

Appendix 3 – Community Services

Lead Member for Communities, Housing and Culture: Cllr Federica Smith-Roberts
Executive Director: Chris Hall

Service Directors:

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

Community Services as at the end of March 2024 (Month 12)

2023/24 net budget £37.4m, outturn favourable variance £3.9m, favourable movement of £3.3m from month ten.

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 12 Variance £m	A/(F)	RAG Status	Movement From Month 10 £m
Housing								
Housing Strategy	0.5	(0.2)	0.3	0.2	(0.1)	(F)	Green	(0.4)
Housing Options	8.0	(2.4)	5.6	5.6	0.0	-	Green	0.0
Housing Enabling	0.8	(0.1)	0.7	0.5	(0.2)	(F)	Green	(0.2)
Private Sector Support/ DFG's (SIP)	0.9	(0.4)	0.5	0.4	(0.1)	(F)	Green	(0.1)
Displaced Person Service	1.1	(0.8)	0.3	0.3	0.0	-	Green	0.0
Other Costs & Income	0.0	0.0	0.0	(0.1)	(0.1)	(F)	Green	(0.1)
sub total	11.3	(3.9)	7.4	6.9	(0.5)	(F)	Green	(0.8)
Customer Services								
Customer Services	6.9	(0.7)	6.2	5.7	(0.5)	(F)	Green	(0.4)
Somerset Lifeline	1.9	(2.1)	(0.2)	(0.1)	0.1	A	Red	0.1
sub total	8.8	(2.8)	6.0	5.6	(0.4)	(F)	Green	(0.3)
Cultural Services								
Library Service	5.1	(0.7)	4.4	3.7	(0.7)	(F)	Green	(0.4)
Heritage Service	1.7	0.0	1.7	1.4	(0.3)	(F)	Green	(0.3)
Leisure - Sports Centre	2.8	(0.5)	2.3	1.3	(1.0)	(F)	Green	(1.0)
Theatres	3.3	(2.4)	0.9	0.6	(0.3)	(F)	Green	0.3
Visitor Centres	0.3	(0.3)	0.0	0.0	0.0	-	Green	0.0
Tourism	0.2	0.0	0.2	0.1	(0.1)	(F)	Green	(0.1)
(wellbeing) Community Grants	0.0	0.0	0.0	0.1	0.1	A	Red	0.1
sub total	13.4	(3.9)	9.5	7.2	(2.3)	(F)	Green	(1.4)
Regulatory & Operational Services								
Registration	2.0	(1.9)	0.1	(0.3)	(0.4)	(F)	Green	(0.1)
Environmental Health	4.5	(0.3)	4.2	3.9	(0.3)	(F)	Green	(0.3)
Bereavement Services	1.1	(2.3)	(1.2)	(1.6)	(0.4)	(F)	Green	(0.5)
Ports	0.2	(0.1)	0.1	0.1	0.0	-	Green	0.0
Street Cleansing	5.8	(0.6)	5.2	5.1	(0.1)	(F)	Green	0.0
Open Spaces	3.8	(0.4)	3.4	4.0	0.6	A	Red	0.3
Public Conveniences	0.6	(0.2)	0.4	0.4	0.0	-	Green	0.1
CCTV	0.8	(0.1)	0.7	0.8	0.1	A	Red	(0.1)
Licensing	0.8	(1.1)	(0.3)	(0.4)	(0.1)	(F)	Green	(0.1)
Resorts	0.4	(0.2)	0.2	0.1	(0.1)	(F)	Green	(0.1)
Coroners	1.3	0.0	1.3	1.4	0.1	A	Red	0.1
Operational Support	0.7	(0.3)	0.4	0.3	(0.1)	(F)	Green	(0.1)
Scientific Services	0.4	(0.4)	0.0	0.0	0.0	-	Green	0.0
sub total	22.4	(7.9)	14.5	13.8	(0.7)	(F)	Green	(0.8)
Community Services Total	55.9	(18.5)	37.4	33.5	(3.9)	(F)	Green	(3.3)

Community Services - key explanations, actions & mitigating controls

Provisional outturn shows a favourable variance of £3.9m against a net budget of £37.4m. The four directorates within Community Services have been working to minimise general fund expenditure throughout the year, this has helped cover pressures that have emerged post vesting day, and helped to provide financial support to the council's overall budget overspends.

