

Cabinet



Please contact: Emma Denny

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Monday, 29 August 2022

A meeting of the **Cabinet** of North Norfolk District Council will be held in the Council Chamber - Council Offices on **Tuesday, 6 September 2022 at 10.00 am.**

At the discretion of the Chairman, a short break will be taken after the meeting has been running for approximately one and a half hours

Members of the public who wish to ask a question or speak on an agenda item are requested to arrive at least 15 minutes before the start of the meeting so that the Chairman can re-order the agenda if necessary.

Further information on the procedure for public speaking can be obtained from Democratic Services, Tel:01263 516010, Email:emma.denny@north-norfolk.gov.uk. Please note that this meeting is livestreamed:<https://www.youtube.com/channel/UCsShJeAVZMS0kSWcz-WyEzg>

Anyone attending this meeting may take photographs, film or audio-record the proceedings and report on the meeting. Anyone wishing to do so should inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed.

Emma Denny
Democratic Services Manager

To: Mrs W Fredericks, Mrs A Fitch-Tillett, Ms V Gay, Mr R Kershaw, Mr N Lloyd, Mr E Seward, Miss L Shires, Mr T Adams and Mr A Brown

All other Members of the Council for information.

Members of the Management Team, appropriate Officers, Press and Public



**If you have any special requirements in order
to attend this meeting, please let us know in advance**

If you would like any document in large print, audio, Braille, alternative format or in a different language please contact us

Chief Executive: Steve Blatch
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A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. MINUTES

1 - 6

To approve, as a correct record, the minutes of the meeting of the Cabinet held on 11th July 2022.

3. PUBLIC QUESTIONS AND STATEMENTS

To receive questions and statements from the public, if any.

4. ITEMS OF URGENT BUSINESS

7 - 10

To determine any other items of business which the Chairman decides should be considered as a matter of urgency pursuant to Section 100B(4)(b) of the Local Government Act 1972.

There is one item of urgent business:

Norfolk Business Rates Pool

Summary: This report reviews the opportunity to c
Norfolk Business Rates Pool into 2023-2
same governance arrangements as the curre

Options considered: To remain in the Norfolk Business Rates Po
24 or not.

Conclusions: The continuation of the Norfolk Business
offers the potential to retain business r
income within Norfolk for re-investment b
local area.

Recommendations: That Cabinet resolves to:

Continue in the Norfolk Business Rates Po
24 with the same governance arrangem
current Pool

Reasons for
Recommendations: To retain the NNDR income within No
investment to support economic regeneratio

5. DECLARATIONS OF INTEREST

11 - 16

Members are asked at this stage to declare any interests that they may have in any of the following items on the agenda. The Code of Conduct for Members requires that declarations include the nature of the interest and whether it is a disclosable pecuniary interest (see attached guidance and flowchart)

6. MEMBERS' QUESTIONS

To receive oral questions from Members, if any

7. RECOMMENDATIONS FROM CABINET WORKING PARTIES 17 - 22

a) Planning Policy & Built Heritage Working Party – 15 August 2022

THE GLAVEN VALLEY CONSERVATION AREA APPRAISAL & MANAGEMENT PLAN 2022

Recommended to Cabinet:

1. That the draft appraisal, as set out within the body of the report, be recommended to Cabinet for approval for public consultation.
2. That following consultation, the amended appraisal be brought back to Working Party for consideration and subsequent adoption by Cabinet.

b) Cabinet Working Party for Projects – 18 May 2022

To receive the draft minutes (attached)

8. RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE 23 - 26

At the meeting of the Overview & Scrutiny Committee held on 20th July, recommendations were made to Cabinet on the following two items:

1. Agenda Item 11: Councillor Call for Action – the impact of second homes and holiday lets data report
2. Agenda Item 12: Environment & Quality of Life Scrutiny Panel – Public Conveniences Review

(The recommendations are attached in full).

9. OUTTURN REPORT 2021/2022 27 - 74

Summary:

This report presents the provisional outturn position for the 2021/22 financial year which shows a General Fund underspend of £615,740. It also provides an update in relation to the Council's capital programme. Details are included within the report of the more significant year-end variances compared to the current budget for 2021/22. The report also makes recommendations for

contributions to reserves.

The report provides a final budget monitoring position for the 2021/22 financial year. The report makes recommendations that provide funding for ongoing commitments and future projects.

Options considered:
Conclusions:

The revenue outturn position as of 31 March 2022 shows an overall underspend of £615,740. The final position allows for £409,855 from budget and grant underspends to be rolled forward within Earmarked Reserves to fund ongoing and identified commitments for which no budget has been allocated in 2022/23. The position as reported will be used to inform the production of the statutory accounts which will then be subject to audit by the Council's external auditors.

Recommendations: Members are asked to consider the report and recommend the following to Full Council:

- a) The provisional outturn position for the General Fund revenue account for 2021/22;
- b) The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2022/23 budget;
- c) Allocate the surplus of £615,740 to the General Reserve;
- d) The financing of the 2021/22 capital programme as detailed within the report and at Appendix D;
- e) The balance on the General Reserve of £2.33 million;
- f) The updated capital programme for 2022/23 to 2025/26 and scheme financing as outlined within the report and detailed at Appendix E;
- g) The roll-forward requests as outline in Appendix G are approved.

Reasons for
Recommendations: To approve the outturn position on the revenue and capital accounts used to produce the statutory accounts for 2021/22.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

Budget Monitoring Reports, NNDR returns

Cabinet Member(s) Cllr Eric Seward	Ward(s) affected All
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10. BUDGET MONITORING 2022/2023 - PERIOD 4

75 - 102

Summary: This report summarises the budget monitoring position for the revenue account, capital programme and reserves statement to the end of July 2022

Options considered:

Not applicable

Conclusions: The overall position at the end of July 2022 shows a £4,149,811 underspend for the current financial year on the revenue account, this is however currently expected to deliver a full year underspend of £472,234 (but these may be impacted by in year cost pressures as shown in paragraph 2.4).

Recommendations: **It is recommended that Cabinet:**

- 1) Note the contents of the report and the current budget monitoring position.**
- 2) That £30,000 is released from the Asset Management reserve for health and safety works at Mundesley road car park, North Walsham.**
- 3) That it is recommended to Full Council that £130,000 is released from the Major Repairs reserve to increase the existing capital budget for Fakenham Connect.**

Reasons for Recommendations: To update Members on the current budget monitoring position for the Council.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information, and which are not published elsewhere)

System Budget monitoring reports

Cabinet Member(s) Cllr Eric Seward	Ward(s) affected All
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Contact Officer, telephone number and email: Alison Chubbock 07967 325037 Alison.chubbock@north-norfolk.gov.uk

11. TREASURY MANAGEMENT ANNUAL REPORT 2021/2022

103 - 116

- Summary: This report sets out the Treasury Management activities actually undertaken during 2021/22 compared with the Treasury Management Strategy for the year.
- Options considered: This report must be prepared to ensure the Council complies with the CIPFA Treasury Management and Prudential Codes.
- Conclusions: Treasury activities for the year have been carried out in accordance with the CIPFA Code and the Council's Treasury Strategy.
- Recommendations: That Council be asked to resolve that the Treasury Management Annual Report for 2021/22 is approved.
- Reasons for Recommendations: Approval by Council demonstrates compliance with the CIPFA Codes.

Cabinet Member(s) Cllr Eric Seward	Ward(s) affected: All
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Contact Officer, telephone number and email:
Alison Chubbock, 07967 325037, alison.chubbock@north-norfolk.gov.uk

12. DEBT RECOVERY 2021/2022

117 - 148

- Summary: This is an annual report detailing the council's collection performance and debt management arrangements for 2021/22
The report includes a:
- A summary of debts written off in each debt area showing the reasons for write-off and values.
 - Collection performance for Council Tax and Non- Domestic Rates.

- Level of arrears outstanding
- Level of provision for bad and doubtful debts

Recommendation: To approve the annual report giving details of the Council's write-offs in accordance with the Council's Debt Write-Off Policy and performance in relation to revenues collection.

Cabinet member(s): Eric Seward
 Wards affected: All
 Contact Officer, Sean Knight 01263 516347
 telephone number, and Sean.Knight@north-norfolk.gov.uk
 e-mail:

13. MANAGING PERFORMANCE Q1

149 - 196

Summary: The revised Managing Performance Report attached, as Appendix A, enables the Council to assess delivery against objectives detailed in the Corporate Plan Delivery Plan 2019-2023 and operational service performance. It gives an overview of progress towards achieving the objectives in the Corporate Plan, assesses the achievements and issues identified in the first quarter of 2022/23, and the actions being taken to address these issues and proposes any further action needed.

Options considered: Options considering action regarding performance are presented separately, issue by issue, to the appropriate Council Committee where committee approval is required.

Conclusions: Good progress has been made over the first quarter of 2022/23 in areas of core service delivery and in respect of key Corporate Plan projects and objectives as detailed in the report.

This has been achieved despite additional unanticipated demands being placed on the authority with respect to directing resources in the People's Services teams to support the Council's response to the Ukrainian crisis and the payment of the £150 Energy Rebate scheme administered by the Revenues and IT teams.

Recommendations: That Cabinet resolves to note this report and endorses the actions being taken by Corporate Leadership Team detailed in

Appendix A – Managing Performance.

Reasons for
Recommendations:

That Cabinet asks for further information or action where they consider it necessary regarding performance as outlined in Appendix A.

To ensure the objectives of the Council are achieved.

Cabinet Member(s) Cllr Tim Adams	Ward(s) affected All
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Contact Officer, telephone number and email: Steve Blatch, Chief Executive

Email:- steve.blatch@north-norfolk.gov.uk

Tel:- 01263 516232

14. NORTH WALSHAM MARKET PLACE IMPROVEMENT SCHEME

197 - 202

Summary: This report sets out the scope of the impending town centre improvement works, the temporary impacts they are likely to have and to propose suitable mitigation.

Options considered: The scheme is part of a programme of measures that will make very significant improvements to North Walsham town centre, its accessibility and its historic assets. In order to assist with the scheme's success it is considered beneficial to mitigate the short-term impacts it might have. An element of short-stay free car parking is considered to be a helpful concession to encourage the retention of town centre custom (footfall). The quantum, duration and location of such concessionary car parking could be varied but the proposal in this report seeks to strike the right balance between mitigating the possible impacts, safeguarding car parking revenue and avoiding the creation of a precedent.

Conclusions: The jointly-funded (Government and Local Authority) place-making scheme will be enormously beneficial but during its implementation, there is likely to be significant disruption to the town centre, its businesses and customers. Car parking will be particularly under pressure as a result of the works and there will be a need to actively manage the parking arrangements. The Council will need to be proactive, in making the necessary arrangements in advance of the disruption, and reactive, in response to issues or representations made along the way.

Recommendations: **To note the scope, impacts and implications of the impending Market Street improvement works and to agree the temporary provision of free-for-two-hours parking at Mundesley Road Car Park (including the appropriate provision of suitable spaces for 'blue badge' holders) from 12th September 2022 until 31st March 2023. If it is not feasible to make such provision in a timely way at Mundesley Road Car Park then Vicarage Street should be the default car park for the concessionary car parking.**

Reasons for Recommendations: This recommendation is being made to mitigate the potential impact the impending works might have on town centre footfall.

Cabinet Member(s) Cllr Richard Kershaw Cllr Eric Seward	Ward(s) affected All North Walsham wards
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Contact Officer, telephone number and email:
Robert Young; 01263 516162; robert.young@north-norfolk.gov.uk

15. PURCHASE OF FURTHER TEMPORARY ACCOMMODATION UNIT 203 -208

Summary: This report reports on the purchase of a further property which the Council will use to temporarily accommodate homeless households.

Options considered: Do not use the allocated budget to purchase property and place households in expensive and inferior bed and breakfast style accommodation.

Conclusions: The Council has a duty to provide temporary accommodation for homeless households. The Council purchases much of this accommodation from the private sector with a significant net cost to the Council. The council has identified an annual capital budget of £250k per annum (2022/23-2025/26) to purchase further properties to provide better quality and better value for money options for homeless households needing temporary accommodation. Officers have used Matters of Urgency powers in the constitution to secure the purchase of a modern 2-bedroom house in Sheringham

Recommendations: That Cabinet notes the purchase

Reasons for To report on expenditure over £100,000.

Recommendations:

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

Purchase of two properties for use as Temporary Accommodation for homeless households – Cabinet, 2 March 2020 Purchase of further property for use as Temporary Accommodation for homeless households - Cabinet 18 May 2020 and Cabinet 7 July 2020 Purchase of four units of Temporary / Move-on accommodation for Rough Sleepers – Purchase recommendations - Cabinet 7 December 2020 Use of Underspends to fund further TA purchase - Cabinet 15 3 21

Cabinet Member(s) Cllr Wendy Fredericks	Ward(s) affected: Sheringham South
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Contact Officer, telephone number and email:
 Nicky Debbage, Housing Strategy & Delivery Manager, 01263 516027,
 nicky.debbage@north-norfolk.gov.uk

16. PROPERTY TRANSACTION - COLLECTOR'S CABIN, CROMER 209 - 218

Summary: The 'Collectors Cabin' is a small thatched former commercial property fronting onto the sunken gardens in North Lodge Park. As previously agreed with Members the premises have been on the market to let since earlier this year and terms have now been agreed with an experienced business couple who will invest in the premises to create an ice cream parlour with outside tables and chairs.

Options considered:

The vacant property asset has been marketed and proposals have been received and these are detailed within the report. A previous option to demolish the premises has now been shelved.

Conclusions: Of the two firm offers received and detailed in the report Proposal 2 is deemed to be the best option given that the financial offer is higher than Proposal 1

Recommendations: 1) Approve Proposal 2
 2) That should there be any further negotiations to the lease proposals, to

delegate to the S151 Officer in consultation with the Portfolio Holder and Assistant Director of Finance, Assets & legal

Reasons for Recommendation: The recommendation is being made as it will provide the best use of the site and would meet the Council's obligation to secure best financial value.

Cabinet Member(s)	Ward(s) affected
Cllr Seward	Cromer Town Suffield Park

Contact Officer, telephone number and email: Neil Turvey 01263 516124 neil.turvey@north-norfolk.gov.uk

17. DEED FOR UNDERLETTING

219 - 224

Summary: The Council leases office accommodation to a tenant that is seeking to under let part or the building and grounds. The lease includes a provision that allows this subject to the Council providing consent.

Options considered: Not applicable

Conclusions: A tenant is seeking to underlet part of the office accommodation it occupies, which it is entitled to do under the term of the lease. The tenant requires the Councils written consent which cannot be unreasonably withheld or delayed.

Subject to satisfactory due diligence including an independent valuation to assess the rent terms, it is intended to appoint solicitors to give consent so that the underletting can complete 1st October 2022.

Recommendations: **To endorse the proposal as outlined in the Exempt Appendix.**

Reasons for Recommendations: To enable the building that has been refurbished and improved to be fully utilised by tenant occupiers.

Cabinet Member(s) Cllr E Seward	Ward(s) affected Holt
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Contact Officer, telephone number and email:

Neil Turvey Strategic Surveyor Tel: 01263 516124 Email:
neil.turvey@north-norfolk.gov.uk

Renata Garfoot Asset Strategy Manager Tel: 01263 516086
Renata.garfoot@north-norfolk.gov.uk

18. EXCLUSION OF PRESS AND PUBLIC

To pass the following resolution:

“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs _ of Part I of Schedule 12A (as amended) to the Act.”

19. PRIVATE BUSINESS

CABINET

Minutes of the meeting of the Cabinet held on Monday, 11 July 2022 at the Council Chamber - Council Offices at 10.00 am

Committee

Members Present:

Mrs W Fredericks
Ms V Gay
Mr N Lloyd

Mrs A Fitch-Tillett
Mr R Kershaw (Chair)
Mr E Seward
Mr A Brown

Members also attending:

Cllr C Cushing
Cllr J Rest
Cllr E Withington

Officers in Attendance:

Chief Executive, Democratic Services Manager, Assistant Director for Finance, Assets, Legal & Monitoring Officer, Director for Communities and Corporate Business Manager

Apologies for Absence:

Cllr T Adams

19 CHAIRMAN'S INTRODUCTION

Cllr R Kershaw welcomed members to the meeting. He said that he would be chairing the meeting in the absence of the Leader, Cllr Adams, as he was currently on paternity leave. He welcomed Cllr Brown as the new Portfolio Holder for Planning & Enforcement and thanked Cllr Toye for his hard work and dedication to the role previously.

20 MINUTES

The minutes of the meeting held on 6th June were agreed as a correct record and signed by the Chairman, subject to the following amendment to Minute 8: Recommendations from Cabinet Working Parties – it should state 'Glaven Valley Villages Conservation Area Appraisals'.

21 PUBLIC QUESTIONS AND STATEMENTS

None received.

22 ITEMS OF URGENT BUSINESS

None received.

23 DECLARATIONS OF INTEREST

None received.

24 MEMBERS' QUESTIONS

The Chairman advised members that they could ask questions as matters arose during the meeting.

25 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

The Chairman of the Overview & Scrutiny Committee, Cllr Dixon, was unable to attend the meeting and had sent his apologies. Members were advised that the following three matters were reported to Cabinet report for information only. Neither was a formal recommendation:

MANAGING PERFORMANCE QUARTER 4 AND CUMULATIVELY FOR 2021/2022

1. To revise and present new performance management framework data focusing on outcomes/issues and/or exceptions reporting and present at the September O&S meeting.
2. To review the new performance management framework and agree on key outcomes/issues or exceptions reporting at September O&S meeting.

NNDC PERFORMANCE BENCHMARKING

1. Use the CIPFA nearest neighbours comparator group.
2. Report on a quarterly basis at the same time as the performance reporting.
3. Seven key benchmarking areas to be included in the initial report as laid out in appendix 1.
4. Performance areas are reviewed on a six-monthly basis.

ENFORCEMENT UPDATE - JUNE 2022

1. To request that Members are notified of all major enforcement action taken, or any significant progress made on cases within their wards, as outlined in the Member-Officer Protocol.

26 OFFICER DELEGATED DECISIONS - MAY TO JUNE 2022

The Democratic Services Manager introduced this item. She explained that it was a statutory report, detailing the decisions taken senior officers under delegated powers between May and June 2022. There were just two decisions to report to members at the current time. They would be reported to the next meeting of the Overview and Scrutiny Committee and then published on the website.

Cllr Seward said that he welcomed the publication of this information on the website as it aided full transparency of the decisions taken by the Council.

It was agreed to note the report.

27 LEVELLING UP FUND ROUND 2 - SUBMISSION OF BIDS

The Chairman explained that there were two bids and they would be outlined separately to members. He invited the Corporate Director for Communities to

introduce the bid for Fakenham. He outlined the background to the Levelling Up Fund, round two for which North Norfolk was a priority area. Bids were based on Parliamentary constituency areas and therefore the Council was submitting two bids – one for the Broadland constituency and one for the North Norfolk constituency. He explained that there had been a delay in submission of the bids due to technical issues with the portal. The original deadline of 6th July had therefore been postponed to an unspecified date. The special meeting of Cabinet that had been scheduled for 4th July to consider the bids ahead of the original deadline, had been cancelled and the bids were now being brought forward to the scheduled July meeting.

He then outlined the bid for Fakenham which proposed an extension to the current Council-owned leisure centre to allow for construction of a 25m, 4 lane swimming pool which would include a moving floor to provide learning facilities and associated wet side changing rooms and changes to the existing internal structure and extension to provide a new fitness suite. In addition, there would be provision of a 3G pitch to the north of the existing centre. The Corporate Director for Communities then shared several slides outlining the proposals and the site plan. He added that several carbon reduction measures were being included as part of the bid.

In terms of preparation for the bid, the Council had used FMG, who had provided support for the designs of the Reef Leisure Centre in Sheringham. They were very experienced in this sector. There had been extensive engagement with stakeholders and over 1000 responses to the public consultation, almost all were overwhelmingly positive. Regarding cost, he said that there was an indicative figure of just over £10m of investment, with a 10% match-funding contribution, made up of money from Fakenham Town Council, Football Foundation funding (towards the 3G pitch) and NNDC making up the difference. He explained that FMG had undertaken a business planning process and suggested that there would be a small additional cost in addition to the current operating costs of the leisure centre.

The Chairman thanked him for his presentation and clarified that if the Council was not successful in the bids for funding that the projects would not go ahead. He thanked the officers for working so hard against an unrealistic timescale.

Cllr N Lloyd reiterated the Chairman's comments and thanked officers for their exceptional work on both bids.

Cllr L Shires sought clarification regarding as to whether Broadland District Council had also submitted a bid to the Levelling Up fund – as the constituency boundary cut through both districts. The Director for Communities replied that they had not as Broadland was a Priority 3 Area. He added that the MP, Jerome Mayhew, supported the Fakenham bid.

Cllr A Brown said that he echoed the thanks to officers for their hard work against a challenging timescale. He then asked if it would be a competition standard swimming pool. The Director for Communities replied that it would be built to Swim England standards and would have 4 lanes.

The Chairman then invited the Chief Executive to introduce the second bid which was for Cromer.

The Chief Executive explained that the Cromer proposals were a programme of investment in the public open space and related infrastructure of Cromer's cliff-top gardens and wild spaces, based on increasing the accessibility, health and wellbeing of local residents and visitors to the town, complementing wider investment made by

the District Council over many years in Cromer Pier, the promenades and town centre. He outlined the proposals in detail and said that there would be a focus on increasing accessibility and supporting mobility, especially for older people. The town had a lot of houses in multiple occupation (HMOs) and small cottages with no outdoor space and these proposals would provide access to a range of attractive open spaces. He concluded by saying that with North Norfolk being a Priority 1 area, it was felt to be a strong proposal, although it should be acknowledged that construction cost inflation was a concern and could prove challenging. He concluded by outlining the costs and said that if Cabinet endorsed the principles of the two bids, a further report would be presented to Full Council on 27th July, seeking approval for the Council's financial contribution towards the projects (if successful in receiving Government funding).

The Chairman thanked the Chief Executive for his presentation and said that the public areas in Cromer were due an overhaul and a successful bid would take the pressure off other public areas in North Norfolk.

Cllr V Gay said that she supported the Fakenham bid and said that she had previously had some concerns that the Cromer bid was made up of several disparate parts. However, having seen the presentation and the pulling together of the various open spaces and public areas under the umbrella of the 'Gem of the Norfolk coast' it was now much clearer that they formed a series of linked landscapes and the bid was about 'knitting' them together and reinforcing the District's existing investment into Cromer and making these areas more appealing and accessible to residents and visitors.

Cllr A Fitch-Tillett commented that caution should be exercised around the cliff top paths. Laying hard surfacing could cause more rubble to fall.

Cllr J Rest referred to previous, unsuccessful proposals to construct a car park in North Lodge park, Cromer. He said that it would generate significant revenue for the Council and could offset some of the costs. The Chief Executive replied that there had not been any public support for the proposals when they had come forward previously. The bid proposed to expand on the Runton Road car park offer and he said it was about striking a balance between the historic townscape and North Lodge Park. He added that as part of the bid submission process, the Council was asked if there were any objections to the proposals from the local community and the inclusion of a car park was likely to generate considerable opposition.

Cllr E Withington said that she welcomed the Cromer bid. She said that she felt that signage could be improved in the town as people did not always know where they were. It could help in pulling the overall vision together. The Chief Executive agreed that it was crucial and said that it had been included in the proposition. He said that signage was currently skewed towards Runton Road as this was the main car park and adjacent to the key areas of interest in the town. He explained that officers had considered the wider narrative and whether the cliff top gardens proposal could be linked to Sheringham and Mundesley but the guidance was clear that it must be geographically and thematically focussed. He concluded by saying that the bid process was highly competitive but because of the constituency boundary issue, they were not in direct competition with each other.

Cllr N Lloyd said that he would suggest a cherry tree walk would enhance the proposed planting scheme and would attract visitors to the area. The Chief Executive replied that there were some challenges planting certain species in a maritime environment but he would take it away for further consideration if the bid

was successful.

It was proposed by Cllr V Gay, seconded by Cllr L Shires and

RESOLVED

To endorse the Council's submissions for Cromer and Fakenham for round two of the Government's Levelling up Fund

Reason for the decision:

1. To inform Members about the second round of the Levelling Up Fund (LUF)
2. To seek Members endorsement of the submission of two bids, ahead of any capital budget approval, if the bids are successful

28 LONG LEASE AT MUNDESLEY PROMENADE AND DISPOSAL OF LAND AT BEESTON PUTTING GREEN, SHERINGHAM

Cllr E Seward, Portfolio Holder for Finance & Assets, introduced this item. He explained that the report outlined two transactions relating to the Council's land portfolio. The first related to a 50 year lease for the Mundesley Inshore Lifeboat and the second to the disposal of land to Sheringham Town Council for continued use as the Beeston Putting Green.

Cllr A Fitch-Tillett said that she welcomed and supported the proposals regarding Mundesley Lifeboat, they provided a vital service for that section of the coast.

It was proposed by Cllr E Seward, seconded by Cllr A Fitch-Tillett and

RESOLVED

To approve the following two property transactions as outlined in this report and the exempt appendix:

1. 50 year lease of land for inshore lifeboat at Mundesley Promenade
2. Disposal of land at Beeston Putting Green, Sheringham.

Reason for the decision:

For the continuation of community services within the district.

29 EXCLUSION OF PRESS AND PUBLIC

30 PRIVATE BUSINESS

The meeting ended at 10.52 am.

Chairman

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Norfolk Business Rates Pool

Summary:	This report reviews the opportunity to continue the Norfolk Business Rates Pool into 2023-24 under the same governance arrangements as the current year.
Options considered:	To remain in the Norfolk Business Rates Pool for 2023-24 or not.
Conclusions:	The continuation of the Norfolk Business Rates Pool offers the potential to retain business rates growth income within Norfolk for re-investment back into the local area.
Recommendations:	That Cabinet resolves to: Continue in the Norfolk Business Rates Pool for 2023-24 with the same governance arrangements as the current Pool
Reasons for Recommendations:	To retain the NNDR income within Norfolk for re-investment to support economic regeneration.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

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Cabinet Member(s) Cllr Eric Seward	Ward(s) affected N/A
Contact Officer, telephone number and email: Alison Chubbock, 07967 325037, alison.chubbock@north-norfolk.gov.uk	

1. Introduction

- 1.1 Since 2013 within the existing Local Government Finance Act, local authorities are able to set up Business Rates Pools for a local area where all authorities agree to do so. There have been ongoing discussions for many years now about a further review of the Business Rates system and the Fairer Funding review for local government finance, however at this time these changes have not been completed and the timescales remain unclear.
- 1.2 By forming a Business Rates Pool it allows the Pool to retain the levy payment on all business rates growth within the local Pool, rather than paying this amount to central Government. The levy payment is currently 50% of all growth achieved by individual authorities above the base line set as part of

the Local Government Finance Settlement for each authority. Norfolk has operated a business rates pool since 2013 and North Norfolk District Council and the wider Norfolk authorities have benefitted from these arrangements. In 2021-22 the Norfolk Pool was dissolved due to the potential risks and uncertainty surrounding business rates income following the Covid-19 pandemic and the Norfolk Pool was then re-established for 2022-23.

- 1.3 On 18 August 2022 the Department for Levelling Up, Housing and Communities (DLUHC) issued an invitation to authorities for preferred Pooling arrangements for the 2023-24 financial year. At this stage there have been no policy decisions by Ministers around business rates pooling and these are not expected until the provisional local government finance settlement in the late autumn, therefore this invitation is an in-principle invitation until the policy decisions have been made.

The DLUHC have set a deadline for responses from Pools of 22 September 2022, it will not be possible for Pool membership arrangements to change after this date. However as in previous years there is a 28-day period following the publication of the provisional local government finance settlement in which any authority can choose to revoke a Pool, the option at this stage is only to revoke the Pool in its entirety not to make any changes.

2. Norfolk Business Rates Pool Proposal 2023-24

- 2.1 The proposal for 2023-24 is to continue the Norfolk Pool with the same membership and governance arrangements as the current year, with Norfolk County Council continuing to be the lead authority. The aim of the Pool is to maximise the retention of locally generated business rates and to ensure that it supports the economic regeneration of the wider Norfolk area.

The Norfolk Pool MoU was updated in 2022-23 and the distribution of the business rates income from the Pool was changed from the previous project bidding system to a more straightforward distribution of funding:

- One third to Districts shared equally
- One third to the County Council
- One third to be distributed to Districts based on actual growth achieved, after an allocation of one third to the County Council

- 2.2 Forecasts for the current year predicted a potential gain of circa £5.9 million for the whole Norfolk Pool, resulting in that funding being retained in Norfolk, of which around £560k would be distributed to North Norfolk DC. Draft results from 2021-22 also show that all Norfolk authorities were in a business rates income growth position. In 2020-21 North Norfolk received £675k share from the 2020-21 Pool.

No forecasts have yet been produced for 2023-24 for Norfolk, however based on previous years performance it would appear to be beneficial to continue the Norfolk Business Rates Pool. If all Norfolk authorities agree in principle to continue the Norfolk Pool then forecasts will be produced through the budget setting process and reviewed by the Norfolk S151 Officers, allowing time to revoke the Pool if it is deemed too risky.

- 2.3 There are financial risks associated with Pooling. Where an authority's business rates income falls below 92.5% of their baseline funding position they qualify for a safety net payment from Government, however if that authority is part of a Pool and the Pool in its entirety is above the combined safety net threshold, then the Pool must cover this safety net payment, resulting in less retained growth for distribution locally. To help protect against this event, the Norfolk Pool has a £1m volatility fund set aside.

3. Corporate Plan Objectives

- 3.1 Any income received from the Norfolk Business Rates Pool can be used to support economic regeneration in Norfolk, either through individual local projects or joined up projects with other Norfolk authorities, thus supporting the Councils corporate plan themes in those areas such as Boosting Business Sustainability and Growth.

4. Medium Term Financial Strategy

Any income received from the Norfolk business rates pool will help to support future economic regeneration of the area.

5. Financial and Resource Implications

Forecasts have not yet been produced for the 2023-24 year, these will be produced through the budget setting processes and reviewed by the Norfolk S151 Officers to determine if the Norfolk Pool remains beneficial.

By continuing the Norfolk Business Rates Pool the income is retained in the local area, rather than being paid across to Government.

6. Legal Implications

None as a direct consequence from this report

7. Risks

There is a risk that a major business in the county could close or receive Business Rates relief (i.e. through a major fire), resulting in lower income for the Pool.

Where an authority's business rates income falls below 92.5% of their baseline funding position they qualify for a safety net payment from Government, however if that authority is part of a Pool and the Pool in its entirety is above the combined safety net threshold, then the Pool must cover this safety net payment, resulting in less retained growth for distribution locally. To help protect against this event, the Norfolk Pool has a £1m volatility fund set aside.

8. Sustainability

None as a direct consequence from this report.

9. Climate / Carbon impact

None as a direct consequence from this report.

10. Equality and Diversity

This report does not raise any equality or diversity issues.

11. Section 17 Crime and Disorder considerations

This report does not raise any crime and disorder considerations

12. Conclusion and Recommendations

The continuation of the Norfolk Business Rates Pool offers the potential to retain business rates growth income within Norfolk for re-investment back into the local area. If no Pool is formed this income would be paid across to Government instead and lost from the Norfolk area.

It is recommended to continue in the Norfolk Business Rates Pool for 2023-24 with the same governance arrangements as the current Pool.

Registering interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in “The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012”. You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

“Disclosable Pecuniary Interest” means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A ‘sensitive interest’ is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a ‘sensitive interest’ you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a ‘sensitive interest’, you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.
5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it

Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a ‘sensitive interest’, you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
 - a. your own financial interest or well-being;
 - b. a financial interest or well-being of a relative, close associate; or
 - c. a body included in those you need to disclose under Other Registrable Interests as set out in **Table 2**

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied

9. Where a matter **affects** your financial interest or well-being:
 - a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 - b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

10. Where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must make sure that any written statement of that decision records the existence and nature of your interest.

Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain. [Any unpaid directorship.]
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the

	<p>councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council —</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land and Property	<p>Any beneficial interest in land which is within the area of the council.</p> <p>'Land' excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.</p>
Licenses	<p>Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer</p>
Corporate tenancies	<p>Any tenancy where (to the councillor's knowledge)—</p> <p>(a) the landlord is the council; and</p> <p>(b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.</p>
Securities	<p>Any beneficial interest in securities* of a body where—</p> <p>(a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were</p>

	spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2: Other Registrable Interests

You have a personal interest in any business of your authority where it relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority
- b) any body
 - (i) exercising functions of a public nature
 - (ii) any body directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)



CABINET WORKING PARTY - PROJECTS

Minutes of the meeting of the Cabinet Working Party - Projects held on Wednesday, 18 May 2022 in the remotely via Zoom at 10.00 am

Committee	Mr T Adams (Chair)	Mrs A Fitch-Tillett
Members Present:	Ms V Gay	Mr R Kershaw
	Mr E Seward	

Officers in Attendance:	Corporate Programme & Project Manager, Democratic Services Manager, Corporate Business Manager and Programme & Projects Manager, Director For Place & Climate Change, Climate & Environmental Policy Manager
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Apologies for Absence:	Cllr N Lloyd
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1 APOLOGIES

Apologies were received from Cllr N Lloyd.

2 MINUTES

The minutes of the meeting of the Cabinet Working Party for Projects held on 23rd March 2022, were approved as a correct record and signed by the Chairman.

3 DECLARATIONS OF INTEREST

None received.

4 ITEMS OF URGENT BUSINESS

None received.

5 PROJECT UPDATE REPORTS

Updates were provided on each project in turn:

1. North Walsham Heritage Action Zone

The Project Manager said that work was progressing well on Cedar House. The interior had been stripped out and the roof repaired. Heating options were now being considered. She confirmed that it would be an electric system. The Assistant Director for Sustainable Growth added that this would incur an additional cost as it was an upgrade on the existing to make it more carbon efficient. The Chairman thanked the officers for the recent tour of the project. He had found it really useful and was impressed by what had been achieved so far.

Cllr R Kershaw said that cultural events were really enhancing the overall project.

The recent food fair had been very busy and there was a lot of interest in the upcoming craft market too. Confidence in the town was gathering momentum and it was positive to see.

Cllr E Seward agreed that the project was progressing well but said that he remained nervous. Regarding the Cedars, he said that there were two potential risks which needed to be monitored. There was currently a pause on works and it was imperative that costs and required funding for the replacement electrical system were resolved as soon as possible. The second risk was lack of use of the building once it was finished. It was vital that it was used. The Town Council had agreed heads of terms but no response had been received from the County Registrar, despite the heads of terms being sent to them in February. There had been some private interest too but it needed to be flagged up as a concern as the building needed to be occupied as soon as it was refurbished and available. Cllr Seward agreed that the Street Feast event had been a major boost to the project and he hoped that the popularity of the craft fair would add to the momentum. He welcomed progress on the bus interchange which seemed to be on schedule. Work on the Shambles was a bit behind but the work completed so far looked very impressive. In terms of future planning, he said that consideration would need to be given as to how to manage the car parking situation as the next phase of the project began in June / July.

Cllr V Gay said, that as a resident of the town, she found the progress on the project to be very cheering. It was really good to see the change in emotions as residents noticed the progress being made. Cllr Gay then asked whether there was any indication that the County Registrar was reluctant to agree to signing a lease or whether it was just a delay at their end. The Assistant Director for Sustainable Growth replied that the Council's surveyor was liaising closely with all potential tenants of the Cedars and discussions had taken place regarding layout, lighting etc. He added that he believed that the County Council was keen for the Registrar to be based there but agreement needed to be reached on the location within the building. He said that a sub-contractor was lined up to undertake the works and it was just a case of budget reconciliation internally now. Cllr Gay said that having the Registrar based at the Cedars was a positive move for the town as it was a much nicer location.

The Chairman referred to Phase 3 of the project and asked about timescales. The Project Manager replied that the redesign for the space adjacent to the Black Swan pub had been sent through yesterday. She advised that a planning application had been submitted for work on the walls to allow accessing from the car park. It was hoped that work could commence from the end of June.

Cllr J Toye asked whether the Council was seeking to promote active travel / public transport with the new interchange coming into use. The Project Manager confirmed that this was one of the elements of the overall masterplan for the project. Cycle lanes were being installed as part of the public realm improvements and 'way finding' and signage would be put in place to highlight walking trails. In addition there would be more promotion of the bus interchange. Cllr Toye asked whether the cultural events that were planned could be used to promote all the alternative means of travel. The Assistant Director for Sustainable Growth said that part of the Local Enterprise Partnership (LEP) funding related to active travel, adding that NNDC instigated the cultural events but didn't run them. He said that it was important to ensure consistent messaging regarding sustainable travel across all of the towns in the District. He said that the next milestone was the confirmation of the Traffic Regulation Order (TRO). By using the town for craft and food fairs, it was an

opportunity to demonstrate how it would look in the future. The Chairman asked whether any comments had been received in response to the TRO consultation. The Assistant Director for Sustainable Growth replied that he was not aware of any.

The Chairman asked about the overall budget for the project and if there were any pressures. The Project Manager replied that the process was underway for the town centre public realm and highways works. Target prices from the contractors were awaited for the market place and Black Swan Loke areas. Once the costs were available, they would be in a better position to understand which elements of the scheme could be funded and which needed alternative sources of funding. She added that the project was a catalyst for bringing in future funding and opportunities. This was helped hugely by the good working relationship between all of the key partners.

The Assistant Director for Sustainable Growth said that it was good news that the budget had expanded after year one and then again after year two and the excellent relationship that the Council had with Historic England (HE) had been instrumental in this increase in funding. The main challenge to the budget at the moment was rapidly increasing construction materials costs. Where possible, materials were being purchased in advance and stored. A cautious approach was being taken, however, and only materials for areas that were definitely being improved were being purchased in advance. He added that the budget for cultural activities were sound.

Cllr Kershaw clarified that the major parts of the project would proceed as planned. Only some smaller elements would be adjusted and alternative funding would be sought for these.

The Project Manager then updated the Working Party on the Building Improvement Grants (BIGs). So far, there had been 27 expressions of interest mainly within the Market Place and Kings Arms Street. Three had been approved so far, with two having started on site. A few were currently with HE for review. It was a complex process as it often required listed building consent and priority was being given to projects that would have the most impact.

2. Fakenham Roundabout

The Corporate Programme & Project Manager (MC) explained that there was due to be a meeting shortly to discuss the 'tri-partite' agreement, which had still not been signed. This was due to some nervousness on the liability for any overspend. It was unlikely that any prices would be available until May or June now. The work on the designs was ongoing and on schedule.

The Chairman asked about the drainage system and if there was any update. The Corporate Programme & Project Manager said that there had been some discussions between Norfolk CC and Savills but she had no further information at this time. She added that there had been further discussions regarding other issues including the provision of access for the farmer and closing Water Moor Lane and providing a temporary diversion and whether this should be made permanent. She said that she had some concerns that the funding window closed in March 2023 and that it could be challenging to meet this deadline if the additional work required did not take place in a timely manner.

Cllr E Seward asked whether the Council would be required to release more budget for the project. The Corporate Programme & Project Manager replied that the

Council did not want to be liable for any overspend. The estimated cost of the project was £1.2m - £1.4m and until costs were established, it was hard to predict how much additional funding would be required. Cllr Seward then referred to the residential development which had stalled due to the impact of the recent ruling on nutrient neutrality. He asked whether this would have an impact on the delivery of the roundabout project. The Corporate Programme & Project Manager replied that the nutrient neutrality issue had not had an impact as yet.

Cllr J Toye commented that the materials should be purchased as soon as possible to mitigate against escalating costs. He asked whether the drainage issues were linked to nutrient neutrality or to ease pressure on the site. The Project Manager replied that she didn't know, adding that nutrient neutrality shouldn't affect the scheme as it only required a habitat assessment.

3. Local Plan

In the absence of the Planning Policy Manager, the Director for Place & Climate Change provided a brief update on the local plan. He said that the impact of nutrient neutrality on local plan making needed to be taken into account as it would cause some delay. He added that the Norfolk authorities had appointed a QC to give advice and he hoped to be able to provide an update within the next 2 – 3 weeks. Cllr Seward commented that 89 planning cases had been held up by the nutrient neutrality issue and it would be helpful if this figure could be equated to the number of houses, including affordable homes.

4. Tree Planting

The Climate & Environmental Policy Manager said that there was not much to report on this project as the tree planting season had now finished. The next season would be between October 2022 and March 2023. To date 72,000 had been planted and it was anticipated that all the remaining trees would be planted by the end of March 2023. The project was running on time and within budget.

In terms of risks, there were ongoing difficulties in purchasing large numbers of trees, especially native species. There were also risks associated with landowners dropping out of planned projects. This was usually due to them opting for an alternative scheme which provided an ongoing payment for tree planting.

The Chairman congratulated the team on all their hard work.

5. Net Zero Strategy and Action Plan

The Climate & Environmental Policy Manager said that the Net Zero Strategy & Action Plan now had an established Board in place to oversee the significant range of projects which were being put in place in order for the Council to meet its net zero target. Two projects had been prioritised by the Board. The first was the appointment of a consultant to assess all of the Council's assets (including leased assets) and make recommendations regarding energy efficiency processes to support decarbonisation. This piece of work would also gather data to inform subsequent carbon baseline assessments. The second priority work-stream was to establish an ongoing process for calculating the Council's carbon emissions. It was hoped to bring this work in-house as the process needed to be streamlined. She explained that it was hoped that a graduate intern could be employed to do this work, via UEA. Both work-streams had been allocated a budget.

The Climate & Environmental Policy Manager explained that there was a communications strategy in place to promote the Net Zero Strategy.

In terms of risks, the focus needed to be on highlighting the level of work needed to achieve the Net Zero target of 2030 and the impact of Council decisions on this target. Wording would be included in committee report templates to address this issue.

The Chairman asked whether a consultant had been appointed yet to assess the Council's assets. The Climate & Environmental Policy Manager replied that the Estates and Asset Strategy Manager was leading on this and she was liaising with APSE to find a suitably qualified consultant.

Cllr V Gay said that she was fully supportive of appointing a graduate intern for the second priority work-stream.

6. The Reef Leisure Centre, Sheringham

The Assistant Director for Sustainable Growth said that there were still some outstanding 'snags' but it was expected that the architect would make a final visit to the site in the next month. He added that there were no significant outstanding issues. The Council had initiated proceedings to settle the final account and it was hoped that there would be a meeting soon to agree how to progress. He concluded by saying that there was still some internal signage to be put in place. Once this was done then the final grant could be claimed from Sport England. Usage of the Reef remained high and continued to perform above expectations.

6 MEDIUM PROJECTS

Cllr V Gay asked if there was an established review process in place for medium-sized projects. The Project Manager replied that the Medium Project Boards were managed by the Directors and they met bi-monthly and all of the projects were reviewed. The Cabinet Working Group could request to review any project at any time. She went on to explain that once a project was finished, two documents needed to be completed – a sign off document and a 'lessons learned' document. It had not yet been agreed where the 'lessons learned' documents would be reported to. One suggestion was that they came through to the Working Party for review.

Cllr A Fitch-Tillett said that Coastal Partnership East (CPE) was using SCAPE and meeting on a monthly basis to review and monitor all of the relevant projects. It provided a firm structure and control mechanisms all the way through the process.

The Assistant Director for Sustainable Growth said that he supported Cllr Gay's comments regarding feedback on completed projects. This information was crucial and should be included as part of the process for all projects. However, it was important that any lessons were learnt and that resources were put in place to support this.

Cllr E Seward referred to the enabling land adjacent to the Reef. It was worth approximately £1m and it was important that it was included and reported on regularly as it was key to the financing of the overall scheme.

Cllr Seward asked about the solar car port project at the Reef and whether it was progressing. He asked for an update at the next meeting. He then referred to the public conveniences at Vicarage Street in North Walsham and queried the listing of

'no status' for this project as he understood it was progressing. The Project Manager replied that this indicated that no paperwork had been submitted yet for this project.

7 EXCLUSION OF THE PRESS AND PUBLIC

The meeting ended at 11.08 am.

Chairman

REPORT, RECOMMENDATIONS & ACTIONS**11. CCFA: IMPACT OF SECOND HOMES AND HOLIDAY LETS DATA REPORT****RESOLVED**

1. It is recommended that Members note the data provided in the report and consider the merit of draft policies relating to Council Tax and Planning restrictions, alongside the resources required to implement such policies.
2. To recommend to Cabinet that NNDC supports the draft provisions of the Regeneration and Levelling Up Bill which would enable the doubling of Council Tax on second homes, alongside the Council making representations to Government seeking further legislative changes to enable the retention of increased tax revenue collected by 2nd tier authorities (District Councils).
3. To recommend to Cabinet that NNDC supports the extension of planning controls proposed in the draft provisions of the Regeneration and Levelling Up Bill, alongside the Council making representations to Government seeking further changes to request that all second and holiday homes require planning permission.
4. To recommend to Cabinet that NNDC responds positively to a call for evidence on the registration of tourist accommodation.
5. If Cabinet are not satisfied that the data provided in the report provides the necessary information required to support mitigation measures, it is recommended that consideration is given to what further investigation is required, and the resources necessary to undertake such investigations.
6. To recommend to Cabinet that consideration is given to consulting Parish and Town Councils on the impact of second homes and holiday lets, and take account of any proposed mitigation.

ACTIONS

1. Scrutiny Officer to arrange Member Briefing on impact of second homes with Prof. C Hilber

12. EQL SCRUTINY PANEL: PUBLIC CONVENIENCES REVIEW & RECOMMENDATIONS REPORT**RESOLVED****Urgent recommendations:**

1. To recommend that all options for campervan waste disposal such as those commercially available and/or portable disposal systems are considered by the Environment Portfolio Holder and relevant Director for urgent implementation in appropriate areas to mitigate the impact of this waste on existing public conveniences during the summer season.

2. To recommend investigation of the potential for installation of campervan waste disposal facilities at existing suitable public convenience sites and County run public recycling centres, with appropriate local advertising, if such facilities are seen as consistent with current laws covering 'Wild Camping' and NNDC environmental policies and considered effective in solving current fly-tipping problems.

High priority recommendations:

3. To recommend that an external audit of the Council's public conveniences is undertaken to review factors including: lighting, signage, cleanliness, site position, energy efficiency etc.
4. To recommend that a review of the outcomes of the external audit alongside current structural surveys is undertaken during winter 2022-23 to develop an action plan for the facilities in 2023-24 and annually thereafter, actioned by Property Services, Estates and the Environmental Health (Cleansing).
5. To recommend that a cleansing 'standard' is established, embedded and reported on to ensure cross facility standards are maintained across the District.
6. To recommend that consideration be given to extend and enable out of hours accessibility of disabled toilets in major tourism locations, through security improvements.
7. To recommended that a standard design 'type' be adopted that is flexible enough to fit most locations where new build may be an option. The use of single self-contained WC cubicles would eliminate wasted lobby areas, address equality and diversity needs and allow partial closures during quieter months or maintenance works.

