



WEST OXFORDSHIRE
DISTRICT COUNCIL

WEST OXFORDSHIRE DISTRICT COUNCIL

Name and date of Committee	FMOS: Wednesday 14th June 2023
Report Number	Agenda Item No. 11
Subject	Financial Performance Report 2022/23 Year End
Wards affected	All
Accountable member	Cllr Dan Levy Cabinet Member for Finance Email: dan.levy@westoxon.gov.uk
Accountable officer	Elizabeth Griffiths, Chief Finance Officer and Deputy Chief Executive Tel: (01993) 861188 Email: Elizabeth.Griffith@westoxon.gov.uk
Annexes	Annex A – Revenue Outturn Annex B – Capital Programme including slippage Annex C – Update on Aged Debt
Recommendations	(a) That the 2022/23 end of year financial performance be noted.
Corporate priorities	Council approved its Council Plan 2023-27 in January 2023. The Plan sets out a Council vision that is “to support West Oxfordshire to be fit for the future through action across a set of priority themes: <ol style="list-style-type: none">1. Putting Residents First2. A Good Quality of Life for All3. A Better Environment for People and Wildlife4. Responding to the Ecological and Climate Crisis5. Working Together for West Oxfordshire
Key Decision	Yes
Exempt	No

I. FINANCIAL POSITION AT YEAR END

2022/23 was financially a very difficult one for the Council, driven by high inflation across the board and the continued pressure on income generating services such as Building Control, Land Charges and Car Parking in addition to void units in our Investment Property Portfolio. A realistic budget was approved in February 2022 which provided for a £1.6m surplus for the year but the final position is a deficit of £573,004.

While the position is significantly worse than budgeted, it is relatively in line with reporting through the year as it has developed and also with our budget for 2023/24. While this provides some confirmation that our projections of a deficit budget position and deteriorating financial stability are not overstated, it also reconfirms the need to address it.

Our largest controllable risks continue to be the Leisure contract which has not delivered the expected management fee income, the Waste contract whose costs continue to rise rapidly, and an emerging risk around homelessness. This was an area which saw elevated costs through Covid but the level of these has not reduced to pre pandemic levels.

While the outturn report typically focuses on the revenue budget, this report also touches on our balance sheet. This is something of an anomaly between private sector and public sector reporting and a greater increase in focus on the balance sheet is required. The concern around aged debt has been known for some time and WODC brought in a credit control specialist in order to recover as much as possible of the outstanding monies and to investigate current procedures to determine why such a backlog exists. Good progress has been made and an update on that is appended in Annex C. This increased focus on debt is now being extended to Housing Benefit, Council Tax and Business Rates – the aged debt of which do not appear in the Finance system but are very much of concern to the Council. Housing Benefit in particular is an area where unresolved overpayments impact our finances.

The Revenue Outturn for all Council Services at 31st March 2023 is shown in Annex A.

There are a number of budget variances identified in the report across a range of service areas, commentary for the most significant of these is set out below. These figures are subject to External Audit review, however no material change is expected from what is being reported here.

2. FINANCIAL REPORTING

WEST OXFORDSHIRE DISTRICT COUNCIL - Budget Monitoring

Revenue Budget Monitoring Outturn 2022/23

Service Area	Quarter 4			
	Original Budget 2022/23	Current Budget	Actual Exp	Variance (under) / over spend
	£	£	£	£
Democratic and Committee Services	1,058,971	1,082,956	1,151,784	68,828
Environmental & Regulatory Services	507,109	489,940	570,529	80,589
Environmental Services	7,106,814	7,076,617	8,031,375	954,758
Finance, Human Resources & Procurement	922,288	977,832	981,286	3,454
ICT, Change & Customer Services	1,924,570	1,953,156	1,893,647	(59,509)
Land, Legal & Property	903,130	864,539	1,089,038	224,499
Leisure & Communities	661,071	637,421	1,435,217	797,796
Planning & Strategic Housing	1,528,061	953,786	917,854	(35,932)
Revenues & Housing Support	1,049,459	910,673	1,041,053	130,380
Investment Property and Retained Services	(2,218,585)	(2,095,710)	(1,494,324)	601,386
COVID-19 specific costs	284,525	404,715	431,874	27,159
Total cost of services	13,727,413	13,255,925	16,049,334	2,793,409

Plus:

Investment income receipts	(1,139,501)	(1,139,501)	(1,364,483)	(224,982)
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Cost of services before financing:	12,587,912	12,116,424	14,684,850	2,568,426
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Retained Business Rates	(4,373,420)	(1,855,594)	(2,166,459)	(310,865)
Interest Payable	102,857	102,857	13,217	(89,640)
General Government Grants	(2,834,598)	(3,083,048)	(3,087,910)	(4,862)
Budgeted contribution to GF	1,609,731	1,609,731	0	(1,609,731)
MRP & Capital financing underspend	995,002	995,002	828,473	(166,529)
Earmarked Reserves	(826,239)	848,227	1,065,102	216,875
Capital Charges	(1,769,650)	(1,724,178)	(1,724,178)	0

Contribution (to)/from General Fund	7,261,245	9,885,372	9,443,698	573,004
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2.1. Car Parking

The combined overspend across On and Off street parking is £178,000, 90% of which relates to the underachievement of income. The remaining 10% is for the annual cost of the Chipside parking system and the increase in electricity costs. The Parking budget for 2023/24 has increased by £142,000 due to the transfer of On Street parking back to Oxfordshire County Council from 1st April 2023 and the loss of £169,000 of budgeted income. In addition a vacant Civil Parking Enforcement Officer post, supposed to be funded through excess income, has been disestablished. A report from the Business Manager – Support and Advice, to whom responsibility for the Parking Service transferred in 2022/23 will be submitting a report to the Executive on the future of the Parking Service subsequent to the transfer of On Street Parking out of West Oxfordshire's remit.