The current in-year underspend has increased from £0.7m reported in the month ten 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. Work has also continued to understand budgets brought together through LGR.

Housing

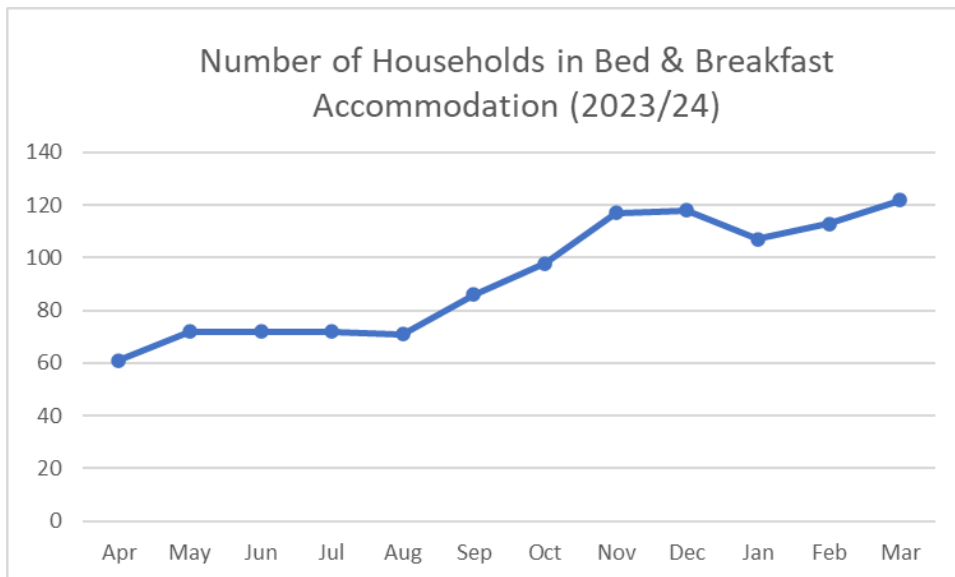
The General Fund Housing Service closed the revenue accounts with a favourable variance of £0.5m. Clarity on the net position of all service areas was achieved following extensive work with the service which resulted in an improved outturn position from month 10.

The service has five service areas:

- Housing Options including Homelessness, Rough Sleeper Service and Homefinder
- Displaced Persons Service
- Housing Strategy
- Housing Development Enabling
- Private Sector Support / Somerset Independence Plus

Despite significant challenges within the year relating to demand, these have been offset with changes to ways of working, and additional Government grants to support homelessness and other housing initiatives.

The Housing Options service has seen an increase in the numbers approaching the service and the number of cases which the Council has a responsibility to provide relief or main duty accommodation. As a result, the current supply of temporary accommodation available to the Council through contracts with third parties or its own stock is increasingly insufficient, and the use of less appropriate and expensive Bed & Breakfast accommodation has increased. This increase in demand is demonstrated as follows:



The Housing Options team continues to operate in four localities and although many working practices have sought to strengthen a single approach, the service requires the formal restructure planned later this year to enable working practices to be efficient. Some localities have managed the pressure better than others but the reliance on agency staff to ensure homelessness was minimised during the last 12 months amplified staffing costs.

Flooding and winter pressures also contributed to an increased demand within the service. Actions are being progressed by the service to mitigate the need for temporary accommodation, and we are striving towards reducing the necessity of temporary staffing following the restructure and streamlining processes within the service.

The core budget within the Housing Options service was significantly inflated with an additional £2.6m from the Homelessness Prevention Grant and the Homelessness Prevention Top Up Grant. Additional income was also achieved via rental income, Housing Benefit, and Homefinder advertisement. Significant pressures of £0.5m were funded from earmarked reserves ringfenced for the Housing Options service.

The Rough Sleepers Initiatives is fully funded from the Rough Sleeping Initiative Grant received from DLUHC. Grant funding totalled £1.9m during 2023/24, with total spend equating to £2.0m, resulting in a requirement to draw down additional funding from earmarked reserves to offset this pressure.

