

## Scrutiny Report

Committee: Communities Scrutiny  
Meeting – 30<sup>th</sup> October 2024  
Key Decision – no

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### **2024/25 General Fund Budget Monitoring Report Communities – Month 5 – End of August 2024**

Executive Member(s): Cllr Federica Smith-Roberts

Local Member(s) and Division(s) affected: All

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

#### **Executive Summary**

This report is the General Fund revenue monitoring report for Communities up to and including the end of August 2024 (month 5).

The full General Fund revenue monitoring report has been presented to Corporate and Resources Scrutiny on the 28<sup>th</sup> October 2023 and will be considered at the Executive meeting on the 4<sup>th</sup> November 2024.

#### **Recommendations**

Scrutiny is asked to consider:

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

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## Main report and supporting information

### 1. Report

Lead Member for Communities, Housing Revenue Account, Culture and Equalities & Diversity: Cllr Federica Smith-Roberts

Executive Director: Chris Hall

Service Directors:

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

### 2024/25 Community Services as at the end of August 2024 (Month 5)

- 2024/25 net budget £34.385m, projected underspend of £0.447m, an improvement of £1.447m since month 4.
- 2023/24 net budget £37.4m, outturn underspend of £3.9m

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 5 Variance £m	Overspend / (Underspend)	RAG Status	Movement From Month 4 £m
<b>Housing</b>								
Service Director - Housing	0.146	-	0.146	0.146	-	On-budget	Green	-
Housing Strategy	0.407	(0.285)	0.122	0.243	0.121	Overspend	Red	0.021
Housing Options	10.827	(5.545)	5.282	5.282	-	On-budget	Green	0.100
Housing Enabling	0.682	(0.143)	0.539	0.440	(0.099)	Underspend	Green	(0.099)
Private Sector Support/ DFG's (SIP)	1.353	(0.823)	0.530	0.530	-	On-budget	Green	-
Displaced Person Service	1.069	(1.069)	-	-	-	On-budget	Green	-
<b>sub total</b>	<b>14.484</b>	<b>(7.865)</b>	<b>6.619</b>	<b>6.641</b>	<b>0.022</b>	<b>Overspend</b>	<b>Amber</b>	<b>0.022</b>
<b>Customer Services</b>								
Customer Services	6.619	(0.721)	5.898	5.898	-	On-budget	Green	-
Somerset Lifeline	2.237	(2.600)	(0.363)	(0.363)	-	On-budget	Green	-
<b>sub total</b>	<b>8.856</b>	<b>(3.321)</b>	<b>5.535</b>	<b>5.535</b>	<b>-</b>	<b>On-budget</b>	<b>Green</b>	<b>-</b>
<b>Cultural Services</b>								
Service Director - Cultural Services	0.146	-	0.146	0.146	-	On-budget	Green	-
Library Service	4.924	(0.738)	4.186	4.186	-	On-budget	Green	-
Heritage Service	1.749	-	1.749	1.749	-	On-budget	Green	-
Leisure - Sports Centre	2.864	(0.494)	2.370	1.170	(1.200)	Underspend	Green	(1.200)
Museums	0.050	(0.003)	0.047	0.047	-	On-budget	Green	-
Theatres	2.587	(1.975)	0.612	0.612	-	On-budget	Green	-
Visitor Centres	0.262	(0.404)	(0.142)	(0.142)	-	On-budget	Green	-
Tourism	0.111	(0.010)	0.101	0.101	-	On-budget	Green	-
(wellbeing) Community Grants	0.021	(0.001)	0.020	0.020	-	On-budget	Green	-
<b>sub total</b>	<b>12.714</b>	<b>(3.625)</b>	<b>9.089</b>	<b>7.889</b>	<b>(1.200)</b>	<b>Underspend</b>	<b>Green</b>	<b>(1.200)</b>
<b>Regulatory &amp; Operational Services</b>								
Service Director - Regulatory & Operational Services	0.153	-	0.153	0.153	-	On-budget	Green	-
Registration	1.985	(2.047)	(0.062)	(0.062)	-	On-budget	Green	-
Environmental Health	4.343	(0.328)	4.015	4.072	0.057	Overspend	Amber	(0.043)
Bereavement Services	1.055	(2.444)	(1.389)	(1.377)	0.012	Underachievement	Amber	0.012
Harbours	0.066	(0.028)	0.038	0.037	(0.001)	Underspend	Green	(0.001)
Ports	0.230	(0.148)	0.082	0.082	-	On-budget	Green	-
Street Cleansing	5.761	(0.872)	4.889	4.966	0.077	Overspend	Amber	0.177
Open Spaces	5.890	(2.550)	3.340	3.745	0.405	Overspend	Red	(0.195)
Public Conveniences	0.560	(0.474)	0.086	0.094	0.008	Overspend	Red	0.008
(wellbeing) Community Safety	0.012	-	0.012	0.011	(0.001)	Underspend	Green	(0.001)
CCTV	0.841	(0.594)	0.247	0.288	0.041	Overspend	Red	0.041
Licensing	0.759	(1.058)	(0.299)	(0.298)	0.001	Underachievement	Amber	0.001
Resorts	0.386	(0.204)	0.182	0.225	0.043	Overspend	Red	(0.057)
Coroners	1.344	-	1.344	1.464	0.120	Overspend	Red	(0.180)
Operational Support	0.689	(0.103)	0.586	0.586	-	On-budget	Green	-
Scientific Services	0.437	(0.414)	0.023	0.007	(0.016)	Underspend	Green	(0.016)
Markets	0.230	(0.335)	(0.105)	(0.120)	(0.015)	Overachievement	Green	(0.015)
<b>sub total</b>	<b>24.741</b>	<b>(11.599)</b>	<b>13.142</b>	<b>13.873</b>	<b>0.731</b>	<b>Overspend</b>	<b>Red</b>	<b>(0.269)</b>
<b>Community Services Total</b>	<b>60.795</b>	<b>(26.410)</b>	<b>34.385</b>	<b>33.938</b>	<b>(0.447)</b>	<b>Underspend</b>	<b>Green</b>	<b>(1.447)</b>

