



Arun District Council  
Financial Report as at 31 December 2024, Period 9 / Quarter 3 for the year 2024/25



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## Arun District Council Financial Dashboard

### 2024/25 Full Year Forecast as at end December 2024

1. GENERAL FUND £'000	2024/25 Budget	Q3/P9 Full Year Forecast	Q3/P9 Variance	Q2/P6 Variance	Q1/P3 Variance	Final Outturn 2023/24	Final Outturn 2022/23
Total: Cost of Service	28,373	28,059	(314)	163	234	26,979	24,235
Total: Corporate Costs	4,803	4,725	(78)	(28)	(28)	3,957	2,054
<b>TOTAL COST GENERAL FUND</b>	<b>33,176</b>	<b>32,784</b>	<b>(392)</b>	<b>135</b>	<b>206</b>	<b>30,936</b>	<b>26,289</b>
Total: Financed By	(29,619)	(29,919)	(300)	(300)	(300)	(26,665)	(23,599)
<b>2.RESERVES CONTRIBUTION</b>	<b>3,557</b>	<b>2,865</b>	<b>(692)</b>	<b>(165)</b>	<b>(94)</b>	<b>4,270</b>	<b>2,689</b>

5. HOUSING REVENUE ACCOUNT (HRA) £'000	2024/25 Budget	Q3/P9 Full Year Forecast	Q3/P9 Variance	Q2/P6 Variance	Q1/P3 Variance	Final Outturn 2023/24	Final Outturn 2022/23
Total: Income	(21,414)	(21,930)	(516)	(461)	(346)	(20,020)	(17,821)
Total: Expenditure	20,882	21,403	521	493	15	21,061	20,906
<b>(Surplus) / Deficit</b>	<b>(532)</b>	<b>(527)</b>	<b>5</b>	<b>32</b>	<b>(331)</b>	<b>1,041</b>	<b>3,085</b>

6. CAPITAL £'000	2024/25 Budget	Q3/P9 Full Year Forecast	Q3/P9 Variance	Q2/P6 Variance	Q1/P3 Variance	Final Outturn 2023/24	Final Outturn 2022/23
General Fund	12,794	12,600	(194)	(2,584)	(2,880)	7,206	7,023
HRA	16,496	16,496	0	(15,234)	(15,224)	7,085	6,443
<b>TOTAL CAPITAL</b>	<b>29,290</b>	<b>29,096</b>	<b>(194)</b>	<b>(17,818)</b>	<b>(18,104)</b>	<b>14,291</b>	<b>13,466</b>

3. MEDIUM TERM FINANCIAL FORECAST (MTFF) £'000			
Years	Reserves B/f	Movement	Closing Balance
2024/25	19,677	(1,191)	18,486
2025/26	18,486	(1,885)	16,601
2026/27	16,601	(5,026)	11,575
2027/28	11,575	(5,697)	5,878
2028/29	5,878	(6,460)	(582)
2029/30	(582)	(6,349)	(6,931)
<b>Closing Balance 2029/30</b>			<b>(6,931)</b>

4. GENERAL FUND SAVINGS 2024/25 £'000*as at P9			
Committee	Budget	Forecast	2024/25 Variance
Corporate Support	(269)	(259)	10
Economy	(36)	(36)	0
Environment	(543)	(342)	201
Housing & Wellbeing	(580)	(280)	300
Planning Policy	(107)	(107)	0
<b>TOTAL</b>	<b>(1,535)</b>	<b>(1,024)</b>	<b>511</b>

Further details are provided on the subsequent pages of this report, summary areas are:

- ❖ 1 & 2. General fund reserves contribution is lower than budget yet still requiring a draw down of £2.9m from reserves. The £527k positive swing from Q2 is mostly due to reduction in forecasts for Cost of Service resulting in an underspend. Had the full savings included in the budget been achievable, then the forecast underspend of Cost of Service of £314k would increase by £511k resulting in a net underspend of £825k.
- ❖ 3. MTFF has been adjusted and aligned to the latest general fund contribution requirement and other earmarked reserve drawdowns. In year movement of reserves includes a central government timing difference of c£2m in relation to the collection fund.
- ❖ 4. Approved savings have been built in the current year budgets and forecast. The pressures have reduced from £564k at Q2 to £464k noting these all have been absorbed into base budgets with no impact anticipated for 25/25 budgets.
- ❖ 5. The HRA end of year reserves were forecast to be £981k as at Q2 but are now forecast to be £1,008k, an increase of £27k.
- ❖ 6. The Capital Programme has been reprofiled across future years for the HRA and General Fund with major projects including Alexandra Theatre and Bognor Regis Arcade highlighted.