Normal priority recommendations:

8. To recommend that a simple customer feedback system is created and promoted to obtain and maintain ongoing feedback to support and evidence need for future changes or address any issues.
9. To recommend that the Strategy is reviewed and updated at least every 4 years, and that an annual review of the service provision and customer feedback is undertaken by Property Services and cleansing providers, and considered by the Overview & Scrutiny Committee or Scrutiny Panel.
10. To recommend that the decision making matrix be used and refined to determine future need.
11. To recommend that location suitability be assessed as part of the PC external audit/review.
12. To recommend that design and cost-benefit analysis of self-contained cubicle facilities are undertaken for all new public conveniences or major refurbishments (where possible) to offer single sex and gender neutral facilities in line with current legislation.
13. To recommend that all opportunities are regularly explored to improve the financial sustainability and continuation of public conveniences across the District such as service costs and maintenance, to include new technology, advertisement and commercial opportunities.

- 14. To recommended that when a new build or major refurbishment is required that the decision matrix is used to determine if the facility is of an appropriate size (ie numbers of cubicles) and in a desirable location (see audit/review results).**
- 15. To recommended that any major refurbishments or new builds include costings for green/renewable technology to reduce environmental impact (energy efficiency, water use, carbon reduction) and cost efficiencies so that Members can select the most appropriate course of action for each location.**

OUTTURN REPORT 2021/2022

Summary:

This report presents the provisional outturn position for the 2021/22 financial year which shows a General Fund underspend of £615,740. It also provides an update in relation to the Council's capital programme. Details are included within the report of the more significant year-end variances compared to the current budget for 2021/22. The report also makes recommendations for contributions to reserves.

The report provides a final budget monitoring position for the 2021/22 financial year. The report makes recommendations that provide funding for ongoing commitments and future projects.

Options considered: Conclusions:

The revenue outturn position as of 31 March 2022 shows an overall underspend of £615,740. The final position allows for £409,855 from budget and grant underspends to be rolled forward within Earmarked Reserves to fund ongoing and identified commitments for which no budget has been allocated in 2022/23. The position as reported will be used to inform the production of the statutory accounts which will then be subject to audit by the Council's external auditors.

Recommendations:

Members are asked to consider the report and recommend the following to Full Council:

- a) The provisional outturn position for the General Fund revenue account for 2021/22;**
- b) The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2022/23 budget;**
- c) Allocate the surplus of £615,740 to the General Reserve;**
- d) The financing of the 2021/22 capital programme as detailed within the report and at Appendix D;**
- e) The balance on the General Reserve of £2.33 million;**
- f) The updated capital programme for 2022/23 to 2025/26 and scheme financing as outlined within the report and detailed at Appendix E;**
- g) The roll-forward requests as outline in Appendix G are approved.**

Reasons for
Recommendations:

To approve the outturn position on the revenue and capital accounts used to produce the statutory accounts for 2021/22.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

Budget Monitoring Reports, NNDR returns

Cabinet Member(s)
Cllr Eric Seward

Ward(s) affected All

Contact Officer, telephone number and email:

1. Introduction

- 1.1 This report presents the provisional outturn position for the 2021/22 financial year which will be used to inform the production of the Council's statutory accounts which will be subject to audit review ahead of presentation to the Governance, Risk and Audit Committee (GRAC).
- 1.2 Due to the impact of the Coronavirus pandemic the deadlines for the statutory annual accounts have been extended. The draft statements should have been published by the 31 July, with public inspection commencing before 1 August. Due to unavoidable resourcing issues within the finance team this deadline has not been met for 2021/22. A notification has been published on the Council's website. Work continues to be undertaken to get a draft set of accounts published as soon as possible. The external audit of the 2021/22 accounts is scheduled to commence in February 2023.
- 1.3 Commentary on the more significant year-end variances is included within the report with further supporting information provided within the detailed appendices.
- 1.4 The report also includes a current forecast position statement on the level of reserves along with the outturn and financing position for the 2021/22 capital programme. The capital programme for the period 2022/23 to 2025/26 has been updated to take account of the outturn position and is included within this report and appendices.
- 1.5 All budgets have been monitored during the year by Service and Finance Officers with regular reports being presented to Cabinet and Overview and Scrutiny. The period 10 budget monitoring report was presented to Cabinet in February which covered the first 10 months of the year up to the end of January 2022. At the time this report was forecasting a General Fund underspend of £414,439.

- 1.6 The outturn position for the year ending 31 March 2022 is a net £615,740 surplus. This report recommends contributing the 2021/22 surplus into the General Reserve in order to help offset the impacts of pay and inflation at above budgeted levels in 2022/23, resulting from international impacts. This report now presents the final budget monitoring position for the year. The contents of this report will be considered by the Overview and Scrutiny Committee on 14th September 2022.

2. Revenue Account – Outturn 2021/22

- 2.1 The revenue account position for the year shows a total surplus of £615,740 as detailed at Appendix A. This is after allowing for transfers to Earmarked Reserves for current and known commitments. The transfers to and from reserves in the year are made in line with the Council's policy framework for Earmarked Reserves as approved as part of the annual budget setting process. Earmarked Reserves are typically used to set aside funds for known or specific liabilities. Transfers to Earmarked Reserves have been made for the following:

- A) Where an underspend has occurred within a service, mainly due to the timing of work not being completed as planned (by 31 March 2022), and also where no future budget exists or where there is a one-off commitment that continues into the 2022/23 financial year.
- B) Where external funding has been received in 2021/22 for which the expenditure has not yet been incurred.
- C) Where the 2021/22 budget allowed for expenditure to be funded from an Earmarked Reserve, but the spend has not yet been incurred as planned and therefore the funds remain in the Earmarked Reserve until 2022/23.

2.2 Estimates included in the Accounts

The provisional outturn position includes some significant figures which are subject to external audit, these are in relation to Benefit Subsidy and Business Rates Retention.

- 2.3 **Benefits Subsidy** - The benefit subsidy return was completed and submitted by 13 May 2022 and will be subject to external audit review later in the year. Depending on the outcome from the external audit review there could be an impact on the overall financial position, for example should a subsidy repayment be due to the Department for Work and Pensions. It is for this reason that the Council holds a Benefits Earmarked Reserve to mitigate any such impact.

- 2.4 **Business Rates** - Under the current system an element of the business rates is retained locally (split between the County (10%) and Districts (40%)) with the balance (50%) being returned to Central Government. The budget for the year was informed by the baseline funding and the NNDR1 position. The outturn position is based on the National Non Domestic Rates (NNDR3) Return which is submitted annually. The draft NNDR3 return was submitted to Government during August 2022 and is subject to external audit as part of the final accounts audit, before being finalised. Due to resourcing challenges and business rates knowledge within the Finance Team the NNDR3 deadline

of 30 June 2022 was missed this year, however we have kept the relevant Government department fully informed.

- 2.5 In the same way that council tax operates a 'Collection Fund' which distributes the precepts/shares of council tax collected to the respective authorities, the business rates collection fund distributes the respective shares of business rates based on the NNDR return. Should the actual income collected from business rates exceed or not meet the anticipated amounts there would be a surplus or deficit on the fund. As with the benefits subsidy above, the Council operates a Business Rates Earmarked Reserve to help mitigate against any potentially negative impacts of these arrangements.
- 2.6 Table 1 shows the main variances across the standard expenditure headings which comprise the Net Cost of Services. Details of the variances at the service level are provided at section 3.

Table 1

2021/22 Subjective Analysis	2021/22 Updated Budget	2021/22 Outturn	Variance	
	£000	£000	£000	%
Employee Costs	13,359	15,796	2,437	18.2
Premises	3,100	3,449	349	11.3
Transport Related Expenditure	328	301	(27)	(8.2)
Supplies & Services	10,192	49,536	39,344	386.0
Transfer Payments	21,461	19,919	(1,542)	(7.2)
Capital Financing Costs	2,941	1,964	(977)	(33.22)
Income	(32,932)	(72,603)	(39,670)	120.5
Total cost of services	18,140	18,061	(79)	(0.4)

- 2.7 The reasons for some of the movements included in the summary above are as follows, further details are included at section 3:

A) Employee Costs – the majority of the variance on employee costs £2,359,001, is in relation to adjustments in current service costs on the Local Government Pension Scheme. This adjustment reflects the difference between the cash contributions the Council has made into the Pension Fund during the year and the value of pensions accumulated in the year calculated by the actuary. These additional costs are reversed out under net operating expenditure and have no bottom-line impact on the revenue outturn position although the increase is reflected in long term liabilities on the Balance Sheet. Capital Salaries. £95,781 Impact of less salary costs being charged to and funded from the Capital programme.

B) Premises – £75,271 Contract cleaning costs, these additional costs have been partially offset by an allocation of the general Covid support grant. £303,915 Repairs and Maintenance on the councils' assets including car parks, public conveniences and temporary accommodation. There has been a full year saving (£62,498) on sea defence costs.

- C) Supplies and Services** – The majority of this variance is in relation to grants and contribution payments made in response to the pandemic. These include Test and Trace, Household Support, Local and Additional restrictions and Restart grants. These payments were fully funded by the Department for Business, Energy and Industrial Strategy (BEIS) and Department for Health and Social Care. In addition to these other variances include £153,608 Computer costs. (£52,808) Postage and hybrid mailing (£116,011) Movement in the provision for bad and doubtful debts. £185,387 Bed and Breakfast charges, £387,363 Contractor payments including support for the leisure contract funded from the general Covid support grant.
- D) Transfer Payments** - This relates to the reduced value of housing benefits payments made in 2021/22. This reduction is offset by a reduction in Subsidy claimed from the Department for works and Pensions (DWP)
- E) Capital Financing Costs** – The current General fund position excludes the final capital adjustments; these do not have an impact of the Councils final outturn revenue position.
- F) Income** – There were significant income variances for the year, including:
- Car Parking – (£330,721) Season tickets, Penalty fees and car parking charges.
 - Grants – There is a favourable variance against budget of (£39,722,957). The majority of this relates to Covid 19 grants which included small business, grants such as Omicron Hospitality and Leisure and Restart grants and other grants supporting the wider community including test and trace and household support. A further allocation of general support grant was received which although not allocated within the net cost of services has been used to offset eligible expenditure.
 - Waste – (£211,831) trade waste and (£150,953) recycle credit income. (£254,903) Smoothing mechanism grant (this has been largely offset by contribution to partnership)
 - Business Rates pool share 2020/21 (£674,658) this is to be earmarked and spent on future eligible projects.
 - As a result of reduced housing benefit payments being made during 2021/22 there was a reduction of subsidy of £2,061,465 claimed from the DWP.

3 **Revenue Account – Detailed Commentary 2021/22**

- 3.1 This section of the report highlights the more significant direct cost and income variances compared to the current budget. Further commentary on some of the smaller variances is also included within Appendix B which accompanies this report. Accounting standards require a number of notional charges to be made to service accounts. Notional charges include transactions in relation to capital charges, revenue expenditure funded from capital under statute (REFCUS) and pension costs, and whilst they do not have an impact on the 'bottom line' i.e., the surplus or deficit for the year, they are included for reporting purposes. Appendix A shows the overall revenue

position including notional charges; however, to assist reporting and explaining 'real cash' variances, Table 2 provides a summary of the position excluding notional charges.

Table 2 - 2021/22 Revenue Account (Excluding Notional Charges)	Updated Budget £	Outturn £	Variance £
Service Area:			
Corporate Leadership /Executive Support	410,768	327,651	(83,117)
Communities	6,760,395	5,998,613	(761,782)
Place and Climate Change	3,913,527	3,677,887	(235,640)
Resources	4,376,052	3,982,153	(393,899)
Net Cost of Services	15,460,742	13,986,303	(1,474,439)
Parish Precepts	2,573,788	2,573,788	0
Net Interest Receivable/ Payable	(860,299)	(1,028,673)	(168,374)
MRP - Waste Contract	744,000	744,000	0
Capital Financing	1,027,574	1,319,152	291,578
Contribution to /(from) Earmarked Reserves	(1,193,098)	(6,455,613)	(5,262,515)
Contribution to /(from) General Reserve	(86,341)	3,291	89,632
Net Service Expenditure/Income to be met from government Grant & Taxpayers	17,666,366	11,142,248	(6,524,118)
Government Grants and Council Tax	(17,666,366)	(11,757,988)	5,908,378
Net (Surplus)/Deficit for the year	0	(615,740)	(615,740)

3.2 Service Variances – The following provides commentary of the more significant variances (over/under £50,000) across the different service areas, excluding those relating to capital charges and pension costs. More detailed variance explanations are provided within the detailed appendices. These figures represent service variances before any additional contributions to/ (from) reserves and revenue contributions to capital.

Service and Details
Communities - Environment and Leisure Services
Car Parking – Fee income (£21,662) Commission from electric vehicle charging points. (£315,375) Additional car parking income, from ticket income, excess parking charges and season tickets.
Leisure Complexes – £361,431 additional management fees funded from the general Covid 19 support grant. £21,746 Professional fees relating to The Reef. £42,154 No profit share in 2021/22. (£14,894) National recovery fund grant.
Waste Management and Disposal – (£19,468) Lower costs for trade waste disposal; and (£23,334) processing of recycled materials; £39,832 Consultancy and procurement costs (NEWS); £23,041 Serco contractor costs; (£43,367) Net Contribution towards from Partners re Smoothing Mechanism - (£134,544) Increased

fee income from trade waste customers; (£72,653) Increased fee income from garden waste customers; (£31,071) Increased income for bulky waste collections; (£27,655) Misc. recharges for Deed of Variation. (£150,953) Increased recycling credit income. A revenue contribution to capital (RCCO) of £71,000 has been made from these savings.

Communities - People Services

Benefits Administration – £23,000 Civica new claim form software funded from the benefits earmarked reserves. (£63,273) Additional Department for Works and Pensions (DWP) funding. (£32,862) Additional Administration subsidy.

Homelessness – Temporary accommodation costs £93,251 Repairs and maintenance, £17,390 utility costs. £185,357 Bed and Breakfast charges. £22,531 Rent deposit scheme. (£60,000) Allocation of Rough Sleeper Initiative (RSI) not spent (offset by a reduction in grant). (£65,038) Top up homelessness prevention grant (£32,138) Domestic abuse grant. (£254,088) Additional recoverable charges from subsidy and client contributions.

Community – £46,553 Additional staffing costs, some of which relate to fixed term posts funded by grant. (£7,800) Professional fees. (£83,654) Community Grants and contributions not made. Contain Outbreak Management Fund (COMF) and funding for posts. (£36,083) Surplus Home Improvement Agency (HIA) income.

Place and Climate Change – Planning

Planning Policy – (£59,837) Staff turnover savings. (£27,303) Slippage in Local Plan expenditure this will be offset by a reduced contribution from the New Homes Bonus reserve.

Conservation Design and landscape – (£5,000) Qualification budget not utilised. £12,358 Temporary staffing costs. £7,151 Enforcement board costs funded from earmarked reserves. (£41,852) Conservation area appraisals funded from the General reserve. (£16,750) Contribution budget, accruals in respect of prior year contributions to the Historic Environment Service - not offset by expenditure.

Building Control – (£60,063) Building Control fee income above budget, as this service is costed on a self-financing basis any surplus will be earmarked in the Building Control reserve.

Place and Climate Change – Economic Growth

Economic Growth – £20,306 Sheringham Little Theatre Repairs and Maintenance. £830,226 Covid-19 Additional restrictions grants (ARG) funded from government grant. (£27,000) balance Historic England for North Walsham Cultural Consortium.

Coast Protection – (£62,115) Sea Defences (request to roll forward); (£9,369) Consultancy.

Housing Strategy – £50,000 Shared ownership compensation scheme funded from the Housing earmarked reserve. (£14,759) Other professional fees including viability studies.

Environmental Strategy – £5,560 Additional staffing costs; £59,815 Tree planted for Every Person; £31,375 Professional fees. To be funded from the Delivery Plan

Reserve.
Resources – Finance, Assets and Legal
Revenue Services – £11,028 Additional overtime funded from new burdens funding. £37,005,552 Business support grants funded from government grants (£36,997,552). (£17,604) Professional fees. (£11,758) Postage and billing costs. £62,162 Court Costs recovered. (£11,389) Cost of collection allowance. (£235,577) New burdens grant funding.
Benefits Subsidy – Net position £404,884 reduced housing benefit payments made in 2021/22 offset by reduced subsidy claimed from Department for Works and Pensions (DWP) The shortfall largely relates to irrecoverable subsidy on temporary accommodation. (£137,410) Movement in the provision for bad and doubtful debts. £381,481 Test and Trace and household support payments, which are grant funded. (£67,746) net movement in relation to benefit overpayments. (£437,800) Test and Trace and Household support grants.
Corporate Finance – £114,306 Business rate levy contribution payments. (£674,658) 2020/21 Business rates pool share, to be earmarked in the business rates reserve, and allocated to future economic development projects.
Investment Properties – Premises costs including £43,441 R&M; £23,624 insurances, electricity, water and council tax; £6,500 for scaffolding; £34,761 Bad debt provision. (£4,539) Recharge of utilities and additional rental income.
Corporate and Democratic Core – £15,921 Agency staffing; £14,445 Bank charges; £8,790 R&M costs. (£100,000) Cyber support grant (transferred to Unspent Grants Reserve); (£27,861) Welcome Back Funding; (£29,582) Grant funding.
Resources – Organisational Resources
IT Support Services – £4,518 – Overtime costs. £84,791 - Computer Software Licences - this includes extended support for the finance system. £52,743 - Computer Maintenance. (£35,621) - Computer Lines and Modems.
Property Services - £52,933 Additional staffing and transport related costs; £12,019 repairs and maintenance; £6,104 Consumables - stock for operatives; £6,337 Covid costs relating to additional cleaning costs at playgrounds. £97,572 less salary costs funded from capital.

Non-Service Income and Expenditure

- 3.3 The non-service expenditure and income predominantly relates to investment income. The original income budget for 2021/22 anticipated £1.035m would be earned in interest and dividends, at an average rate of 2.43%. A total of £1.041m was earned from investments over the year from at an average rate of interest of 2.29%. This resulted in a favourable variance against the budget of £6k in respect of investment income. There are other minor variances in relation to things such as grassed area deposits and car loans.

- 3.4 Investment balances were at times lower than anticipated in the budget due to the repayment of COVID 19 grants, and the overall rate of interest earned was slightly lower than budget. There was however, good knowledge of when the payments were to be made, allowing the Council's strategy of keeping liquid cash flow to continue. Short term borrowing was successfully carried out during the year to keep overall financial losses at a minimum.
- 3.5 The Council has taken a strategic decision to continue to invest in pooled funds using balances which are not anticipated to be required in the medium to long-term (three to five years). These pooled funds are anticipated to provide a higher income return than alternative financial instruments and achieved an average interest rate of 2.92% in the year. Due to the Russia events, market uncertainty has been high, capital values have decreased back to the levels they were at the beginning of the COVID pandemic. However, because of the consequential base rate increases, interest rates have reached the highest they have been in the last five years. At the end of the year, there is a large unrealised capital loss on the pooled fund investments, although at an individual fund level some three of these still are way above their initial investment value and their value at the end of the last financial year. The Council does not intend to sell these investments and will instead borrow short term cash should it be required, rather than redeem investments at this time. It is constantly recognised that the amount of interest earned far outweighs the cost of borrowing, even with the current rates of interest.
- 3.6 Borrowing Interest shows a favourable variance of £147k against the original budget of £155k. During the year, less borrowing was required than anticipated. This is due to the Council making use of cash inflows and increased interest rates to avoid making any planned borrowing when possible. Timing differences between the Council receiving money and being required to make COVID grant repayments to MHCLG meant that borrowing was only required towards the end of the financial year in March 2022.
- 3.7 The Treasury Management Annual Report is included as a separate item on this Agenda and provides more details on the performance of the Treasury Management activity for the year.

Retained Business Rate Income

- 3.8 Due to the risks and uncertainty surrounding Business Rates income during the Covid-19 pandemic, there was no Norfolk Business Rates Pool formed for 2021/22. However, the Pool has been reformed for the 2022/23 financial year.
- 3.9 To support businesses during the COVID 19 pandemic with the effects of the national lockdown, the Government granted some additional reliefs for the retail hospitality & leisure and nurseries sectors. The value of this relief totalled £10m for the North Norfolk District. Although full compensation was provided to the Authority by the Government through section 31 grants, the announcement was made after the NNDR1 form had been completed and the NDR budget for the year had been set. This meant that there has been a deficit created on the Collection Fund for the year as the amount of NDR income receivable is lower than budgeted for. This deficit is shared between North Norfolk District Council, Norfolk County Council and Central Government in the shares outlined above in 2.4. Due to cash flow problems

being experienced by Local Authorities, the Government paid over the entirety of the section 31 grant, whereas normally an Authority would only receive its proportionate share. The local share due to North Norfolk District Council is 40% of the grant received, and the remaining 60% has been accrued at year end in anticipation of returning it to Central Government.

- 3.10 There are large variances on Retained Business Rates due to the timing difference between Section 31 grant being received and accounted for, and the accounting for the Council's share of the deficit on the Collection Fund (which is one financial year later) and this also occurred in 2020/21. This money has been transferred to the Business Rates Reserve to offset the anticipated deficit which will affect the Council in the 2022/23 financial year alongside the money held in reserve from 2020/21 being transferred back to the general fund to cover the 2021/22 payment from 2020/21.

4 Reserves

- 4.1 The Council holds a General Reserve for which the recommended balance for 2021/22 is £2.1 million. The purpose of holding a General Reserve is to provide a working balance to help cushion the impact of uneven cash flows and to provide a contingency to help cushion the impact of unexpected events or emergencies. This report recommends contributing the 2021/22 surplus into the General Reserve in order to help offset the impacts of pay and inflation at above budgeted levels in 2022/23, resulting from international impacts.
- 4.2 In addition to the General Reserve the Council holds a number of Earmarked Reserves that are held to meet known or predicted liabilities. The Earmarked Reserves also provides a means at the year-end for carrying funds forward to the new financial year to fund ongoing commitments and known liabilities for which no separate revenue budget exists.
- 4.3 There are a number of Earmarked Reserves that have balances, yet the timing of the use of the reserve is yet to be agreed. For example, the Business Rates reserve which is held to negate any negative impacts on the General fund resulting from business rates appeals awarded.
- 4.4 Section 3 of the report has highlighted a number of service areas where an underspend has occurred in the year and a transfer to reserves had been made to ensure funds are available to meet future spending commitments. Unlike capital budgets, underspends on revenue budgets in the year are not automatically rolled forward at the year-end where there is an annual budget provision. Where the underspend represents a grant received which has not yet been fully utilised or there has been a delay in the planned use, the unspent grant has been rolled forward.
- 4.5 Central Government granted the Council money to help with the increased costs of responding to the pandemic and for other COVID 19 related purposes. Some of these grants are to be spent in the 2022/23 financial year, so have been moved to Earmarked Reserves until the corresponding expenditure occurs. A summary of the COVID 19 related grants received in

the year, along with expenditure incurred against these is shown in Appendix F.

4.6 The transfers to and from reserves (general and earmarked) are included within the reserves statement as detailed at Appendix C. This appendix outlines the purpose of each reserve and shows the planned use over the current four-year budget period. The updated budget projections were forecasting a movement of (£1,279,439) out of earmarked reserves. At outturn the final transfer made was (£6,452,322) outwards, resulting in a variance of (£5,172,883) the most significant movements are as follows.

- **Business Rates Reserve** – (£6,145,078) – This relates to a net transfer made to cover the repayment of Business rate reliefs paid in to us in 2020/21. This has been partially offset by a contribution into the reserve of £674,658 in respect of our share of the Business rates pool for 2020/21, where there is a requirement to spend the funding on specific projects.
- **Grants Reserve** - £537,534 – This largely relates to COVID grants which had unspent balances as at 31st March 2022 where expenditure is planned during 2022/23.
- **Housing Reserve** - £310,850 – There was a lower than budgeted transfer out of this reserve relating to lower capital financing required in 2021/22. The updated budget also assumed that a contribution of £310,183 was going to be made, this was instead used to make a revenue contribution to capital (RCCO)
- **Capital Projects Reserve** – (£350,477) Contribution made towards Capital expenditure in 2021/22.

4.7 The General Reserve balance as at 31 March 2022 stands at is £2.330 million, which is above the minimum recommended balance.

5 Capital Programme 2021/22

5.1 This section of the report presents the financing of the capital programme for 2021/22, together with the updated programme for the financial years 2022/23 to 2025/26. Appendix D provides the detail of the outturn for the 2021/22 capital programme for all service areas and variances prior to any adjustments to budgets. The updated capital programme for 2022/23 to 2025/26 after all carry forwards and bringing back of budgets have been done together with the financing for all schemes is attached at Appendix E.

5.2 The outturn position for the 2021/22 capital programme at Appendix D, highlights where schemes have variances that need to be reprofiled between years. The reasons for reprofiling include where schemes have not progressed as originally planned, and the funding is requested to be carried forward to the new financial year.

5.3 In total the expenditure on the capital programme for the year was £9,183,303 compared to an updated budget of £20,649,221 which resulted in an underspend of £11,465,918. This is the position before any reprofiling has been done. The budgets shown in Appendix D have only been adjusted or increased where approval was already given before the year end.

- 5.4 The significant underspend is largely due to the major factor still at play during 2021/21 of the COVID restrictions which were still in place for a large part of the year. This hampered the ability to get projects up and running and completed in the year. So, there were several projects which did not progress as originally planned.
- 5.5 There were seven schemes where there was an overspend for the year totalling £114,143. The most significant areas of overspend was expenditure of £72,746 on the landscaping monitoring and windblown sand reimbursement scheme and expenditure of £16,750 on the Environmental Health IT System Procurement scheme. Expenditure on the other five schemes totalled £24,647. All of the expenditure has been financed using capital receipts. Some of these schemes were 2020/21 completed schemes which had residual payments that were paid in 2021/22.
- 5.6 For schemes which did not complete in 2021/22 and where there was an underspend of the allocation for the year the budgets have been reprofiled into 2022/23. The significant ones (i.e. over £100k of slippage) are detailed in the table below.

Table 3 - Budget Slippage from 2021/22 to the 2022/23 Capital Programme over £100,000

Capital Scheme	Re-profiled Amount £
Cornish Way	161,857
North Walsham Heritage Action Zone	833,776
Public Convenience Improvements	110,489
Car Park Ticket Machine Replacement Programme	140,572
Fakenham Urban Extension	1,800,000
Compulsory Purchase of Long Term Empty Properties	184,823
Community Housing Fund	835,160
S106 Enabling	450,000
Cromer Coast Protection Scheme	1,773,092
Coastal Adaptations	247,493
Mundesley - Refurbishment of Coastal Defences	1,414,017
The Reef Gym Equipment	161,834
North Walsham Artificial Grass Pitch	848,868
The Reef Leisure Centre	147,641
Total	9,109,623

- 5.7 There were three schemes where expenditure incurred in 2021/22 was in excess of the allocated budget for the year as a result of the schemes progressing quicker than planned and so, some budgets from 2022/23 have been brought back into 2021/22 to cover the expenditure. This was for the Cromer Pier - Steelworks and Improvements to Pavilion Theatre (£206,006),

the purchase of waste bins (£71,220) and the Refurbishment of Chalets in Cromer and Sheringham (£41,000). These are included in Appendix E which shows the updated budgets for the years 2022/23 to 2025/26.

6 Capital Programme 2022/23 Update

- 6.1 Appendix E shows the updated capital programme for the period 2021/22 to 2025/26. The capital programme has been updated to reflect the slippage identified within this report, together with the capital outturn position. It also includes schemes which have already received formal approval by Cabinet (up to the last Cabinet meeting), the 2022/23 budget report and P10 monitoring report which went to Full Council in March. Two schemes relating to Community renewal projects in Fakenham and North Walsham have been removed from the programme as funding was not secured.

7 Medium Term Financial Strategy

- 7.1 The content of this report includes details of budgets which will support the medium term financial strategy through the revised capital programme and movements in reserves

8 Financial and Resource Implications

- 8.1 This report is of a financial nature and the financial implications are included within the report content

9 Legal Implications

- 9.1 There are no legal implications as a direct consequence of this report

10 Risks

- 10.1 Financial risks are identified within the report content

11 Sustainability

- 11.1 No impact as a direct consequence of this report

12 Climate / Carbon impact

- 12.1 There is no impact as a direct consequence of this report

13 Equality and Diversity

- 13.1 There are no considerations as a direct consequence of this report

14 Section 17 Crime and Disorder considerations

- 14.1 There are no considerations to note as a direct consequence of this report

15 Conclusion and Recommendations

- 15.1 Members are asked to consider the report and recommend the following to Full Council:
- 15.2 a) The provisional outturn position for the General Fund revenue account for 2021/22
- 15.3 b) The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2022/23 budget
- 15.4 c) Allocate the surplus of £615,740 to the General Reserve
- 15.5 d) The financing of the 2021/22 capital programme as detailed within the report and at Appendix D
- 15.6 e) The balance on the General Reserve of £2.33 million
- 15.7 f) The updated capital programme for 2022/23 to 2025/26 and scheme financing as outlined within the report and detailed at Appendix E
- 15.8 g) The roll-forward requests as outline in Appendix G are approved

General Fund Summary Outturn 2021/22

	2021/22 Base Budget £	2021/22 Updated Budget £	2021/22 Outturn £	Variance £
Directorate				
Corporate Leadership/Executive Support	485,020	482,220	650,121	167,901
Communities	7,984,541	7,647,037	7,554,370	(92,667)
Place and Climate Change	4,966,394	5,479,014	4,875,946	(603,068)
Resources	4,327,759	4,531,733	4,980,613	448,880
Net Cost of Services	17,763,714	18,140,004	18,061,050	(78,954)
Parish Precepts	2,573,788	2,573,788	2,573,788	0
Capital Charges	(1,964,269)	(1,964,269)	(1,964,256)	13
Refcus	(977,167)	(977,167)	0	977,167
Interest Receivable	(1,014,929)	(1,014,929)	(1,036,620)	(21,691)
External Interest Paid	154,630	154,630	7,946	(146,684)
Revenue Financing for Capital:	614,741	1,027,574	1,319,152	291,578
MRP Waste Contract	744,000	744,000	744,000	0
IAS 19 Pension Adjustment	262,174	262,174	(2,110,489)	(2,372,663)
Net Operating Expenditure	18,156,682	18,945,805	17,594,570	(1,351,235)
Contribution to/(from) the Earmarked Reserves				
Capital Projects Reserve	0	0	(350,477)	(350,477)
Asset Management	(142,574)	(167,574)	(74,389)	93,185
Benefits	0	0	18,500	18,500
Building Control	(28,876)	(28,876)	47,586	76,462
Business Rates	324,058	324,058	(5,821,021)	(6,145,078)
Coast Protection	(42,039)	(42,039)	38,554	80,593
Communities	(242,000)	(275,000)	(226,574)	48,426
Delivery Plan	1,521,913	1,415,686	1,412,255	(3,431)
Elections	50,000	50,000	50,000	0
Economic Development & Tourism	0	(10,000)	42,000	52,000
Enforcement Board	0	0	(11,859)	(11,859)
Environmental Health	0	0	83,628	83,628
Environment	0	0	0	0
Grants	(25,104)	(160,977)	376,557	537,534
Housing	(328,010)	(740,843)	(429,993)	310,850
Land Charges	0	0	(4,445)	(4,445)
Legal	(15,520)	(15,520)	(34,810)	(19,290)
Major Repairs Reserve	89,859	355,694	329,207	(26,487)
New Homes Bonus Reserve	(97,471)	(97,471)	(57,321)	40,150
Organisational Development	(92,751)	(88,258)	(6,258)	82,000
Pathfinder	(21,627)	(21,627)	(17,987)	3,640
Planning Revenue	36,728	36,728	50,000	13,272
Property Investment Fund	(2,000,000)	(2,000,000)	(2,000,000)	0
Property Company	0	(265,835)	(265,835)	0
Restructuring/Invest to save	109,439	40,654	(101,034)	(141,688)
Sports Centres/ Facilities	0	(1,898)	(1,898)	(0)
Treasury Reserve	500,000	500,000	500,000	0
Contribution to/(from) the General Reserve	(86,341)	(86,341)	3,291	89,632
Amount to be met from Government Grant and Local Taxpayers	17,666,366	17,666,366	11,142,248	(6,524,118)
Collection Fund – Parishes	(2,573,788)	(2,573,788)	(2,573,788)	0
Collection Fund – District	(6,253,465)	(6,253,465)	(6,253,465)	0
Retained Business Rates	(7,381,242)	(7,381,242)	(567,471)	6,813,771
Revenue Support Grant	(90,295)	(90,295)	(90,295)	0
New Homes bonus	(722,562)	(722,562)	(722,562)	0
Rural Services Delivery Grant	(507,661)	(507,661)	(507,661)	0
Lower Tier Services Grant	(137,353)	(137,353)	(137,392)	(39)
Local Council Tax Support Grant	0	0	(133,944)	(133,944)
Council tax grant			(48,969)	(48,969)
Fees and Charges Support Grant	0	0	(141,787)	(141,787)
2020/21 Covid-19 General Grant			(580,654)	(580,654)
Income from Government Grant and Taxpayers	(17,666,366)	(17,666,366)	(11,757,988)	5,908,378
(Surplus)/Deficit	0	0	(615,740)	(615,740)

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Service Area Summaries Outturn 2021-22

Communities Service area

Environment and Leisure Services

	Updated Budget £	Outturn £	Variance £	Explanation for Major Variances
Commercial Services				
Gross Direct Costs	421,007	566,035	145,028	£100,805 Staffing costs associated with Covid work offset by Contain Outbreak Management Funding (COMF) funding. £5,286 Agency staffing. £65,875 Pension fund adjustment (current service costs). (£27,350) Balance of Local Outbreak Control Plan (LOCP) funding.
Gross Direct Income	(9,000)	(166,580)	(157,580)	COMF and Food Standards Agency (FSA) grant funding.
Support Service Charges	88,240	88,272	32	
	500,247	487,727	(12,520)	
Internal Drainage Board Levies				
Gross Direct Costs	419,627	415,551	(4,076)	Lower inflation than budgeted
Support Service Charges	220	216	(4)	
	419,847	415,767	(4,080)	
Travellers				
Gross Direct Costs	50,336	52,700	2,364	No Major Variances.
Capital Charges	(632,000)	(631,992)	8	
Gross Direct Income	(4,000)	(640)	3,360	No Major Variances.
Support Service Charges	980	984	4	
	(584,684)	(578,948)	5,736	
Public Protection				
Gross Direct Costs	198,682	220,612	21,930	(£3,608) Staffing costs associated with Covid work - offset by COMF funding. £33,388 Pension fund adjustment (current service costs). (£6,684) Lower costs for DBS checks and advertising.
Gross Direct Income	(197,000)	(202,715)	(5,715)	Pavement Licence grant.
Support Service Charges	127,850	127,860	10	
	129,532	145,757	16,225	
Street Signage				
Gross Direct Costs	12,000	5,182	(6,818)	Fewer street signs ordered and installed.
Gross Direct Income	0	(139)	(139)	No Major Variances.
Support Service Charges	19,470	19,464	(6)	
	31,470	24,507	(6,963)	
Environmental Protection				
Gross Direct Costs	660,455	747,674	87,219	£96,719 Pension fund adjustment (current service costs). £4,768 Higher transport related costs for Covid Support Officers. (£10,819) Lower equipment and materials purchases. (£11,645) Lower professional fees (Inc. Private water sampling and rechargeable works). £4,624 Higher costs for printing (Covid) and subscriptions.
Capital Charges	22,944	22,944	0	
Gross Direct Income	(63,075)	(44,765)	18,310	Reduced fee income for Private water sampling and risk assessments.
Support Service Charges	201,390	201,408	18	
	821,714	927,262	105,548	

Service Area Summaries Outturn 2021-22

Communities Service area

Environment and Leisure Services

	Updated Budget £	Outturn £	Variance £	Explanation for Major Variances
Environmental Health - Service Management				
Gross Direct Costs	69,614	76,631	7,017	Higher staffing costs to include training and Pension fund adjustments.
Capital Charges	30,018	30,024	6	
Gross Direct Income	0	0	0	No Major Variances.
Support Service Charges	(203,870)	(204,804)	(934)	
	(104,238)	(98,149)	6,089	
Environmental Contracts				
Gross Direct Costs	291,455	358,778	67,323	£55,871 Pension Fund adjustments (current service costs). The balance relates to higher staffing costs funded from the wider Environmental Health budgets.
Capital Charges	4,521	4,524	3	
Gross Direct Income	0	0	0	No Major Variances.
Support Service Charges	(295,976)	(295,944)	32	
	0	67,358	67,358	
Car Parking				
Gross Direct Costs	916,347	927,719	11,372	See Note A below:
Capital Charges	58,720	58,716	(4)	
Gross Direct Income	(2,714,171)	(3,049,122)	(334,951)	See Note B below:
Support Service Charges	150,679	154,921	4,242	
	(1,588,425)	(1,907,766)	(319,341)	
Note A: £7,749 R&M; £19,443 Flowbird maintenance contract; (£5,307) Grounds maintenance; £27,194 Rents - based on income; (£27,715) Business rates; £7,214 Utilities; (£17,539) Credit card charges; (£3,985) Advertising. The balance consists of misc. minor variances.				
Note B: (£4,765) Events licence fee; (£21,662) Commission from Electric Vehicle Charging points; (£315,375) Additional car parking income - cash, excess parking, credit cards and season tickets; £11,081 Lower rental income.				
Markets				
Gross Direct Costs	56,659	53,953	(2,706)	No Major Variances.
Gross Direct Income	(44,000)	(47,374)	(3,374)	Additional market trader fee income.
Support Service Charges	26,760	26,760	0	
	39,419	33,339	(6,080)	
Parks & Open Spaces				
Gross Direct Costs	298,014	304,054	6,040	Other professional fees to include topographic and drone surveys and feasibility designs.
Capital Charges	16,206	16,200	(6)	
Gross Direct Income	(11,150)	(9,819)	1,331	No Major Variances.
Support Service Charges	116,120	116,160	40	
	419,190	426,595	7,405	

Service Area Summaries Outturn 2021-22

Communities Service area

Environment and Leisure Services

	Updated Budget £	Outturn £	Variance £	Explanation for Major Variances
Foreshore				
Gross Direct Costs	116,599	103,337	(13,262)	(£24,816) Lower R&M costs; £5,404 Higher utility costs; £4,766 Pension fund adjustment (current service costs).
Capital Charges	27,880	27,876	(4)	
Gross Direct Income	0	(25)	(25)	No Major Variances.
Support Service Charges	100,470	100,476	6	
	244,949	231,664	(13,285)	
Leisure Complexes				
Gross Direct Costs	113,486	507,804	394,318	£361,431 Management fee - Covid support re furlough and key workers. (£6,652) - Hall hire costs lower. £5,351 R&M and grounds maintenance; £21,746 - Professional fees relating to the Reef construction contract; £6,216 Higher insurance premiums. The balance consists of misc. minor variances.
Capital Charges	743,441	743,448	7	
Gross Direct Income	(42,154)	(14,928)	27,226	£42,154 No profit share; (£14,894) National Leisure Recovery Fund grant.
Support Service Charges	98,190	98,244	54	
	912,963	1,334,568	421,605	
Other Sports				
Gross Direct Costs	107,762	103,962	(3,800)	(£6,793) Staffing costs; £2,046 Vehicle Hire; £7,869 Pension fund adjustments (current service costs); (£7,845) Mammoth Marathon.
Gross Direct Income	(16,024)	8,870	24,894	£16,024 Grant for Service delivery; £11,759 Mammoth Marathon (tfr to Receipts in Advance); (£2,734) Misc. fee income.
Support Service Charges	67,320	67,356	36	
	159,058	180,188	21,130	
Recreation Grounds				
Gross Direct Costs	13,800	13,772	(28)	No Major Variances.
Capital Charges	5,632	5,628	(4)	
Gross Direct Income	(1,000)	(1,090)	(90)	No Major Variances.
Support Service Charges	5,040	5,040	0	
	23,472	23,350	(122)	
Pier Pavilion				
Gross Direct Costs	10,780	(9,758)	(20,538)	(£17,425) Reduction in bad debt provision.
Capital Charges	17,020	17,016	(4)	
Gross Direct Income	(20,000)	0	20,000	No profit share.
Support Service Charges	30,350	30,360	10	
	38,150	37,618	(532)	
Beach Safety				
Gross Direct Costs	384,450	413,135	28,685	£30,076 Higher management fee for Lifeguard Service; £11,729 Equipment and Blue Flag applications; (£12,990) Furniture purchases.
Gross Direct Income	0	(2,730)	(2,730)	DEFRA Grant - Bathing Water Signs.
Support Service Charges	75,140	75,144	4	
	459,590	485,549	25,959	

Service Area Summaries Outturn 2021-22

Communities Service area

Environment and Leisure Services

	Updated Budget £	Outturn £	Variance £	Explanation for Major Variances
Woodlands Management				
Gross Direct Costs	194,472	271,013	76,541	See Note A below:
Capital Charges	1,346	1,344	(2)	
Gross Direct Income	(25,530)	(56,098)	(30,568)	(£20,330) - Higher income from car parking charges. (£6,942) Higher facility charges (on-line bookings at Holt Country Park); (£3,700) Concession rental income.
Support Service Charges	161,240	161,268	28	
	331,528	377,527	45,999	

Note A: £25,559 Pension Fund adjustment (service costs); £10,727 Purchase of barriers; £10,095 R&M costs; £10,921 Van hire and petrol/diesel; £8,484 Toilet hire, ground rent, refuse collection and misc. materials purchases; £9,100 Tree Planted for Everyone.

Cromer Pier				
Gross Direct Costs	71,070	93,136	22,066	R&M - predominantly pipework repairs.
Capital Charges	20,738	20,736	(2)	
Support Service Charges	93,880	93,876	(4)	
	185,688	207,748	22,060	

Waste Collection And Disposal				
Gross Direct Costs	4,240,328	4,473,696	233,368	See Note A below:
Capital Charges	443,571	443,568	(3)	
Gross Direct Income	(3,534,122)	(4,206,076)	(671,954)	See Note B below:
Support Service Charges	486,170	486,228	58	
	1,635,947	1,197,416	(438,531)	

Note A: (£19,468) Lower costs for trade waste disposal; (£23,334) Lower costs for processing of recycled materials; £39,832 Consultancy and procurement costs (NEWS); £23,041 Serco contractor costs; £211,536 Contribution towards the Smoothing Mechanism - recharged to partners.

Note B: (£134,544) Increased fee income from trade waste customers; (£72,653) Increased fee income from garden waste customers; (£31,071) Increased income for bulky waste collections; (£254,903) Contributions from partners towards the Smoothing Mechanism payment; (£27,655) Misc. recharges for Deed of Variation. (£150,953) Increased recycling credit income.

Cleansing				
Gross Direct Costs	690,300	730,799	40,499	£20,131 Bin purchases. (£3,675) Bad debt provision. £24,043 Serco contractor costs.
Capital Charges	85,500	85,500	0	
Gross Direct Income	(58,834)	(78,839)	(20,005)	(£14,270) Waste Recycling Action Programme (WRAP) funding. (£5,735) Higher recharges for dog and litter bin emptying.
Support Service Charges	64,330	64,332	2	
	781,296	801,792	20,496	

Leisure				
Gross Direct Costs	210,670	226,139	15,469	£24,903 Pension fund adjustments (current service costs). (£7,084) Saving in staffing and transport related costs.
Gross Direct Income	0	(231)	(231)	No Major Variances.
Support Service Charges	(210,670)	(207,900)	2,770	Variance in salary costs allocated to capital projects.
	0	18,008	18,008	

Service Area Summaries Outturn 2021-22

Communities Service area

Environment and Leisure Services

	Updated Budget £	Outturn £	Variance £	Explanation for Major Variances
Community Safety				
Gross Direct Costs	32,178	10,344	(21,834)	Vacant post - staff on secondment.
Support Service Charges	20,680	20,700	20	
	52,858	31,044	(21,814)	
Civil Contingencies				
Gross Direct Costs	90,162	88,995	(1,167)	No Major Variances.
Support Service Charges	33,660	33,660	0	
	123,822	122,655	(1,167)	
Assistant Director Environmental & Leisure Services				
Gross Direct Costs	69,559	74,715	5,156	Relocation costs.
Support Service Charges	0	0	0	
	69,559	74,715	5,156	
Total Environment and Leisure Servcies	5,102,952	5,067,290	(35,662)	

Service Area Summaries Outturn 2021-22

Communities Service area

People Services

	Updated Budget	Outturn	Variance	
	£	£	£	Explanation for Major Variances
Benefits Administration				
Gross Direct Costs	990,940	1,167,426	176,486	£150,297 Pension adjustments (current service) £23,000 Civica new claim form funded from the benefits earmarked reserves.
Capital Charges	71,343	71,340	(3)	
Gross Direct Income	(381,086)	(478,039)	(96,953)	(£63,273) Additional Department for Works and Pensions (DWP) funding. (£32,862) Additional Administration subsidy.
Support Service Charges	537,240	537,264	24	
	1,218,437	1,297,991	79,554	
Homelessness				
Gross Direct Costs	545,103	799,221	254,118	£93,251 Repairs and maintenance on temporary accommodation. £17,390 Higher utility costs on temporary accommodation. £185,357 Temporary accommodation bed and breakfast charges. £22,531 Rent deposit scheme. (£60,000) Allocation of Rough Sleeper Initiative (RSI) not spent (offset by a reduction in grant).
Capital Charges	28,482	28,488	6	
Gross Direct Income	(961,149)	(1,264,627)	(303,478)	£60,000 RSI funding, (£65,038) Top up homelessness prevention grant (£32,138) Domestic abuse grant. (£254,088) Additional recoverable charges from subsidy and client contributions.
Support Service Charges	603,790	603,792	2	
	216,226	166,873	(49,353)	
Housing Options				
Gross Direct Costs	492,031	596,743	104,712	£91,755 Pension adjustment re current service costs. Additional temporary staffing costs funded from grants.
Support Service Charges	(376,857)	(376,848)	9	
	115,174	219,895	104,721	

Service Area Summaries Outturn 2021-22

Communities Service area

People Services

	Updated Budget	Outturn	Variance	
	£	£	£	Explanation for Major Variances
Community				
Gross Direct Costs	792,684	836,878	44,194	See Note A below:
Gross Direct Income	(49,724)	(300,424)	(250,700)	Contain Outbreak Management Fund (COMF) and funding for posts. (£36,083) Surplus Home Improvement Agency (HIA) income.
Support Service Charges	183,840	182,991	(849)	Capital salaries
	926,800	719,445	(207,355)	

Note A: £46,553 Additional staffing costs, some of which relate to fixed term posts funded by grant. £77,805 Pension fund adjustment (current service costs). (£7,800) Professional fees. (£83,654) Grants and contributions not made. The balance consists of misc. minor variances.

