

---

## **2024/25 General Fund Budget Monitoring Report Communities – Month 3 – End of June 2024**

Lead Officer: Maria G Christofi – Interim Chief Finance Officer (S151)

Author: Christian Evans, Head of Business Partnering

Contact Details: [Christian.Evans@somerset.gov.uk](mailto:Christian.Evans@somerset.gov.uk)

Executive Lead Member: Cllr Federica Smith-Roberts

Division / Local Member: All

### **1. Summary**

- 1.1.** This report is the General Fund revenue monitoring report for Communities up to and including the end of June 2024, quarter one (month 3). Forecasts are currently projecting an overspend of £1.1m for the 2024/25 financial year.
- 1.2.** The full General Fund revenue monitoring report has been presented to Corporate and Resources Scrutiny on 28<sup>th</sup> August 2024 and has been considered at the Executive meeting on 2<sup>nd</sup> September 2024.

### **2. Issues for consideration / Recommendations**

- 2.1.** Scrutiny is asked to consider:
  1. If there are any general comments or observations that they would wish to consider making to the Executive on the report
  2. If the actions set out in the report are appropriate and if there were any further actions, they would wish to include.

### **3. Background**

- 3.1.** The last report the Executive received was 2024/25 General Fund Revenue Budget Monitoring Report – Month 3 – End of June 2024, which forecasts an underspend of £0.2m for the 2024/25 financial year.

## 4. Report

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

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 3 Variance £m	A/(F)	RAG Status
<b>Housing</b>							
Service Director - Housing	0.1	0.0	0.1	0.1	0.0	-	Green
Housing Strategy	0.4	(0.2)	0.2	0.2	0.0	-	Green
Housing Options	7.7	(2.4)	5.3	5.3	0.0	-	Green
Housing Enabling	0.7	(0.2)	0.5	0.6	0.1	A	Red
Private Sector Support/ DFG's (SIP)	0.9	(0.4)	0.5	0.5	0.0	-	Green
Displaced Person Service	0.8	(0.8)	0.0	0.0	0.0	-	Green
Other Costs & Income	0.1	(0.1)	0.0	0.0	0.0	-	Green
<b>sub total</b>	<b>10.7</b>	<b>(4.1)</b>	<b>6.6</b>	<b>6.7</b>	<b>0.1</b>	<b>A</b>	<b>Amber</b>
<b>Customer Services</b>							
Customer Services	6.9	(0.7)	6.2	6.2	0.0	-	Green
Somerset Lifeline	2.2	(2.6)	(0.4)	(0.4)	0.0	-	Green
<b>sub total</b>	<b>9.1</b>	<b>(3.3)</b>	<b>5.8</b>	<b>5.8</b>	<b>0.0</b>	<b>-</b>	<b>Green</b>
<b>Cultural Services</b>							
Service Director - Cultural Services	0.1	0.0	0.1	0.1	0.0	-	Green
Library Service	5.0	(0.7)	4.3	4.3	0.0	-	Green
Heritage Service	1.7	0.0	1.7	1.7	0.0	-	Green
Leisure - Sports Centre	2.9	(0.5)	2.4	2.4	0.0	-	Green
Museums	0.0	0.0	0.0	0.0	0.0	-	Green
Theatres	2.6	(2.0)	0.6	0.6	0.0	-	Green
Visitor Centres	0.3	(0.4)	(0.1)	(0.1)	0.0	-	Green
Tourism	0.1	0.0	0.1	0.1	0.0	-	Green
(wellbeing) Community Grants	0.0	0.0	0.0	0.0	0.0	-	Green
<b>sub total</b>	<b>12.7</b>	<b>(3.6)</b>	<b>9.1</b>	<b>9.1</b>	<b>0.0</b>	<b>-</b>	<b>Green</b>
<b>Regulatory &amp; Operational Services</b>							
Service Director - Regulatory & Operational Services	0.2	0.0	0.2	0.2	0.0	-	Green
Registration	1.9	(2.0)	(0.1)	(0.1)	0.0	-	Green
Environmental Health	4.3	(0.3)	4.0	4.1	0.1	A	Red
Bereavement Services	1.0	(2.4)	(1.4)	(1.4)	0.0	-	Green
Harbours	0.0	0.0	0.0	0.0	0.0	-	Green
Ports	0.2	(0.1)	0.1	0.1	0.0	-	Green
Street Cleansing	5.8	(0.9)	4.9	4.8	(0.1)	(F)	Green
Open Spaces	6.1	(2.9)	3.2	3.8	0.6	A	Red
Public Conveniences	0.6	(0.5)	0.1	0.1	0.0	-	Green
(wellbeing) Community Safety	0.0	0.0	0.0	0.0	0.0	-	Green
CCTV	0.8	(0.6)	0.2	0.2	0.0	-	Green
Licensing	0.8	(1.1)	(0.3)	(0.3)	0.0	-	Green
Resorts	0.4	(0.2)	0.2	0.3	0.1	A	Red
Coroners	1.3	0.0	1.3	1.6	0.3	A	Red
Operational Support	0.7	(0.1)	0.6	0.6	0.0	-	Green
Scientific Services	0.4	(0.4)	0.0	0.0	0.0	-	Green
<b>sub total</b>	<b>24.5</b>	<b>(11.5)</b>	<b>13.0</b>	<b>14.0</b>	<b>1.0</b>	<b>A</b>	<b>Red</b>
<b>Community Services Total</b>	<b>57.0</b>	<b>(22.5)</b>	<b>34.5</b>	<b>35.6</b>	<b>1.1</b>	<b>A</b>	<b>Red</b>

