

Arun District Council

REPORT TO:	Environment Committee - 30 January 2025
SUBJECT:	Committee Revenue and Capital Budgets 2025/26
LEAD OFFICER:	Antony Baden, Group Head of Finance and Section 151 Officer
LEAD MEMBER:	Councillor Sue Wallsgrove
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: The Council's financial planning and budget promotes all of the Council's Corporate Priorities.	
DIRECTORATE POLICY CONTEXT: The Council's financial planning and budget supports all Directorates of the Council.	
FINANCIAL SUMMARY: The draft budgets for this Committee are shown in the appendices.	

1. PURPOSE OF REPORT

- 1.1. This report is for the Committee to consider and recommend its revenue and capital budgets for inclusion in the Council's 2025/26 budget. The agreed budgets will then form part of the overall revenue and capital budgets for 2025/26 to be considered at the Policy and Finance Committee on 13 February 2025, so that recommendations can be made to Full Council on 26 February 2025 regarding the budgets to be set and level of Council Tax for the District for 2025/26.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Committee:
 - (a) Agrees the 2025/26 Revenue Budget as set out in Appendix A;
 - (b) Agrees the 2025/26 Capital Programme as set out in Appendix B; and
 - (c) Recommends to the Policy and Finance Committee that the Revenue and Capital Budgets for this Committee be included in the Council's overall 2025/26 Revenue and Capital Budget.

3. EXECUTIVE SUMMARY

- 3.1. This report sets out the 2025/26 revenue and capital budgets for this Committee to consider and recommend for submission to the Policy and Finance Committee on 13 February 2025.

4. DETAIL

- 4.1. The Medium Term Financial Forecast (MTFF) 2025/26 to 2029/30 report to Policy and Finance Committee on 11 December 2024, provided Members with the general background to the 2025/26 budget process along with a high-level update on the current financial and economic prospects arising from the main issues affecting the Council and their impact on the financial forecast for the next five years.
- 4.2. The MTFF advised that officers will develop budget proposals for the consideration of each service committee, which will enable the Council to maintain and replenish an adequate level of Usable Revenue Reserves as decided by the Group Head of Finance and Section 151 Officer.
- 4.3. The basis of revenue budgeting for 2025/26 broadly assumes that current levels of service provision will remain unchanged. This means that whilst inflation increases have been included, there is no recurring growth within the budget proposals.
- 4.4. The revenue budget totalling £11.246m is set out in Appendix A and shows a net increase of £345k between 2024/25 and 2025/26. The key changes are summarised in the table below:

Change	Amount £'000
Major contracts inflation (Cleansing, Grounds Maintenance & Car Parking)	299
Pay inflation & adjustments	179
Car parking income fee inflationary increases	(133)
Total	345

- 4.5. For major contracts (Cleansing) the budget includes the roll out of new cleansing collection services and the council taking responsibility for administration of garden waste subscriber services. This includes scoped project management costs, a customer relationship management system, cleansing customer services staffing, bin replacement contingencies and communications material. Transitional funding from DEFRA (to be announced in March 2025) will offset the net in year investment and subscriber income will provide a sustained revenue source to the council once fully established and integrated from February 2025.
- 4.6. The level of funding for the capital programme will be determined at the Policy and Finance Committee on 13 February 2025. Existing schemes and new schemes will continue to be reviewed during 2025/26 for affordability and

deliverability. The impact of any new borrowing will also be kept under review and reported to Members during the financial year.

- 4.7. The planned capital programme is set out in Appendix B and totals £5.200m for 2025/26 and is comprised of:
- Waste Management £3,020k
 - Disabled Facilities Grants £1,580k (grant funded)
 - Play Areas £355k
 - Parks £245k

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 Medium Term Financial Forecast 2025/26 to 2029/30 reported to Policy and Finance Committee 11 December 2024 remain relevant. Members may wish to review these alongside this report.

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

- 9.1. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs while section 25 of the Local Government Act 2003 requires the Council to have due regard to a statement on the adequacy of reserves and the robustness of the budget, produced by the Chief Financial Officer, when making its budget decisions.
- 9.2. The Council is required to set a balanced budget and the Chief Financial Officer must report under s114 of the Local Government Finance Act 1988 if it appears to them that the expenditure of the authority incurred (or proposed to be incurred) in a financial year is likely to exceed the resources available to meet that expenditure.

10. HUMAN RESOURCES IMPACT

- 10.1. There are no direct implications.

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. There are no direct implications.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1. There are no direct implications.

CONTACT OFFICER:

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BACKGROUND DOCUMENTS:

[Arun District Council Budget 2024/25 - Special, Full Council 21 February 2024](#)

[Medium Term Financial Forecast 2025/26 to 2029/30 –Policy & Finance Committee
11 December 2024](#)

**Environment Committee
General Fund Revenue Budget 2025/26**

Actual 2023-24 £'000	Description	Budget 2024-25 £'000	Budget 2025-26 £'000
Environment Committee			
Direct Services			
237	Building Control	237	224
(13)	Bus Shelters & Street Nameplates	(1)	7
(1,177)	Car Parks	(1,379)	(1,364)
10	Cemeteries & Churchyards	(73)	(88)
7,760	Cleansing Services	8,215	8,421
78	Coast Protection & Land Drainage	134	132
42	Emergency Planning & Support	52	53
462	Environmental Health & Protection	540	602
42	Foreshores	(27)	(19)
1,790	Parks & Green Spaces	2,228	2,300
178	Private Sector Housing	316	321
9,409	Total for Direct Services:	10,242	10,589
Environment Committee			
Management & Support Services			
444	Engineering & Infrastructure Services	659	657
444	Total for Management & Support Services:	659	657
9,854	Environment Committee Total:	10,901	11,246

**Environment Committee
Capital Programme 2025/26**

Actual 2023/24	Environment Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Note
£'000		£'000	£'000	£'000	£'000	£'000	
1,530	Disabled Facilities Grants	1,580	1,580	1,580	1,580	1,580	1
410	Parks	-	50	245	26	-	2
203	Play Areas	120	415	355	120	90	3
-	Waste Management	-	-	3,020	-	-	4
2,143	Total Environment	1,700	2,045	5,200	1,726	1,670	

Notes

1. The Council offers grants to homeowners to adapt their properties enabling them to remain in their own homes and community. This is funded by a government grant via West Sussex County Council.
2. Bersted Brooks scheme reprofiled from 2024/25
3. The Play Areas spend is the Council's scheme of replacing play areas with up to date, safe equipment in line with the Council's adopted 10 year play area strategy.
4. The new scheme for waste management of £3.02m provides food waste receptacles, vehicles and residual bins to meet the requirements of the weekly food waste collection service and fortnightly residual collection service as detailed in the Combined Cleansing Services Contract report to Environment Committee on 19 March 2024. These improvements are required to meet the requirements of the Environmental Act 2021 and the Government's 'simpler recycling' reform. The Council has received £1.67m external funding towards the cost of this scheme.