

Overview & Scrutiny Committee



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Tuesday, 4 July 2023

A meeting of the **Overview & Scrutiny Committee** of North Norfolk District Council will be held in the **Council Chamber - Council Offices** on **Wednesday, 12 July 2023** at **9.30 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 notify the committee clerk 24 hours in advance of the meeting and arrive at least 15 minutes before the start of the meeting. This is to allow time for the Committee Chair to rearrange the order of items on the agenda for the convenience of members of the public. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel: 01263 516047, Email: matthew.stembrowicz@north-norfolk.gov.uk.

Anyone attending this meeting may take photographs, film or audio-record the proceedings and report on the meeting. Anyone wishing to do so must 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.

Please note that Committee members will be given priority to speak during the debate of agenda items

Emma Denny
Democratic Services Manager

To: Cllr N Dixon, Cllr S Penfold, Cllr V Holliday, Cllr N Housden, Cllr C Cushing, Cllr P Fisher, Cllr L Vickers, Cllr M Batey, Cllr J Boyle, Cllr G Bull and Cllr R Macdonald

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. SUBSTITUTES

3. PUBLIC QUESTIONS & STATEMENTS

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

4. MINUTES

1 - 12

To approve as a correct record the minutes of the meeting of the Overview and Scrutiny Committee held on 14th June 2023.

5. ITEMS OF URGENT BUSINESS

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.

6. DECLARATIONS OF INTEREST

13 - 18

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.

7. PETITIONS FROM MEMBERS OF THE PUBLIC

To consider any petitions received from members of the public.

8. CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER

To consider any requests made by non-executive Members of the Council, and notified to the Monitoring Officer with seven clear working days' notice, to include an item on the agenda of the Overview and Scrutiny Committee.

9. RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS

To consider any responses of the Council or the Cabinet to the Committee's reports or recommendations:

- Purchase of additional waste vehicles approved by Full Council at the June meeting.

2022/23 Outturn Report	
Executive Summary	<p>This report presents the provisional outturn position for the 2022/23 financial year which shows a General Fund overspend of ££0.782m, which is made up of a £0.261m revenue services' overspend and a £0.561k income shortfall in retained business rates.</p> <p>This report also presents the Council's capital programme outturn position.</p> <p>Details are included within the report of the more significant year-end variances compared to the current budget for 2022/23. The report also makes recommendations for contributions to reserves.</p> <p>The report provides a final budget monitoring position for the 2022/23 financial year. The report makes recommendations that provide funding for ongoing commitments and future projects.</p>
Options considered	<p>The revenue outturn position as of 31 March 2023 shows an overall overspend of £0.782m. The final position allows for £1.137m from budget and grant underspends to be rolled forward within Earmarked Reserves to fund ongoing and identified commitments in 2023/24. This draft outturn position will form the basis for the production of the statutory accounts, which will then be subject to audit by the Council's external auditors.</p>
Consultation(s)	<p>None – This is a factual report of the financial year end position for 2022/23.</p>

Recommendations	<p>Members are asked to consider the report and recommend the following to Full Council:</p> <p>a) The provisional outturn position for the General Fund revenue account for 2022/23;</p> <p>b) The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2023/24 budget;</p> <p>c) The deficit of £0.261m relating to service overspends be funded from the General Reserve;</p> <p>d) The deficit of £0.561m relating to retained business rates be funded from the Business Rates Reserve;</p> <p>d) The financing of the 2022/23 capital programme as detailed within the report and at Appendix D;</p> <p>e) The balance on the General Reserve of £2.649m;</p> <p>f) The updated capital programme for 2023/24 to 2025/26 and scheme financing as outlined within the</p>
	<p>report and detailed at Appendix E;</p> <p>g) The roll-forward requests as outline in Appendix F are approved.</p> <p>h) The transfer of £0.500m from the Delivery Plan Reserve to a new reserve 'Net Zero Initiatives' set up specifically to fund projects, initiatives and works to achieve net zero.</p> <p>i) The Provision of Temporary Accommodation capital budget for 2024/25 and 2025/26 of £0.250m per year be moved into 2023/24 giving a total budget of £0.750m in 2023/24 and that this be funded by temporary borrowing until it can be replaced by preserved right to buy capital receipts</p>
Reasons for recommendations	To approve the draft outturn position on the revenue and capital accounts used to produce the statutory accounts for 2022/23.
Background papers	Budget report, Budget Monitoring reports, NNDR3 return

Wards affected	All
Cabinet member(s)	Cllr Lucy Shires

Contact Officer	Tina Stankley Director of Resources Tina.Stankley@north-norfolk.gov.uk 01263 516439
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Links to key documents:	
Corporate Plan:	Financial Sustainability and Growth
Medium Term Financial Strategy (MTFS)	The outturn position will have an impact on the Reserve Balances, which will become the revised starting balances for the MTFS
Council Policies & Strategies	

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	
Details of any previous decision(s) on this matter	

Treasury Outturn Report 2022/23	
Executive Summary	This report sets out the Treasury Management activities undertaken during 2022/23 compared with the Treasury Management Strategy for the year.
Options Considered	This report must be prepared to be ensured members are aware of Treasury activities. It is also a requirement for the Council to comply with the CIPFA Treasury Management and Prudential Codes.
Consultation(s)	Link Treasury Services have provided the economic information in Appendix T associated with this report.
Recommendations	That Cabinet reviews and approves this report, with the recommendation that it is submitted it to Full Council for final approval.
Reasons for recommendations	This report requires approval by Full Council for the Authority to be compliant with the CIPFA Treasury Management and Prudential Codes.
Background papers	<p>This report refers to the Council's Capital Strategy Report 2022/23 which was approved by Members on 31/01/2022.</p> <p>This report refers to the Council's Treasury Management Strategy 2022/23 which was approved by Members on 23/02/2022.</p>

Wards affected	All
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	James Moore - Accountancy Assistant - James.Moore@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	This report shows the Council's current Treasury position against the cost of delivering its Capital Programme (CFR – Capital Financing Requirement). This shows the Council's current ability to finance its current Capital Programme.