## COST OF SERVICE BY COMMITTEE

2024/25 Full Year Forecast as at end December 2024

Committee	Original 2024/25 Budget	Forecast Q3/P9	Variance at Q3/P9	Commentary: Variance to Budget	Approved Savings 2024/25	Final Outturn 2023/24	Final Outturn 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Support	6,102	6,462	360	<ul style="list-style-type: none"> <li>• Net £308k Finance staff &amp; recruitment costs due to interim staff costs being greater than vacancy savings. (Note: partly offset by staff savings in Revs &amp; Bens - Housing &amp; Wellbeing)</li> <li>• £60k overspend on security costs</li> <li>• £50k Hampshire CC procurement contract costs &amp; Audit fees</li> <li>• £46k Insurance premiums and staff parking permits</li> <li>• (£105k) 2023/24 election costs recovered from Parish Councils</li> </ul>	(269)	6,276	5,433
Economy	2,544	2,524	(20)		(36)	1,955	2,612
Environment	10,901	10,685	(216)	<ul style="list-style-type: none"> <li>• £201k Pressures from £96k below target car parking income, £75k efficiency, cost recovery or income targets not achievable, £30k Parks Office post not vacant</li> <li>• £67k Reduction in Building Control income</li> <li>• (£128k) Parks &amp; Open Spaces income</li> <li>• (£349k) Salary underspends</li> </ul>	(543)	9,854	8,050
Housing & Wellbeing	5,785	6,143	358	<p>Homelessness:</p> <ul style="list-style-type: none"> <li>• £603k Homelessness increased demand</li> <li>• £298k Homelessness pressure</li> <li>• £50k Increase in salary costs from GF/HRA salary split</li> <li>• (£287k) Additional Homeless grant income</li> </ul> <p>Other Services:</p> <ul style="list-style-type: none"> <li>• £86k increased supported housing accommodation</li> <li>• (£32k) Leisure Management Contract income</li> <li>• (£353k) Net salary underspend in Revs &amp; Bens/Council Tax</li> </ul>	(580)	5,957	5,133
Planning Policy	1,094	543	(551)	<ul style="list-style-type: none"> <li>• (£85k) Additional CIL management fees and charges</li> <li>• (£111k) Pre-planning Application fees, S106 fees &amp; Grants</li> <li>• (£348k) Net salary underspend including professional fees</li> </ul>	(107)	1,158	995
Policy & Finance	1,946	1,702	(244)	<ul style="list-style-type: none"> <li>• (£234k) Salary underspend: Group Head post deleted £108k; £64k due to redundancy &amp; £53k reduced CEO full year salary spend due to commencing end July</li> </ul>	0	1,781	2,013
<b>Grand Total</b>	<b>28,373</b>	<b>28,059</b>	<b>(314)</b>		<b>(1,535)</b>	<b>26,979</b>	<b>24,235</b>

Regular forecasting continues to see improvements, had the full savings included in the budget been achievable, then the forecast underspend of Cost of Service of £314k would increase by £511k resulting in a net underspend of £825k noting all savings have been absorbed into 2025/26 budgets

