

# Corporate & Resources Scrutiny Committee

Budget Update

September 2023



**Somerset**  
Council

# Financial Overview

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**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

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**2023/24**

**Budget Monitoring**  
Month 4 - £26.1m  
potential overspend

## 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 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	→
<b>Total Service Position</b>	<b>487.4</b>	<b>487.4</b>	<b>513.5</b>	<b>26.1</b>	<b>A</b>	<b>(2.5)</b>	<b>↑</b>
Corporate Contingency	6.0	6.0	6.0	0.0	-	0.0	→
<b>Total after Contingencies</b>	<b>493.4</b>	<b>493.4</b>	<b>519.5</b>	<b>26.1</b>	<b>A</b>	<b>(2.5)</b>	<b>↑</b>
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	→
<b>Total Month 4 Position</b>	<b>0.0</b>	<b>0.0</b>	<b>26.1</b>	<b>26.1</b>	<b>A</b>	<b>(2.5)</b>	<b>↑</b>

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
<b>Adults &amp; Health</b>	(0.7)	2.2	0.3	0.3		2.2
<b>Children's Services</b>	12.4	36.2	19.3	6.1	2.4	76.4
<b>Climate &amp; Place</b>	31.6	170.9	15.8	2.0		220.4
<b>Community Services</b>	0.3	31.0	12.8	2.4		46.5
<b>Resources &amp; Corporate Services</b>	14.0	18.0	3.3	0.8		36.1
<b>Strategy, Workforce, &amp; Localities</b>		0.2	0.1	0.1		0.5
<b>Paused Schemes</b>	1.7		7.7	0.1		9.5
<b>Accountable Bodies</b>	40.2					40.2
<b>Total</b>	<b>99.5</b>	<b>258.7</b>	<b>59.4</b>	<b>11.8</b>	<b>2.4</b>	<b>431.8</b>

# 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