Ad People Services

Gross Direct Costs	67,448	82,876	15,428	Pension fund adjustment (current service costs).
Support Service Charges	0	0	0	
	67,448	82,876	15,428	

Total People Servcies	2,544,085	2,487,080	(57,005)
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Total Communities Directorate	7,647,037	7,554,371	(92,666)
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Service Area Summaries Outturn 2021-22

Corporate Directorship

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Human Resources & Payroll				
Gross Direct Costs	390,800	425,221	34,421	See Note A below: (£4,000) Skills funding grant; (£3,659) Bike Loan scheme; (£3,116) Apprentices - incentive payment.
Gross Direct Income	(1,000)	(11,775)	(10,775)	
Support Service Charges	(394,300)	(394,380)	(80)	
	(4,500)	19,066	23,566	
Note A: (£28,432) Staff vacancies; £52,140 Pension Fund adjustments (current service costs); (£17,850) Common training; £6,905 HR recruitment software set up costs; £12,433 Consultancy - general employment advice; £10,236 Other professional fees - HR process review; £3,030 Legal fees.				
Registration Services				
Gross Direct Costs	217,113	452,110	234,997	£21,273 Pension Fund adjustments (current service costs); (£6,628) Changes to working hours; £223,263 Running costs for County and PCC elections plus costs of canvassing.
Gross Direct Income	(43,000)	(296,422)	(253,422)	
Support Service Charges	121,740	121,752	12	Grants to offset election costs.
	295,853	277,440	(18,413)	
Corporate Leadership Team				
Gross Direct Costs	701,068	797,776	96,708	£120,364 Pension fund adjustments (current service costs); (£24,031) Staffing, training and travelling costs.
Gross Direct Income	0	(2,216)	(2,216)	
Support Service Charges	(614,735)	(614,784)	(49)	DWP - Kickstart funding.
	86,333	180,775	94,442	
Communications				
Gross Direct Costs	201,983	246,997	45,014	£37,707 Pension fund adjustments (current service costs); £5,453 Staffing and on costs; £4,867 Computer and equipment purchases; (£4,997) Marketing.
Capital Charges	71,452	71,448	(4)	
Gross Direct Income	0	(1,590)	(1,590)	Filming rights.
Support Service Charges	(273,435)	(279,582)	(6,147)	Capital Salaries
	0	37,274	37,274	
Corporate Delivery Unit				
Gross Direct Costs	164,828	197,346	32,518	Pension fund adjustments (current service costs).
Support Service Charges	(60,294)	(61,780)	(1,486)	Staff time charged to capital salaries
	104,534	135,566	31,032	
Total Corporate Directorate	482,220	650,121	167,901	

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Service Area Summaries Outturn 2021-22

Place and Climate Change
Planning

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Development Management				
Gross Direct Costs	1,178,395	1,321,000	142,605	£161,117 Pension Fund adjustments (current service costs (£96,891) Staff turnover savings. (£7,105) Transport related savings. £66,932 Agency staff costs. £12,987 Books and periodicals.
Capital Charges	77,581	77,580	(1)	
Gross Direct Income	(932,206)	(932,195)	11	No Major Variances.
Support Service Charges	643,250	643,248	(2)	
	967,020	1,109,633	142,613	
Planning Policy				
Gross Direct Costs	593,675	570,326	(23,349)	£67,093 Pension Fund adjustments (current service costs) (£59,837) Staff turnover savings. (£27,303) Slippage in Local Plan expenditure this will be offset by a reduced contribution from the New Homes Bonus reserve.
Gross Direct Income	(46,538)	(49,763)	(3,225)	Neighbourhood Plan grant income offset by expenditure.
Support Service Charges	95,516	95,532	16	
	642,653	616,095	(26,558)	
Conservation, Design & Landscape				
Gross Direct Costs	154,751	119,241	(35,510)	£16,201 Pension Fund adjustments (current service costs) (£5,000) Qualification budget not utilised. £12,358 Temporary staffing costs. £7,151 Enforcement board costs funded from earmarked reserves. (£41,852) Conservation area appraisals funded from the General reserve. (£16,750) Contribution budget, accruals in respect of prior year contributions to the Historic Environment Service - not offset.
Support Service Charges	76,300	76,320	20	
	231,051	195,561	(35,490)	
Major Developments				
Gross Direct Costs	249,824	268,179	18,355	£38,912 Pension Fund adjustments (current service costs). (£16,040) Staff turnover savings. (£4,517) Transport and supplies and services savings.
Support Service Charges	104,490	104,496	6	
	354,314	372,675	18,361	
Building Control				
Gross Direct Costs	450,803	509,608	58,805	£73,818 Pension Fund adjustments (current service costs) (£1,702) Transport related expenditure. (£9,523) Supplies and services.
Gross Direct Income	(390,000)	(451,063)	(61,063)	Additional income generated from building control fees.
Support Service Charges	142,050	142,080	30	
	202,853	200,625	(2,228)	

Service Area Summaries Outturn 2021-22

Place and Climate Change
Planning

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Combined Enforcement Team				
Gross Direct Costs	172,597	203,053	30,456	£26,984 Pension Fund adjustments (current service costs) (£15,794) Staff turnover savings offset by £21,467 temporary agency costs.
Support Service Charges	(172,597)	(172,572)	25	
	0	30,481	30,481	
Property Information				
Gross Direct Costs	187,190	196,691	9,501	£15,719 Pension fund adjustments (current service costs) (£4,205) Movement in the provision for bad and doubtful debts.
Gross Direct Income	(182,190)	(163,294)	18,896	£6,260 Street naming and numbering income. £12,827 Land Charge fees and charges.
Support Service Charges	51,290	51,348	58	
	56,290	84,745	28,455	
Ad Planning				
Gross Direct Costs	125,542	128,958	3,416	£17,352 Pension fund adjustments (current service costs) (£10,000) Generic training. (£3,231) Travel expenses.
Support Service Charges	(125,542)	(125,520)	22	
	0	3,438	3,438	
Total Planning	2,454,181	2,613,252	159,071	

Service Area Summaries Outturn 2021-22

Place And Climate Change
Sustainable Growth

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Economic Growth				
Gross Direct Costs	124,107	1,017,120	893,013	£20,306 R & M Sheringham Little Theatre. £21,431 Tourism support grants. £830,226 Covid additional restrictions grants (ARG) North Norfolk growth site delivery strategy costs. £22,500 North Walsham Cultural consortium expenditure.
Capital Charges	2,037	2,040	3	
Gross Direct Income	0	(902,434)	(902,434)	(£827,775) Covid ARG grant to offset expenditure. (£49,500) Historic England grant, re North Walsham Cultural Consortium. (£25,159) Funding for North Norfolk growth sites delivery strategy.
Support Service Charges	346,840	346,848	8	
	472,984	463,574	(9,410)	
Tourism				
Gross Direct Costs	43,653	35,500	(8,153)	£3,686 Tourism support expenditure. (£11,849) Supplies and Service expenditure.
Gross Direct Income	0	(5,081)	(5,081)	Repaid Tourism sector grants.
Support Service Charges	19,450	19,440	(10)	
	63,103	49,859	(13,244)	
Coast Protection				
Gross Direct Costs	322,500	252,258	(70,242)	(£62,115) Sea Defences (request to roll forward); (£9,369) Consultancy.
Capital Charges	508,702	508,704	2	
Support Service Charges	395,280	395,280	0	
	1,226,482	1,156,242	(70,240)	
Business Growth Staffing				
Gross Direct Costs	309,037	358,537	49,500	£56,775 Pension fund adjustments (current service costs). There are smaller variances across supplies and services and transport related expenditure.
Gross Direct Income	(30,000)	(9,600)	20,400	Income from Kickstart administration.
Support Service Charges	(297,364)	(298,271)	(907)	Salaries charged to capital.
	(18,327)	50,666	68,993	
Housing Strategy				
Gross Direct Costs	163,422	225,769	62,347	£25,991 Pension fund adjustments (current service costs). £50,000 Housing Enabling Grant, funded from Community Housing Fund (CHF). (£14,759) Other professional fees including viability studies.
Capital Charges	977,167	0	(977,167)	Refcus
Support Service Charges	21,360	21,384	24	
	1,161,949	247,153	(914,796)	
Environmental Strategy				

Service Area Summaries Outturn 2021-22

Place And Climate Change
Sustainable Growth

	Updated	Outturn	Variance	
	£	£	£	Explanation for Major Variances
Gross Direct Costs	108,402	222,762	114,360	£19,102 Pension fund adjustment (current service costs); £5,560 Additional staffing costs; £59,815 Tree planted for Every Person; £31,375 Professional fees. To be funded from the Delivery Plan Reserve.
Gross Direct Income	(15,000)	0	15,000	No income received for the Green Build event.
Support Service Charges	22,740	22,740	0	
	116,142	245,502	129,360	
Coastal Management				
Gross Direct Costs	360,347	384,381	24,034	£48,824 Pension fund adjustment (current service costs); (£19,980) Staffing - changes to working arrangements; (£2,400) Training.
Gross Direct Income	(60,009)	(62,734)	(2,725)	Recharges for staffing costs.
Support Service Charges	(300,338)	(295,308)	5,030	Salaries charged to capital schemes
	0	26,340	26,340	
Ad Sustainable Growth				
Gross Direct Costs	88,928	109,770	20,842	£17,233 Pension fund adjustment (current service costs). The balance relates to higher staffing costs.
Support Service Charges	(86,428)	(86,412)	16	
	2,500	23,358	20,858	
Total Sustainable Growth	3,024,833	2,262,694	(762,139)	
Total Place and Climate Change	5,479,014	4,875,946	(603,068)	

Service Area Summaries Outturn 2021-22

Resources

Finance, Assets and Legal

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Industrial Estates				
Gross Direct Costs	31,734	35,296	3,562	No Major Variances.
Capital Charges	15,912	15,912	0	
Gross Direct Income	(181,810)	(136,609)	45,201	Units at Hornbeam Road not let - reduced income relating to rents and service charges.
Support Service Charges	51,640	51,648	8	
	(82,524)	(33,754)	48,770	
Surveyors Allotments				
Gross Direct Costs	3,000	0	(3,000)	R&M budgets not spent.
Gross Direct Income	(50)	(50)	0	No Major Variances.
Support Service Charges	14,570	14,568	(2)	
	17,520	14,518	(3,002)	
Parklands				
Gross Direct Costs	34,768	44,397	9,629	Higher costs for R&M and electricity.
Gross Direct Income	(64,500)	(76,856)	(12,356)	Commission earned on sale of plot.
Support Service Charges	40,390	40,392	2	
	10,658	7,933	(2,725)	
Revenue Services				
Gross Direct Costs	732,277	37,834,296	37,102,019	£114,154 Pension Fund adjustments (current service costs) £11,028 Additional overtime funded from new burdens funding. £37,005,552 Business support grants funded from government grants. (£17,604) Professional fees. (£11,758) Postage and billing costs.
Gross Direct Income	(442,911)	(37,625,268)	(37,182,357)	(£36,997,552) Business support grants allocated. £62,162 Court Costs. (£11,389) Cost of collection allowance. (£235,577) New burdens grants
Support Service Charges	444,750	444,816	66	
	734,116	653,844	(80,272)	
Benefits Subsidy				
Gross Direct Costs	21,256,441	19,843,849	(1,412,592)	(£1,656,581) Housing benefit payments 2021/22. (£137,410) Movement in the provision for bad and doubtful debts. £381,481 Test and Trace and household support payments, which are grant funded.
Gross Direct Income	(21,256,441)	(19,696,522)	1,559,919	(£67,746) net movement in relation to benefit overpayments. (£437,800) Test and Trace and Household support grants. £2,061,465 Subsidy based on Final 2021/22 claim, due to reduced expenditure and irrecoverable subsidy on Temporary accommodation.
Support Service Charges	0	0	0	
	0	147,327	147,327	
Non Distributed Costs				
Gross Direct Costs	0	20,657	20,657	Higher Added Years costs.
Gross Direct Income	0	0	0	No Major Variances.
	0	20,657	20,657	

Service Area Summaries Outturn 2021-22

Resources

Finance, Assets and Legal

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Estates				
Gross Direct Costs	258,454	320,378	61,924	£10,977 Higher staffing costs; £33,296 Pension fund adjustments (current service costs); £6,848 Consultancy; £6,325 Subscriptions. The balance consists of minor variances.
Gross Direct Income	0	(4,856)	(4,856)	Insurance recharges relating to Shared Equity properties.
Support Service Charges	0	0	0	
	258,454	315,522	57,068	
Admin Buildings				
Gross Direct Costs	521,817	603,153	81,336	See Note A below:
Capital Charges	(24,159)	(24,156)	3	
Gross Direct Income	(285,956)	(363,728)	(77,772)	See Note B below:
Support Service Charges	(150,296)	(150,372)	(76)	
	61,406	64,897	3,491	
Note A: £49,104 R&M; £2,439 Grounds maintenance; £42,164 Running costs - the majority of this relates to the contract cleaning costs; £10,675 Legal and surveyors fees; (£27,183) Bad debt provision.				
Note B: £2,831 Lower service charges; £2,000 Lower rental income; (£82,712) Higher rechargeable income of which the majority relates to Covid cleaning at the Cromer and Fakenham offices.				
Corporate Finance				
Gross Direct Costs	427,987	589,027	161,040	£66,582 Pension fund adjustments (Current Service costs) £114,306 Business rate levy contribution payments.
Capital Charges	16,145	16,140	(5)	
Gross Direct Income	0	(674,658)	(674,658)	2020/21 Business rates pool share
Support Service Charges	(444,132)	(444,132)	0	
	0	(513,623)	(513,623)	
Insurance & Risk Management				
Gross Direct Costs	201,007	232,485	31,478	£19,137 Legal fees; £13,125 Employers & Public Liability premiums..
Gross Direct Income	(650)	(31)	619	No Major Variances.
Support Service Charges	(200,357)	(200,424)	(67)	
	0	32,030	32,030	
Internal Audit				
Gross Direct Costs	70,000	75,146	5,146	Audit fees.
Support Service Charges	(70,000)	(69,996)	4	
	0	5,150	5,150	
Chalets/Beach Huts				
Gross Direct Costs	54,347	57,200	2,853	(£6,185) Lower R&M costs; £9,892 Purchase of new furniture.
Gross Direct Income	(229,362)	(260,937)	(31,575)	Additional rental income. Request made to roll this forward.
Support Service Charges	97,250	97,284	34	
	(77,765)	(106,453)	(28,688)	

Service Area Summaries Outturn 2021-22

Resources

Finance, Assets and Legal

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Investment Properties				
Gross Direct Costs	146,352	255,013	108,661	£43,441 R&M; £23,624 Higher costs for insurances, electricity, water and council tax; £6,500 for scaffolding; £34,761 Bad debt provision.
Capital Charges	74,983	74,988	5	
Gross Direct Income	(245,743)	(250,282)	(4,539)	Recharge of utilities and additional rental income.
Support Service Charges	187,720	187,728	8	
	163,312	267,447	104,135	
Central Costs				
Gross Direct Costs	209,965	209,244	(721)	£6,330 Higher apprenticeship levy; £7,567 Pension fund adjustments (current service costs); (£4,953) Lower staffing costs; (£10,757) Lower than budgeted professional fees; £2,900 Subscription for Data Protection renewal fee.
Support Service Charges	(96,965)	(96,984)	(19)	
	113,000	112,260	(740)	
Corporate & Democratic Core				
Gross Direct Costs	510,179	564,844	54,665	£12,583 Audit fees; £15,921 Agency staffing; £14,445 Bank charges; £8,790 R&M costs.
Gross Direct Income	0	(165,663)	(165,663)	(£100k) Cyber support grant (transferred to Unspent Grants Reserve); (£27,861) Welcome Back Funding; (£29,582) Grant funding.(£8,220) Recoverable income relating to external audit.
Support Service Charges	1,258,620	1,260,336	1,716	
	1,768,799	1,659,517	(109,282)	
Members Services				
Gross Direct Costs	530,871	526,107	(4,764)	£30,089 Pension fund adjustment (current service costs) - this is offset by savings in training, travelling, allowances and the chairman's civic expenditure.
Support Service Charges	60,740	60,780	40	
	591,611	586,887	(4,724)	
Legal Services				
Gross Direct Costs	493,584	694,642	201,058	£90,366 Pension fund contribution (current service costs); £2,721 Client disbursements; £87,450 staffing costs; £10,000 Dilapidations Bond; £13,389 Bad debt provision.
Gross Direct Income	(329,946)	(486,842)	(156,896)	(£142,542) Legal fees; (£9,151) KLWN Client disbursements; (£5,798) Kickstart contribution.
Support Service Charges	(326,803)	(326,784)	19	
	(163,165)	(118,984)	44,181	
Ad Finance, Assets and Legal				
Gross Direct Costs	73,823	90,978	17,155	Pension fund adjustment (current service costs).
Support Service Charges	0	0	0	
	73,823	90,978	17,155	
Total Finance Assets and Legal	3,469,245	3,206,152	(263,093)	

Service Area Summaries Outturn 2021-22

Resources

Organisational Resources

	Updated £	Outturn £	Variance £	Explanation for Major Variances
It - Support Services				
Gross Direct Costs	1,622,609	1,895,126	272,517	See Note A below:
Capital Charges	125,566	125,568	2	
Gross Direct Income	0	(67)	(67)	No Major Variances.
Support Service Charges	(1,722,175)	(1,722,156)	19	
	26,000	298,471	272,471	

Note A: £4,518 - Overtime. £84,791 - Computer Software Licences - this includes extended support to Efinancials. £52,743 - Computer Maintenance. (£35,621) - Computer Lines and Modems. (£11,025) - Computer Purchases - Hardware. £6,134 - Migration of Skype to Teams. £167,186 - Pensions Deficit Funding (current service costs). £11,190 - Consultancy fees. (£10,456) - Computer Consumables. (£6,820) - Mobile phone rentals. £10,202 - Mobile phone purchases. (£4,247) - Training and digital promotion.

Poppyfields

Gross Direct Costs	24,700	12,546	(12,154)	(£2,827) R&M. (£9,750) Equipment and management fee.
Support Service Charges	15,900	15,900	0	
	40,600	28,446	(12,154)	

Property Services

Gross Direct Costs	470,691	634,405	163,714	See Note A below:
Capital Charges	31,825	31,824	(1)	
Gross Direct Income	(10,000)	(2,200)	7,800	£10,000 No grant income received for solar panels; (£2,200) Sale of obsolete items.
Support Service Charges	(710,651)	(613,059)	97,592	Reduction in salaries charged to capital.
	(218,135)	50,970	269,105	

Note A: £82,725 Pension fund adjustment (current service costs); £52,933 Additional staffing and transport related costs; £12,019 R&M; £6,104 Consumables - stock for operatives; £6,337 Covid costs relating to additional cleaning costs at playgrounds.

Playgrounds

Gross Direct Costs	57,414	56,002	(1,412)	No Major Variances.
Support Service Charges	42,150	42,156	6	
	99,564	98,158	(1,406)	

Community Centres

Gross Direct Costs	9,978	7,942	(2,036)	No Major Variances.
Gross Direct Income	0	(1,307)	(1,307)	No Major Variances.
Support Service Charges	12,260	12,264	4	
	22,238	18,899	(3,339)	

Service Area Summaries Outturn 2021-22

Resources

Organisational Resources

	Updated £	Outturn £	Variance £	Explanation for Major Variances
Tourist Information Centres				
Gross Direct Costs	109,798	120,624	10,826	£5,199 Staffing costs; £13,091 Pension fund adjustment (current service costs); £6,462 R&M.(£7,107) Lower utility charges; (£5,230)
Capital Charges	6,040	6,036	(4)	
Gross Direct Income	(25,000)	(25,138)	(138)	No Major Variances.
Support Service Charges	87,660	87,696	36	
	178,498	189,218	10,720	
Public Conveniences				
Gross Direct Costs	559,902	608,310	48,408	£43,828 R&M £9,776 Higher utility charges. (£4,000) Cleansing contract.
Capital Charges	58,767	58,764	(3)	
Gross Direct Income	0	0	0	No Major Variances.
Support Service Charges	110,597	111,972	1,375	
	729,266	779,046	49,780	
Digital Transformation				
Gross Direct Costs	172,248	192,170	19,922	£27,012 Pension fund adjustment (current service costs); (£6,213) Staffing costs.
Support Service Charges	(56,870)	(56,844)	26	
	115,378	135,326	19,948	
Reprographics				
Gross Direct Costs	83,489	79,179	(4,310)	£8,374 Pension fund adjustment (current service costs); (£7,921) Operating lease rentals; (£5,103) paper/stationery.
Gross Direct Income	(7,500)	(5,294)	2,206	No Major Variances.
Support Service Charges	(75,989)	(75,972)	17	
	0	(2,087)	(2,087)	
Customer Services - Corporate				
Gross Direct Costs	773,769	854,722	80,953	See Note A below:
Capital Charges	54,056	54,048	(8)	
Gross Direct Income	(21,250)	(22,270)	(1,020)	(£7,770) Service charge for Postal & Scanning services. £6,750 Other recoverable income.
Support Service Charges	(799,675)	(799,692)	(17)	
	6,900	86,809	79,909	
Note A: (£13,668) - Lower salaries and on costs as a result of staff vacancies offset by £6,366 - Overtime - extra days for part time staff due to the vacancies. £112,206 - Pension fund adjustment (current service costs). (£10,432) Lower stationery costs.(£8,125) Other professional fees. £7,095 Subscriptions. (£4,841) Bad debt provision. The balance consists of misc. minor variances.				
Ad Organisational Resources				
Gross Direct Costs	62,179	91,204	29,025	Staffing costs including Pension fund adjustments.
	62,179	91,204	29,025	
Total Organisational Resources	1,062,488	1,774,461	711,973	
Total Resources	4,531,733	4,980,613	448,880	

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Reserve	Purpose and Use of Reserve	Balance 01/04/21 £	Contributions In £	Contrbutions Out £	Outturn Movement 2021/22 £	Balance 01/04/22 £	Budgeted Movement 2022/23 £	Balance 01/04/23 £	Budgeted Movement 2023/24 £	Balance 01/04/24 £	Budgeted Movement 2024/25 £	Balance 01/04/25 £	Budgeted Movement 2025/26 £	Balance 01/04/26 £
General Fund - General Reserve	A working balance and contingency, current recommended balance is £2.1 million.	2,326,735	24,287	(20,996)	3,291	2,330,026	(76,043)	2,253,983	(63,206)	2,190,777	0	2,190,777	0	2,190,777
Earmarked Reserves:														
Capital Projects	To provide funding for capital developments and purchase of major assets.	906,095	0	(350,477)	(350,477)	555,618	0	555,618	0	555,618	0	555,618	0	555,618
Asset Management	To support improvements to our existing assets as identified through the Asset Management Plan.	956,418	62,467	(136,855)	(74,388)	882,030	5,466	887,496	5,466	892,962	10,466	903,428	10,466	913,894
Benefits	To be used to mitigate any claw back by the Department of Works and Pensions following final subsidy determination. Timing of the use will depend on audited subsidy claims. Also included in this allocation are service specific grants for service improvements that have not yet been offset by expenditure.	730,748	41,500	(23,000)	18,500	749,248	(32,303)	716,945	(8,877)	708,068	0	708,068	0	708,068
Building Control	Building Control surplus ring-fenced to cover any future deficits in the service.	176,529	47,586	0	47,586	224,115	0	224,115	0	224,115	0	224,115	0	224,115
Business Rates	To be used for the support of local businesses and to mitigate impact of final claims and appeals in relation to business rates retention scheme.	10,079,816	1,016,716	(6,837,737)	(5,821,021)	4,258,795	(18,000)	4,240,795	(18,000)	4,222,795	(18,000)	4,204,795	(18,000)	4,186,795
Coast Protection	To support the ongoing coast protection maintenance programme ands carry forward funding between financial years.	261,335	62,000	(23,446)	38,554	299,889	(62,422)	237,467	0	237,467	0	237,467	0	237,467
Communities	To support projects that communities identify where they will make a difference to the economic and social wellbeing of the area.	796,350	0	(226,574)	(226,574)	569,776	(275,000)	294,776	(275,000)	19,776	0	19,776	0	19,776
Delivery Plan	To help achieve the outputs from the Corporate Plan and Delivery Plan.	2,914,166	1,700,000	(287,745)	1,412,255	4,326,421	(2,117,608)	2,208,813	(577,865)	1,630,948	(61,708)	1,569,240	0	1,569,240
Economic Development and Regeneration	Earmarked from previous underspends within Economic Development and Regeneration Budgets.	155,621	52,000	(10,000)	42,000	197,621	0	197,621	0	197,621	0	197,621	0	197,621
Election Reserve	Established to meet costs associated with district council elections, to smooth the impact between financial years.	53,000	50,000	0	50,000	103,000	50,000	153,000	(150,000)	3,000	50,000	53,000	50,000	103,000
Enforcement Works	Established to meet costs associated with district council enforcement works including buildings at risk .	101,984	0	(11,859)	(11,859)	90,125	0	90,125	0	90,125	0	90,125	0	90,125
Environmental Health	Earmarking of previous underspends and additional income to meet Environmental Health initiatives.	227,565	83,628	0	83,628	311,193	0	311,193	0	311,193	0	311,193	0	311,193
Environment Reserve	To fund expenditure relating to the Council's Green Agenda.	150,000	0	0	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000
Grants	Revenue Grants received and due to timing issues not used in the year.	1,981,100	617,585	(241,029)	376,557	2,357,656	(51,476)	2,306,180	0	2,306,180		2,306,180		2,306,180

Reserve	Purpose and Use of Reserve	Balance 01/04/21 £	Contributions In £	Contrbutions Out £	Outturn Movement 2021/22 £	Balance 01/04/22 £	Budgeted Movement 2022/23 £	Balance 01/04/23 £	Budgeted Movement 2023/24 £	Balance 01/04/24 £	Budgeted Movement 2024/25 £	Balance 01/04/25 £	Budgeted Movement 2025/26 £	Balance 01/04/26 £
Housing	Previously earmarked for stock condition survey and housing needs assessment. Also now contains the balance of the Housing Community Grant funding received in 2016/17.	2,516,351	96,221	(505,214)	(408,993)	2,107,358	(544,192)	1,563,166	(517,411)	1,045,755	0	1,045,755	0	1,045,755
Land Charges	To mitigate the impact of potential income reductions.	343,597	0	(4,445)	(4,445)	339,152	0	339,152	0	339,152	0	339,152	0	339,152
Legal	One off funding for Compulsory Purchase Order (CPO) work and East Law Surplus.	159,133	0	(34,810)	(34,810)	124,323	(29,612)	94,711	(29,612)	65,099	0	65,099	0	65,099
Major Repairs Reserve	To provide provision for the repair and maintenance of the councils asset portfolio.	0	355,695	(26,487)	329,207	329,207	280,000	609,207	280,000	889,207	280,000	1,169,207	280,000	1,449,207
New Homes Bonus (NHB)	Established for supporting communities with future growth and development and Plan review*	279,864	0	(57,321)	(57,321)	222,543	(160,000)	62,543	0	62,543	0	62,543	0	62,543
Organisational Development	To provide funding for organisation development to create capacity within the organisation, including the provision and support for apprenticeships and internships.	200,355	66,711	(93,969)	(27,258)	173,097	(12,446)	160,651	0	160,651	0	160,651	0	160,651
Pathfinder	To help Coastal Communities adapt to coastal changes.	107,553	0	(17,987)	(17,987)	89,566	0	89,566	0	89,566	0	89,566	0	89,566
Planning	Additional Planning income earmarked for Planning initiatives including Plan Review.	167,926	50,000	0	50,000	217,926	0	217,926	50,000	267,926	50,000	317,926	50,000	367,926
Property Investment Fund	To provide funding for the acquisition and development of new land and property assets	265,836	0	(265,836)	(265,836)	0	0	0	0	0	0	0	0	0
Property Company	To fund potetial housing development and property related schemes	2,000,000	0	(2,000,000)	(2,000,000)	0	0	0	0	0	0	0	0	0
Restructuring & Invest to Save Proposals	To fund one-off redundancy and pension strain costs and invest to save initiatives. Transfers from this reserve will be allocated against business cases as they are approved. Timing of the use of this reserve will depend on when business cases are approved.	1,000,029	130,453	(231,487)	(101,034)	898,995	130,453	1,029,448	0	1,029,448	0	1,029,448	0	1,029,448
Sports Hall Equipment & Sports Facilities	To support renewals for sports hall equipment. Amount transferred in the year represents over or under achievement of income target.	1,898	0	(1,898)	(1,898)	(0)	0	(0)	0	(0)	0	(0)	0	(0)
Treasury	To smooth impacts on the Revenue account of movement in fair value changes of the Councils holdings in Pooled Funds	0	500,000	0	500,000	500,000		500,000		500,000	0	500,000	0	500,000
Total Reserves		28,860,002	4,956,849	(11,409,172)	(6,452,323)	22,407,679	(2,913,183)	19,494,496	(1,304,505)	18,189,991	310,758	18,500,749	372,466	18,873,215

Capital Outturn 2021-22				
<u>Scheme</u>	Latest Budget 2021/22	Actual Expenditure 2021/22	Variance	Reprofiling
	£	£	£	£
Boosting Business Sustainability and Growth				
Rocket House	39,619	0	(39,619)	39,619
Deep History Coast	5,000	4,669	(331)	0
Collectors Cabin	24,686	278	(24,409)	24,409
Cornish Way	162,667	810	(161,857)	161,857
Fakenham Connect	99,668	3,606	(96,062)	96,062
North Walsham Heritage Action Zone	1,765,886	932,110	(833,776)	833,776
Public Convenience Improvements	300,000	189,511	(110,489)	110,489
Unit 1 & 2, Surf Lifesaving School, Cromer Promenade	55,000	0	(55,000)	55,000
Purchase of Property Services Vehicles	25,000	0	(25,000)	25,000
Car Park Ticket Machine Replacement Programme	275,000	134,428	(140,572)	140,572
Weybourne Car Park Public Convenience	16,000	15,116	(884)	0
Fakenham Urban Extension	1,800,000	0	(1,800,000)	1,800,000
Bacton Car Park Programme	0	455	455	0
Community Renewal - Fakenham	800,000	0	(800,000)	0
Community Renewal - North Walsham	800,000	0	(800,000)	0
	6,168,526	1,280,982	(4,887,544)	3,286,784
Local Homes for Local Need				
Disabled Facilities Grants	1,000,000	877,598	(122,402)	0
Compulsory Purchase of Long Term Empty Properties	184,823	0	(184,823)	184,823
Shannoeks Hotel	0	4,383	4,383	0
Community Housing Fund	885,160	50,000	(835,160)	835,160
Provision of Temporary Accommodation	1,391,543	1,305,505	(86,038)	86,038
S106 Enabling	450,000	0	(450,000)	450,000
	3,911,526	2,237,486	(1,674,040)	1,556,021
Climate, Coast and the Environment				
Cromer Coast Protection Scheme	1,773,092	0	(1,773,092)	1,773,092
Coastal Erosion Assistance	48,797	3,431	(45,366)	45,366
Coastal Adaptations	247,493	0	(247,493)	247,493
Mundesley - Refurbishment of Coastal Defences	1,622,607	208,590	(1,414,017)	1,414,017
Cromer Pier - Steelworks and Improvements to Pavilion Theatre	96,480	302,486	206,006	(206,006)
Sea Palling Ramp	9,651	0	(9,651)	9,651
Replacement of Flood Gates at Cable Gap Bacton, The Ship Bacton & Walcott Post Office	45,500	0	(45,500)	45,500
Climate Change – Coastal Tools and Knowledge	11,275	20,634	9,359	(9,359)
Bacton and Walcott Coastal Management Scheme	0	5,931	5,931	(5,931)
Sandscaping Monitoring & Windblown Sand Reimbursement	0	72,746	72,746	(72,746)
	3,854,895	613,818	(3,241,077)	3,241,077

Capital Outturn 2021-22				
<u>Scheme</u>	Latest Budget 2021/22	Actual Expenditure 2021/22	Variance	Reprofiling
	£	£	£	£
Quality of Life				
Steelwork Protection to Victory Pool and Fakenham Gym	27,467	0	(27,467)	27,467
Fakenham Gym	62,500	0	(62,500)	62,500
The Reef Gym Equipment	502,534	340,700	(161,834)	161,834
North Walsham Artificial Grass Pitch	848,868	0	(848,868)	848,868
The Reef Leisure Centre	3,522,038	3,374,398	(147,640)	147,640
Sheringham Enabling Land	110,000	10,966	(99,034)	99,034
Refurbishment of Chalets in Cromer and Sheringham	60,000	105,519	45,519	(45,519)
Green Road Football Facility	60,000	9,777	(50,223)	50,223
	5,193,407	3,841,361	(1,352,046)	1,352,046
Customer Focus and Financial Sustainability				
Administrative Buildings	12,559	2,456	(10,103)	10,103
Council Chamber and Committee Room Improvements	7,814	0	(7,814)	7,814
Purchase of Bins	80,000	151,220	71,220	(71,220)
User IT Hardware Refresh	111,763	35,698	(76,065)	76,065
Storage Hardware	17,567	0	(17,567)	17,567
Members IT	23,543	0	(23,543)	23,543
Electric Vehicle Charging Points	90,055	2,080	(87,975)	87,975
Waste vehicles	968,204	935,603	(32,601)	32,601
Backup Network Upgrade	14,000	0	(14,000)	14,000
Cromer Office LED Lighting	60,000	0	(60,000)	60,000
Fire Wall Replacements	3,512	0	(3,512)	3,512
Refurbishment of IT Training Room	15,000	0	(15,000)	15,000
Citizen App	1,850	850	(1,000)	1,000
Planning S106 Software	40000	0	(40,000)	40,000
Environmental Health IT System Procurement	0	16,750	16,750	0
Finance System Refresh	75000	65,000	(10,000)	10,000
	1,520,867	1,209,657	(311,210)	327,960
TOTAL EXPENDITURE	20,649,221	9,183,303	(11,465,918)	9,763,888
Capital Programme Financing				
Grants	7,455,771	2,343,477		
Other Contributions	1,350,000	0		
Asset Management Reserve	396,374	103,352		
Revenue Contribution to Capital (RCCO)	0	381,183		
Capital Project Reserve	707,348	487,477		
Other Reserves	2,990,010	347,140		
Capital Receipts	3,259,476	1,210,674		
Internal / External Borrowing	4,490,242	4,310,001		
TOTAL FINANCING	20,649,221	9,183,303		

<u>Scheme</u>	Scheme Total Current Estimate	Updated Budget 2021/22	Updated Budget 2022/23	Updated Budget 2023/24	Updated Budget 2024/25	Updated Budget 2025/26
	£	£	£	£	£	£
Boosting Business Sustainability and Growth						
Rocket House	77,084	(0)	39,619	0	0	0
Deep History Coast	886,998	5,000	0	0	0	0
Collectors Cabin	25,000	278	24,408	0	0	0
Cornish Way	170,000	810	161,857	0	0	0
Fakenham Connect	100,000	3,606	96,062	0	0	0
North Walsham Heritage Action Zone	3,953,776	1,765,886	1,697,276	307,250	0	0
Public Convenience Improvements	737,000	189,511	335,362	0	0	0
Unit 1 & 2, Surf Lifesaving School, Cromer Promenade	55,000	0	55,000	0	0	0
Purchase of Property Services Vehicles	25,000	0	25,000	0	0	0
Car Park Ticket Machine Replacement Programme	275,000	134,428	140,572	0	0	0
Weybourne Car Park Public Convenience	16,000	16,000	0	0	0	0
Fakenham Urban Extension	1,800,000	0	1,800,000	0	0	0
Public Convenience Improvements Sheringham & North Walsingham	500,000	0	500,000	0	0	0
	8,620,858	2,115,519	4,875,156	307,250	0	0
Local Homes for Local Need						
Disabled Facilities Grants	Annual programme, subject to NCC funding	877,598	1,000,000	0	0	0
Compulsory Purchase of Long Term Empty Properties	675,500	0	184,823	0	0	0
Community Housing Fund	2,371,094	50,000	1,335,160	250,000	0	0
Provision of Temporary Accommodation	2,630,560	1,305,505	336,038	0	0	0
S106 Enabling	1,900,000	0	1,425,000	175,000	300,000	300,000
	7,577,154	2,233,103	4,281,021	425,000	300,000	300,000

<u>Scheme</u>	Scheme Total Current Estimate	Updated Budget 2021/22	Updated Budget 2022/23	Updated Budget 2023/24	Updated Budget 2024/25	Updated Budget 2025/26
	£	£	£	£	£	£
Climate, Coast and the Environment						
Cromer Coast Protection Scheme	8,822,001	0	3,516,184	0	0	0
Coastal Erosion Assistance	90,000	3,431	45,366	0	0	0
Coastal Adaptations	247,493	0	247,493	0	0	0
Mundesley - Refurbishment of Coastal Defences	3,221,000	208,590	2,959,860	0	0	0
Cromer Pier - Steelworks and Improvements to Pavilion Theatre	2,919,783	302,486	927,994	0		0
Sea Palling Ramp	10,000	0	9,651	0	0	0
Replacement of Flood Gates at Cable Gap Bacton, The Ship Bacton & Walcott Post Office	45,000	0	45,000	0	0	0
Climate Change – Coastal Tools and Knowledge	11,275	11,275	0	0	0	0
	15,366,552	525,782	7,751,548	0	0	0
Quality of Life						
Steelwork Protection to Victory Pool and Fakenham Gym	27,500	0	27,467	0	0	0
Fakenham Gym	62,500	0	62,500	0	0	0
Gym Equipment	1,013,000	340,700	161,834	0	0	0
North Walsham Artificial Grass Pitch	860,000	0	848,868	0	0	0
The Reef Leisure Centre	12,697,000	3,374,398	147,640	0	0	0
Sheringham Enabling Land	110,000	10,966	99,034	0	0	0
Refurbishment of Chalets in Cromer and Sheringham	101,000	101,000	0	0	0	0
Green Road Football Facility	60,000	9,777	50,223	0	0	0
	14,931,001	3,836,842	1,397,566	0	0	0

<u>Scheme</u>	Scheme Total Current Estimate	Updated Budget 2021/22	Updated Budget 2022/23	Updated Budget 2023/24	Updated Budget 2024/25	Updated Budget 2025/26
	£	£	£	£	£	£
Customer Focus and Financial Sustainability						
Administrative Buildings	1,713,878	2,456	10,103	0	0	0
Council Chamber and Committee Room Improvements	89,000	(0)	7,814	0	0	0
Purchase of Bins	691,834	151,220	8,780	0	0	0
User IT Hardware Refresh	275,000	35,698	131,065	0	0	0
Storage Hardware	60,000	(0)	17,567	0	0	0
Members IT	65,000	0	23,543	0	0	0
Electric Vehicle Charging Points	248,600	2,080	87,975	0	0	0
Waste vehicles	4,500,000	935,603	32,601	0	0	0
Backup Network Upgrade	14,000	0	14,000	0	0	0
Cromer Office LED Lighting	60,000	0	60,000	0	0	0
Fire Wall Replacements	36,000	0	3,512	0	0	0
Refurbishment of IT Training Room	15,000	0	15,000	0	0	0
Financial Management System	150,000	75,000	75,000	0	0	0
Planning S106 Software	40,000	0	40,000	0	0	0
Citizen App	45,000	850	1,000	0	0	0
	8,003,312	1,202,907	527,960	0	0	0
TOTAL EXPENDITURE	54,498,877	9,914,153	18,833,251	732,250	300,000	300,000
Capital Programme Financing						
Grants		3,167,894	8,478,186	92,500	0	0
Other Contributions		0	2,325,000	175,000	300,000	300,000
Asset Management Reserve		264,357	293,022	0	0	0
Revenue Contribution to Capital (RCCO)		310,183	0	0	0	0
Capital Project Reserve		487,477	219,871	0	0	0
Other Reserves		347,140	2,907,560	250,000	0	0
Capital Receipts		1,027,100	4,429,371	214,750	0	0
Internal / External Borrowing		4,310,002	180,241	0	0	0
TOTAL FINANCING		9,914,153	18,833,251	732,250	300,000	300,000

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COVID Grants Position 2021/22 Outturn

Grant Title	Received from	Total Allocation available		Total Expenditure	Movement 2021/22	Treatment and Impact on Net cost of Service		Closing Balance
		B/F Balance	Received in 2021/22					
		£	£	£	£	£	£	£
General Covid Grant	DLUHC	(780,224)	(580,654)	(1,360,878)	558,647	(22,007)	Variance on GF - contra cont. to Grants Reserve	(802,232)
Test and Trace Standard	DHSC	(17,500)	(51,500)	(69,000)	161,500	110,000	No Variance On Net Cost Of Service - Debtor Provision	92,500
Test and Trace Discretionary	DHSC	(54,000)	(8,000)	(62,000)	97,500	89,500	No Variance On Net Cost Of Service - Debtor Provision	35,500
Test and Trace Administration	DHSC	(21,218)	(29,746)	(50,964)	23,114	(6,632)	Variance on Net cost of Services Contra cont. to Grants reserve.	(27,850)
Local Discretionary Test and Trace Scheme	NCC		(50,000)	(50,000)	7,800	(42,200)	Variance on Net cost of Services Contra cont. to Grants reserve.	(42,200)
Tourism Support Funding	NCC	(16,197)	0	(16,197)	16,197	16,197	Variance on Net cost of Services Contra cont. from Grants reserve.	(0)
Local Restrictions Grant Schemes		(1,044,467)	(296,800)	(1,341,267)	599,170	302,370	No Variance On Net Cost Of Service - Creditor Provision	(742,097)
Business Lockdown Grant Schemes		(1,972,736)	0	(1,972,736)	769,605	769,605	No Variance On Net Cost Of Service - Creditor Provision	(1,203,131)
Omicron Hospitality & Leisure	BEIS		(8,070,885)	(8,070,885)	6,670,710	(1,400,175)	No Variance On Net Cost Of Service - Creditor Provision	(1,400,175)
Additional Restrictions Support		(1,758,013)	(938,678)	(2,696,691)	2,664,817	1,726,139	No impact on net cost of Service transfer from Government Receipts in Advance	(31,874)
Restart Grant		0	(26,166,249)	(26,166,249)	27,201,481	1,035,232	No Variance On Net Cost Of Service - Debtor Provision	1,035,232
Small Business Grants		(9,544,000)	0	(9,544,000)	9,474,000	9,474,000	No Variance On Net Cost Of Service - Creditor Provision	(70,000)
Welcome Back Fund	European		(27,861)	(27,861)	27,861	0	-	0
Covid -19 Hardship Fund	MHCLG	(180,097)		(180,097)	0	0	No movement in 2021/22	(180,097)
Household Support Payments	NCC		(128,800)	(128,800)	121,633	(7,167)	Variance on Net cost of Services Contra cont. to Grants reserve.	(7,167)
Protect And Vaccinate	DLUHC		(57,861)	(57,861)	9,048	(48,813)	No Variance On Net Cost Of Service - Creditor Provision	(48,813)

COVID Grants Position 2021/22 Outturn

Grant Title	Received from	Total Allocation available					Movement 2021/22	Treatment and Impact on Net cost of Service	Closing Balance
		B/F Balance	Received in 2021/22	2021/22	Total Expenditure				
		£	£	£	£	£		£	£
Clinically Extremely Vulnerable (CEV) funding	NCC	(42,000)		(42,000)			0	No movement in 2021/22	(42,000)
DHSC - COMF	DHSC		(149,846)	(149,846)	149,846		0	-	0
NCC - COMF Funding	NCC	(97,194)	(200,000)	(297,194)	97,194	(102,806)		Variance on Net cost of Services Contra cont. to Grants reserve.	(200,000)
Local Outbreak Control Plan (LOCP)	NCC	(100,000)		(100,000)	73,316	73,316		Variance on Net cost of Services Contra cont. from Grants reserve.	(26,684)
National Leisure Recovery Fund	Sport England		(14,894)	(14,894)	14,894	0			0
Business Support	DLUHC	(170,000)		(170,000)	0		0	No movement in 2021/22	(170,000)
New Burdens 4 Restart & Arg	BEIS		(127,300)	(127,300)	17,218	(110,082)		Variance on Net cost of Services Contra cont. to Grants reserve.	(110,082)
New Burdens 5 - Stage 1 payment	BEIS		(25,620)	(25,620)	0	(25,620)		Variance on Net cost of Services Contra cont. to Grants reserve.	(25,620)
Cyber Support Grant	DLUHC		(100,000)	(100,000)	0	(100,000)		Variance on Net cost of Services Contra cont. to Grants reserve.	(100,000)
New Burdens 6 Omicron & ARG	BEIS		(82,657)	(82,657)	0	(82,657)		Variance on Net cost of Services Contra cont. to Grants reserve.	(82,657)
COVID - CTAX new burdens hardship	DLUHC	(10,654)		(10,654)	0		0	No movement in 2021/22	(10,654)
COVID - NDR new burdens hardship	DLUHC	(11,700)		(11,700)	0		0	No movement in 2021/22	(11,700)
		(15,820,000)	(37,107,352)	(52,927,351)	48,755,550	11,648,198			(4,171,802)

2021/22 Under spends and Grants - Requests to Roll Forward

Appendix G

Ref	Service Area	Service	Amount £	Amount Agreed by Management Team	Under spend and details of request	Request Made by (Service Mgr/Budget Holder)	Recommended Treatment / Reserve Allocation
1) Requests to roll forward service underspends.							
US1	Corporate	Corporate Leadership Team	24,287	24,287	To support the creation of an apprentice post within the Corporate PA team.	Lynda McElligott	General
US2	Communities	Cleansing	15,000	15,000	To replace some of the bin housings which are damaged. The replacement of these bins has not been included within the 2022/23 budget.	Scott Martin	Environmental Health
US3	Place and Climate Change	Coast Protection	62,000	62,000	Budget to complete Overstrand Sea Defence Maintenance scheme – completion delayed due to delays from Marine Management Organisation in discharging licence conditions. Move to Coastal Management Reserve.	Rob Goodliffe	Coast Protection
US4	Corporate	HR	27,861	27,861	This will be used for adhoc project work within the team, I am also anticipating increased salary costs as the HR Advisor posts are going to a JE panel	James Claxton	Organisational Dev
US4	Corporate	Common Training	38,850	38,850	Due to the impact of COVID, the council's learning and development activities suffered. Projects due for completion in the new financial year include upgrades to Skillgate, performance management, and customer services learning across the council. To create the £38,850 roll forwards, £21k is to be used from a reserve amount of £31K.	James Claxton	Organisational Dev
US5	Organisational Resources	Property Services	11,000	11,000	Expenditure required for replacement of oven and dishwasher.	Russell Tanner	Asset Management
US6	Resources	Property Services	11,000	11,000	March lighting inspections for Sheringham and Cromer and repairs to be financed - 6 x lantern heads ordered for replacement at £700 each. .	Russell Tanner	Asset Management
US7	Finance, Assets and Legal	Estates	30,000	30,000	Min expenditure of £9,000 to deal with the beach hut plot repairs at Overstrand, caused by the recent storms. Coastal Team have budget estimate for the repair, but may increase as it has not been possible to quantify exactly. Chalets at the donkey shelter repair works are required as they were not undertaken as part of the recent repair programme as PS overspent. Estimated cost of £20,000. £1,000 for replacement curtains and other equipment that has been damaged or lost.	Renata Garfoot	Asset Management

2021/22 Under spends and Grants - Requests to Roll Forward

Ref	Service Area	Service	Amount £	Amount Agreed by Management Team	Under spend and details of request	Request Made by (Service Mgr/Budget Holder)	Recommended Treatment / Reserve Allocation
US8	Sustainable Growth	Economic Growth	25,000	25,000	The slippage in our budget is as a direct result of my service focusing on our Covid response and the administration of a range of support grants and schemes. The amount specified will be used to fund a ‘North Walsham Vision’ Study in 22/23 which has been identified as a critical piece of complementing work to the North Walsham HAZ, but sits outside the parameters of its funding and we were not able to deliver this in the 21/22 financial year due to competing priorities.	Stuart Quick	Economic Development and Tourism
US8	Environment & Leisure	Commercial	50,000	50,000	Underspend in staffing budgets due to staff working on Covid related tasks - Test and Trace, support for self-isolation, and compliance and enforcement duties. Some staffing costs have been funded from various grants (COMF and LOCP) leaving an under spend in the staffing base budgets. The under spend is to be earmarked for backfilling staff or using agency staff/consultants to fulfil works not undertaken during the pandemic.	Emily Capps	Environmental Health

294,998	294,998
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2) Unspent grants - grants received in the year that remain unspent at 31 March 2022

Grant 1	Environment & Leisure	Commercial & Public Protection	13,219	13,219	Carry over of the grant funding to allow the service to undertake regulatory work following the impacts and displacement of statutory activities during the Covid pandemic.	Tracy Howard	Environmental Health
Grant 2	People Services	Benefits	41,500	41,500	The Benefits service would request the roll forward of underspends in its budget. This income has come from grants and burdens funding through the DWP for the administration of Housing Benefit and Council Tax Support.	Trudi Grant/Lindsay Circuit	Benefits
Grant 3	People Services	Housing	32,138	32,138	Carry forward of the Domestic abuse grant to enable funding of people services restructure approved by cabinet in October 2021.	Lisa Grice	Housing
Grant 4	People Services	Housing	28,000	28,000	Homelessness Prevention Top up Grant was awarded towards the end of the financial year with limited time to spend the full amount, the service has been successful in preventing a number of cases and would like to continue to use the rest of the fund to prevent further to support & prevent households facing eviction due to financial difficulties.	Lisa Grice	Housing

114,857	114,857
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TOTAL

409,855	409,855
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0

Budget Monitoring Report 2022/23 – Period 4

Summary: This report summarises the budget monitoring position for the revenue account, capital programme and reserves statement to the end of July 2022

Options considered: Not applicable

Conclusions: The overall position at the end of July 2022 shows a £4,149,811 underspend for the current financial year on the revenue account, this is however currently expected to deliver a full year underspend of £472,234 (but these may be impacted by in year cost pressures as shown in paragraph 2.4).

