

## **Somerset Rivers Authority Board Paper**

### **Quarter 3 2025-26 Finance Report**

#### **RECOMMENDATIONS**

The SRA Board is asked to:

1. Note the financial performance as at the end of quarter three of 2025-26.
2. Approve the reallocation of funds to contingency as per Part Two.

#### **Background and context**

This report, together with the associated document, deliver the financial reporting requirements consistent with the Somerset Rivers Authority (SRA) Constitution and Local Memorandum of Understanding 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.*

*2.7.1 As the accountable body for the funding, Somerset Council shall ringfence the funding, provide quarterly information on spend to date against budget and interest accrued to the SRA Board.*

This report provides information on the financial position at the end of quarter three. Part Two includes a recommendation for moving reallocations to contingency as required.

Somerset Rivers Authority does not deliver projects, instead the organisations and local authorities that make up the SRA partnership deliver projects on behalf of the SRA. The SRA also funds some external organisations to deliver projects using SRA grant funding.

Funding is raised annually by an additional notional 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. Local Partner Funding Financial Performance

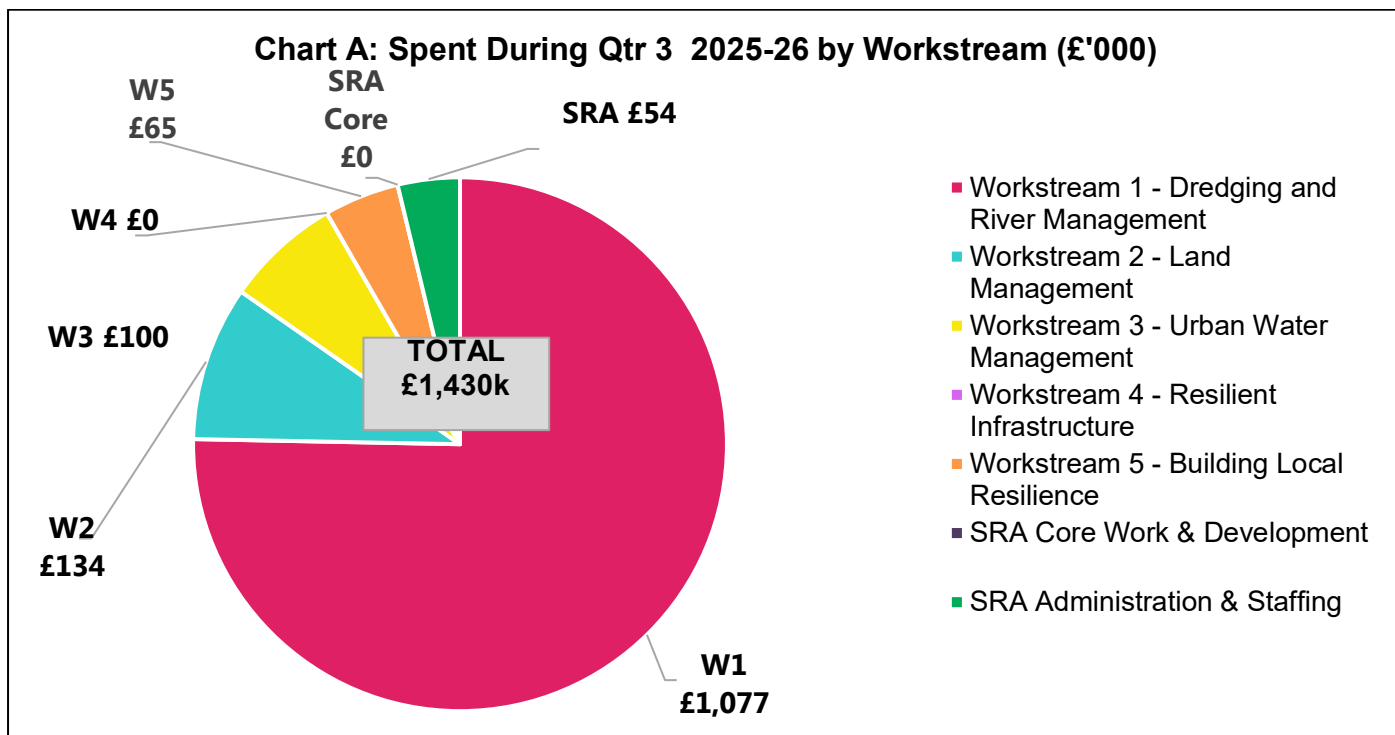
**Table A** shows that the total available funds at the start of the year were £7.265m. Of this amount £4.132m was carried forward from 2024-25 and £3.133m was raised in the 2025-26 precept. The movement within contingency is due to approvals at the Board meeting in December.

