

ITEM 9a

Somerset Rivers Authority Board Paper

Quarter 1 2026-27 Finance Report

RECOMMENDATIONS

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

1. Note the financial performance as at the end of Quarter 1 2026-27.
2. Approve the re-allocation of funds to contingency as per Part Two.

Background and context

Somerset Council is the Host Authority and Accountable Body for the SRA, which is an unincorporated association. This report - together with its Appendix - delivers the financial reporting requirements consistent with the Somerset Rivers Authority (SRA) Constitution and Local Memorandum of Understanding which states:

As Host Authority the Council shall:

- Provide the services of its Chief Financial Officer and Monitoring Officer as required:
- Make available for use by the Accountable Body, accounting, financial analysis, accounts payable and receivable in relation to Annual SRA Allocations:
- Make available designated employees to manage and support the SRA including the Council's internal SRA team:
- Carry out such other functions as may be agreed between the SRA and the Host Authority.

The responsibilities of the Accountable Body include:

- The preparation and reporting of the accounts of the SRA in accordance with the Constitution of Somerset Council. In support of this requirement; and the release of the received Annual SRA Allocation to its Members in accordance with the annual Enhanced Programme.
- Provide quarterly information on spend to date against budget and will maintain reliable, accessible and up-to-date accounting records with an adequate audit trail for at least six years:
- Maintain a Register of Interests for each SRA Board Member:

This report provides information on the financial position at the end of Quarter 1. Part Two includes a recommendation for moving re-allocations to contingency as required.

Somerset Rivers Authority does not deliver projects directly. 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)

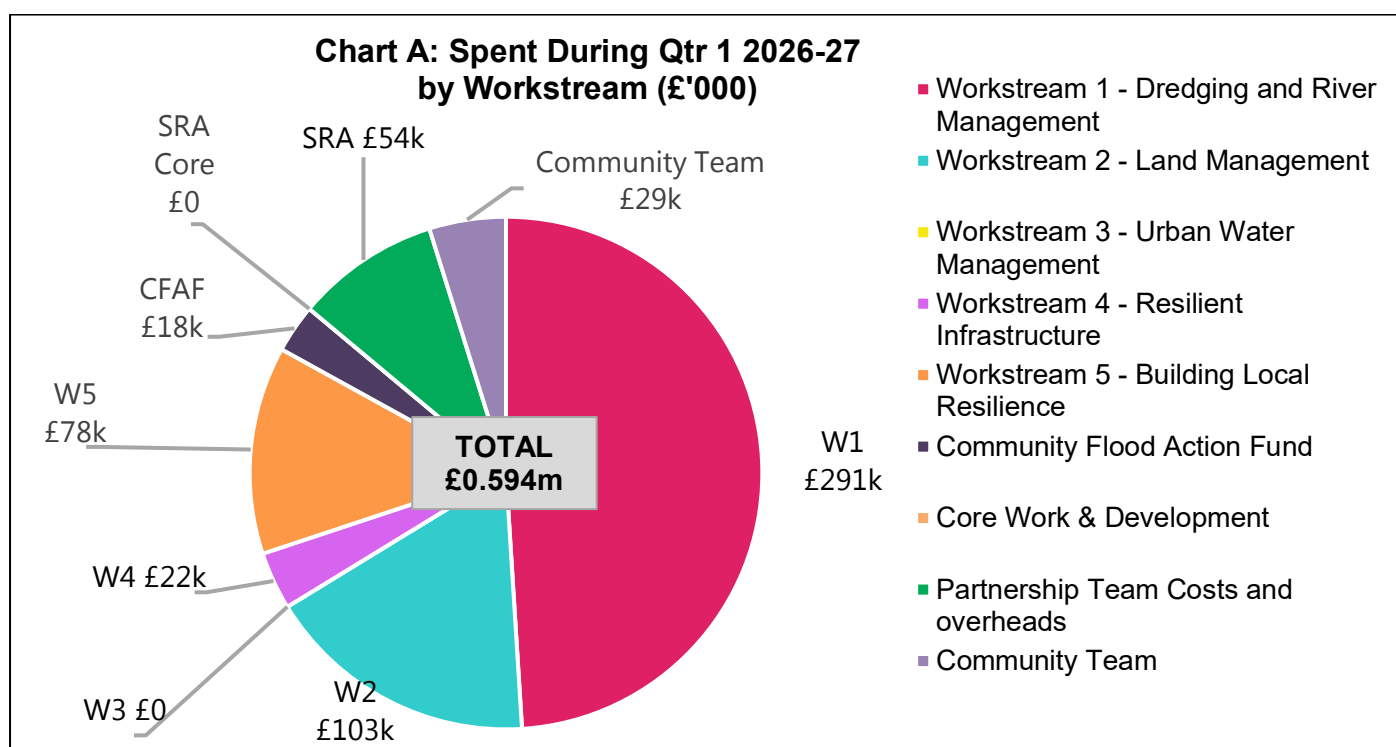
1. Local Partner Funding Financial Performance

