

Arun District Council

REPORT TO:	Economy Committee – 22 October 2024
SUBJECT:	Budget Monitoring Report to 30 June 2024
LEAD OFFICER:	Antony Baden – Group Head of Finance & Section 151 Officer
LEAD MEMBER:	Councillor Roger Nash, Chair of Economy Committee
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 Economy 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 £30k. Further forecasting is required during Q2 to understand the status of key initiatives and projects following key officer changes.

Table 1

Description	Original 2024/25 Budget	Forecast Q1/P3	Variance at Q1/P3
	£'000	£'000	£'000
Administrative Buildings & Facilities Management	869	856	(13)
Corporate Asset Management	1,343	1,343	0
Economic Regeneration	327	327	0
Land Charges	(32)	(32)	0
Property & Estates Management	533	576	43
Sundry Properties inc. Beach Huts	(584)	(584)	0
Tourism	89	89	0
Total for Economy Committee:	2,544	2,575	30

General Fund Savings

3.2. 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	(36)	(36)	0
Total for Economy Committee:	(36)	(36)	0

3.3. Addressing the savings challenges proactively is essential to realign savings target for the fiscal year. The savings measures attributed to the Economy Committee are on target.

General Fund Capital Programme

3.4. 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
Asset Management	3,398	3,398	0
Bognor Regis Arcade, Upper Floors	3,981	1,175	(2,806)
Total for Economy Committee:	7,379	4,573	(2,806)

3.5. Asset Management – The activity within this significant capital budget project category is summarised as follows:

- The revised budget of £3,398k is made up of:
 - The original £1,233k budget.
 - Slippage carried over from 2022/23 of £2,470k.
 - In-year reductions in budget of £305k relate to £190k savings achieved by re-evaluating a roofing project, while £115k has been reallocated to 2025/26. This move allows for the concurrent refurbishment of the Ferring Rife public convenience and resurfacing project at Ferring Rife car park.

- The pitched roof works at the Bognor Arcade have been successfully completed, marking a significant milestone for the project. However, the flat roof work is intricately tied to the wider Arcade upper floors project and may require reprofiling to align seamlessly.
- The Changing Places Toilet facilities at Crown Yard and Hotham Park are now operational, partly funded by a grant. Meanwhile, progress continues on the Littlehampton seafront facilities, a key component of the Levelling Up Fund project.
- Updates on ongoing projects include the refurbishment of toilet facilities at Sandy Road, Queensfield, London Road & West Beach, with Ferring village green expected later in the year. Additionally, the imminent delivery of 13 new beach huts adds to the positive developments in the area.
- The planned car parks resurfacing awaits the completion of drainage surveys to ensure a comprehensive project scope. The integration of drainage considerations may impact the timeline of this initiative.

3.6. Bognor Regis Arcade, Upper Floors – The contractor for the enabling works, funded from brownfield relief fund, is now on site. These crucial works are set to be completed by the end of October. Simultaneously, design works for the main scheme are currently in progress. Following this phase, RIBA3 works will be commissioned to fine-tune costs, preparing for the planning submission later this year. It will be essential to reprofile the budget with this upcoming phase of work.

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.