Recommendations: **It is recommended that Cabinet:**

- 1) Note the contents of the report and the current budget monitoring position.**
- 2) That £30,000 is released from the Asset Management reserve for health and safety works at Mundesley road car park, North Walsham.**
- 3) That it is recommended to Full Council that £130,000 is released from the Major Repairs reserve to increase the existing capital budget for Fakenham Connect.**

Reasons for Recommendations: To update Members on the current budget monitoring position for the Council.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information, and which are not published elsewhere)

System Budget monitoring reports

Cabinet Member(s) Cllr Eric Seward	Ward(s) affected All
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Contact Officer, telephone number and email: Alison Chubbock 07967 325037 Alison.chubbock@north-norfolk.gov.uk

1. Introduction

- 1.1 This report compares the actual expenditure and income position at the end of July 2022 to the Updated budget for 2022/23. The original Base Budget as agreed by Full Council in February 2022 has been updated to reflect approved budget virements.

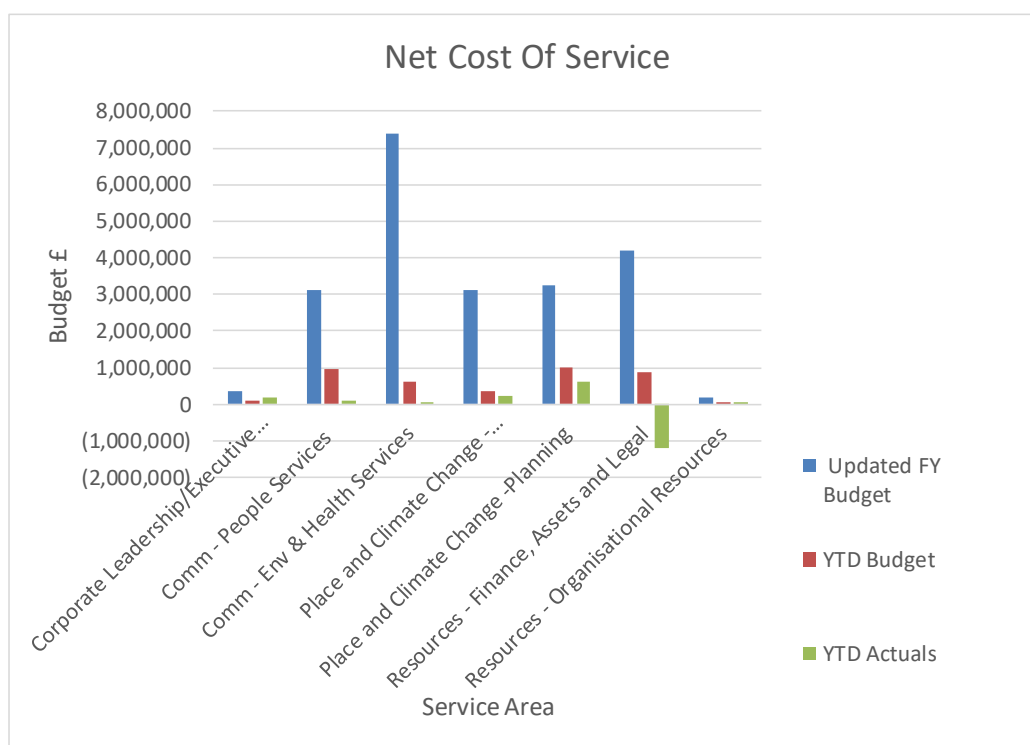
2. Revenue

- 2.1 The General Fund Summary at Appendix A shows the high level budget monitoring position as at 31 July 2022 and highlights a year to date variance of £4,149,811 underspend against the profiled updated budget. There is an under spend of £3,960,868 in relation to the service variances with the remainder relating to non-service specific budgets.

	Budget YTD £	Actuals YTD £	YTD Variance £	Estimated FYE £
Net Cost of Service	£3,963,449	£2,581	(£3,960,868)	£15,000
External interest – Received/Paid	(£330,372)	(£519,313)	(£188,941)	(£487,234)
Income from Government Grant and Taxpayers	(£8,824,782)	(£8,824,782)	0	0
Total FYE				(£472,234)

- 2.2 The Chart below illustrates these variances per service area and Appendix B provides further details of the individual service variances. Variances are reported against the updated budget in the Council's General Fund summary as shown in Appendix A. There has been movement within the service areas between the Base budget approved by Full Council and the current updated budget position, this reflects changes in service budget allocation including the transfer of the car park budget and management. From 1 June 2022 this budget transferred from Communities to Resources.

Variance by Service Area



- 2.3 A significant part of the variance relates to Serco contract payments. Accruals have been brought forward from 2021/22 relating to variable billing for which we have not yet received any invoices - this is due to reconciliation issues. In addition, we have only received invoices for 2022/23 in respect of the fixed price elements of the contract (bin collections, cleansing and grounds maintenance) – a payment was made but coded only to Waste – this needs to be allocated across various service areas.
- 2.4 The current financial position excludes the likely impacts of increasing Inflation. The 2022/23 base budget allowed for a 2% increase on employee budgets, however currently the national pay award is likely to be far higher than this value once agreed. Based on current negotiations the shortfall could be in the region of £474k. Other budgets across the Council are likely to be adversely affected by the current economic trends including utilities, contract expenditure and running costs inflation. These additional costs may be largely offset by the additional investment income anticipated, however as part of the outturn report the surplus is recommended to be transferred to the General reserve and this could be used to mitigate any negative impacts.
- 2.5 Table 1 below shows the over/underspend to date for the more significant variances, this is compared to the updated budget. The estimated full year variance is what the likely financial position will be at the end of the financial year.

Table 1 – Service Variances	Over/(Under) spend to date against updated budget +/- £20,000 As per General Fund Summary £	Estimated Full Year Variance Against Updated Budget £

Corporate		
Corporate Leadership and Executive support – Additional employee costs alongside planned recruitment for Director of Resources and interim Section 151 cover.	£52,013	£60,000
Human Resources and Payroll - The majority of this variance is in respect of recruitment costs, which will be allocated to the service areas.	£21,201	0
Communities – Environment & Leisure		
Parks and Open Spaces – (£62,835) Cleansing & Grounds maintenance contract payments not made - invoices awaited from contractor. (£83,386) Income relating to a Section 106 agreement, this will be ringfenced and drawn down at a later date.	(£142,977)	0
Other Sports - £19,313 Additional costs associated with the Mammoth Marathon. £13,989 additional staffing including redundancy costs.	£33,471	£30,000
Beach safety – Cleansing contract payments not yet made awaiting invoices from the contractor.	(£68,527)	0
Waste Collection and Disposal – (£984,483) Accruals brought forward for contractor invoices relating to 2021/22. £1,025,241 First quarter payments to Serco coded to Waste - to be allocated across various services. (£90,187) Additional commercial fee income.	(£51,576)	0
Cleansing – Accrual brought forward from 2021/22 not yet offset by expenditure.	(£393,323)	0
Communities – Peoples Services		
Benefits Administration – Staff turnover due to vacancies and secondments. (£46,063) Service grants received from Department for Works and Pensions to be offset by additional expenditure.	(£72,864)	0
Homelessness - Increased Bed and Breakfast accommodation charges to be offset by subsidy and client contributions. Additional grant funding to be allocated to staffing and service provision.	(£127,466)	0
Housing Options – (See Homelessness) – Additional grant income to be allocated to staffing budget.	£34,038	0
Community – This significant variance is mostly made up of grants and contributions	(£670,059)	0

drawn down which were not budgeted for. These include (£35k) Contribution from NHS for the Community Transformation Fund (Waiting Well); Grants of (£347k) Covid Recovery Fund, (£125k) Contain Outbreak Management Fund (COMF) and (£120k) Ukraine Funding - all to be used for staffing and partnership payments.		
Place and Climate Change – Planning		
Development Management – Staff turnover savings from vacant posts. (£47,915) Fee income and pre-application advice. (£165,691) Section 111 & Section 106 income ringfenced to be offset by appropriate expenditure.	(£247,638)	(£25,000)
Planning Policy – Staff turnover savings due to vacant posts.	(£28,311)	(£15,000)
Conservation, Design & Landscape – Staff turnover savings due to vacant posts. (£10,047) Grant income received.	(£41,629)	(£20,000)
Major Developments – Staff turnover due to vacant posts.	(£29,097)	(£15,000)
Building Control - Fee income over the profiled budget - as this is a self-financing service any surplus/deficit position on the fee earning element of the service will be met with a corresponding earmarked reserve movement at the year end.	(£54,797)	0
Place and Climate Change – Sustainable Growth		
Coastal Management – Staff turnover due to vacant posts, this will not result in a full year effect but will require less financing from earmarked reserves.	(£44,005)	0
Resources – Finance, Assets and Legal		
Revenue Services – (£1,759,283) Covid - 19 Grant accruals b/f from 2021/22 awaiting final reconciliation work and repayment to Department for Business, Energy & Industrial Strategy (BEIS).	(£1,762,560)	0
Corporate Finance – Staff Turnover savings due to vacant posts - this will be offset by temporary agency support. Contribution accrual not fully offset by expenditure.	(£88,758)	0
Investment properties – Service charge	£22,234	0

accruals not yet offset by income.		
Corporate and Democratic Core – Accrual in respect of 2021/22 audit fees not yet offset by expenditure. (£125k) Unbudgeted grant received from Central Government for consultancy, admin and support costs relating to the Levelling Up Bid process.	(£207,843)	0
Resources – Organisational Resources		
Car parking – (£123,462) Car Park and Cleansing contract invoices not yet received. Higher than anticipated R & M and Business rate costs of £53,672. (£60,811) Car park income is up against the profiled budget. This budget will continue to be monitored and an estimated Full Year Effect calculated for P6 monitoring.	(£130,601)	0
Property Services – Accrual relating to the Re-opening of the High Street project not yet offset by Income.	£82,865	0
Customer Services - Corporate – (£24,847) Staff turnover savings due to vacant posts. (£10,610) Service charge Income.	(£34,175)	
Net Position	(£3,950,384)	£15,000

3. Non-Service Variances to period 4 2022/23

Investment Interest

- 3.1 The interest budget for 2022/23 anticipates that a total of £1,149,481 will be earned from Treasury investments and loans made for service purposes. Overall, an average balance of £42.8m is assumed, at an average interest rate of 2.68%.
- 3.2 At the end of period 4, a total of £545,572 has been earned, resulting in a favourable variance against the year-to-date budget of £162,516. The average rate of interest achieved was 3.59% from an average balance available for investment of £45m. At the end of the year a favourable variance against the budget of £487,234 is anticipated. A total of £32.0m has been invested in pooled funds which are valued at £33.3m at the end of period 4. The increase in interest and decrease in capital value are both consequences of the increasing base rate following the economic events of Russia.
- 3.3 The Council has a balanced portfolio with a diverse range of funds investing in different instruments. The Council can expect the valuation of its pooled investments to continue to be volatile, but this is in line with expectations when the investments were placed. The risks inherent in the volatile nature of these investments are mitigated as the Council intends to hold them for the long term. Interest rates continue to outperform borrowing rates, therefore holding onto investments still provides the best rate of return for the Council.

Borrowing Interest

- 3.4 The budget for 2022/23 anticipates that £2,000 would be paid in interest for short-term borrowing for cash flow purposes.
- 3.5 At period 4, a total of £3,662 has been paid resulting in an adverse variance against the budget of £1,662. At the end of the year an adverse variance against the budget of £23,858 is anticipated. This is following increased borrowing interest rates from economic events. As highlighted in point 3.3. the increase in interest rates for the Council's long-term deposits (pooled funds) outweigh the increased cost of borrowing.
- 3.6 Interest for long-term borrowing has been budgeted for £143,532 for financing the Reef Leisure Centre and purchase of Waste Vehicles.
- 3.7 At period 4, there had been no commitments to long-term borrowing for capital purposes. At end of the year, if long-term borrowing is not undertaken a favourable variance of £143,532 against budget is forecast, although at the present time we are assuming that the borrowing will be taken. This may change dependent on future cash inflows and the timing of the repayment of excess grant funding from central government. The decision to undertake short-term or long-term borrowing will be made in line with our borrowing strategy.

Retained Business Rates

- 3.8 There is currently no variance showing against Non-Domestic Rates income for the financial year at this stage of the year. The final variance will not be known until the NNDR3 form is completed at the end of the financial year and the grant actually due to the authority has been determined. Any large value appeals or anything which may significantly affect the NNDR income will be reported in future reports if required.

4. Capital

- 4.1 Total Capital expenditure amounted to £631,777 (including budgeted capital salaries) across all projects in the first four months of 2022/23.
- 4.2 A capital budget of £30,000 is required to undertake urgent repairs to the surface of the Mundesley road car park in North Walsham. This is to address public health and safety issues and protect the Council from the risk of future insurance claims. It is recommended that £30,000 is released from the Asset Management reserve.
- 4.3 Included in the current capital programme is a budget for works at Fakenham Connect, this £100,000 is in relation to repair works to the grade listed boundary walls. Procurement for this work has now been undertaken and has identified a shortfall in resources of £130,000. The Council leases the Fakenham Connect Building and has legal obligations for its repair and maintenance. Due to the building specification, it is necessary that this work is undertaken in favourable weather conditions. It is recommended that £130,000 is released from the Major Repairs reserve to allow this work to proceed this autumn.

- 4.4 The Capital Programme has been updated to reflect changes as per the Outturn Report 2021/22 which is also on this agenda, and can be found at Appendix C. No further changes have been made.

5. Reserves

- 5.1 The Council's current Reserve Statement is included as part of the Outturn report at Appendix C, this gives the latest position of amounts allocated to services.

6. Corporate Plan Objectives

- 6.1 Corporate Plan objectives are supported by the Councils allocated budgets

7. Medium Term Financial Strategy

The report provides an update on the budget monitoring position to the end of July 2022 which forms part of the Medium Term financial Strategy

8. Financial and Resource Implications

The report is financial in nature and financial implications are included within the content of the report.

9. Legal Implications

None as a direct consequence of this report

10. Risks

- 10.1 The detail within section 2 of the report highlights the more significant variances including those that are estimated to result in a full year impact.
- 10.2 The estimated outturn will continue to be monitored during the year.

11. Sustainability

None as a direct consequence of this report

12. Climate / Carbon impact

None as a direct consequence of this report

13. Equality and Diversity

None as a direct consequence of this report

14. Section 17 Crime and Disorder considerations

None as a direct consequence of this report

15. Conclusion and Recommendations

- 15.1 The revenue budget is showing an estimated full year underspend for the current financial year of £472,234. The overall financial position continues to be closely monitored and it is anticipated that the overall budget for the current year will be achieved.
- 12.2 The Council will continue to try and address any forecast deficit which may arise during the year by looking to make further savings and reallocate resources within the current budget as the reserves are already under pressure and only represent a one-off source of funding which is not sustainable in the medium term. Should the Council not be able to make

these adjustments in year then reserves will be required to balance the budget although this requirement is not anticipated at the current time.

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General Fund Summary P4 2022-23

	2022-23 Base Budget £	2022-23 Updated Budget £	2022/23 YTD Budget £	2022/23 YTD Actuals £	2022/23 YTD Variance £	Commitments £	Remaining Budget £
Directorate							
Corporate Leadership/Executive Support	350,720	350,720	92,464	173,994	81,530	29,882	146,844
Communities	9,765,875	10,512,392	1,586,820	128,626	(1,458,194)	2,938,230	7,445,536
Place and Climate Change	5,530,289	6,368,062	1,354,843	866,128	(488,715)	325,769	5,176,165
Resources	5,967,695	4,383,405	929,322	(1,172,937)	(2,102,259)	1,444,055	4,112,287
Net Cost of Services	21,614,579	21,614,579	3,963,449	(4,189)	(3,967,638)	4,737,935	16,880,832
Parish Precepts	2,724,873	2,724,873	1,362,437	1,362,437	0	0	1,362,436
Capital Charges	(2,456,953)	(2,456,953)	(818,984)	(818,988)	(4)	0	(1,637,965)
Refcus	(1,677,167)	(1,677,167)	0	0	0	0	(1,677,167)
Interest Receivable	(1,136,652)	(1,136,652)	(378,884)	(546,017)	(167,133)	0	(590,635)
External Interest Paid	145,532	145,532	48,512	26,704	(21,808)	0	118,828
Revenue Financing for Capital:	1,173,426	1,173,426	0	0	0	0	1,173,426
MRP Waste Contract	562,500	562,500	0	0	0	0	562,500
IAS 19 Pension Adjustment	265,496	265,496	0	0	0	0	265,496
Net Operating Expenditure	21,215,634	21,215,634	4,176,530	19,947	(4,156,583)	4,737,935	16,457,751
Contribution to/(from) the Earmarked Reserves							
Asset Management	5,466	5,466	0	0	0	0	5,466
Benefits	(32,303)	(32,303)	0	0	0	0	(32,303)
Building Control	0	0	0	0	0	0	0
Business Rates	(18,000)	(18,000)	0	0	0	0	(18,000)
Coast Protection	(62,422)	(62,422)	0	0	0	0	(62,422)
Communities	(275,000)	(275,000)	0	0	0	0	(275,000)
Delivery Plan	(2,117,608)	(2,117,608)	0	0	0	0	(2,117,608)
Elections	50,000	50,000	0	0	0	0	50,000
Grants	(51,476)	(51,476)	0	0	0	0	(51,476)
Housing	(544,192)	(544,192)	0	0	0	0	(544,192)
Legal	(29,612)	(29,612)	0	0	0	0	(29,612)
Major Repairs Reserve	280,000	280,000	0	0	0	0	280,000
New Homes Bonus Reserve	(160,000)	(160,000)	0	0	0	0	(160,000)
Organisational Development	(12,446)	(12,446)	0	0	0	0	(12,446)
Pathfinder	0	0	0	0	0	0	0
Planning Revenue	0	0	0	0	0	0	0
Property Investment Fund	0	0	0	0	0	0	0
Property Company	0	0	0	0	0	0	0
Restructuring/Invest to save	130,453	130,453	0	0	0	0	130,453
Sports Facilities	0	0	0	0	0	0	0
Treasury Reserve	0	0	0	0	0	0	0
Contribution to/(from) the General Reserve	(76,043)	(76,043)	0	0	0	0	(76,043)
Amount to be met from Government Grant and Local Taxpayers	18,302,451	18,302,451	4,176,530	19,947	(4,156,583)	4,737,935	13,544,568
Collection Fund – Parishes	(2,724,873)	(2,724,873)	(953,742)	(953,742)	0	0	(1,771,131)
Collection Fund – District	(6,513,398)	(6,513,398)	(2,279,690)	(2,279,690)	0	0	(4,233,708)
Retained Business Rates	(7,206,520)	(7,206,520)	(4,737,265)	(4,737,265)	0	0	(2,469,255)
Revenue Support Grant	(93,540)	(93,540)	(33,674)	(33,674)	0	0	(59,866)
New Homes bonus	(886,575)	(886,575)	(443,288)	(443,288)	0	0	(443,287)
Rural Services Delivery Grant	(507,661)	(507,661)	(253,831)	(253,831)	0	0	(253,830)
Lower Tier Services Grant	(147,545)	(147,545)	(49,180)	(49,180)	0	0	(98,365)
Services Grant	(222,339)	(222,339)	(74,112)	(74,110)	2	0	(148,229)
Income from Government Grant and Taxpayers	(18,302,451)	(18,302,451)	(8,824,782)	(8,824,780)	2	0	(9,477,671)
(Surplus)/Deficit	0	0	(4,648,252)	(8,804,833)	(4,156,581)	4,737,935	4,066,897

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Service Area Summaries P4 2022/23

Communities

Ad Environment & Leisure Services

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Immediate Commitments £	Remaining Budget £	Explanation for Major Variances.
Commercial Services							
Gross Direct Costs	343,343	100,084	101,511	1,427	7,324	234,507	No Major Variances.
Gross Direct Income	(24,500)	(5,369)	(1,461)	3,908	0	(23,039)	Lower Legal Fee income.
Support Service Charges	173,440	57,808	57,808	0	0	115,632	No Major Variances.
	492,283	152,523	157,858	5,336	7,324	327,101	
Internal Drainage Board Levies							
Gross Direct Costs	432,200	216,100	219,413	3,313	0	212,787	Higher inflation than budgeted.
Support Service Charges	250	84	84	0	0	166	No Major Variances.
	432,450	216,184	219,497	3,313	0	212,953	
Travellers							
Gross Direct Costs	49,600	12,870	11,347	(1,523)	41,394	(3,141)	No Major Variances.
Capital Charges	23,174	7,724	7,724	0	0	15,450	No Major Variances.
Gross Direct Income	(2,000)	(668)	(240)	428	0	(1,760)	No Major Variances.
Support Service Charges	6,940	2,316	2,316	0	0	4,624	No Major Variances.
	77,714	22,242	21,147	(1,095)	41,394	15,173	
Public Protection							
Gross Direct Costs	201,959	62,800	64,129	1,329	12,364	125,466	No Major Variances.
Gross Direct Income	(202,100)	(62,495)	(66,646)	(4,150)	0	(135,454)	Street Trading fee income.
Support Service Charges	127,140	42,388	42,388	0	0	84,752	No Major Variances.
	126,999	42,693	39,872	(2,821)	12,364	74,763	
Street Signage							
Gross Direct Costs	12,000	0	0	0	0	12,000	No Major Variances.
Support Service Charges	21,040	7,016	7,016	0	0	14,024	No Major Variances.
	33,040	7,016	7,016	0	0	26,024	
Environmental Protection							
Gross Direct Costs	682,128	218,058	210,554	(7,504)	27,335	444,239	Vacant post.
Capital Charges	52,962	17,656	17,656	0	0	35,306	No Major Variances.
Gross Direct Income	(45,000)	(10,005)	(5,466)	4,539	0	(39,534)	Local Air Pollution Prevention and Control (LAPPC) fee income - accruals brought forward from 2021/22.
Support Service Charges	227,770	75,932	75,932	0	0	151,838	No Major Variances.
	917,860	301,641	298,676	(2,965)	27,335	591,849	
Env Health - Service Mgmt							
Gross Direct Costs	0	0	20,273	20,273	33,623	(53,895)	Cost centre now obsolete - expenditure to be allocated to various Environmental Health services.
	0	0	20,273	20,273	33,623	(53,895)	

Service Area Summaries P4 2022/23

Communities

Ad Environment & Leisure Services

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Immediate Commitments £	Remaining Budget £	Explanation for Major Variances.
Environmental Contracts							
Gross Direct Costs	310,999	100,200	103,449	3,249	418	207,132	No Major Variances.
Capital Charges	4,521	1,508	1,508	0	0	3,013	No Major Variances.
Support Service Charges	(315,520)	(105,164)	(105,172)	(8)	0	(210,348)	No Major Variances.
	0	(3,456)	(215)	3,241	418	(203)	
Markets							
Gross Direct Costs	56,250	22,502	19,395	(3,107)	1,231	35,624	No Major Variances.
Gross Direct Income	(40,000)	(35,000)	(34,127)	873	0	(5,873)	No Major Variances.
Support Service Charges	22,680	7,568	7,568	0	0	15,112	No Major Variances.
	38,930	(4,930)	(7,164)	(2,234)	1,231	44,863	
Parks & Open Spaces							
Gross Direct Costs	311,273	77,172	17,581	(59,591)	44,617	249,075	(£62,835) Cleansing & Grounds maintenance contract payments not made - invoices awaited from contractor. £3,245 Surveyor costs and signage.
Capital Charges	16,206	5,400	5,400	0	0	10,806	No Major Variances.
Gross Direct Income	(8,500)	(2,836)	(86,222)	(83,386)	0	77,722	Income relating to a Section 106 agreement.
Support Service Charges	127,370	42,476	42,476	0	0	84,894	No Major Variances.
	446,349	122,212	(20,765)	(142,977)	44,617	422,497	
Foreshore							
Gross Direct Costs	130,663	32,810	45,085	12,275	5,548	80,030	R&M costs at Sheringham prom and bandstand shelters.
Capital Charges	27,880	9,292	9,292	0	0	18,588	No Major Variances.
Support Service Charges	111,360	37,128	37,128	0	0	74,232	No Major Variances.
	269,903	79,230	91,505	12,275	5,548	172,850	
Leisure Complexes							
Gross Direct Costs	141,946	46,294	43,286	(3,008)	37,939	60,721	See Note A below:
Capital Charges	492,459	164,156	164,156	0	0	328,303	No Major Variances.
Gross Direct Income	0	0	(1,868)	(1,868)	0	1,868	No Major Variances.
Support Service Charges	90,150	30,068	30,068	0	0	60,082	No Major Variances.
	724,555	240,518	235,642	(4,876)	37,939	450,973	
Note A: (£69,763) Accruals brought forward from 2021/22 for the hire of school halls; £66,350 Higher management fees (new contracts). This will lead to a potential full year overspend of c. £120k.							
Other Sports							
Gross Direct Costs	80,749	26,530	96,348	69,818	2,385	(17,984)	£55,660 Costs associated with the Mammoth Marathon; £13,989 Staffing costs - to include a redundancy payment.
Gross Direct Income	0	0	(36,347)	(36,347)	0	36,347	Fees for Mammoth Marathon.
Support Service Charges	60,520	20,176	20,176	0	0	40,344	No Major Variances.
	141,269	46,706	80,177	33,471	2,385	58,707	

Service Area Summaries P4 2022/23

Communities

Ad Environment & Leisure Services

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Immediate Commitments £	Remaining Budget £	Explanation for Major Variances.
Recreation Grounds							
Gross Direct Costs	12,400	3,100	0	(3,100)	3,509	8,891	No Major Variances.
Capital Charges	5,632	1,876	1,876	0	0	3,756	No Major Variances.
Gross Direct Income	(1,000)	(332)	(565)	(233)	0	(435)	No Major Variances.
Support Service Charges	3,410	1,140	1,140	0	0	2,270	No Major Variances.
	20,442	5,784	2,451	(3,333)	3,509	14,482	
Pier Pavilion							
Gross Direct Costs	9,000	3,000	6,430	3,430	3,766	(1,197)	Fixed wire testing.
Capital Charges	17,020	5,672	5,672	0	0	11,348	No Major Variances.
Support Service Charges	25,770	8,592	8,592	0	0	17,178	No Major Variances.
	51,790	17,264	20,694	3,430	3,766	27,329	
Beach Safety							
Gross Direct Costs	416,930	73,362	4,835	(68,527)	100,490	311,605	Cleansing contract payments not made - invoices awaited from contractor.
Support Service Charges	69,990	23,336	23,336	0	0	46,654	No Major Variances.
	486,920	96,698	28,171	(68,527)	100,490	358,259	
Woodlands Management							
Gross Direct Costs	214,413	70,566	75,133	4,567	48,995	90,285	Signage at Pretty Corner Woods - offset by income from Woodland Trust.
Capital Charges	1,346	448	448	0	0	898	No Major Variances.
Gross Direct Income	(33,960)	(11,316)	(23,994)	(12,678)	0	(9,966)	(£4,264) Community Tree Nursery; (£10,878) Grant and contribution from Woodland Trust.
Support Service Charges	152,570	50,864	50,864	0	0	101,706	No Major Variances.
	334,369	110,562	102,451	(8,111)	48,995	182,923	
Cromer Pier							
Gross Direct Costs	126,140	44,212	43,380	(832)	2,212	80,548	No Major Variances.
Capital Charges	20,737	6,912	6,912	0	0	13,825	No Major Variances.
Support Service Charges	97,720	32,572	32,572	0	0	65,148	No Major Variances.
	244,597	83,696	82,864	(832)	2,212	159,521	
Waste Collection And Disposal							
Gross Direct Costs	4,467,050	960,491	858,596	(101,895)	1,891,874	1,716,581	See Note A below:
Capital Charges	459,571	153,192	153,192	0	0	306,379	No Major Variances.
Gross Direct Income	(3,824,500)	(2,393,924)	(2,343,601)	50,323	0	(1,480,899)	See Note B below:
Support Service Charges	472,660	157,544	157,540	(4)	0	315,120	No Major Variances.
	1,574,781	(1,122,697)	(1,174,273)	(51,576)	1,891,874	857,181	

Note A: (£1,038,667) Accruals brought forward for Contractor invoices relating to 2021/22. £1,025,241 First quarter payments to Serco coded to Waste - to be allocated across various services. (£86,205) Accrual brought forward for the Smoothing Mechanism contribution to South Norfolk DC.

Note B: £105,135 Accruals brought forward relating to recycling credits for March 2022; (£90,187) Additional commercial fee income; £35,254 Accruals brought forward relating to the shares for the Deed of Variation and recharge of clinical waste disposal.

Service Area Summaries P4 2022/23

Communities

Ad Environment & Leisure Services

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Immediate Commitments £	Remaining Budget £	Explanation for Major Variances.
Cleansing							
Gross Direct Costs	718,000	176,000	(199,107)	(375,107)	202,171	714,936	Accrual brought forward and contractor invoices not yet received.
Capital Charges	85,500	28,500	28,500	0	0	57,000	No Major Variances.
Gross Direct Income	(60,000)	(60,000)	(78,216)	(18,216)	0	18,216	Additional income from recharging for dog and litter bins.
Support Service Charges	46,540	15,512	15,512	0	0	31,028	No Major Variances.
	790,040	160,012	(233,311)	(393,323)	202,171	821,180	
Leisure							
Gross Direct Costs	200,512	66,836	53,540	(13,296)	30	146,942	Lower staffing costs.
Gross Direct Income	0	0	(15)	(15)	0	15	No Major Variances.
Support Service Charges	(200,512)	(64,864)	(64,864)	0	0	(135,648)	No Major Variances.
	0	1,972	(11,339)	(13,311)	30	11,309	
Community Safety							
Gross Direct Costs	25,873	8,620	2,513	(6,107)	0	23,360	Vacant post - secondment.
Support Service Charges	22,220	7,408	7,408	0	0	14,812	No Major Variances.
	48,093	16,028	9,921	(6,107)	0	38,172	
Civil Contingencies							
Gross Direct Costs	87,641	28,718	29,465	747	245	57,931	No Major Variances.
Gross Direct Income	0	0	(2,520)	(2,520)	0	2,520	Sale of vehicle.
Support Service Charges	37,810	12,608	12,608	0	0	25,202	No Major Variances.
	125,451	41,326	39,553	(1,773)	245	85,653	
Ad Environmental & Leisure Svs							
Gross Direct Costs	77,440	25,812	25,781	(31)	0	51,659	No Major Variances.
Support Service Charges	(77,440)	(25,812)	(25,812)	0	0	(51,628)	No Major Variances.
	0	0	(31)	(31)	0	31	
Total Environment & Leisur	7,377,835	633,224	10,669	(622,555)	2,467,471	4,899,695	

Service Area Summaries P4 2022/23

Communities

People Services

	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Immediate Commitment	Remaining Budget	Explanation for Major Variances.
	£	£	£	£	£	£	
Health							
Gross Direct Costs	0	0	0	0	0	0	No Major Variances.
Gross Direct Income	0	0	(253)	(253)	0	253	No Major Variances.
Support Service Charges	0	0	0	0	0	0	No Major Variances.
	0	0	(253)	(253)	0	253	
Benefits Administration							
Gross Direct Costs	1,033,785	338,420	311,619	(26,801)	17,530	704,636	See Note A below:
Capital Charges	31,700	10,568	10,568	0	0	21,132	No Major Variances.
Gross Direct Income	(404,824)	(18,276)	(64,339)	(46,063)	0	(340,485)	Grants received from the Department for Works and Pensions (DWP) to offset additional costs of legislative changes and service improvements.
Support Service Charges	403,670	134,560	134,560	0	0	269,110	No Major Variances.
	1,064,331	465,272	392,408	(72,864)	17,530	654,393	

Note A: (£15,685) Underspend in staffing - vacant posts and secondments; £6,886 Civica On Demand service (to be funded from grant). (£9,613) Creditor provision brought forward for Civica on-line change in circumstances; (£6,936) Test and Trace grant payments - not now required.

Homelessness

Gross Direct Costs	1,091,244	259,328	345,007	85,679	453,034	293,203	See Note A below:
Capital Charges	28,482	9,496	9,496	0	0	18,986	No Major Variances.
Gross Direct Income	(998,392)	(324,960)	(538,085)	(213,125)	0	(460,307)	Additional grant funding received over and above the Homeless Prevention grant. Quarterly income not allocated to service area yet.
Support Service Charges	873,130	291,048	291,028	(20)	0	582,102	No Major Variances.
	994,464	234,912	107,446	(127,466)	453,034	433,984	

Note A: £78,753 B&B charges - offset by subsidy and client contributions; £11,760 Bad debts written off; £11,242 Higher R&M costs; (£15,638) Lower running costs - invoices not received for some utilities.

Housing Options

Gross Direct Costs	493,333	164,448	198,498	34,050	195	294,640	Additional staffing - costs to be allocated from grants.
Gross Direct Income	0	0	0	0	0	0	No Major Variances.
Support Service Charges	(493,333)	(164,440)	(164,452)	(12)	0	(328,881)	No Major Variances.
	0	8	34,046	34,038	195	(34,241)	

Community

Gross Direct Costs	934,767	187,396	159,072	(28,324)	0	775,695	See Note A below:
Capital Charges	0	0	0	0	0	0	No Major Variances.
Gross Direct Income	(64,101)	(16,368)	(644,107)	(627,739)	0	580,006	See Note B below:
Support Service Charges	205,096	82,372	68,376	(13,996)	0	136,720	No Major Variances.
	1,075,762	253,400	(416,659)	(670,059)	0	1,492,421	

Note A: £24,399 Staffing - to be funded by grants; (£48,528) Accruals brought forward in respect of grant payments from the North Norfolk Sustainable Communities Fund.

Note B: (£35k) Contribution from NHS for the Community Transformation Fund (Waiting Well); Grants of (£347k) Covid Recovery Fund, (£125k) Contain Outbreak Management Fund (COMF) and (£120k) Ukraine Funding - all to be used for staffing and partnership payments.

Ad People Services

Gross Direct Costs	74,104	24,704	25,668	964	0	48,436	No Major Variances.
Support Service Charges	(74,104)	(24,700)	(24,700)	0	0	(49,404)	No Major Variances.
	0	4	968	964	0	(968)	

Total People Services

3,134,557	953,596	117,957	(835,639)	470,759	2,545,589
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Total Communities

10,512,392	1,586,820	128,626	(1,458,194)	2,938,230	7,445,283
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Service Area Summaries P4 2022/23

Corporate Leadership/Executive Support

	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Immediate Commitments	Remaining Budget	Explanation for Major Variances.
	£	£	£	£	£	£	
Human Resources & Payroll							
Gross Direct Costs	361,346	120,608	144,717	24,109	22,861	193,768	£7,618 Unplanned staffing costs. £12,128 Prepaid recruitment costs to be redistributed to individual service areas. £4,082 unbudgeted consultancy fees.
Capital Charges	0	0	0	0	0	0	No Major Variances.
Gross Direct Income	(1,000)	(332)	(3,232)	(2,900)	0	2,232	(£3,000) Apprenticeship Grant.
Support Service Charges	(360,346)	(120,116)	(120,124)	(8)	0	(240,222)	No Major Variances.
	0	160	21,361	21,201	22,861	(44,222)	
Registration Services							
Gross Direct Costs	186,310	50,512	33,431	(17,081)	19	152,860	(£13,161) Staff turnover saving due to vacant posts. Difference is made up of a number of minor variances.
Gross Direct Income	(1,500)	(500)	29,000	29,500	0	(30,500)	£29,000 2019 General Election costs reclaim awaiting payment.
Support Service Charges	165,910	55,316	55,312	(4)	0	110,598	No Major Variances.
	350,720	105,328	117,743	12,415	19	232,958	
Corporate Leadership Team							
Gross Direct Costs	704,386	232,576	287,596	55,020	4,713	412,078	£52,013 Employee costs including recruitment for the Director of resources and interim section 151 cover. Difference is made up of a number of minor variances.
Gross Direct Income	0	0	(2,986)	(2,986)	0	2,986	Kickstart funding to cover fixed term staff member.
Support Service Charges	(704,386)	(234,784)	(234,804)	(20)	0	(469,582)	No Major Variances.
	0	(2,208)	49,805	52,013	4,713	(54,518)	
Communications							
Gross Direct Costs	253,547	76,180	84,746	8,566	2,289	166,513	£11,412 Maternity cover staffing costs. Difference is made up of a number of minor variances.
Capital Charges	55,954	18,652	18,652	0	0	37,302	No Major Variances.
Gross Direct Income	0	0	(500)	(500)	0	500	No Major Variances.
Support Service Charges	(309,501)	(101,648)	(101,648)	0	0	(207,853)	No Major Variances.
	0	(6,816)	1,250	8,066	2,289	(3,538)	
Corporate Delivery Unit							
Gross Direct Costs	187,312	58,436	46,272	(12,164)	0	141,040	(£10,766) Staff turnover saving due to vacant posts. Difference is made up of a number of minor variances.
Support Service Charges	(187,312)	(62,436)	(62,436)	0	0	(124,876)	No Major Variances.
	0	(4,000)	(16,164)	(12,164)	0	16,164	
Total Corporate Directorate	350,720	92,464	173,994	81,530	29,882	146,844	

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Service Area Summaries P4 2022/23

Place And Climate Change

Planning						
	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Immediate Commitments	Remaining Budget
	£	£	£	£	£	£
Development Management						
Gross Direct Costs	1,082,938	394,132	360,101	(34,031)	82,213	640,624
						(£38,844) Staff turnover saving due to vacant posts. (£2,572) Travel costs. £7,384 Legal fees.
Capital Charges	76,501	25,500	25,500	0	0	51,001
Gross Direct Income	(858,216)	(286,066)	(499,673)	(213,607)	0	(358,543)
						No Major Variances. (£47,915) Planning fee income and Pre-application advice. (£165,691) Sections 106 & 111 income.
Support Service Charges	751,570	250,532	250,532	0	0	501,038
						No Major Variances.
	1,052,793	384,098	136,460	(247,639)	82,213	834,120
Planning Policy						
Gross Direct Costs	713,547	162,016	133,705	(28,311)	86	579,755
						Staff turnover saving due to vacant posts.
Support Service Charges	167,770	55,940	55,940	0	0	111,830
						No Major Variances.
	881,317	217,956	189,645	(28,311)	86	691,585
Conservation, Design & Landscape						
Gross Direct Costs	415,826	123,740	92,158	(31,582)	15,387	308,281
						Staff turnover saving due to vacant posts.
Gross Direct Income	0	0	(10,047)	(10,047)	0	10,047
Support Service Charges	89,550	29,860	29,860	0	0	59,690
						DEFRA Grant not budgeted for.
	505,376	153,600	111,971	(41,629)	15,387	378,018
						No Major Variances.
Major Developments						
Gross Direct Costs	390,652	132,552	103,455	(29,097)	25,354	261,843
						Staff turnover saving due to vacant posts.
Support Service Charges	118,380	39,476	39,476	0	0	78,904
						No Major Variances.
	509,032	172,028	142,931	(29,097)	25,354	340,747
Building Control						
Gross Direct Costs	496,299	165,440	146,624	(18,816)	5,759	343,916
						Staff turnover saving due to vacant posts.
Gross Direct Income	(429,000)	(143,004)	(178,985)	(35,981)	0	(250,015)
						(£62,316) Influx of Building Reg Plan income due to regulation change. £26,538 lower Inspection Fee income.
Support Service Charges	174,840	58,288	58,288	0	0	116,552
						No Major Variances.
	242,139	80,724	25,927	(54,797)	5,759	210,453
Combined Enforcement Team						
Gross Direct Costs	232,648	77,552	69,625	(7,927)	9,306	153,717
						(£19,937) Staff turnover saving due to vacant posts. £12,742 Agency staff fee.
Support Service Charges	(232,648)	(77,548)	(77,548)	0	0	(155,100)
						No Major Variances.
	0	4	(7,923)	(7,927)	9,306	(1,383)
Property Information						
Gross Direct Costs	166,268	49,260	46,763	(2,497)	41,892	77,612
						No Major Variances.
Gross Direct Income	(182,190)	(60,732)	(42,247)	18,485	0	(139,943)
Support Service Charges	53,090	17,704	17,704	0	0	35,386
						Invoicing delay.
	37,168	6,232	22,221	15,989	41,892	(26,945)
						No Major Variances.
Ad Planning						
Gross Direct Costs	91,203	30,404	32,334	1,930	734	58,135
						No Major Variances.
Support Service Charges	(91,203)	(30,396)	(30,396)	0	0	(60,807)
						No Major Variances.
	0	8	1,938	1,930	734	(2,672)
Total Planning						
	3,227,825	1,014,650	623,171	(391,479)	180,731	2,423,923

Service Area Summaries P4 2022/23

Place And Climate Change

Sustainable Growth

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Immediate Commitments £	Remaining Budget £	Explanation for Major Variances.
Economic Growth							
Gross Direct Costs	102,000	25,336	17,835	(7,501)	8,207	75,957	(£10,216) Grants payments funded from grant income. £2,255 Sheringham Little Theatre boiler report.
Capital Charges	2,037	680	680	0	0	1,357	No Major Variances.
Gross Direct Income	(27,000)	0	(16,782)	(16,782)	0	(10,218)	(£10,782) 21/22 Norfolk County Council business rates pool claim not accrued. (£6,000) Visitor Economy Network Initiative project income not budgeted for.
Support Service Charges	238,720	79,576	79,568	(8)	0	159,152	No Major Variances.
	315,757	105,592	81,301	(24,291)	8,207	226,249	
Tourism							
Gross Direct Costs	81,600	25,000	24,575	(425)	0	57,025	No Major Variances.
Support Service Charges	138,030	46,012	46,000	(12)	0	92,030	No Major Variances.
	219,630	71,012	70,575	(437)	0	149,055	
Coast Protection							
Gross Direct Costs	666,500	65,000	64,681	(320)	127,598	474,222	No Major Variances.
Capital Charges	508,701	169,568	169,568	0	0	339,133	No Major Variances.
Gross Direct Income	(405,000)	(405,000)	(405,000)	0	0	0	No Major Variances.
Support Service Charges	309,650	103,220	103,220	0	0	206,430	No Major Variances.
	1,079,851	(67,212)	(67,532)	(320)	127,598	1,019,785	
Business Growth Staffing							
Gross Direct Costs	353,291	117,764	100,618	(17,146)	0	252,673	Staff turnover saving due to vacant posts.
Support Service Charges	(353,291)	(102,404)	(102,408)	(4)	0	(250,883)	No Major Variances.
	0	15,360	(1,790)	(17,150)	0	1,790	
Housing Strategy							
Gross Direct Costs	210,286	61,440	56,610	(4,830)	5,990	147,687	Staff turnover saving due to vacant posts.
Capital Charges	777,167	0	0	0	0	777,167	No Major Variances.
Gross Direct Income	(22,500)	(5,625)	0	5,625	0	(22,500)	Norfolk Warm Homes grant from Broadland District Council to be claimed.
Support Service Charges	61,380	20,468	20,468	0	0	40,912	No Major Variances.
	1,026,333	76,283	77,078	795	5,990	943,266	
Environmental Strategy							
Gross Direct Costs	486,416	57,462	46,235	(11,226)	1,227	438,954	(£7,797) Staff turnover saving due to vacant posts. Difference is made up of a number of minor variances.
Gross Direct Income	(15,000)	0	(1,000)	(1,000)	0	(14,000)	No Major Variances.
Support Service Charges	27,250	9,084	9,076	(8)	0	18,174	No Major Variances.
	498,666	66,546	54,311	(12,234)	1,227	443,128	
Coastal Management							
Gross Direct Costs	497,229	162,084	118,079	(44,005)	1,702	377,449	(£40,824) Staff turnover saving due to vacant posts. (£2,118) Travel costs.
Gross Direct Income	(130,000)	0	0	0	0	(130,000)	No Major Variances.
Support Service Charges	(367,229)	(89,468)	(89,468)	0	0	(277,761)	No Major Variances.
	0	72,616	28,611	(44,005)	1,702	(30,312)	
Ad Sustainable Growth							
Gross Direct Costs	84,324	28,108	28,522	414	0	55,802	No Major Variances.
Support Service Charges	(84,324)	(28,112)	(28,120)	(8)	0	(56,204)	No Major Variances.
	0	(4)	402	406	0	(402)	
Total Sustainable Growth	3,140,237	340,193	242,957	(97,236)	144,723	2,752,557	
Total Place and Climate Change	6,368,062	1,354,843	866,128	(488,716)	325,454	5,176,480	