Table A shows that the total available funds at the start of the year were £6.042m. Of this amount £2.831m was carried forward from 2025-26 and £3.210m was raised in the 2026-27 precept. £4.631m of these funds were allocated to projects and activities with the rest held for staffing, overheads and contingency. The movement within contingency is due to approvals at the Board meeting in June 2026.

TABLE A: Local Partner Funding Summary - all schemes- at the end start of Quarter 1 2026-27								
Area of spend	2026-27 Funding Allocation	Spent	Forecasts	Forecasts	Forecasts	Forecast *	Proposed Grant movements	% on area of spend
	£,000	2026- 27 Q1 £,000	2026-27 Q2 £,000	2026-27 Q3 £,000	2026-27 Q4 £,000	2027-28 Onwards £,000		
Enhanced Programme	4174	493	357	843	1610	801	-70	69.1%
Community Flood Action Fund	446	18	20	45	80	283	0	7.4%
Core work and development	25	0	15	5	5	0	0	0.4%
Partnership Team Costs	348	54	78	78	78	60	0	5.8%
Community Team Costs	141	29	30	30	30	22	0	2.3%
Contingency	907	0	0	0	0	907	0	15.0%
TOTALS	6042	594	500	1001	1803	2074	-70	100%

*The figure in this column does not include the proposed grant movements, which are presented for the Board's approval in Part 2.

Chart A shows a breakdown of the total amount spent during Quarter 1 of 2026-27.



Expenditure during Quarter 1 of 2026-27 totalled £0.594m. A summary of this expenditure is provided below. Appendix One contains the full breakdown across all schemes and activities for the financial year.

Workstream 1: Dredging and River Management

Expenditure within Workstream 1 was primarily associated with the final claims received for the Environment Agency's main river maintenance programme. Further expenditure included the final claim for the River Parrett Water Injection Dredging (WID) undertaken in January 2026. Other costs comprised the SRA's contribution to the Bridgwater Tidal Barrier, preliminary work for this winter's WID programme on the River Parrett, the final claim for the Siphons Appraisal project, and project management costs associated with outfall refurbishment works which were integral to the River Sowey/KSD Enhancement Scheme.

Workstream 2: Land Management (including Natural Flood Management)

Expenditure within Workstream 2 supported a range of Natural Flood Management (NFM) activities across Somerset, including advice and consultation services for farmers and landowners, together with payments for completed Hills to Levels capital grant projects. Funding was also used to provide grants to landowners for tree and hedge planting schemes delivered through the Trees for Water Action Fund, with planting now completed

Workstream 4: Resilient Infrastructure

Expenditure within Workstream 4 related to the overspend on the 2025-26 additional gully cleansing programme, as approved by the Board at its previous meeting.

Workstream 5: Building Local Resilience

Expenditure within Workstream 5 supported the continued provision of technical advice and support by the Community Natural Flood Management Advisor at the Farming & Wildlife Advisory

