
Date:	Monday 31 January 2022
Title:	Budget: Committee Revised Budget 2021-22 and Estimates 2022-23
Contact Officer:	Town Clerk/RFO – Sharon Groth

BACKGROUND

Following the decision at the EOC on 5th January 2022 the purpose of this report is to provide the necessary information for Members to review the Committee’s revenue and capital expenditure [and income if appropriate] in order to identify areas for savings, as well as realistically prioritising projects to support the Council’s emerging medium term financial strategy.

Consequently during this cycle of meetings each spending Committee has scrutinise their own spending plans and have made recommendations to this Committee in order to help balance the budget to fit the already agreed Precept. The Town Clerk has provided a summary at part B of this report and provisionally accounted for these adjustments so that she can report the revised financial status of the budget for 2022/23.

CURRENT SITUATION

The Town Clerk has extracted information from her final budget report submitted to the EOC relevant to this Committee for ease of reference.

[Recharge from the Works Department \[Cost Centre 601\] & Central Support \[Cost Centre 602\]](#)

It should be noted that the revised estimates and the estimates for next year do not include the recharges from these two cost centres; these will be calculated after the budget has been adopted.

[Recharge from Agency Services – Grounds Contract \[Cost Centre 503\]](#)

Similarly with regard to the Grounds Maintenance Contract – [shown as 4891- Agency Services Recharge] – Members will be aware that the present contract has been extended to end on 30 September 2022 and a new specification is currently being drawn up to take account of the outcomes from the Open Spaces Strategy - so for the purposes of this report the current years actual known figures have been retained with a 5% inflationary increase applied, in order to be able to make comparison on a like for like basis across the two years.

It is hoped that the Council will be able to make a decision on the future of its Grounds Maintenance Service early in the new year when the Consultant has finalised his report.

COMMITTEE: POLICY, GOVERNANCE & FINANCE

401 – Civic Activities

This cost centre relates to the Council's Civic Activities through the Office of the Mayor and the costs associated with this position of Office – maintaining the chain, civic functions such as the Annual Civic Reception which is a Town Council function hosted by the Mayor.

407 – Grants & Donations (Inc GPC/S137)

This includes the various grants the Council awards annually as well as the general grant budget.

4100 – Grants General the PGF Committee agreed earlier in the year when it reviewed the grant criteria that the budget should be increased to £20,000 because more grant applications were to be anticipated given the financial situation caused to a lot of local organisations as a result of COVID.

4105 – Xmas Lights Tree & Infrastructure following the successful tender of the lights contract for the next three years from 2021, the revised and budget estimate for 2022-23 has been adjusted based on known figures.

4111 – Water Safety/Education earlier in the year the Committee agreed to set aside a budget to help support a water safety campaign/education programme with other stakeholders. The Town Clerk along with key Councillors continue to progress this project and are hopeful a campaign will be available to roll out in the local schools as well as on social media and other platforms in time for Spring and the better weather. The budget set aside in 2022-23 is £10,000. Once the project is scoped and costings known a report will be brought back to Committee for agreement.

4167 – Bus Service the Council continues to support the West Oxfordshire Community Transport, this is the 2nd year of 3 at £21,000 per annum funding is pledged for.

4169 – Children & Youth Provision both the Stronger Communities and Policy, Governance & Finance Committees have agreed that the budget line for grants to those organisations that provide services for children and youth in the Town should be increased from £30,000 to £40,000 in the 2022-23 financial year. The current years budget was supplemented by the unspent funds from the Grants General budget line which was to support the Witney Music Festival and the Witney Carnival events which didn't go ahead this summer due to COVID.

502 – Town Hall Maintenance

The Town Hall is leased from the Town Hall Charity – this cost centre therefore provides for the maintenance of the building and accounts for the income from the sublets of the retail units below it.

4013 – Rent Paid the Council's rent review was due in April 2019 however negotiations were only concluded earlier in the year – therefore the Council had to pay some back rent from previous years hence the higher level of budget in the current year compared with the next financial year.

