

Somerset Rivers Authority Board Paper

Title: Somerset Rivers Authority 3rd Quarter 2016/17 Financial Update

RECOMMENDATION

The SRA Board is asked to:

1. Note the contents of the attached 3rd Quarter financial summary report
2. Approve that £654k remaining funding from the 2016-17 Local Partner Funded Maintaining dredged profiles is set aside as a provision for the Sowy/KSD and/or pioneer dredging
3. Approve that £426k savings from the Growth Deal funded Pioneer Dredging is set aside as a provision for the Sowy/KSD and/or pioneer dredging
4. Approve that £200k remaining funding from the 2015-16 Interim Funds funded Funding Mechanism is set aside as a provision for the Sowy/KSD and/or pioneer dredging
5. Approve the increase in budget of £12.5k for Land Management activities, funded from 2016-17 contingency.

Purpose of the item:

To update the Board on the SRA's financial position as at the end of the third quarter 2016/17.

Background and context

The second quarter 2016/17 financial report was presented at the SRA Board meeting held on 26th October 2016.

Latest status

A summary of the Qtr 3 Financial Update is attached and the detailed commercially sensitive update has been circulated.

The forecasting information provided by the Delivery Partners indicates that almost 70% (£7.7m) of planned spend for 2016/17 has taken place. This is not yet reflected in the values Paid to the Delivery Partners (£5.6m) due to the time lag between the Delivery Partners receiving their contractor invoices and consequently the claim being raised with the SRA. This is a concern especially for Growth Deal funded projects as it is impacting on the Spending Profiles which have been agreed with the LEP.

A key change since Qtr 2 is that approval was given, at the Additional SRA Board meeting on 16/01/2017, for a package of changes to be made to allow for the funding of a top up to the existing EA Wessex de-silt package. The Qtr 3 report has been revised to include all these changes.

There are two new proposals to consider that impact on the financial position. The details of both of these are the subject of other papers at this Board meeting, namely the plan to cover the Sowy/KSD provisional funding shortfall of £2,318k and a proposal for an increase of £12.5k in budget, funded from 2016-17 contingency, to cover additional land management works this year. If the latter proposal were approved this would leave £35k contingency remaining.

The figures and recommendations presented with this paper reflect the position if the Board approves both new proposals and the specific movements have been highlighted within the commercially sensitive report, in the Variance to agreed Funding column.

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Date: 19/01/17

Author: Emma Beardsley, Finance Manager