

Arun District Council

REPORT TO:	Policy & Finance Committee – 13 March 2025
SUBJECT:	Consolidated Council Budget Monitoring Report to 30 December 2024
LEAD OFFICER:	Antony Baden – Group Head of Finance & Section 151 Officer
LEAD MEMBER:	Councillor Martin Lury
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 forecast of the Council's spend against budget for the Revenue Budget, approved savings, and Capital programme for 2024/25, as at the end of Quarter 3.	

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to appraise the Policy & Finance Committee of the Council's consolidated forecast out-turn against the 2024/25 budgets approved by Full Council at its meeting of the 21 February 2024.

2. RECOMMENDATIONS

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

3. EXECUTIVE SUMMARY

- 3.1. This report sets out in further detail the Council's consolidated forecast expenditure against budget projections to the 31 March 2025.

- 3.2. The report also comprises of:

- Financial Report as of 30 December 2024 Period 9 / Quarter 3 for the year 2024/25 (Appendix A)

4. DETAIL

4.1. Consolidated Revenue Budget Summary

4.1.1. £692k less drawdown from Usable Revenue Reserves is forecast driven by an underspend of £314k on Cost of Services, an estimated £200k additional business rates income, £100k of other non-ringfenced grants and Corporate Costs are forecast to out-turn £78k below budget.

4.1.2. The Cost of Service out-turn indicates an improving position of £314k underspend against a budget of £28.4m, an improvement of £478k since last quarter (as detailed in the table below).

Material Variances since Quarter 2	£'000
Salary/professional fees underspends in Planning and licensing and other minor movements	(150)
Increase in car parking income & reduction in expenditure	(115)
2023/24 election costs recovered from Parish Councils	(105)
Increase in Pre-planning Application fees, S106 fees & Grants and additional CIL management fees and charges	(76)
Leisure Management Contract income	(32)
Total Improvement since Quarter 2	(478)

4.1.3. A structural budget deficit remains, with a projected £2.9m contribution required from reserves to fund the current year's General Fund budget, a reduction of £692k compared to budget.

4.1.4. Detailed insights on these variations can be found on pages 4 to 6 of Appendix A.

4.2 Housing Revenue Account (HRA)

4.2.1. The forecast end-of-year HRA reserve balance shows an increase to £1m from an opening position of £482k.

4.2.2. The above is due to an in-year surplus of £527k. Whilst expenditure is projected to overspend by £520k, income is also expected to surpass budget by £516k resulting in the contribution to the HRA reserve of £527k.

4.2.2. Note, the HRA reserve target of £2m remains. For a detailed summary of variations against the budget, please refer to page 10 and 11 of Appendix A.

4.3 Consolidated Capital Programme

4.3.1. The forecast 2024/25 capital programme out-turn (excluding the HRA) has been reprofiled from £24.0m to £12.6m against a revised budget of £12.8m. Progress details can be found on pages 7 to 9 of Appendix A.

- 4.3.2. The HRA capital programme's forecast out-turn has been reprofiled from £15.2m to £16.5m against a revised budget of £16.5m. The stock development and sheltered accommodation projects necessitate feasibility studies to profile the budget. Additionally, the £3m decarbonisation programme requires externally matched funding before commencing. Insights on this can be found on page 12 of Appendix A.

5. CONSULTATION

- 5.1. Not applicable.

6. OPTIONS/ALTERNATIVES CONSIDERED

- 6.1. No alternatives have been considered.

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

- 7.1. 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.

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:

Special Council 21 February 2024 – Arun District Council budget 2024/25. [Microsoft Word - Arun District Council Budget 2024-25 Final](#)

Policy and Finance Committee 24 October 2024 – Consolidated Budget Monitoring Report Quarter 1 – 2024-25

[Microsoft Word - Item 12 - Budget Monitoring Report Quarter 1 & Item 12 - Appendix A.pdf](#)

Policy and Finance Committee 11 December 2024 – Consolidated Budget Monitoring Report Quarter 2 – 2024-25

[Microsoft Word - Budget Monitoring Report & Policy & Finance Committee 11-12-2024 - Appendix A Financial Report as at 30-09-2024, Period 6 Qtr 2](#)