4036 – Property Maintenance Members will be aware from previous reports that the former optician's property at 51 Market Square has been repurposed into accessible town council offices where the new Admin team are located. These works resulted in the budget line going over budget considerably. **However, an EMR is held for Town Hall Maintenance (A/c 321) and the balance currently stands at £71,799 – therefore the overspend has been covered by the TFR from EMR (4495/502). The Town Clerk has written to the Landlord to seek a contribution towards the structural works.**

503 – Agency Services

This cost centre relates to the Grounds Maintenance Contract which is then charged out across the various services and functions

As mentioned previously in line with its objectives set out in the Open Spaces Strategy the Council is currently considering its options on the future delivery of grounds maintenance. **A contingency is held in the EMRs which stands at £66,845.**

The revised budget is slightly higher due to several factors, first of all the December invoice from the previous financial year hadn't been accounted for – consequently there was an underspend in last years accounts which would have gone into the General Fund (as explained in the full budget report to the EOC on 5 January 2022), but also due to the fact that the current contract was due to expire at 30 September 2021 – with the contract being extended for a further year – the Contractors have renegotiated several areas of the contract where they were losing money. Next years estimates are based on the current year excluding the December invoices with an inflationary increase.

505 – Precept

This relates to the annual Precept agreed. The Council no longer receives the Council Tax Reduction Grant this has been phased out now. The Precept is received into the Council's bank account in two tranches- April and October.

506 – Interest Received

Accounts for bank charges and also interest received from the Council's surplus balances held in CCLA and Barclays.

601 – Works Department

This relates to the costs of the Council's direct work force – and as explained in the introduction is charged back over the various cost centres analysed from the workmen's time sheets, in order to show a true cost of each service and function.

4001 – Salaries, 4002 – ER'S NIC, 4003 – ER'S Superann during the year there has been a vacancy for a Full Time Maintenance Operative, part of the year without a Senior Maintenance Operative, parts of the year where we have been another operative down. The

revised budget has therefore been adjusted to take into account these vacancies to provide for a significant saving in the current year.

602 – Central Support

This relates to the costs of the Council's Central Admin Support – and as explained in the introduction will be charged back over the various cost centres.

4001 – Salaries, 4002 – ER'S NIC, 4003 – ER'S Superann Members will be aware that a new structure was implemented in March 2021. There were several amendments to final salaries as a result of negotiations and salary protections – which were all agreed by the Personnel Sub-Committee and ultimately the PGF Committee. This did initially increase the original pay budgets however due to the loss of the RFO which hasn't been replaced as yet and a delay in recruiting a couple of the other posts the increase has been reduced slightly.

At a recent Personnel Sub-Committee meeting it was agreed that the role of the RFO would be increased to a full-time position and incorporating some other duties identified by the Town Clerk. The budget for 2022-23 has been increased accordingly to reflect this decision.

4011 – Rates with the utilisation of the ground floor property as well as the Town Hall the rates have had to be increased.

700 – Strategic Planning Initiatives

Many projects take time to come to fruition and therefore a lot of time is spent on strategic planning and this needs to be accounted for – this is done as a recharge from Central Support.

701 – Corporate Management

This cost centre relates to the Council's Corporate Management covering things like the annual external audit fees.

702 – Democratic Representation & Management

This cost centre relates to the Democratic part of the Council's business – which supports the Councillors and the running of meetings.

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.

Within the budget there is financial provision for various projects to assist the Council in achieving its objectives. These extend to upgrading of some of its vehicles, making buildings more energy efficient, as well as using green utility companies.

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.

Proper and sound financial management is necessary as all Councillors are collectively responsible for the budget, particularly expenditure and ensuring it is expended lawfully and in line with the Council's Financial Regulations.

As Town Clerk, the Council's Proper Officer and Responsible Financial Officer it is her job to advise accordingly, in line with Financial Regulations and Statute. She has carried out extensive scrutiny of the Council's income and expenditure and is confident in the accuracy of her figures presented.

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 to note the report and consider if there are any areas within its area of responsibility which can be changed.

APPENDICES

A - Annual budget – By Committee + Budget Notes