Service Area Summaries P4 2022/23

Resources

Ad Finance, Assets & Legal

	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Immediate Commitmen	Remaining Budget	Explanation for Major Variances.
	£	£	£	£	£	£	
Gross Direct Costs	44,200	14,880	17,511	2,631	903	25,787	£7,781 Prof. service costs higher due to legal fees for lease of Industrials offset by no insurance premium paid and other minor variances.
Capital Charges	19,246	6,416	6,416	0	0	12,830	No Major Variances.
Gross Direct Income	(191,000)	(82,436)	(73,418)	9,018	0	(117,582)	Lower rental income due to vacant units.
Support Service Charges	89,740	29,912	29,912	0	0	59,828	No Major Variances.
	(37,814)	(31,228)	(19,579)	11,649	903	(19,137)	
Surveyors Allotments							
Gross Direct Costs	3,000	1,000	(200)	(1,200)	0	3,200	No Major Variances.
Gross Direct Income	(100)	(50)	(50)	0	0	(50)	No Major Variances.
Support Service Charges	18,660	6,220	6,220	0	0	12,440	No Major Variances.
	21,560	7,170	5,970	(1,200)	0	15,590	
Parklands							
Gross Direct Costs	36,768	11,985	8,828	(3,157)	925	27,015	(£4,074) Electricity costs lower as there has been problems with EDF billing, offset by £2,700 Other prof. service costs (due to valuation costs for sale of unit) and other minor variances.
Gross Direct Income	(66,160)	(55,780)	(88,668)	(32,888)	0	22,508	(£23,500) Additional income due to commission on the sale of unit. (£5,312) Income received in 2022-23 in relation to 2021/2021 for common area service charges. (£3,880) Increase in rental income due to rent increase.
Support Service Charges	47,560	15,852	15,852	0	0	31,708	No Major Variances.
	18,168	(27,943)	(63,988)	(36,045)	925	81,231	
Revenue Services							
Gross Direct Costs	929,998	307,035	304,290	(2,744)	37,518	588,189	(£2,390) Underspend on employee costs due to Apprenticeship vacancies. No other major variances.
Gross Direct Income	(513,882)	(170,057)	(1,929,852)	(1,759,795)	0	1,415,970	(£1,759,283) Covid -19 B/f accruals from 2021/22 awaiting final reconciliation work and repayment to Department for Business, Energy & Industrial Strategy (BEIS)
Support Service Charges	605,740	201,916	201,896	(20)	0	403,844	No Major Variances.
	1,021,856	338,894	(1,423,666)	(1,762,560)	37,518	2,408,004	
Benefits Subsidy							
Gross Direct Costs	19,857,260	0	2,647	2,647	0	19,854,613	No Major Variances.
Gross Direct Income	(19,857,260)	0	(3,853)	(3,853)	0	(19,853,407)	£128,000 Test and Trace accrual not yet offset by grant income. (£122,736 Household support grant to be offset by payments.
	0	0	(1,206)	(1,206)	0	1,206	
Non Distributed Costs							
Gross Direct Costs	0	66,552	57,154	(9,398)	0	(57,154)	(£24,323) Superannuation - Added years underspend, partly offset by Superan - Act.Strain £15,263 costs.
	0	66,552	57,154	(9,398)	0	(57,154)	

Service Area Summaries P4 2022/23

Resources

Ad Finance, Assets & Legal

	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Immediate Commitmen	Remaining Budget	Explanation for Major Variances.
	£	£	£	£	£	£	
Estates							
Gross Direct Costs	313,916	99,070	92,563	(6,507)	0	221,353	(£4,910) Lower costs in relation to vacant post and no expenditure against consultancy fees YTD.
Gross Direct Income	0	0	859	859	0	(859)	No Major Variances.
Support Service Charges	(313,916)	(100,740)	(100,740)	0	0	(213,176)	No Major Variances.
	0	(1,670)	(7,319)	(5,649)	0	7,319	
Admin Buildings							
Gross Direct Costs	590,702	230,395	223,759	(6,636)	27,540	339,403	£15,019 Overspend due to new ways of working: expenditure in relation to Pods and Furniture. (£5,774) Business rates that have not been charged yet. (£13,176) Underspend due to issues with billing for electricity. Balance made up by other minor variances.
Capital Charges	43,174	14,388	14,388	0	0	28,786	No Major Variances.
Gross Direct Income	(328,439)	(75,238)	(71,594)	3,644	0	(256,845)	No Major Variances.
Support Service Charges	(238,177)	(79,388)	(79,388)	0	0	(158,789)	No Major Variances.
	67,260	90,157	87,164	(2,993)	27,540	(47,444)	
Corporate Finance							
Gross Direct Costs	501,010	167,008	78,270	(88,738)	412,962	9,778	Business rates transfer that needs to be reallocated.
Capital Charges	13,631	4,544	4,544	0	0	9,087	No Major Variances.
Support Service Charges	(514,641)	(171,568)	(171,588)	(20)	0	(343,053)	No Major Variances.
	0	(16)	(88,774)	(88,758)	412,962	(324,188)	
Insurance & Risk Management							
Gross Direct Costs	211,059	4,900	7,553	2,653	0	203,507	£7,556 Other prof fees higher due to Legal Fees, partly offset by minor employee cost underspends totalling (£2,964) and minor underspends within supplies and services totalling (£1,792).
Gross Direct Income	0	0	(9)	(9)	0	9	No Major Variances.
Support Service Charges	(211,059)	(70,344)	(70,344)	0	0	(140,715)	No Major Variances.
	0	(65,444)	(62,800)	2,644	0	62,800	
Internal Audit							
Gross Direct Costs	80,000	0	(632)	(632)	81,413	(780)	No Major Variances.
Support Service Charges	(80,000)	(26,664)	(26,664)	0	0	(53,336)	No Major Variances.
	0	(26,664)	(27,296)	(632)	81,413	(54,116)	
Chalets/Beach Huts							
Gross Direct Costs	50,599	17,300	17,205	(95)	8,102	25,292	No Major Variances.
Gross Direct Income	(236,300)	(104,792)	(108,037)	(3,245)	0	(128,263)	(£2,970) Unbudgeted storage cost income and an increase in rental income.
Support Service Charges	102,760	34,252	34,252	0	0	68,508	No Major Variances.
	(82,941)	(53,240)	(56,580)	(3,340)	8,102	(34,463)	

Service Area Summaries P4 2022/23

Resources

Ad Finance, Assets & Legal

	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Immediate Commitmen	Remaining Budget	Explanation for Major Variances.
	£	£	£	£	£	£	
Investment Properties							
Gross Direct Costs	172,176	36,838	33,233	(3,605)	25,825	113,118	(£2,675) Underspend against budget for Business Rates as we will only be charged if unit becomes vacant.
Capital Charges	76,841	25,616	25,616	0	0	51,225	No Major Variances.
Gross Direct Income	(192,676)	(116,815)	(90,976)	25,839	0	(101,700)	£17,500 Debtor provisions for Rocket House 20/21 and 20/22 service charge and £5,000 debtor provision for insurance recharge.
Support Service Charges	147,150	49,060	49,060	0	0	98,090	No Major Variances.
	203,491	(5,301)	16,933	22,234	25,825	160,733	
Central Costs							
Gross Direct Costs	94,080	23,234	21,770	(1,464)	4,506	67,804	(£3,246) Creditor provision for last financial year, offset by unbudgeted subs to professional bodies.
Support Service Charges	(94,080)	(31,372)	(31,372)	0	0	(62,708)	No Major Variances.
	0	(8,138)	(9,602)	(1,464)	4,506	5,096	
Corporate & Democratic Core							
Gross Direct Costs	229,700	82,520	(28,160)	(110,680)	11,246	246,614	(£130,000) Creditor provision in relation to audit fees for 20/21 and 21/22. £17,286 Other prof fees spend £13,450 for Fakenham Levelling up bid, which may be recovered if successful, if not this will be covered by reserves and £3,836 in relation to Enterprise Zone Delivery Costs.
Capital Charges	900,000	0	0	0	0	900,000	No Major Variances.
Gross Direct Income	0	0	(97,139)	(97,139)	0	97,139	(£125,000) Unbudgeted income from DCLG - Support for Levelling Up bid process, partly offset by a debtor provision of £27,861 in relation to Welcome back fund 21/22.
Support Service Charges	1,265,540	421,852	421,828	(24)	0	843,712	No Major Variances.
	2,395,240	504,372	296,529	(207,843)	11,246	2,087,465	
Members Services							
Gross Direct Costs	530,613	170,038	178,184	8,146	4,025	348,404	£9,376 Unbudgeted costs in relation to Youth Council Support, partly offset by various minor underspends.
Support Service Charges	76,050	25,368	25,368	0	0	50,682	No Major Variances.
	606,663	195,406	203,552	8,146	4,025	399,086	
Legal Services							
Gross Direct Costs	553,481	198,852	194,708	(4,144)	1,911	356,862	(£12,640) Vacant post, partly offset by YTD overspend on Legal books £5,523 and other prof. fees in relation to a legal case £5,124. No other major variances.
Gross Direct Income	(329,896)	(248,800)	(250,242)	(1,442)	0	(79,654)	No Major Variances.
Support Service Charges	(223,585)	(74,540)	(74,540)	0	0	(149,045)	No Major Variances.
	0	(124,488)	(130,074)	(5,586)	1,911	128,163	
Ad Finance, Assets & Legal							
Gross Direct Costs	80,898	26,972	43,571	16,599	0	37,327	Employee costs in relation to unbudgeted supplement.
Support Service Charges	(80,898)	(26,968)	(26,968)	0	0	(53,930)	No Major Variances.
	0	4	16,603	16,599	0	(16,603)	
Total Finance Assets and Legal							
	4,213,483	858,423	(1,206,980)	(2,065,402)	616,875	4,803,588	

Service Area Summaries P4 2022/23

Resources

Organisational Resources

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Immediate Commitment £	Remaining Budget £	Explanation for Major Variances.
Car Parking							
Gross Direct Costs	963,000	527,172	457,382	(69,790)	301,840	203,778	Carpark expenditure is being monitored and will be profiled based on historic trends.
Capital Charges	75,820	25,272	25,272	0	0	50,548	No Major Variances.
Gross Direct Income	(2,772,799)	(925,100)	(985,911)	(60,811)	0	(1,786,888)	Carpark income is being monitored and will be profiled based on historic trends.
Support Service Charges	149,690	56,568	56,568	0	0	93,122	No Major Variances.
	(1,584,289)	(316,088)	(446,689)	(130,601)	301,840	(1,439,440)	

IT- Support Services

Gross Direct Costs	1,802,688	489,354	494,740	5,386	345,527	962,421	See Note A below
Capital Charges	127,978	42,660	42,660	0	0	85,318	No Major Variances.
Support Service Charges	(1,930,666)	(643,580)	(643,616)	(36)	2,535	(1,289,585)	No Major Variances.
	0	(111,566)	(106,216)	5,350	348,062	(241,846)	

Note A (£22,026) Underspend in employee costs due to staff vacancies. £13,838 Overspend in relation to Filestore Implementation and Upgrade and £9,491 overspend in relation to software licence for 21/22 financial year being paid in current financial year. Balance is made up of other minor

Poppyfields

Gross Direct Costs	22,814	6,354	4,029	(2,325)	0	18,785	No Major Variances.
Support Service Charges	21,820	7,272	7,272	0	0	14,548	No Major Variances.
	44,634	13,626	11,301	(2,325)	0	33,333	

Property Services

Gross Direct Costs	606,813	203,312	205,593	2,281	35,248	365,971	see Note A below
Capital Charges	47,755	15,920	15,920	0	0	31,835	No Major Variances.
Gross Direct Income	(10,000)	0	80,603	80,603	0	(90,603)	£81,198 Debtor provision in relation to (Reopening of the High Street Safety Fund) RHSSF grant from MHCLG.
Support Service Charges	(644,568)	(214,852)	(214,872)	(20)	0	(429,696)	No Major Variances.
	0	4,380	87,245	82,865	35,248	(122,493)	

Note A (£7,951) Underspend on employee costs, £4,336 Material purchase overspend including barrier replacements, £3,878 Vehicle - Diesel overspend increase in fuel after purchase of additional vehicles and £2,078 Rep & Maint (Reactive) overspend in relation to replacement of broken signs and setting up waste storage/disposal areas.

Playgrounds

Gross Direct Costs	77,200	11,950	10,887	(1,063)	15,039	51,274	No Major Variances.
Support Service Charges	59,340	19,780	19,780	0	0	39,560	No Major Variances.
	136,540	31,730	30,667	(1,063)	15,039	90,834	

Community Centres

Gross Direct Costs	5,800	5,650	11,713	6,063	9	(5,922)	£6,334 Over budget on Rep & Maint (Reactive) due to roof repairs.
Support Service Charges	16,010	5,340	5,340	0	0	10,670	No Major Variances.
	21,810	10,990	17,053	6,063	9	4,748	

Tourist Information Centres

Gross Direct Costs	95,580	35,321	47,781	12,460	13,297	34,503	£8,866 Overspend on electricity costs, no other major variances.
Capital Charges	6,040	2,012	2,012	0	0	4,028	No Major Variances.
Gross Direct Income	(30,170)	(14,216)	(14,095)	121	0	(16,075)	No Major Variances.
	51,550	17,192	17,192	0	0	34,358	No Major Variances.
	123,000	40,309	52,890	12,581	13,297	56,814	

Public Conveniences

Gross Direct Costs	603,314	126,668	149,213	22,545	63,283	390,819	see Note A below
Capital Charges	82,028	27,344	27,344	0	0	54,684	No Major Variances.
Support Service Charges	190,120	63,372	63,372	0	0	126,748	No Major Variances.
	875,462	217,384	239,929	22,545	63,283	572,251	

Note A £8,125 R&M Buildings - Vandalism unbudgeted costs due to Arson. £3,897 Overspend due to emergency drain down of the water for most public conveniences. £6,147 Unbudgeted costs in relation to Sanitary & Nappy waste collection service. £8,568 Unbudgeted costs to remove internal walls at Cromer Melbourne. Offset by Business Rates being less than budgeted.

Service Area Summaries P4 2022/23

Resources

Organisational Resources

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Immediate Commitment £	Remaining Budget £	Explanation for Major Variances.
Digital Transformation							
Gross Direct Costs	164,485	54,828	52,353	(2,475)	14,630	97,502	No Major Variances.
Support Service Charges	388,280	129,432	129,432	0	0	258,848	No Major Variances.
	552,765	184,260	181,785	(2,475)	14,630	356,350	
Reprographics							
Gross Direct Costs	82,889	25,092	25,033	(59)	24,685	33,171	No Major Variances.
Gross Direct Income	(7,500)	(2,500)	(712)	1,788	0	(6,788)	No Major Variances.
Support Service Charges	(75,389)	(25,124)	(25,124)	0	0	(50,265)	No Major Variances.
	0	(2,532)	(803)	1,729	24,685	(23,882)	
Customer Services - Corporate							
Gross Direct Costs	929,444	303,822	278,949	(24,873)	11,089	639,406	(£24,847) Underspend in employee costs due to staff vacancy.
Capital Charges	54,056	18,016	18,016	0	0	36,040	No Major Variances.
Gross Direct Income	(17,250)	(1,332)	(10,610)	(9,278)	0	(6,640)	(£10,610) In relation to service charge, offset by various other minor variances.
Support Service Charges	(966,250)	(322,100)	(322,124)	(24)	0	(644,126)	No Major Variances.
	0	(1,594)	(35,769)	(34,175)	11,089	24,680	
Ad Organisational Resources							
Gross Direct Costs	76,955	25,648	28,298	2,650	0	48,657	No Major Variances.
Support Service Charges	(76,955)	(25,648)	(25,648)	0	0	(51,307)	No Major Variances.
	0	0	2,650	2,650	0	(2,650)	
Total Organisational Resources	169,922	70,899	34,042	(36,857)	827,180	(691,300)	
Total Resources	4,383,405	929,322	(1,172,937)	(2,102,259)	1,444,055	4,112,287	

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Treasury Management Annual Report 2021/22

Summary:	This report sets out the Treasury Management activities actually undertaken during 2021/22 compared with the Treasury Management Strategy for the year.
Options considered:	This report must be prepared to ensure the Council complies with the CIPFA Treasury Management and Prudential Codes.
Conclusions:	Treasury activities for the year have been carried out in accordance with the CIPFA Code and the Council's Treasury Strategy.
Recommendations:	That Council be asked to resolve that the Treasury Management Annual Report for 2021/22 is approved.
Reasons for Recommendations:	Approval by Council demonstrates compliance with the CIPFA Codes.

Cabinet Member(s) Cllr Eric Seward	Ward(s) affected
Contact Officer, telephone number and email: Alison Chubbock, 07967 325037, alison.chubbock@north-norfolk.gov.uk	

1. Introduction

- 1.1 The Authority has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve treasury management semi-annual and annual reports.

The Authority's treasury management strategy for 2021/22 was approved at a meeting on 24th February 2021. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year and, as a minimum, a semi-annual and

annual treasury outturn report.

The Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 24th February 2021.

Treasury risk management at the Authority is conducted within the framework of the TM Code. This Code now also includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version

2. Main body of report

External Context

Economic background: Following Russia's invasion of Ukraine in February, global inflationary pressures have intensified sharply, leading to a sizeable deterioration in the outlook for world and UK growth.

Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.

UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation then was believed to be temporary. Thereafter price rises slowly became more widespread, as a combination of rising global costs and strong demand was exacerbated by supply shortages and transport dislocations. The surge in wholesale gas and electricity prices led to elevated inflation expectations. CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.

The government's jobs furlough scheme insulated the labour market from the worst effects of the pandemic. The labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs. Having peaked at 5.2% in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. Headline 3-month average annual growth rate for wages were 4.8% for total pay and 3.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 0.1% while regular pay fell by 1.0%.

With the fading of lockdown – and, briefly, the ‘pingdemic’ – restraints, activity in consumer-facing sectors improved substantially as did sectors such as oil and mining with the reopening of oil rigs but materials shortages and the reduction in the real spending power of households and businesses dampened some of the growth momentum. Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 according to the final estimate (initial estimate 1.0%) and took UK GDP to just 0.1% below where it was before the pandemic. The annual growth rate was revised down slightly to 7.4% (from 7.5%) following a revised 9.3% fall in 2020.

Having increased Bank Rate from 0.10% to 0.25% in December, the Bank of England hiked it further to 0.50% in February and 0.75% in March. At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.

In its March interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022, even higher than forecast only a month before in the February Monetary Policy Report. The Committee also noted that although GDP in January was stronger than expected with business confidence holding up and the labour market remaining robust, consumer confidence had fallen due to the squeeze in real household incomes.

GDP growth in the euro zone increased by 0.3% in calendar Q4 2021 following a gain of 2.3% in the third quarter and 2.2% in the second. Headline inflation remains high, with CPI registering a record 7.5% year-on-year in March, the ninth successive month of rising inflation. Core CPI inflation was 3.0% y/y in March, was well above the European Central Bank’s target of ‘below, but close to 2%’, putting further pressure on its long-term stance of holding its main interest rate of 0%.

The US economy expanded at a downwardly revised annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.

Financial markets: The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.

Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields, but with a general upward trend from higher interest rates dominating as yields generally climbed.

The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.

The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.

Credit review: In the first half of FY 2021-22 credit default swap (CDS) spreads were flat over most of period and are broadly in line with their pre-pandemic levels. In September spreads rose by a few basis points due to concerns around Chinese property developer Evergrande defaulting but then fell back. Fitch and Moody's revised upward the outlook on a number of UK banks and building societies on the Authority's counterparty to 'stable', recognising their improved capital positions compared to 2020 and better economic growth prospects in the UK.

Fitch also revised the outlook for Nordea, Svenska Handelsbanken and Handelsbanken plc to stable. The agency considered the improved economic prospects in the Nordic region to have reduced the baseline downside risks it previously assigned to the lenders.

The successful vaccine rollout programme was credit positive for the financial services sector in general and the improved economic outlook meant some institutions were able to reduce provisions for bad loans. However, in 2022, the uncertainty engendered by Russia's invasion of Ukraine pushed CDS prices modestly higher over the first calendar quarter, but only to levels slightly above their 2021 averages, illustrating the general resilience of the banking sector.

Having completed its full review of its credit advice on unsecured deposits, in September Arlingclose extended the maximum duration limit for UK bank entities on its recommended lending list from 35 days to 100 days; a similar extension was advised in December for the non-UK banks on this list. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Revised CIPFA Codes, Updated PWLB Lending Facility Guidance

In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.

CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.

The principles of the Prudential Code took immediate effect although local authorities

could defer introducing the revised reporting requirements until the 2023/24 financial year if they wish.

To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.

Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.

Unlike the Prudential Code, there is no mention of the date of initial application in the Treasury Management Code. The TM Code now includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.

The Authority will follow the same process as the Prudential Code, i.e. delaying changes in reporting requirements to the 2023/24 financial year.

Local Context

On 31st March 2021, the Authority had net investments of £34.81m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment.

Lower official interest rates have lowered the cost of short-term, temporary loans and investment returns from cash assets that can be used in lieu of borrowing. The Authority pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low

The treasury management position at 31st March 2022 and the change during the year is shown in the table below.

Treasury Management Summary

	31.3.21 Balance £m	Movement £m	31.3.22 Balance £m	31.3.22 Rate %

Long-term borrowing	0.000	0.000	0.000	0.00
Short-term borrowing	7.000	6.000	13.000	0.36
Total borrowing	7.000	6.000	13.000	
Long-term investments	32.000	0.000	32.000	2.92
Short-term investments	9.810	0.960	10.770	0.06
Total investments	41.810	0.960	42.770	
Net Investments	34.810	0.960	29.770	

There was an increased amount of borrowing at the end of the financial year to fund a £8.6m repayment to central government on the 8th March 2022 to repay part of the first tranche of COVID business grants.

Borrowing Update

The Authority has not planned any borrowing to invest primarily for commercial return and so is unaffected by the changes to the Prudential Code.

The Council mainly sources its borrowing through brokers to borrow only from other local government authorities/police services/fire services/pension funds. The Council takes measures to ensure no money is borrowed from authorities deemed to be at financial risk.

Borrowing strategy

At 31st March 2022 the Authority held £13m of short-term loans, an increase of £6m to the 31st March 2021, as part of its strategy for funding current years' capital programmes. Outstanding short-term loans on 31st March are summarised in the table below.

Borrowing Position

	31.3.21 Balance £m	Net Movement £m	31.3.22 Balance £m	31.3.22 Weighted Average Rate %	31.3.22 Weighted Average Maturity (years)
Local authorities (short-term)	7.00	4.00	11.00	0.36	<1
Fire & Rescue authorities (short-term)	0.00	2.00	2.00	0.36	<1
Total borrowing	7.00	6.00	13.00		

The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

With short-term interest rates remaining much lower than long-term rates, the Authority considered it more cost effective in the near term to use internal resources or borrowed rolling temporary / short-term loans instead. The net movement in temporary / short-term loans is shown in the table above.

The Authority has an increasing CFR due to the capital programme and an estimated borrowing requirement as determined by the Liability Benchmark which also takes into account usable reserves and working capital. Having considered the appropriate duration and structure of the borrowing need based on realistic projections, it was decided to take short-term borrowing to fulfil any funding requirements. The Authority borrowed no medium/long term loans as long term loans.

PWLB funding margins have lurched quite substantially and there remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields + 0.80%. The Authority will evaluate and pursue these lower cost solutions and opportunities with its advisor Arlingclose.

Treasury Investment Activity

CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20th December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Authority's investment balances ranged between £35.623 and £71.748 million due to timing differences between income and expenditure. The investment position is shown in the table below.

On 6th April 2021 the Authority received central government funding to support small and medium businesses during the coronavirus pandemic through grant schemes. £26.166m was received, temporarily invested in short-dated, liquid instruments such as call accounts and Money Market Funds

Treasury Investment Position

	31.3.21 Balance £m	Net Movement £m	31.3.22 Balance £m	31.3.22 Income Return %
Money market Funds			10.770	

Other Pooled Funds.	9.810	0.960	3.000	0.06
- <i>Cash plus funds</i>	3.000	0.000	3.000	0.42
- <i>Short-dated bond funds</i>	3.000	0.000	5.000	0.48
- <i>Strategic bond funds</i>	5.000	0.000	8.000	1.96
- <i>Equity income funds</i>	8.000	0.000	5.000	3.46
- <i>Property funds</i>	5.000	0.000	8.000	5.08
- <i>Multi asset income funds</i>	8.000	0.000		3.48
Total investments	41.810	0.960	42.770	2.20

Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Ultra low short-dated cash rates, which were a feature since March 2020 when Bank Rate was cut to 0.1%, prevailed for much of the 12-month reporting period which resulted in the return on sterling low volatility net asset value (LVNAV) Money Market Funds being close to zero even after some managers have temporarily waived or lowered their fees. However, higher returns on cash instruments followed the increases in Bank Rate in December, February and March. At 31st March, the 1-day return on the Authority's MMFs ranged between 0.55% - 0.70%.

Similarly, deposit rates with the Debt Management Account Deposit Facility (DMADF) initially remained very low with rates ranging from 0% to 0.1%, but following the hikes to policy rates increased to between 0.55% and 0.85% depending on the deposit maturity. The average return on the Authority's DMADF deposits was 0.01%. This facility was only used for a few days during April 2021.

Given the risk and low returns from short-term unsecured bank investments, the Authority maintained its diversification in more secure and/or higher yielding asset classes as shown in the table above with £32m that is available for longer-term investment invested in pooled funds. Notably the CCLA LAMIT property fund which is solely responsible for the 5.08% return on the £5m invested in Property Funds. This fund has been seen a much desired fund to be an investor of during the 2021-22 year, with many bidders offering to buy shares of other authorities.

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in the table below.

Investment Benchmarking – Treasury investments managed in-house

On 10/03/2022, Arlingclose reviewed the Council's financial strength rating and North Norfolk District Council was promoted to Gold status from Silver, this puts the Council in the top 5% of authorities under Arlingclose for cash and investment management.

Debt	0.4
Interest	1.3
Income	0.1
Reserves	0.8
Budget	1.2
Financial Strength	Gold

Updated: 10/03/2022

Externally Managed Pooled Funds: £32m of the Authority's investments is invested in externally managed strategic pooled equity, property and bank funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds generated an average total return of £934,179.02 (90% of total investment income)

In the nine months to December improved market sentiment was reflected in equity, property and multi-asset fund valuations and, in turn, in the capital values of the Authority's property, equity and multi-asset income funds in the Authority's portfolio. The prospect of higher inflation and rising bond yields did however result in muted bond fund performance. In the January- March quarter the two dominant themes were tighter UK and US monetary policy and higher interest rates, and the military invasion of Ukraine by Russia in February, the latter triggering significant volatility and uncertainty in financial markets.

In light of Russia's invasion, Arlingclose contacted the fund managers of our MMF, cash plus and strategic funds and confirmed no direct exposure to Russian or Belarusian assets had been identified. Indirect exposures were immaterial. It should be noted that any assets held by banks and financial institutions (e.g. from loans to companies with links to those countries) within MMFs and other pooled funds cannot be identified easily or with any certainty as that level of granular detail is unlikely to be available to the fund managers or Arlingclose in the short-term, if at all.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.

Non-Treasury Investments

The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

The Authority also held £2.999m of such investments in:

- Directly owned property £0.390m
- loans to housing associations £2.609m

A full list of the Authority's non-treasury investments is below:

- Grove Lane Depot, Holt, Norfolk – Valued at £0.390m
- Loan to Broadland Housing Association – Outstanding value of £2,423,080
- Loan to Homes for Wells – Outstanding value of £186,252

These investments generated £100,623.33 of investment income for the Authority after taking account of direct costs, representing a rate of return of 3.86%.

Treasury Performance

The Authority measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in the table below.

Performance

	Actual £m	Budget £m	Over/ under	Actual %	Over/ under
Short-term Borrowing from other LAs	0.0077	0.01000	Under	0.36	Under
Long-term Borrowing	0.0000	0.1446	Under	N/A	Under
Total borrowing	0.0077	0.1546	Under	0.36	Under
Money Market Fund	0.0060	0.0003	Over	0.06	Over
Pooled Funds	0.9342	0.9293	Over	2.92	Over
Total treasury investments	0.9402	0.9296	Over	2.29	Over

Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in the table below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in the table below.

Debt Limits

	2021/22 Maximum £	31.3.22 Actual £	2021/22 Operational Boundary £	2021/22 Authorised Limit £	Complied? Yes/No
Borrowing	13.000m	13.000m	23.530m	28.400m	Yes
Total debt	13.000m	13.000m	23.530m	28.400m	Yes

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Investment Limits

	2021/22 Maximum	31.3.22 Actual	2021/22 Limit	Complied? Yes/No
Local authorities & other government entities	nil	nil	Unlimited	Yes
Secured investments	nil	nil	Unlimited	Yes
Banks (unsecured)	nil	nil	£5m	Yes
Building societies (unsecured)	nil	nil	£5m	Yes
Registered providers (unsecured)	nil	nil	£10m	Yes
Money market funds	£19.190	£10.770m	£20m	Yes
Strategic pooled funds	£32m	£32m	Unlimited	Yes
Real estate investment trusts	nil	nil	£10m	Yes
The UK Government	£26.3m	nil	Unlimited	Yes
Other investments	nil	nil	£5m	Yes
Any group of pooled funds under the same management	£7m	£7m	£15m	Yes
Negotiable instruments held in a broker's nominee account	nil	nil	£10m	Yes
Foreign countries	nil	nil	£6m	Yes

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	31.3.22 Actual	2021/22 Target	Complied?
Portfolio average credit score	4.79	6.0	Yes

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

	31.3.22 Actual	2021/22 Target	Complied?
Total sum borrowed in past 3 months without prior notice	£0m	£10m	Yes

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

Interest rate risk indicator	31.3.22 Actual	2021/22 Limit	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£0.04m	£0.6m	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£0.04m	£0.6m	Yes

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	31.3.22 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	100%	100%	0%	Yes
12 months and within 24 months	0%	100%	0%	Yes
24 months and within 5 years	0%	100%	0%	Yes
5 years and within 10 years	0%	100%	0%	Yes

10 years and above	0%	100%	0%	Yes
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Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than a year: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2021/22	2022/23	2023/24
Actual principal invested beyond year end	£32m	£32m	£32m
Limit on principal invested beyond year end	£50m	£50m	£50m
Complied?	Yes	Yes	Yes

Other

IFRS 16: The implementation of the new IFRS 16 Leases accounting standard has been delayed for a further year until 2022/23.

Prudential Indicators: The Prudential Indicators for 2021/22 will be reported to a future committee cycle once the end of year capital accounts have been completed.

3. Corporate Plan Objectives

- 3.1 This report contributes towards the overall financial performance of the Council

4. Medium Term Financial Strategy

- 4.1 The Councils Treasury Management supports the Medium Term Financial Strategy through protecting Council funds and cashflows and minimising borrowing costs.

5. Financial and Resource Implications

- 5.1 The report is financial in nature and implications are included within the content of the report

6. Legal Implications

- 6.1 This report must be prepared to ensure the Council complies with the CIPFA Treasury Management and Prudential Codes

7. Risks

- 7.1 Risks are included within the report content.

8. Sustainability

8.1 None as a direct result of this report.

9. Climate / Carbon impact

9.1 None as a direct result of this report.

10. Equality and Diversity

10.1 None as a direct result of this report.

11. Section 17 Crime and Disorder considerations

11.1 None as a direct result of this report

12. Conclusion and Recommendations

12.1 Treasury activities for the year have been carried out in accordance with the CIPFA Code and the Council's Treasury Strategy

12.2 That Council be asked to resolve that the Treasury Management Annual Report for 2021/22 is approved

Debt Recovery 2021-22

Summary: This is an annual report detailing the council's collection performance and debt management arrangements for 2021/22
The report includes a:

- A summary of debts written off in each debt area showing the reasons for write-off and values.
- Collection performance for Council Tax and Non- Domestic Rates.
- Level of arrears outstanding
- Level of provision for bad and doubtful debts

Recommendation: To approve the annual report giving details of the Council's write-offs in accordance with the Council's Debt Write-Off Policy and performance in relation to revenues collection.

Cabinet member(s): Eric Seward
Wards affected: All
Contact Officer, telephone number, and e-mail: Sean Knight 01263 516347
Sean.Knight@north-norfolk.gov.uk

1. Introduction

1.1. The Corporate Debt Management annual report is one of the performance management measures to provide members with outturn figures for 2020/21 for the following:

- A summary of debts written off in each debt area showing the reasons for write off and values.
- Collection performance for Council Tax and Non - Domestic Rates (NNDR).
- Level of arrears outstanding
- Level of provision for bad and doubtful debts

2. Background

2.1. Writing off bad debts is a necessary function of any organisation collecting money. The Council is committed to ensuring that debt write offs are kept to a minimum by taking all reasonable steps to collect monies due. There will be situations where the debt recovery process fails to recover some or all of the debt and will need to be considered for write off. The Council views such cases very much as exceptions and this report identify those debts.

3. Performance

3.1. Below are a summary of the Council's three main income streams and the level of debt associated with each, for the last four financial years.

Table 1

Income Area	Year/Date	Total Arrears at 31 st March All Years (after write offs)* (£)	Current Years Arrears Included (after write – offs)** (£)	% of Current Arrears v Net Debit	Provision for Bad/Doubtful Debt for all years (£)
Council Tax	2018/19	2,297,629*	997,954**	1.40%	778,470
	2019/20	2,599,769	1,192,173	1.60%	863,985
	2020/21	3,451,400	1,610,836	2.10%	1,155,777
	2021/22	3,654,527	1,548,794	1.90%	1,272,071

Table 2

Income Area	Year/Date	Total Arrears at 31 st March All Years (after write offs)* (£)	Current Years Arrears Included (after write – offs)** (£)	% of Current Arrears v Net Debit	Provision for Bad/Doubtful Debt for all years (£)
NNDR	2018/19	323,870	192,064	0.71%	195,124
	2019/20	1,655,968	724,063	2.60%	958,258
	2020/21	410,374*	179,520**	1.40%	243,423
	2021/22	393,786	106,462	0.56%	254,611

3.2. *This is the cumulative arrears (excludes costs) for all years including 2021/22.

3.3. ** This is the arrears figure as at 31/3/2022. Collection of the 2021/22 debt is ongoing and £408k council tax and £199k NNDR has been collected since 17 August 2022 against the previous 2021/22 year's arrears.

3.4. The table below shows the level of sundry debt outstanding at the year-end. For 2021/22, this will exclude the residue of Housing Benefit Overpayments, which is shown separately.

Table 3

Income Area	Year	Total Arrears at 31 st March All Years (after write offs) (£)	Net Debit Raised End of Year (£)	% outstanding against debit at year end (£)	Provision for Bad/Debt for all years (£)
Sundry Income	2018/19	1,330,004	5,579,524	23.84%	762,096
	2019/20	610,999	22,839,235	2.68%	78,407
	2020/21	1,111,194	5,585,812	19.89%	210,170
	2021/22	643,957	7,085,105	9.09%	189,373

3.5. The above figures for 2018/19 previously included overpayments being recovered through weekly reclaim against ongoing Housing Benefit. The value of overpayments from 2019/20 onwards are not treated as a corporate debt as they have not been invoiced. The value of these debts are recorded against the subsidy claim.

3.6 The table below shows the breakdown of 2021/22 residual housing benefit overpayments in finance and the level of housing benefit overpayments in Benefits outstanding at the year-end.

Table 4

Income Area	Year	Total Arrears at 31st March All Years (after write offs) (£)	Net Debit Raised End of Year (£)	% outstanding against debit at year end (£)	Provision for Bad/Debt for all years (£)
Sundry Income Residual Housing Benefit Overpayments (in Finance)	2020/21	75,581	0.00	100	72,926
	2021/22	67,028	0.00	100	64,810
Housing Benefit Overpayments (put to invoice in the Benefits Service)	2020/21	769,139	147,641	88.06%	549,075
	2021/22	670,571	135,492	74.21%	711,593

3.7. During 2021/22, as part of the ongoing recovery from the pandemic, we continued to offer a payment break or a payment plan for those who were suffering financial hardship.

During the pandemic we saw a significant shift from the number of people claiming Housing Benefit moving across to claim their Housing Costs through Universal Credit instead. This has made recovery of Housing Benefit more difficult and time consuming as we are not allowed to recover directly from Universal Credit.

Table 5

Income Area	Year/Date	Net Collectable Debit (£)	Number of Accounts	Average Amount per Account (after adjustments) (£)	Total of all Years Arrears (£)
Council Tax	2018/19	71,201,165	54,938	1,296	2,297,629
	2019/20	74,697,433	55,169	1,354	2,599,769
	2020/21	77,133,527	55,463	1,391	3,451,400
	2021/22	81,511,373	55,825	1,460	3,654,527
NNDR	2018/19	27,210,079	7,334	3,710	323,870
	2019/20	27,870,878	7,652	3,642	1,655,968
	2020/21	12,809,134	7,879	1,626	410,374
	2021/22	19,105,144	8,158	2,342	393,786
Sundry Income	2018/19	5,579,524	6,093	1,870	1,329,966
	2019/20	5,585,812	5,364	1,041	1,111,194

	2020/20	5,585,812	5,364	1,041	1,111,194
	2021/22	7,085,105	5,637	1,257	657,258

3.8. The above figures for 2018/19 previously included Housing Benefit Overpayments being recovered through weekly reclaim against the ongoing Housing Benefit. The value of overpayments from 2019/20 onwards does not treat these as a corporate debt as they have not been invoiced. The value of these debts are recorded against the subsidy claim.

3.9. The Provision for Bad/Debt for Sundry Income for all years is £776,403 which includes (£64,810 + £711,593 see table 4) for housing benefit overpayments. £670,571 is the level of housing benefit overpayments in the Benefit Service and £53,727 is the residual housing benefit overpayments in the Finance.

3.10 The table below shows the breakdown of 2021/22 residual housing benefit overpayments in finance and the level of housing benefit overpayments in Benefits outstanding at the year-end.

Table 6

Income Area	Year/Date	Net Collectable Debit (£)	Number of Accounts	Average Amount per Account (after adjustments) (£)	Total of all Years Arrears (£)
Sundry Income (residual Housing Benefit overpayments in finance).	2020/21	58,486	12	4,874	58,486
	2021/22	53,727	12	4,477	53,727
Housing Benefit overpayments put to invoice in the Benefits Service.	2020/21	873,380	538	1,623	769,139
	2021/22	768,149	483	1,590	670,571

Table 7

Income Area	2017/18	2018/19	2019/20	2020/21	2021/22	Target 2021/21
Council Tax	98.74%	98.72%	98.51%	98.01%	98.1	98.2%
NNDR	99.40	99.15%	97.32%	98.41%	99.24	98.7%

3.11. There have been a number of changes over the past few years that have affected council tax charges. From April 2013, support for council tax was localised. The Government reduced the level of funding that it had previously provided to cover the cost of the support (council tax benefit). All those of working age who had previously been on 100% benefit had to

pay a minimum of 8.5%. In addition some people on benefits were also affected by other welfare reform changes – e.g. under occupation of properties in the social sector, the benefit cap and Universal Credit, putting additional pressure on incomes. In addition to the welfare, changes there were a number of technical changes to council tax. These included an increase in the charge for empty properties with additional premiums for those empty for more than two, five and ten years, a reduction in the second homes discounts and those properties undergoing structural repair and alteration. These changes affected the level of council tax to be collected and the ability of some residents to pay. The target for council tax collection continues to be challenging given the above.

3.12 There are no longer national indicators for the collection of Council Tax and Non-Domestic (Business) Rates. The performance indicator (PI) is retained as a local PI, and continues to be monitored monthly. An important part of debt management is to ensure that bills are sent out accurately and timely and that council tax and business ratepayers are aware of any appropriate discounts, exemptions, reliefs and benefit entitlement they may apply. Information is sent with the annual bills and is shown on our web site with service information being provided on these. The ongoing promotion of Direct Debit also forms an important part of debt management where 75% of council taxpayers are paying by direct debit and 29% of NNDR customers pay by direct debit.

3.13 The Government has made the Small Business Rate Relief (SBRR) scheme more generous from 1 April 2017. Small businesses with a Rateable Value below £12,001 are now entitled to receive 100% relief (increase funded by Government). Small businesses with a Rateable Value between £12,000 and £15,001 may now be entitled to receive a percentage reduction in their rates bill. There has been a number of new relief schemes to help small businesses with Non-Domestic Rates over the past few years.

3.14 The Government's NDR Retail Discount Scheme was implemented from 2019/20 to award retail businesses with a third off their net rates bill. This was increased to 50% from 2020/21 and then changed to the 100% NDR Expanded Discount Scheme. A Nursery Discount Scheme for 100% was also implemented alongside the Business Grant Schemes.

3.15 The temporary NDR Growth person that we employed to identify growth and increase revenue to NNDC was offered a permanent position in another service so this position no longer exists.

3.16 Since March 2020 because of the pandemic and the effect of this on customers' ability to pay, we took the unprecedented step to stop all council tax and Non-Domestic Rates recovery work. Customers were given the opportunity to defer or delay paying us whilst they sort out their personal and business finances. We started sending out soft reminders from August 2020 with court attendances starting again later in the same year. This has impacted on the collection performance.

3.17 Non-Domestic Rates had the introduction of the Covid Additional Relief Fund (CARF) for 2021/22.

3.18 The 100% NDR Retail Discount was reduced from 1 July 2022 to 66% and then from 1 April 2022 to 50%.

4. Write-Offs

4.1. The table below shows in summary the amounts of debts that have been written off over the last four years. Since 2019/20 Sundry Income is now illustrated separately to the residual Housing Benefit overpayments.

Table 8

Income Area	2018/19 (£)	2019/20 (£)	2020/21 (£)	2021/22 (£)
Council Tax	141,522	165,133	65,638	133,790
NNDR	135,839	45,671	94,863	3,957
Sundry Income (includes residual Housing Benefit write-offs)	11,380			
Housing Benefit	37,070			
Sundry Income only		9,248	9,962	12,595
Sundry Income (residual Housing Benefit overpayments in finance).		12,497	1,382	2,536
Housing Benefit overpayments put to invoice in the Benefits Service.		20,556	40,391	61,398

4.2. The table below details the category of debts that have been written off over the year 2021/22 (includes costs) for all years.

Table 9

Category	Council Tax(£)	NNDR(£)	Sundry Income(£)	Sundry Income (£) (residual Housing Benefit overpayments in finance)	Housing Benefit overpayments put to invoice in the Benefits Service (£)
Unable to collect Uneconomic/ bailiff unable to collect	-131	21	4,288	-33	644
Debtor deceased	8,787		132		28,537
Debtor absconded	34,775	298	596		2,928
Debtor in bankruptcy Or liquidation or other Insolvency proceedings	83,068	2,522	1,145		19,258
Debt cannot be proved (conflict of evidence)	2,311	1,116			0.00
Ill health & no means	1,200		210		0.00
Undue hardship	5				7,001
Debt remitted by the Court					0.00
Irrecoverable	1,966		3,674	2,694	0.00
Detained/Prison					3,030
Other	1,809		-23	-123	0.00
Totals	133,790	3,957	10,022	2,536	61,398

4.3 The level of Housing Benefit overpayment debt written-off increased in 2021/22 due to an exercise carried out against older outstanding cases which had exhausted all debt collection recovery options. We have started to make enquiries into the use of High Court Enforcement to help recover debt against cases where no engagement has been made by the customer and other recovery channels have been exhausted.

4.4 The level of Non-Domestic (Business) Rates debts written off has reduced since last year. The Council Tax and Non-Domestic (Business) Rates debts that have been written off are principally debts from insolvency and people absconding. Whilst every effort is made to trace debtors there is a number of debtors that cannot be traced and the debt has to be written off.

5. Implications and Risks

5.1. The information gained from this report will help improve monitoring and our ability to consider the risks in a more accurate way

6. Financial Implications and Risks

6.1. The Council is already required to make provision for bad and doubtful debts. The additional information gained from this report will help improve monitoring and our ability to consider the appropriateness of the provisions in a more accurate way.

7. Sustainability

7.1 This report does not raise any issues relating to Sustainability.

8. Equality & Diversity

8.1 The Debt Management & Recovery Policy takes account of the impact that getting into debt can have on people and their families, so it also encourages people to pay, and aims to provide reasonable facilities and assistance for them to do so.

8.2. Before writing off debt, the Council will satisfy itself that all reasonable steps have been taken into account to collect it and that no further recovery action is possible or practicable. It will take into account the age, size and types of debt, together with any other factors that it feels are relevant to the individual case. All write-offs are dealt with in the same fair and consistent way in line with equality and diversity issues.

8.3 While you can be sent to prison for up to 3 months if the court decides you don't have a good reason to not pay your Council Tax and you refuse to do so it is not our Council's policy to take such action where there is an inability to pay and there is a range of support which the Council offers in order to avoid this.

9. Section 17 Crime and Disorder considerations

9.1 This report does not raise any issues relating to Crime and Disorder considerations.

CORPORATE DEBT MANAGEMENT AND RECOVERY POLICY

INTRODUCTION

Effective debt management is crucial to the success of any organisation. It is essential that this authority has clear policies and strategies to help prevent debt in the first instance and then manage the recovery of debt where prevention has failed. If the Council is to achieve its aim of first class resource management, then it must seek to recover all debts due and sustain collection rates. It also has a key role in the prevention of debt, and in providing advice and assistance to clients where there is genuine hardship.

This policy has therefore been designed to address these concerns. Its implementation aims to deliver measurable service improvement and adherence to recognised good practice. Members need to be confident that debt is being managed within the parameters set by this document.

The following policies have been prepared within this framework:

Debt Write -Off policy as shown in Appendix 2.

POLICY AIMS

The key aims of this policy are as follows:

- ◆ To identify debtors as early as possible, and consider fully the debtors circumstances and ability to pay, and so distinguish from the outset between the debtor who won't pay, and the debtor who genuinely can't pay.
- ◆ To work with the client to clear the debt as soon as possible. To ensure a professional, consistent and timely approach to recovery action across all of the Council's functions.
- ◆ To cost effectively pursue all debts owed to the Council, seeking to maintain and improve on the levels of income collected by the authority.
- ◆ To promote a co-ordinated approach towards sharing debtor information and managing multiple debts owed to the Council. To actively work alongside approved advice agencies to seek early identification of clients who are failing to meet multiple debt liabilities.
- ◆ To only write debt off once all avenues have been exhausted for the recovery of debt. This is in accordance with the Council's write-off policy.
- ◆ To treat individuals consistently and fairly regardless of age, sex, gender, disability, ethnicity, race or sexual orientation, and to ensure that individual's rights under General Data Protection Regulations (GDPR) and Human Rights legislation are protected.

SUPPORTING THE COUNCIL'S CORPORATE PRIORITIES

This Policy supports the Council's drive towards continuous improvement whilst recognising equality and diversity issues. It is reflective of the values and standards adopted by this Council within the Corporate Plan and contribute towards the following priorities:

First Class Resource Management – To manage the Council's resources efficiently and effectively and to make sensible choices in setting priority led service budgets which do not burden council tax payers with unnecessary or unjustifiable costs.

