

Appendix 8 – Other Service Areas (including Collection Fund)

Corporate Management

Lead Member for Non-Service: Cllr Liz Leyshon

Interim Chief Finance Officer (Section 151 Officer): Maria G Christofi

2024/25 Corporate Management as at the end of August 2024 (Month 5)

2024/25 net budget £1.464m, is forecasting an overspend of £0.030m, an increase of £0.030m from Month 4

2023/24 net budget £0.8m, outturn overspend of £0.8m

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
Apprenticeship Levy	0.478	-	0.478	0.478	-	On-budget	Green	-
Central Redundancies	-	-	-	-	-	On-budget	Green	-
Corporate Subscriptions	0.149	-	0.149	0.179	0.030	Overspend	Red	0.030
Executive Directors	0.940	(0.103)	0.837	0.837	-	On-budget	Green	-
Corporate Management Total	1.567	(0.103)	1.464	1.494	0.030	Overspend	Amber	0.030

Corporate Management - key explanations, actions, & mitigating controls

The Corporate Subscriptions budget is forecast to be £0.030m overspent due to inflationary increases on combined subscription costs for Somerset Council.

Non-Service

Lead Member for Non-Service: Cllr Liz Leyshon

Interim Chief Finance Officer (Section 151 Officer): Maria G Christofi

2024/25 Non-Service as at the end of August 2024 (Month 5)

2024/25 net budget £67.674m, is forecasting an underspend of £3.123m, an increase of £0.523m from Month 4

2023/24 net budget £55.3m, outturn underspend £10.1m

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
Corporate Costs	8.282	(0.172)	8.110	7.771	(0.339)	Underspend	Green	0.161
Contributions	0.902	(0.134)	0.768	0.768	-	On-budget	Green	-
Financing Transactions	59.696	(6.251)	53.445	50.661	(2.784)	Underspend	Green	(0.684)
Pay Award	9.060	-	9.060	9.060	-	On-budget	Green	-
Local Government Reorganisation	0.646	(4.355)	(3.709)	(3.709)	-	On-budget	Green	-
Non-Service Total	78.586	(10.912)	67.674	64.551	(3.123)	Underspend	Green	(0.523)

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

Financing Transactions

The £2.784m underspend relates to the Council's debt charges being lower than anticipated at this point in the year, whilst investment income being higher than expected. As interest rates are volatile there is a risk that investment income could fall later in the year. Depending on the debt requirements of the Capitalisation Direction, this could also put the debt charges budget at risk due to being at a 1% surplus of the market interest rate when taken.

A review of leased buildings has been completed and the figures confirmed for 2024/25. This has led to an increase underspend of £0.684m.

Corporate Costs and Non-Distributed Costs (CDC/NDC):

The outturn position for Corporate Costs is a £0.339m underspend. This is due to the general fund proportion of the Pension Deficit charge being lower than anticipated at budget setting, leading to a £0.500m underspend. This underspend is partly offset by an overspend of £0.161m within the Discontinued Services budget, due to increased costs arising from a variation in the number of individuals for whom the SCC Pension Fund charges SCC for compensation for loss of office.

Traded Services

Lead Member for Traded Services: Cllr Heather Shearer

Executive Director: Claire Winter

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

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

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
Dillington	-	-	-	-	-	On-budget	Green	-
Traded Services Total	-	-	-	-	-	On-budget	Green	-

Traded Services - key explanations, actions, & mitigating controls

The forecast is a balance outturn.

Contingencies

Lead Member for Contingencies: Cllr Liz Leyshon

Interim Chief Finance Officer (Section 151 Officer): Maria G Christofi

2024/25 Corporate Contingency as at the end of August 2024 (Month 5)

2024/25 net budget £6.000m, is forecasting an underspend of £6.000m, no change from Month 4

2023/24 net budget £6.0m, outturn underspend £0.6m

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
Corporate Contingency	6.000	-	6.000	-	(6.000)	Underspend	Green	-
Contingencies Total	6.000	-	6.000	-	(6.000)	Underspend	Green	-

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

The contingency budget is unutilised at month five.

Core Revenue Funding

Lead Member for Core Revenue Funding: Cllr Liz Leyshon

Interim Chief Finance Officer (Section 151 Officer): Maria G Christofi

2024/25 Core Revenue Funding as at the end of August 2024 (Month 5)

2024/25 net budget (£638.659m), a forecast underspend of £0.060m, a decrease in of £0.040m from Month 4

2023/24 net budget (£651.3m), outturn underspend of £0.5m

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
Use of Reserves	-	(38.547)	(38.547)	(38.547)	-	On-budget	Green	-
Council Tax	-	(361.071)	(361.071)	(361.071)	-	On-budget	Green	-
Business Rates	-	(128.447)	(128.447)	(128.447)	-	On-budget	Green	-
Grants	-	(65.997)	(65.997)	(66.057)	(0.060)	Overachievement	Green	0.040
Collection Fund Surplus/Deficit	-	(7.713)	(7.713)	(7.713)	-	On-budget	Green	-
Capitilisation Direction	-	(36.884)	(36.884)	(36.884)	-	On-budget	Green	-
Core Revenue Funding Total	-	(638.659)	(638.659)	(638.719)	(0.060)	Overachievement	Green	0.040

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

Grants

The overachievement of £0.060m forecast for grants is due to receiving confirmation that the 2024/25 Services grant will be more than budgeted as the grant confirmation was received after the budget setting process.