

## **Appendix E – Climate & Place, (including Accountable Bodies)**

### **Climate & Place**

Lead Members:

- Public Health, Climate Change and Environment: Cllr Graham Oakes
- Transport and Waste Services: Cllr Richard Wilkins
- Economic Development, Planning & Assets: Cllr Mike Rigby

Executive Director: Chris Hall

Service Directors:

- Climate, Environment & Sustainability: Paul Hickson
- Infrastructure & Transport: Mike O’Dowd-Jones
- Economy, Employment & Planning: Paul Hickson

### **Accountable Bodies**

Lead Members:

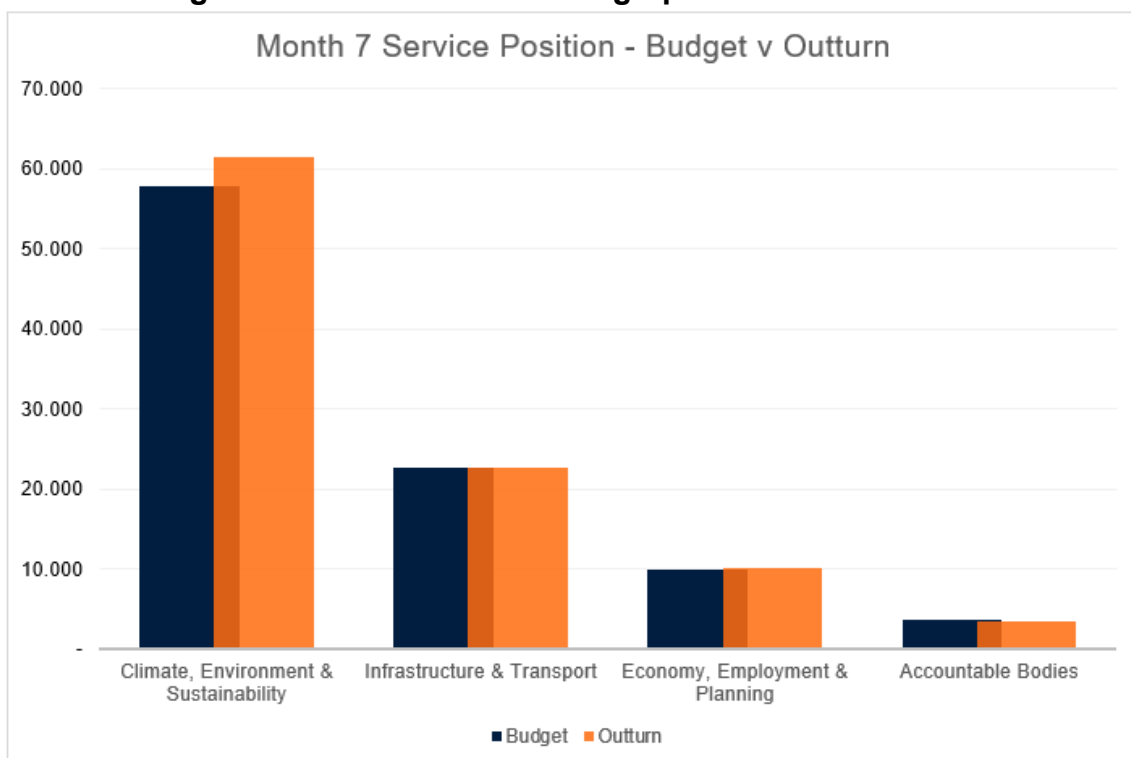
- Transport and Waste Services: Cllr Richard Wilkins
- Economic Development, Planning & Assets: Cllr Mike Rigby
- Public Health, Climate Change and Environment: Cllr Graham Oakes

Executive Director: Mickey Green

Service Directors:

- Somerset Rivers Authority: Paul Hickson
- Local Enterprise Partnership and Connecting Devon & Somerset: Paul Hickson

### **Chart 1: Budget versus forecast outturn graph**



**Table 1: 2024/25 Climate & Place, (including Accountable Bodies) as at the end of October 2024 (Month 7)**

- 2024/25 Current net budget £94.201m, forecast overspend of £3.530m, an increase of £0.317m from Quarter 2.
- 2023/24 Final net budget £90.9m, outturn underspend of £14.1m