Medium Term Financial Strategy (MTFS)	<p>This report supports the Medium Term Financial Strategy through protecting Council funds and cash flows, whilst minimizing borrowing costs.</p> <p>This report shows the Council's Investment and Borrowing position against the Council's Capital Financing Requirement, showing the net debt position of the Authority as at the end of the financial year.</p>
Council Policies & Strategies	<p>This report refers to the Council's Capital Strategy Report 2022/23 which was approved by Members on 31/01/2022.</p> <p>This report refers to the Council's Treasury Management Strategy 2022/23 which was approved by Members on 23/02/2022.</p>

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	This report is available to the public.
Details of any previous decision(s) on this matter	This is an annual report on the Council's current Treasury position.

Corporate Plan 2023 – 2027	
Executive Summary	<p>Following the District Council elections on 4th May the Cabinet and Corporate Leadership Team have worked to develop a new Corporate Plan which sets out the intent and ambition of the authority for the period 2023 – 2027.</p> <p>The draft Corporate Plan document is now presented for comment by the Overview and Scrutiny Committee and thereafter presentation to Full Council for adoption.</p>
Options considered	<p>The Council is required to publish a Corporate Plan. The development of this Plan reflects the priorities of the administration based upon their manifesto statements and looks to take forward new actions under the principal themes from the 2019 – 2023 Corporate Plan – particularly with respect to the environment and Net Zero, housing, the local economy, quality of life and engagement with our residents and communities.</p>
Consultation(s)	<p>The development of the new Corporate Plan has not in itself involved a specific process of consultation. The Plan has been developed recognising those critical issues facing North Norfolk and its communities and reflects the priorities of the incoming council administration for the period 2023 – 2027. These issues are not new and will involve the Council working with established partners to develop responses to these challenges. The Corporate Plan is a high level document setting out the priorities of the Council over the next four years, with specific project proposals and interventions developed to address those challenges being the subject of engagement and consultation in the months ahead.</p>

Recommendations	<p>That the Overview and Scrutiny Committee:-</p> <ol style="list-style-type: none"> 1. Considers and comments upon the content of the draft Corporate Plan 2023 – 2027 as a statement of the Council’s intent and ambition for the term of this Council administration, with any comments being reported to the meeting of Full Council to be held on 19th July 2023. 2. Notes the arrangements outlined for a series of member workshops in September 2023 to contribute to the development of actions / proposals for inclusion in the 2024/25 Annual Action Plan and then for the draft Action Plan being presented as a pre-scrutiny item for discussion / agreement by the Overview and Scrutiny Committee at its 11th October 2023 meeting.
Reasons for recommendations	<p>The Corporate Plan details the Council’s ambitions and intent for the next four years. It will provide the framework and context for the Council’s service provision, project interventions and resource allocation (financial and staffing) for the period through to 2027.</p> <p>The Plan will be subject to annual review to ensure that it continues to reflect the Council’s priorities and objectives throughout the next four years in response to emerging trends, policy developments and legislation.</p>
Background papers	No background papers were used in the preparation of this report.

Wards affected	All
Cabinet member(s)	Cllr Tim Adams, Leader of the Council
Contact Officer	Steve Blatch, Chief Executive <u>Tel:-</u> 01263 516232 Email: steve.blatch@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	Not applicable – this report proposes a new Corporate Plan
Medium Term Financial Strategy (MTFS)	The adoption of a new Corporate Plan will inform future revision of the Medium Term Financial Strategy

Council Policies & Strategies	The adoption of a new Corporate Plan will inform future revision / adoption of council policies and strategies
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Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	Public business item.
Details of any previous decision(s) on this matter	New Corporate Plan to reflect the priorities of the Council during the period 2023 - 2027

13. **HEADLINE BENCHMARKING REPORT (SELECTED MEASURES) - CIPFA COMPARISON** 119 - 132

Headline Benchmarking Report (selected measures) – CIPFA Comparison	
Executive Summary	<p>The Overview and Scrutiny Committee previously selected datasets from LG Inform’s Headline Benchmarking Report, to compare NNDC’s position with those of similar Local Authorities (CIPFA). Following this quarterly review of the selected measures, the Committee may decide to make recommendations to Cabinet to investigate or improve performance in specific areas.</p> <p>For this quarter, 7 of the 11 measures have been updated since the last Report. Out of all the 11 measures, 3 scored red in the CIPFA quartile RAG analysis, 4 scored amber, 2 scored light green and 2 scored green.</p> <p>The measures that scored red were CIPFA Measure 3b: Time taken to process housing benefit change events (average days per quarter (data updated since last report)); CIPFA Measure 8: Total expenditure - Central Services per head of population (£'s per person, per year (data not updated since last report)); and CIPFA Measure 9a: Rate of births of new enterprises per 10,000 residents of the population aged 16 and above (number of businesses per 10,000 people, per year (data not updated since last report)).</p> <p>The 4 datasets in the amber category have all shown some improvement since the previous period. 3 out of these 4 datasets have been updated since the last Report.</p>
Options considered	<ol style="list-style-type: none"> 1. No action 2. Make recommendations to Cabinet
Consultation(s)	<p>Consultation is not necessary as the “Headline Benchmarking Report (selected measures) – CIPFA comparison” has been produced solely for the Overview and Scrutiny Committee to review.</p>
Recommendations	<ol style="list-style-type: none"> 1. Receive and note the headline benchmarking data for NNDC compared to the CIPFA benchmarking group. 2. Decide whether to take no action or make recommendations to Cabinet for further investigation, monitoring and/or possible intervention for improvement in specific areas.
Reasons for	<p>Measuring a broad range of indicators will</p>

recommendations	allow a detailed assessment of the services the Council provides and the general health and climate of North Norfolk. Monitoring these trends over time and in comparison to North Norfolk's CIPFA Nearest Neighbours will be a useful facilitator for any resulting recommended actions that may be required.
Background papers	All background papers used are published on NNDC's intranet. The information is also available on LG Inform's online data portal.

