

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:

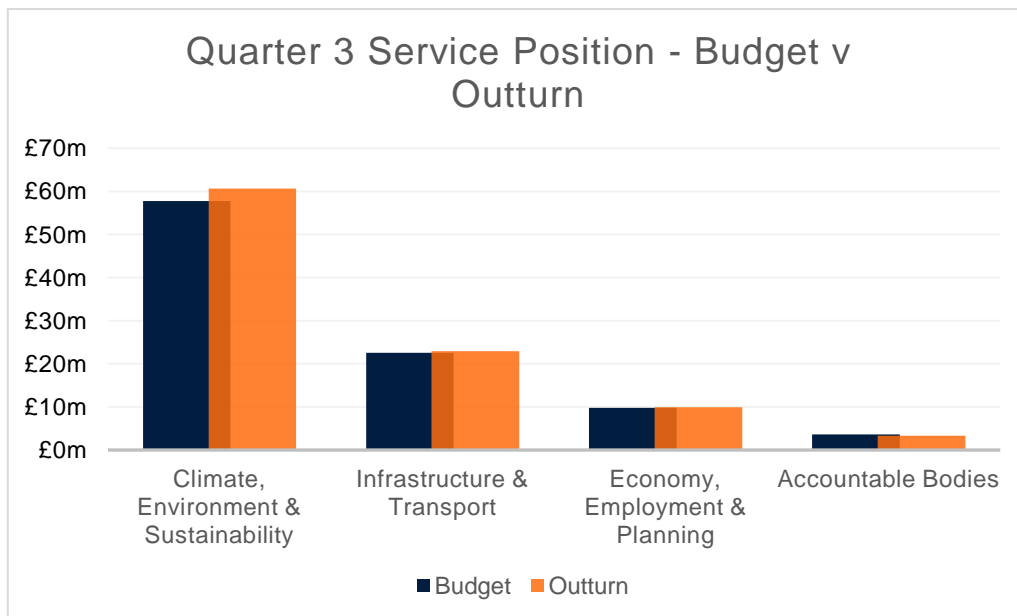
- Transport and Waste Services: Cllr Richard Wilkins
- Economic Development, Planning & Assets: Cllr Mike Rigby
- Public Health, Climate Change and Environment: Cllr Graham Oakes

Executive Director: Chris Hall

Service Directors:

- Somerset Rivers Authority: Paul Hickson
- Local Enterprise Partnership and Connecting Devon & Somerset: Paul Hickson
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Chart 1: Budget versus forecast outturn graph



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Table 1: 2024/25 Climate & Place, (including Accountable Bodies) as at the end of December 2024 (Quarter 3)

- 2024/25 Current net budget £93.688m, forecast overspend of £3.180m, a decrease of £0.350m from Month 7.
- 2023/24 Final net budget £90.9m, outturn underspend of £14.1m

