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2023-24 Budget Monitoring Report

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Executive Lead Member: Cllr Federica Smith-Roberts

Division / Local Member:

## 1. Summary

- 1.1. Month 10 budget monitoring has been reviewed in full at the Corporate and Resources Scrutiny on the 7th March 2024. This report provides details of the Communities Services extract of the full budget monitoring report.

## 2. Issues for consideration / Recommendations

- 2.1. Scrutiny is asked to consider: -

- a) If there are any general comments or observations that they would wish to make to the Executive on the reports.
- b) If actions set out in the report are appropriate, and if any further actions should be included in the report.

## 3. Budget Monitoring Report

### **Community Services**

Lead Member for Communities, Housing and Culture: Cllr Federica Smith-Roberts

Executive Director: Chris Hall

Service Directors:

- Housing: Chris Brown
- Culture: Elizabeth Dawson
- Customers: Jan Stafford
- Regulatory and Operational: Sarah Dowden

**Table 1: 2023/24 Community Services as at end of January 2024 (Month 10)**

- 2023/24 net budget £36.3m, projected favourable variance of £0.7m, favourable movement of £0.4m from month 9.

Service Area	Original Budget £m	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 10 Variance £m	A/(F)	RAG Status	Movement From Month 9 £m
<b>Housing</b>									
Housing Strategy	1.3	0.5	(0.2)	0.3	0.6	0.3	A	Red	0.3
Housing Options	4.6	7.4	(2.4)	5.0	5.0	0.0	-	Green	0.0
Housing Enabling	0.0	0.7	(0.2)	0.5	0.5	0.0	-	Green	0.0
Private Sector Support/ DFG's (SIP)	0.0	0.9	(0.4)	0.5	0.5	0.0	-	Green	0.0
Displaced Person Service	0.0	0.8	(0.8)	0.0	0.0	0.0	-	Green	0.0
Other Costs & Income	0.0	0.1	(0.1)	0.0	0.0	0.0	-	Green	0.0
<b>sub total</b>	<b>5.9</b>	<b>10.4</b>	<b>(4.1)</b>	<b>6.3</b>	<b>6.6</b>	<b>0.3</b>	<b>A</b>	<b>Red</b>	<b>0.3</b>
<b>Customer Services</b>									
Customer Services	7.0	6.8	(0.7)	6.1	6.0	(0.1)	(F)	Green	(0.1)
Somerset Lifeline	0.0	2.2	(2.4)	(0.2)	(0.2)	0.0	-	Green	0.0
<b>sub total</b>	<b>7.0</b>	<b>9.0</b>	<b>(3.1)</b>	<b>5.9</b>	<b>5.8</b>	<b>(0.1)</b>	<b>(F)</b>	<b>Green</b>	<b>(0.1)</b>
<b>Cultural Services</b>									
Library Service	3.8	5.1	(0.7)	4.4	4.1	(0.3)	(F)	Green	(0.4)
Heritage Service	1.7	1.7	0.0	1.7	1.7	0.0	-	Green	0.0
Leisure - Sports Centre	2.0	2.6	(0.5)	2.1	2.1	0.0	-	Green	0.0
Museums	0.1	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
Theatres	0.5	3.4	(2.4)	1.0	0.4	(0.6)	(F)	Green	(0.2)
Visitor Centres	0.1	0.3	(0.3)	0.0	0.0	0.0	-	Green	0.0
Tourism	0.1	0.2	0.0	0.2	0.2	0.0	-	Green	0.0
(wellbeing) Community Grants	1.0	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
<b>sub total</b>	<b>9.3</b>	<b>13.3</b>	<b>(3.9)</b>	<b>9.4</b>	<b>8.5</b>	<b>(0.9)</b>	<b>(F)</b>	<b>Green</b>	<b>(0.6)</b>
<b>Regulatory &amp; Operational Services</b>									
Registration	(0.2)	2.1	(1.9)	0.2	(0.1)	(0.3)	(F)	Green	(0.2)
Environmental Health	4.2	4.6	(0.3)	4.3	4.3	0.0	-	Green	0.0
Bereavement Services	(1.2)	1.1	(2.3)	(1.2)	(1.1)	0.1	A	Red	0.2
Harbours	0.3	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
Ports	0.0	0.2	(0.1)	0.1	0.1	0.0	-	Green	0.0
Street Cleansing	5.0	6.0	(0.9)	5.1	4.9	(0.2)	(F)	Green	(0.0)
Open Spaces	3.1	6.8	(3.5)	3.3	3.6	0.3	A	Red	0.3
Public Conveniences	0.0	0.6	(0.2)	0.4	0.3	(0.1)	(F)	Green	(0.1)
(wellbeing) Community Safety	0.5	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
CCTV	0.7	0.8	(0.1)	0.7	0.9	0.2	A	Red	0.0
Licensing	0.0	0.8	(1.1)	(0.3)	(0.3)	0.0	-	Green	0.0
Resorts	0.0	0.4	(0.2)	0.2	0.2	0.0	-	Green	(0.1)
Coroners	0.0	1.3	0.0	1.3	1.3	0.0	-	Green	0.0
Operational Support	0.0	0.7	(0.1)	0.6	0.6	0.0	-	Green	0.0
Scientific Services	0.0	0.4	(0.4)	0.0	0.0	0.0	-	Green	(0.1)
<b>sub total</b>	<b>12.4</b>	<b>25.8</b>	<b>(11.1)</b>	<b>14.7</b>	<b>14.7</b>	<b>(0.0)</b>	<b>(F)</b>	<b>Green</b>	<b>(0.0)</b>
<b>Community Services Total</b>	<b>34.6</b>	<b>58.5</b>	<b>(22.2)</b>	<b>36.3</b>	<b>35.6</b>	<b>(0.7)</b>	<b>(F)</b>	<b>Green</b>	<b>(0.4)</b>

