

## Finance Performance Report 2025/26 Year End – SUPPLEMENTAL

This supplemental paper sets out the movement in the outturn position from an underspend of £186,890, as reported in Financial Performance Report 2025/26 Year End, to an underspend of £203,155, due to a technical accounting adjustment identified for Right of Use Assets under IFRS16.

### WEST OXFORDSHIRE DISTRICT COUNCIL - Budget Monitoring

#### Revenue Budget Monitoring 2025/26 - 1st April to 31st March 2026

	Original Budget 2025/26	Current Budget	Actual Exp	Variance (under) / over spend
	£	£	£	£
<b>Service Area</b>				
Democratic and Committee Services	1,412,297	1,447,977	1,429,823	(18,154)
Environmental & Regulatory Services	784,557	698,731	729,758	31,028
Environmental Services	8,285,567	8,173,529	7,997,566	(175,963)
Finance, Human Resources & Procurement	1,062,851	1,183,180	1,202,137	18,957
ICT, Change & Customer Services	2,230,097	1,867,755	1,853,109	(14,646)
Land, Legal & Property	841,492	1,605,742	1,588,095	(17,647)
Leisure & Communities	555,410	595,786	301,192	(294,594)
Planning & Strategic Housing	1,383,153	1,280,375	1,162,599	(117,776)
Revenues & Housing Support	1,592,014	665,724	1,270,026	604,302
Investment Property and Retained Services	682,434	1,034,001	767,061	(266,940)
<b>Total cost of services</b>	<b>18,829,872</b>	<b>18,552,799</b>	<b>18,301,366</b>	<b>(251,433)</b>
<b>Plus:</b>				
Investment income receipts	(1,156,228)	(1,956,228)	(1,956,996)	(768)
<b>Cost of services before financing:</b>	<b>17,673,644</b>	<b>16,596,571</b>	<b>16,344,370</b>	<b>(252,201)</b>
General Government Grants	(5,183,440)	(5,851,154)	(5,839,905)	11,249
Retained Business Rates	(6,987,360)	(6,987,360)	(6,987,360)	(0)
Interest Payable	84,875	217,581	135,613	(81,968)
MRP	581,166	581,166	563,320	(17,846)
Revenue Contribution to Capital	540,000	540,000	569,624	29,624
Earmarked Reserves	1,444,735	3,265,122	3,481,160	216,038
Disposal of fixed assets	0	0	(16,770)	(16,770)
Capital Charges	(1,804,700)	(2,013,007)	(2,013,007)	0
Council Tax	(6,440,199)	(6,440,199)	(6,440,199)	0
Budgeted Contribution to General Fund	91,280	91,280	0	(91,280)
<b>Contribution to General Fund</b>	<b>0</b>	<b>(0)</b>	<b>(203,155)</b>	<b>(203,155)</b>

The areas affected by this accounting adjustment are Environmental Services (Downs Road Depot), Land Legal and Property (Swain Court) and MRP.

<b>Service Area</b>	<b>Reported Outturn £</b>	<b>Adjustment £</b>	<b>Updated Outturn £</b>
Downs Road Depot	4,510	(32,455)	(27,945)
Swain Court	(3,733)	(10,000)	(13,733)
MRP	(44,036)	26,190	(17,846)
Underspend	(186,890)	(16,265)	(203,155)

The adoption of IFRS 16 in 2024/25 changed how lease costs are reported in the accounts. Rental payments are replaced by depreciation and interest charges, which alters the timing and presentation of costs within the revenue account.

These are technical accounting adjustments required by accounting standards and are reversed through statutory mechanisms, meaning they do not impact on the council's usable reserves or funding position, but they do affect the reported outturn for the year.

The £16,265 amendment in the outturn position reflects the updating of the accounting treatment in the accounts for Downs Road & Swain Court and the corresponding MRP charge.