**CORPORATE COSTS & FINANCED BY**  
2024/25 Forecast as at end December 2024

Budget Description	2024/25 Budget	Q3/P9 Full Year Forecast	Q3/P9 Variance	Q2/P6 Variance	Q1/P3 Variance	Commentary Budget v Current Qtr & Current Period Forecast	Final Outturn 2023/24	Final Outturn 2022/23
	£'000	£'000	£'000	£'000	£'000		£'000	£'000
<b>Total: Cost of Service</b>	<b>28,373</b>	<b>28,059</b>	<b>(314)</b>	<b>163</b>	<b>234</b>	See pages 4 & 5 regarding Cost of Service	<b>26,979</b>	<b>24,235</b>
Parish Precepts	5,530	5,530	0	0	0		5,300	5,024
Other precepts and levies	249	346	97	97	97	<ul style="list-style-type: none"> <li>• £85k additional levy requested by LHB</li> <li>• £10k Legal advice</li> </ul>	323	236
Interest & investment income	(2,260)	(2,435)	(175)	(125)	(125)	• (£175k) additional interest income	(2,714)	(1,528)
Pension deficit contributions	1,284	1,284	0	0	0	• Pension funds can vary, particularly around administration costs and staffing contributions. WSCC and Actuary information is not available until year end.	1,048	(1,678)
<b>Total: Corporate Costs</b>	<b>4,803</b>	<b>4,725</b>	<b>(78)</b>	<b>(28)</b>	<b>(28)</b>		<b>3,957</b>	<b>2,054</b>
RSG / Retained Business Rates	(8,032)	(8,232)	(200)	(200)	(200)	• £200k estimated additional business rate income	(5,980)	(3,394)
New Homes Bonus	(1,378)	(1,378)	0	0	0		(616)	(1,292)
Other non ringfenced grants	(1,080)	(1,180)	(100)	(100)	(100)	<ul style="list-style-type: none"> <li>• £34k IER Grant</li> <li>• £30k Housing Benefit Ad-hoc grants</li> <li>• £22k Redman Review - Local Audit Fee for 2023-24</li> <li>• £14k Covid-19 Support Grant (Sales, Fees and Charges)</li> </ul>	(1,819)	(1,647)
Council Tax income - Arun	(13,599)	(13,599)	0	0	0		(12,951)	(12,242)
Council Tax income - Parish Precepts	(5,530)	(5,530)	0	0	0		(5,300)	(5,024)
<b>Total: Financed By</b>	<b>(29,619)</b>	<b>(29,919)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>		<b>(26,665)</b>	<b>(23,599)</b>
<b>Total: Cost of Service</b>	<b>28,373</b>	<b>28,059</b>	<b>(314)</b>	<b>163</b>	<b>234</b>		<b>26,979</b>	<b>24,235</b>
<b>Total: Corporate Costs</b>	<b>4,803</b>	<b>4,725</b>	<b>(78)</b>	<b>(28)</b>	<b>(28)</b>		<b>3,957</b>	<b>2,054</b>
<b>Total: Financed By</b>	<b>(29,619)</b>	<b>(29,919)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>		<b>(26,665)</b>	<b>(23,599)</b>
<b>Contribution from Reserves</b>	<b>3,557</b>	<b>2,865</b>	<b>(692)</b>	<b>(165)</b>	<b>(94)</b>		<b>4,270</b>	<b>2,689</b>

Contribution from reserves is currently forecast less than budget by £692k with a reduced contribution of £2.865m from reserves to fund current years General Fund budget that was budgeted at £3.56m.

## SAVINGS PROGRESS BY COMMITTEE

As at end December 2024

Period 9				
Committee	Original 2024/25 Budget	Forecast Q3/P9	Variance at Q3/P9	Commentary: Variance to Budget
	£'000	£'000	£'000	
Corporate Support	(269)	(259)	10	<ul style="list-style-type: none"> <li>£10k Reduce Legal Services subscriptions costs through wider use of West Sussex wide consortium services not achievable</li> </ul>
Economy	(36)	(36)	0	
Environment	(543)	(342)	201	<ul style="list-style-type: none"> <li>£96k car parking below income target due to seasonal fluctuations and temporary closures</li> <li>£75k efficiency, cost recovery or income targets not achievable</li> <li>£30k unachievable because expected vacant Parks officer post is not vacant</li> </ul>
Housing & Wellbeing	(580)	(280)	300	<ul style="list-style-type: none"> <li>£221k (of £352k) Temporary Accommodation savings unachievable due to increased demand</li> <li>£49k Cease Mobysoft subscription &amp; £25k Cease Aereon subscriptions - relates to HRA not GF. No alternatives saving found</li> <li>£4k under achieved saving in upgrade to CCTV transmission.</li> </ul>
Planning Policy	(107)	(107)	0	
<b>Grand Total</b>	<b>(1,535)</b>	<b>(1,024)</b>	<b>511</b>	

Savings are a key focus in our monthly finance meetings with Group Heads and Budget holders. Regular monitoring ensures a robust process, setting the foundation for budget planning beyond 2024/25. All pressures have been absorbed into 2025/26 budgets and now form part of base budgets.