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

Community Services is reporting a projected underspend of £0.447m for the financial year 2024/25. Key explanations, mitigating actions, and risks for each area are listed below:

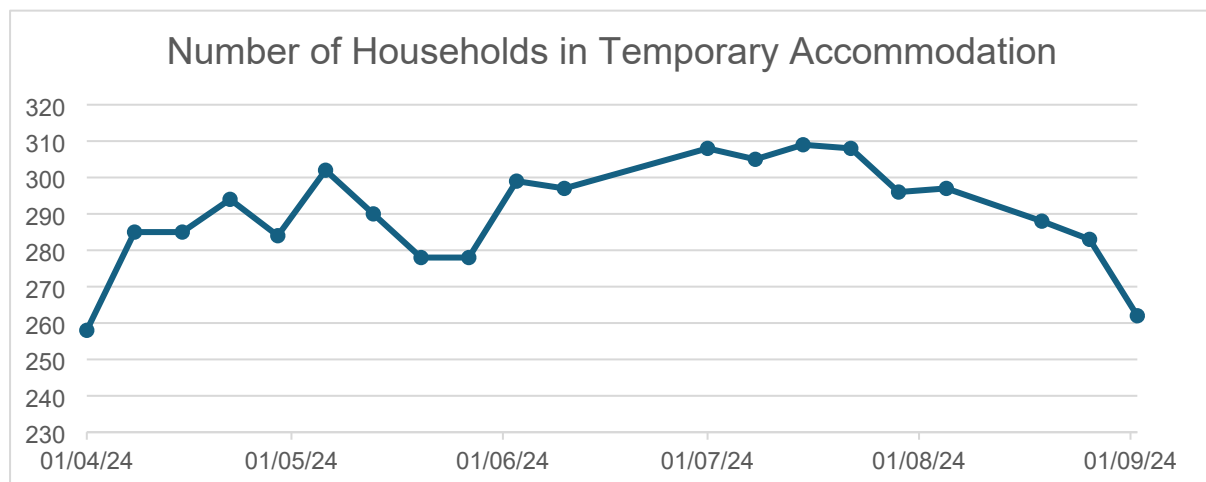
### Housing

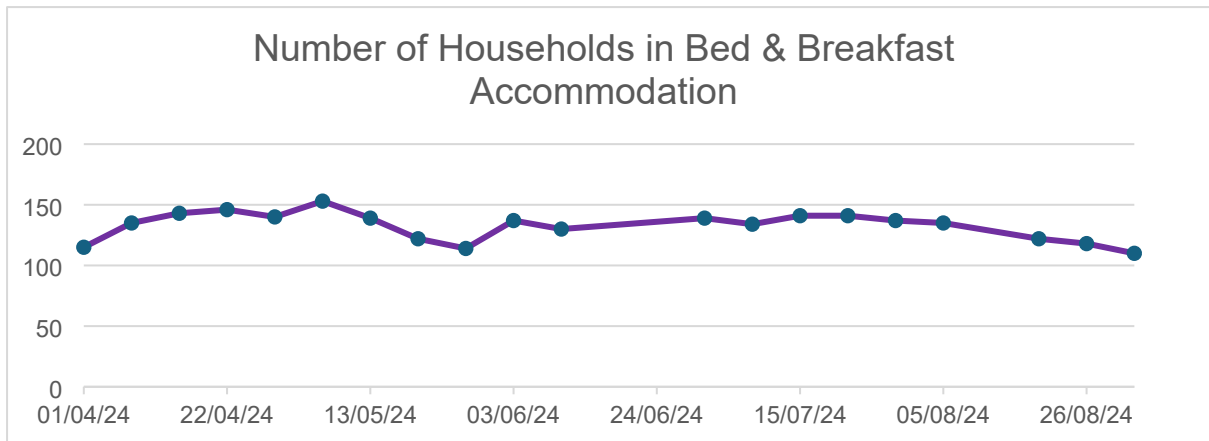
The General Fund Housing Service is currently forecasting a balanced outturn position for the 2024/25 financial year. Work is ongoing to ensure that current service establishment and service demands align with the budget within each service area, and to determine whether the pressures within the Housing Options service can be alleviated with savings elsewhere within the service.

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

