

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF CABINET ON 8 FEBRUARY 2021

SUBJECT: Budget Monitoring report to 31 December 2020

REPORT AUTHOR: Carolin Martlew, Financial Services Manager

DATE: January 2021

EXTN: 37568

PORTFOLIO AREA: Corporate Support

EXECUTIVE SUMMARY: The Budget Monitoring Report sets out the Capital, Housing Revenue and General Fund Revenue budget performance to the end of December 2020.

RECOMMENDATIONS

Cabinet is requested to:

- (i) Note the report in Appendix 1;
- (ii) Approve a transfer to earmarked reserves of £7.865m for s31 Grant received in 2020/21 and £1.326m for in year Collection Fund losses; and
- (iii) Note the actions taken to mitigate the Council's net expenditure due to the Covid-19 pandemic.

1. BACKGROUND:

The Council approved a General Fund revenue total net expenditure budget of £25.621 million; a Housing Revenue Account revenue total expenditure budget of £18.425 million; and a capital budget of £17.654 million for the year 2020/21. This report provides information to enable actual spending and income to be monitored against profiled budget for the period to 31 December 2020.

2. PROPOSAL(S):

The Cabinet is requested to note the budget monitoring report in appendix 1. The report provides information on a management by exception basis to enable the reader to understand the overall performance of the council within the context of the budget book summary. The report highlights the significant additional expenditure and loss of income due to the Covid-19 pandemic.

3. OPTIONS:

n/a

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)		✓
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	✓	
Legal		✓
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability		✓
Asset Management/Property/Land		✓
Technology		✓
Other (please explain)		✓
6. IMPLICATIONS: <p>The Council had incurred significant additional expenditure and loss of income due to the Covid-19 pandemic and net expenditure will have to be monitored closely for the remainder of the financial year to ensure that corrective action continues to be taken if necessary. Transfers to earmarked reserves are required in relation to Collection Fund transactions that will impact the General Fund in 2021/22.</p>		

7. REASON FOR THE DECISION: <p>To ensure that spending is in line with approved Council policies, and that it is contained within overall budget limits.</p>
8. EFFECTIVE DATE OF THE DECISION: 17 February 2021

9. BACKGROUND PAPERS: <p>Revenue and Capital Estimates 2020-2021. http://www.arun.gov.uk/financial-information/</p>