2024/25 Climate & Place as at the end of December 2024 (Quarter 3)										
Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Quarter 3 Variance £m	Overspend / (Underspend)	RAG Status	Ongoing Pressure £m	One-off Pressures £m	Movement From Month 7 £m
Climate, Environment & Sustainability										
Climate & Place Management	0.304	-	0.304	0.304	-	On-budget	Green	-	-	-
Business Support	0.799	(0.018)	0.781	0.745	(0.036)	Underspend	Green	-	-	0.014
Waste Services	58.015	(6.769)	51.246	54.705	3.459	Overspend	Red	3.459	-	(0.093)
Drainage Board Levy	2.295	-	2.295	2.293	(0.002)	Underspend	Green	-	-	(0.002)
Climate & Natural Environment	4.074	(2.071)	2.003	1.501	(0.502)	Underspend	Green	-	-	(0.464)
Resilience & Adaptation	1.182	(0.041)	1.141	1.127	(0.014)	Underspend	Green	-	-	(0.029)
sub total	66.669	(8.899)	57.770	60.675	2.905	Overspend	Red	3.459	-	(0.574)
Infrastructure & Transport										
Highways & Transport Commissioning	2.211	(0.735)	1.476	1.235	(0.241)	Underspend	Green	-	-	0.009
Infrastructure Programmes Group	1.526	(1.294)	0.232	0.477	0.245	Overspend	Red	-	0.245	(0.030)
Highways	18.604	(0.832)	17.772	18.420	0.648	Overspend	Red	-	0.648	0.009
Traffic Management	5.066	(4.668)	0.398	(0.023)	(0.421)	Underspend	Green	-	-	(0.021)
Transporting Somerset	15.556	(6.277)	9.279	9.829	0.550	Overspend	Red	-	0.550	0.550
Car Parks	5.918	(13.042)	(7.124)	(7.524)	(0.400)	Overachievement	Green	-	-	(0.099)
Fleet Management	0.881	(0.345)	0.536	0.536	-	On-budget	Green	-	-	-
sub total	49.762	(27.193)	22.569	22.950	0.381	Overspend	Red	-	1.443	0.418
Economy, Employment & Planning										
Development Control	7.270	(5.229)	2.041	2.040	(0.001)	Underspend	Green	-	-	(0.001)
Planning Policy	3.010	(0.013)	2.997	2.997	-	On-budget	Green	-	-	-
Economic Development	5.675	(1.952)	3.723	3.617	(0.106)	Underspend	Green	-	-	0.001
Building Control	2.183	(1.533)	0.650	0.650	-	On-budget	Green	-	-	-
Regeneration and Major Projects	0.389	(0.157)	0.232	0.288	0.056	Overspend	Red	-	0.056	(0.000)
Land Charges	0.484	(1.132)	(0.648)	(0.448)	0.200	Underachievement	Red	-	0.200	-
Resources, Integration, Minerals & Waste	0.836	(0.122)	0.714	0.714	-	On-budget	Green	-	-	0.001
Placemaking & Projects	0.168	(0.126)	0.042	0.043	0.001	Overspend	Amber	-	0.001	0.001
sub total	20.015	(10.264)	9.751	9.901	0.150	Overspend	Amber	-	0.257	0.002
Accountable Bodies										
Somerset Rivers Authority	3.079	(0.020)	3.059	3.059	-	On-budget	Green	-	-	-
Connecting Devon & Somerset (CDS)	1.078	(0.539)	0.539	0.283	(0.256)	Underspend	Green	-	-	(0.196)
sub total	4.157	(0.559)	3.598	3.342	(0.256)	Underspend	Green	-	-	(0.196)
Climate & Place Total	140.603	(46.915)	93.688	96.868	3.180	Overspend	Red	3.459	1.700	(0.350)

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

Climate and Place (including Accountable Bodies) forecasting an overspend of £3.180m, a decrease of £0.350m from Month 7.

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

Climate, Environment and Sustainability

Climate & Natural Environment is forecasting an underspend of £0.502m, an increase of £0.464m from Month 7. This is due to vacancies across Climate and Commissioning services totalling £0.434m. Further underspends are being recognised due to devolution of services and a reduction of project spend.

Resilience and Adaptation is forecasting an underspend of £0.014m an increase of £0.029 from Month 7. This is due to a vacant post within the service.

Waste Services is forecasting an overspend of £3.459m, a decrease of £0.093m from Month 7. Forecasts have been updated to reflect the following changes:

- Recycling materials income is higher than anticipated, this is due to the price per tonne for material sales being higher than forecasted.
- Garden Waste collection income is higher than anticipated.
- Forecasts for all head office areas have also been reviewed resulting in further cost reductions this predominantly relates to savings for depots, schools waste and consultancy work being picked up within the waste collection budgets.

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 £0.036m, a decrease of £0.014 from Month 7. This is due to updated salary forecasts for the service.

Infrastructure and Transport

Infrastructure Programmes Group is forecasting an overspend of £0.245m a reduction of £0.030m from Month 7. This relates to whether salary costs are eligible to be capitalised. The pressure has reduced as the service ensure costs are charged appropriately to other services or through the capital programme.