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

Provisional outturn shows an adverse variance of £1.1m against a net budget of £34.5m. The variances and risks for each service are as follows:

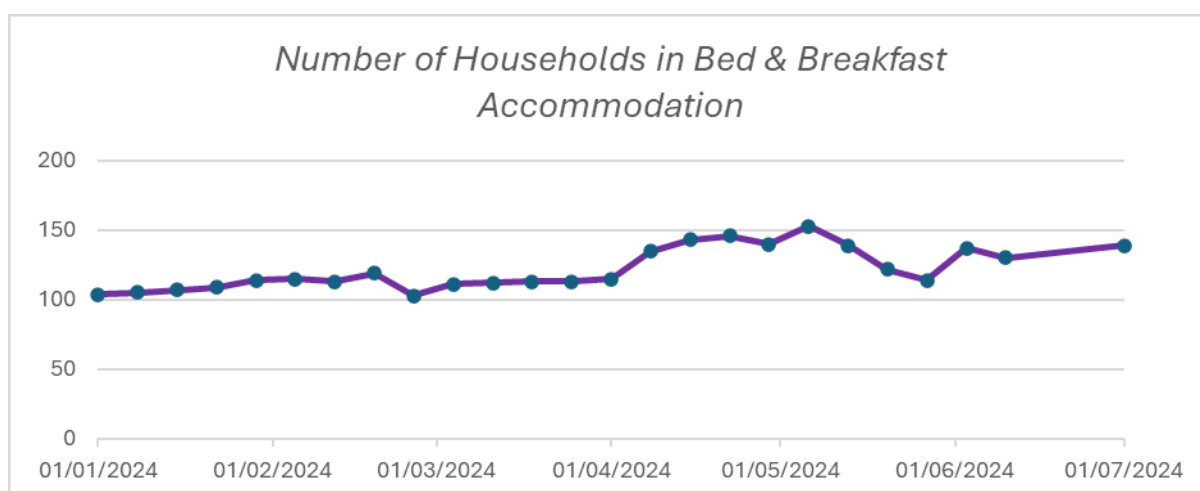
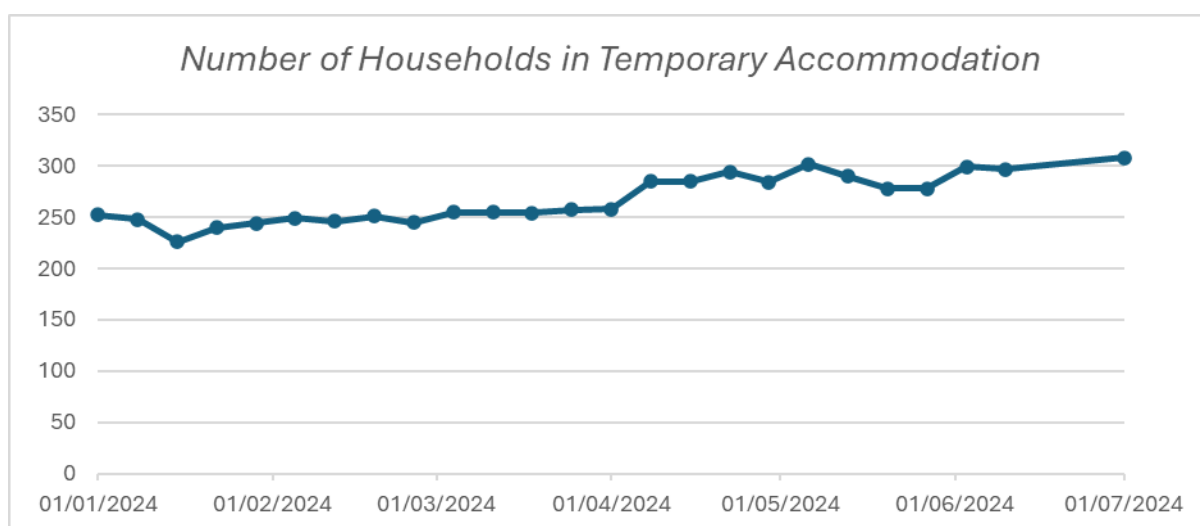
#### Housing