## GENERAL FUND CAPITAL PROGRAMME SPEND PROFILE

2024/25 Full Year Forecast as at end December 2024

	Total Capital Project Value	Prior Years Expend.	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	External Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Major Projects</b>								
Alexandra Theatre	18,780	1,324	11,794	2,805	10,324	4,327	-	12,285
Littlehampton Seafront	7,449	762	5,743	4,362	2,325	-	-	7,290
Bognor Regis Arcade, Upper floors	7,991	350	3,550	1,181	6,140	320	-	628
<b>Total: Major Projects</b>	<b>34,220</b>	<b>2,436</b>	<b>21,087</b>	<b>8,348</b>	<b>18,789</b>	<b>4,647</b>		<b>20,203</b>
<b>Other Projects</b>								
Bersted Brooks	320	25		50	245			
Swimming Pool Support Fund	135			135				135
General Fund Housing	17			17				
Webcasting Equipment	62			62				
Waste Collection	3,020				3,020			1,666
Parks Chipper	26					26		
<b>Total: Other Projects</b>	<b>3,580</b>	<b>25</b>	<b>-</b>	<b>264</b>	<b>3,265</b>	<b>26</b>	<b>-</b>	<b>1,801</b>
<b>Rolling Programme</b>								
Information Communication Technology (ICT)				180	120	280	100	
Play Areas			120	415	355	120	90	
Improvement & Discretionary Grants			1,580	1,580	1,580	1,580	1,580	1,580
Asset Management			1,233	2,007	2,236	1,317	1,000	
<b>Total: Rolling Programme</b>	<b>-</b>	<b>-</b>	<b>2,933</b>	<b>4,182</b>	<b>4,291</b>	<b>3,297</b>	<b>2,770</b>	<b>1,580</b>
<b>Total: General Fund Capital Budget</b>	<b>37,800</b>	<b>2,461</b>	<b>24,020</b>	<b>12,794</b>	<b>26,345</b>	<b>7,969</b>	<b>2,770</b>	<b>23,585</b>

Major projects see the Alexandra Theatre receive additional funding of £3m approved at Full Council 6<sup>th</sup> Nov 24 and has been reflected in Q3/P9 report. Major projects total lifecycle costs are budgeted at £34.2m of which £20.2 is funded externally, the remaining balance of £14m is funded internally. Forecast commentary is included on pages 10 and 11.

**GENERAL FUND CAPITAL PROGRAMME**  
2024/25 Full Year Forecast as at end December 2024

Committee	Revised 2024/25 Budget	Forecast Outturn	Variance	Commentary
	£'000	£'000	£'000	
<b>Corporate Support</b>				
Information Communication Technology (ICT)	180	180	-	* Transfer licence fee paid for new C-Cube EDRMS product and implementation, development work has commenced. Data cleansing and migration October through to February 2025 with anticipated go live March 2025.
Webcasting Equipment	62	67	6	* In year £61.5k webcasting equipment approved at FC March 24.
<b>Total Corporate Services</b>	<b>242</b>	<b>247</b>	<b>6</b>	
<b>Economy</b>				
Asset Management	2,007	1,585	(422)	<ul style="list-style-type: none"> <li>* £190k in year saving in relation to roofing project no longer being delivered in its current form.</li> <li>*£115k reprofiled in relation to Ferring Rife public convenience refurbishment to 25/26 to run along side a resurfacing project at Ferring Rife car park.</li> <li>* Planned car parks resurfacing is dependent on drainage surveys as drainage will need to encompassed as part of the project. The scheme at Gloucester Road £91k has now been reprofiled to 25/26. However, all schemes have now been delayed and therefore these schemes will slip to 2024/25 (£422k).</li> <li>* £300k of the budget set aside for works at Hotham Park Carriage Yard has been reprofiled to 25/26. Project is reliant to certain infrastructure being put in place which is outside the Council's control, thus preventing the scheme from progressing.</li> <li>* £1m in relation to Waterloo Square has been reprofiled into 2025/26.</li> <li>* A catastrophic failure of the Arun Leisure Centre boilers has seen the need to replace them urgently to avoid any potential part closure of the facility. This is to be funded from the budget initially set aside for the flat roof work at the Bognor Regis Arcade which will not be required this financial year as this scheme is dependent on the wider Arcade upper floors project. Scheme now complete.</li> </ul>
Bognor Regis Arcade, Upper floors*	1,181	1,181	-	<ul style="list-style-type: none"> <li>* Contractor for the enabling works (funded from brownfield relief fund) is on site, these works are scheduled to finish by the end of 2024, extension as a result of asbestos.</li> <li>* With regards to the main scheme, RIBA3 is underway to refine design and cost plan. This will help inform a revised financial appraisal and any required budget reprofiling. £2.8m has been reprofiled in the meantime as the main scheme will not be delivered until the new year, may still need some refining.</li> </ul>
<b>Total Economy</b>	<b>3,188</b>	<b>2,766</b>	<b>(422)</b>	
<b>Environment</b>				
Improvement & Discretionary Grants	1,580	1,800	220	* Arun's disabled facilities grant (DFG) allocation for 2024/25 is £2m the grant is for provision of home adaptations to help eligible individuals to live as independently and safely as possible in their homes and is also used to fund the resources required to deliver the service (this sits on revenue approx. £200k). Additional funding was provided in 2023/24 and 2024/25 to supplement the core delivery of DFG's to provide a wider range of home adaptation services. Forecast is based on this enhanced allocation.
Bersted Brooks Park	50	50	-	<ul style="list-style-type: none"> <li>* Focus is on the carpark extension and the programme that comes with it.</li> <li>* The schemes next steps to be scoped out to feed into the planning process.</li> <li>* Topographical survey to be undertaken.</li> <li>* The main works will not be undertaken this financial year as the scheme cannot be delivered whilst the ground is wet and so the budget has been reprofiled, allowing for surveys and any planning fees etc.</li> </ul>