Wards affected	All wards are affected as the data is for the North Norfolk district.
Cabinet member(s)	Cllr. Tim Adams
Contact Officer	Lucy Wilshaw, Corporate Data Analyst. Tel: 01263 516 379. Email: performance@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	The "Headline Benchmarking Report (selected measures) – CIPFA comparison" does not link to any Corporate Plan priorities as it has been produced solely for the Overview and Scrutiny Committee to review.
Medium Term Financial Strategy (MTFS)	The Report is not specifically linked to MTFS however early identification and intervention of any concerning areas will, in the long run, save time and money, and improve efficiency, avoiding any services falling below acceptable levels and improving the general health and climate of North Norfolk.
Council Policies & Strategies	The Report is not specifically linked to any existing Council policies and strategies.

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	The "Headline Benchmarking Report (selected measures) – CIPFA comparison" has been produced solely for the Overview and Scrutiny Committee to review.

Details of any previous decision(s) on this matter	<p>15/06/2022 - Overview and Scrutiny Committee meeting:</p> <ul style="list-style-type: none"> • Quarterly review of the Report • CIPFA comparison area only • Review datasets in the Report every six months – adding and deleting datasets as necessary.
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WORK PROGRAMMES

14. THE CABINET WORK PROGRAMME 133 - 136

To note the upcoming Cabinet Work Programme.

15. OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE 137 - 146

To receive an update from the Scrutiny Officer on progress made with topics on its agreed work programme, training updates and to receive any further information which Members may have requested at a previous meeting.

16. EXCLUSION OF THE PRESS AND PUBLIC

To pass the following resolution, if necessary:

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

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OVERVIEW & SCRUTINY COMMITTEE

Minutes of the meeting of the Overview & Scrutiny Committee held on Wednesday, 14 June 2023 in the Council Chamber - Council Offices at 9.30 am

Committee Members Present:	Cllr N Dixon (Chairman)	Cllr S Penfold (Vice-Chairman)
	Cllr V Holliday	Cllr N Housden
	Cllr C Cushing	Cllr P Fisher
	Cllr L Vickers	Cllr M Batey
	Cllr J Boyle	Cllr G Bull
	Cllr R Macdonald	
Other Members:	Cllr T Adams (Observer)	Cllr C Ringer (Observer)
	Cllr L Shires (Observer)	Cllr J Toye (Observer)
	Cllr A Fitch-Tillett (Observer)	
Officers in Attendance:	Democratic Services and Governance Officer - Scrutiny (DSGOS), Chief Executive (CE), Democratic Services Manager (DSM), Director for Communities (DFC), Director for Resources / S151 Officer (DFR), Performance Management Officer (PMO), Data Analyst (CDA) and Environmental and Safety Manager (ESM)	

1 TO RECEIVE APOLOGIES FOR ABSENCE

None received.

2 SUBSTITUTES

None.

3 PUBLIC QUESTIONS & STATEMENTS

None received.

4 MINUTES

Minutes of the meeting held on 15th March 2023 were approved as a correct record and signed by the Chairman.

Questions and Discussion

- i. The Chairman noted that there was a matter arising from the minutes that he wished to discuss on the NWH SHAZ project, where there were still some outstanding actions to be completed. He added that whilst a response had been received, it did not provide the detailed information requested and it was therefore not possible to close the matter. It was noted that the issues had been discussed with the Vice-Chair and Cllr N Housden, and it had been suggested that a meeting could take place with officers to discuss the issues in more detail, in order to bring a conclusion to the next meeting. Cllr S Penfold stated that he was happy to have a meeting, but suggested that this should be done during a site visit to better understand the project. Cllr N Housden stated that he would support a site visit, but still required specific

figures, as had been requested.

- ii. The CE stated that it would be useful to understand what information had not been provided, as it was his understanding that all information had been provided. Cllr N Dixon stated that the information required was reflected in the minutes of the previous meeting. Cllr N Housden stated that the Committee had not seen specifics of the £400k funding uplift with a full breakdown of the expenditure. The CE stated that a breakdown of costs had been provided to the Chairman via email on the 15th May, which had included purchase of the land at Black Swan Loke, design/management fees and contractor costs. He added that if there was any further information required, he would require a specific request for information.
- iii. Cllr S Penfold stated that the decision had been considered by the Overview & Scrutiny Committee, Cabinet and Full Council, with the project also reviewed by GRAC, so it needed to be clear what further information was required. The Chairman suggested that the discussion would require going into detail, and would therefore be better had on a separate occasion, to avoid delaying the meeting.
- iv. Cllr L Shires stated that she was not aware of what was required, and would require details in order to provide further information. Cllr N Housden referred to an email from 15th March which referred to justification of how the £400k uplift funding would be spent. He added that the S151 Officer's reply had not responded to the specific requests made in the email, and this was what was required. Cllr N Dixon suggested that without all Members having seen these emails, it was not helpful to discuss the matter with the wider Committee, and would be better discussed outside of the meeting, with a conclusion provided at a later date.
- v. Cllr S Penfold raised concerns that he did not wish to reopen a decision related to the funding, which had already been agreed by Council.
- vi. The CE Stated that he was happy to meet with Members to discuss any outstanding issues and would be happy for this to take place in North Walsham, if necessary, but in advance of this, an outline of the required information had to be made, so that it could be presented by officers. He added that it would be helpful to receive this request in writing to ensure transparency. Cllr S Penfold suggested that it would also be helpful to invite the wider Members for a site visit to North Walsham.
- vii. Cllr V Holiday referred to responses received from the PCC that had been provided after the last meeting, and asked whether it was appropriate to raise these for discussion. The DSGOS suggested that he could circulate the responses to all new Members so that they could be discussed at the next meeting, if required.

