

# Arun District Council

<b>REPORT TO:</b>	<b>Housing &amp; Wellbeing Committee – 10 September 2024</b>
<b>SUBJECT:</b>	<b>Budget 2025/26 Process</b>
<b>LEAD OFFICER:</b>	<b>Antony Baden – Group Head of Finance &amp; Section 151 Officer</b>
<b>LEAD MEMBER:</b>	Councillor Carol Birch, Chair of Housing & Wellbeing Committee
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:</b> The Council's budget supports all the Council's Corporate Priorities.	
<b>DIRECTORATE POLICY CONTEXT:</b> The Council's budget impacts all Directorates of the Council.	
<b>FINANCIAL SUMMARY:</b> There are no direct financial implications arising from this report.	

## 1. PURPOSE OF REPORT

1.1. The purpose of this report is to inform Members of the budget process for 2025/26 as required by Part 6, Section 2 of the Council's Constitution.

## 2. RECOMMENDATIONS

1.2. The Committee is recommended to note the Budget process for 2025/26 as outlined in the report.

## 2. EXECUTIVE SUMMARY

2.1. The report provides a summary of the budget process for 2025/26 for Members' consideration and approval, noting that it was approved by the Policy & Finance Committee on 9 July 2024. It is expected that the budget process will be supported by ad hoc briefings to Members as and when necessary.

## 3. DETAIL

3.1. The budget for 2024/25 was the third one 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 & Finance Committee on 8 February 2024 before approval by Special Council on 21 February 2024.

3.2. Members will be aware that the Council continues to face cost pressures and increasing demands on service delivery.

- 3.3. Members will be provided with high-level updates during the financial year on the Council's Medium Term Financial Plan which will confirm the budget parameters for 2025/26.
- 3.4. 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 2024/25, Committees will be consulted on the budget, taking account of the medium-term requirement to make savings and any growth should be minimised and met from resource switching where possible.
- 3.5. The budget guidelines issued will run parallel with any initiatives that are being worked on. The budget resource switching parameters for 2025/26 are that budget growth will only be allowed in essential/priority areas, and if alternative funding sources cannot be identified.
- 3.6. 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 the Budget 2024/25 process are summarised below:

<b>Budget Consultation Reports</b>	<b>Date</b>
Housing and Wellbeing Committee	10 September 2024
Environment Committee	19 September 2024
Planning Policy Committee	26 September 2024
Corporate Support Committee	10 October 2024
Economy Committee	22 October 2024
<b>Financial Prospects Report General Fund (Policy and Finance Committee)</b>	24 October 2024 or 11 December 2024
<b>Budget Reports</b>	<b>Date</b>
Economy Committee	23 January 2025
Planning Policy Committee	28 January 2025
Environment Committee	30 January 2025
Housing and Wellbeing Committee	04 February 2025
Corporate Support Committee	06 February 2025
Policy and Finance Committee	13 February 2025
<b>Special Council</b>	26 February 2025

## **4. CONSULTATION**

- 4.1. No consultation has been undertaken with external bodies. Service Committees will be consulted on the process during the next cycle of meetings and there will also be a wider public consultation as was undertaken as part of the 2024/25 budget setting process.
- 4.2. A significant part of the 2024/25 budget setting process included several ad hoc briefings to all Members across the Council. It is intended to continue these as part of the 2025/26 process but in addition, it was approved by the Policy & Finance Committee on 9 July 2024 for the Group Head of Finance and Section 151 Officer to explore the possibility of setting up a Budget Working Party, consisting of Officers and Members. A draft Terms of Reference would be developed and agreed with Group Leaders alongside a timetable for delivery. Delegated responsibility was given to the Group Head of Finance and Section 151 Officer to investigate how this can best be achieved.

## **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 2025/26 and the process must 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.
- 7.2. Processes and financial controls are in place to 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 complies with relevant legislation. There are no direct legal implications associated with this report.

## **9. HUMAN RESOURCES IMPACT**

- 9.1. It expected that as the reports go to each committee each committee will draw attention to any Human Resources impact on the committee's functions.

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

10.1. It expected that as the reports go to each committee each committee will draw attention to any Health & Safety impact on the committee's functions.

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

11.1. It expected that as the reports go to each committee each committee will draw attention to any Property & Estates impact on the committee's functions.

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

12.1. It expected that as the reports go 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. It expected that as the reports go 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. It expected that as the reports go 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. It expected that as the reports go 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. It expected that as the reports go 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:** Group Head of Finance and Section 151 Officer

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### **BACKGROUND DOCUMENTS:**

[Council Constitution](#)