

Arun District Council

REPORT TO:	Corporate Support Committee – 10 October 2024
SUBJECT:	Budget Monitoring Report to 30 June 2024
LEAD OFFICER:	Antony Baden – Group Head of Finance & Section 151 Officer
LEAD MEMBER:	<i>Councillor Francis Oppler, Chair of Corporate Support Committee</i>
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: This report provides a detailed overview of the Committee's revenue budget progress, approved savings against the planned budget, and the capital programme for 2024/25 as at the end of Quarter 1.	

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to appraise the Corporate Support Committee of its forecast out-turn against the 2024/25 budgets, which were approved by Full Council at its meeting of the 21 February 2024.

2. RECOMMENDATIONS

- 1.2. Members are asked to consider the report and provide officers with any comments.

2. EXECUTIVE SUMMARY

- 2.1. The report sets out in further detail the Committee's revenue and capital programme budget performance projections to the 31 March 2025.

3. DETAIL

Revenue Budget

- 3.1. Table 1 below details the 2024/25 forecast revenue budget out-turn as at the end of Quarter 1 and anticipates an overspend of £226k. The significant variances are explained below.

Table 1

Description	Original 2024/25 Budget	Forecast Q1/P3	Variance at Q1/P3
	£'000	£'000	£'000
Elections	101	101	0
Registration & Electors & Elections	216	216	0
Communications	123	123	0
Customer Services	776	711	(65)
Democratic Services	848	782	(66)
Design, Print & Post Services	426	425	(1)
Financial Services	1,658	1,962	305
Human Resources	419	452	33
Information & Communications Technology	2,261	2,252	(9)
Legal & Administration	642	673	30
Policy & Partnerships	26	26	0
Staff Support	352	350	(1)
Central Support Recharges	(1,746)	(1,746)	0
Total for Corporate Support Committee:	6,102	6,327	226

3.2. **Financial Services**– The Quarter 1 forecast indicates a £305k salary net overspend relating to interim agency staff costs. This will be monitored and addressed in 2025/26 Budget setting.

3.3. **Democratic Services & Customer Services** –Vacancies in Democratic Services are forecast unfilled until November 2024, resulting in a projected underspend of £66k. Moreover, there is an additional forecast underspend of £65k on salary costs in Customer Services due to staff vacancies that have yet to be filled.

General Fund Savings

3.4. Table 2 below shows progress made against approved savings targets incorporated into this year’s budgets and forecasts. These targets are under regular monitoring and are planned to be reported on a quarterly basis.

Table 2

Description	Original 2024/25 Budget	Forecast Q1/P3	Variance at Q1/P3
	£'000	£'000	£'000
Approved Savings	(269)	(264)	5
Total for Corporate Support Committee:	(269)	(264)	5

3.5. There is currently a £5k shortfall on the budgeted £269k savings target. This is the net balance of £10k of Legal Service subscription expenditure that had been budgeted to be saved in 2024/25 that will not be achieved, mitigated by £5k of overachieved savings made when deleting vacant posts.

3.6. Addressing the savings challenges proactively is essential to realign savings target for the fiscal year.

General Fund Capital Programme

3.7. Table 3 below details the Committee's General Fund 2024/25 forecast capital programme out-turn as at Quarter 1.

Table 3

Project	Revised 2024/25 Budget	Forecast Q1/P3	Variance at Q1/P3
	£'000	£'000	£'000
Information Communication Technology (ICT)	180	180	0
Total for Corporate Support Committee:	180	180	0

3.8. **Information Communication Technology (ICT)** – The £180k revised budget for this year is a result of carry forward budgets from 2023/24. These funds are dedicated to essential projects such as the replacement document management system (EDRMS), cyber security enhancements, compliance initiatives, and infrastructure upgrades. It is projected that this budget will be fully utilised within the current financial year.

4. CONSULTATION

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

5. OPTIONS / ALTERNATIVES CONSIDERED

5.1. There are no alternative options to this report.

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

6.1. 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.

7. RISK ASSESSMENT CONSIDERATIONS

7.1. 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.

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

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

9. HUMAN RESOURCES IMPACT

9.1. None.

10. HEALTH & SAFETY IMPACT

10.1. None.

11. PROPERTY & ESTATES IMPACT

11.1. None.

12. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

12.1. None.

13. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

13.1. None.

14. CRIME AND DISORDER REDUCTION IMPACT

14.1. None.

15. HUMAN RIGHTS IMPACT

15.1. None.

16. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

16.1. None.

CONTACT OFFICER:

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BACKGROUND DOCUMENTS:

Special Full Council 21 February 2024 – Arun District Council budget 2024/25.