2.2. Democratic Services

Consistent with reporting throughout the year, Members Allowances are £55,000 overspent at year end with additional overspends of £16,000 for the printing and posting of Committee Papers and £4,000 for the Council's contribution to the Oxford to Cambridge Pan Regional Partnership which champions the region as a world leader in innovation and business in a sustainable way. The 2023/24 budget has been increased for Members Allowances in line with the agreed Independent Remuneration Panel recommendations, Committee Paper printing and an additional amount for Member Training.

2.3. Land Charges

As reported in the 2021/22 outturn and the quarterly budget monitoring reports in 2022/23 Land Charges income has fallen significantly below budgeted levels, with a further fall of 8% in 2022/23 compared with the previous year. The volume of free Personal Searches remains very high at over 70% of total Land Charge searches in the year. The Council will also be impacted by the transfer of the statutory LLC1 searches to HM Land Registry in 2023/24 which will result in an estimated loss of £14,000 per annum. The government has provided grant income to support the loss of the LLC 1 searches for 2 years, so the impact of this income loss will manifest in the 2025/26 budget.

2.4. Leisure Contract

At the beginning of the financial year GLL confirmed their expectation to pay the contracted management fee to the Council of £1.4m and therefore no income contingency was included in the 2022/23 budget. The terms of the contract allow for an increase in management fee income based on CPI which has increased significantly in the last 12 months. The invoiced management fee for 2022/23 was £1.9m of which £504,000 has been paid for the period November 2022 – January 2023. The continued high cost of utilities and lower level of footfall into the District's leisure centres has impacted on the financial stability of the leisure contract and put GLL's ability to meet the contracted obligations in doubt. For this reason a specific Bad Debt provision has been made in the amount of £1.18m in order to recognise this substantial risk in our Financial Statements as it would be misleading to recognise all of the invoiced income when we have no reasonable expectation of it being paid at this point.

2.5. Ubico Contract

The Ubico contract is £424,000 overspent, the majority of which relates to the pay award being 3.5% higher than initially budgeted for, the significantly higher cost of diesel throughout the year which has only started to drop in the last few weeks and vehicle hire & repairs. The impact of this overspend has been allocated against each part of Environmental Services, more details of which can be seen in Annex A. The budget for the Ubico contract in 2023/24 is £8.1m, an increase of £745,000 but this may not be sufficient if the pay award for the current financial year is more than the 4% included in the base contract sum.

2.6. Building Control

The service has ended the year £77,000 overspent due to underachievement of income, a 14% drop on the previous financial year. The service has struggled against competition from the Private sector and the general state of the economy. With the sharp rise in interest rates since Autumn 2022, mortgage and borrowing costs have impacted on the volume of house renovations and moves which shrinks the market for Building Control commercial services. The latest estimates for the Bank of England base rate is that it will peak this year at 5.25% and will fall gradually. The Building Control service is therefore unlikely to be unable to reach their budgeted income target in 2023/24 and it may not be realistic to expect it in 2024/25. This will be assessed as part of the 2024/25 budget setting process.

2.7. Environmental Services - Waste Contract

The Waste Contract as a whole is £713,000 overspent, but this figure includes the Ubico contract overspend of £424,000.

Recycling – the Suez contract is £138,000 overspent at £1.052m. The 2023/24 budget was increased to £1m for this contract but this figure now looks insufficient in the light of the month on month increase in costs. The average monthly charge was £86,000 in Q1 rising to an average of £104,000 a month during Q4. There has also been a £109,000 overspend on recycling bins and boxes plus £25,000 on an options appraisal for the service.

Green Waste – the service achieved 99% of its income target but the costs for printing and posting out of Green Waste licences, of £20,000, formerly funded through licence income in excess of budget are a revenue overspend in 2022/23. The licence fee was increased by £5 for 2023/24 and in the first 2 months of 2023/24 income is at 89% of the budget for the year.

Trade Waste – this service has shown a significant turnaround in the last 2 years with the 2022/23 position showing a £106,000 underspend overall driven by a £59,000 underspend in Tipping Charges paid to the County Council, a £35,000 of additional income for Schedule 2 collections (which are collections from domestic premises that incur a fee) and a £30,000 reduction in bad debt provision due to a mixture of recovery and write offs. Progress has been made, most notably with the introduction of payment via direct debit but there is still work to do to ensure all processes are robust and that ongoing bin collections are closely tied to customer payments for the service and that ceasing one results in suspension of the other.

Household Waste – there has been a £22,000 overspend on bins which together with recycling bins and boxes puts the total overspend for the year at £134,000.