ACTIONS

- 1. Meeting to be arranged between Committee Chair/Vice-Chair/Cllr Housden and Officers to discuss outcomes and requested information on NWHSHAZ project.**

5 ITEMS OF URGENT BUSINESS

None received.

6 DECLARATIONS OF INTEREST

None declared.

7 PETITIONS FROM MEMBERS OF THE PUBLIC

None received.

8 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER

None received.

9 RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS

None to report.

10 O&S TRAINING RECAP

- i. The Chairman introduced the item and noted that the Committee had one of the widest remits of any Committee, which meant that the work programme covered a range of topics. He added that first and foremost the Committee must remain apolitical, in order to provide effective challenge and support, where necessary. It was noted that in the case of pre and post-decision Scrutiny, the Committee would always be required to consider making recommendations to other Committees, or seek actions from officers.
- ii. The Chairman noted that he would seek to keep meetings to approximately two hours in length, and that this would require Members to read reports in advance, and keep questions strategic and concise, with similar responses expected from Cabinet Members and officers. He added that in some cases deeper questions or requests for further information may be appropriate, and that Committee Members would be given priority when asking questions.

11 APPOINTMENT OF REPRESENTATIVE AND SUBSTITUTE FOR THE NCC NORFOLK HEALTH OVERVIEW & SCRUTINY COMMITTEE

The Chairman introduced the item and noted that the Committee were responsible for appointing to the Norfolk Health Overview & Scrutiny Committee, with guidance available in the Constitution on making appointments to outside bodies.

Questions and Discussion

- i. The DSGOS advised Members that when making appointments to outside bodies they should consider the relevant Councillors' responsibilities, skills or experience, time available to devote to the role, and any preference from the body. He added that the Committee were required to agree an appointee and substitute.
- ii. The Chairman noted that the Committee were particularly interested in ambulance response times and the availability of NHS dental services within North Norfolk, and suggested that whoever was appointed would be

expected to report on these and other issues.

- iii. Cllr J Boyle was nominated by Cllr G Bull and seconded by Cllr R Macdonald.
- iv. Cllr V Holliday was nominated by Cllr C Cushing and seconded by Cllr N Housden.
- v. Cllr J Boyle was appointed, and the DSGOS suggested that with two nominations Cllr V Holliday may wish to be appointed substitute. Cllr V Holliday was nominated to be substitute by Cllr L Vickers and seconded by Cllr C Cushing.
- vi. Cllr J Boyle suggested that it may be worth reviewing the appointments after a period of twelve months.

RESOLVED

That Cllr J Boyle be appointed as representative to the Norfolk County Council NHOSC, and that Cllr V Holliday be appointed as substitute.

12 O&S DRAFT 2023/24 WORK PROGRAMME

The DSGOS introduced the report and informed Members that whilst the draft work programme contained a number of items, the Corporate Plan was yet to be published and it was expected that further proposals would form additional work for the Committee, to be added in due course. He added that the Committee were required to approve the draft work programme, though noted that it would remain flexible as new projects or decisions appeared and others slipped. It was noted that there were several suggested items that could be added, subject to the Committee's approval. These included reviewing sewage outflow incidents with Anglian Water, monitoring the Council's progress to achieving Net Zero, reviewing the implementation of the Planning Service Improvement Plan, ongoing coastal adaption, and a follow-up on the public convenience recommendations. The DSGOS noted that the Committee did have a provision under item 8 of meeting agendas for matters to be raised by Members, as well as other means of launching Scrutiny investigations such as the Councillor Call for Action.

Questions and Discussion

- i. The Chairman stated that the work transacted by the Committee fell into either regulatory matters, which the Committee was required to undertake, and non-statutory work which was formed of matters relating to the Corporate Plan or other matters of concern to residents. He added that the TOPIC selection criteria was outlined in the report and should be closely adhered to when selecting items for the work programme. It was noted that Members of the public were also entitled to petition the Committee, though a certain number of signatures would be required for the Committee to debate the issue.
- ii. The Chairman noted that if a point was reached where the Work Programme was at capacity, then Task & Finish Groups or other Sub-Committees could be established to undertake specific tasks in more detail than would be possible at the Committee level.