### Community Services - key explanations, actions & mitigating controls

The four directorates in Community Services have been working to minimise general fund expenditure throughout the year, this has helped cover pressures that have emerged post combination of budgets on vesting day, and helped to provide financial support to the council's overall budget overspends.

The current in-year underspend has increased from the month nine report which is an overall positive message, but this has not happened without consequences. We have held off works that would usually have been completed, and deferred maintenance where it is not a statutory requirement or needed to meet a health and safety need.

## Housing

Currently we are identifying a £0.3m variance in the general fund Housing service. The finance team have undertaken considerable work in Culture and Customer Services which has brought clarity to those budgets. This detailed work has yet to be completed for the Housing service and we therefore we have less clarity in this area.

There continue to be significant challenges within the year relating to demand, which is being offset by additional Government grants to support homelessness and other housing initiatives.

The Housing Options service has seen increased use of Bed & Breakfast accommodation and increased reliance on agency staff. Actions are being progressed by the service to mitigate these additional costs in the future through improved process and structural change. There is also an increase in demand for the service due to flooding and winter pressures. Although the service has a core council budget of £4.9m the service has significant grant income increasing its budget to over £9.5m. The significant spend pressures are:

- Additional spend of **£0.960m** projected in respect of homelessness.
- **£0.270m** additional spend in respect of rough sleeping.

The **£1.230m** additional costs are to be fully funded by government grants which are ringfenced to this service area.

The Housing Enabling and Housing Strategy services are expected to generate a small budget saving by quarter four due to in-year staffing cost savings and income from grant and fees, as mentioned above this has yet to show itself in the figures as more in depth work is needed to ensure all the budgets are correct and allocations to budget are accurate.

The Displaced Persons Service is 100% grant funded and will break even with underspends carrying forward to support the service in 2024/2025.

The Private Sector Support/SIP service is anticipated to break even whilst also being able to reduce its fee income from Adult Social Care for 2023/2024 by £0.3m.

## Cultural Services

There is an anticipated underspend in respect of Theatres which is due to additional income from ticket sales for the performances at the Westlands Entertainment Centre, in addition there are expected underspends on premises budgets. This is generating an

overall underspend of £0.6m, an improvement of £0.4m from month nine, due to better anticipated income from the final pantomime performances.

The previously reported pressures in respect of Leisure – Sports Centres have been covered by savings on other budgets within this service.

Library services are showing a projected underspend of £0.3m, this is a slight reduction on the reported position at month nine.

### Regulatory & Operational Services

Open spaces functions were previously carried out by the district councils, these include services such as grounds maintenance. The service is reporting a total adverse variance of £0.3m. This in part relates to a significant reduction of budgeted income associated with the loss of income from a ground's maintenance contract provided by the council to an external client. The contract ended in 2021/22. The service expenditure budget was reduced as part of the budget setting process, but the income budget was not reduced to reflect the change. Therefore, this income target remains and cannot be achieved. A pressure has been approved for 2024/25 to amend this income budget estimate from April. Additional work is underway in year to reduce the impact of this. In year open spaces has postponed spend and made use of a one-off reserve to help mitigate the pressure.

Bereavement services is presenting an under recovery of income against the budget of £0.1m this is due to lower than budgeted from year to year and throughout a given year.

The authority provides a CCTV service across the county. The service has additional costs in 2023/24 at over £0.2m. This is in part due to expenditure from 2022/23 that was not accounted for in the correct year creating a one-off pressure in 2023/24, alongside other variations which are being reviewed. Work is underway to mitigate this, and we aim to reduce it from the current reported £0.2m overspend by year end. It is unlikely at this stage that the full overspend can be mitigated.

These pressures are, in the main offset by a favourable variance at £0.2m for the Registration service which has had more income, a demand lead service so income can vary. Alongside this the Street Cleaning service currently has an overall net favourable variation of £0.2m being a combination of some extra external income which sadly ends in 2023/24 and other variances which are being worked through.

### Customer Services

Customer Services are currently showing a projected underspend of £0.1m from a position of a balanced outturn last month. Work continues to confirm the outturn position for the Lifeline Service.