Committee	Revised 2024/25 Budget	Forecast Outturn	Variance	Commentary
	£'000	£'000	£'000	
<b>Environment continued</b>				
Play Areas	415	415	-	<p>* £17k in-year approval for Eldon Way play area funded by S106 delegated authority March 2024, was delivered in July along with the Mewsbrook outdoor gym, Brookfield &amp; Bluebell play areas.</p> <p>* Lion's Den commenced in September.</p> <p>* Initial works at Littlehampton skate park have also commenced with the rest to be delivered later this year.</p> <p>* Whilst the Bognor Skate park project is starting to move forward it will not be delivered this financial year and therefore has been reprofiled.</p>
<b>Total Environment</b>	<b>2,045</b>	<b>2,265</b>	<b>220</b>	
<b>Housing &amp; Wellbeing</b>				
Swimming Pool Support Fund	135	137	2	* £135k in-year approval from the swimming pool support fund award approved at Housing & Wellbeing Committee March 2024. Split as follows: £45k Littlehampton Wave for photo voltaic (PV) panels and Arundel Lido £90k for a pool cover and also PV panels.
General Fund Housing	17	17	0	* £17k in-year approval for the transfer of S106 funds to Arundel Community Land Trust for provision of affordable housing by delegated authority 13-05-24. This S106 sum is restricted to Arundel and its surrounding parishes and it has been extremely difficult for the Council to spend such a low sum ourselves on the provision of affordable housing. It has been included under capital as it falls under REFCUS accounting principles (expenditure on the acquisition or construction of an asset by a party outside of the Council (in this case the Trust) which would be capital expenditure if those assets were acquired or constructed by the Council for its own use).
<b>Total Housing &amp; Wellbeing</b>	<b>152</b>	<b>154</b>	<b>2</b>	
<b>Policy &amp; Finance</b>				
Alexandra Theatre	2,805	2,805	-	<p>* £45k in-year approval for provision of photo voltaic panels funded from the Council's climate change budget approved by Policy &amp; Finance Committee in March 2024 . Plus £94k allocation from the Council's UK shared prosperity fund award, approved by the panel April 2023.</p> <p>* £11.6m reprofiled as per cashflow into 25/26 and 26/27.</p>
Littlehampton Seafront	4,362	4,362	-	<p>* £25k in year approval for provision of photo voltaic panels funded from the Council's climate change budget approved by Policy &amp; Finance Committee in March 2024.</p> <p>* £2.3m reprofiled as per cashflow into 25/26.</p> <p>* Contractor has started on site and set up boundary fences, compound and is working on the connections to the temporary toilet facilities. The next step will be asbestos removal with the eventual demolition of the existing toilet facilities.</p>
<b>Total Policy &amp; Finance</b>	<b>7,167</b>	<b>7,167</b>	<b>-</b>	
<b>Total Capital Budget</b>	<b>12,794</b>	<b>12,600</b>	<b>(194)</b>	

Capital continues to be monitored on a monthly basis with underspends on projects slipped to the next year, where are not timebound annually such as the Councils revenue budgets and are influenced by several external stakeholders.

