

Arun District Council

REPORT TO:	Environment Committee - 23 January 2024
SUBJECT:	Budget Monitoring Report to 31 December 2023
LEAD OFFICER:	Antony Baden – Group Head of Finance & Section 151 Officer
LEAD MEMBER:	Councillor Sue Wallsgrove
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: The Council's budget supports all the Council's Objectives.	
DIRECTORATE POLICY CONTEXT: Budget monitoring and forecasting are key in ensuring sound financial control and control of spending is in place. It is also a major part in ensuring sound governance arrangements.	
FINANCIAL SUMMARY: The report shows the Committee's Revenue budget and Capital programme forecast out turn position for 2023/24 to the end of Quarter 3.	

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to appraise the Environment Committee of its forecast out turn against the 2023/24 budgets, which were approved by Full Council at its meeting of the 9 March 2023.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Committee notes the content of this report.

3. EXECUTIVE SUMMARY

- 3.1. The report sets out in further detail the Committee's Revenue and Capital programme budget performance projections to the 31 March 2024.

4. DETAIL

- 4.1. Table 1 below details the 2023/24 forecast revenue budget out turn to the end of Quarter 3 and anticipates an underspend of £339k, which is a favourable movement of £284k against the £55k underspend reported in Quarter 2. The significant changes in the forecast are explained in paragraphs 4.2 below.

Table 1

Environment Committee					
	Budget	Forecast	Variance	Variance	Movement
	2023-24	Q3	Q3 to Q2	Q2	
Description	£'000	£'000	£'000	£'000	£'000
Building Control	192	201	9	35	(26)
Bus Shelters & Street Nameplates	10	(9)	(19)	(8)	(11)
Car Parks	(899)	(1,201)	(302)	(55)	(247)
Cemeteries & Churchyards	12	(10)	(21)	(21)	-
Cleansing Services	7,699	7,852	152	152	-
Coast Protection & Land Drainage	69	134	65	65	-
Emergency Planning & Support	50	50	-	-	-
Environmental Health & Protection	606	606	-	-	-
Foreshores	48	3	(45)	(45)	-
Parks & Green Spaces	2,158	2,033	(125)	(125)	-
Private Sector Housing	288	288	-	-	-
Management and Support Services	577	523	(53)	(53)	-
Total for Environmental Committee:	10,810	10,470	(339)	(55)	(284)

4.2. **Car Parks** - £247k favourable variance due to approved parking charge fee increases approved at Environment Committee 31st Jan 2023 when compared to budgeted levels. There is less of an increase in income than was forecast when the fee increases were approved in January 2023 due to poor weather in July and August. The increased levels have been addressed during the budget setting for 2024/25 and will include the revised income budget.

Table 2

	Original 2023/24 Budget	Slippage from 2022/23	In Year additions	Other Changes	Revised 2023/24 Budget	Forecast Out Turn 2023/24	Variance	2024/25 Budget	2025/26 Budget	2026/27 Budget
Project	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Improvement & Discretionary Grants	1,400	0	0	0	1,400	1,400	0	1,400	1,400	1,400
Keystone Centre	0	250	0	0	250	250	0	0	0	0
Sunken Gardens	0	226	0	0	226	176	-50	0	0	0
Bersted Brooks Park	0	320	0	0	320	22	-298	298	0	0
Parks Chipper	0	0	0	0	0	0	0	0	0	26
Place St Maur	0	22	0	0	22	17	-5	5	0	0
Play Areas	255	285	124	0	664	433	-231	65	150	100
Total Environment Committee Capital	1,655	1,103	124	0	2,882	2,298	-584	1,768	1,550	1,526

- 4.3. Table 2 above details the Committee's 2023/24 forecast capital programme out turn as at Quarter 3. The total capital budget for 2023/24 is £2,882k which includes slippage from the previous year of £1,103k. There have been changes within year of an additional £174k within Play Areas funded from S106 and other grants/contributions (approved under delegated, except for £64k which was approved at Environment Committee January 2023) and reduction of £50k in relation to other skate park projects to allow an enhanced budget provision for these in 2025/26.
- 4.4. Expenditure on the Sunken Gardens project has out turned at £50k under budget and the Place St. Maur project is also complete apart from a contract retention sum of £5k.
- 4.5. Bersted Brooks Park stakeholder engagement has been undertaken, and proposals were published for public consultation in July 2023. The results of the consultation were due to be presented to the Environment Committee in November 2023, however this has been deferred to the January 2024 meeting, at which members will be asked to endorse the revised masterplan for the site in order that the early works proposals can be progressed. A full cash flow plan can then be produced, and any remaining project budget will be carried over to 2024/25 to allow for project delivery.
- 4.6. The £200k budget re: Bognor skate park within Play Areas is to be carried forward to 2024/25 as a delayed capital project. The approach for the Bognor skate park project depends on the outcome of the business case appraisals to be carried out by Property & Estates for the Rock Gardens site. This is also the case for other skatepark projects, so the budget has been adjusted in 2023/24 to allow an enhanced budget provision for this project in 2025/26. However, this is also subject to change depending on the outcome of the business cases appraisals.

4.7. The Capital programme is being reviewed as part of the budget setting process and will take account of progress against the 2023/24 budget. Any changes will be reported to this Committee for approval by Policy & Finance Committee.

5. CONSULTATION

5.1. Consultation with other stakeholders is not required for this report.

6. OPTIONS / ALTERNATIVES CONSIDERED

6.1. There are no alternative options to this report.

7. COMMENTS BY THE INTERIM GROUP HEAD OF FINANCE/SECTION 151 OFFICER

7.1. There are no additional financial implications arising from the matters set out in this report. Committee will note that the Group Head of Finance & Section 151 Officer will work throughout the financial year with other Group Heads to mitigate any overspends that have been highlighted in the report and to maximise potential income generation opportunities/cost avoidance efficiencies.

8. RISK ASSESSMENT CONSIDERATIONS

8.1. Regular budget monitoring and forecasting mitigates against the risk of poor financial control and ensures that Members are informed when corrective action is required and what action has been taken.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

9.1. There are no direct legal implications associated with this report.

10. HUMAN RESOURCES IMPACT

10.1. None.

11. HEALTH & SAFETY IMPACT

11.1. None.

12. PROPERTY & ESTATES IMPACT

12.1. None.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

13.1. None.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

14.1. None.

15. CRIME AND DISORDER REDUCTION IMPACT

15.1. None.

16. HUMAN RIGHTS IMPACT

16.1. None.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1. None.

CONTACT OFFICER:

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BACKGROUND DOCUMENTS:

[Budget Book 2023/24](#)

[Minute 779, Full Council 9 March 2023 – Arun District Council budget 2023/24.](#)

[Quarter 2 Budget Monitoring Report, Environment Committee, 21 November 2023, Minute 380.](#)