<b>TABLE A: Local Partner Funding Summary - all schemes- at the end start of Quarter 3 2025-26</b>								
Area of spend	2025/26 Funding Allocation  £,000	Spent	Spent	Spent	Forecasts		Re-alloc- -ations required  £,000	Percentage on area of spend  %
		2025/26 Q1  £,000	2025/26 Q2  £,000	2025/26 Q3  £,000	2025/26 Q4  £,000	Forecast 2026/27 Onwards  £,000		
Enhanced Programme	6,029	370	1,361	1,376	1,816	1,102	-3	83%
Core work and development	25	0	0	0	5	20	0	0.3%
Administration & Staffing	300	49	54	54	55	88	0	4.1%
Contingency	911	0	0	0	0	912	0	12.6%
<b>TOTALS</b>	<b>7,265</b>	<b>419</b>	<b>1,415</b>	<b>1,430</b>	<b>1,876</b>	<b>2,122</b>	<b>-3</b>	<b>100%</b>

As at the end of quarter three:

- 4.1% of funds are forecast to be spent on the administration and staffing of the SRA.
- 0.3% will be spent on SRA core work and development.
- 12.6% is held as contingency.
- 83% allocated to specific projects and activities within the Enhanced Programme.

Chart A shows a breakdown of the total amount spent during the third quarter of 2025-26.



Expenditure during Quarter 3 of 2025–26 totalled £1,429,527. The summary below provides an overview of this expenditure. *Appendix One* contains the full breakdown across all schemes and activities for the financial year.

**Workstream 1: Dredging and River Management:** Expenditure relates to postdelivery project management costs by the Environment Agency for their earlier work delivering the *King’s Sedgemoor Drain bankraising*. Additional spend relates to works completed last October by the Parrett Internal Drainage Board. Other expenditure was incurred for desilting works at *Little Bridge, Stoke Trister* near Wincanton, and at *Hawkaller Bridge on the A38 at Blackbird Bends*. Remaining costs in this workstream covered the production of River Brue modelling reports. The expenditure also relates to two completed Community Flood Action Fund projects; *weed clearance in Coxbridge Brook, Baltonsborough* and *partial desilting along Decoy Rhyne* and a section of *St James Weir* in Godney.

**Workstream 2 – Land Management**, including Natural Flood Management (NFM), represents the next largest spending area. Quarter 3 activity included *advisory work with farmers and landowners, delivery of Hills to Levels grant schemes*, and tree and hedge planting under the *Trees for Water Action Fund*. These activities tend to follow seasonal delivery windows, which explains why spend has increased compared with earlier quarters.

**Workstream 3: Urban Water Management:** Expenditure relates to the SRA’s contribution towards the *Taunton Flood Action Plan*. The final report is expected in April.