Better Access to Council Services – To improve customer service through all access channels, and to move towards a fully integrated front office with multi-agency enquiry-handling capacity.

The Policy also supports the wider aim of improving service provision through partnership working by seeking to maximise the benefits of external debt advisory agencies.

DEBTS COVERED BY THIS POLICY

The main section involved in debt recovery is Finance.

The debts involved are primarily:

- Council Tax
- National Non Domestic Rates
- Overpaid Housing Benefit
- Sundry Income

The policy will apply to all sections of the Council and focus on collecting the charge set rather than how the charge is arrived at. Ability to pay is a paramount concern when considering debt recovery. For Council Tax a discretionary scheme (Council Tax Support) is provided on application, which is designed to offset the effects of low income on ability to pay.

Charging policy, statutory or discretionary will never completely remove the problems of people and families on low incomes. The approach to recovery must therefore be sensitive to individual circumstances and take into account multiple debts owed to ensure that arrangements are manageable. The primary aim remains the recovery of debt and improved data sharing will support this aim.

THE LEGAL AND POLICY FRAMEWORK FOR RECOVERY

The Council has a legal duty to ensure cost-effective billing, collection and recovery of all sums due to the Council. This policy is in addition to existing legislation and will provide a framework for procedures to be developed and improved.

This debt recovery policy is concerned primarily with the recovery of debts prior to legal action being taken, but the principles should still be applied wherever appropriate even if litigation has commenced.

Local Taxation

Council Tax recovery procedures are laid down by statute in The Council Tax (Administration and Enforcement) Regulations 1992 and subsequent amendments.

National Non-Domestic Rates recovery procedures are laid down by statute in The Local Government Finance Act 1988 and subsequent regulations and amendments.

The Council appoints Enforcement Agents to recover local taxation arrears in accordance with an enforcement protocol. Changes to legislation came in from April 2014 under The Taking Control of Goods (Fees) Regulations 2014 nationally standardising fees and charges and an enforcement protocol for bailiffs. Since this date, bailiffs became known as Enforcement Agents. The changes to the legislation are to ensure that the rates and charges added by the Enforcement Agents are transparent and nationally set making it easier for debtors to understand the consequences of non-compliance and the powers available to Enforcement Agents. The Enforcement Agent Code of Practice & Enforcement Agent Instructions with the statutory fees recoverable is shown in Appendix 3.

Housing Benefits

Housing Benefit overpayments are reclaimed in accordance with Regulations 98-105 of The Housing Benefit (General) Regulations 1987 (as amended) And Sections 105 & 106 of the Welfare Reform Act 2012 and Social Security Overpayment and Recovery) Regulations 2013. The Benefit Overpayment Policy sets out the basis under which these debts are recovered and is shown in Appendix 4.

Miscellaneous Income

Sundry Debt arrears are collected within a well-established framework, but written guidelines are required. On certain debts, interest may be charged for late payment. The debtor will be made aware of any additional costs in advance so that they have the opportunity to avoid this wherever possible. Customers will also be made aware of legal fees and costs that will be incurred for non-payment.

THE POLICY

- Full names, contact address, email address and a phone number will be established wherever possible prior to service provision or invoicing/billing.
- All Council bills and invoices will be raised as soon as practicable on a daily basis and will include clear, relevant and full information as to:
 - What the bill is for;
 - When payment is due;
 - How to pay;
 - How to contact us if there is a query in relation to the bill or in relation to making payment.
- All letters and reminders will:
 - Be written in plain English;
 - Explain fully what has been agreed and the consequences of non-payment;
 - Include appropriate contact details.
- Debtors will be encouraged to make prompt contact if they disagree with a bill or have difficulty in making payment on time. Contact can be made by:
 - Website
 - Email
 - Telephone
 - Letter
 - In person at the Council Offices.

- Problems and bill discrepancies raised will be resolved as quickly as possible to prevent unnecessary delays in payment and incorrect debits.
- All debtors seeking help due to financial difficulties will:
 - Be given the opportunity to have their ability to pay assessed by the relevant collection unit;
 - Be invited to provide details of their means by listing their income and expenditure. (Evidence to confirm the accuracy of the means statement will be requested if necessary);
 - Be invited to use the money and debt advice services available from the Citizens Advice Bureau (CAB) and other similar organisations;
 - Be asked if they have other debts owing to the Council that they also wish to be considered;
 - Be given access to the Council's interpreter service if required.
- If legal proceedings have already commenced, consideration will be given to whether the debt can firstly be attached to earnings or benefits, the priority of the debts owed and the level of repayments currently being made.
- If a specific recovery action has already commenced e.g. attachment of earnings or the debt has been passed to an Enforcement Agency, the action taken will usually continue. However, any arrears not included in the action will be considered in line with existing arrangements and this policy.
- If it is found that the debtor has the ability to pay, but refuses to pay, then recovery action will continue promptly within the existing arrangements for the type of debt.
- If it is found that the debtor is suffering severe hardship or has difficulty managing their own affairs, the following will be considered:
 - Can we reduce the debt? Are they entitled to take up relevant benefits, discounts, exemptions, reliefs or any other reductions to minimise the potential for debt accrual?
 - Does the debtor owe money to other Council services? If so the debtor will be advised that, with their consent, all their Council debts may be taken into consideration when deciding on an arrangement. The advantage to the debtor in making a common arrangement is that they may save time and costs. However, it is for the debtor to decide if this is an option they want to pursue.
- If a debtor takes up the offer to deal with all Council debts collectively, the various services will communicate the debtor's details confidentially between themselves and will endeavour to take a holistic approach to collection without prejudice to their own service. An officer will be identified as a single point of contact for the debtor and will act as a liaison between services.
- Where there is no continuous liability a special long-term arrangement may be made according to the ability to pay and the existing recovery provisions such as an attachment of earnings.
- Where liability is continuous e.g. Council Tax, NNDR any arrangement made will normally require payments over and above the on-going monthly liability. Future instalments must be paid when due as a condition of the arrangement.

Longer term arrangements for older arrears will be strictly monitored and reviewed. If there is no improvement by the review date and if the amount payable cannot be reduced (by awarding Council Tax Support or other reliefs, discounts, exemptions etc.), the Council will reserve the right to continue with legal action, and in the case of Local Taxation, obtain a Liability Order from the Magistrates' Court. This is to protect the Council's interests and prevent the debt from becoming statute barred and irrecoverable. Nevertheless regular contact with the debtor will be made and part payments will be accepted to reduce the overall debt. Furthermore it is not in the debtor's best interest to have a long term arrangement when liability is continuous, since the level of debt will increase as time goes by and the debtor's situation deteriorate rather than improve.

- If a debtor is receiving Income Support or Job Seekers Allowance, this will usually limit the ability to pay to no more than the amount that can be paid directly to creditors by the Department of Work and Pensions (DWP). Where appropriate, a separate agreement will be made for additional debts and Liability Orders depending on the individual's circumstances.
- Debtors given time to pay will be advised to contact the Council immediately should they experience a change of circumstances affecting their ability to pay. This is to discuss the options available to prevent recovery action and additional costs.

If a debtor fails to co-operate by:

- Refusing to provide details of their means, and/or
 - Not consenting to multiple debts being dealt with together, and/or
 - Failing to pay a special arrangement on time without contact, then recovery action will be taken promptly in the normal way.
- If there are council tax arrears on properties of over £1,000, then we are able to apply for a charging order. This basically means we register our interest against a property and when it is sold, we receive the payment out of the proceeds of sale. Some customers ask us to use this method where they have no or low income and are in the process of selling their property. This method is also used where other recovery action has not been successful and the property is empty or a second home. This helps bring the property back into use. Where the property is occupied and there is very large debt because of repeated non-payment, then this method will be considered on a case by case basis with the portfolio member.

LIMITATIONS ON DEBT RECOVERY

All Enforcement Agents appointed will work to an agreed Enforcement Agent Code of Practice & Enforcement Agent Instructions as shown in Appendix 3.

PROCEDURES AND TRAINING

This policy will be made available to all staff dealing with income collection and recovery. This will be reinforced with training and management supervision of all staff involved in collecting debt.

MONITORING

Each section will be responsible for ensuring that this policy is adhered to and effective. Management information will be required for each debt stream on a monthly basis.

Revised
17 August 2022.

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DEBT WRITE OFF POLICY

1. This forms part of the Council's Corporate Debt Management and Recovery policy (Appendix 2).
2. The Council is committed to ensuring that debt write offs are kept to a minimum by taking all reasonable steps to collect monies due. There will be situations where the debt recovery process fails to recover some or all of the debt and will need to be considered for write off. The Council views such cases very much as exceptions and this document provides the framework within which procedures must be documented and followed.
3. The Debt Management and Recovery policy takes account of the impact that getting into debt can have on people and their families, so it also encourages people to pay, and aims to provide all reasonable facilities and assistance for them to do so. Before writing off debt, the Council will satisfy itself that all reasonable steps have been taken to collect it and that no further recovery action is possible or practicable. It will take into account the age, size and types of debt, together with any other factors that it feels are relevant to the individual case.
4. The Council will only consider write off in the following circumstances:

Category	Requirement	Action
De-minimus / Uneconomic to collect	Debts less than £25.00 would not be cost effective to pursue. Sundry Income Debts of £100 plus which have been returned from tracing agents and where legal costs will exceed the debt.	Submit for Write Off
Debtor deceased – No Estate	Insufficient funds in estate to discharge debt.	Submit for Write Off
Debtor absconded / Unable to Trace / Detained or Imprisonment *	All attempts to trace debtor have failed. Including tracing agent for debts over £25.00. Including long-term imprisonment (12 months) or more.	Submit for Write Off
Debtor in bankruptcy or liquidation or other insolvency proceedings including Debt Relief Orders**	A claim against the debtor has been lodged with the administrators. No dividend is to be paid or the balance after the dividend is submitted.	Submit for Write Off
Debt cannot be proved (conflict of evidence)	An explanation should be given as to why recovery cannot be made.	Submit for Write Off
Ill Health & no means	Written evidence of one of the following criteria: 1. Terminal illness and limited means 2. Where payment would cause further ill health 3. Old age and frailty and no financial	Submit for Write Off

	assistance 4. Severely mentally impaired and no financial assistance 5. Long term hospitalisation or residential care and no means to pay	
Undue hardship and debt remaining following negotiated settlement.	Where the debtor can provide written evidence of genuine financial difficulty, showing evidence of inability to pay even small instalments, or that such payment will cause undue hardship.	Submit for Write Off
Debt remitted by the Court	Action in the Magistrates Court has resulted in the Magistrates remitting the debt, leaving the Council with no alternative but to write off the amount.	Submit for Write Off
Irrecoverable / Out of Jurisdiction***	The debtor has moved out of legal jurisdiction or the debt has been returned nulla bona and all other recovery avenues have failed.	Submit for Write Off

** If a debtor's whereabouts become known after the write-off has been approved, then the debt should be written back on.*

*** If a dividend is subsequently paid, then the debt should be written back on.*

**** If the debtor subsequently moves back into legal jurisdiction, then the debt should be written back on.*

5. Debts will normally only be considered for write off where the account is "closed" (i.e. no recurring debt). Only in exceptional circumstances will amounts on "live" (i.e. ongoing accruing debt) accounts be considered for write off. Such cases must demonstrate that further recovery action will not achieve collection of the debt.
6. The Director for Resources will be accountable to Cabinet Committee for the effective management of debt write offs and will ensure that appropriate performance management arrangements are introduced across all Council service and debt areas.
7. Decisions on the write off of individual debts will be taken in accordance with the Council's Scheme of Delegation. They must also comply with all relevant statutory requirements and those of the Director for Resources or designated representative(s).
8. Cabinet Committee will receive an annual report from the Director for Resources summarising performance on debt write offs during the previous year.
9. Each Service Head will be responsible for the initial recovery of debt within their service. Where the debt is collected through Sundry Income the Director for Resources will be responsible. Once recovery action is required, this must be passed to the recovery section who will then take ownership of the debt.
10. The Heads of Service will be responsible for the regular review of debts and will consider the need for write off of individual debts within their jurisdiction, monthly.

11. Negotiated settlements generally result in the need for a write off. Any negotiation of a settlement at court will be the responsibility of the Court Officer, as such, situations cannot be planned and we need to respond immediately. Any other negotiated settlement will require approval according to the Scheme of Delegation i.e. the write off amount is the sum being remitted through negotiation.
12. Prior to write off being proposed, the debt will be reviewed to ensure that no further recovery action is possible or practicable.
13. Following the appropriate investigation, those debts still considered irrecoverable will be proposed for write off. The following information needs to be provided for each debt to the officer who authorises the write offs:
 - Debtors name
 - Debtors address
 - Description of debt
 - Period of debt and / or date of invoice
 - Amount to be written off
 - Reason for write offSupporting documentation must be retained and available that shows:
 - Evidence to support write off
 - Recovery history
 - Details of tracing and enquiries carried outIn considering a debt for write-off, the following conditions will apply:
 - Each case will be considered on its merits
 - Each request will be supported by relevant documentation
 - Each case will receive authorisation from the appropriate authorised officer.
14. Appropriate records of all authorised write offs will be maintained and reviewed periodically against live caseload. This will enable any trends to be identified and will support the review of the Policy every 12 months.
15. Authorisation levels are reflected in the Scheme of Delegation within the following parameter.

Section Manager / Team Leader	up to £2,000
Head of Service / Revenues Manager	up to £10,000
Section 151 Officer or Deputy Section 151 Officer	up to £20,000
Director for Resources or Chief Executive in consultation with the Portfolio Member	over £20,000
16. The revenues manager will record all write-off decisions, and provide a summary to the Director for Resources. This will be available for further Scrutiny, for Audit purposes and for reporting to Cabinet.
17. The Director for Resources will submit an annual report to Cabinet identifying the following:
 - A summary of debts written off in each debt area showing reason for write-off, values and number of cases.
 - Collection performance for each service area
 - Level of arrears outstanding
 - Level of provision for bad and doubtful debts

Appendix 2

Reviewed 17 August 2022.

Enforcement Agent Code of Practice

Any Enforcement Agent engaged by this Council shall adhere strictly to the provisions contained in the appropriate legislation relevant to taking control of goods and any other instructions laid down by this Council as may be in force at the relevant time.

The Enforcement Agent will not raise or charge any costs or fees in excess of the costs and fees allowed under the regulations in force as shown in the table below:-

Schedule of Enforcement Fees (other than under a High Court Writ)

Fee Stage	Fixed Fee	Percentage fee (regulation 7): percentage of sum to be recovered exceeding £1500
Compliance Stage	£75.00	0%
Enforcement Stage	£235.00	7.5%
Sale or disposal stage	£110.00	7.5%

The above figures are not including VAT.

The Enforcement Agent shall not represent himself as an employee or representative of the Council, unless directly employed by the Council.

- The Enforcement Agent shall not follow any irregular practices with regard to taking control of goods or attempting to take control of goods, or in the execution of warrants and shall not cause nuisance or trespass in the execution of his duties.
- The Enforcement Agent may conduct his business out of normal office hours, (8:30 - 5:00) but shall at all times consider the reasonableness of the time and the debtor's personal and business movements.

- The Enforcement Agent shall not discriminate against or in favour of a debtor on the grounds of ethnic origin, sex, religion, status, race, colour, creed or disability.
- No removal of goods is to be undertaken without prior authorisation, preferably in writing, by the Client, against the long term sick, the disabled (either mental or physical) those in hospital, those recently bereaved, those on Income Support, or those where in the opinion of the attending Enforcement Agent to do so would cause the Council unwarranted publicity.
- All Enforcement Agents are required to be Certificated Enforcement Agents of the County Court and either corporate or individual members of CIVEA or working towards it and shall not have, nor permit any of his personnel to have, any criminal convictions or disqualification including those under the Rehabilitation of Offenders Act 1974 and shall sign a declaration to that effect.
- Debtors are to be given a minimum 14 days notice before enforcement visits commence.
- The Enforcement Agent shall indemnify the Council against any and all actions arising from any act or omission not occasioned by the Council and those where the Enforcement Agent was aware that there was an act or omission prior to the action taking place.
- Cases where the taking control of and removal of “Tools of the Trade” over the statutory £1350 limit is being sought shall be referred on a case by case basis to the Revenues Team Leaders/Revenues Manager. No such removal shall take place without this referral having been made.
- Whilst permitted in legislation, visits are not to be made on Sundays.
- **Enforcement Agent Instructions**



1. General

1.1 It is the Council's policy to be firm yet fair when dealing with our taxpayers.

1.2 Although the Council's preferred method of recovery is Attachment of Earnings or Benefits the Council's Policy is that the most appropriate method shall be used from information available to recover the sums due.

1.3 No method of recovery shall be used which is either not in the Council's best interests or which may bring the Council into disrepute. At all times an attempt should be made to minimise the detrimental effect on the family of the taxpayer whilst ensuring the debt is paid. Special care shall be taken when dealing with vulnerable groups i.e. the elderly, the long term sick, the disabled (either mental or physical) those in hospital, those recently bereaved, or those on Income Support/Job Seekers Allowance Income Based.

1.4 If there is a genuine inability to pay and the debt is small the Enforcement Agent should pass the information and circumstances to the office so that an informed decision as to the appropriate action can be made.

2. ENFORCEMENT AGENT WORKING PRACTICES.

2.1 The Contractor shall not sub-contract the provision of the service or any parts thereof to any person.

2.2 Work shall be issued to the Enforcement Agent electronically.

2.3 The Enforcement Agent shall conduct his/her affairs in accordance with statutory requirements and comply with the [North Norfolk District Councils Code of Conduct for Enforcement Agents](#), Enforcement Agent Guidelines, Enforcement Agents Code of Practice, and any nationally approved Code of Practice.

2.4 All visits shall be carried out in accordance with legislation.

2.5 The Enforcement Agent shall commence processing all cases issued to him within 3 days of instruction unless otherwise agreed by the Council.

2.7 The Enforcement Agent shall, on each visit to a debtors premises, present his identification without being requested to do so once it has been confirmed that he is speaking to the debtor.

2.8 The Enforcement Agent shall thoroughly and accurately complete the appropriate visiting documentation provided to him by his employer.

2.11 The Enforcement Agent shall seek completion of signed controlled goods agreements where required.

2.12 The Enforcement Agent shall have regard to the Council's [Special Arrangement Policy](#) when considering entering into Controlled goods agreements with the debtor.

2.13 Goods taken into control shall be detailed on the appropriate Enforcement Agency documentation. In the case of electrical goods, serial numbers shall be listed on the inventory.

2.14 In exceptional circumstances, i.e. where the Council or the Enforcement Agent is aware of a debtors imminent intention to move away or another Enforcement Agents' imminent involvement in one of our cases, the normal process will be by-passed and immediate action to take control of/remove goods to secure the Councils' position shall take place.

2.17 The Enforcement Agent shall provide sufficient and accurate evidence, including a nulla bona certificate, in cases where required.

2.18 The Enforcement Agent shall obtain authorisation from the Revenues Manager or Revenues Team Leader prior to the removal of goods taken control of.

2.19 The Enforcement Agent shall attend Court to act as witness if so required.

2.20 The Enforcement Agent shall immediately inform the Revenues Manager or Revenues Team Leader of any cases of physical or verbal abuse or where any action could lead to an official complaint or legal challenge being directed at the Council.

2.21 The Enforcement Agent shall be notified by the Council within five working days of the posting to an individual's account of payments received or amendments made which alter the balance of any Liability Order currently being processed by him/her.

COUNCIL'S SPECIAL ARRANGEMENT POLICY

- When making special payment arrangements the Enforcement Agent shall endeavour to ensure the arrangement ends within the same financial year, or

does not exceed a period of 12 months, having sought approval from a member of the Revenues Team.

- Debtors can be offered the option of weekly or fortnightly instalments instead of monthly.
- If the debtor requests that the instalment profile is extended over a year end or twelve month period written or verbal authorisation shall be sought from a member of the Revenues Team
- Remember when making these arrangements to notify the Debtor that the new year's instalments will need to be paid when due.
- All arrangements shall be made subject to the debtor signing a controlled goods agreement.
- Any failure by the debtor to maintain the special arrangement shall result in further recovery action being taken.

Revised 17 August 2022

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BENEFIT OVERPAYMENT POLICY

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- 7.0 WHO SHOULD THE OVERPAYMENT BE RECOVERED FROM?
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- 10.0 CALCULATION OF OVERPAYMENTS
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BENEFIT OVERPAYMENTS POLICY

1.0 COUNCIL RESPONSIBILITIES

1.1 The Council recognizes that overpayments of benefit do occur. In order to reduce the loss to public funds the Council ensures that firm but fair action must be applied in the administration of overpayments. Positive action in the recovery of overpayments has a deterrent effect. However, in the overpayments process and that of recovering any overpayment of benefit the Council has the responsibility to:

- a) Act in accordance with Primary Legislation (being that of an Act of Parliament, Order or other Statutory Requirement);
- b) Comply with the requirements of Secondary Legislation (being that of the Housing Benefit Regulations, Claims and Payment Regulations, Decision Making and Appeals Regulations etc);
- c) Comply with any changes to the above stated Primary or Secondary Legislation;
- d) Identify the overpayment promptly;
- e) Stop the overpayment continuing;
- f) Classify the overpayment correctly;
- g) Determine if the overpayment is recoverable;
- h) If recoverable:
Determine from whom recovery should be sought, and

- Determine the most appropriate method of recovery;
- i) Notify claimants and other affected persons of any decision in accordance with the regulations;
- j) Ensure implementation of effective financial control during the overpayments process.
- k) Pursue debt by the most effective recovery method.

2.0 BEST PRACTICE

- 2.1 This policy reflects best practice in the procedure for dealing with and the recovery of overpaid housing benefit.
- 2.2 The policy should be flexible in its approach to recovery of overpayments. Each case will be considered on its own merits. The Council recognises that a policy, which, for example, requires recovery in all cases or where recovery is always made from specific categories of claimants, is unlawful.
- 2.3 This policy has regard for the rights of individuals and obligations of the Council under the provisions of the Human Rights Act 1998.

3.0 APPLICATION OF THE POLICY

- 3.1 The policy should be applied to all cases where an overpayment of benefit may occur and all identified recoverable overpayments; that is any amount of housing benefit which has been paid, but to which there is no entitlement whether on initial decision or on a subsequent revised or superseded decision. In most cases overpayments can arise in consequence of:
 - a) Payments being made in advance;
 - b) Late disclosures of changes in circumstances;
 - c) Errors made by the claimant in completing the application form or subsequent review form;
 - d) Claimant fraud;
 - e) Official errors made by the Council or other Statutory Benefits Departments; Overpayments in the case of e) above are only recoverable if the claimant or person from whom recovery is sought could reasonably have been aware that the overpayment was occurring at the time when the overpayment occurred.

4.0 IDENTIFICATION OF OVERPAYMENTS

- 4.1 The Council will endeavour to act on any information received in relation to a claimant's change of circumstances within service target of having sufficient information to identify an actual or potential overpayment which has occurred or may be occurring.
- 4.2 Such action should, in the first instance, include suspending further ongoing payments of incorrect benefit.
- 4.3 The Council will endeavour to identify any changes of circumstances, resulting in an overpayment by:

- a) Identifying communications from the DWP notifying of Income Support or Income based Jobseekers Allowance having stopped.
- b) Identifying communications from fraud sections requiring action;
- c) Identifying incoming post that indicates a change of circumstances.
- d) Identifying internal post from area and other NNDC offices which indicates a change of circumstances

5.0 DECISIONS ON RECOVERABILITY

- 5.1 In all cases where an overpayment of benefit has arisen NNDC will have regard for legislative procedures in deciding whether an overpayment is recoverable?
- 5.2 In doing so the Council will consider whether an official error caused or contributed to the overpayment.
- 5.3 The Council will have regard for legislative requirements in deciding to recover any overpayment or part thereof, which was caused by official error, or to which an official error materially contributed.

6.0 CLASSIFICATION OF OVERPAYMENTS

- 6.1 All overpayments, whether recoverable or not, must be classified by an officer of the Council who is appropriately trained to sufficient standards that will allow for the correct application of the law in this decision making process.
- 6.2 Officers responsible for the classification of an overpayment must record the classification and reasons for it on file.

7.0 WHO SHOULD THE OVERPAYMENT BE RECOVERED FROM?

- 7.1 Before recover action is undertaken, in each case consideration should be awarded to the relevant facts of the individual case. This may mean that further specific information will need to be obtained from affected parties prior to a decision being made. Recovery should be made from the most appropriate person who may be:
 - a) The claimant, or
 - b) The person to whom the payment was made, or
 - c) The person who misrepresented the material fact or failed to disclose the Fact or
 - d) The partner of the claimant. However regulations provide that this can only be the case where the partner was living as a member of the claimant's family at the time of the overpayment and at the time of the decision being made in respect of recovery.
- 7.2 Recovery of fraudulent overpayments should, in the first instance, be sought to be made from the person who misrepresented or failed to disclose material facts giving rise to the overpayment.

8.0 METHOD OF RECOVERY

8.1 Appropriate means of recovery should be considered in all cases under **Regulation 102 of the Housing Benefit Regulations 2006**. Recovery action should be taken by one of the following methods:-

- a) **Ongoing housing benefit deductions;** - The Regulation prescribes the maximum weekly deduction that can be made to recover an overpayment from ongoing entitlement. There are prescribed rates of deduction depending on whether the overpayment has arisen as a result of fraud or not. These rates may be updated annually by the Department for Work and Pensions on the 1st April.
- b) **Deductions from other DWP benefits** – Where there is no ongoing entitlement to Housing Benefit recovery can be sought from an attachment of other DWP welfare benefits through the Payment Deduction Programme. This is the electronic method of requesting an attachment of benefit.
- c) **Deductions from housing benefit payments made by other local authorities;** – If a debtor has moved to another Council area and is in receipt of Housing Benefit there, a letter can be sent to the Authority requesting that they make deductions from the claimants ongoing benefit entitlement at the suitable rate. The Housing Benefit overpayment would be passed to a Sundry Debtor to create an account in order for payments to be credited to NNDC.
- d) **Invoices** – An invoice will be raised for overpayments which cannot be recovered from ongoing Housing Benefit. Invoices will be raised for overpayments of £25 or more. The first principle will be to seek payment in full. Where a claimant can show that this is unaffordable, then instalments will be negotiated, by officers in accordance with the Corporate Debt Policy and Department for Works and Pensions best practice guidance.
- e) **Direct Earnings Attachment** – The Welfare Reform Act 2012 allows NNDC to ask employers to make deductions from the employees pay. Where a debt is at invoice stage, the debtor will be sent a reminder. Where the debt remains outstanding, the debt can be recovered directly from the debtor's earnings.
- f) **Collection of Overpayments from Landlords** – Where the claimant is no longer entitled to Housing Benefit, the overpayment will be sought from the landlord where they have failed to report a material change which they would have reasonably expected to realise had occurred. The overpayment will be invoiced. Where the landlord fails to settle the account the overpayment will be recovered directly from future Housing Benefit payments for other current tenants. The current tenants are protected and the deduction counts as their rent payment. This is referred to as Blameless Tenant recovery.
- g) **Debt Collection Agencies** – where an invoice has been raised and the payment has not been received the debt can be passed to a debt collection agency to collect.
- h) **Court action** - where an invoice has been raised and a reminder issued and nonpayment of the debt continues the debt can be passed to legal services for action in the County Court via a County Court Judgement. A Claim Letter will be sent to the debtor first as a pre-warning that County Court action will take place. This gives the debtor a further opportunity to dispute the debt, or advise the authority that they are seeking financial assistance.
- i) **Recovery action (Post County Court Judgement)** – the HB overpayment is registered as a judgement of the court. Unpaid debts can be recovered by a number of enforcement methods – warrant of execution, attachment of earnings, third party debt order, charging order, bankruptcy or High Court Enforcement (see 8.2 below).

The Council will determine the most appropriate option for recovery of the debt.

Recovery action will commence after taking into consideration the claimants eligibility to underlying entitlement or a new claim pending. This will allow for the claimant to provide further information or make any reapplication for housing benefit, thereby reducing any overpayment, in addition to allowing time for the affected persons to register any appeal rights that they may wish to enact, and or to reach a mutually acceptable arrangement for the recovery of the overpayment.

- 8.2 From 12th April 2018, we now have access to a new recovery tool called the Housing Benefit Debt Service (HBDS). This is administered by the DWP and allows us to retrieve debtor's employment, self-employment, private pension information and address details directly from the HMRC.

Following the introduction of HBDS, we anticipate more debts being recovered via a Direct Earnings Attachment. Where these recovery options do fail and we are unable to engage with the debtor and once a County Court Judgement has been obtained, we are able to consider use of High Court Enforcement. This is where a Writ of Execution (a cost to NNDC of £66 if not successful) will be obtained from the High Court authorising a High Court Enforcement Officer to recover the amount owed by the debtor or take sufficient goods to be sold at auction to raise what is owed. The Enforcement Agent will not raise or charge any costs or fees in excess of the costs and fees allowed under the regulations in force as shown in the table below:-

Schedule of Enforcement Fees (other than under a High Court Writ)

Fee Stage	Fixed Fee	Percentage fee (regulation 7): percentage of sum to be recovered exceeding £1000
Compliance Stage	£75.00	0%
First enforcement Stage	£190.00	7.5%
Second enforcement Stage	£495.00	0%
Sale or disposal stage	£525.00	7.5%

The above figures are not including VAT.

- 8.3 In respect of ongoing housing benefit deductions, the standard rates should be applied as per the amounts laid down by Regulations, unless having regard to the health and/or financial circumstances and/or housing risk or need of the person from whom recovery is sought a lesser sum is deemed appropriate. Regulations provide that in all cases a minimum of 50p per week housing benefit must remain in payment.

- 8.4 Where recovery is sought from a bankrupt, recovery should be sought via ongoing benefit entitlement or from other prescribed benefits before considering any court action.
- 8.5 Where the case involves the death of a claimant, the deceased's representative or executor should be approached to seek recovery from the estate. However, the overpayment should not be recovered from ongoing benefit deductions from the surviving spouse.
- 8.6 'Excess Council Tax Benefit/Support ' will be added back onto the Council Tax account and collected in accordance with the Council Tax recovery Regulations.

9.0 PERIOD OF OVERPAYMENT CALCULATION

- 9.1 The period over which the overpayment is calculated should be from the start date of the overpayment.

10.0 CALCULATION OF OVERPAYMENTS

- 10.1 Where an overpayment is identified the Council will invite claimants to provide sufficient information to establish any underlying benefit entitlement.
- 10.2 The Council will endeavour to carry out the calculation of the overpayment within 14 days of its receipt of any written notice of change and any further information that is reasonably required for the correct administration of the overpayments procedure as is required by regulations.

11.0 MAXIMUM AMOUNT

- 11.1 The full amount of the overpayment should be recovered, unless after having regard to the health and or financial circumstances and/or housing risk or need of the person from whom recovery is sought, a lesser amount would be more appropriate.

12.0 MAXIMUM PERIOD OF RECOVERY

- 12.1 In all cases the overpayment should be recovered as quickly as possible. However, the maximum period over which the debtor should be allowed to repay the overpayment is that of six years.
- 12.2 The maximum period of six years may be exceeded if the method of recovery is deductions from ongoing benefit entitlement of other DWP benefits, having regard to the maximum deductions allowed by the regulations.

13.0 DECISION NOTICES

- 13.1 All decision notices must be dated and issued to all the "affected persons" as prescribed by regulations within 14 days of the Council having reached that decision.

13.2 All decision notices must fully comply with the requirements of legislation, including the reasons for the decision, the right to request a statement of reasons and time limits for doing so, the affected person's right of revision/appeal and time limit for doing so.

13.3 Copies of the actual decision notice must be retained on file for a period of not less than 13 months in order that they may be retrieved and produced in the event of a future review/appeal/complaint or civil proceedings.

14.0 RECOVERY OF OVERPAYMENT DEBT

14.1 The Council will seek to recover all recoverable overpayments of benefit in its statutory duty to reduce any loss to public funds. In doing so the Council will have regard for:

- a) The period of time that the debt may take to be recovered;
- b) The effect of recovery on the affected person from whom recovery is sought;
- c) The ability to repay of the affected person from whom recovery is sought.

14.2 All methods of recovery may be considered at any time, having regard for the circumstances of any individual case.

14.3 The Council may reconsider the methods used to recover overpayments at the end of each financial year for effectiveness and efficiency.

15.0 Policy Performance

15.1 From April 2005 there are three performance measures that Councils have to report quarterly on to the Department of Works & Pensions in relation to overpayments:-

- The amount of HB overpayments recovered during the period as a percentage of the total amount of HB overpayments identified during the period.
- The amount of overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified during the period.
- The amount of overpayments written off during the period as a percentage of the total amounts of HB overpayment debt outstanding at the start of the period plus amount of overpayments identified during the period

Revised

17 August 2022

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Managing Performance Quarter 1 2022/23

Summary: The revised Managing Performance Report attached, as Appendix A, enables the Council to assess delivery against objectives detailed in the Corporate Plan Delivery Plan 2019-2023 and operational service performance. It gives an overview of progress towards achieving the objectives in the Corporate Plan, assesses the achievements and issues identified in the first quarter of 2022/23, and the actions being taken to address these issues and proposes any further action needed.

Options considered: Options considering action regarding performance are presented separately, issue by issue, to the appropriate Council Committee where committee approval is required.

Conclusions: Good progress has been made over the first quarter of 2022/23 in areas of core service delivery and in respect of key Corporate Plan projects and objectives as detailed in the report.

This has been achieved despite additional unanticipated demands being placed on the authority with respect to directing resources in the People's Services teams to support the Council's response to the Ukrainian crisis and the payment of the £150 Energy Rebate scheme administered by the Revenues and IT teams.

Recommendations: That Cabinet resolves to note this report and endorses the actions being taken by Corporate Leadership Team detailed in Appendix A – Managing Performance.

That Cabinet asks for further information or action where they consider it necessary regarding performance as outlined in Appendix A.

Reasons for Recommendations: To ensure the objectives of the Council are achieved.

Cabinet Member(s) Cllr Tim Adams	Ward(s) affected All
Contact Officer, telephone number and email: Steve Blatch, Chief Executive Email:- steve.blatch@north-norfolk.gov.uk Tel:- 01263 516232	

1.0 Introduction

The current Performance Management Framework sets out that we should report performance to Cabinet and Overview and Scrutiny on a quarterly basis. This report enables us to fulfil this requirement of the framework. More

importantly however it ensures that all key activity within the Council is actively performance managed to ensure the Council's objectives are achieved.

2.0 Overview

- 2.1 The Managing Performance report (Appendix A) covers the first quarter of the 2022/23 reporting year – i.e. the period covering April, May and June 2022. It presents progress in delivering the Corporate Plan and Delivery Plan and reports management measures, all by exception. Also presented is benchmarking using the Headline Report for local authorities from LG Inform comparing value for money and performance measures for the Council compared to the CIPFA nearest neighbours data.
- 2.2 Good progress has been made over the first quarter of 2022/23 in areas of core service delivery and in respect of key Corporate Plan projects and objectives.
- 2.3 This has been achieved despite additional unanticipated demands being placed on the authority with respect to directing resources in the People's Services teams to support the Council's response to the Ukrainian crisis and the payment of the £150 Energy Rebate Scheme administered by the Revenues and IT teams.

3.0 Quarter 1 - 2022/23 - Managing Performance Report

- 3.1 The Quarter 1 2022/23 Managing Performance Report is attached as an Appendix to this Cabinet report. It covers the period 1 April to 30 June 2022 and is a summary report with more detailed information and context available through the In-Phase system.
- 3.2 The report has been revised to provide focus on Achievements and Issues. Progress updates are still being collected for all measures and actions and these can be viewed on the InPhase Hub on the Intranet.
- 3.3 The report takes the following amended format:-

Chief Executive's Overview	Overview of the Chief Executive outlining the progress in achieving the Corporate Plan and managing services
Key	Key to Delivery Plan action symbols and performance measure symbols
Key Priorities Overview	Graphic and table showing the number of Key Priorities actions for each RAG status (Red, Amber, Green). Table showing the number of actions that are at each of the stages possible for actions (Not Started, InProgress, Completed, Blocked, Parked, Cancelled).
Pages for each of the Corporate Plan Themes Local Homes for Local Need Boosting Business Sustainability and Growth	Key Performance Indicators. Graphic and table showing the number of actions for each RAG status (Red, Amber, Green).

Customer Focus Climate, Coast and the Environment Quality of Life Financial Sustainability and Growth	Final progress reports for Delivery Plan actions completed during the quarter (if any). Exceptions reports – progress reports for those actions that: <ul style="list-style-type: none"> • Have been identified by the lead officer as Red or Amber, or • Have a planned start date that is in the past but is still in the Not Started stage, or • Have a planned due date that is in the reporting quarter or before but the action has not yet reached the Completed stage.
<i>Note on Key Performance Indicators</i>	<i>Shows performance for the Corporate Plan Key Performance Indicators (KPIs). The performance levels shown are the year-to-date figures for monthly and quarterly figures.</i>
Performance Focus	This section of the report shows operational performance measures that are not achieving target, the explanation for that level of performance and any actions being taken. The performance levels shown are the year-to-date figures for monthly and quarterly measures.

3.4 In terms of the Council's performance relative to similar authorities, comparative data is now being measured using the LG Inform tool. Please see the most recent benchmarking headline report comparing North Norfolk District Council to other councils at Appendix B. Please note the benchmarking information relating to services provided by Norfolk County Council has been removed as requested. The report including these pages can be viewed on our website.

4.0 Delivery against the key priority objectives for the period 1 April 2022 to 30 June 2022

4.1 Local Homes for Local Need

- 4.1.1 During the first quarter of 2022/23 80 households on the Council's Housing List were housed which reflects the average of 75 households housed per quarter for the 2021/22 year (when a total of 302 households were accommodated over the whole year).
- 4.1.2 There have been no new affordable homes delivered this quarter. The forecast for new affordable homes in 2022/23 is down considerably from previous years and below target, due to a number of issues including the impact of nutrient neutrality, and a shortage of remaining sites in the existing Local Plan.
- 4.1.3 The Council's Energy Efficiency Officer who commenced their employment with the authority in March 2022 has developed criteria for a new Energy Efficiency Grant and had received over 60 applications for assistance through the scheme in the period April – June 2022, supported by significant funding from the Government's Warm Homes grant programme.

4.2 Boosting Business Growth and Sustainability

- 4.2.1 Significant time and commitment was made by teams across the Council during the first quarter of 2022/23 in preparing the Levelling Up Fund bids for Fakenham and Cromer and in the development of the Council's Local Investment Plan for the Council's allocation of funds through the UK Shared Prosperity Fund. It is anticipated that the outcome of the Levelling Up Fund applications will be known by end of October and that discussions with Government officials regarding the Council's proposed actions under the UK Shared Prosperity Fund will be progressed during September.
- 4.2.2 Good progress continued to be made during the quarter on the North Walsham Heritage Action Zone programme with works being taken forward on the Church Approach area, at The Cedars building, with the programme of Cultural events and works to complete the new North Walsham Travel Hub and refurbished public toilets at the New Road public conveniences. Final proposals for the Market Place improvements were also finalised during the quarter with the County Council undertaking final consultation on Traffic Regulation Orders, allowing works to the Market Place to be undertaken from September.
- 4.2.3 During the quarter the Economic Growth Team continued to handle a number of business investment enquiries in the District including the positive announcement by the Academy of Robotics to establish their operations in the development of autonomous vehicles at the former RAF Neatishead site, and Artemis Films announcing plans to establish a large film studio facility at the Tattersett Business Park site. These proposals are in addition to a number of announcements of new investments in the tourism sector in many parts of the District and new investments by two national builders merchant type businesses in North Walsham.

4.3 Customer Focus

- 4.3.1 Throughout the period April – June 2022 the District Council has assumed a lead local co-ordination role in the provision of support and advice for hosts and guests from across North Norfolk providing refuge to people fleeing the unrest in Ukraine through the Government's Homes for Ukraine scheme. This saw the Council be the first in Norfolk, and one of the first nationally, to employ a Ukrainian Community Support Officer and stage twice weekly Drop-In advice and support sessions at the Council's Cromer offices. At the end of June, there were over 70 host accommodation arrangements in North Norfolk providing accommodation to approximately 170 people from Ukraine through the Homes for Ukraine scheme.
- 4.3.2 In June the Council re-launched its Outlook publication, a twice yearly magazine providing information on Council services, for local residents delivered to over 55,000 properties across the District. The publication seeks to ensure that information on Council services is available to everyone in the District, recognising that whilst there is an increasing trend for many people to access information online and through social media channels, our demographic and rurality means that some of our residents continue to prefer printed media. Outlook is to be published twice a year with thought already being given to the next edition which will be distributed in November.

4.4 Climate, Coast and the Environment

- 4.4.1 The Council formally launched its Net Zero 2030 Strategy and Action Plan during the quarter with good engagement with partners, stakeholders and residents through a social media animation.
- 4.4.2 Arrangements have continued to have been made for the Council's Greenbuild event to be held in Fakenham town centre on Saturday 10th September.
- 4.4.3 Over 50,000 trees have been planted during the 2021/22 planting season delivering against the Council's Tree Planting Programme – meaning that over 70,000 trees have been planted to date, towards the Council's target of 110,000 trees being planted by end of 2023. This includes three Miyawaki Forests at Fakenham, North Walsham and Sheringham. Local groups and organisations have committed to plant over 30,000 trees in the 2022/23 planting season and we are on track to achieve the overall goal as planned.
- 4.4.4 North Norfolk District Council was selected as one of two coastal authorities nationally by DEFRA for the Coastal Transition Accelerator Programme (CTAP). Year one is funded by DEFRA to complete an Outline Business Case (OBC) which if approved will secure significant funds to trial and deliver practical actions to support communities and business at risk due to coastal erosion.

4.5 Quality of Life

- 4.5.1 Confirmation was received in May that North Norfolk District Council had retained its Blue Flag status for 6 beaches in its area – Cromer, East Runton, Mundesley, Sea Palling, Sheringham and West Runton for the 2022 summer season and Wells Beach also achieved a Seaside Award – recognising the considerable commitment made by the District Council and local partners in providing good quality visitor environments for local residents and the many thousands of day and staying visitors we receive in the District each year supporting the local economy.
- 4.5.2 On 15th May, the Council, in partnership with the North Norfolk Beach Runners, delivered its first (and twice delayed due to COVID) marathon event. The event saw over 500 people complete either the full marathon from Sea Palling to Sheringham or half marathon Mundesley to Sheringham event branded the Mammoth Marathon so as to link with our Deep History Coast brand. The event was considered to be a significant achievement and consideration is now being given to staging the event in future years.
- 4.5.3 In May the Council adopted a new Quality of Life Strategy outlining its aspirations for the District and local communities across a range of discretionary service activities which are highly valued by our residents and visitors. Whilst continuing to provide such facilities, services and activities is challenging in the current financial climate, it is recognised that positive health and wellbeing is fundamental to North Norfolk's sense of place and the positive comments many of our residents about North Norfolk being a fantastic place to live. Priority will continue to be placed on these assets by the District Council and will underpin much future partnership work with health partners and the voluntary and community sector around social prescribing and the work of the team of Community Connectors funded by the Norfolk Integrated Care partnership and hosted by the District Council
- 4.5.4 During the quarter the District Council has taken forward significant works under its Public Convenience Improvement Programme – with old facilities demolished at Stearmans Yard, Wells and Queens Road, Fakenham and significant refurbishment schemes taken forward at facilities at New Road, North Walsham and Womack Staithe, Ludham. Works to provide new facilities at Stearmans Yard, Wells have progressed during the quarter but some issues with materials supply unfortunately meant that the scheme could not be completed as proposed before the peak holiday weeks such that temporary facilities needed to be

provided. At Queens Road, Fakenham an un-surveyed UK Power Networks cable was found meaning delays to the delivery of the replacement facilities whilst the electricity supply cable is diverted – it is hoped that this project will now be taken forward during the autumn. Plans were also developed during the quarter to provide a new public convenience facility at Vicarage Street, North Walsham.

4.6 Financial Sustainability and Growth

- 4.6.1 Following the Chancellors Spring Statement on 23rd March, which included local authorities making £150 Energy Rebate payments to some Council Tax account holders the Council had made payments to over 30,000 (75% of eligible) Council Tax account holders by the middle of May and over 90% of accounts by end of June.
- 4.6.2 A strong tenant covenant, Howdens, was secured for the industrial units the Council had purchased as an investment asset at Hornbeam Road, North Walsham.
- 4.6.3 The Council was pleased to be able to extend its contract with About with Friends for the operation of the canteen in the Council's Cromer offices after a re-tendering process – providing a quality food offering through a valuable skills and employment programme with a local charity.

5.0 Conclusion

- 5.1 Good progress has been made over the first quarter of 2022/23 in areas of core service delivery and in respect of key Corporate Plan projects and objectives as detailed in the report.
- 5.2 This has been achieved despite additional unanticipated demands being placed on the authority with respect to directing resources in the People's Services teams to support the Council's response to the Ukrainian crisis and the payment of the £150 Energy Rebate scheme administered by the Revenues and IT teams.

6.0 Implications and Risks

- 7.1 Prompt action to deal with any performance issues identified by this report will reduce the risk to delivery of the Corporate Plan Delivery Plan 2019 – 2023 and support the continued delivery of high quality services.

7.0 Financial Implications and Risks

- 8.1 Prompt action to deal with any performance issues identified by this report will reduce the financial risk to the Council.

8.0 Sustainability

- 9.1 There are no negative sustainability implications of this report.

9.0 Equality and Diversity

- 10.1 There are no negative equality and diversity implications of this report.

10.0 Section 17 Crime and Disorder considerations

- 11.1 There are no Section 17 Crime and Disorder implications of this report.

Managing Performance

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June 2022



Managing Performance

Quarterly Report Chief Executive's Overview

Overview

Good progress has been made over the first quarter of 2022/23 in areas of core service delivery and in respect of key Corporate Plan projects and objectives. This has been achieved despite additional unanticipated demands being placed on the authority with respect to directing resources in the People's Services teams to support the Council's response to the Ukrainian crisis and the payment of the £150 Energy Rebate Scheme administered by the Revenues and IT teams.

Local Homes for Local Need

During the first quarter of 2022/23 80 households on the Council's Housing List were housed which reflects the average of 75 households housed per quarter for the 2021/22 year (when a total of 302 households were accommodated over the whole year).

There have been no new affordable homes delivered this quarter. The forecast for new affordable homes in 2022/23 is down considerably from previous years and below target, due to a number of issues including the impact of nutrient neutrality, and a shortage of remaining sites in the existing Local Plan.

The Council's Energy Efficiency Officer who commenced their employment with the authority in March 2022 has developed criteria for a new Energy Efficiency Grant and had received over 60 applications for assistance through the scheme in the period April – June 2022, supported by significant funding from the Government's Warm Homes grant programme.