Downs Road Depot – there has been a requirement to undertake major drainage works costing £30,000 and additional repairs and maintenance costs of £31,000 to both the site and building fixtures and fittings.

2.8. Admin Buildings

Across the Council's Admin Buildings there is an overspend of £168,000 of which £147,000 relates to electricity and gas. Growth has been included in the 2023/24 budget for an increase in utility expenditure of £253,000. With changes to the energy cap in July and October 2023, this budget is likely to be underspent in the 2023/24 financial year with any significant variances included in the quarterly budget monitoring reports.

In addition to utility costs, there has been £25,000 of costs related to Agile Working which are ineligible to be recognised as capital expenditure and have therefore been recognised as a revenue overspend.

2.9. Publica Contract

In spite of the pay award for 2022/23 being 3.5% above the base budget, the Publica contract has returned a surplus to the Council of £80,000. This includes a refund for the proposed change to National Insurance contributions that was included in the base contract sum but subsequently scrapped by the Government in the year plus a reimbursement for vacant posts. The base budget for 2023/24 includes a pay award of 4% but it is as yet unknown what the award will be as the final offer from the National Employers has been rejected by all 3 Unions.

2.10. Homelessness

The average number of clients in temporary accommodation has risen and stayed consistently around 60 during the second half of the year, which is an unprecedented level for West Oxfordshire, much higher than during the Pandemic.

The purchase of The Old Court in 2020/21 was supposed to meet our emergency housing needs without reliance on Bed & Breakfast and Travelodge but the capacity in Council owned temporary accommodation for single people is 22 between Horsefair in Chipping Norton and The Old Courthouse in Witney. Both of these properties have had a low level of voids in 2022/23 with significantly lower costs for repairs and maintenance, resulting in a surplus of £54,000 for the year.

The reliance on Bed & Breakfast and Travelodge to house the remaining average of 38 clients has cost the Council £153,000 in Housing Benefit and £280,000 in Housing Benefit Subsidy a total of £433,000.

Pressure on the Homelessness Team has been unrelenting since the start of the Pandemic in 2020. During a time of material increase to the number of clients being supported, housed and then moved on into more secure tenancies, there has been no increase in the number of permanent posts in the team. Additional FTC posts have been provided, but there has been an understandable churn in these posts as people move on into permanent posts elsewhere.

It would be appropriate to undertake a review of the Homelessness service to determine if additional resource could reduce the losses of Housing Benefit and Subsidy.

2.11. Investment Property

We have seen a mixed year for the Council's Investment Property with an overall overspend of £369,000. This is mostly made up of a reduction in rental income either due to vacant units i.e. Des Roches & Talisman or periods of reduced rent for new tenants i.e. Carterton Ind Estate. It is now a market standard to offer rent free or rent reduced periods for new tenants in return for the stability of a 10 year lease. When considered over the life of the lease the rent free period is on average is 5% – 7.5% of the total rental income.

Marriotts Walk – in January 2023 the Council completed the purchase of Marriotts Walk Shopping Centre. This purchase allows the Council to protect the sustainability of Witney Town Centre by proactively seeking tenants who compliment rather than detract from the existing traders in the High Street, encourage increased footfall into Witney due to the nature/stature of our Marriotts offering and the regeneration of the central square.

2.12. Housing Benefit Subsidy

There is a £280,000 subsidy loss related to the use of B&Bs and Travelodge as emergency accommodation as the Council is able to recover only a small percentage of the costs through Subsidy. This loss is offset in the most part by £186,000 Admin Subsidy and one off grants of £51,000. Admin Subsidy is allocated to the Council to help fund the running of the Housing Benefit service i.e. to pay for staff, but in recent years this grant has filled the gap between Benefits paid out and the Subsidy we receive in compensation.

2.13. Investment Income

The bond and equity markets have had a dynamic year meaning that our Pooled Funds have returned £225,000 more in interest than was budgeted for, but are still subject to a capital loss of £1.6m. Under Cipfa guidance the Council must crystallise any capital loss from the Pooled Funds and recognise this loss in the Statement of Accounts for 2024/25. In the last year this capital loss has increased by £1.2m.

2.14. Council Tax and Business Rates Arrears

Since 2020/21 reporting has shown a significant increase in both Council Tax and Business Rates arrears. Initially due to the Pandemic and latterly to the Cost of Living Crisis. The table shows the arrears specific to 2020/21 to 2022/23 and the amounts recovered to date. The effect of the suspension of raising liability orders through the Magistrates Court during the Pandemic can be clearly seen in the significant rise in arrears between 20/21 & 21/22 and it is taking longer to recover outstanding amounts than it has in the past, due to the accumulated volume of the last 3 years. It is encouraging that the arrears specific to 2022/23 are significantly lower than the previous year.