- iii. Cllr L Vickers stated that she was surprised that accounts had not been signed-off over the past two years, and suggested that without verified accounts it would be difficult to review finance reports in good faith. She added that she would like some assurance from officers that the accounts would be brought up to date as soon as possible so that Councillors could be confident that they were making recommendations or taking decisions on a secure financial footing. The DFR replied that the matter had been discussed at GRAC, with the reasons for the delays both internal and external explained. She added that there was now consensus on when the accounts would be signed-off and a timeline would be prepared for consideration by Members. It was noted that there was only one outstanding item on the 2020-21 accounts, and it was expected that they would be signed-off by the end of the week. The DFR stated that the 2021-22 accounts would be audited in August, or sooner if possible, whilst the 2022-23 accounts would be completed once the previous year's accounts were complete, hopefully by December. She added that she shared Members' concerns regarding the accounts and she was confident that they would be caught up within the 23-24 financial year.
- iv. The Chairman asked whether it was correct to say that unaudited accounts had been published. The CE replied that unaudited accounts had been completed for 20-21 and 21-22, though the 22-23 accounts were yet to be completed as the deadline had recently returned to May from July, which had presented challenges for many Councils following delays with the external audit process. He added that since their appointment in November 22, the new S151 had reviewed capacity of the Finance Team and was in the process of recruiting to additional posts.
- v. Cllr J Toye noted that during the GRAC meeting, officers had promised to provide a chart that would outline the timeline and process for catching-up with the Council's audited accounts by the end of the year.
- vi. Cllr T Adams stated that most journals had discussed delays with the auditing of local government accounts and the various measures that may be required to clear the current backlog, and encouraged Members to review this information.
- vii. Cllr V Holliday asked whether approving the work programme would include the additional items listed, as she felt they were particularly important. The DSGOS replied that if there was no dissent amongst the Committee, then he would look to add the additional items, once approved. Cllr V Holliday suggested that access to dental treatment may be a further topic of concern for the Committee, given the issues in securing NHS treatment. Cllr L Vickers seconded the proposal to add access to NHS dentistry to the work programme. The DSGOS suggested that initially this matter may be debated and referred to NHOSC in the first instance, as was the case with monitoring ambulance response times.
- viii. The draft work programme was proposed by Cllr P Fisher and seconded by Cllr S Penfold.

RESOLVED

- 1. To agree the draft Work Programme with the addition of dental service provision in North Norfolk.**

13 PURCHASE OF TWO ADDITIONAL REFUSE COLLECTION VEHICLES

Cllr C Ringer – Portfolio Holder for IT, Environmental & Waste Services introduced the report and informed Members that two additional refuse vehicles were required specifically for commercial and garden waste collections, which were statutory services for which the Council was entitled to levy a charge. He added that the reason additional vehicles were required was due to significant increases in collections over a five year period, with garden waste customers increasing by approximately 1000 per year, whilst commercial waste collections had risen 50% over five years. It was noted that because these services were statutory, the Council could not turn new customers away, and therefore steps had to be taken to increase capacity, so as not to impact domestic collections. Cllr C Ringer informed Members that the report was coming forward now to make use of Serco's pre-allocated build slots for vehicles in November, as opposed waiting until late 2024.

Questions and Discussion

- i. The Chairman asked whether any cost-benefit analysis had been undertaken to outline the growth in chargeable services. Cllr C Ringer stated that he had seen this information, but it was not possible to provide full details within the public report due to commercial sensitivity. He added that it was important to purchase vehicles now so that the services offered by the Council could remain commercially competitive and continue to grow. The DFC stated that Serco were already providing services using hired vehicles, but the Council was contractually obliged to provide waste vehicles, following a decision taken to avoid risk. He added that whilst there was a cost-benefit to the proposals, the overall position was that the Council was obligated to provide vehicles. It was noted that this would enable Serco to continue to meet the additional demand created by successful trade collections which had increased from 88k to 130k lifts per annum, and growing garden waste collections. In response to a question from the Chairman, the DFC noted that whilst vehicles were owned by the Council, they would still be specified, used and maintained by Serco.
- ii. Cllr C Cushing stated that there was a compelling case for the purchase of the vehicles, but the original report had not made this clear, and the supporting information could have been provided in a confidential appendix. He referred to the cost of the vehicles and stated that whilst the report suggested this would be funded through borrowing, more details were required, and the impact of borrowing, or the use of reserves should be considered if possible. Cllr C Cushing asked when the costs of borrowing would be incurred if used, and why an explanation for the timing of the request had not be included in the report, or the 23/24 budget. The DFR replied that the vehicles would be funded in part by money returned from Serco as part of the non-performance compensation accounting for £50k, whilst the remainder would be covered by borrowing from the Public Works Loans Board with a preferential rate. She added that it may be possible to use cash reserves to avoid borrowing, which would avoid interest, but this would not be known until nearer the time, but otherwise borrowing costs would incurred the year after purchase in 2024-25. It was noted that earmarked reserves could only be used for specific purposes and could not be used in this case.
- iii. The ESM referred to cost-benefit analysis and stated that whilst the waste

collection services were statutory, the Council did levy a charge for the services, and though costs had increased, the service continued to return a considerable surplus which had been placed in the general reserve and would continue on an ongoing basis. On the timing of the report, it was noted that a Serco reorganisation and management changes had delayed the report and the position was not confirmed until April, by which point the Council was preparing for the upcoming election. The Chairman suggested it would be useful to know the amounts that had been paid into the general reserve.

