

Arun District Council

REPORT TO:	Policy & Finance Committee – 8 February 2024
SUBJECT:	Committee Revenue and Capital Budgets 2024/25
LEAD OFFICER:	Antony Baden, Group Head of Finance and Section 151 Officer
LEAD MEMBER:	Councillor Matt Stanley
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: The Council's financial planning and budget promotes all the Council's Corporate Priorities.	
DIRECTORATE POLICY CONTEXT: The Council's financial planning and budget has an effect on all Directorates of the Council.	
FINANCIAL SUMMARY: The draft budgets for this Committee are shown in the appendices.	

1. PURPOSE OF REPORT

- 1.1. The purpose of the report is for this Committee to consider and agree its revenue budget for inclusion in the Council's overall 2024/25 revenue budget. The agreed budgets will then form part of the overall revenue and capital budgets for 2024/25 to be considered as part of [the subsequent agenda item] at this meeting, in order that recommendations can be made to a Special Meeting of the Council on 21 February 2024 regarding the budgets to be set and level of Council Tax for the District for 2024/25.

2. RECOMMENDATIONS

- 2.1 It is recommended that this Committee:
 - (a) Agrees the 2024/25 Revenue Budget as illustrated in Appendix A of this report;
 - (b) Agrees the 2024/25 Capital Programme as illustrated in Appendix B of this report; and
 - (c) Agrees that the Revenue Budget for this Committee be included in the Council's overall General Fund Budget.

3. EXECUTIVE SUMMARY

- 3.1. The purpose of the report is for this Committee to consider and agree its 2024/25 revenue budget revenue.

4. DETAIL

- 4.1. The general background to the budget was included in the Financial Prospects 2024/25 to 2028/29 report to Policy & Finance Committee on 26 October 2023. An updated report was also presented to Policy & Finance Committee on the 8 January 2024.
- 4.2. Financial forecasting continues to be extremely difficult due to high inflation rates and various other external factors affecting the economy therefore budgets have been compiled on the best information available.
- 4.3. The basis of revenue budgeting for 2024/25 broadly assumes that current levels of service provision will remain unchanged. This means that whilst cost increases have been included, there is no growth within the budget proposals.
- 4.4. The net change in the revenue budget between 2023/24 and 2024/25 is a decrease of £275k and the key changes are summarized in the table below:

Change	Amount £'000
Salary inflation	71
Recharge Levelling Up project management costs to capital	(225)
Savings identified by the Financial Strategy paper	(20)
Other minor changes	(101)
Total	(275)

- 4.5. The saving of £20,000 identified in the Financial Strategy report and referred to in paragraph 4.4 relates to a reduction in the Climate Change budget on work to reduce carbon emissions.
- 4.6. The level of funding for the capital programme will be determined by this Committee at this meeting in a later agenda item. Existing and new schemes will continue to be reviewed during 2024/25 for affordability and deliverability. The impact of any new borrowing will also be kept under review and reported to Members during the course of the financial year.
- 4.7. The planned capital programme for this committee totals £17.537 million for 2024/25 and is detailed in Appendix B).

5. CONSULTATION

- 5.1. No consultation has taken place with external organisations regarding this committee's budget, but a wider budget consultation process is taking place in respect of the Council's overall budget.

6. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1. Not applicable.

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

- 7.1. The financial implications are shown throughout the report. It is important that close monitoring of both revenue budgets, and the capital programme is in place.

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1. The risks outlined in the Financial Prospects Report 2024/25 to 2028/29 to Policy & Finance Committee on the 26 October 2023 remain relevant. Members may wish to review these alongside this report.
- 8.2. Members will note that there is a risk to the delivery of some savings detailed in paragraph 4.5. If any savings are not realised this will increase the size of the budget shortfall.

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

- 9.1. The Council has a legal duty to ensure its revenue and capital expenditure can be met by its income, inclusive of reserves.

10. HUMAN RESOURCES IMPACT

- 10.1. There are no direct implications. Any subsequent Human Resources impact arising from the savings programme will be managed in accordance with Council policies and procedures.

11. HEALTH & SAFETY IMPACT

- 11.1. There are no direct implications.

12. PROPERTY & ESTATES IMPACT

- 12.1. There are no direct implications.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 13.1. There are no direct implications.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 14.1. There are no direct implications.

15. CRIME AND DISORDER REDUCTION IMPACT

- 15.1. There are no direct implications.

16. HUMAN RIGHTS IMPACT

- 16.1. None.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1. There are no direct implications.

CONTACT OFFICER:

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Job Title: Group Head of Finance and Section 151 Officer

Contact Number: 01903 737558

BACKGROUND DOCUMENTS:

2023/24 Budget Report to Full Council 01 March 2023

[Report](#)

Financial Prospects 2024/25 to 2028/29 – Policy & Finance Committee 26 October 2023

[Report](#)

Financial Prospects 2024/25 to 2028/29 update – Policy & Finance Committee 8 January 2024

[Report](#)

**Policy & Finance Committee
General Fund Revenue Budget 2024/25**

Actual 2022-23 £'000	Description	Budget 2023-24 £'000	Budget 2024-25 £'000
Policy and Finance Committee			
1,897	Corporate Management	1,901	1,778
115	Climate Change	302	204
2,013	Committee Total:	2,203	1,982
Actual 2022-23 £'000	Description	Budget 2023-24 £'000	Budget 2024-25 £'000
Policy and Finance Committee			
<u>Corporate Management (N35 & N60 to N72 & N75)</u>			
1,878	Employees	1,788	1,723
1	Transport	5	7
18	Supplies and Services	108	48
1,897	Total for Corporate Management:	1,901	1,778
<u>Climate Change (N80)</u>			
55	Employees	102	104
60	Supplies and Services	200	100
115	Total for Climate Change:	302	204
	Salary adjustment		(34)
2,013	Committee Sub Total:	2,203	1,948
<u>Potential Committee Savings</u>			
	Savings identified by Financial strategy		(20)
Total Potential Committee Savings			(20)
Committee Total:			1,928

**Policy & Finance Committee
Capital Programme 2024/25**

Actual		Original	Updated	Budget	Budget	Budget	Budget	
2022/23 £'000	Description	Budget 2023/24 £'000	Budget 2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Note
296	Littlehampton Seafront (LUF)	0	1,249	5,689	0	0	0	1
0	Littlehampton Seafront (ADC contribution)	0	111	54	0	0	0	
658	Alexandra Theatre (LUF)	0	2,989	8,543	0	0	0	2
0	Alexandra Theatre (ADC contribution)	3,750	865	3,251	0	0	0	
0	Littlehampton Harbour Entrance Renewal	0	750	0	0	0	0	3
954	Committee Total	3,750	5,964	17,537	0	0	0	

Notes

1. Littlehampton Seafront - the Levelling Up Fund (LUF) grant has been reprofiled to reflect the cashflow as of July 2023 to fit in line with project delivery. The additional ADC contribution relates to the capitalisation of project staff costs.
2. Alexandra Theatre - the Levelling Up Fund (LUF) grant has been reprofiled to reflect the cashflow as at July 2023 to fit in line with project delivery, including the reprofiling of ADC's contribution towards the project. The additional ADC contribution relates to the capitalisation of project staff costs and the addition of a change place facility.

3. 2023/24 updated budget shows Arun's contribution towards Littlehampton Harbour entrance renewal (West Sussex County Council also contributing the same amount).