The Housing Enabling and Housing Strategy services generated a small budget saving of £0.1m due to in-year staffing cost savings and additional income from grant and fees. All budgets will be reviewed to ensure that the budget aligns with the new structural demands within the Housing service. Drawdown of funding within the Community Housing Fund enabled the continuation of this project, with further funding earmarked to fund schemes within 2024/25.

The Displaced Persons Service (Homes for Ukraine, Refugee Resettlement and Asylum Dispersal) is 100% funded from ringfenced funding received from DLUHC and the Home Office. Funding has been earmarked to support the continuation of these schemes, and therefore, all remaining funding was carried forward to support the service in 2024/25, resulting in a balanced variance across the Displaced Persons Service.

The Private Sector Support / Somerset Independence Plus service closed the revenue accounts with a small underspend, whilst also removing the reliance on the fee income of £0.3m from Adult Social Care for 2023/24. Actions are being undertaken to fully utilise the Disabled Facilities Grant and eliminate the dependence on core council funding within this service, as we strive towards a fully cost neutral service by 2025/26.

Cultural Services

Provisional outturn is suggesting that there is a favourable variance of £2.3m against a net budget of £9.5m.

Extensive work has been undertaken by the service to ensure that where works could be delayed, or legacy budgets were not required that these have not been used. This has led to underspends in the following areas:

There is an £0.3m 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 underspends on premises budgets.

The Leisure budgets are significantly underspent at £1m due to a combination of underspends on the various sports centres and 'The leisure partnership'. Further work will continue to understand the legacy budgets brought forward into the new unitary council.

In libraries, the £0.7m underspend is predominantly due to a significant increase in the value of the stock as an asset reserve related to the increased price of books, with a small contribution from increased income streams and in year savings.

Regulatory & Operational Services

At year end this service had an improved outturn position from month 10, with an overall favourable variance of £0.7m. The service has worked extremely hard to control costs and this has, in part, delivered results. A more detailed explanation for the various services within Regulatory & Operational Services outturn movements from month 10 are as follows:

Registration is showing a net favourable variance of £0.4m at outturn a movement of £0.1m from month 10; the favourable variance is partly due to the receipt of

additional income, bearing in mind the service is demand-lead, this gain may not be forthcoming in future years, considering that the income budget was increased for 2024/25 in the MTFP.

Environmental Health has a favourable variance of £0.3m at outturn. This is a combination of additional one-off grant income at £0.08m; plus, the Environmental Health – housing service has a net underspend of £0.2m mainly because of income gains and other underspends across the service, the budgets for this need to be updated.

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 £0.6m at outturn. At month 10 this variance was reported as an 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; however, 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.

The service has also faced cost pressures from a contract with an external provider with enforced price increases. In year, open spaces have postponed spend and made use of a one-off reserve to help mitigate the pressures.

Street Cleaning reported at year-end an underspend of £0.1m. The service has had a difficult budgetary pressure to meet because of there being an external contract in place which included price increases. Also, the service has faced an income pressure because of the termination of an external sweeping contract that generated income. A number of cost control measures have been implemented to achieve the outturn.

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. At year-end, the mitigation work reduced the pressure from £0.2m to £0.1m.

Licensing is reporting an improved position at year end with a £0.1m gain when compared to the last report, this is mainly because of additional income received for the service, noting this is mainly a demand lead service.

The Resorts service position has improved by £0.1m compared to month 10. Income was down for beach parking because of the adverse summer weather however, costs were controlled to help compensate hence the improvement.

Operational Support largely provides support for the Housing Revenue Account (HRA) service and a larger recharge was allocated to the HRA coupled with other

variances with a year-end outturn improvement of £0.1m from that previously reported.

Customer Services

At year end, Customer Services had an overall favourable variance of £0.4m, an improvement of £0.3m from month 10. The service worked hard to control expenditure in particular staffing costs which represents 94% of its budget. The Movement from month 10 to outturn was due to staffing turnover and vacancies, an increase in income, and reducing spend on non-staffing items such as equipment and training. A further movement was due to legacy South Somerset phone charges being forecast as continuing, but which stopped in September due to it all being under one contract within IT.

The Lifeline service was reporting a nil variance in M10. The outturn position was £0.1m overspent and this was mainly due to a savings target of £0.1m relating to the standardisation of charges, which was included in 2023/24 but is not achievable until 2024/25.