## HRA REVENUE INC. RESERVES

2024/25 Full Year Forecast as at end December 2024

Period 9								
Description	2024/25 Budget	Q3/P9 Full Year Forecast	Q3/ P9 Variance	Q2/P6 Variance	Q1/ P3 Variance	Commentary: Variance to Budget	Final Outturn 2023/24	Final Outturn 2022/23
	£'000	£'000	£'000	£'000	£'000		£'000	£'000
<b>INCOME</b>								
Gross Dwelling Rents (current stock)	(20,271)	(20,459)	(187)	(179)	(65)	<ul style="list-style-type: none"> <li>Increased rents 7.7% £1.5m for 24/25</li> <li>New rental streams live for New Road/Warwick Road</li> </ul>	(18,465)	(16,975)
Gross Non-Dwelling Rents (current stock)	(525)	(456)	69	61	49	<ul style="list-style-type: none"> <li>Low Garage occupancy proving challenging</li> </ul>	(439)	(445)
Voids	405	380	(25)	(5)	11	<ul style="list-style-type: none"> <li>Property voids improvement due to quicker turnarounds</li> </ul>	339	258
Write-Offs	105	105	0	0	0	<ul style="list-style-type: none"> <li>CTA/FTA at £2m. HRA Debt Management Group established but dedicated resources required to improve debt position. This will be addressed in the HRA restructure proposals for 25/26</li> </ul>	(138)	249
Services Management Fees & Charges	(602)	(948)	(346)	(314)	(317)	<ul style="list-style-type: none"> <li>Increased service charge income for New Road/Warwick Road, retrospective heating and electric cost recovery from 23.24</li> </ul>	(771)	(240)
Services Management Fees & Charges for Service	(227)	(209)	18	19	17	<ul style="list-style-type: none"> <li>Leaseholder Services charges</li> </ul>	(200)	(105)
Other Income	(16)	(18)	(2)	0	0		(18)	(420)
Investment Income	(284)	(326)	(42)	(42)	(42)	<ul style="list-style-type: none"> <li>Applied 4.75% interest rate on projected HRA balances. Note this is an estimate and will change subject to actual interest rates and changes in balances</li> </ul>	(326)	(143)
<b>Total Income</b>	<b>(21,414)</b>	<b>(21,930)</b>	<b>(516)</b>	<b>(461)</b>	<b>(346)</b>		<b>(20,020)</b>	<b>(17,821)</b>
<b>EXPENDITURE</b>								
Supervision & Management	6,009	7,559	1,550	1,386	947	<ul style="list-style-type: none"> <li>£643k Fixed cost pressures from insourcing repairs contract</li> <li>£376k of unallocated HRA savings</li> <li>£265k Employee and Agency pressures (including 35k for Asset Manager)</li> <li>£204k Anticipated utility pressures</li> <li>£50k Pest Control costs</li> <li>£27k Increased Premises Insurance</li> <li>£25k Increased Finance support Service costs</li> <li>(£40k) in year efficiencies identified</li> </ul>	6,404	6,116

