

Appendix 8 – Other Service Areas (including Collection Fund)

Corporate Management

Lead Member for Non-Service: Cllr Liz Leyshon

Interim Chief Finance Officer (s151): Maria G Christofi

Corporate Management as at the end of March 2024 (Month 12)

- 2023/24 net budget £0.8m, outturn adverse variance £0.8m, adverse movement of £0.8m from month ten.

Service Area	Current Expenditure Budget	Current Income Budget	Current Net Budget	Full Year Projection	Month 12 Variance	A/(F)	RAG Status	Movement From Month 10
	£m	£m	£m	£m	£m			£m
Apprenticeship Levy	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
Central Redundancies	0.0	0.0	0.0	0.6	0.6	A	Red	0.6
Corporate Subscriptions	0.1	0.0	0.1	0.2	0.1	A	Red	0.1
Executive Directors	0.7	0.0	0.7	0.8	0.1	A	Red	0.1
Corporate Management Total	0.8	0.0	0.8	1.6	0.8	A	Red	0.8

Corporate Management - key explanations, actions, & mitigating controls

The majority of the adverse variance in Corporate Management can be attributed to Central Redundancies where the budget was removed during a previous MTFP process. Various non-LGR related MTFP savings, which have not yet been attributed to a service, were allocated here, resulting in a £0.6m overspend.

Apprenticeship Levy budget is £0.1m overspent due to the Somerset Council funded share of the costs being higher than anticipated at budget setting.

Non-Service

Lead Member for Non-Service: Cllr Liz Leyshon

Interim Chief Finance Officer (s151): Maria G Christofi

Non-Service as at the end of March 2024 (Month 12)

- 2023/24 net budget £55.3m, outturn favourable variance £10.1m, favourable movement of £7.1m from month ten.

Service Area	Current Expenditure Budget	Current Income Budget	Current Net Budget	Full Year Projection	Month 12 Variance	A/(F)	RAG Status	Movement From Month 10
	£m	£m	£m	£m	£m			£m
Local Government Reorganisation	5.3	(1.3)	4.0	4.0	0.0	-	Green	0.0
Contributions	0.8	(0.1)	0.7	0.7	0.0	-	Green	0.0
Corporate Costs	8.7	(0.2)	8.5	8.4	(0.1)	(F)	Green	(0.1)
Financing Transactions	56.6	(14.5)	42.1	32.1	(10.0)	(F)	Green	(7.0)
Special Grants	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
Pay Award	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
Non-Service Total	71.4	(16.1)	55.3	45.2	(10.1)	(F)	Green	(7.1)

Non-Service - key explanations, actions, & mitigating controls

Financing Transactions

The outturn for the year in relation to Financing Transactions is an underspend of £10m. This is largely due to the level of borrowing being less than anticipated when the budget was set enabling a saving of £9.6m offset by an under achievement of investment income of £0.7m, due to using cash balances rather than borrowing, therefore having less cash to invest. The Minimum Revenue Position budget is expected to be underspent by £1.1m.

Corporate Costs:

The outturn position for Corporate Costs and Non-distributed Costs is £0.1m favourable variance. This is mainly due to the pension deficit budget being underspent by £0.7m because the general fund proportion of the charge was lower than first anticipated at budget setting. This is offset by a repayment of the Covid-19 Sales, Fees and Charges Compensation Scheme grant relating to 2020-21.

Traded Services

Lead Member for Traded Services: Cllr Heather Shearer
Executive Director: Claire Winter

Traded Services are required to set a net nil budget with full costs offset by income generated.

2023/24 Traded Services as at the end of March 2024 (Month 12)

Service Area	Current Expenditure Budget	Current Income Budget	Current Net Budget	Full Year Projection	Month 12 Variance	A/(F)	RAG Status	Movement From Month 10
	£m	£m	£m	£m	£m			£m
Dillington	4.1	(1.5)	2.6	2.6	0.0	-	Green	(0.5)
Traded Services Total	4.1	(1.5)	2.6	2.6	0.0	-	Green	(0.5)

Traded Services - key explanations, actions, & mitigating controls

Dillington's deficit for the year is £2.6m due to operating costs and closure costs. Funding was set aside in an earmarked reserve to cover the costs of Dillington and therefore this overspend will be funded from the earmarked reserve.

Contingencies

Lead Member for Contingencies: Cllr Liz Leyshon

Interim Chief Finance Officer (s151): Maria G Christofi

Contingencies as at the end of March 2024 (Month 12)

- 2023/24 net budget £6.0m, outturn favourable variance £0.6m, favourable movement of £0.6m from month ten.

Service Area	Current	Current	Current Net	Full Year	Month 12	A/(F)	RAG	Movement
	Expenditure	Income						
	Budget	Budget	£m	£m	£m		Month 10	
Corporate Contingency	0.6	0.0	0.6	0.0	(0.6)	(F)	Green	(0.6)
Contingencies Total	0.6	0.0	0.6	0.0	(0.6)	(F)	Green	(0.6)

Contingencies – key risks, mitigations, future issues, and opportunities

£0.1m has been allocated to the Strategic Asset Management budget to cover the costs associated with work on Reinforced Autoclaved Aerated Concrete (RAAC) surveys. A further £0.9m has been allocated for Tiers 1-3 costs, with the remaining allocation £4.4m allocation to cover the remaining pay award costs which was over and above the pay award budget for 2023-24. This leaves the contingencies budget £0.6m underspent.

Core Revenue Funding

Lead Member for Core Revenue Funding: Cllr Liz Leyshon

Interim Chief Finance Officer (s151): Maria G Christofi

Core Revenue Funding as at the end of March 2024 (Month 12)

- 2023/24 net budget (£651.3m), outturn favourable variance £0.5m, nil movement from month ten.

2023/24 Core Revenue Funding as at the end of March 2024 (Month 12)

Service Area	Current	Current	Current Net	Full Year	Month 12	A/(F)	RAG	Movement
	Expenditure	Income						
	Budget	Budget	£m	£m	£m		Month 10	
Use of Reserves	0.0	(125.7)	(125.7)	(125.7)	0.0	-	Green	0.0
Grants	0.0	(57.4)	(57.4)	(57.9)	(0.5)	(F)	Green	0.0
Flexible Use of Capital Receipts	0.0	(6.7)	(6.7)	(6.7)	0.0	-	Green	0.0
Business Rates	0.0	(122.2)	(122.2)	(122.2)	0.0	-	Green	0.0
Collection Fund (Surplus)/Deficit	0.0	(0.6)	(0.6)	(0.6)	0.0	-	Green	0.0
Council Tax Requirement	0.0	(338.7)	(338.7)	(338.7)	0.0	-	Green	0.0
Core Revenue Funding Total	0.0	(651.3)	(651.3)	(651.8)	(0.5)	(F)	Green	0.0

Core Revenue Funding - key explanations, actions, & mitigating controls

Grants

The favourable variance of £0.5m for Grants is due to receiving confirmation that the Rural Services Delivery grant and the 2023/24 Services grant will be higher than budgeted. The grant confirmation was received after the budget setting process.

Collection Fund

The collection fund has a small favourable variance which will be contributed to reserves.