

# Arun District Council

<b>REPORT TO:</b>	<b>Housing &amp; Wellbeing Committee – 4 February 2025</b>
<b>SUBJECT:</b>	<b>Committee General Fund Revenue and Capital Budgets 2025/26</b>
<b>LEAD OFFICER:</b>	<b>Antony Baden, Group Head of Finance and Section 151 Officer</b>
<b>LEAD MEMBER:</b>	Councillor Carol Birch – Chair of Housing and Wellbeing Committee
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:</b> The Council's financial planning and budget promotes all of the Council's Corporate Priorities.	
<b>DIRECTORATE POLICY CONTEXT:</b> The Council's financial planning and budget supports all Directorates of the Council.	
<b>FINANCIAL SUMMARY:</b> 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; and
  - (b) 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 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. Financial forecasting continues to be extremely difficult due to high inflation rates and various other external factors affecting the economy therefore budgets have been compiled on the best information available.
- 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. Inflation increases have been included as well as unavoidable growth in Supported Housing Payments and Homelessness.
- 4.4. The revenue budget of £5.569m is set out in Appendix A and shows a net reduction of £216k between 2024/25 and 2025/26 and the key changes are summarised in the table below:

<b>Change</b>	<b>Amount £'000</b>
Increase in homelessness/ temporary accommodation expenditure	643
Pay inflation & adjustments	138
Supported housing accommodation	70
Other minor changes	58
Net Increase in leisure management fee income	(102)
Realignment of Finance and Revenues & Benefits	(211)
Increase in Homeless Prevention Grant	(812)
<b>Total</b>	<b>(216)</b>

- 4.5. The budget includes unavoidable growth in homelessness of £643k which is in respect of increasing numbers of homelessness and costs for furniture storage.
- 4.6. The Ministry of Housing, Communities & Local Government has confirmed funding for the Homelessness Prevention Grant £1.655m and Rough Sleeping Prevention and Recovery Grant of £0.434m for 2025/26. As a result, the Council will receive an additional £812k in Homelessness Prevention Grant compared to 2024/25.

- 4.7. Supported accommodation refers to housing provided to vulnerable individuals alongside care, support, or supervision. This includes, for example, accommodation for people experiencing homelessness, those fleeing domestic abuse, individuals with mental health needs, or those recovering from substance misuse. Last year, the Council significantly increased this budget to meet rising costs (£505k) and although the estimated increase for 2025/26 is more modest, it still presents a financial challenge
- 4.8. The net increase in leisure management fee income represents the contractual increase (of CPI plus 2%) in income from the leisure centres partly offset by an anticipated loss of income from the expected closure of Arun Leisure Centre swimming pool leak investigation works.
- 4.9. The restructure of the Revenues & Benefits section has generated savings of £211k and will be achieved by the deletion of vacant posts.
- 4.10. 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.
- 4.11. There is currently no planned capital programme for the General Fund for 2025/26 so Appendix B details the current schemes in place.

## **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 from this report, arising from this report, impacts arising from subsequent actions will be identified in future reports.

**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. None.

**17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS**

17.1. There are no direct implications.

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**CONTACT OFFICER:**

**Name:** Antony Baden

**Job Title:** Group Head of Finance and Section 151 Officer

**Contact Number:** 01903 737558

**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](#)

**Housing & Wellbeing Committee  
General Fund Revenue Budget 2025/26**

Actual 2023-24 £'000	Description	Budget 2024-25 £'000	Budget 2025-26 £'000
<b>Housing &amp; Wellbeing Committee</b>			
<b>Direct Services</b>			
(10)	Arun Lifeline	19	17
609	Community Safety/Development	691	665
80	Activities for the Elderly	79	73
2,896	Homelessness & Housing Advice	2,490	2,417
24	Housing Strategy & RSLs	42	41
(790)	Leisure & Culture	(1,024)	(1,115)
2,869	Revenues & Benefits	3,208	3,171
277	Voluntary Sector	280	300
<b>5,955</b>	<b>Total for Housing &amp; Wellbeing Committee:</b>	<b>5,785</b>	<b>5,569</b>

**Housing & Wellbeing Committee  
Capital Programme 2025/26**

<b>Actual 2023/24</b>	<b>Housing &amp; Wellbeing Committee Capital</b>	<b>Original Budget 2024/25</b>	<b>Current Budget 2024/25</b>	<b>Budget 2025/26</b>	<b>Budget 2026/27</b>	<b>Budget 2027/28</b>	<b>Note</b>
<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
540	Leisure Centres	-	135	-	-	-	1
-	General Fund Housing	-	17	-	-	-	2
<b>540</b>	<b>Total Housing &amp; Wellbeing</b>	<b>0</b>	<b>152</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## Notes

1. Swimming pool support fund works to Littlehampton Wave and Arundel Lido as awarded at Housing & Wellbeing Committee on 26 March 2024 due to complete in 2024/25.
2. Transfer of S106 funds to Arundel Community Land Trust.