. Due to COVID this years events didn't take place. Members are therefore asked to consider if they wish the funding to be deferred to 2021 to hopefully support the event when it is able to run safely.

4108 – Grant Oxfordshire Play Association (Play Day). Each year the Council puts on a free play day for the Community on one of its recreation grounds. This is usually in partnership and facilitated by Oxfordshire Play Association but also involved other funders such as Cottsway Housing Association. For obvious reasons this years didn't take place on 6 August as planned, but Officers have received communication from OPA confirming they plan to hold the events on the say day in 2021. It is therefore suggested that the budget is deferred until next year.

4160 – Town Twinning & 4161 – Town Twinning Room Hire. Ordinarily the Council provides an annual grant to the Witney & District Twinning Association of £500 to help administer the association. It also provides a meeting space via its halls. Both these grants were increased for 2020/21 in order to assist with the anniversary celebrations which should have taken place in April this year – due to COVID these didn't go ahead. The Association still hope to be able to achieve some sort of celebration next year but they have also applied to the Council for an additional £2498 towards raising the profile of the Association – this application will be

discussed under item 13C when considering items for the Revenue Growth Budget and Capital/Special Revenue.

4167 – WOCT Bus Service. Last year the Council agreed to increase the Council's grant to WOCT from £18000 to £21000 and commit to that for a further two years thereafter. However due to COVID and subsequent temporary withdrawal of the bus service during lock down it was agreed to continue to pay the £18000 for the current year and implement the higher rate of £21000 in 21/22 financial year.

4169 – Children & Youth Provision. At the last meeting of this Committee the full budget of £30000 was awarded to three organisations to undertake work in the town to the benefit of children and youth based on the Council's policy and criteria. At the same meeting it was agreed to budget the same amount in the next years budget, and will be classed as a recurring revenue growth item.

Environmental impact

Having declared a Climate Change Emergency at its Council meeting on 26 June 2019 – with this in mind Councillors should have due regard to the environmental impact of any decisions they make with regard to its facilities and services it operates.

As mentioned in the introduction the Council will be undertaking a root and branch review of its grounds maintenance contract. By reviewing the grounds maintenance contract this will enable the Council to take into consideration greener measures in order to work towards its objective for carbon neutrality by 2028. This, along with the budget allocated to Climate Emergency should help to facilitate projects yet to be identified in the Council's strategic plan which will be drafted early in the new year.

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.

All the Council's Committees receive financial reports in order to carry out its checks and balances. The Town Clerk has approached the budget with prudence so as accurate budget as possible can be set. However, at this stage of the budget setting cycle there are still many unknowns – particularly around future staff costs and the Grounds Maintenance Contract.

The Council Officers continue to keep under review the guidance and regulations relating to COVID-19 in order to safeguard staff and the public from contracting the virus – this may result in additional unplanned expenditure.

Financial implications

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

1. consider how much they wish to contribute towards the Blue Plaque for Alice Batt of Batt House (budget line 4109/408); and
2. confirm the Council still wishes to support the following events by way of grant funding:
 - a. Witney Carnival & Christmas Lights Switch-on Event 2021 – grant to Rotary Club of Witney for £3100;
 - b. Witney Dementia Alliance – continue to support Witney in Blue with a grant of up to £1000;
 - c. Free Play Day for the Community on 5 August 2021 – in partnership with OPA by providing a grant of £1000;
 - d. Twinning Association is dealt with under item 13C;
3. agree in principal that the revised base revenue budget for 2020/21 and the estimated base revenue budgets for 2021/22, as detailed in the draft estimates be approved – subject to any further adjustments necessary.