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 7 Variance £m	Overspend / (Underspend)	RAG Status	Ongoing Pressure £m	One-off Pressures £m	Movement From Month 6 £m
<b>Climate, Environment &amp; Sustainability</b>										
Climate & Place Management	0.304	-	0.304	0.304	-	On-budget	Green	-	-	-
Business Support	0.799	(0.018)	0.781	0.731	(0.050)	Underspend	Green	-	-	(0.050)
Waste Services	58.103	(6.769)	51.334	54.886	3.552	Overspend	Red	3.000	0.552	0.452
Drainage Board Levy	2.295	-	2.295	2.295	-	On-budget	Green	-	-	-
Climate & Natural Environment	4.089	(2.071)	2.018	1.980	(0.038)	Underspend	Green	-	-	-
Resilience & Adaptation	1.248	(0.041)	1.207	1.222	0.015	Overspend	Amber	-	0.015	(0.025)
<b>sub total</b>	<b>66.838</b>	<b>(8.899)</b>	<b>57.939</b>	<b>61.418</b>	<b>3.479</b>	<b>Overspend</b>	<b>Red</b>	<b>3.000</b>	<b>0.567</b>	<b>0.377</b>
<b>Infrastructure &amp; Transport</b>										
Highways & Transport Commissioning	2.269	(0.735)	1.534	1.284	(0.250)	Underspend	Green	-	-	-
Infrastructure Programmes Group	1.526	(1.294)	0.232	0.507	0.275	Overspend	Red	-	0.275	-
Highways	18.604	(0.832)	17.772	18.411	0.639	Overspend	Red	-	0.639	(0.005)
Traffic Management	5.065	(4.668)	0.397	(0.003)	(0.400)	Underspend	Green	-	-	-
Transporting Somerset	15.568	(6.277)	9.291	9.291	-	On-budget	Green	-	-	-
Car Parks	6.003	(13.037)	(7.034)	(7.335)	(0.301)	Overachievement	Green	-	-	-
Fleet Management	0.881	(0.345)	0.536	0.536	-	On-budget	Green	-	-	-
<b>sub total</b>	<b>49.916</b>	<b>(27.188)</b>	<b>22.728</b>	<b>22.691</b>	<b>(0.037)</b>	<b>Underspend</b>	<b>Green</b>	<b>-</b>	<b>0.914</b>	<b>(0.005)</b>
<b>Economy, Employment &amp; Planning</b>										
Development Control	7.294	(5.229)	2.065	2.065	-	On-budget	Green	-	-	-
Planning Policy	3.010	(0.013)	2.997	2.997	-	On-budget	Green	-	-	-
Economic Development	5.820	(1.952)	3.868	3.761	(0.107)	Underspend	Green	-	-	(0.051)
Building Control	2.187	(1.533)	0.654	0.654	-	On-budget	Green	-	-	0.001
Regeneration and Major Projects	0.389	(0.157)	0.232	0.288	0.056	Overspend	Red	-	0.056	0.001
Land Charges	0.496	(1.132)	(0.636)	(0.436)	0.200	Underachievement	Red	-	0.200	-
Resources, Integration, Minerals & Waste	0.836	(0.122)	0.714	0.713	(0.001)	Underspend	Green	-	-	(0.001)
Placemaking & Projects	0.168	(0.126)	0.042	0.042	-	On-budget	Green	-	-	-
<b>sub total</b>	<b>20.200</b>	<b>(10.264)</b>	<b>9.936</b>	<b>10.084</b>	<b>0.148</b>	<b>Overspend</b>	<b>Amber</b>	<b>-</b>	<b>0.256</b>	<b>(0.050)</b>
<b>Accountable Bodies</b>										
Somerset Rivers Authority	3.079	(0.020)	3.059	3.059	-	On-budget	Green	-	-	-
Connecting Devon & Somerset (CDS)	1.078	(0.539)	0.539	0.479	(0.060)	Underspend	Green	-	-	(0.005)
<b>sub total</b>	<b>4.157</b>	<b>(0.559)</b>	<b>3.598</b>	<b>3.538</b>	<b>(0.060)</b>	<b>Underspend</b>	<b>Green</b>	<b>-</b>	<b>-</b>	<b>(0.005)</b>
<b>Climate &amp; Place Total</b>	<b>141.111</b>	<b>(46.910)</b>	<b>94.201</b>	<b>97.731</b>	<b>3.530</b>	<b>Overspend</b>	<b>Red</b>	<b>3.000</b>	<b>1.737</b>	<b>0.317</b>

## Climate & Place - key explanations, actions, & mitigating controls

Climate and Place (including Accountable Bodies) is forecasting an overspend of £3.530m at Month 7, an increase of £0.317m since Quarter 2.

