



SCRUTINY COMMITTEE - CORPORATE AND RESOURCES

Thursday, 7 September 2023

10.00 am

**Sedgemoor Room, Bridgwater House, King
Square, Bridgwater, TA6 3AR**

SUPPLEMENT TO THE AGENDA

To: The members of the Scrutiny Committee - Corporate and Resources

We are now able to enclose the following information which was unavailable when the agenda was published:

Agenda Item 8 Budget Update (Pages 3 - 10)

To receive a Budget update from Jason Vaughan (presentation to follow)

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Corporate & Resources Scrutiny Committee

Budget Update

September 2023



Somerset
Council

Financial Overview

2022/23

Outturn
Approx £18.7m
overspend

2023/24

Budget Monitoring
Month 4 - £26.1m
potential overspend

2024/25+

MTFP
Forecast Feb 23 £100m
Gap over next 3 years

Financial Overview – 2022/23

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2022/23
Outturn
£18.7m overspend

- Outstanding Audits from 2020/21 now complete
- Still have outstanding audits from 2021/22 (Mendip, Sedgemoor & SSSC)
- 2022/23 Statement of accounts – all published
- 2022/23 Outturn Report to Executive on 6 Sept & Scrutiny 7 Sept
- Work can now start on
 - Review of Reserves
 - MRP policy review
 - Capital Programme Review
 - Capital Receipts position
 - Business Rates & Council Tax – collection funds reviews
 - Financial Resilience & Sustainability Review

Financial Overview – 2023/24

2023/24 Budget

- Based upon 2022/23 budget from each council
- Included £10m use of reserves to balance the budget + £9.9m once-off for specific projects (not a sustainable position)

Month 4

- Based upon Month 3 (Q1) with updates
- Still lots of potential risks / areas to resolve
 - Virements - to get budgets into the correct places & deal with different accounting approaches across 5 councils
 - Year end – need to reverse year end accruals
 - MSD data – unallocated cash
 - Solver (budget monitoring tool) – being rolled out this week
 - Staffing establishment – Aligning HR records with budgeted posts & delivery of LGR staff savings

2023/24

Budget Monitoring
Month 4 - £26.1m
potential overspend

2023/24 Revenue Budget – Month 4

Service Area	Original Budget	Current Budget	Full Year Projection	Month 4 Variance	A/(F)	Movement From Month 3	Direction From Month 3
	£m	£m	£m	£m		£m	
Adult Services	186.6	185.5	197.6	12.1	A	0.0	→
Children & Family Services	123.1	123.1	131.9	8.8	A	0.0	→
Public Health	1.2	1.2	1.2	0.0	-	0.0	→
Communities Services	35.2	34.9	34.9	0.0	-	0.0	→
Climate & Place	87.1	87.6	90.3	2.7	A	(2.4)	↑
Strategy, Workforce & Localities	20.2	20.2	21.7	1.5	A	0.0	→
Resources & Corporate Services	20.5	21.5	22.8	1.3	A	(0.1)	↑
Accountable Bodies	3.7	3.7	3.7	0.0	-	0.0	→
Non-Service	9.8	9.8	9.3	(0.5)	(F)	0.0	→
Traded Services	0.0	0.0	0.2	0.2	A	0.0	→
Total Service Position	487.4	487.4	513.5	26.1	A	(2.5)	↑
Corporate Contingency	6.0	6.0	6.0	0.0	-	0.0	→
Total after Contingencies	493.4	493.4	519.5	26.1	A	(2.5)	↑
Reserves	(19.9)	(19.9)	(19.9)	0.0	-	0.0	→
Council Tax	(345.4)	(345.4)	(345.4)	0.0	-	0.0	→
Business Rates	(116.1)	(116.1)	(116.1)	0.0	-	0.0	→
Revenue Support Grant	(7.9)	(7.9)	(7.9)	0.0	-	0.0	→
Flexible Use of Capital Receipts	(4.0)	(4.0)	(4.0)	0.0	-	0.0	→
Total Month 4 Position	0.0	0.0	26.1	26.1	A	(2.5)	↑

Improved position from
Month 3
by £2.5m

Capital Programme

Directorate	2022/23 Carry Forward Adjustment	Forecasted Expenditure				
		2023/24	2024/25	2025/26	2026/27 >	Total
	£m	£m	£m	£m	£m	£m
Adults & Health	(0.7)	2.2	0.3	0.3		2.2
Children's Services	12.4	36.2	19.3	6.1	2.4	76.4
Climate & Place	31.6	170.9	15.8	2.0		220.4
Community Services	0.3	31.0	12.8	2.4		46.5
Resources & Corporate Services	14.0	18.0	3.3	0.8		36.1
Strategy, Workforce, & Localities		0.2	0.1	0.1		0.5
Paused Schemes	1.7		7.7	0.1		9.5
Accountable Bodies	40.2					40.2
Total	99.5	258.7	59.4	11.8	2.4	431.8

Financial Overview – 2024/25+

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2024/25+

MTFP

Forecast Feb 23 £100m

Gap over next 3 years

- September key month for updating the Feb 23 figures
- Deadlines for Service Directors
 - Capital Schemes (**3 Sept**)
 - Pressures (**10 Sept**)
 - Saving options (**17 Sept**)
- Funding – Reviewing of funding following deferral of various government reviews
- Risks - MTFP Risk Statement being developed as well as key risks already highlighted in the MTFS
- Monthly Member engagement/update sessions being scheduled

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