Council Tax	20/21	21/22	22/23
Arrears at 31.03	2,654,907	3,805,222	2,993,806
Balance after 1 year	1,661,311	2,209,117	
Balance after 2 years	1,282,456		
% collected	52%	58%	
NNDR	20/21	21/22	22/23
Arrears at 31.03	1,871,523	2,727,554	1,319,753
Balance after 1 year	708,449	749,187	
Balance after 2 years	400,670		
% collected	78%	72%	

3. FUNDING

3.1. Retained Business Rates and Pooling

The accounting arrangements for Business Rates are complex and statute requires recognition of items charged in one financial year to be resolved in the following year i.e. the deficit arising in 2022/23 (the shortfall in collectable rates vs expected due to the Govt's reliefs) will be repaid to the Collection Fund in 2023/24. This deficit has therefore been budgeted for in 2023/24 and will be funded by the Business Rates deficit earmarked reserve set up specifically for this repayment. The deficit at the end of 2022/23 is £1.273m, higher than the £991,000 estimated in the submission of NNDR 1 for 2022/23, the difference between the estimate and the actual deficit will be repaid in 2024/25 and will be taken account of in the budget setting process.

In the 2022/23 budget Retained Business Rates income accounted for 34% of funding for Council services but our ability to collect it was impacted by the CARF (Covid Additional Relief Fund) scheme announced by the Government to give Covid support to businesses ineligible for any of the other available schemes. The scheme provided Business Rate relief against 2021/22 billing but the scheme was not implemented until the beginning of 2022/23 due to the timing of the announcement & funding arrangements. As a result the amount of Business Rate income we collected this year fell to £34,366,635 against an original budget of £36,451,916.

As the Billing Authority we collect 100% of the 'payable' income but distribute 50% of the 'budgeted' income (regardless of whether the actual cash collected has reduced significantly due to Govt reliefs) to Central Government & 10% to the County Council on a monthly basis.

The table below shows the calculation of the budgeted / expected Business Rate income for the Council vs the Actual. You can also see the funding of the deficit payable in the year through earmarked reserves, as discussed in the 2021/22 outturn report. We have an identical situation in 2022/23, where we must repay £4.578m of deficit in 2022/23 and therefore needed to move that amount out of the earmarked reserve.

	Budget 2022/23 £m	Actual 2022/23 £m	
Total Business Rate Income	36.451	34.366	Expected vs Collectable
WODC Business Rates Income (40%)	14.580	14.580	WODC receive 40%. 50% goes to Govt with 10% going to the County, fixed through NNDR 1 at Budget Setting. Uncollectable income compensated by exceptional S31 Grant.
Less Tariff	-12.035	-12.035	This is a Govt specified adjustment to reduce our collected rates to the baseline funding level they determine.
NDR Deficit Payable from the Collection Fund	-4.578	-4.578	Fixed at Budget Setting
S31 Grant	4.278	4.432	Grant received to compensate for lost business rates income due to Central Gov policy
Renewable Energy	0.211	0.209	Income retained by WODC for renewable energy schemes
Business Rates Income	2.456	2.454	
Less Levy	-2.037	-0.896	This represents 50% of excess funding over baseline net of Pool Gain
Net Business Rates	0.419	1.576	
Levy Surplus	0	0.018	One off redistribution of grant income to each billing authority
Excess S31	0	0.154	S31 grant due over and above the budgeted figure
Movement from reserves	3.955	3.955	To fund the deficit paid out in the year relating to 2021/22
Movement to reserves		-1.000	To fund the deficit paid out in 2023/24 relating to 2022/23
Retained Business Rates	4.374	4.703	

4. TRANSFERS TO EARMARKED RESERVES

The table below shows the proposed movements to earmarked reserves.

After the proposed movements to earmarked reserves, the final outturn position will be £573,004 deficit which will be funded from the General Fund balance.

	Transfers To Reserves	
Reserve	£	
Business Rates Deficit	1,000,000	S31 grant to fund Business Rates deficit relating to 2022/23 to be repaid to the Collection Fund in 2023/24
New Burdens Funding	197,590	Grant funding for the admin of Council Tax rebate and energy schemes
Redmond Review	18,860	Grant funding for the increase in external Audit requirements
Homelessness Prevention	184,862	Specific grant allocation for Domestic Abuse Safe Accommodation county wide scheme and funding agreed in 2022/23 to fund a Domestic Abuse & Rough Sleeping Specialist post and a Flexible Homelessness Prevention Fund to reduce reliance on Bed & Breakfast accommodation.
Total Proposed Movement to Reserves	1,401,312	

5. GRANTS DISTRIBUTED

There has continued to be a significant amount of Post Payment Assurance work during 2022/23 which we are obligated to carry out and New Burdens grant funding has been provided by the Government to offset the cost of the resource employed by the Counter Fraud Unit to deliver this work.

£191k of COMF (Contain Outbreak Management Fund) grant in Earmarked Reserves has been used to fund the ICT improvements to the Committee Rooms and Council Chamber to allow the spaces to be used to live stream meetings and to enable their use by members of the Community as a flexible meeting space.

6. FINANCIAL REPORTING - CAPITAL

- 6.1. The capital programme approved by Council as part of the budget for 2022/23 totalled £30,596,188. At year end £15,291,292 had been spent against this budget.
- 6.2. The majority of the expenditure was the purchase of Marriotts Walk shopping centre in Witney to hold as an opportunity to regenerate Witney's central shopping area
- 6.3. The majority of the underspend is £15.3m related to the Recovery Investment strategy due to the difficulty in finding investment opportunities that comply with the restrictive borrowing requirements of the PWLB and offer the level of return required in the Council's approved Investment Strategy. Work is ongoing to identify and investigate further investment opportunities.
- 6.4. A full breakdown of the schemes for the year and expenditure at 31st March is attached at Annex B.