The General Fund Housing Service is currently forecasting a balanced outturn position for the 2024/25 financial year. Work is underway to ensure that current service establishment and service demands align with the budget within each service area.

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

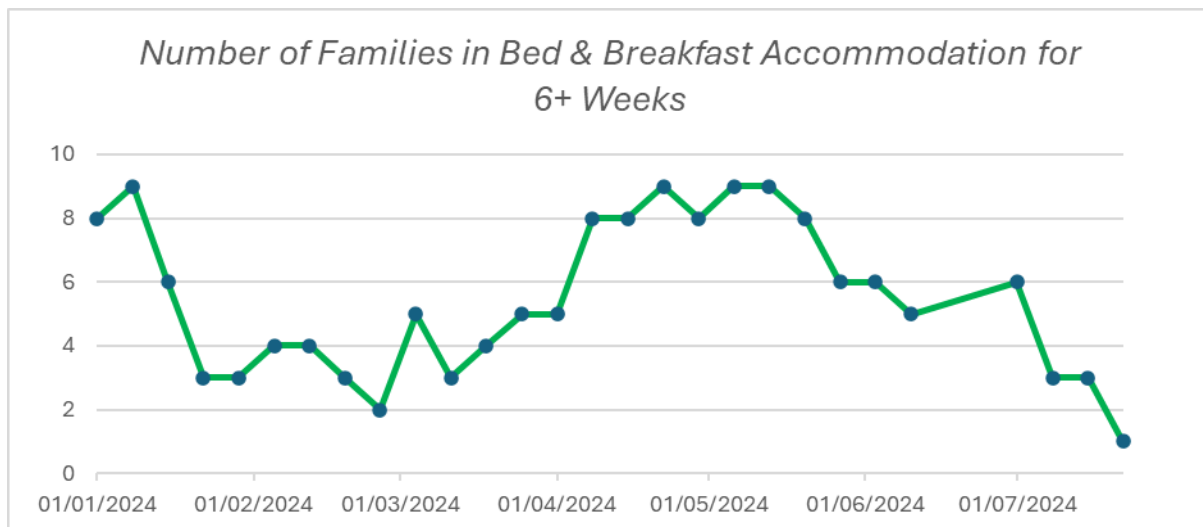
The Housing Options service has seen an increase in the numbers approaching the service and the number of cases which the Council has a responsibility to provide relief or main duty accommodation. As a result, the current supply of temporary accommodation available to the Council through contracts with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



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. Without actions being undertaken by the service, and alternative accommodation being identified, this could result in a pressure of £0.7m on Bed & Breakfast accommodation costs within 2024/25. Earmarked reserves ringfenced for this service area can offset pressures within the current financial year, but the continuation of this increased

demand would result in pressures which are unsustainable for the Housing Options team.