Boosting Business Growth and Sustainability

Significant time and commitment was made by teams across the Council during the first quarter of 2022/23 in preparing the Levelling Up Fund bids for Fakenham and Cromer and in the development of the Council's Local Investment Plan for the Council's allocation of funds through the UK Shared Prosperity Fund. It is anticipated that the outcome of the Levelling Up Fund applications will be known by end of October and that discussions with Government officials regarding the Council's proposed actions under the UK Shared Prosperity Fund will be progressed during September.

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Arrangements have continued to have been made for the Council's Greenbuild event to be held in Fakenham town centre on Saturday 10 September.

Over 50,000 trees have been planted during the 2021/22 planting season delivering against the Council's Tree Planting Programme – meaning that over 70,000 trees have been planted to date, towards the Council's target of 110,000 trees being planted by end of 2023. This includes three Miyawaki Forests at Fakenham, North Walsham and Sheringham. Local groups and organisations have committed to plant over 30,000 trees in the 2022/23 planting season and we are on track to achieve the overall goal as planned.

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Managing Performance

Quarterly Report Chief Executive's Overview continued

Quality of Life

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had purchased as an investment asset at Hornbeam Road, North Walsham. The Council was pleased to be able to extend its contract with About with Friends for the operation of the canteen in the Council's Cromer offices after a re-tendering process – providing a quality food offering through a valuable skills and employment programme with a local charity.






Conclusion

Good progress has been made over the first quarter of 2022/23 in areas of core service delivery and in respect of key Corporate Plan projects and objectives as detailed in the report.

This has been achieved despite additional unanticipated demands being placed on the authority with respect to directing resources in the People's Services teams to support the Council's response to the Ukrainian crisis and the payment of the £150 Energy Rebate scheme administered by the Revenues and IT teams.

Actions and Performance Measure Keys

Actions - key to symbols

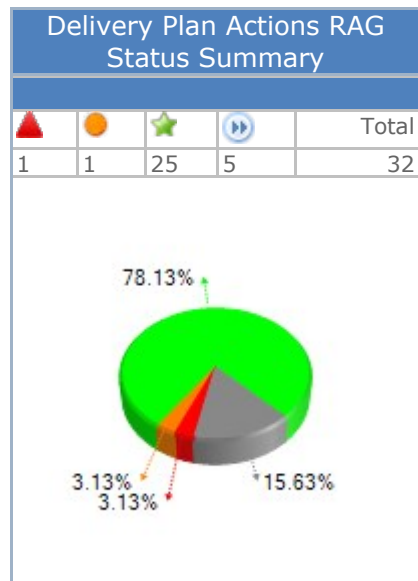
	The action may not be delivered, or may not deliver the planned outcomes, without intervention
	The action will be delivered but adjustments need to be made or the action may not be delivered as planned and/or may not deliver the planned outcomes
	The action is being delivered as planned
	The action has been completed as planned
n/r	Not relevant as the action has previously been completed or is not yet due to start.
	The Start date for the action is in the future
not set	The action is an ongoing activity throughout the life of the Corporate Plan so does not have a set Due Date
?	Missing information

Measures - key to symbols

Key

Performance	Direction of Change
 Performance better than target	 Value Increasing (Smaller is Better)
 Performance just off target	 Value Decreasing (Smaller is Better)
 Performance worse than tolerance	 Value Increasing (Bigger is Better)
 No information	 Value Decreasing (Bigger is Better)
 Missing comparator	 No change
 No actual value	
- Measure is a quarterly measure so there is no data reported for this month	

Key Priorities Overview

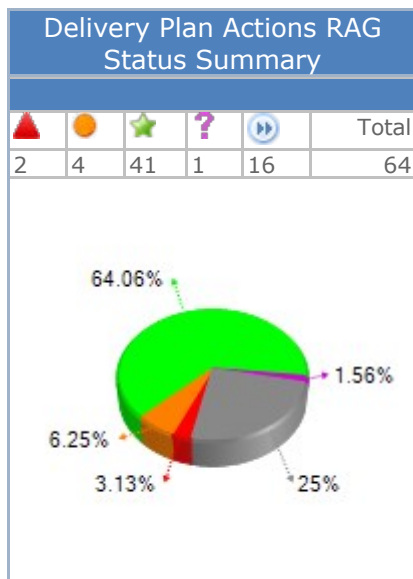


Delivery Plan Actions Summary
Actions stage
Not Started:5, In Progress:9, Completed:18, Blocked:0, Parked:0, Cancelled:0

Local Homes for Local Need

Local Homes for Local Need Key Performance Indicator Update







Jun 2022		
HO 007 Numbers on the Housing Register	Performance (YTD)	n/a
	Comments	
	Actual (Period) (YTD)	486
	Target (YTD)	
	Direction of change (YTD)	↓
	Planning Pattern	Monthly
HS 001 Number of affordable homes built	Performance (YTD)	▲
	Comments	There have been no new affordable homes delivered this quarter. The forecast for new affordable homes in 2022/23 is down considerably from previous years and below target, due to a number of issues including the impact of nutrient neutrality and a shortage of remaining sites in the existing Local Plan.
	Actual (Period) (YTD)	0
	Target (YTD)	25
	Direction of change (YTD)	→
	Planning Pattern	Monthly



Delivery Plan Actions Summary
Actions stage
Not Started:19, In Progress:19, Completed:26





Local Homes for Local Need delivery plan actions completed this quarter



Objective(s)/ Department	Action		30/06/2022
<ul style="list-style-type: none"> Objective 1.2.2a: Increase the Supply of Housing - Supporting delivery by others - Affordable Housing Strategic Housing Key Priorities 	<input checked="" type="checkbox"/> 1.2.2a.3 Secure support from local communities	Performance	
		Comments	The annual monitoring report for 2021/22 is published on the Housing Strategy page of the website. During 2021/22 the Community Housing Enabler organised five community consultation events and provided support to three neighbourhood planning groups.
		Owner	Graham Connolly
		Start Date	31/03/2022
		Due Date	30/04/2022
		Estimated end date/Completion date	30/04/2022
<ul style="list-style-type: none"> Objective 1.3.1b: Improving Housing Stock Condition - Private - energy & fuel poverty - Improve ener Strategic Housing Key Priorities 	<input checked="" type="checkbox"/> 1.3.1b.3 Produce a clear energy efficiency support offer for low income households	Performance	
		Comments	The Council's Energy Officer is in post and has prepared information for applicants setting out clearly eligibility criteria and the types of energy improvement works for which grant is available. The Energy Officer has an ongoing programme of promotional activity.
		Owner	Graham Connolly
		Start Date	01/01/2022
		Due Date	31/03/2022
		Estimated end date/Completion date	08/04/2022
	<input checked="" type="checkbox"/> 1.3.1b.4 Promote energy efficiency measures	Performance	
		Comments	The promotional campaign is in place and has generated significant interest and over 60 validated applications (applicants who pass an eligibility assessment).
		Owner	Graham Connolly
		Start Date	01/01/2022
		Due Date	31/03/2022
		Estimated end date/Completion date	30/04/2022
<ul style="list-style-type: none"> Objective 1.3.1c: Improving Housing Stock Condition - Private - energy & fuel poverty - Target Strategic Housing Key Priorities 	<input checked="" type="checkbox"/> 1.3.1c.1 Encourage landlord take up of energy efficiency improvement works	Performance	
		Comments	As part of the promotional campaign the Energy Officer has met with the Eastern Landlords Association and has written to the larger country estates in the district encouraging them to consider applications for grant.
		Owner	Graham Connolly
		Start Date	01/01/2022
		Due Date	31/03/2022
		Estimated end date/Completion date	30/06/2022

Objective(s)/ Department	Action	30/06/2022	
<ul style="list-style-type: none"> Objective 1.3.2: Improving Housing Stock Condition in the Private Sector - Tackling disrepair Strategic Housing 	 1.3.2.1 Report on good practice. to tackle disrepair	Performance	
		Comments	A report with options was completed in April 2022. As a result of this report the Council is piloting a repairs scheme to support low income owner occupiers to remain in their homes. The pilot will run to the end of March 2023 and will be extended if successful and subject to further funding being identified.
		Owner	Graham Connolly
		Start Date	01/04/2022
		Due Date	30/06/2022
		Estimated end date/ Completion date	30/06/2022
<ul style="list-style-type: none"> Objective 1.4.2: Making Best Use of Existing Homes - Supporting access to home ownership Strategic Housing Legal Key Priorities 	 1.4.2.3 Put in place policies & processes to implement First Homes	Performance	
		Comments	In consultation with colleagues in Planning and Legal proposals for a draft First Homes policy have been developed. These were discussed with CLT / Cabinet in April and the policy was approved by Cabinet. Procedures will be developed once sites have been identified.
		Owner	Nicky Debbage
		Start Date	01/01/2022
		Due Date	30/04/2022
		Estimated end date/ Completion date	02/04/2022
<ul style="list-style-type: none"> Objective 1.4.4a: Making Best Use of Existing Homes - Alternative housing options - House sharing Strategic Housing 	 1.4.4a.1 Work with partner Registered Providers to consider building new shared housing	Performance	
		Comments	Discussions continue with the Benjamin Foundation on a move-on scheme for young people but no site has yet been identified. However, following discussion on housing need and with housing providers this is not seen as a productive approach. Therefore it is recommended this action is closed down on InPhase. Instead action 1.4.4a.2 (means to encourage multi-generational living) can be pursued.
		Owner	Nicky Debbage
		Start Date	01/02/2022
		Due Date	30/04/2022
		Estimated end date/ Completion date	30/04/2022

Objective(s)/ Department	Action	30/06/2022	
<ul style="list-style-type: none"> Objective 1.5.2c: Supporting Vulnerable Residents - Provision of Specialist Housing - Older/Disabled Strategic Housing 	<input checked="" type="checkbox"/> 1.5.2c.2 Work with partners to ensure affordable homes meet the needs of older & disabled residents	Performance	
		Comments	An annual delivery report on affordable housing has been produced and published on our website. This report shows that in 2021/22 there were 66 Independent Living new flats built (for older people/fully accessible) plus a further two accessible bungalows.
		Owner	Nicky Debbage
		Start Date	31/01/2022
		Due Date	30/04/2022
		Estimated end date/ Completion date	30/04/2022
	<input checked="" type="checkbox"/> 1.5.2c.3 Support the delivery of specialist housing schemes	Performance	
		Comments	An annual delivery report on affordable housing has been produced and published on the Council's website. The report shows 66 Independent Living flats were delivered in 2021/22. Officers have also worked with Homes Group to provide three further units of high support accommodation in the District so far in 2022/23 and indicated support for a 63 unit independent living scheme proposal in Stalham - development of which has been compromised by the uncertainty created by the nutrient neutrality issue and rising construction cost inflation.
		Owner	Nicky Debbage
		Start Date	31/01/2022
		Due Date	30/04/2022
		Estimated end date/ Completion date	30/04/2022

Local Homes for Local Need delivery plan actions exceptions report

Objective(s)/ Department	Action	Stage	30/06/2022
<ul style="list-style-type: none"> Objective 1.2.2a: Increase the Supply of Housing - Supporting delivery by others - Affordable Housing Strategic Housing Major Planning Projects Key Priorities 	<input checked="" type="checkbox"/> 1.2.2a.2 Make the planning process easier for affordable housing providers	In Progress	Performance 
			Comments Targeting a September 2022 deadline for report completion.
			Owner Geoff Lyon
			Start Date 01/01/2022
			Due Date 31/03/2022
			Estimated end date/ Completion date 30/09/2022
<ul style="list-style-type: none"> Objective 1.2.2b: Increase the Supply of Housing - Delivery by Others - De-risk Housing Development Strategic Housing Major Planning Projects 	<input checked="" type="checkbox"/> 1.2.2b.2 Investigate de-risking options	In Progress	Performance 
			Comments Targeting a September 2022 deadline for report completion.
			Owner Geoff Lyon
			Start Date 01/01/2022
			Due Date 31/03/2022
			Estimated end date/ Completion date 30/09/2022
<ul style="list-style-type: none"> Objective 1.2.3c: Increase the Supply of Housing - Supporting new types - Community-led Strategic Housing 	<input checked="" type="checkbox"/> 1.2.3c.1 Help grow existing community-led organisations	In Progress	Performance 
			Comments Grant is available to support existing community-led housing groups to deliver affordable housing. There is also grant available to support newly forming groups. Swanton Novers Community Land Trust is our newest group and plans a development of seven homes in the village in 2023/24. As this activity will continue to the end of the strategy period we propose amending the due date to 31 March 2025.
			Owner Graham Connolly
			Start Date 31/03/2022
			Due Date 31/03/2025
			Estimated end date/ Completion date 31/03/2025
<ul style="list-style-type: none"> Objective 1.3.3: Improving Housing Stock Condition in the Private Sector - Tackling empty homes Strategic Housing 	<input checked="" type="checkbox"/> 1.3.3.1 Report on good practice to tackle long-term empty homes	In Progress	Performance 
			Comments The research is complete and a report has been presented to CLT. The report will be considered by Business Planning in August 2022.
			Owner Graham Connolly
			Start Date 01/04/2022
			Due Date 30/06/2022
			Estimated end date/ Completion date 30/06/2022

Objective(s)/ Department	Action	Stage	30/06/2022	
<ul style="list-style-type: none"> Objective 1.4.4a: Making Best Use of Existing Homes - Alternative housing options - House sharing Strategic Housing Housing Options 	<input checked="" type="checkbox"/> 1.4.4a.2 The council will investigate promotion of a scheme to facilitate multigenerationa living	In Progress	Performance	
			Comments	A temporary post has been created in Housing Options to progress this action. Recruitment has yet to take place
			Owner	Nicky Debbage
			Start Date	01/02/2022
			Due Date	30/04/2022
			Estimated end date/ Completion date	30/04/2022
<ul style="list-style-type: none"> Objective 1.5.2c: Supporting Vulnerable Residents - Provision of Specialist Housing - Older/Disabled Strategic Housing People Services 	<input checked="" type="checkbox"/> 1.5.2c.4 Review of the use of Disabled Facilities Grants	In Progress	Performance	
			Comments	A partial review has been completed of Disabled Facilities Grants. This has resulted in Flagship taking on direct delivery of adaptations works to their own stock which will create greater capacity in the Council's Integrated Housing Adaptations Team.
			Owner	Nicky Debbage
			Start Date	30/04/2022
			Due Date	30/06/2022
			Estimated end date/ Completion date	30/06/2022

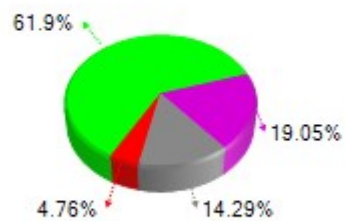
Boosting Business Sustainability and Growth

Boosting Business Sustainability and Growth Key Performance Indicator Update

Jun 2022		
EG 011 Number of businesses supported	Performance (YTD)	★
	Comments	
	Actual (Period) (YTD)	37
	Target (YTD)	30
	Direction of change (YTD)	✗
	Planning Pattern	Quarterly

Delivery Plan Actions RAG Status Summary

▲	●	★	?	▶▶	Total
1	0	13	4	3	21



Delivery Plan Actions Summary

Actions stage

Not Started:5, In Progress:12, Completed:4

Boosting Business Sustainability and Growth delivery plan actions completed this quarter

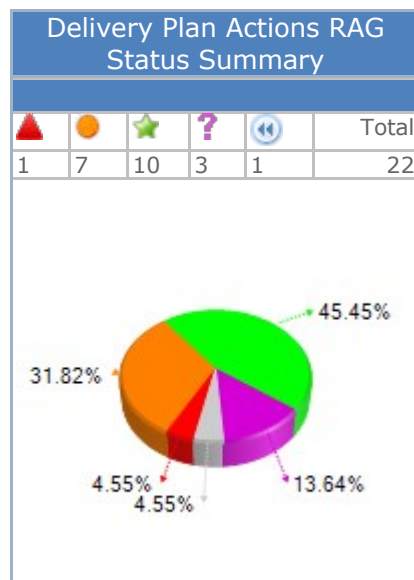
Boosting Business Sustainability and Growth delivery plan actions exceptions report

Objective(s)/ Department	Action	Stage	30/06/2022	
<ul style="list-style-type: none"> Objective 2.6: Encouraging links between local education providers, apprentices and businesses Economic Growth 	<input checked="" type="checkbox"/> 2.6.2 Nurture the concept of inclusive growth	In Progress	Performance	▲
			Comments	Included elements within the UK Shared Prosperity Fund bid to address projects that support career development and related matters. Social value is incorporated wherever appropriate within procurement procedures.
			Owner	Robert Young
			Start Date	04/02/2020
			Due Date	31/12/2022
			Estimated end date/ Completion date	31/12/2022

Customer Focus

Customer Focus Key Performance Indicator Update

		Jun 2022
CL 002 Number of Ombudsman referral decisions	Performance (YTD)	★
	Comments	
	Actual (Period) (YTD)	0
	Target (YTD)	9
	Direction of change (YTD)	→
	Planning Pattern	Monthly
CL 003 Number of Ombudsman referral decisions successful outcomes for the Council	Performance (YTD)	★
	Comments	
	Actual (Period) (YTD)	0
	Target (YTD)	0
	Direction of change (YTD)	→
	Planning Pattern	Monthly
CS 001 Number of complaints	Performance (YTD)	★
	Comments	The complaints process changed in the middle of May 2022 whereby all initial contacts are dealt with by departments to rectify issues.
	Actual (Period) (YTD)	20
	Target (YTD)	90
	Direction of change (YTD)	→
	Planning Pattern	Monthly
CS 002 Number of compliments	Performance (YTD)	▲
	Comments	The level of compliments received (6 ytd) is lower than expected (9 ytd). The target was raised this year from 2 per month to 3. These higher levels are now starting to be received.
	Actual (Period) (YTD)	6
	Target (YTD)	9
	Direction of change (YTD)	↑✓
	Planning Pattern	Monthly







Delivery Plan Actions Summary
Actions stage
Not Started:3, In Progress:8, Completed:11

Customer Focus actions completed this quarter

Objective(s)/ Department		Action	30/06/2022	
<ul style="list-style-type: none"> Objective 3.3: Benchmarking of the Council's services to learn from best practice elsewhere Corporate Delivery Unit 	<input checked="" type="checkbox"/>	3.3.1 Benchmark service delivery against the LGA key themes and learn from best practice elsewhere	Performance	✓
			Comments	<p>LGInform headline reports have been made available on the Council website to compare the Council with other similar councils across England.</p> <p>Cabinet is reviewing quarterly the NNDC responsibilities on this headline report and requesting further information or action.</p> <p>A briefing was held with Overview and Scrutiny Members to choose measures the Committee would like to review. An initial set of measures was chosen and was considered by the Committee on 15 June 2022. The Committee resolved to;</p> <p>Use the CIPFA nearest neighbours comparator group.</p> <ol style="list-style-type: none"> 1. Report on a quarterly basis at the same time as the performance reporting. 2. Chose seven key benchmarking areas to be included in the initial report. 3. Performance areas are reviewed on a six-monthly basis.
			Owner	Helen Thomas
			Start Date	29/05/2020
			Due Date	31/12/2021
			Estimated end date/ Completion date	30/06/2022

Customer Focus actions exceptions report

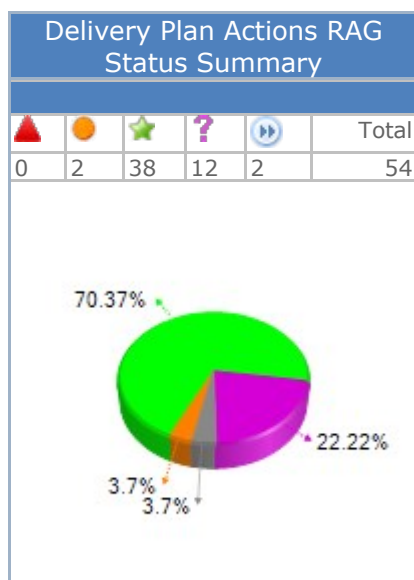
Objective(s)/ Department	Action	Stage	30/06/2022
<ul style="list-style-type: none"> Objective 3.1: Developing a new Customer Charter with published service standards Corporate Delivery Unit 	<input checked="" type="checkbox"/> 3.1.5 Monitor the implementation of the Customer Charter	In Progress	Performance 
			Comments A Customer Service process Teams group has been formed to push this work forward. The group are compiling a set of performance measures, using the new Customer Service Strategy as the source, to be applied to each department. Data from Workbench will be fed through to management information reports which can be used by Members and Management to assess customer service performance. There have been issues with resourcing this work that are in the process of being resolved.
			Owner Stuart Harber
			Start Date 01/06/2020
			Due Date 31/12/2021
			Estimated end date/ Completion date 30/06/2022
<ul style="list-style-type: none"> Objective 3.1: Developing a new Customer Charter with published service standards Organisational Resources 	<input checked="" type="checkbox"/> 3.1.6 Digital Customer Service Improvement	In Progress	Performance 
			Comments Work has slowed in rolling out further webforms and website functionality following the resignation of both senior web developers. Recruitment of one part time employee has been achieved but we remain actively trying to recruit to the remaining vacancies. However work continues to transfer customer interactions into the Council wide Customer Services processes and the next major service to transfer will be Revenues which will transition on the 1st of September 2022.
			Owner Sean Kelly
			Start Date 01/06/2020
			Due Date 31/03/2022
			Estimated end date/ Completion date 31/03/2023
<ul style="list-style-type: none"> Objective 3.2: Undertaking an annual residents survey and responding to results Customer Services Management 	<input checked="" type="checkbox"/> 3.2.1 Undertake an annual Residents Survey	In Progress	Performance 
			Comments The residents survey will be discussed at a meeting of the Corporate Leadership Team on 23 August 2022.
			Owner Joe Ferrari
			Start Date 04/02/2020
			Due Date 31/03/2022
			Estimated end date/ Completion date 31/05/2022

Objective(s)/ Department	Action	Stage	30/06/2022	
<ul style="list-style-type: none"> Objective 3.4: Developing an Engagement Strategy Key Priorities Communities 	>  3.4.1 Develop an Engagement Strategy	In Progress	Performance	★
			Comments	<p>The draft strategy document has now been through several consultation processes internally and is now out for final consultation with external stakeholders.</p> <p>The responses received will inform any changes required to the strategy and the final version will be taken with a supporting report to Cabinet for sign off.</p>
			Owner	Steve Hems
			Start Date	02/12/2019
			Due Date	31/03/2022
			Estimated end date/ Completion date	31/08/2022

Climate, Coast and the Environment



Climate, Coast and the Environment Key Performance Indicator Update

This report does not contain any data




Delivery Plan Actions Summary
Actions stage
Not Started:13, In Progress:28, Completed:13

Climate, Coast and the Environment actions completed this quarter

Objective(s)/ Department		Action	30/06/2022
<ul style="list-style-type: none">Objective 4.4: Continuing to Take a Lead Role Nationally in Coastal Management InitiativesCoastal Partnership East	 <ul style="list-style-type: none">4.4.1 Agree the vision and business plan for Coastal Partnership East	Performance	
		Comments	The Coastal Partnership East Business Plan has been published and is available to view at https://www.coasteast.org.uk/our-business-plan .
		Owner	Rob Goodliffe
		Start Date	04/02/2020
		Due Date	31/12/2021
		Estimated end date/ Completion date	30/06/2022

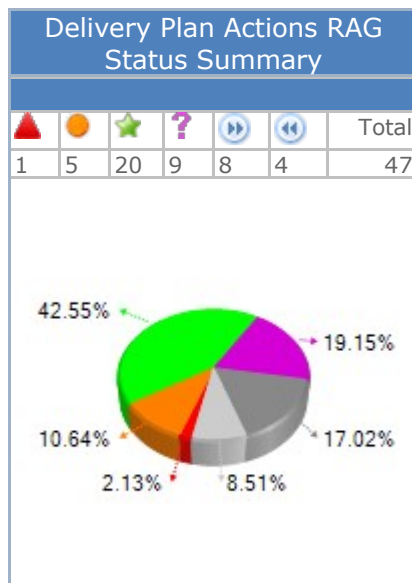
Climate, Coast and the Environment actions exceptions report

Objective(s)/ Department	Action	Stage	30/06/2022	
<ul style="list-style-type: none"> Objective 4.4: Continuing to Take a Lead Role Nationally in Coastal Management Initiatives Coastal Partnership East 	<input checked="" type="checkbox"/> 4.4.5 Continue to implement local actions to manage the coast	In Progress	Performance	
			Comments	<p>Mundesley and Cromer detailed design process is near completion, final Environmental Statement to support planning application and marine licence awaited. Due to inflation and rising construction industry costs value engineering exercise progressing alongside further discussions to seek to secure desired funding level.</p> <p>Balfour Beatty engaged via the SCAPE framework to undertake pre-construction activities.</p> <p>Ongoing coastal maintenance of coastal assets with regular inspections to prioritise our works.</p>
			Owner	Tamzen Pope
			Start Date	04/02/2020
			Due Date	not set
			Estimated end date/ Completion date	not set

Quality of Life

Quality of Life Key Performance Indicator Update

Jun 2022		
LE 004 Participation at Council Sporting Facilities	Performance (YTD)	★
	Comments	
	Actual (Period) (YTD)	140,860
	Target (YTD)	140,860
	Direction of change (YTD)	↗
	Planning Pattern	Monthly







Delivery Plan Actions Summary
Actions stage
Not Started:15, In Progress:11, Completed:7, Parked:1

Quality of Life actions completed this quarter

Objective(s)/ Department	Action	30/06/2022	
<ul style="list-style-type: none"> Objective 5. 2: Developing and implementing a Quality of Life Strategy Key Priorities Communities 	<input checked="" type="checkbox"/> 5.2.1 Develop a Quality of Life Strategy	Performance	
		Comments	The Quality of Life Strategy was formally adopted at Cabinet in May 2022 and is now complete.
		Owner	Steve Hems
		Start Date	04/02/2020
		Due Date	31/01/2022
		Estimated end date/ Completion date	03/05/2022
<ul style="list-style-type: none"> Objective 5. 8: Blue Flag and Green Flag status for the Council's beaches and open spaces Leisure and Localities Key Priorities 	<input checked="" type="checkbox"/> 5.8.1 Commit to NNDC Blue Flag and Green Flag status (2021)	Performance	
		Comments	Six blue flags were awarded July 2022.
		Owner	Colin Brown
		Start Date	20/06/2020
		Due Date	02/04/2022
		Estimated end date/ Completion date	02/04/2022
<ul style="list-style-type: none"> Objective 5. 9: Delivery of the Mammoth Marathon Leisure and Localities 	<input checked="" type="checkbox"/> 5.9.1 Deliver the first Mammoth Marathon	Performance	
		Comments	<p>Successfully delivered as planned on Sunday May 15th 2022 - Top times set in the first Mammoth Marathon North Norfolk News.</p> <p>A review is currently taking place to determine the potential future of the event. However the team believe that all objectives originally set out for the event in 2018 were met and that it was received extremely well by participants, supporters, the community and all of the staff who helped on the day.</p>
		Owner	Colin Brown
		Start Date	04/02/2020
		Due Date	15/05/2022
		Estimated end date/ Completion date	15/05/2022

Quality of Life actions exceptions report

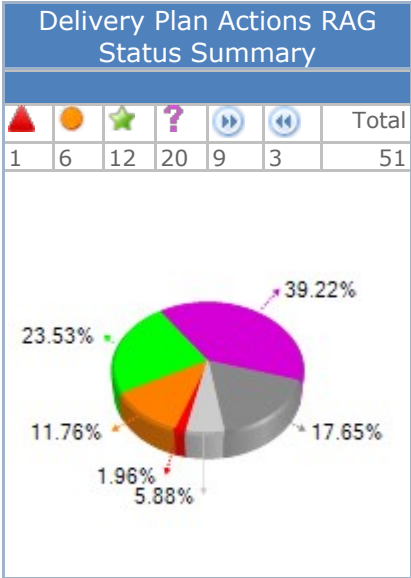
Objective(s)/ Department	Action	Stage	30/06/2022
<ul style="list-style-type: none"> Objective 5. 1: Undertaking a Quality of Life Survey Communities 	<input checked="" type="checkbox"/> 5.1.1 Undertake a Quality of Life Survey	Parked	Performance
			
			Comments
			The Quality of Life Survey will be discussed at a meeting of the Corporate Leadership Team on 23 August 2022.
			Owner
			Karen Hill
<ul style="list-style-type: none"> Objective 5. 6: Continued investment in Cromer Pier as an iconic heritage and cultural attraction Property Services 	<input checked="" type="checkbox"/> 5.6.1a Maintain and enhance the physical structure of Cromer Pier	In Progress	Start Date
			04/02/2020
			Due Date
			31/10/2022
			Estimated end date/ Completion date
			not set
<ul style="list-style-type: none"> Objective 5. 7: Public convenience investment programme to include Changing Places facilities Property Services Key Priorities 	<input checked="" type="checkbox"/> 5.7.1 Maintain the quality and accessibility of public conveniences	In Progress	Performance
			
			Comments
			A report was presented to Cabinet in July 2022 approving a further £1.1 million budget for investment in the pier substructure. Contracts have been awarded and work will be commencing in the first week of September 2022.
			Owner
			Russell Tanner
<ul style="list-style-type: none"> Objective 5. 7: Public convenience investment programme to include Changing Places facilities Property Services Key Priorities 	<input checked="" type="checkbox"/> 5.7.1 Maintain the quality and accessibility of public conveniences	In Progress	Start Date
			04/02/2020
			Due Date
			31/12/2021
			Estimated end date/ Completion date
			30/04/2022
<ul style="list-style-type: none"> Objective 5. 7: Public convenience investment programme to include Changing Places facilities Property Services Key Priorities 	<input checked="" type="checkbox"/> 5.7.1 Maintain the quality and accessibility of public conveniences	In Progress	Performance
			
			Comments
			Secured £300k grant from the Government Changing Places Programme - one of the largest grant awards in the country. A report was presented to Cabinet in June 2022 outlining the proposals for investment Works already open at a site at Stearmans Yard, Wells, with completion expected September 2022. Queen's Road, Fakenham, awaiting electrical diversion works by UK Power prior to commencement. The refurbishment of New Road North Walsham facilities are complete. The contract for the Leas, Sheringham has been awarded and Vicarage Street, North Walsham is currently under tender.
			Owner
			Russell Tanner
<ul style="list-style-type: none"> Objective 5. 7: Public convenience investment programme to include Changing Places facilities Property Services Key Priorities 	<input checked="" type="checkbox"/> 5.7.1 Maintain the quality and accessibility of public conveniences	In Progress	Start Date
			04/02/2020
			Due Date
			31/01/2022
<ul style="list-style-type: none"> Objective 5. 7: Public convenience investment programme to include Changing Places facilities Property Services Key Priorities 	<input checked="" type="checkbox"/> 5.7.1 Maintain the quality and accessibility of public conveniences	In Progress	Estimated end date/ Completion date
			31/03/2023

Objective(s)/ Department	Action	Stage	30/06/2022	
<ul style="list-style-type: none"> Objective 5.10: Maximising the level of external funding to support community projects Project Enabling 	 5.10.1 Identify new opportunities for funding to implement and promote the Quality of Life Strategy	In Progress	Performance	★
			Comments	<p>I continue to monitoring and share funding opportunities were appropriate investigating funds such as the Levelling up for cultural and Cultural development Fund for larger scale projects as well as funding and sponsorship to support smaller projects such as the HAZ Cultural programming and Greenbuild.</p> <p>I have continued to work to external partners to facilitate partnership working and community projects working with groups such as Healthier North Walsham, Sheringham Community Art Project and Break</p>
			Owner	Laura Blackwell
			Start Date	04/02/2020
			Due Date	31/05/2022
			Estimated end date/ Completion date	31/05/2022

Financial Sustainability and Growth

Financial Sustainability and Growth Key Performance Indicator Update





This report does not contain any data





Delivery Plan Actions Summary
Actions stage
Not Started:27, In Progress:15, Completed:8, Parked:1

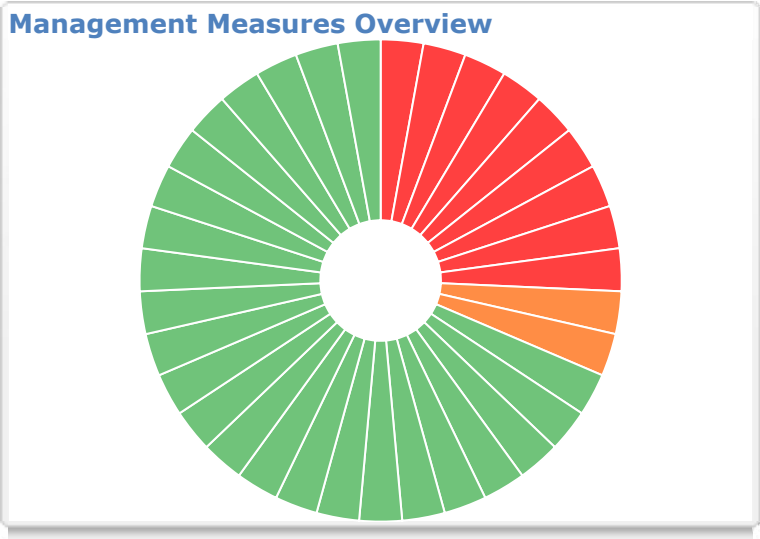
Financial Sustainability and Growth actions completed this quarter

Financial Sustainability and Growth actions exceptions report

Objective(s)/ Department	Action	Stage	30/06/2022
<ul style="list-style-type: none"> Objective 6.1: Continuously reviewing our service delivery arrangements, fees and charges Corporate Delivery Unit 	<input checked="" type="checkbox"/> 6.1.2 Develop a public convenience strategy	In Progress	Performance 
			Comments Overview and Scrutiny Committee working group has made eight recommendations which are due to be considered at Cabinet on 6 September 2022.
			Owner Maxine Collis
			Start Date 04/02/2020
			Due Date 31/12/2021
			Estimated end date/ Completion date 16/09/2022
<ul style="list-style-type: none"> Objective 6.2: Taking a more commercial approach to the delivery of discretionary services Estates and Assets 	<input checked="" type="checkbox"/> 6.2.3 Explore the opportunities to generate income from advertising and sponsorship	Parked	Performance 
			Comments This project is on hold at the current time.
			Owner Renata Garfoot
			Start Date 04/02/2020
			Due Date 30/11/2022
			Estimated end date/ Completion date 30/11/2023
<ul style="list-style-type: none"> Objective 6.2: Taking a more commercial approach to the delivery of discretionary services Finance Resources 	<input checked="" type="checkbox"/> 6.2.1 Develop a Financial Sustainability Strategy	In Progress	Performance 
			Comments This project has not been progressed recently. This will be allocated to the new Director for Resources once appointed.
			Owner Steve Blatch
			Start Date 04/02/2020
			Due Date 31/12/2022
			Estimated end date/ Completion date 31/12/2022
<ul style="list-style-type: none"> Objective 6.3: Forming a development company to take our property ambitions forward Estates and Assets 	<input checked="" type="checkbox"/> 6.3.3 Take a strategic approach to commercial development opportunities	In Progress	Performance 
			Comments The Asset Management Plan has been updated further with regards to the councils requirements in relation to guarantors for commercial property leases. The updated plan will progress through the governance process. Due date has been removed as it is a continuous action.
			Owner Renata Garfoot
			Start Date 04/02/2020
			Due Date 31/03/2022
			Estimated end date/ Completion date 30/04/2023





Objective(s)/ Department	Action	Stage	30/06/2022	
<ul style="list-style-type: none"> Objective 6.4: Investing in environmental and economic initiatives Property Services 	 6.4.1 Explore options to expand Electric Vehicle Charging Points (EVCP) pilot	In Progress	Performance	
			Comments	Potentially suitable coastal sites for EV chargers have been identified for a funding bid, the outcome of which should be known shortly. The team continues to engage with various EV installation and management companies to understand the market and operating models available. Progress is slow due to the complexity of the market and resource in the climate and environment team.
			Owner	Kate Rawlings
			Start Date	01/06/2020
			Due Date	not set
			Estimated end date/ Completion date	not set









Performance Focus











This following section of the report shows all management performance measures that are not achieving target i.e. that are showing as red or amber year-to-date. The context and explanation for that level of performance and any actions being taken is given. The performance levels shown are the year-to-date figures for monthly, quarterly and annual measures.

Jun 2022		
AS 003 Occupancy rate of Council-owned rental properties - Concessions	Performance (YTD)	▲
	Comments	New site added for April 2021. 2 sites vacant and currently on the market with some interest received.
	Actual (Period) (YTD)	80.00
	Target (YTD)	90.00
	Direction of change (YTD)	➡
	Owner	Renata Garfoot
AU 001 Percentage of Priority 1 (Urgent) audit recommendations completed on time	Performance (YTD)	▲
	Comments	One 'priority 1' recommendation is currently outstanding.
	Actual (Period) (YTD)	88.89
	Target (YTD)	100.00
	Direction of change (YTD)	?
	Owner	Lucy Hume

		Jun 2022
BE 028 (HB2) Speed of processing: change in circumstances for housing benefit and CT support claims	Performance (YTD)	
	Comments	<p>We were a key service area during the pandemic and delivered a number of vital financial support schemes to residents to ease the pressures of the pandemic on households. This was in addition to our daily workloads around Housing Benefit and Council Tax Support which significantly increased as a result of people being made redundant, businesses closing, income changes, and people unable to work due to sickness.</p> <p>With the cost-of-living crisis we are seeing a further increase in demand on the service to provide financial and preventative support. We anticipate the number of changes in circumstances to remain high during 2022/23 due to the impact of the cost-of-living crisis. The team will also be involved in work around the provision of support to our residents.</p> <p>Whilst we work through a backlog of reported changes in circumstances our speed of processing will continue to be affected. Our speed of processing against changes in circumstances which we received in June and processed in June is 10 days and for changes in circumstances received in July and processed in July is also 10 day. This illustrates that once we have cleared our backlog of changes in circumstances, our speed of processing average will significantly improve. A change may result in an underpayment, an overpayment, or no change. It is important to process changes in circumstances quickly so that we avoid overpayments. Any underpayments to entitlement are backdated.</p> <p>As the team moves forward we will be introducing a number of new initiatives to further improve the efficiency of the service and to also ensure our residents are getting the right support. This is illustrated in the document titled Benefits Service Performance Member update which is attached.</p>
	Actual (Period) (YTD)	29.67
	Target (YTD)	14.00
	Direction of change (YTD)	
	Owner	Trudi Grant
CE 004 Percentage of very long term empty homes as a proportion of the taxbase	Performance (YTD)	
	Comments	<p>The figure has been fairly consistent over the past few months around 0.25% which is below the yearly target of 0.27%.</p> <p>The number has increased in June 2022. The reasons for this are likely to be due, in part at least, to the market but also the financial impact of the council tax levy, amongst other things. There are a few intervention strategies designed to prevent properties from being empty and encouraging owners to bring very long-term empties properties back into use. The current numbers of empty properties are being monitored by the Combined Enforcement Team and Revenues Manager, however there is insufficient capacity to participate in active enforcement against empty homes, especially considering the complexity around this.</p>
	Actual (Period) (YTD)	0.25
	Target (YTD)	0.27
	Direction of change (YTD)	
	Owner	Kevin Peacock

		Jun 2022
CE 005 Percentage of long term empty homes as a proportion of the taxbase	Performance (YTD)	
	Comments	The number has increased from 529 on 30 June 2021 to 577 on 30 June 2022. The reasons for this are likely to be due, in part at least, to the market but also the financial impact of the council tax levy, amongst other things. There are a few intervention strategies designed to prevent properties from being empty and encouraging owners to bring very long-term empties properties back into use. The current numbers of empty properties are being monitored by the Combined Enforcement Team and Revenues Manager, however there is insufficient capacity to participate in active enforcement against empty homes, especially considering the complexity around this. The new Housing Strategy includes this issue, but any resources will need to be targeted given local housing needs and recognise that there are rarely instant solutions in bringing long-term empties back into use via the corporate Enforcement Board.
	Actual (Period) (YTD)	1.03
	Target (YTD)	1.00
	Direction of change (YTD)	
	Owner	Kevin Peacock
DM 024 (24m) Percentage of non-major planning applications determined within time period	Performance (YTD)	
	Comments	Target performance was raised from 80% to 90% from the beginning of the current financial year. Overall performance is continuing to improve but is still below the new target. Process and Procedure review work and the Planning Service Improvement Plan are designed to drive up Team performance towards the higher target threshold.
	Actual (Period) (YTD)	80.06
	Target (YTD)	90.00
	Direction of change (YTD)	
	Owner	Geoff Lyon
EG 010 Number of businesses engaged via business support events	Performance (YTD)	
	Comments	It is recommended that this measure is removed as it is believed to be less valid. It is in part overlapping with the 'Number of businesses supported'. Moreover, next quarter the Council is looking to introduce a 'Virtual Business Hub' which will serve as an aggregator of events, information and support and this will provide a better vehicle for understanding and measuring business engagement. Furthermore, it is appreciated that businesses are also progressively engaging in different ways (webinars, forums, virtual events) which are typically now less face to face.
	Actual (Period) (YTD)	1
	Target (YTD)	10
	Direction of change (YTD)	
	Owner	Stuart Quick
HR 007 Working days lost due to sickness absence - whole authority days per FTE	Performance (YTD)	
	Comments	
	Actual (Period) (YTD)	1.53
	Target (YTD)	1.50
	Direction of change (YTD)	
	Owner	James Claxton

		Jun 2022
HS 006 Energy Efficiency - percentage of properties where EPC band has improved by 2 or more	Performance (YTD)	
	Comments	The intention is that energy efficiency improvement measures applied to a property will improve the EPC by two or more bands e.g. an EPC E should become an EPC C. However some more minor works are not subject to this requirement and the only works completed to date fall into this category. We anticipate that as the year progresses we will have more completed works showing EPC improvements of two bands.
	Actual (Period) (YTD)	0.00
	Target (YTD)	75.00
	Direction of change (YTD)	
	Owner	Nicky Debbage
MJ 001 (24m) Percentage of major planning applications determined within time period	Performance (YTD)	
	Comments	Target performance was raised from 60% to 90% from the beginning of the current financial year. Overall performance is continuing to improve but is still below the new target. Process and Procedure review work and the Planning Service Improvement Plan are designed to drive up Team performance towards the higher target threshold.
	Actual (Period) (YTD)	87.50
	Target (YTD)	90.00
	Direction of change (YTD)	
	Owner	Geoff Lyon
PL 001 Planning income (£)	Performance (YTD)	
	Comments	The planning fee income is currently (29 July 2022) £491,168 (actual year to date) against a target of £286,066 in excess of £200k above year to date predictions. but that there have been refunded planning fees in the region of £50K which have to an extent offset the fee increase. A report of the fee refunds will be submitted to CLT.
	Actual (Period) (YTD)	74,789.00
	Target (YTD)	200,001.00
	Direction of change (YTD)	
	Owner	Phillip Rowson
RV 009 Percentage of Council Tax collected	Performance (YTD)	
	Comments	Council Tax collection is 28.76% against a target of 29.15%. This is a shortfall in collection to target of 0.39% or £324k. The reduction in collection is linked to the priority changing to implement the council tax energy rebate scheme that has diverted resources away from council tax admin and recovery.
	Actual (Period) (YTD)	28.76
	Target (YTD)	29.15
	Direction of change (YTD)	
	Owner	Sean Knight

Headline Report for North Norfolk District Council - Dashboard View



Written by LGA Research from Local Government Association

[LG Inform](#)

Headline Report for North Norfolk District Council - Dashboard View

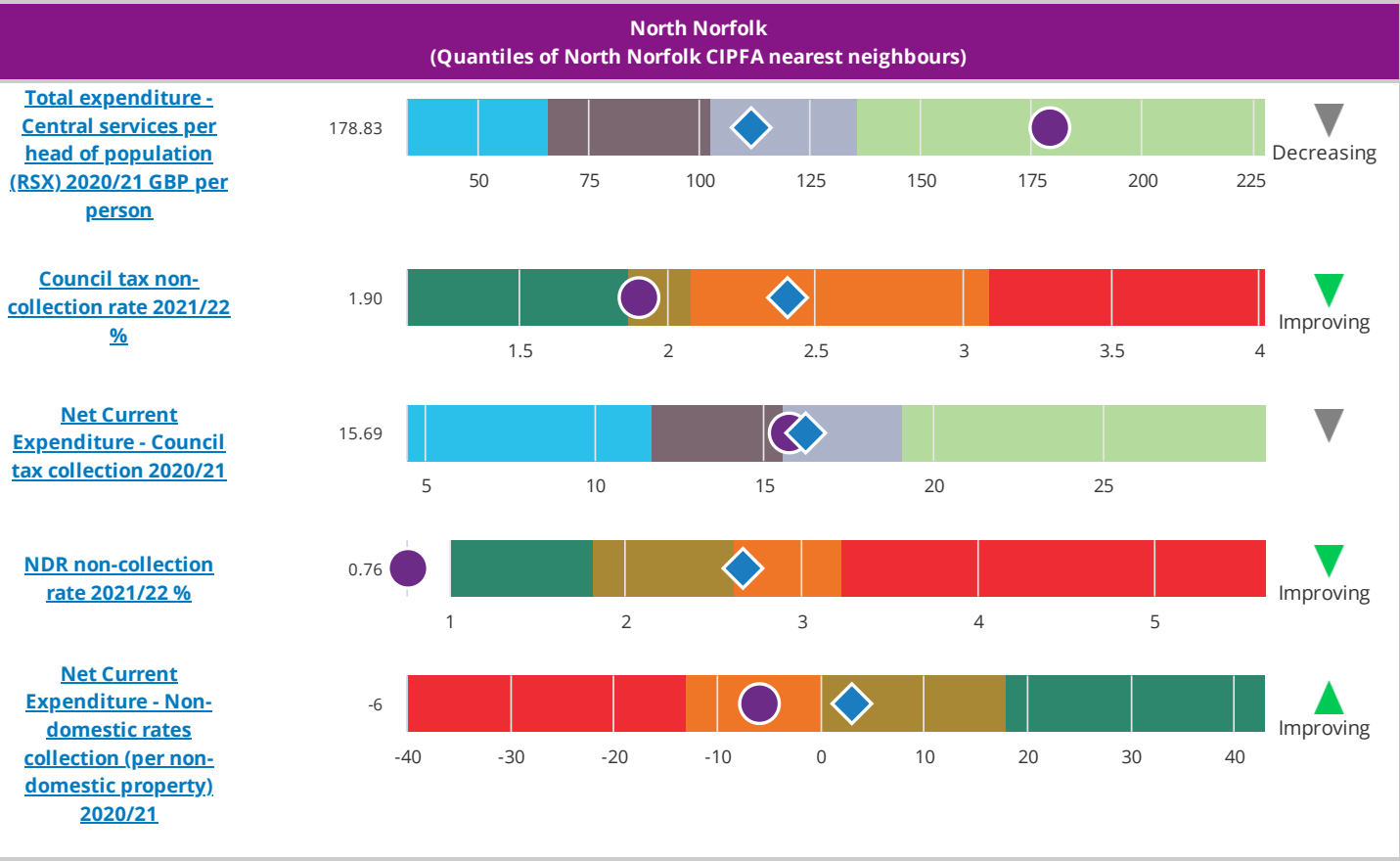
Below is a list of comparable value for money and performance data for services within the main funding streams for councils. Authorities may wish to change the metrics contained in this report or the comparator group to suit their own needs. The metrics are taken from various published national data collections; source information for each metric is listed under the detailed view. Authorities may wish to investigate the data sources further to locate other data in which they have a particular interest.