	Q4 position		
	Profiled Budget	Actual Exp	Variance (under) / over
	£	£	£
Democratic Services			
DRM001-Democratic Representation and Mgmt	139,440	140,416	976
DRM002-Support To Elected Bodies	395,746	471,070	75,324
ELE* - Elections	161,452	160,850	(602)
SUP001-Administration	386,318	379,447	(6,871)
Total - Democratic Services	1,082,956	1,151,784	68,828

DRM002 - Members Allowances are £55k overspent, consistent with reporting in Q2 & Q3, with a further £16k overspend for the printing of Committee papers, Catering and conference expenses plus £4k for the Oxford to Cambridge Pan Regional Membership. The Budget has been increased in 23/24 to fund the additional cost of Allowances, Committee Papers and Member Training.

Q4 position		
Profiled Budget	Actual Exp	Variance (under) / over
£	£	£

Environmental & Regulatory Services

BUC001-Building Control - Fee Earning Work	(85,897)	(8,630)	77,267
BUC002-Building Control - Non Fee Earning Work	3,131	3,227	96
EMP001-Emergency Planning	13,609	7,452	(6,157)
ESM001-Environment - Service Mgmt & Supp Serv	95,748	95,815	67
PSH002-Private Sector Housing-Condition	3,000	0	(3,000)
REG002-Licensing	20,478	19,239	(1,239)
REG009-Environmental Protection	175,008	168,101	(6,907)
REG011-Authorised Process	(11,900)	(9,097)	2,803
REG013-Pollution Control	134,223	134,224	1
REG016-Food Safety	135,240	135,200	(40)
REG021-Statutory Burials	5,000	8,477	3,477
TAC309-Other Trading Services - Markets	1,900	15,586	13,686

Total - Environmental & Regulatory Services	489,940	570,529	80,589
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BUC001 - income is £74k below target at 81% of the budget for the year, a drop of 14% year on year plus there has been £3k expenditure to employ external Building Inspectors.

EMP001 -there is no expenditure against a legacy budget of £5k for professional fees and a £1k underspend against equipment i.e. the purchase of sandbags. The legacy budget was not removed in 23/24 due to the unpredictable nature of emergencies like flooding and heavy snow.

TAC309 - Markets are £15k below target at 78% of the budget for the year, a drop of 7% from 21/22. There are £3k additional Ubico contract costs, and a £2k underspend in professional fees - a legacy budget removed in 23/24, plus a £3k reduction in Bad Debt provision.

	Q4 position		
	Profiled Budget	Actual Exp	Variance (under) / over
	£	£	£
Finance, Human Resources & Procurement			
SUP003-Human Resources	161,773	177,242	15,469
HLD302-Miscellaneous Cash	0	0	0
HLD313-Lease Cars	0	0	0
SUP009-Accountancy	385,928	386,164	236
SUP010-Internal Audit	172,404	157,260	(15,144)
SUP011-Creditors	40,755	40,045	(710)
SUP012-Debtors	56,766	56,573	(193)
SUP013-Payroll	54,586	54,766	180
SUP019-Health & Safety	32,022	34,373	2,351
SUP020-Training & Development	27,822	28,800	978
SUP033-Central Purchasing	36,432	36,432	0
SUP035-Insurances	9,344	9,631	287
Total- Finance, Human Resources & Procurement	977,832	981,286	3,454

SUP003 - the Council incurred unbudgeted advertising costs of £16k for the Director of Governance post

SUP010 - SWAP Internal Audit services are on budget at £100k and there is a £15k underspend for the Counter Fraud Unit who have taken on all Business Support Grant post payment assurance work as required by the Government over and above the agreed Counter Fraud work undertaken on behalf of the Council.

Q4 position		
Profiled Budget	Actual Exp	Variance (under) / over
£	£	£

ICT, Change & Customer Services

SUP002-Consultation, Policy & Research	153,069	152,652	(417)
HLD301-ICT Purchases	0	0	0
SUP005-ICT	1,205,108	1,155,024	(50,084)
SUP006-Telephones	10,000	13,215	3,215
SUP008-Reception/Customer Services	473,036	473,265	229
SUP014-Cashiers	100	(164)	(264)
SUP041-Business Solutions	11,268	11,614	346
TMR002-Street Furniture & Equipment	(14,685)	(21,294)	(6,609)
TOU002-Tourist/Visitor Information Centre	115,260	109,907	(5,353)
Total - ICT, Change & Customer Services	1,953,156	1,894,218	(58,938)

SUP005 - the underspend of £50k is a combination of £45k in Telephone costs, £40k in external consultancy, £14k in cabling and overspends of £41k for licences and £8k costs for cyber security training. The 23/24 budget removes legacy budgets for Telephones and External Consultancy and moves budget into licences to fund the shortfall in 22/23 and the inflationary growth in renewal contracts.