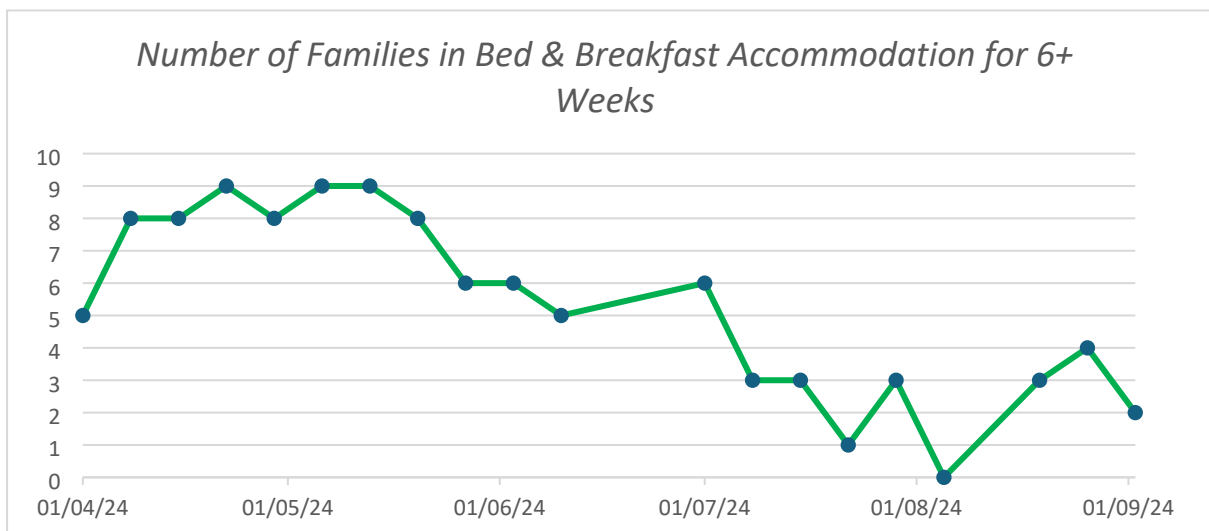
The Housing Options service has seen an increase in the numbers approaching the service and the number of cases which the Council has a responsibility to provide relief or main duty accommodation. As a result, the current supply of temporary accommodation available to the Council through contracts with 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 they 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 £0.9m 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 £0.2m already spent on temporary staffing costs in the last five months. 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 forecasted budget position assumes that the agreed budget is also transferred from Childrens Social Care, although this virement has yet to take place.

