

# Arun District Council

<b>REPORT TO:</b>	<b>Environment Committee – 22 September 2022</b>
<b>SUBJECT:</b>	<b>Budget 2023/2024 - Process</b>
<b>LEAD OFFICER:</b>	<b>Carolyn Martlew, Interim Group Head of Finance and Section 151 Officer</b>
<b>LEAD MEMBER:</b>	Councillor David Edwards
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:</b> The Council's budget promotes all of the Council's Corporate Priorities.	
<b>DIRECTORATE POLICY CONTEXT:</b> The Council's budget has an effect on all Directorates of the Council.	
<b>FINANCIAL SUMMARY:</b> The financial effects are contained in the body of the report.	

## For general release

### 1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to inform Members of the budget process for 2023/24 as required by the Council's Constitution.

### 2. RECOMMENDATIONS

- 1.2. The Committee is recommended to note the Budget process for 2023/24 as outlined in the report.

### 2. EXECUTIVE SUMMARY

- 2.1. The report provides a summary of the budget process for 2023/24 as required by the Council's Constitution. The Committee is then asked to approve the Budget process for 2023/24 as outlined in the report, having been endorsed by the Policy & Finance Committee on 6 September 2022.

### 3. DETAIL

- 3.1. The budget for 2022/23 was the first to be completed under the Committee system form of governance. The relevant budgets were considered by each Service Committee before the full Budget was considered by Policy and Finance Committee on 10 February 2022 before approval by Special Council on 23 February 2022.

- 3.2. The process went reasonably well for 2022/23 and a budget was set on 23 February 2022 for the 2022/23 financial year.
- 3.3. Members are aware that the Council continues to face net expenditure pressures due to the unprecedented financial uncertainty over Government funding, the economy which has been compounded by the COVID-19 crisis and the current other inflationary pressures.
- 3.4. Members will be updated with the most up to date information when the Financial Prospects Report is considered by Policy and Finance Committee on 20 October 2022. It should be stressed that the Financial Prospects Report only covers the General Fund and that the Housing Revenue Account has its own business plan and financial model. The HRA Business Plan is due to be considered by the Residential and Wellbeing Services Committee on 6 December 2022. The Financial Prospects Report will confirm the budget parameters for 2023/24.
- 3.5. It is accepted that within the resource constraints there is the requirement for some resource switching to enable the Council's priorities to be progressed and to meet new statutory requirements. Similar to 2022/23, Committees will be consulted on the budget, taking account of the medium term requirement to make savings and that any growth should be minimised and met from resource switching where possible.
- 3.6. The budget guidelines issued will run parallel with any initiatives that are being worked on; in particular the Zero Based Budgeting project which will inform and assist with budget preparation.  
The budget resource switching parameters for 2023/24 are:
- Growth will only be allowed in essential/priority areas;
  - Proposals should aim to be cost neutral;
  - Proposals should clearly identify any expenditure savings and Income generating ideas where appropriate.
- It should be noted that reports that require resource switching can be considered by Committees at any time during the year. However, significant permanent resource switching requires approval by Full Council as part of the formal budget setting process.
- 3.7. The key dates for this Committee for the Budget 2023/24 process are summarised below:

<b>Budget Reports</b>	<b>Date</b>
Budget Consultation Report	22 September 2022
Financial Prospects Report General Fund (Policy and Finance Committee) – confirms budget parameters	20 October 2022
Committee Report – Service Specific	31 January 2023
Policy and Finance Committee	9 February 2023
Special Council	1 March 2023

4.8 It should be noted that any budget proposals should be fully costed and feasible to be delivered for inclusion in the budget for 2023/24.

4.9 A summary of the budgets managed by this Committee and the out turn for 2021/22 is shown in Appendix B for information. This Committee's controllable budget for 2022/23 is £8.257m. The figures shown for controllable expenditure and income exclude items that are for accounting purposes only.

#### **4. CONSULTATION**

4.1. No consultation has been undertaken with external bodies.

#### **5. OPTIONS / ALTERNATIVES CONSIDERED**

5.1. No other options are available.

#### **6. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER**

6.1. The budget will form the main reference point for financial decisions made in 2023/24 and the process has to comply with the Constitution.

#### **7. RISK ASSESSMENT CONSIDERATIONS**

- 7.1. The main risks arising from the process are:
- The statutory deadline for setting the budget including setting the Council tax is not met;
  - The budget is not considered within statutory guidance and the Constitution.

Processes in place and financial controls mitigate against these risks.

#### **8. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER**

8.1. The Council has a legal duty to ensure its expenditure can be met by its income, inclusive of reserves. The process outlined above must comply with relevant legislation.

#### **9. HUMAN RESOURCES IMPACT**

9.1. This is a report about process. It expected that as the reports goes to each committee each committee will draw attention to any Human Resources impact of the committee's functions.

#### **10. HEALTH & SAFETY IMPACT**

10.1. This is a report about process. It expected that as the reports goes to each committee each committee will draw attention to any Health and Safety impact of the committee's functions.

## **11. PROPERTY & ESTATES IMPACT**

11.1. This is a report about process. It expected that as the reports goes to each committee each committee will draw attention to any Property & Estates impact of the committee's functions

## **12. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE**

12.1. This is a report about process. It expected that as the reports goes to each committee each committee will have regard to the Public Sector Equality duty in making their recommendations.

## **13. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE**

13.1. This is a report about process. It expected that as the reports goes to each committee each committee will draw attention to any Climate Change environmental impact and social value impact of the committee's functions.