	Q4 position		
	Profiled Budget	Actual Exp	Variance (under) / over
	£	£	£
Land, Legal & Property			
ADB301-3 Welch Way (Town Centre Shop)	29,390	43,840	14,450
ADB302-Guildhall	13,153	17,134	3,981
ADB303-Woodgreen	209,040	338,095	129,055
ADB304-Elmfield	179,650	210,686	31,036
ADB305-Corporate Buildings	423,737	449,565	25,828
ADB306-Depot	(32,159)	(68,144)	(35,985)
LLC001-Local Land Charges	(176,029)	(85,890)	90,139
SUP004-Legal	250,292	215,036	(35,256)
TAC303-Swain Court & Newman Court Ind Est Witney	(32,535)	(31,285)	1,250
Total - Land, Legal & Property	864,539	1,089,038	224,499

ABD301 - as the Council have taken over the whole of Welch Way as an operational building in 22/23, there is an underachievement of rental income for the first floor of £6k, a £2k overspend on electricity and gas, a £2k overspend of Business Rates and £4k of expenditure on layout design

ADB303 - in 22/23 there have been costs of £25k relating to the Agile Working programme that cannot be treated as capital expenditure and therefore are represented in this cost centre as a revenue overspend. In addition there is a £77k overspend on electricity, £15k overspend on Gas and £10k for the Woodgreen Boiler replacement design, £2k overspend skip hire and contractor fees

ADB304 - there is an overspend of £19k for electricity, £7k for Gas, £2k for replacement lights and £3k underachievement of income. The 23/24 budget includes additional budget to cover the ongoing higher cost of utilities

ADB305 - £13k overspend Standby Pay for the unlocking and locking up of the Council buildings and responding to out of hours emergencies plus a £13k overspend Electricity.

ADB306 - £73k of invoices have been raised to Ubico relating to compliance for 19/20, 20/21 & 21/22, £9k overachievement of rental income and £11k of backdated service charges, £3k underspend Insurance and waste collection. £14k overspend on Electricity & Gas, £36k for repairs, £13k EVCP fitted in year.

LLC001 - £85k underachievement of income, in line with in year reporting and representing an 8% drop since 21/22. Additionally there is a £5k overspend for Idox support & maintenance

SUP004 - £11k overspend employee costs due to regrading in the year, £14k overspend on external advice, £39k underspend Partnership Fees, £5k overachievement of income, £9k underspend on books, £4k underspend IT licences, £2k underspend conference expenses & printing.

Q4 position		
Profiled Budget	Actual Exp	Variance (under) / over
£	£	£

Leisure & Communities

CCR001-Community Safety (Crime Reduction)	120,447	91,509	(28,938)
CCR002-Building Safer Communities	(3,386)	2,559	5,945
CCR301 - Communities Revenue Grant	218,820	202,528	(16,292)
CCT001-CCTV	94,335	100,382	6,047
CSM001-Cultural Strategy	83,003	82,072	(931)
CUL001-Arts Development	54,922	49,235	(5,687)
ECD001-Economic Development	65,842	63,057	(2,785)
ECD010 - SPF Community & Spaces	0	0	0
REC001-Sports Development	56,008	56,456	448
REC002-Recreational Facilities Development	52,562	90,547	37,985
REC003-Play	82,058	81,446	(612)
REC301-Village Halls	13,958	14,517	559
REC302-Contract Management	(473,669)	327,808	801,477
SUP016-Finance - Performance Review	103,927	104,506	579
TOU001-Tourism Strategy and Promotion	168,594	168,596	2
Total - Leisure & Communities	637,421	1,435,217	797,796

CCR001 - £37k underspend Professional Fees, £10k overspend Household Support Fund and small variances making up an underspend of £2k

CCR301 - there were fewer grants paid out than budgeted for

REC002 - £38k Kier options report for Carterton Decarbonisation

REC302 - £7k overspend professional fees for advice on roof at Carterton Leisure Centre, £5k overspend Insurance, £13k backdated Solar income, £465k more management fee income than in budget due to indexing for inflation and a £1.2m contribution to Bad Debt provision against the contract sum outstanding for 22/23. A provision of £75k has been charged for a disputed invoice that is currently with Legal. If the challenge is successful and the invoice is not due, the provision will be reversed in 23/24.

Q4 position		
Profiled Budget	Actual Exp	Variance (under) / over
£	£	£

Environmental Services

CCC001-Climate Change	112,786	126,069	13,283
COR301-Policy Initiatives - Shopmobility	21,629	19,688	(1,941)
CPK001-Car Parks - Off Street	260,858	347,858	87,000
CPK011-On Street Civil Parking Enforcement	4,360	95,550	91,190
ENI002-Grounds Maintenance	379,870	465,545	85,675
ENI303-Landscape Maintenance	2,373	4,045	1,672
FLD001-Flood Defence and Land Drainage	136,731	131,346	(5,385)
REG004-Dog Warden	105,212	126,087	20,875
REG005-Public Health Sewerage	(25)	(26)	(1)
REG018-Pest Control	224	2,702	2,478
REG019-Public Conveniences	136,323	175,714	39,391
REG023-Environmental Strategy	79,860	76,498	(3,362)
RYC001-Recycling	2,952,980	3,336,919	383,939
RYC002-Green Waste	(143,886)	(57,569)	86,317
STC001 - Street Cleansing	34,723	36,744	2,021
STC004-Environmental Cleansing	1,043,641	1,115,346	71,705
STC011 - Abandoned Vehicles	0	(3,192)	(3,192)
TRW001-Trade Waste	57,636	(48,729)	(106,365)
TRW002-Clinical Waste	(1,100)	(398)	702
WST001-Household Waste	1,831,404	1,956,974	125,570
WST004-Bulky Household Waste	30,649	33,355	2,706
WST301-Env. Services Depot, Downs Rd, Witney	30,369	90,848	60,479
Total - Environmental Services	7,076,617	8,031,375	954,758