Highways is forecasting an overspend of £0.648m, an increase of £0.009m from Month 7. This is due to the mobilisation costs of the contract being split between capital and revenue budgets, at present more revenue works are planned than capital and therefore has created an unforeseen pressure within the service.

Transporting Somerset is forecasting an overspend of £0.550m, an increase of £0.550m from Month 7. This is due to a review of income and expenditure within the Somerset Accessible Transport (SAT) service. As a traded service full cost recovery is anticipated but current forecasts show that this is not the case. Work to understand what elements of the service are not being recovered, and rectification will take place. Mitigating actions will also be discussed, including holding underspends in other service areas across Transporting Somerset to avoid the overspend not being mitigated.

Traffic Management and Parking Service are forecasting underspends of £0.821m, an increase of £0.120m from Month 7. This is due to higher than anticipated income being received.

Economy, Employment and Planning

Economy, Employment and Planning are forecasting an overspend of £0.150m, an increase of £0.002 from Month 7.

Land Charges is forecasting an overspend of £0.200m, there is no change from Month 7. This is due to income not yet achieved. It is important to note that applications appear to be slowing, therefore it is possible that this may increase in future reports.

Regeneration and Major Projects is forecasting an overspend of £0.056m, there is no change from Month 7. This is due to salary costs that are not budgeted for. It has been agreed that the underspend of £0.106m from Economic Development will be held to mitigate the overspends seen within the service.

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 £0.256m, an increase of £0.196m from Month 7. This is due to the reduced use of consultants and internal staff recharges and to clawback under the Phase 1 contract with BT Openreach, the final figures are being reviewed and this is the estimated value due to Somerset (a much larger balance was received in 2023/34). CDS are continuing to monitor and review contractors’ performance.

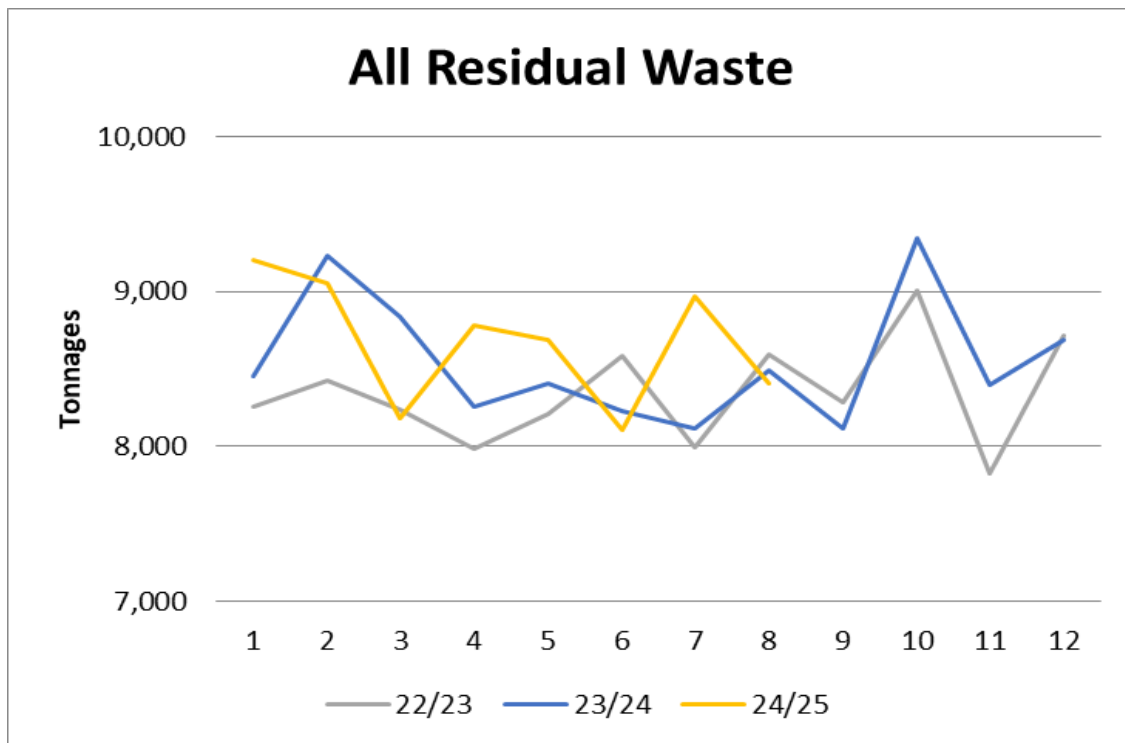
Table 2: Service Management Actions included in the forecast outturn

