

CLIMATE, BIODIVERSITY & PLANNING COMMITTEE

Date: Monday 15th November 2022

Title: Financial Report: Revised Budget 2022/23 and Proposed Budget 2023/24

Contact Officer: Town Clerk/RFO – Sharon Groth

Background

Financial Regulation 3.2 requires *each committee through the actions of the Policy, Governance & Finance Committee, to review its three-year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the Council not later than the end of November each year including any proposal for revising the forecast.*

The purpose of this report is to present to Members the revised budget for 2022/23 and the first draft revenue budget for 2023/24 – in the attached document.

However, the Town Clerk, at this stage has only been able to pull together some limited information regarding the revenue budget. Later in the budget cycle, the Town Clerk will do a full presentation to make sure Members are fully abreast of the financial situation of the Council when she has had the opportunity to scrutinise the spending to date and account for new aspirations. She has therefore just covered a few key points below for information and a reminder.

Recharge from Works Department and Central Support

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 it. 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.

As Members are aware the Council has brought its grounds maintenance in house with effect from 1st October 2022 – and the accounts are in the process of being re-profiled in order to ensure the service is accounted for correctly. There may be some change to the format of the accounts in due course.

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 as the Town Clerk is using system generated reports it has not been possible to exclude these accounts

from this summary. Only when the budget for both these departments have been agreed by the Policy, Governance & Finance Committee will the Town Clerk be in the position to calculate the revised recharges and the estimates for 2023/24.

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 Climate, Biodiversity & Planning budget, the Committee's services are divided into 2 base revenue cost centres, responsibilities [but with other interests overlapping into other Committee's Cost Centres], as follows:

<u>Cost Centre</u>	<u>Area</u>	<u>Description</u>
206	Witney Country Park	This cost centre relates to the maintenance of the lake and country park.
403	Planning	This relates to the recharge form Central Support for administering the planning function of the Council.

Budget Parameters – Draft Estimates 2022-23

The format of this report is quite straightforward; the first two columns relate to the original budget from 2021/2 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 March 2023. The remaining section of the report relates to the draft budget for 2023/24.

Draft budgets are prepared on current activities and patterns of income and expenditure. The Council is still experiencing some impact from the aftermath of COVID, which is reflected in the revised budgets. At this stage most of the budget lines have been kept as previously agreed unless there are known variations.

The Committee's revenue budget growth items for 2023/24, and its capital/special revenue projects programme for 2023/24 and beyond will be dealt with via a separate agenda item.

Cost Centre 206 – Witney Country Park

4036 Property Maint, 4040 Arboriculture, 4042 Equipment – The general idea for these budget lines is to support the improvements and ongoing maintenance of the lake and country park. Now with a Park Ranger in post the Council can plan its improvements accordingly. The Council therefore needs to make sure there is a sufficient budget to undertake the necessary works. The Committee will have already seen the Park Rangers report at the earlier agenda item along with a list of projects for improvements so that these can be prioritised and consequently budgeted for.

In respect of budget line 4042 Equipment part of this budget line relates to the continual maintenance of the paths around the lake which almost annually require attention due to flooding and paths being naturally eroded. The other more substantial part of the budget is for bank erosion works as well managing/increasing the biodiversity of the lake and country park. It also ensures funding is available for replacement life buoys which often are damaged or vandalised.

It should also be noted that within Earmarked Reserve 366 – Climate/Biodiversity there is a sum of £23,050 set aside for biodiversity and bank stabilisation works around the lake.

Other Budget Lines Under Indirect Control – for information

4205/402 – Climate Emergency Fund

Nothing was budgeted in the current financial year on this budget line because £25,000 was held in the Earmarked Reserve 366 – Climate/Biodiversity in respect of Climate initiatives. This had been made up of funds set aside in 20/21 £10,000 and 21/22 £15,000.

4066/402 – Replacement Trees is as follows:

B/fwd 21/22	22/23	Expenditure to date	Proposed 23/24
£2,000	£4,000	£4,450	£8,000

It is Council policy that any trees which must be removed are replaced and therefore the necessary funding needs to be in place to fulfil its objective. Officers have requested additional funds be set aside in 23/24.

4067/402 – Tree Survey is as follows:

B/fwd 21/22	22/23	Expenditure to date	Proposed 23/24
£0	£8,000	£0	£8,000

The Council has a rolling programme of surveying its tree stock – which is a requirement for insurance purposes. Within the budget for 22/23 there is also provision for OSS-PO3 Draw up and adopt a comprehensive arboriculture plan. The same level of budget has been retained for the next financial year as recently we have had to carry out pull tests and other surveys on trees – therefore a contingency has been made.

4918/800 – Buildings Energy Efficiency

In the current financial year £20,000 was set aside to start to make the Council owned building more energy efficient. The Operations Manager has recently commissioned EPC ratings for the Town Hall, Langdale Hall and Burwell Hall.

There is also an Earmarked Reserve 372 – Burwell Hall Heating System set aside £30,000 to replace the gas boiler however the Project Officer has received conflicting advice on what is proposed.

The Council also has an Earmarked Reserve 370 – Electric Vehicles which currently stands at £29,200 but there is an electric van on order.

Revenue Budget Summary

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

At this stage it is pointless summarising the end result due to the above as we are not comparing like for like, as well as several unknowns. The reports give the detail and Members will be able to ask questions either ahead or at the meeting.

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 above the Council has now successfully brought its grounds maintenance contract in house. By doing this the Council will be able to take into consideration greener

measurers to work towards its objective for carbon neutrality by 2028. This, along with the budget allocated to Climate Emergency and Biodiversity should help to facilitate projects yet to be identified by the Council.

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 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 at this early stage, although there may be some opportunities to make savings if required to balance the budget.

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 consider the revised base revenue budget for 2022/23 and the estimated base revenue budgets for 2023/24, as detailed in the draft estimates.