

Somerset Rivers Authority Board Paper

Quarter 3 2023-24 Finance Report

RECOMMENDATIONS

The Somerset Rivers Authority (SRA) Board is asked to:

1. Note the financial performance as at the end of Quarter Three of 2023-24.
2. Approve the re-allocation of funds to and from contingency as per Part Two.

Background and context

This report and its confidential Appendix deliver the financial reporting requirements consistent with the Somerset Rivers Authority (SRA) Constitution and Local Memorandum of Understanding (MoU) which states:

2.5 Host Authority

2.5.1 *As recipient and accountable body for the funding contributions from Somerset's local authorities, Somerset Council shall act on behalf of the SRA Board as Host Authority. In particular, it shall:*

- *Provide the services of its Chief Financial Officer and Monitoring Officer at no cost;*
- *Provide accounting, financial analysis, accounts payable and receivable.*

2.5.3 *The SRA shall, where relevant and unless otherwise agreed, operate in accordance with Host Authority practices and procedures, including the following:*

- *Financial regulations;*

This report provides information on the financial position at the end of Quarter Three. Part Two includes a recommendation for making re-allocations to / from contingency as required.

Somerset Rivers Authority does not deliver projects, instead the organisations and local authority that make up the partnership deliver projects.

Funding is raised annually by an additional amount on Council Tax and direct contributions from the Parrett and Axe Brue Internal Drainage Boards (IDBs). Further details can be found at [HC791 Alternative notional amounts.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/HC791_Alternative_notional_amounts.pdf)

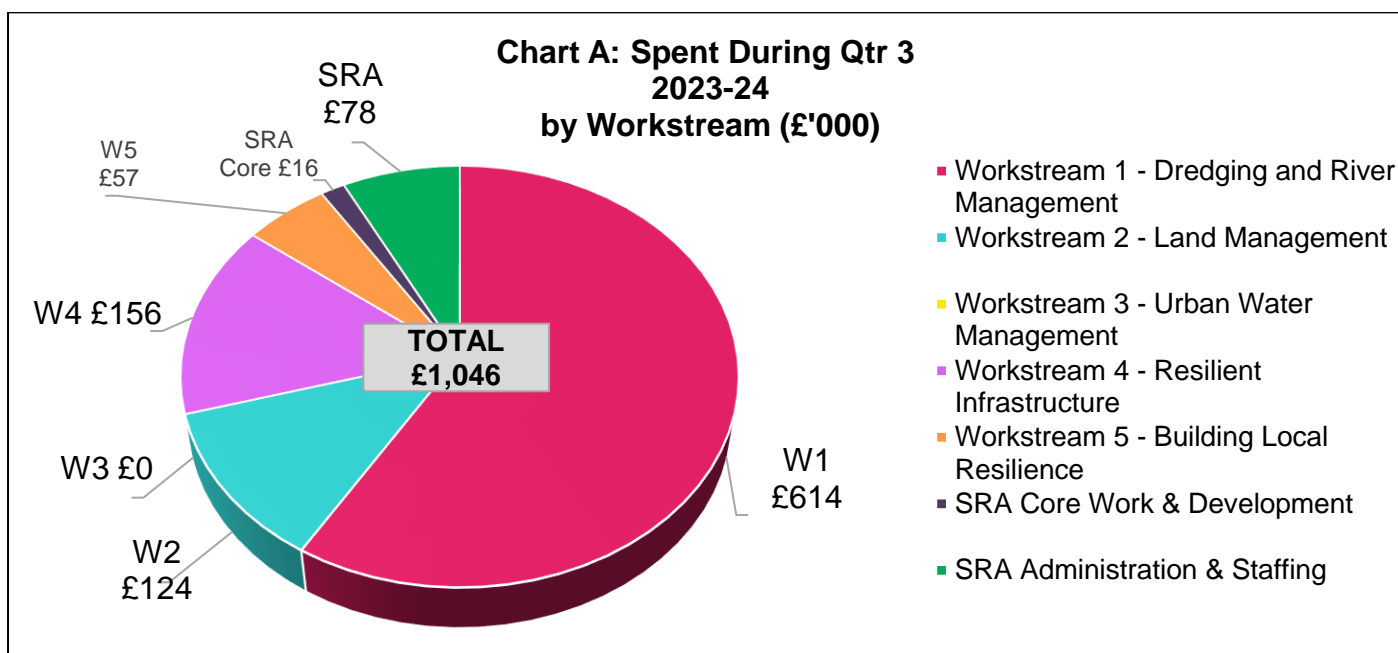
1. Funding Financial Performance

Table A shows that the total available funds at the start of the year were £7,657k. Of this amount £4,627k was carried forward from 2022-23 and £3,030k was raised in the 2023-24 precept. The amount held in contingency is currently £576,937 following recommendations in the Quarter Two Finance Paper approved at the January 2024 Board meeting.

TABLE A: Local Partner Funding Summary at end of Quarter Three 2023-24

Area of spend	2023/24 Funding Allocation £,000	Spent			Forecast	Forecast 2024/25 Onwards £,000	Re-alloc -ations required £,000	Percentage on area of spend %
		2023/24	2023/24	2023/24	2023/24			
		Q1 £,000	Q2 £,000	Q3 £,000	Q4 £,000			
Enhanced Programme	6,600	641	1,308	951	1,532	2,164	3	86%
Core work and development	201	6	0	16	43	135	0	3%
Administration & Staffing	280	44	56	78	90	12	0	4%
Contingency	577	0	0	0	0	577	0	8%
TOTALS	7,657	691	1,364	1,046	1,665	2,888	3	100%

Chart A shows a breakdown of the total amount spent during Quarter Three of 2023-24.