Service Management Actions	Month 7	Quarter 3	Movement	Comments
	£m	£m	£m	
None	-	-	-	
Total Management Actions	-	-	-	

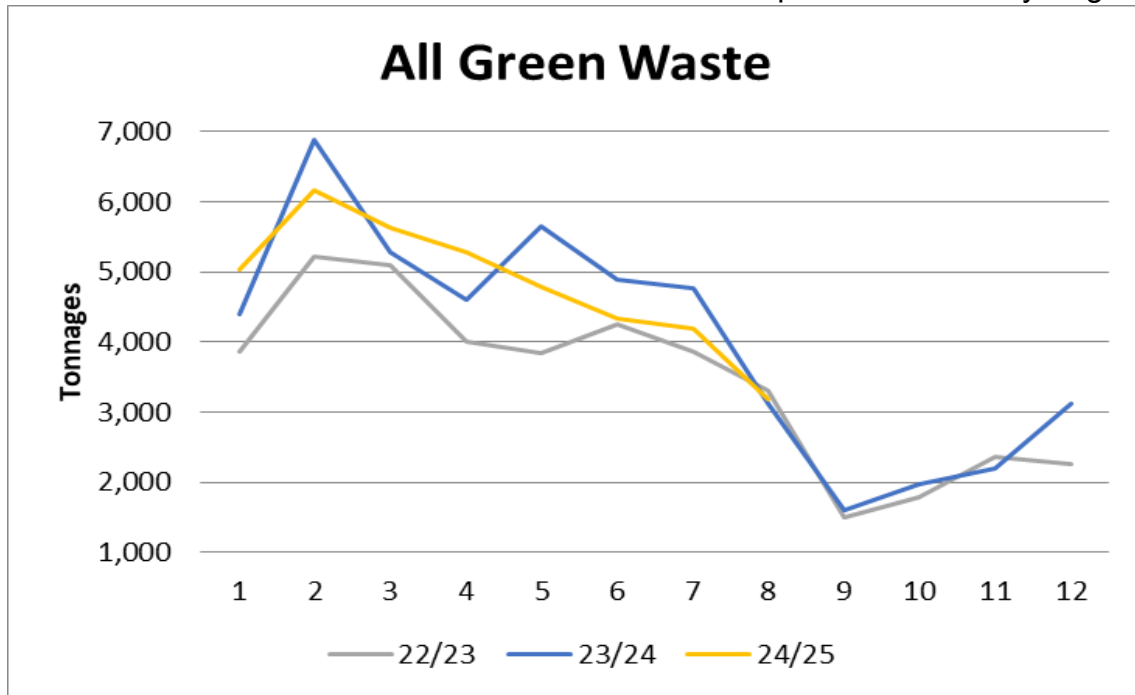
Table 3: Mitigating Actions Identified not yet included in the forecast outturn

In-Year Mitigation Proposed	Month 7	Quarter 3	Movement	One-Off Mitigation	Ongoing Mitigation	Comments
	£m	£m	£m	£m	£m	
To be Mitigated	3.627	3.180	(0.447)	-	-	
None						
Total Mitigations Identified to be Actioned	-	-	-	-	-	Mitigations to be identified by Month 10
Still to be Mitigated	3.627	3.180	(0.447)	-	-	To be reduced to a balanced position by Month 10

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 forecasts. 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 achieved.

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- **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.