The Housing Enabling and Housing Director services are currently forecasting £0.2m savings on permanent staffing costs. This has offset pressures within the Housing Enabling and Housing Strategy services derived from unachievable historical income targets within both service areas.

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 the service will utilise the Disabled Facilities Grant to eliminate the dependence on the core council funding, and the additional £0.3m funding received from Adult Social Care. Permanent savings are expected to be identified within Somerset Independence Plus which could be used to alleviate the pressures elsewhere within the Housing service.

### Cultural Services

For the financial year 2024/25 cultural services are reporting a projected underspend of £1.200m, this is a reduction of £1.200m since month 4. This relates to underspends within the Leisure-Sports Centres, in the main is due to legacy budgets which have continued into the current financial year. These will be reviewed in the next MTFP process, and any underutilised budgets will be released.

Cultural Services have transferred some of its functions 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, to ensure MTFP savings attributed to the budget are accurate. This may result in further savings being realised.

### Regulatory & Operational Services

Regulatory & Operational Services are currently projecting an overspend of £0.731m for 2024/25. Work is continuing within the service to reduce this pressure and have been able to reduce the pressure by £0.269m since month 4.

The current pressure within the service is due to the following:

**Open spaces** – Current projections suggest an overspend of £0.405m at outturn. Historically a budget reduction was incorrectly applied to this budget, and the service continues to try and find mitigating actions to offset this reduction. However, as a contract is in place with agreed contractual price increases, the impact of the

reduced budget and CPI applied annually, makes this difficult. The service continues to review service delivery across the area to help mitigate the pressure and has also looked at service devolution to Town Councils to mitigate costs.

**Coroners service** – forecasts are currently suggesting an overspend of £0.120m for 2024/25. It is important to note this is a statutory service and is facing pressures associated with increased costs for pathology services; mortuary costs; conveyancing of bodies, and other service pressures. Work continues to understand the nature of the pressures within the service. Whilst costs are controlled as much as possible, it is unlikely that any mitigating actions will not be enough to cover increasing cost, and a pressure will remain.

**Environmental Health** – is currently forecasting an overspend of £0.057m, due to pressures in dog control, and public health funerals. These are demand led, statutory services, and therefore the need for these services can be unpredictable. Current projections have been based on previous years' costs and will be reviewed throughout the year. The service continues to monitor pressures and will continue to mitigate costs where possible.

**Street Cleaning** – current projected forecasts suggest that there is an overspend of £0.077m for the service. Like open spaces, expenditure budgets have historically been reduced, however contracts are in place with agreed contractual price increases and therefore pressures are being reported in this area. Further pressures are due to a reduction of budgeted income from external sweeping. The service has been able to mitigate the overspend by rebasing estimated costs, due to the devolution of services to town councils.

Regulatory & Operational services continue to review all areas to establish if any in year savings can be identified to mitigate the current pressure of £0.731m.

### **Background and purpose of report**

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

### **Background Papers**

2. The information within this paper has been taken from the 2024-25 GF Revenue Budget Monitoring Executive Report – Month 5.