

Arun District Council

REPORT TO:	Corporate Support Committee – 10 October 2024
SUBJECT:	Draft Final Out-turn – 2023/24
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 presents the Committee's revenue budget and capital programme 2023/24 draft out-turn position compared to the budget, highlighting any notable differences from the Q3 forecast.	

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to appraise the Corporate Support Committee of its draft final out-turn against the 2023/24 budgets which were approved by Full Council at its meeting of 9 March 2023, subject to external audit.

2. RECOMMENDATIONS

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

3. EXECUTIVE SUMMARY

- 3.1. The report sets out in further detail the Committee's revenue and capital programme draft final out-turn position for the 2023/24 financial year and compares this expenditure against the approved budget.

4. DETAIL

Revenue Budget

- 4.1. Table 1 below, outlines the Corporate Support Committee's draft revenue final out-turn position for 2023/24, revealing an overspend of £124k. This marks a positive shift of £97k from the £221k overspend recorded in Quarter 3.

Table 1

Description	Revised 2023/24 Budget	Out-turn 2023/24	Variance 2023/24	Variance at Q3	Movement Q3 - Q4
	£'000	£'000	£'000	£'000	£'000
Central Support Recharges	(1,526)	(1,439)	87	0	87
Communications	138	134	(4)	(30)	26
Customer Services	804	767	(37)	(10)	(27)
Democratic Services	856	726	(130)	(76)	(54)
Design, Print & Post Services	270	339	69	139	(70)
Elections	384	500	116	0	116
Financial Services	1,497	1,670	173	129	44
Human Resources	424	418	(6)	0	(6)
Information & Communications Technology	2,133	1,906	(227)	(39)	(188)
Legal & Administration	619	660	41	93	(52)
Policy & Partnerships	34	21	(13)	0	(13)
Registration & Electors & Elections	215	243	27	0	27
Staff Support	303	331	28	14	14
Total for Corporate Support Committee:	6,152	6,276	124	221	(97)

4.2. As reported to Policy & Finance Committee on 9 July 2024, detailed consolidated insights into significant deviations across all cost centres across the 2023/24 financial year are provided below.

4.3. In the 2023/24 financial year, an overall £124k adverse variance is reported, attributed to under-achievements in costs recovered and cost overspends, offset by some underspends. The key adverse variances include:

- Financial Services – £163k salary overspend related to interim agency staff costs.
- Elections – £95k under-achievement in costs recovered due to reduced recharges of election service costs from parish elections.
- Design, Print & Post Services – £88k under-achievement in costs recovered due to reduced postal recharges.
- Central Support Recharges – £87k lower recovery of Central Support Recharges to the Housing Revenue Account (HRA) based on actual time servicing that area.

4.4. The above were mitigated by the following key favourable variances:

- Information & Communications Technology – £144k underspend in IT/computer software maintenance and equipment expenditure, coupled with £64k in staff vacancy savings.
- Democratic Services –£114k underspend due to unfilled vacancies.

4.5. Quarter 4 saw a positive shift of £97k from the forecast £221k overspend recorded in the previous Quarter. Notably, the underspend on Information & Communications Technology exceeded expectations by £105k. Additionally, there was a significant £42k reduction in the expected postal overspend, and employee cost overspends in Democratic Services and Legal were lower than anticipated, with reductions of £32k and £24k respectively. However, a downside was noted with a £87k decrease in central support costs recharge to the HRA, post Quarter 4 assessment.

General Fund Capital Programme

4.6. Table 2 outlines the Committee's General Fund 2023/24 draft final capital programme out-turn. The revised capital budget for 2023/24 was £265k, incorporating slippage from the previous year of £347k mitigated by a £32k saving due to the Edge Switch programme no longer proceeding (deferred until 2027/28) and £50k savings made on the Digital Strategy programme.

Table 2

Project	Revised 2023/24 Budget	Out-turn 2023/24	Variance 2023/24
	£'000	£'000	£'000
Information Communication Technology (ICT)	265	85	(180)
Total for Corporate Support Committee:	265	85	(180)

4.7. The £85k expenditure related to the telephony and wireless infrastructure project.

4.8. The remaining £180k budget mainly relates to the new EDRMS document management system, cyber security enhancements, compliance initiatives and infrastructure upgrades, and is being carried forward for 24/25 project delivery.

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 GROUP HEAD OF FINANCE/SECTION 151 OFFICER

7.1. It is crucial for effective governance to closely monitor spending against budget throughout the financial year. This practice enables swift corrective measures by the Council in case spending or income deviates significantly from the approved budgets.

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:

Policy & Finance July 24 – updated

Minute 779, Full Council 9 March 2023 – Arun District Council budget 2023/24.