Description	2024/25 Budget	Q3/P9 Full Year Forecast	Q3/ P9 Variance	Q2/P6 Variance	Q1/ P3 Variance	Commentary: Variance to Budget	Final Outturn 2023/24	Final Outturn 2022/23
	£'000	£'000	£'000	£'000	£'000		£'000	£'000
<b>EXPENDITURE CONTINUED</b>								
Repairs & Maintenance - Revenue	6,613	5,406	(1,208)	(1,127)	(1,200)	<ul style="list-style-type: none"> <li>This is the current estimated gross saving to be delivered through insourcing Repairs and Maintenance contract in 24/25. Note this will offset the £643k in house repairs team costs pressure detailed in Supervision and Management.</li> <li>Increased efficiencies delivered by in house repairs team, in relation to general and planned repairs.</li> <li>Where appropriate capitalisation of repair costs have been action as at P9</li> </ul>	6,222	6,801
Rents, rates, taxes & other charges	186	272	86	13	13		230	143
Depreciation	5,969	6,023	54	54	63	• Estimated depreciation charges	6,113	5,543
Loan Charges	2,105	2,142	37	167	192	• Note this includes potential interest charges for new in-year borrowing	2,092	2,302
<b>Total Expenditure</b>	<b>20,882</b>	<b>21,403</b>	<b>520</b>	<b>493</b>	<b>15</b>		<b>21,062</b>	<b>20,906</b>
<b>In-Year Net HRA (Surplus)/Deficit</b>	<b>(532)</b>	<b>(527)</b>	<b>5</b>	<b>33</b>	<b>(332)</b>		<b>1,042</b>	<b>2,368</b>
<b>HRA Reserve Balance B/Fwd.</b>	<b>(551)</b>	<b>(481)</b>	<b>70</b>	<b>69</b>	<b>69</b>	Final brought forward figures will be subject to 2023/24 external year end Audit. Further Year end adjustments have reduced this balance down by £127k.	<b>(1,523)</b>	<b>(3,891)</b>
<b>In-Year Net HRA (Surplus)/Deficit</b>	<b>(532)</b>	<b>(527)</b>	<b>5</b>	<b>33</b>	<b>(332)</b>	Anticipated in year surplus.	1,041	2,368
<b>HRA Reserve Balance C/Fwd.</b>	<b>(1,083)</b>	<b>(1,008)</b>				<b>Target closing balance £1m</b>	<b>(482)</b>	<b>(1,523)</b>

Following in year deficits for the last couple of years, the HRA Balances have been significantly reduced to a level where there is limited resilience to deal with any unexpected or further in year pressures. The 2024/25 Budget was set at a surplus of £0.53m and the current forecast shows an improving position whereby the forecast at Q3/P9 is a surplus of £0.53m.

The budget for 25/26 further sees reserves forecast to close at £1.55m, moving closer to internal set reserves of £2m.

## HRA CAPITAL PROGRAMME

2024/25 Full Year Forecast as of end December 2024

	Total Project Value	Prior Years Expend.	Original Budget 2024/25	Current Budget/ Forecast 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	External Funding	Comments
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Main Projects</b>									
Decarbonisation (3 year programme)	10,377				2,730	2,730	2,730	5,190	* No spend until min 50% co- external funding received. * Awaiting decision after bid submission to the Warm Homes: Social Housing Fund (WH:SHF) formally known as Social Housing Decarbonisation Fund (SHDF). *Budget reprofiled, delivery over three years.
Civica Implementation	2,022	1,172	579	584	266				* Phase 1 went live June 2024. * Phase 2 will take approx. a year to deliver.
Stock Development	27,568	17,557	6,671	10,011				6,734	* £1,351k in-year approval for acquisition of 4 properties at Hampton Park Littlehampton funded by £624k from the local authority housing fund, £350k S106 affordable housing contributions and £377k HRA borrowing. Scheme approved at H&W Committee March 2024. * Expenditure to date relates to delivery of units Warwick & Boweries and Hampton Park. * £3,870k in-year approval for acquisition of 10 properties at several locations to be confirmed funded by £1,771k from the local authority housing fund, £630k S106 affordable housing contributions and up to £1,469k HRA borrowing. Scheme approved at H&W Committee November 2024. 9 properties are expected to exchanged this final year with the final property exchanging early 2025/26. * £6.671m original budget set aside for redevelopment of garage and other housing sites has been taken out of 2024/25 with the view to rebudget once a scheme is developed in a year it would be delivered.
Sheltered Accommodation	6,000		2,000		4,600	1,400			* Budget reprofiled, feasibility work has been commissioned which will better inform the budget/cashflow requirements in proceeding years.
<b>Rolling Programme</b>									
Housing Improvements & Energy Efficiencies	-	-	5,901	5,901	5,956	5,956	5,956		
<b>Total</b>	<b>45,967</b>	<b>18,729</b>	<b>15,151</b>	<b>16,496</b>	<b>13,552</b>	<b>10,086</b>	<b>8,686</b>	<b>11,924</b>	

Stock development and Sheltered accommodation require feasibility studies to profile the budget and to utilise these Capital schemes with Decarbonisation requiring external funding before commencing. Warmer homes match funded grant application has been made for £5.2m with announcements expected early in the new financial year.

It should be noted that on-going Repairs & Maintenance costs are met from the Rolling Programme Housing Improvements & Energies Efficiency Capital budget and the Revenues budgets, determined by accounting treatment.