The key explanation, actions and mitigating controls are as follows:

### Climate, Environment and Sustainability

**Resilience and Adaptation** is forecasting an overspend of £0.015m due to consultants' costs. The costs where possible have been offset by vacant posts within Flood Defence and Land Drainage.

**Waste Services** is forecasting an overspend of £3.552m, an increase of £0.452 from Quarter 2. This is due to the saving for changes at the recycling centres now being shown as unachievable. The full value of the saving was £0.882m and this has been partially mitigated by overachieving on other savings and other budget movements to the value of £0.430m. The most significant of these movements being the following. Overachieving on other savings of £0.310m, savings on head office and communications of £0.082m, reduction in tonnage related costs of £0.072m, savings on site maintenance, licenses & depot transfer costs of £0.082m. Offset by reduced income from recycle sales of £0.153m, and clinical collection cost increase of £0.067m.

It is worth noting that the service is volatile and is subject to fluctuating demands with outside influences such as the weather, impacting the volumes of waste presented at both the kerbside, and recycling centres. The value of recycled materials can be impacted by the market and therefore may impact income generation within the service.

**Business Support** is forecasting an underspend of £0.050m, a decrease of £0.050m from Quarter 2. This is due to vacant posts within the service area.

### **Infrastructure and Transport**

Infrastructure and Transport are forecasting an underspend of £0.037m, an increase of £0.005m from Quarter 2.

**Highways** is forecasting an overspend of £0.639m, a decrease of £0.005m from Quarter 2, this is due to vacant posts.

Ongoing pressures are across Infrastructure and Transport as per the below:

**Highways** is forecasting an overspend within the safety defects budget £0.600m, increased vehicle costs £0.071m, and an increase to the Insurance Premium for Public Liability £0.272m. The overspends can be mitigated in part through underspends across Street Lighting £0.322m, and vacant posts £0.163m. It is important to note that Street Lighting will have the Black Distribution rates at the end of November, this may provide further savings that can be used to help mitigate the overspend further.

**Infrastructure Programmes Group** is forecasting an overspend due to ongoing pressures seen in an MTFP saving to attribute salary costs to capital schemes. Work continues to understand if this can be reduced or mitigated in the future.

### **Economy, Employment and Planning**

Economy, Employment and Planning is forecasting an overspend of £0.148m, a decrease of £0.051 from Quarter 2.

**Economic Development** is forecasting an underspend of £0.107m, an increase of £0.051 from Quarter 2. This is due to external funding that has produced a one-off saving in 2024/25.

The underspend within Economic Development is currently being used to help mitigate the following pressures:

The pressure in the **Land Charges** budget resulting from over-estimation of income for the service. Applications appear to be slowing so this pressure may increase in the next couple of months.

**Regeneration and Major Projects** is forecasting an overspend of £0.056m, this is due to salary costs that are not budgeted for. It has been agreed that Economic Development underspends will be used to offset this cost.

### Accountable Bodies

**Somerset Rivers Authority (SRA)** is forecasting to spend this year's precept on allocated projects, any additional spend from prior year's projects will be funded from the SRA reserve. If any of the 2024/25 precept is not spent at the end of the year it will be transferred to the reserve.

**Connecting Devon and Somerset (CDS)** programme is forecasting an underspend of £0.060m. This is largely due to the reduced use of consultants and internal staff recharges. CDS are continuing to monitor and review contractors' performance.