CCC001 - £7k difference between PSDS consultancy costs and £22k Salix income received for the Carterton Leisure Centre PSDS design work, £6k expenditure on Woodgreen Thermal Remodelling

CPK001 - £62k underachievement of income in line with in year reporting, £7k overspend electricity, £14k annual charges for Chipside not in budget, £2k overspend Postage and £2k underspend Business Rates

CPK011 - £97k underachievement of income in line with in year reporting, £5k underspend professional fees. The service transfers to the County Council on 1st April with the fixed salary costs transferring to Off Street Parking in the 23/24 budget

ENI002 - £57k underachievement of income - put in the 22/23 budget as recharges to Parish Councils plus £29k additional Ubico contract costs

REG004 - £16k underachievement of income - when a dog is not claimed we send them to a rescue centre. In previous years, if we found and informed a dog owner that we had found their dog and they did not immediately come and collect them, we were entitled to charge them for kennelling fees for each day we had the dog in our custody. Due to the change in process it is now not possible to collect income for the Stray Dog service, plus £4k additional Ubico contract costs.

REG019 - £19k underachievement of income, £18k overspend electricity and £2k cash collection contract

RYC001 - £109k overspend recycling bins and boxes, £138k overspend Suez contract, £143k additional Ubico contract costs, £3k additional income from recycling credits, £25k unbudgeted spend on options appraisal offset by £29k underspend in marketing and IT licences

RYC002 - £11k underachievement of income for Garden Waste licences and £20k cost to print annual licence stickers, usually funded through excess income, £7k overspend Garden Waste bins and £48k additional Ubico contract costs.

STC004 - £2k underachievement of income, £3k new bin installation across district and £63k additional Ubico contract costs.

TRW001 - £35k income achieved for Schedule 2 waste collections which is not budgeted for, £23k additional Ubico contract costs, £5k overachievement of income, £59k underspend Tipping charges plus a £30k reduction in Bad Debt provision due to the successful collection of aged debt throughout the year.

WST001 -£22k overspend on bins, £5k revenue costs for In Cab and £99k additional Ubico contract costs

WST301 -£61k expenditure on general and reactive repairs

Q4 position		
Profiled Budget	Actual Exp	Variance (under) / over
£	£	£

Planning & Strategic Housing

DEV001-Development Control - Applications	(342,540)	(377,294)	(34,754)
DEV002-Development Control - Appeals	79,670	80,636	966
DEV003-Development Control - Enforcement	162,703	163,108	405
ECD301-WOSP - West Oxon Strategic Partnership	9,000	0	(9,000)
ENA001-Housing Enabling	112,967	104,334	(8,633)
ENI301-Landscape Initiatives	53,911	58,132	4,221
HLD315-Growth Board Project (Planning)	140,633	139,185	(1,448)
PLP001-Planning Policy	504,571	505,553	982
PLP003-Implementation	(959)	(988)	(29)
PLP004-Conservation	101,460	97,645	(3,815)
PSM001-Planning Service Mgmt & Support Serv	132,370	147,545	15,175
Total - Planning & Strategic Housing	953,786	917,854	(35,932)

DEV001 - £22k overachievement of Pre Planning advice income, £77k overachievement of Planning Application income £40k legal fees relating to the West Eynsham Masterplan and Barns Lane Burford, £20k overspend on external consultants and £5k Agency Staff, equipment purchase and subscriptions.

ECD301 - £9k underspend professional fees, cost centre closed in 23/24

ENA001 - £9k underspend against legacy budget for Professional Fees, removed in 23/24

PSM001 - £29k overspend for professional fees - Barristers relating to Wroslyn Rd Freeland, offset by £14k underspend for printing & subscriptions

Q4 position		
Profiled Budget	Actual Exp	Variance (under) / over
£	£	£

Retained Services

COR002-Chief Executive	339,694	330,272	(9,422)
COR003-Corporate Policy Making	70,160	69,767	(393)
COR004-Public Relations	12,089	12,747	658
COR005-Corporate Finance	529,473	713,442	183,969
COR006-Treasury Management	26,700	18,535	(8,165)
COR007-External Audit Fees	57,000	76,357	19,357
COR008-Bank Charges	78,500	58,140	(20,360)
COR302-Publica Group	32,815	(68,447)	(101,262)
FIE341-Town Centre Properties	(603,256)	(643,652)	(40,396)
FIE342-Miscellaneous Properties	(831,820)	(820,320)	11,500
FIE343-Talisman	(1,186,200)	(1,081,572)	104,628
FIE344-Des Roches Square	(497,600)	(305,322)	192,278
FIE345-Gables at Elmfield	(40,865)	(41,164)	(299)
NDC001-Non Distributed Costs	599,100	766,916	167,816
TAC304-Witney Industrial Estate	(166,320)	(168,935)	(2,615)
TAC305-Carterton Industrial Estate	(501,950)	(397,430)	104,520
TAC306-Greystones Industrial Estate	(10,355)	(12,213)	(1,858)
TAC308-Other Trading Services - Fairs	(2,875)	(1,443)	1,432
Total - Retained Services	(2,095,710)	(1,494,324)	601,386