The primary expenditure in W1 (Dredging and River Management) was for bank raising works on the River Sowey-King's Sedgemoor Drain Enhancements Scheme (Phase One) carried out by the Environment Agency in late 2022; SRA funds were only claimed back this quarter. Further funds were spent on silt monitoring and preliminary works for the River Parrett maintenance dredging carried out in January. Final claims were made for the desilting of two structures; Hendford Hill in

Yeovil and North Petherton and Bypass culvert. The Strategic Mitigation projects on the Levels and Moors have also been completed. There was also further spend on the modelling project for the River Brue.

Within W2 (Land Management) expenditure there has been further natural flood management work delivered across the county including the Mendip area, further engagement work on developing the Moors Associations on the Somerset Levels and Moors and additional tree and hedge planting under the Trees For Water Action Fund.

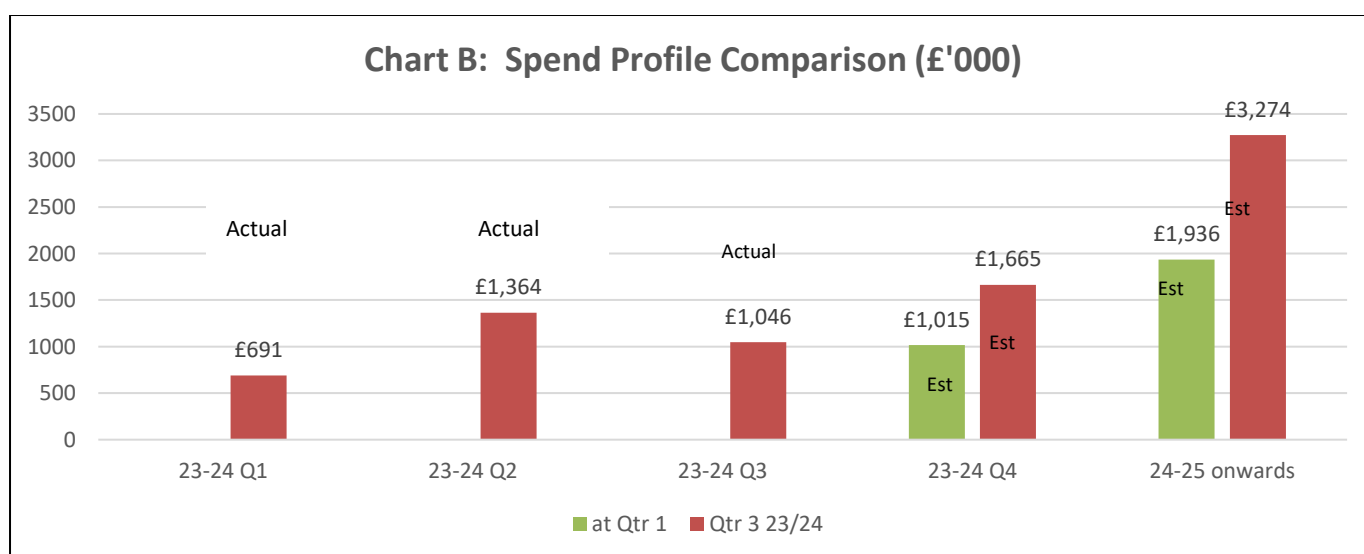
No claims have been submitted for activities in W3 (Urban Water Management). Expenditure within W4 (Resilient Infrastructure) is for the continuing enhanced maintenance programme of gully cleansing and proactive drain jetting across the County. W4 also includes the final expenditure of smaller highway drainage improvement schemes such as the A358 at Combe Florey, Charlton Road in Creech St Michael, and asset upgrades at North Cheriton on the B3145.

W5 (Building Local Resilience) expenditure relates to the continuing community engagement, support and advice being provided across the county and natural flood management advice being provided at sub-catchment level with already engaged communities.

The detailed commercially sensitive Appendix for Quarter Three 2023-24 provides the detail of the expenditure in Chart A.

1a. Spend Profile Summary

Chart B below shows spend by quarter as forecast at the beginning of the financial year (green) and the current profile (red) of spend throughout the financial year. For example: At the beginning of the financial year it was forecast that £1,353k would be spent in Quarter Three. However, only £1,046k was spent. Total spend for 2023-24 is currently forecast to be £1,300k less than originally forecast.



2. Re-allocation of Local Partner Funding

Table B: Re-allocation of funds to contingency			
Project	Delivery Partner	Reason	Amount £,000
Consultation and advice for Heart of the South West Local Enterprise Partnership (HotSWLEP) and SRA funded project delivery on Somerset Levels and Moors	Natural England	No further advice required. Underspend on original Grant Allocation.	1
Culvert Upgrade - Charlton Road, Creech St Michael	Somerset Council, Highways	Works complete March 2023. Underspend on original Grant Allocation.	4
Strategic Approach to Mitigation (suite of four projects)	Natural England	Work complete. Underspend on original Grant Allocation.	1
Amount to re-allocate to contingency			7

Table C: Re-allocation of funds from contingency			
Project	Delivery Partner	Reason	Amount
Somerset Levels Environmental Land Management (ELM) Project: Test and Trial for Water Storage	Farming & Wildlife Advisory Group SouthWest	Funds were reallocated back to contingency at last Board meeting before final payment calculation.	4
Wellhams Brook attenuation feasibility study	Farming & Wildlife Advisory Group SouthWest	Cost increase over the original Grant Allocation	1
Amount to re-allocate from contingency			4

If the amounts proposed in Tables B and C are approved, contingency would increase from £576,900 to £580,000. This means that contingency funds would continue to equate to 8% of Local Partner funds, with the remainder allocated to specific schemes, core and development work, staffing and overheads.

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Note: This report has been updated with changes approved at the previous SRA Board meeting on 19 January 2024.

Date: 26 February 2024

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