

# ARUN DISTRICT COUNCIL

## REPORT TO AND DECISION OF POLICY AND FINANCE COMMITTEE ON 10 FEBRUARY 2022

**SUBJECT:** Budget Monitoring Report to 31 December 2021

**REPORT AUTHOR:** Carolin Martlew, Interim Group Head of Corporate Support and S151 Officer

**DATE:** January 2022

**EXTN:** 01903 737568

**AREA:** Corporate Support

**EXECUTIVE SUMMARY:** The Budget Monitoring Report sets out the Capital, Housing Revenue and General Fund Revenue budget performance to the end of December 2021.

### **RECOMMENDATIONS:**

It is recommended that the Policy and Finance Committee approve that:

- (i) Earmarked reserves are reviewed before the end of the financial year as per previous policy to ensure that they are available to fund future years expenditure or returned to the General Fund if no longer required
- (ii) The Housing Revenue Account repairs and maintenance (Planned and Responsive) budget continue to be closely monitored to ensure that any necessary corrective action is taken if required.

### **1. BACKGROUND:**

The Council approved a General Fund revenue total net expenditure budget of £25.733 million; a Housing Revenue Account revenue total expenditure budget of £18.980 million; and a capital budget of £7.960 million for the year 2021/22. This report provides information to enable actual spending and income to be monitored against profiled budget for the period to 31 December 2021.

### **2. PROPOSAL(S):**

The Committee is requested to note the budget monitoring report in Appendix 1. The report provides information on a management by exception basis to enable the reader to understand the overall performance of the council within the context of the budget book summary. The report highlights the significant additional expenditure and loss of income due to the Covid-19 pandemic and any other factors.

**3. OPTIONS:**  
N/A

**4. CONSULTATION:**

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)		✓
<b>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</b>	<b>YES</b>	<b>NO</b>
Financial	✓	
Legal		✓
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability		✓
Asset Management/Property/Land		✓
Technology		✓
Other (please explain)		✓

**6. IMPLICATIONS:**  
Financial  
It is sound governance to monitor spending against budget during the financial year. Such control allows the Council to take prompt corrective action if spending or income significantly varies from the approved budgets.  
The Council continues to incur additional expenditure and loss of income due to the COVID-19 pandemic and net expenditure is monitored closely to ensure that corrective action continues to be taken if necessary. Transfers to earmarked reserves were required in 2020/21 in relation to Collection Fund transactions that impact the General Fund in 2021/22. These are also reviewed and monitored as part of the process.

**7. REASON FOR THE DECISION:**  
To ensure that spending is in line with approved Council policies, and that it is contained within overall budget limits.

**8. BACKGROUND PAPERS:**  
Revenue and Capital Estimates 2021-2022. <http://www.arun.gov.uk/financial-information/>