**Table 2: Service Management Actions included in the forecast outturn**

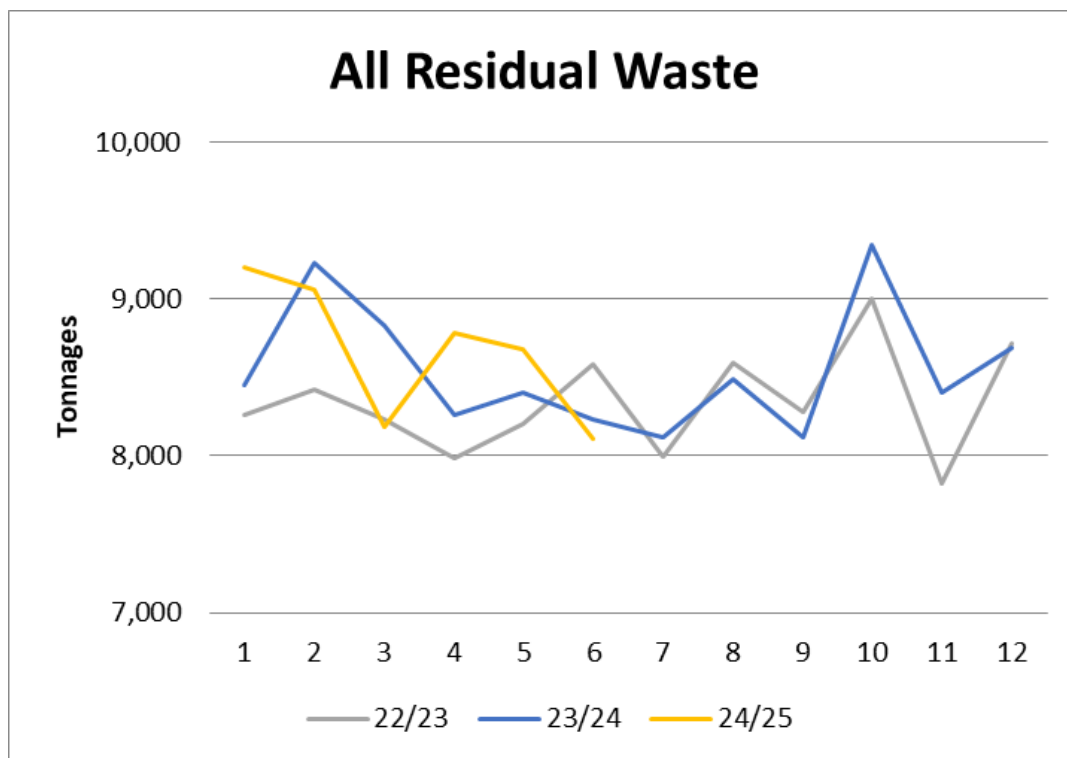
<b>Service Management Actions</b>	<b>Quarter 2</b>	<b>Month 7</b>	<b>Movement</b>	<b>Comments</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	
None	-	-	-	
<b>Total Management Actions</b>	-	-	-	

**Table 3: Mitigating Actions Identified, not yet included in the forecast outturn**

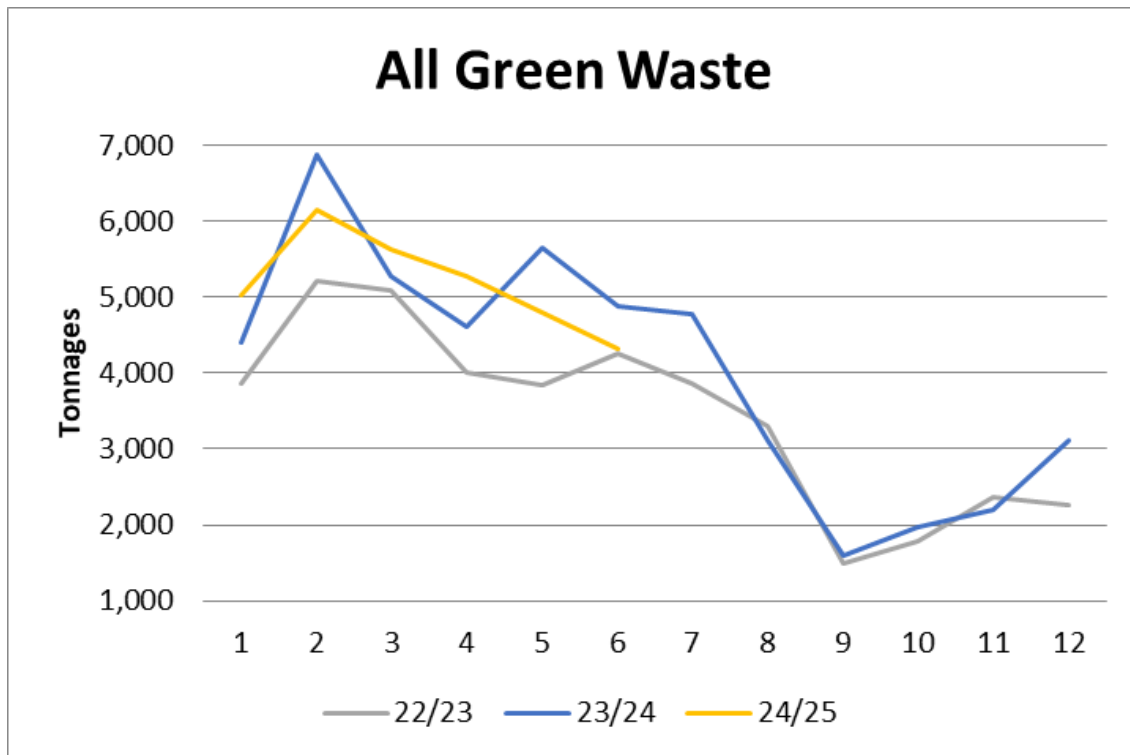
<b>In-Year Mitigation Proposed</b>	<b>Quarter 2</b>	<b>Month 7</b>	<b>Movement</b>	<b>One-Off Mitigation</b>	<b>Ongoing Mitigation</b>	<b>Comments</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	
<b>To be Mitigated</b>	<b>3.300</b>	<b>3.627</b>	<b>0.327</b>			<b>Overspend in Climate, Environment &amp; Sustainability, and Economy, Employment &amp; Planning</b>
Climate, Environment & Sustainability	-	(3.479)	(3.479)	(3.479)	-	The pressure seen with in Climate, Environment and Sustainability and Sustainability mainly relates to Waste Services, as yet further mitigating actions have no further actions have been identified to offset