COR002 -£12k underspend Professional fees (LEP), £3k overspend conference expenses

COR005 - £253k compensation claim relating to a period prior to 1980, £3k overspend employee costs, £32k underspend for legal costs & professional fees plus a £38k reduction in Bad Debt provision relating to Sundry debts

COR006 - £8k underspend for Treasury Advisory service from Arlingclose

COR007 - there have been additional costs relating to the 2021/22 Audit for Housing Benefits and the Statement of Accounts due to additional testing required by enhanced Audit Standards

COR008 -underspend due to backdated refund against bank charges received in Q4

COR302 - the underspend represents the refund against the 22/23 contract sum due to the Council for posts that were vacant in the year

FIE341 - £43k Business Rates for the Q4 relating to the void units in Marriotts Walk, £225k rent for Q4 Marriotts Walk not in the budget, £5k legal costs ref Marriotts purchase, £6k underspend professional fees, £9k additional insurance for Marriotts, £36k credit note relating to Freebrights who had half of their rent arrears for the Pandemic period credited on the understanding they paid the remaining 50% within 12 months. £85k underachievement of income Woolgate as the head rent is variable and based on income received by our subtenant, £24k credit note issued to Rreef for rent Q4 22/23 plus a £10k reduction in Bad Debt provision

FIE342 - £54k underachievement of rental income due to change in tenant mid way through the year, £7k expenditure on Options Appraisals for Chawley Park and Between Towns Road, £5k expenditure on Energy Performance Certificates, £4k clearance of Unit F Range Road, £5k overspend professional fees and £1k overspend Insurance. Plus a £65k reduction in Bad Debt provision.

FIE343 - £136k underachievement of income due to void units, £23k underspend professional fees, £8k underspend repairs & maintenance

FIE344 - £112k underachievement of rental income due to void unit, £70k Business Rates for void unit, £10k overspend electricity & gas

NDC001 -the costs relate to the cash element of the Council's pension contribution to the LGPS to maintain the employers contribution at 17.6%, based on actuarial information available at budget setting time. The actual cash element ended up being higher than anticipated during 22/23 budget setting, additional budget has been put in in 23/24

TAC305 - £96k underachievement of rental income due to the budget including the full year income for Plot 1 which we purchased in 21/22 but the lease terms included a period of reduced rent in 22/23. Plus an £8k contribution to the Bad Debt Provision.

	Q4 position		
	Profiled Budget	Actual Exp	Variance (under) / over
	£	£	£
Revenues & Housing Support			
HBP001-Rent Allowances	447,379	443,130	(4,249)
HBP003-Local Housing Allowance	0	76	76
HBP005-Benefit Fraud Investigation	5,477	5,723	246
HOM001-Homelessness	213,806	376,359	162,553
HOM002-Homelessness Grants	10,000	5,000	(5,000)
HOM003-Rent In Advance Scheme	0	(443)	(443)
HOM004-Refugees	6,634	6,634	(1)
HOM005-Homelessness Hostel Accomodation	11,586	4,827	(6,759)
HOM006 - The Old Court	30,625	(12,666)	(47,412)
LTC001-Council Tax Collection	245,990	281,848	35,858
LTC002-Council Tax Support Administration	6,636	7,592	956
LTC011-NNDR Collection	(55,308)	(74,811)	(19,503)
PSH001-Private Sector Housing Grants	48,352	49,181	829
PSH004-Home Improvement Service	(60,504)	(47,275)	13,229
Total - Revenues & Housing Support	910,673	1,045,174	130,380

HBP001 - £280k subsidy loss but this is offset against Admin Subsidy grant of £186k and one off government grants of £51k. Admin Subsidy is given to the Council to help fund the running of the Housing Benefit service but in recent years this grant has filled the gap between our Benefit Payments out and the Subsidy we receive. Additionally there is a £16k underspend for Printing, £9k underspend for Bailiffs, £6k underspend IT licences and £5k underspend on postage and a reduction in Bad Debt provision.

HOM001 - there is a difference of £153k between B&B and Travelodge expenditure and Housing Benefit received plus a £9k contribution to Bad Debt provision

HOM002 - legacy cost centre, has been merged with HOM001 in 23/24

HOM006 - set up to be self financing, occupation has been consistent throughout the year with low void periods.

Housing Benefit has been easier to administer because of longer occupancies and this income has more than offset the cost of running The Old Court in terms of maintenance & repairs.

LTC001 - Postage is £62k overspent, £4k overspend NAFN and legal costs, £30k additional income from liability orders, £5k underspend in subscriptions

LTC011 - £11k overachievement of court costs - liability orders raised in the magistrates court to repay aged debt, £9k underspend postage & printing

PSH004 - £26k overspend on contractor fees - the cost of fitting key safes and carrying out minor works, offset by a £13k overachievement of income