- iv. Cllr V Holliday referred to Serco performance over the past year and stated that she was under the impression that performance compensation would in the region of 200k, and she therefore expected more could be used to offset the costs of the vehicles. The DFC replied that the £50k outlined in the report was from 21-22, which had been allocated for vehicle expenditure, but the full figure for 22-23 was not yet agreed, though it was possible that more could be used to offset the vehicle costs, once known. He added that these funds were placed into an innovation fund to improve the service beyond contractual requirements. Cllr V Holliday suggested that it appeared aspirational to look for improvements to a service that had not met required service levels, but accepted that any improvement would be positive. The DFC stated that these funds could not be used for Serco to meet its existing contractual obligations, and instead had to be used for service enhancements, though it was possible to use this for the purchase of additional vehicles.
- v. Cllr N Housden stated that it would have been helpful to have had the reasons the Council was obliged to purchase vehicles in the report, and referred to previous meetings with Serco where they had admitted that they did not have a strategy which could have identified the need for additional vehicles earlier. He added that previously Serco had difficulties recruiting drivers and crew, and if this was still the case, then additional vehicles would not help. The DFC replied that officers had worked hard to address issues caused by revised collection routes, which had been compounded by pay disputes, however these issues had now been resolved and rates of pay were now at a point that recruitment was no longer an issue. He added that providing additional vehicles was intended to put Serco ahead of the curve in terms of service demand, so that they were prepared for continued growth. Cllr C Ringer welcomed Cllr Housden's views on a more strategic approach and noted that the Council were awaiting the outcome of the Government's review of the waste strategy, which may provide challenges better met with strategic planning.
- vi. Cllr S Penfold asked how long the vehicle quote would remain valid, and whether placing the order soon would save the use of the contingency funds. The ESM replied that the figures quoted were valid until May, with contingency added to account for delays, though significant increases were not expected. The DFC stated that the Council was in the same position during contract mobilisation, with prices only fixed for seven days. He added that during purchase of the original fleet, vehicles had cost less than originally quoted, and though some volatility could be expected, the contingency was added to cover any cost fluctuations. Cllr S Penfold asked whether a specified cost could be given once the build date had been agreed. The ESM replied that price agreed at the point of order would be fixed as the price paid, but this would not be known until the point of order,

with fluctuation expected up to that point.

- vii. Cllr N Housden referred to the increase in bin lifts for trade waste, and asked if there was any modelling of potential growth. The DFC replied that figures could be provided, but these would be skewed by the size of bins if trade customers increased their bin capacity.
- viii. The recommendation was proposed by Cllr R Macdonald and second by Cllr P Fisher.

RESOLVED

- 1. To recommend to Full Council an addition to the Capital programme of £385,000 to purchase two new refuse collection vehicles and that the £385,000 be added to the residual £65,000 that is left over from the original budget to purchase refuse vehicles from 2019 to date. It is also recommended to Full Council that the purchase be funded by borrowing of £335,000 and a revenue contribution of £50,000.**

14 MANAGING PERFORMANCE QUARTER 4 AND CUMULATIVELY FOR 2022/2023

Cllr T Adams – Council Leader introduced the report and informed Members that there had been good progress made towards achieving the Council’s objectives in the last quarter. He added that Serco pay disputes had been resolved and efforts could return to improving performance, carbon reduction and revenue growth for chargeable services. It was reported that there were approximately sixty-five households in temporary accommodation, and numbers were expected to remain high during the current housing crisis. On North Walsham it was noted that physical works had been completed ahead of schedule, with work now progressing on the Cedars building, the public toilets and lokes. Cllr T Adams reported that no adverse decisions had been made by the ombudsman for the 22-23 year, and work was now underway on the solar port at the Reef to further reduce the Council’s carbon footprint. He added that the introduction of the Planning Service Improvement Plan had significantly improved performance and commended officers for their efforts.

Questions and Discussion

- i. The Chairman referred to p40-41 and asked what evidence was available to suggest that the NWHASHAZ project had boosted business growth and sustainability. Cllr T Adams stated that whilst he did not have data to hand, North Walsham had low shopfront vacancies, new businesses opening in the town and a number of recent events that had been particularly successful. He added that data on footfall and the number of visitors had been recorded and could be shared outside of the meeting. Cllr L Shires stated that four new businesses had opened in the town since November, with one occupying a previously vacant site beyond the market place, which suggested that the town centre’s commercial area was expanding. She added that two national businesses had also shown interest in the town, however the high street did not have a large enough unit available so options were being considered on the town’s periphery. Cllr L Shires said that the town didn’t currently have space to accommodate all commercial interests in the high street, and that there had been significant increases in the use of bus services, with additional routes and times added. The Chairman suggested that any metrics to evidence business growth would be

appreciated. Cllr T Adams noted for context that other towns had unfortunately lost local bank branches and shops, though on the whole the District still bucked the trend with very few vacant retail units. Cllr S Penfold stated that there was a sense of community pride and ownership in North Walsham created by the project. The PPMO stated that the Council had recorded footfall and other metrics and would be able to present this data in due course.

- ii. Cllr N Housden referred to hydrogen projects on p46, and asked whether any consultancy grants were available to explore other schemes or areas. Cllr T Adams replied that the Council would be open to exploring all possibilities, and whilst he was not aware of anything beyond the existing Bacton site, the Council had to make efforts to explore all opportunities. The CE noted that a report had gone to Cabinet the previous week to provide limited consultancy work to better understand the potential for Hydrogen at the Bacton site, and noted that the National Hydrogen Strategy was supporting projects in Redcar and Holton for commercial use to decarbonise manufacturing processes. It was suggested that this approach was likely not present in Bacton due to a lack of industry in the area, though a national hydrogen grid could include Bacton in the future. The CE added that small scale hydrogen production had previously been considered with a report prepared that could be shared with Members, but there was not currently the demand to pursue these proposals without industry support. It was noted that if Bacton had the potential for significant hydrogen production or storage, then the planning for this would likely take seven to ten years and would raise issues for the Council in terms of capacity and knowledge, that may require the employment of specialists. The CE stated that efforts would have to be made to ensure that North Norfolk residents could benefit from any proposals, unlike during the growth of natural gas in the 1970s that many residents were unable to take advantage of. The Chairman asked whether it would be useful to have a Member briefing to bring Members up to speed on progress with future projects of this kind, to which the CE confirmed he would look to arrange a session once the induction process had come to an end.
- iii. Cllr V Holliday referred to comments on strong progress and suggested that this was at variance with data on housing, climate, blue flag beaches and time taken for housing benefit changes, which was not particularly positive. She added that in terms of customer focus, Inphase data suggested that only 65.2% of calls were answered in May, with an average queue time of 8.5 minutes, and asked when this could be expected to improve. Cllr Holliday noted that time taken for housing benefit changes was still not meeting expectations and asked whether this should be reviewed again. Cllr T Adams replied that the loss of blue flags had been previously discussed, and the Council had been let down by the water industry who were still refusing to accept responsibility. On time taken for housing benefit changes, it was stated that the current eight days was an improved position, but it may be helpful for the Committee review this again in the future. He added that in terms of customer service calls, this was an ongoing pressure and an increase in resources may have to be considered to meet demand. On housing benefits changes the DFR stated that the Team prioritised new claims over changes to ensure that those in need would receive payments faster.
- iv. The recommendation was proposed by Cllr S Penfold and seconded by Cllr J Boyle.