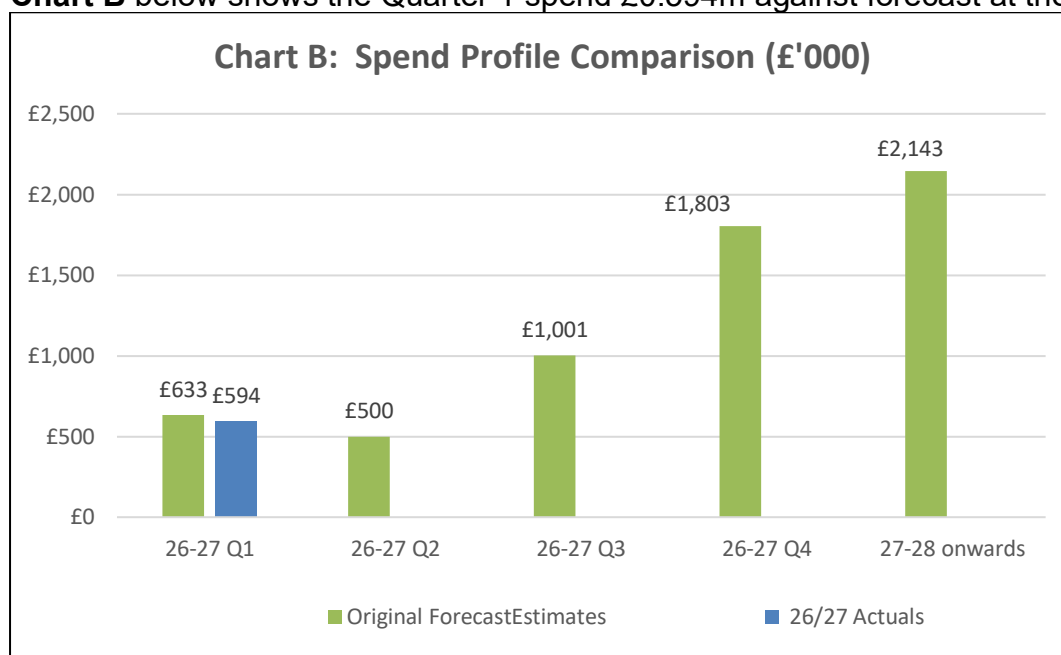
Group SouthWest (FWAG SW). The advisor is working with communities across Somerset to develop and deliver NFM projects at a sub-catchment scale. Additional expenditure supported the development of the Moors Associations across the Somerset Levels and Moors, alongside the climate adaptation initiative Act to Adapt, delivered by Somerset Wildlife Trust. Further funding was also provided through Somerset Prepared grants for equipment to improve community flood resilience.

Community Flood Action Fund grants were awarded to Aller and Ruishton and Thornfalcon parish councils to support flood maintenance works and to Creech St Michael parish council for the purchase of a pump.

The remaining expenditure relates to partnership and community team staffing costs and associated overheads.

1a. Spend Profile Summary

Chart B below shows the Quarter 1 spend £0.594m against forecast at the beginning of the year.



1b. Local Partner Funding Interest Statement.

During Quarter 1 of the 2026-27 financial year, £29k of interest was accrued on Somerset Rivers Authority funds. Somerset Council currently retains these funds to cover the costs of acting as Host Authority for the SRA. Discussions are underway with Somerset Council's Finance Team to review the hosting costs.

2. Re-allocation of Local Partner Funding

Table B: Re-allocation of funds to contingency			
Action	Delivery Partner	Reason	Amount £,000
River Parrett Maintenance: Water Injection Dredging, silt monitoring and shoulder work	Parrett Internal Drainage Board	Grant underspend on completed works delivered January 2026	-8.4
River Sowey-King's Sedgemoor Drain Enhancements Scheme: Outfall Refurbishment Works	Parrett Internal Drainage Board	Grant underspend on completed works	-50.0
Siphons Appraisal Work: Swallows, Crossmoor, and Browns Bank - Godney	Axe Brue Internal Drainage Board	Grant underspend on completed works	-11.2
Amount to re-allocate to contingency			-69.6

If the amounts proposed in Table B are agreed, the contingency would increase by £69.6k from £907k to £977k. This means that contingency funds would equal 16.2% of Local Partner funds (currently 15.0%), with the remainder allocated to specific schemes.

RECOMMENDATIONS

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

3. Note the financial performance as at the end of Quarter 1 2026-27.
4. Approve the re-allocation of funds to contingency as per Part Two.

Note:

This report has been updated with changes approved at the previous SRA Board meeting in June 2026.

Date: 11 August 2026

Authors: Sam Hitchcott, Senior Finance Business Partner, Somerset Council and Caroline Dunn, SRA Project and Performance Officer