The metrics fall into the following broad funding areas: [Central Services](#), [Education](#), [Children](#), [Adult](#), [Housing](#), [Highways and Transport](#), [Planning and Development](#), [Environmental and Regulatory](#), [Cultural and Related](#) and [Public Health](#)

This report is presented in a series of dashboards, if you would like to view this report in a bar chart format please click this link: [Headline report \(Bar Charts\)](#).

All data are shown as they appear in the source publication; if your chosen authority doesn't feature in one of the charts this is because the value was either missing from the original publication or suppressed due to disclosure rules of the publication source.

Central Services

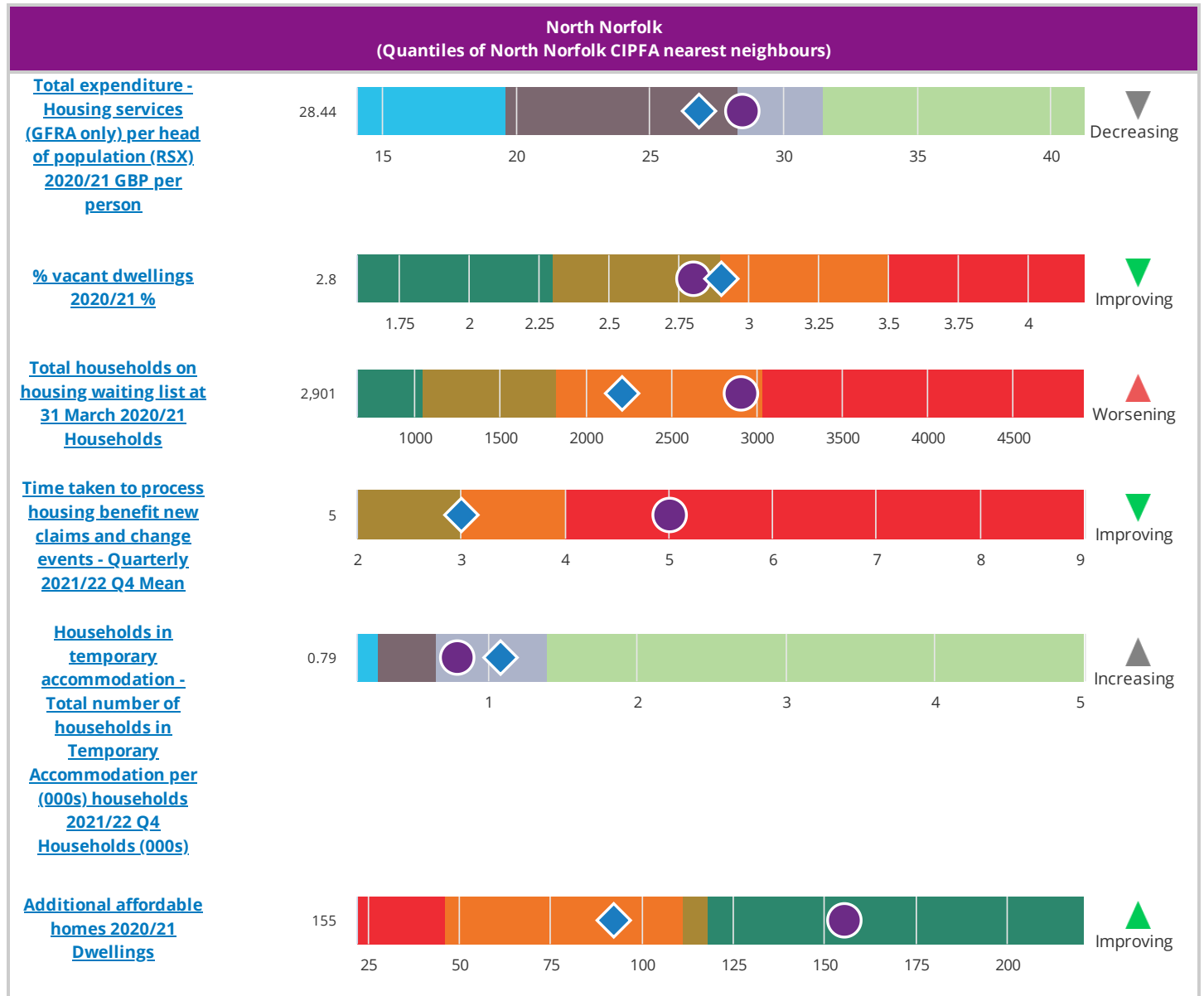


North Norfolk

Mean for North Norfolk CIPFA nearest neighbours

Indicators that have a polarity will show a direction of travel (D.O.T) label of: Improving, No change or Worsening

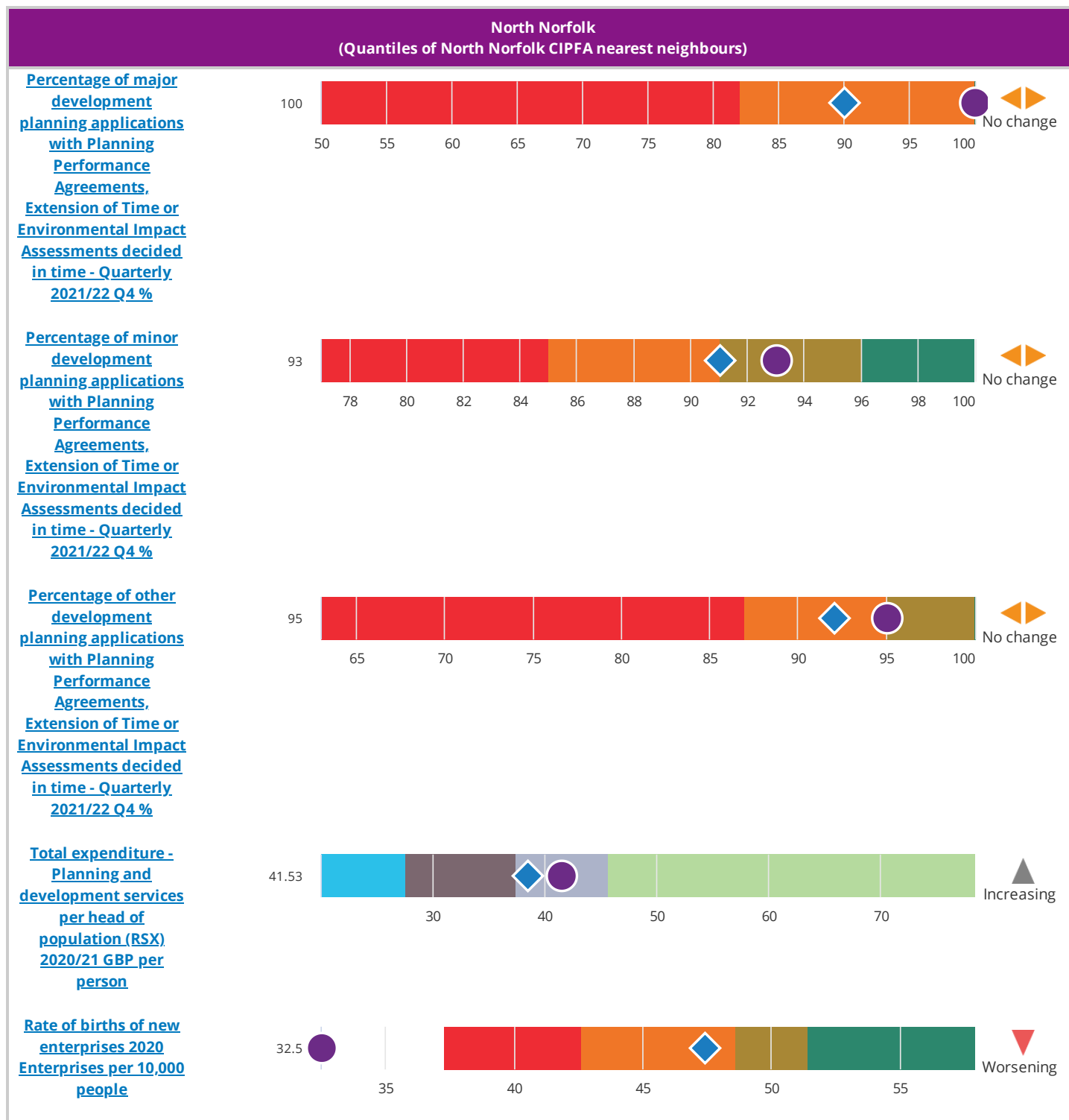
Indicators that have no polarity will show a direction of travel (D.O.T) label of: Increasing, No change or Decreasing



● North Norfolk ■ Mean for North Norfolk CIPFA nearest neighbours

Indicators that have a polarity will show a direction of travel (D.O.T) label of: Improving, No change or Worsening

Indicators that have no polarity will show a direction of travel (D.O.T) label of: Increasing, No change or Decreasing

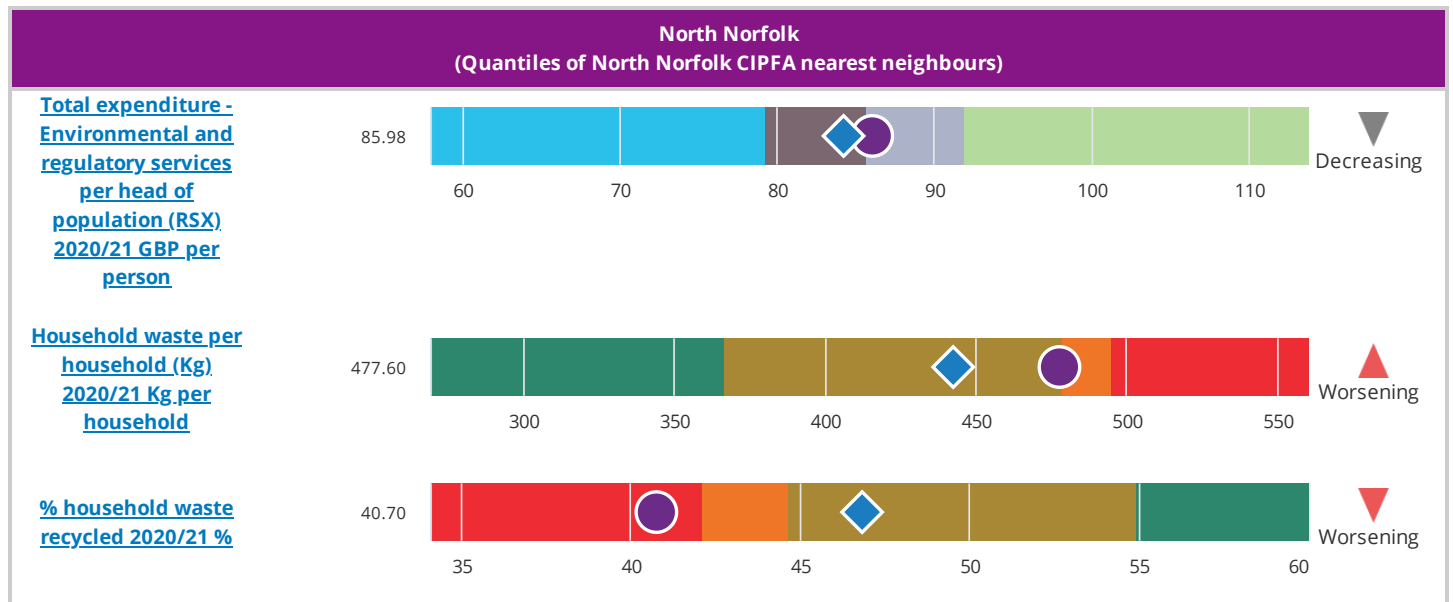


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Environmental and Regulatory Services

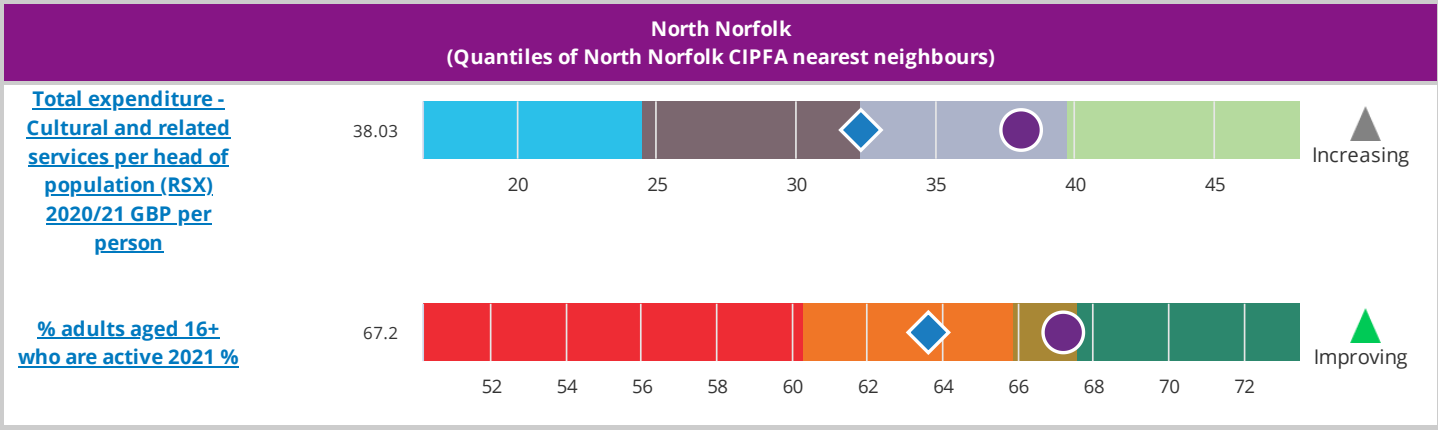


● North Norfolk

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North Norfolk

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References

This report was generated using data from:

- [CIPFA Statistical Information Services - Public Library Statistic](#)
- [Calculated by LGI - Calculated metric types](#)
- [Department for Education - Characteristics of Children in Need in England](#)
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- [Department for Education - GCSEs \(key stage 4\)](#)
- [Department for Education - NEET and participation](#)
- [Department for Education - Permanent and Fixed Period Exclusions from Schools in England](#)
- [Department for Environment, Food and Rural Affairs - Local authority collected waste management](#)
- [Department for Levelling Up, Housing & Communities - Council tax collection rates](#)
- [Department for Levelling Up, Housing & Communities - Development Control statistics](#)
- [Department for Levelling Up, Housing & Communities - Live tables 615 Vacant Dwellings by Local Authority District](#)
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NORTH WALSHAM MARKET PLACE IMPROVEMENT SCHEME

Summary:	This report sets out the scope of the impending town centre improvement works, the temporary impacts they are likely to have and to propose suitable mitigation.
Options considered:	The scheme is part of a programme of measures that will make very significant improvements to North Walsham town centre, its accessibility and its historic assets. In order to assist with the scheme's success it is considered beneficial to mitigate the short-term impacts it might have. An element of short-stay free car parking is considered to be a helpful concession to encourage the retention of town centre custom (footfall). The quantum, duration and location of such concessionary car parking could be varied but the proposal in this report seeks to strike the right balance between mitigating the possible impacts, safeguarding car parking revenue and avoiding the creation of a precedent.
Conclusions:	The jointly-funded (Government and Local Authority) place-making scheme will be enormously beneficial but during its implementation, there is likely to be significant disruption to the town centre, its businesses and customers. Car parking will be particularly under pressure as a result of the works and there will be a need to actively manage the parking arrangements. The Council will need to be proactive, in making the necessary arrangements in advance of the disruption, and reactive, in response to issues or representations made along the way.
Recommendations:	To note the scope, impacts and implications of the impending Market Street improvement works and to agree the temporary provision of free-for-two-hours parking at Mundesley Road Car Park (including the appropriate provision of suitable spaces for 'blue badge' holders) from 12th September 2022 until 31st March 2023. If it is not feasible to make such provision in a timely way at Mundesley Road Car Park then Vicarage Street should be the default car park for the concessionary car parking.
Reasons for Recommendations:	This recommendation is being made to mitigate the potential impact the impending works might have on town centre footfall.

Cabinet Member(s) Cllr Richard Kershaw Cllr Eric Seward	Ward(s) affected All North Walsham wards
Contact Officer, telephone number and email: Robert Young; 01263 516162; robert.young@north-norfolk.gov.uk	

1. Introduction

- 1.1 A central element of the North Walsham High Street Heritage Action Zone (NWHSHAZ) is the 'place-making' scheme. This includes improvements to key areas of public realm and to the accessibility and circulation within the town centre.
- 1.2 Council, at its meeting in September 2020, gave the go-ahead for the scheme to proceed following confirmation of the funding package. Cabinet, at its meeting on 1st November 2021, delegated "the determination of the final place making designs to the Assistant Director for Sustainable Growth in consultation with the Portfolio Holder for Sustainable Growth."
- 1.3 The programme of interventions under the HSHAZ has followed the Council's project management and governance procedures and has recently been overseen by the Council's HSHAZ Board, with periodic reports to the Cabinet Major Projects Working Party.
- 1.4 The second phase of the place-making scheme involves the improvement to the appearance, accessibility and amenity of the Market Place area of North Walsham. The Traffic Regulation Order (TRO) for the scheme was approved on 18th August and consequently the works are planned to commence on 12th September 2022. The works are expected to take 23 weeks to complete. Council officers have been working with the design and funding advisors, together with Norfolk County Council and the contractor, to ensure that the scheme can be implemented in a way that makes most effective use of the available funding, optimises the achievement of the HSHAZ objectives and minimises temporary disturbance and short-term adverse impact on town centre interests, including businesses, customers, market traders and other town centre users.
- 1.5 This report sets out the scope of the Market Place improvement scheme, the logistical arrangements that need to be in place for the works to proceed and the mitigation planned in order to address any potential adverse impacts on the vitality of the town centre for the duration of the works.

2. The scope and impacts of the scheme

- 2.1 The scheme involves widening pavements, creating safer crossing points, landscaping and installing street furniture, in order to improve the town centre for businesses and their customers, and reinforcing the town's historic importance. This phase includes the main street, Market Place, and its junctions with King's Arms Street (to the west) and Church Street (to the East). The proposals emerged from extensive consultation and engagement and have received widespread support. Issues that local businesses identified, such as vehicular access for loading and access by customers in the evening, have been incorporated into the scheme design and the TRO.

- 2.2 The first phase of the town centre public realm improvement programme (place-making), Church Approach at the eastern end of Market Street, is awaiting delivery of the benches and railings, prior to its imminent completion. This has created a valuable amenity area and an attractive setting for St Nicholas Church, as well as improving pedestrian routes around the town centre.
- 2.3 A complementary (but separately funded) part of the programme was the establishment of a transport hub on the site of New Road Car Park, where the creation of three new bus bays and ancillary facilities (seating, shelters etc) has enabled the removal of buses from the main Market Place and from nearby roads, where congestion and pollution detracted from the environmental quality and safety of town centre streets. This has improved accessibility to the town centre by public transport and has improved passenger comfort. In doing so, it has enabled a redesign of the Market Place to materialise.
- 2.4 As a consequence of the Market Place improvement scheme, fifteen general (30-minute free) on-street car parking places will be replaced with sixteen one-hour free spaces in suitable locations on town centre car parks. At its November 2021 meeting, Cabinet agreed 'in principle' that the replacement car parking would be split equally between Bank Loke and Vicarage Street car parks; however it is now considered more logical and beneficial for the distribution to be: ten spaces at Bank Loke and six spaces at Vicarage Street. It should be noted that the scheme retains the same number of on-street 'blue badge' spaces on Market Place, and also allows for satisfactory arrangements for deliveries to town centre businesses and for customers to collect goods at appropriate times of the day.
- 2.5 The split of free car parking to replace that displaced by the scheme is suggested to be as follows:
- ten new (1hr free) spaces at Bank Loke Car Park, and 6no. (1hr free) at Vicarage St. Car Park.
 - The existing three (half-hour free) spaces at Bank Loke Car Park would be relocated in the vicinity of the electric vehicle (EV) charger spaces and become 1hr free, thereby allowing for the right hand side (east) of Bank Loke Car Park to be easier to signpost and enforce, being made up of:
 - o blue-badge (4 no. allowing for the Black Swan gardens work);
 - o EV spaces (6 no. – as existing); and
 - o 1hr free parking (13 in total).
- This is proposed to be effective from the time at which the on-street spaces are removed.
- 2.6 For the duration of the Market Street improvement works, the town's street markets will be displaced. Agreement has been reached with North Walsham Town Council, which operates the weekly Thursday market and the monthly seasonal farmers' market, to temporarily relocate them to the western side of Bank Loke Car Park. This will, however, leave no room for general car parking at that part of the car park on Thursdays (and very little on the days the farmers' market is held) and therefore additional spaces have been created at Vicarage Street Car Park by the re-lining of the seldom-used coach bays to become car parking spaces. Coaches are now permitted to use the recently opened free car park at Hornbeam Road.

- 2.7 There is no doubt that the disruption to North Walsham town centre whilst the works are on-going will be extensive and protracted and there are fears that this may adversely impact on town centre footfall (custom). Mitigation is therefore proposed to reinforce the message that the town remains 'open for business' in the form of a marketing/communications campaign and by the provision of some short-term temporarily free car parking. It is therefore recommended that free two-hour parking be provided at Mundesley Road Car Park from 12th September 2022 to 31st March 2023. It should be noted that it is vital to ensure that a suitable proportion of those spaces that are free for two hours are accessible to holders of 'blue badges'. If it proves to be not feasible for suitable provision to be made at Mundesley Road Car Park then it should be located at Vicarage Street car park. It will be important also to monitor the impacts of this provision on car parking across the town to ensure that sufficient parking is available throughout.
- 2.8 The potential financial implications of this are noted below, but consideration also has to be given to the potential impact if customers choose not to visit North Walsham because of the disruption caused by implementation of the town centre improvement works. The fear is that if shoppers' habits change (i.e. they choose to shop elsewhere) it will be challenging to bring them back again and this will also have a financial impact, not merely in the short term.
- 2.9 In order to maintain the positive momentum the investment has brought, and ensure key local stakeholders continue support the programme, we need to ensure messages are timely, consistent and informative. This will be both to provide practical information about what is happening, when and what the implications are, and to positively promote the project and town more generally. Messages about the improvement works must clearly set out the interim arrangements for in a way that is easily digested by the local community, visitors and the business sector. This will involve both digital messaging and physical signage within and on the periphery of the town, together with leaflets (with QR codes where appropriate). The Council will need also to be responsibly reactive in its communications, to address local matters as and when they become known. It is proposed that an 'oversight group' be established as a means of ensuring effective communication between the Council and the various representatives of local interests.
- 2.10 The Temporary Traffic Regulation Order (TTRO), developed by the NCC Highways team, will address the practical and logistical challenges presented by the scheme's implementation. The HSHAZ team will work closely with NCC to ensure suitable signage is erected to direct drivers to the appropriate car parks and will ensure local matters are duly addressed by the contractor as appropriate.

3. Corporate Plan Objectives

- 3.1 The matters addressed in this report relate to the following Corporate Plan objectives and delivery themes:
- Boosting business sustainability and growth:** "facilitating the transition of our town centres to be places which are attractive and accessible for living, working and for leisure"

Quality of life: “delivery of the North Walsham Heritage Action Zone programme”

Financial sustainability and growth: “investing in environmental and economic initiatives which deliver positive outcomes and a financial return for the authority.”

4. Medium Term Financial Strategy

There are not considered to be any material impacts upon the MTFS as a result of the recommendations in this report.

5. Financial and Resource Implications

The resources relating to the implementation of the scheme are covered by the appropriate project budget. The financial implications of the suggested car parking arrangements are impossible to quantify accurately. It is possible that the proposed concessionary pricing will result in reduced revenue but if that helps retain customers and prevent them changing their town of choice, then any reduction is likely only to be short-term. If concessions are not made - and fears that drivers choose *not* to visit North Walsham become reality - it is possible that the number of car park customers would reduce, thus causing a short-term, and potentially more long-term, drop in revenue. The actual (nett) costs of this can only be hypothesised but, as an indication of the worst case scenario, if all short-stay customers choose to use the proposed temporarily free two-hour spaces (i.e. no customers paid for parking of up to two hours on any of the town centre car parks) then the loss of income could be substantial. For the period September 2021 to March 2022 the total income on North Walsham car parks from two-hour tickets was £34,211.75 (broken down as follows: Bank Loke £13,024.10; Mundesley Rd. £4,439.45; New Rd. £5363.45; Vicarage St. £11,384.75). There is a possibility of course that the provision of concessionary car parking might change people’s behaviour and they might choose to visit North Walsham *in preference* to other areas, or they might swap from their usual North Walsham car park to the one with concessionary short-stay parking. It might also be the case that the provision of two hour free parking might encourage people to extend the duration of their stay.

6. Legal Implications

The arrangements would need to comply with the Car Parking Order (CPO) and consideration will need to be made about amending the Order as appropriate.

7. Risks

A risk log specifically for car parking has not been prepared but once the outcome is known and the arrangements are agreed, the implications of the Market Place improvement scheme will be added to the overall HSHAZ risk log.

8. Sustainability

There are not considered to be any impacts upon sustainability as a result of the recommendations in this report.

9. Climate / Carbon impact

The matters referred to in this report relate to reinforcing the vitality and viability of North Walsham town centre. If the town remains as a thriving service centre, it should reduce the number and length of journeys made by residents of the town and its catchment. The impact on carbon emissions cannot realistically be calculated but it is hoped that the proposals will help to facilitate no net increase.

10. Equality and Diversity

There are not considered to be any impacts upon equality and diversity as a result of the recommendations in this report, provided that accessible ('blue badge') parking spaces are amongst those to which the proposed concessionary car parking applies.

11. Section 17 Crime and Disorder considerations

There are not considered to be any impacts upon crime and disorder as a result of the recommendations in this report.

12. Conclusion and Recommendations

The jointly-funded (Government and Local Authority) place-making scheme will be enormously beneficial but during its implementation, there is likely to be significant disruption to the town centre, its businesses and customers. Car parking will be particularly under pressure as a result of the works and there will be a need to actively manage the parking arrangements. The Council will need to be proactive, in making the necessary arrangements in advance of the disruption, and reactive, in response to issues or representations made along the way.

Cabinet is asked therefore to note the scope, impacts and implications of the impending Market Street improvement works and to agree the temporary provision of free-for-two-hours parking at Mundesley Road Car Park (including the appropriate provision of suitable spaces for 'blue badge' holders) from 12th September 2022 until 31st March 2023. If it is not feasible to make such provision in a timely way at Mundesley Road Car Park then Vicarage Street should be the default car park for the concessionary car parking.

This recommendation is being made to mitigate the potential impact the impending works might have on town centre footfall.

Purchase of Further Temporary Accommodation Unit

Summary:	This report reports on the purchase of a further property which the Council will use to temporarily accommodate homeless households.
Options considered:	Do not use the allocated budget to purchase property and place households in expensive and inferior bed and breakfast style accommodation.
Conclusions:	The Council has a duty to provide temporary accommodation for homeless households. The Council purchases much of this accommodation from the private sector with a significant net cost to the Council. The council has identified an annual capital budget of £250k per annum (2022/23-2025/26) to purchase further properties to provide better quality and better value for money options for homeless households needing temporary accommodation. Officers have used Matters of Urgency powers in the constitution to secure the purchase of a modern 2-bedroom house in Sheringham
Recommendations:	That Cabinet note the purchase
Reasons for Recommendations:	To report on expenditure over £100,000.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

Purchase of two properties for use as Temporary Accommodation for homeless households – Cabinet, 2 March 2020
Purchase of further property for use as Temporary Accommodation for homeless households - Cabinet 18 May 2020 and Cabinet 7 July 2020
Purchase of four units of Temporary / Move-on accommodation for Rough Sleepers – Purchase recommendations - Cabinet 7 December 2020
Use of Underspends to fund further TA purchase - Cabinet 15 3 21

Cabinet Member(s)
Cllr Wendy Fredericks

Ward(s) affected:
Sheringham South

Contact Officer, telephone number and email:
Nicky Debbage, Housing Strategy & Delivery Manager, 01263 516027,
nicky.debbage@north-norfolk.gov.uk

1. Background - The case for additional Temporary Accommodation

- 1.1 The Council has a legal duty to provide Temporary Accommodation (TA) to homeless households under the Homeless Reduction Act 2017; both at Relief stage (whilst investigations are carried out) and where a full duty is owed (ahead of securing more permanent accommodation). The number of households requiring TA has increased in recent years and remains high - currently there are 48 households in TA. During the Covid19 pandemic and the government's "Everyone In" initiative (which aimed to ensure vulnerable rough sleepers were accommodated during the pandemic) the majority of those accommodated were single people. However, more recently with the ending of the ban on private rent evictions, the profile of homeless households needing TA has changed. 24 of those currently accommodated are single persons, the remaining 26 are a mix of couples and families. Therefore the priority for additional council owned properties for TA is family homes.
- 1.2 There is not just a human cost to homelessness and the need to use TA, there is also a financial cost to the Council. The Council is only able to recover (in Housing Benefit) an amount based on 90% of the relevant government set Local Housing Allowance (LHA) level from 2011 against the cost of TA. Typical rates for bed and breakfast are £290 per week, whereas 90% of the 2011 LHA rate would be £88.27 per week for a 1-bed and £109.04 for a 2-bed – with NNDC covering the shortfall. The net cost of external TA to NNDC in 2021/22 was £368,754.
- 1.3 These issues have been the driver for NNDC investing in TA. NNDC has held one unit of TA since early 2017, four more (originally to be from the new development at Laundry Loke) were purchased in 2020, together with bringing back into use two empty homes compulsory purchased. A successful bid for Government grant helped us to purchase four 1-bed units and to convert storage space above public toilets to provide temporary homes for ex- rough sleepers. Disabled Facilities Grant funding has been used to purchase two accessible homes for use as TA and other homelessness and housing funding in reserves was released to purchase two further homes. Details of the 16 current TA properties are set out in the table below:

NNDC Temporary Accommodation		
Location	Property Type	Purchase date
Holt	2 bed bungalow	31-Mar-17
Sculthorpe	3 bed house	27-Jun-18
Sculthorpe	3 bed house	27-Jun-18
North Walsham	2 bed bungalow	23-Mar-20
Hempton	1 bed house	27-Apr-20
North Walsham	2 bed flat	04-Jun-20
North Walsham	2 bed house	04-Aug-20
North Walsham	1 bed flat	31-Mar-21
North Walsham	1 bed flat	31-Mar-21
Fakenham	1 bed flat	13-Apr-21
Melton Constable	1 bed flat	30-Jun-21
Ludham	2 bed bungalow	07-Jun-21
North Wlsham	3 bed bungalow	21-Dec-21
Sheringham	1 bed flat	30-Apr-22
Holt	4 bed house	10-Nov-21
Hoveton	3 bed house	17-Dec-21

- 1.4 A 'mainstream' capital budget of £250k per annum has now been established for the next four years (2022/23 – 2025/26) to enable further purchases of TA.

2. Further purchase – 2 bed house in Sheringham

- 2.1 As can be seen from the table above, as a result of availability and cost, much of the current TA is in North Walsham. Therefore the priority for the next purchase was a family home in a town with good facilities/transport links, but preferably in the coastal area of the district to provide a better geographical spread of TA options.
- 2.2 A 2-bed house in Sheringham was identified earlier this year and an offer made and accepted on the property. However, the purchase was not able to proceed as the vendor had not found a home to purchase. Recently the vendor found somewhere to buy and the sale has proceeded quickly and is due to complete before the end of August. As there was no Cabinet in August officers were not able to seek delegated authority prior to confirming purchase.
- 2.3 Officers, in consultation with the Portfolio Holder Cllr Fredericks, used the Matters of Urgency provisions in the constitution to proceed with the purchase. This was necessary given the current housing market – several offers were received for this property and the Council needed to act quickly to secure the purchase.
- 2.4 The property is a good quality 2 bedroom house relatively new and in good condition, so needs very limited works to bring it up to lettable standards. The purchase price is £242,755 and this, together with associated legal costs, can be contained within the existing TA capital budget. As is the case with all TA purchases, this home was subject to an independent valuation to ensure it represents a good investment.

3. Corporate Plan Objectives

This proposal helps deliver the Corporate Plan objective “Local Homes for Local Need” and specifically the action 1.5.1b.2 The Council will explore options to provide better forms of temporary accommodation, including further direct delivery of temporary housing.

4. Medium Term Financial Strategy

Use of NNDC owned TA helps to deliver savings compared to more costly (and poorer quality) alternative such as bed and breakfast, and will help reduce the net spend on TA.

5. Financial and Resource Implications

The Council has a £250k p.a. budget for the purchase of TA. Council owned TA units can deliver savings compared to other forms of TA. The table below illustrates an example viability assessment of purchasing a property for £250k to be used for TA compared to relying on purchasing B&B accommodation.

Option	Income per annum	Expenditure per annum	
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	Interest	90% of LHA*	B&B Cost **	Management & maintenance	Net Cost/ Income to Council
Invest £250k @ 3.3%	£8,750	£5,670	-£15,132	0	-£712
Buy 2-bed property for £250k and let for TA	£0	£5,670	0	-£2,300	£3,370

*The cost the council can recoup from government at £109.04p.w.

**Typical costs for 2-bedroom household in B&B at £291p.w.

As the table shows, investing capital but having to pay for B&B represents a net annual cost of £712 to NNDC, compared to a net income of £3,370 from purchasing and letting a home for TA.

6. Legal Implications

The council is able to hold in the General Fund, and let on license, homes to be used for TA for homeless households. Legal input will be required to ensure effective conveyancing and to identify any legal constraints on properties that are considered for purchase.

7. Risks

The key risks and mitigations associated with purchase of this property for TA is:

- The property is a poor investment – mitigated by purchases being subject to an independent valuation
- The property has unforeseen major investment needs – mitigated by purchases being subject to a full survey
- The property is not required for TA in the future – mitigated by future sale of the asset

8. Sustainability

Homes purchased for use as TA will achieve good energy standards and improvements to heating and insulation will be undertaken where required to ensure this.

9. Equality and Diversity

No direct implications in this report

10. Section 17 Crime and Disorder considerations

No direct implications in this report

11. Conclusion and Recommendations

The Council has a duty to provide temporary accommodation for homeless households. The Council purchases much of this accommodation from the private sector with a significant net cost to the Council. The council has

identified an annual capital budget of £250k per annum (2022/23-2025/26) to purchase further properties to provide better quality and better value for money options for homeless households needing temporary accommodation. Officers have used Matters of Urgency powers in the constitution to secure the purchase of a modern 2-bedroom house in Sheringham

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PROPERTY TRANSACTION - CROMER – COLLECTORS CABIN, NORTH LODGE PARK

Summary:	The 'Collectors Cabin' is a small thatched former commercial property fronting onto the sunken gardens in North Lodge Park. As previously agreed with Members the premises have been on the market to let since earlier this year and terms have now been agreed with an experienced business couple who will invest in the premises to create an ice cream parlour with outside tables and chairs.
Options considered:	The vacant property asset has been marketed and proposals have been received and these are detailed within the report. A previous option to demolish the premises has now been shelved.
Conclusions:	Of the two firm offers received and detailed in the report Proposal 2 is deemed to be the best option given that the financial offer is higher than Proposal 1
Recommendations:	1) Approve Proposal 2 2) That should there be any further negotiations to the lease proposals, to delegate to the S151 Officer in consultation with the Portfolio Holder and Assistant Director of Finance, Assets & legal
Reasons for Recommendation:	The recommendation is being made as it will provide the best use of the site and would meet the Council's obligation to secure best financial value.

Cabinet Member(s)	Ward(s) affected
Cllr Seward	Cromer Town Suffield Park
Contact Officer, telephone number and email: Neil Turvey 01263 516124 neil.turvey@north-norfolk.gov.uk	

1.0 Introduction & Summary

1.1 The Collectors Cabin

Collectors Cabin is a currently vacant thatched former retail space overlooking the Sunken Gardens within North Lodge Park and provides some

19 sq.m / 205 sq.ft of space on a single level - see location plan at Appendix 1.

Discussions have now been concluded with our colleagues in the Environmental Health (EH) Public Protection team to establish what constraints may be imposed on this property that might limit its potential as a building capable of creating some commercial property income.

It has been confirmed that in order to create a unit capable of offering any catering or retail use then it would be necessary to invest in providing a potable water supply and a foul/waste water provision.

1.2 In the Autumn of 2021 various remedial works were completed by NNDC using part of a previously agreed budget as follows;

- the removal of the asbestos flooring and provision of a new vinyl floor
- upgrade & re-commissioning of the electricity supply
- provision of new emergency strip lighting and Fire Exit signage

1.3 The property is considered to be 'ancillary' listed as part of the wider Lodge listing and following discussions with our Conservation Officer it has been confirmed that any external repair and maintenance and any internal non-structural changes would not require listed building consent.

2.0 Post marketing position

2.1 Following the marketing campaign, several parties showed interest in the site and two financial bids have been received – see marketing particulars at Appendix 3.

2.2 Proposal 1 – see Appendix 4

2.3 Proposal 2 – see Appendix 4

2.4 In either case NNDC would insure the structure of the premises and re-charge this to the ingoing tenant and the tenant would agree a Licence for Alterations alongside the lease to detail the improvements to be made.

2.5 Planning consent would be required for a change of use and Building Control approvals for the proposed alterations.

2.6 The proposed demised area is shown on the plan at Appendix 2 and includes external areas for tables and chairs

3.0 Corporate Plan Objectives

3.1. The letting of the asset within North Lodge Park would contribute to the following Corporate objectives;

- Boosting Business Sustainability and Growth – the proposed operation would provide a vibrant new business with new employment
- Financial Sustainability and Growth – the proposal provides for new property income to be created from a currently redundant and deteriorating asset
- Quality of life – the refurbishment of the premises and its active use will enliven this location within North Lodge Park and add to the quality and diversity of offerings within the locale.

4.0. Medium Term Financial Strategy

- 4.1. The proposals outlined here would positively contribute to the Council's MTFS in creating new income from a previously redundant property asset.

5.0 Financial and resource implications

- 5.1. The proposed letting would require Estates and Legal resources. The lease would be full repairing so there would be no R&M obligation on NNDC during the term of the lease.

6.0 Legal implications

- 6.1. A dedicated legal resource will be required and it may be necessary to use external solicitors in order to expedite the transaction.

7.0 Communications issues

- 7.1. Any comms/reputational issues relating to the report will be discussed with the Comms team. This will cover all aspects of stakeholder management – internal/external stakeholders, media etc.

8.0 Sustainability & Climate

- 8.1 The physical structure, age and size of the premises does limit the potential for improving sustainability.

- 8.2 Recent physical improvements have been made with a re-commissioning of the electrical supply, the removal of an asbestos floor with new vinyl flooring now in place, and new strip lighting.

- 8.3 The ingoing tenant have advised that they will operate as sustainably as they are able with all products wherever possible being recyclable or compostable and they will be carrying out the following improvements as part of their refurbishment;

- Grey water retention for watering adjacent flower beds
- Provision of LED lighting
- The exterior will be painted white to reflect the heat
- The roof space will be insulated with non-flammable insulation

9.0 Equality & Diversity

- 9.1 There are no material concerns in this regard.

10.0 S17 Crime & Dis-Order

- 10.1 There are no material concerns in this regard.

11.0 Risks

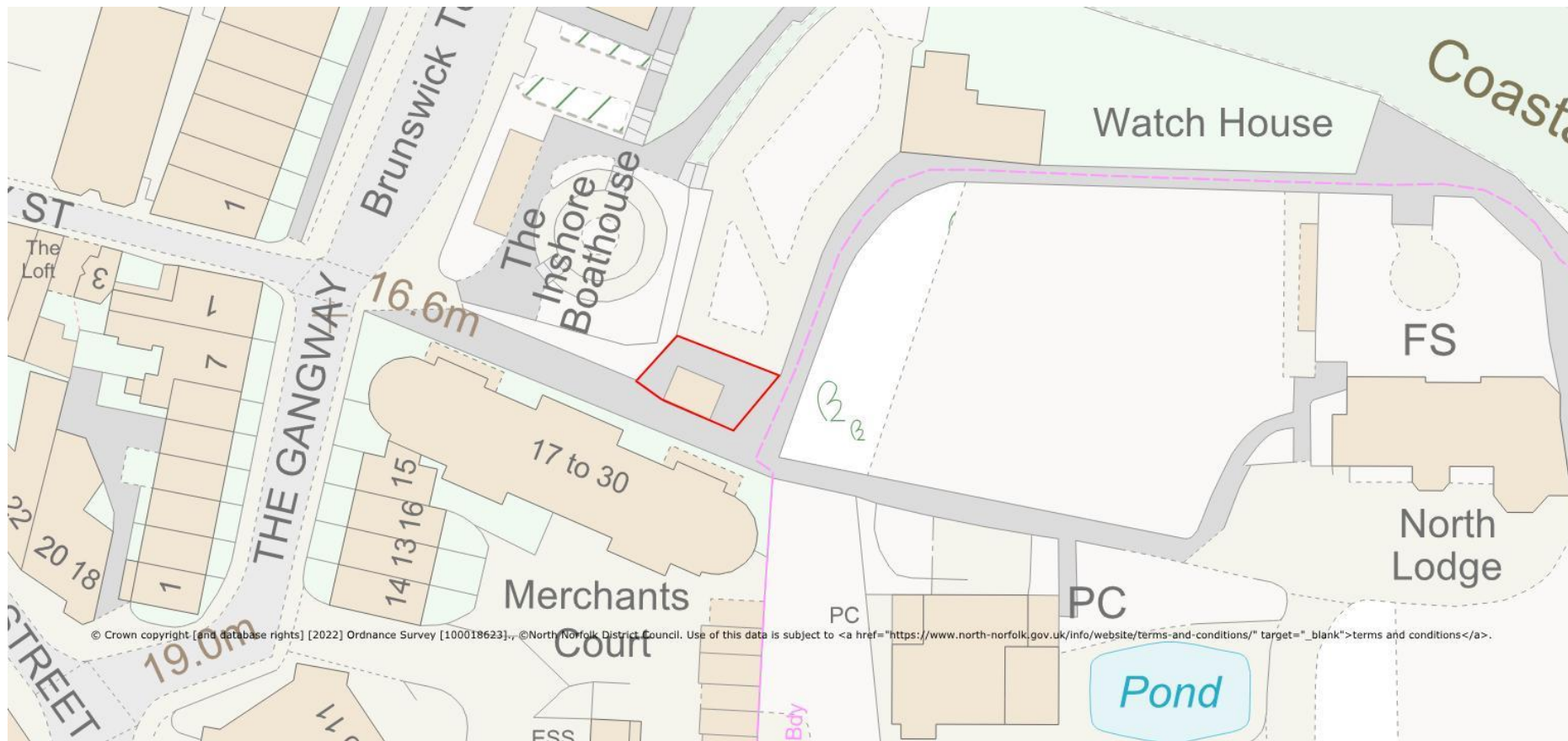
- 11.1. Financial risk of a building remaining empty and becoming a repair liability.
- 11.2 Any of the usual risks around landlord and tenant matters can be mitigated with proactive and interactive asset management
- 11.3 Reputational risk that NNDC are not using their property assets to their fullest potential.

12.0 Recommendations

- 12.1 Approve proposal 2 and
- 12.2 That should there be any further negotiations to the lease proposals made to delegate to the S151 Officer in consultation with the Portfolio Holder and Assistant Director of Finance, Assets & Legal.

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Deed for underletting

Summary: The Council leases office accommodation to a tenant that is seeking to under let part of the building and grounds. The lease includes a provision that allows this subject to the Council providing consent.

Options considered: Not applicable

Conclusions: A tenant is seeking to underlet part of the office accommodation it occupies, which it is entitled to do under the term of the lease. The tenant requires the Councils written consent which cannot be unreasonably withheld or delayed.

Subject to satisfactory due diligence including an independent valuation to assess the rent terms, it is intended to appoint solicitors to give consent so that the underletting can complete 1st October 2022.

Recommendations: **Officers recommend to Cabinet to endorse the proposal as outlined in the Exempt Appendix.**

Reasons for Recommendations: To enable the building that has been refurbished and improved to be fully utilised by tenant occupiers.

Cabinet Member(s) Cllr E Seward	Ward(s) affected Holt
Contact Officer, telephone number and email: Neil Turvey Strategic Surveyor Tel: 01263 516124 Email: neil.turvey@north-norfolk.gov.uk Renata Garfoot Asset Strategy Manager Tel: 01263 516086 Renata.garfoot@north-norfolk.gov.uk	

1. Introduction

1.1 The Council has office accommodation that is let by way of a lease for a 15 year period. The lease includes a provision to enable the tenant to underlet part of the property with written consent from the landlord and such consent should not be unreasonably withheld or delayed.

1.2 This report informs Cabinet of the tenant's intention to underlet.

1.3

2. Under letting proposal

- 2.1 The existing tenant is seeking to underlet approximately part of the office building and some external space for car parking. Further terms can be found in the exempt appendix.

3. Corporate Plan Objectives

- 3.1 This proposal indirectly supports the Councils Financial Sustainability and Growth as the rent as outlined in the exempt appendix will be paid to the tenant and not the Council.

4. Medium Term Financial Strategy

- 4.1 The rent as outlined in the exempt appendix will be paid to the tenant and not the Council, however an additional occupier will offer greater security to Council.

5. Financial and Resource Implications

- 5.1 The tenant will pay the Councils reasonable costs involved in this transaction.
- 5.2 An independent valuation is being obtained to ensure the rent proposed is at a current market value.

6. Legal Implications

- 6.1 Legal advice is being obtained as part of the due diligence.
- 6.2 The terms of the proposed under letting align with the existing lease.
- 6.3 The underletting will be formally documented by a deed.

7. Risks

- 7.1 Typical asset management risks remain with the proposal.

8. Sustainability

- 8.1 There are no direct sustainability issues with this proposal.

9. Climate / Carbon impact

- 9.1 The tenant undertook improvement works to the building to improve energy performance including installing some new windows, new boiler, electric car charging point and LED lighting.

10. Equality and Diversity

- 10.1 There are no direct equality and diversity matters relating to this proposal.

11. Section 17 Crime and Disorder considerations

11.1 There are no Section 17 Crime and Disorder considerations.

12. Conclusion and Recommendations

12.1 A tenant is seeking to underlet part of the office accommodation it occupies, which it is entitled to do under the term of the lease. The tenant requires the Councils written consent which cannot be unreasonably withheld or delayed.

12.2 Subject to completion of due diligence including an independent valuation to assess the rent terms, it is intended to appoint solicitors to give consent so that the underletting can complete 1st October 2022.

12.3 Officers recommend to Cabinet to endorse the proposal as outlined in the Exempt Appendix.

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By virtue of paragraph(s) 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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