RESOLVED

- 1. To note the report and endorses the actions being taken by Corporate Leadership Team detailed in Appendix A – Managing Performance.**

15 CONTEXTUAL PERFORMANCE REPORT

The CDA introduced the report and informed Members that of the fifteen contextual measures contained within the Corporate Plan, only four had been updated since the last review. She added that none had received a red RAG status when compared with the Council's CIPFA nearest neighbours, though two were given an amber status, but did not present a particular concern as they were either improving or stable. It was noted that the index of multiple deprivation score may be worthy of further investigation given its red RAG status, but the measure was improving. The CDA noted that the area was also scoring poorly in terms of barriers to housing and services which were affected by housing affordability and distance to services, which may not be a surprise. Business survival rates was reported to have an amber RAG status, though other datasets were suggested to provide a more detailed picture of business health in the District.

Questions and Discussion

- Cllr V Holliday suggested that it may be worthwhile looking in detail at the multiple deprivation score, as the Council would be able to assist residents on matters such as fuel poverty and public transport. She added that contextual measure thirteen also correlated with the response received from the OPCC, which suggested that efforts to address domestic abuse and violence did not appear to be working, which may therefore require further investigation. Cllr T Adams agreed that it would be worthwhile investigating these areas and stated that continued rises in domestic abuse and anti-social behaviour crimes were concerning. The DSGOS asked whether there was further data available on the measures raised by Cllr Holliday. The CE stated that several of the contextual measures were subject to a significant time lag, and new datasets were being considered as part of the development of the Corporate Plan, so it may be worth waiting before considering any additional datasets.
- The Chairman noted that the benchmarking data would come to the Committee in July, and the Committee may want to review this before making any decisions on updating datasets. The CE noted for the benefit of new Members that the Performance Management report related to objectives within the Corporate Plan, whilst the benchmarking report considered performance against similar authorities, and the contextual data report provided context of the Council's performance within national datasets.
- The recommendation was proposed by Cllr S Penfold and seconded by Cllr J Boyle.

RESOLVED

- 1. To receive and note the contextual measure data for NNDC compared to the CIPFA benchmarking group.**

16 THE CABINET WORK PROGRAMME

- i. The DSGOS informed Members that a number of financial reports were expected in July including the Outturn and Treasury Management reports, whilst the Debt Management report had been delayed until September. He added that the draft Corporate Plan was also expected which would generate a significant proportion of the Council's business for the current term.
- ii. The DSM stated that other reports had been added to the Cabinet work programme following publication of the agenda which included a Homes for Wells report, which had been agreed with the Overview & Scrutiny Chairman as it had not been published on the forward plan. She added that an update on the Coastal Transition Accelerator Programme was also expected that the Committee may be interested in.

RESOLVED

To note the Cabinet work programme.

17 OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE

- i. The DSGOS referred to questions raised in the contextual performance report and suggested that it could be worthwhile raising the concerns regarding rises in domestic abuse related crimes with the PCC in advance of his next Committee briefing. He added that it would also be helpful to understand whether there was more data available on multiple deprivation. The CDA replied that she could go straight to source to see if more data was available that could be used for deeper investigation, and noted that the ADPS was also interested in reviewing this data to see what assistance could be provided.
- ii. The DSGOS informed Members that he would share responses received from the PCC to questions raised by the Committee for the benefit of new Members.

RESOLVED

To note the update.

18 EXCLUSION OF THE PRESS AND PUBLIC

The meeting ended at 12.07 pm.