Despite seeing an increase in demand on Bed & Breakfast accommodation, the service is endeavouring to remove this as a long-term option for families, 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 is minimised remains, with £0.1m already spent on temporary staffing costs during 2024/25. The core budget within the Housing Options service will be significantly inflated with an additional £2.6m from the Homelessness Prevention Grant and the Homelessness Prevention Top Up Grant, and £1.6m from the Rough Sleepers Initiatives Grant and the Rough Sleeping Accommodation Programme Grant. Additional income will also be achieved via rental income, Housing Benefit, and Homefinder advertisement.

The Housing Options team has also inherited the Thrive 16+ contract with the YMCA from Childrens Social Care. The forecast budget position assumes that the agreed budget is also transferred from Childrens Social Care, although this virement has yet to take place.

The Private Sector Support / Somerset Independence Plus service are striving towards delivering a fully cost neutral service by 2025/26. Actions are being undertaken to ensure that we fully utilise the Disabled Facilities Grant and eliminate the dependence on the core council funding, and £0.3m funding from Adult Social Care. Actions are being progressed to reallocate a proportion of the current staffing establishment within Somerset Independence Plus, which may result in savings up to £0.5m on the staffing core funding within the service.

### Cultural Services

For the financial year 2024/25 cultural services are currently reporting to be on budget. The service is currently transferring some of its services to Yeovil Town Council as part of the Yeovil Devolution package. It is therefore important to note that further analysis is required to completely understand the budgetary impact of the transfer. Work continues

to understand the financial position, impact to operational changes and any risk associated with the deal.

### Customer Services

Customer Services are currently reporting to be within budget for 2024/25. At present the service and finance are reconciling salary information to ensure that records are accurate. It should be noted that the implications of this work will adjust this forecasted position in future months.

The Lifeline Service is confident of achieving £0.2m of savings which is reflective of price increases for the service. However, it is important to note that the service is being asked to achieve £0.3m worth of savings due to an administrative error in the previous MTFP. The service will seek throughout the year to close this gap through potential growth in service income and careful control of operational costs. This will be closely monitored throughout 2024/25.

### Regulatory & Operational Services

Regulatory & Operational Services are currently forecasting an adverse movement of £1.0m for 2024/25. The pressure within the service is explained as follows:

**Open spaces** – The service is currently reporting an adverse movement of £0.6m against the budget. The expenditure budget for this area was reduced as part of the unitary budget setting process however a contract was in place with agreed contractual price increases. Whilst the service is working hard on reducing spend including devolution, there remains a pressure at this stage. Further work on service delivery is ongoing and updates on the progress of this will be forthcoming in the year.

**Coroners service** – This is a statutory service and is facing expenditure pressures associated with increased costs for pathology services; mortuary costs; conveyancing of bodies and other service pressures. The estimated in year pressure is currently forecasted at £0.3m, work is underway to investigate the detail more including a review of the service structure. Whilst costs are controlled as much as possible it is highly likely that a budget pressure will have to be submitted as part of the MTFP process to mitigate any future pressures within this service.

**Environmental Health** – is currently forecasting a pressure of £0.1m, this is because of pressures in statutory services; dog control and public health funerals.

**Resorts** – current forecasts are showing that income from the beach car parking is lower than anticipated, causing a pressure of £0.1m. It is currently believed that this is due to harsh weather, if the weather improves it is possible that income will increase.

**Street Cleaning** – current forecasts suggest that there is an overall net favourable variation of £0.1m for the service. This is in part due to estimated reductions in costs due to devolution which has helped towards the loss of contract income from external sweeping.

Regulatory & Operational services are reviewing all areas to establish if any in year savings can be identified to off-set the currently pressure of £1.0m. This work still has some significant lines of enquiry which will hope to reduce the in-year pressure further.

## **5. Implications**

- 5.1.** There are no implications from this report. Scrutiny Members are asked to note the information and recommend any actions to Executive Committee.

## **6. Background papers**

- 6.1.** The information within this paper has been taken from the Executive Committee 2<sup>nd</sup> September, budget monitoring report for Month 3.

**Note** For sight of individual background papers please contact the report author