						the full pressure within the service
Economy, Employment & Planning	-	(0.148)	(0.148)	(0.148)	-	Whilst Economy, Employment and Planning can mitigate some of the pressures by holding savings within Economic Development, no further actions have been identified to offset the pressure within Land Charges
<b>Total Mitigations Identified to be Actioned</b>	<b>-</b>	<b>(3.627)</b>	<b>(3.627)</b>	<b>(3.627)</b>	<b>-</b>	
<b>Still to be Mitigated</b>	<b>3.300</b>	<b>-</b>	<b>(3.300)</b>			

### Climate & Place - key performance cost drivers



The above graph shows the residual waste (per tonnage) per month. The residual waste includes Kerbside collected waste and waste deposited at the recycling centre.



The above graph shows the green waste (per tonnage) per month. Green waste volumes are significantly impacted by the weather conditions during the growing season.

### Climate & Place - key risks, future issues & opportunities

Due to the current economic climate, there are several key risks and future issues that need to be taken into consideration:

It is important to note that winter maintenance, salt purchase, and emergency budgets are all currently forecast as on budget. The budgets are impacted by extreme weather throughout the year, and it is difficult to know the true impact until later in the year. Finance will continue to monitor these budgets with the service and will adjust forecasts accordingly.

- Income generation.** Many Climate and Place services are financed wholly or in part by fees and charges. Throughout the MTFP process savings have been based on additional income projections. These services are typically demand driven and dependant and, in many cases, influenced by the economic cycle and construction rates. In some cases, changes to government policy have given users and customers of the services additional powers to seek the return of income linked to service delivery timescales. All these factors imply risks for climate and place services meeting income targets. It is also important to note that some services are demand led and are reliant on services being used, should the demand for the service reduce it will have an impact on income budgets being achievable.

- **Commercial viability of public transport services.** The future financial sustainability of public transport bus services remains uncertain. Any reduction in public transport grants by the incoming Government could trigger significant withdrawal of commercial services and increase pressure on the council to subsidise services that are no longer commercially viable.
- Risks can be identified due to the **change in climate**. It is exceedingly difficult to be able to identify financially what the impact of climate change will be year on year, but risks with a potential financial impact include poor weather which can affect many areas in climate and place. It is important to note that this may impact winter maintenance, salt purchase, and emergency budgets within Highways as well as other service areas.

### **Performance of agreed savings proposals**

There are 43 agreed savings targets for 2024/25 across climate and place totalling £5.637m.

There are 18 savings showing as on track, most of these are waiting for grant payments or income to be received into the accounts before these can be moved to achievable at present there is no risk relating to these savings. Four savings are showing as at risk of not being achieved. In the main these relate to capitalisation of salaries and the reduction in Fleet costs across the authority, work continues to ensure that where these savings are not achieved, mitigating actions are in place to offset these. Three savings are now being reported as not achievable, these all relate to Waste Services. The service continues to look for mitigating actions or substitute savings to offset the pressure of not achieving the anticipated saving.