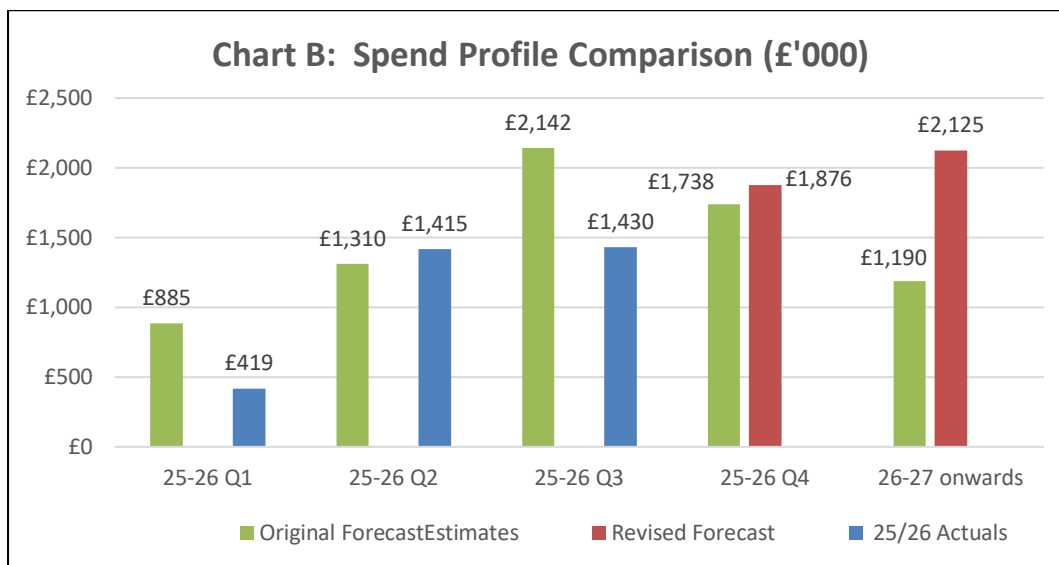
**Workstream 5: Building Local Resilience:** Expenditure in Workstream 5 relates to the ongoing community resilience support and advice provided across the county by the *SRA Community Outreach Team* and the *FWAG SW Community NFM Advisor*. Additional spend was incurred on the *Adapting Somerset* climate adaptation programme (*Act to Adapt*), delivered by Somerset Wildlife Trust.

SRA partnership team staff costs and overheads make up the remainder of expenditure.

ITEM 7b Enhanced Programme Performance Monitoring Report provides more detail of project progress and delivery across the Enhanced Programme during this quarter.

### 1a. Spend Profile Summary

**Chart B** below shows the quarter one £419k (blue), quarter two £1,415m (blue) and quarter 3 spend £1,430m (blue) and the revised forecasts (red) of spend for the remainder of this financial year and 2026-27 onwards.



The shortfall in expenditure from the original forecast is due to a delay in claims and not lack of delivery. This spend has been added to the forecast estimate for Quarter Four 2025-26.

## 2. Re-allocation of Local Partner Funding

<b>Table B: Reallocation of funds to contingency</b>			
<b>Project</b>	<b>Delivery Partner</b>	<b>Reason</b>	<b>Amount £000</b>
Structures Silt Removal Programme (Little Bridge, Stoke Trister, nr Wincanton)	Somerset Council, Bridges and Structures	Underspend from original grant allocation. Works completed.	-3.2
Structures Silt Removal Programme (Hawkaller Bridge, Haywards Water, A38 Blackbird Bends and Hendford Hill, Yeovil)	Somerset Council, Bridges and Structures	Underspend from original grant allocation. Works completed.	-0.3
<b>Amount to re-allocate to contingency</b>			<b>-3.5</b>

If the amounts proposed in Table B are agreed, the contingency would increase by £3.5k from £912k to £915k. This means that contingency funds would equal 13% of Local Partner funds (currently 13%), with the remainder allocated to specific schemes.

The contingency balance at the end of Quarter 3 is higher than normal. Item 8 on the agenda asks the Board to review and approve the 2026–27 Enhanced Programme and budget, where approximately £450k of these contingency funds are expected to be allocated to the 2026-27 Enhanced Programme.

### RECOMMENDATIONS

The SRA Board is asked to:

3. Note the financial performance as at the end of quarter three 2025-26.
4. Approve the reallocation of funds to contingency as per Part Two.

#### *Note:*

This report has been updated with changes approved at the previous SRA Board meeting in December 2025.

**Date: 11 March 2026**

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