## **14. CRIME AND DISORDER REDUCTION IMPACT**

14.1. This is a report about process. It expected that as the reports goes to each committee each committee will draw attention to any Crime and Disorder reduction impact of the committee's functions.

## **15. HUMAN RIGHTS IMPACT**

15.1. This is a report about process. It expected that as the reports goes to each committee each committee will draw attention to any Human Rights impact of the committee's functions.

## **16. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS**

16.1. This is a report about process. It expected that as the reports goes to each committee each committee will draw attention to any FOI/Data Protection impact of the committee's functions.

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### **CONTACT OFFICER:**

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Job Title: Interim Group Head of Finance and Section 151 Officer

Contact Number: 01903 737558

## **BACKGROUND DOCUMENTS:**

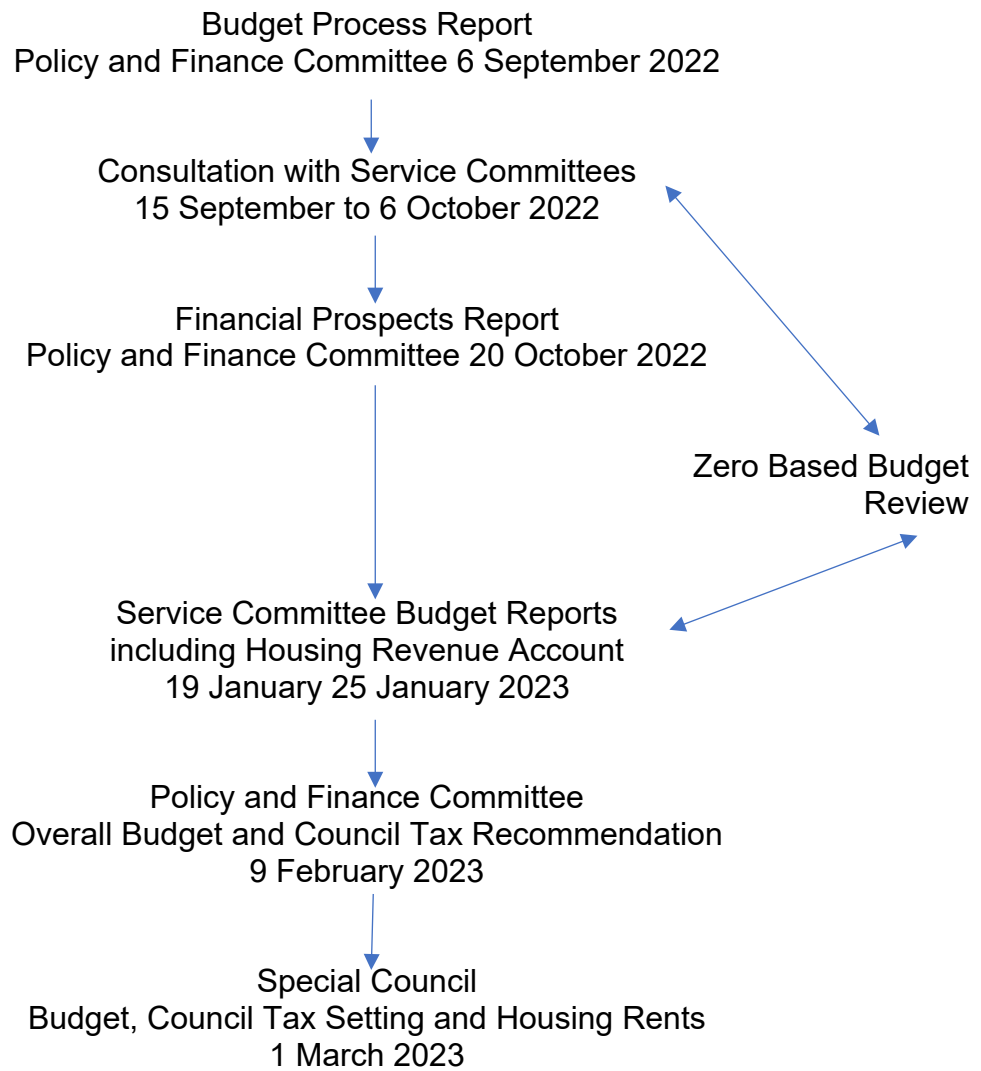
Council Constitution

Approved Budget 2022/23

Budget Process 2023/24 Report to Policy and Finance Committee 6 September 2022

Statement of Accounts 2021/22

### Budget Process 2023/24 Flowchart



<b>Actual 2021-22 £'000</b>	<b>Description</b>	<b>Budget 2022-23 £'000</b>
<b>Environment Committee</b>		
<b>Direct Services</b>		
(44)	Building Control	112
(15)	Bus Shelters & Street Nameplates	11
(842)	Car Parks	(912)
28	Cemeteries & Churchyards	(33)
5,909	Cleansing Services	5,696
134	Coast Protection & Land Drainage	131
45	Emergency Planning & Support	54
879	Environmental Health & Protection	555
130	Foreshores	36
1,510	Parks & Green Spaces	1,744
203	Private Sector Housing	302
<b>7,937</b>	<b>Total for Direct Services:</b>	<b>7,696</b>
<b>Environment Committee</b>		
<b>Management &amp; Support Services</b>		
448	Engineering & Infrastructure Services	561
<b>448</b>	<b>Total for Management &amp; Support Services:</b>	<b>561</b>
<b>8,385</b>	<b>Environment Committee Total:</b>	<b>8,257</b>