Chairman

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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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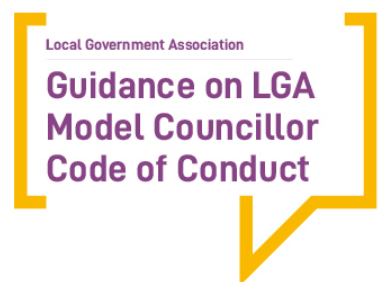
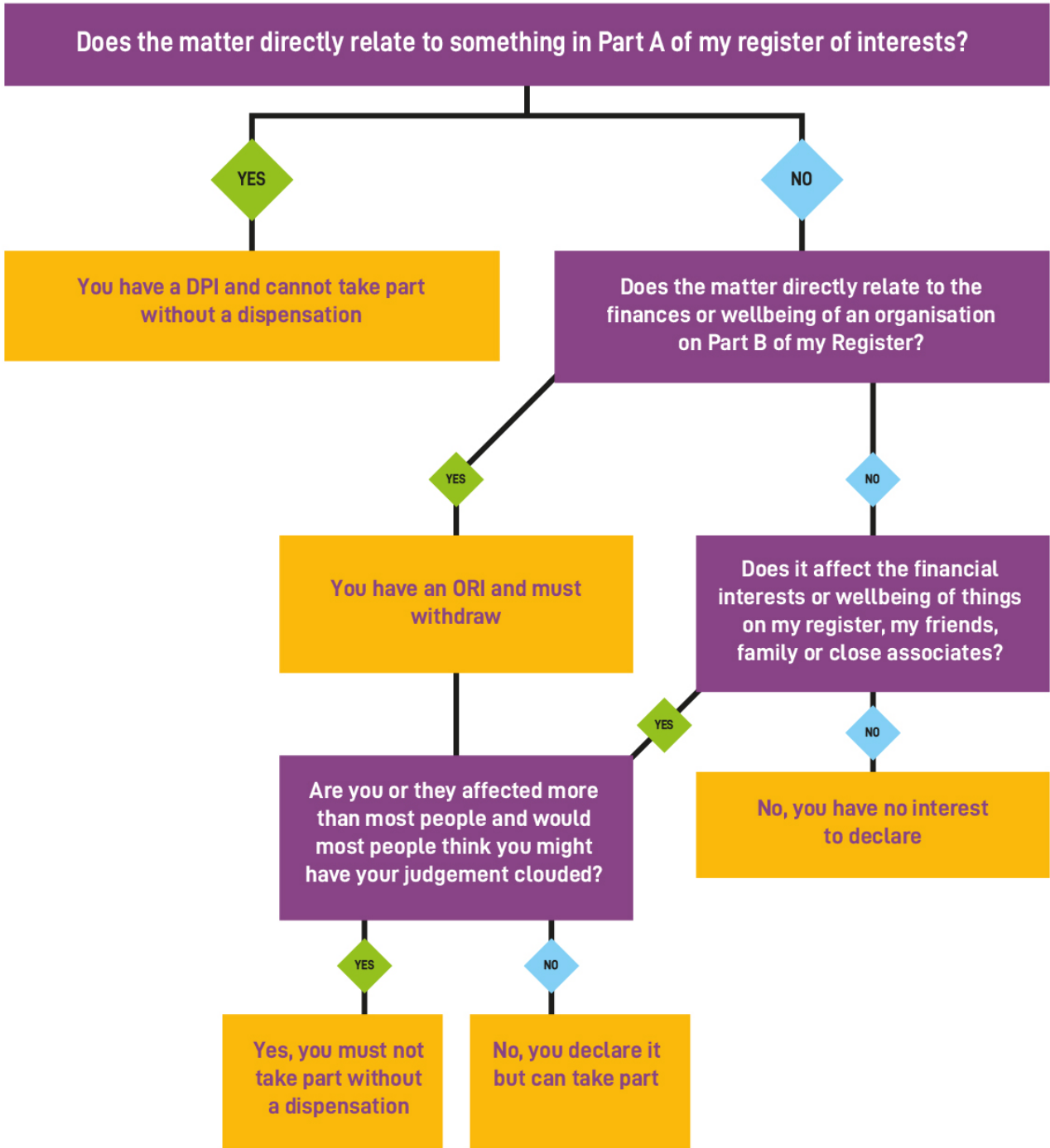
* 'director' includes a member of the committee of management of an industrial and provident society.

* '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)



2022/23 Outturn Report	
Executive Summary	<p>This report presents the provisional outturn position for the 2022/23 financial year which shows a General Fund overspend of ££0.782m, which is made up of a £0.261m revenue services' overspend and a £0.561k income shortfall in retained business rates.</p> <p>This report also presents the Council's capital programme outturn position.</p> <p>Details are included within the report of the more significant year-end variances compared to the current budget for 2022/23. The report also makes recommendations for contributions to reserves.</p> <p>The report provides a final budget monitoring position for the 2022/23 financial year. The report makes recommendations that provide funding for ongoing commitments and future projects.</p>
Options considered	<p>The revenue outturn position as of 31 March 2023 shows an overall overspend of £0.782m. The final position allows for £1.137m from budget and grant underspends to be rolled forward within Earmarked Reserves to fund ongoing and identified commitments in 2023/24. This draft outturn position will form the basis for the production of the statutory accounts, which will then be subject to audit by the Council's external auditors.</p>
Consultation(s)	<p>None – This is a factual report of the financial year end position for 2022/23.</p>
Recommendations	<p>Members are asked to consider the report and recommend the following to Full Council:</p> <ul style="list-style-type: none"> a) The provisional outturn position for the General Fund revenue account for 2022/23; b) The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2023/24 budget; c) The deficit of £0.261m relating to service overspends be funded from the General Reserve; d) The deficit of £0.561m relating to retained business rates be funded from the Business Rates Reserve; d) The financing of the 2022/23 capital programme as detailed within the report and at Appendix D; e) The balance on the General Reserve of £2.649m; f) The updated capital programme for 2023/24 to 2025/26 and scheme financing as outlined within the

	<p>report and detailed at Appendix E;</p> <p>g) The roll-forward requests as outline in Appendix F are approved.</p> <p>h) The transfer of £0.500m from the Delivery Plan Reserve to a new reserve 'Net Zero Initiatives' set up specifically to fund projects, initiatives and works to achieve net zero.</p> <p>i) The Provision of Temporary Accommodation capital budget for 2024/25 and 2025/26 of £0.250m per year be moved into 2023/24 giving a total budget of £0.750m in 2023/24 and that this be funded by temporary borrowing until it can be replaced by preserved right to buy capital receipts</p>
Reasons for recommendations	To approve the draft outturn position on the revenue and capital accounts used to produce the statutory accounts for 2022/23.
Background papers	Budget report, Budget Monitoring reports, NNDR3 return

Wards affected	All
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Tina Stankley Director of Resources Tina.Stankley@north-norfolk.gov.uk 01263 516439

Links to key documents:	
Corporate Plan:	Financial Sustainability and Growth
Medium Term Financial Strategy (MTFS)	The outturn position will have an impact on the Reserve Balances, which will become the revised starting balances for the MTFS
Council Policies & Strategies	

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	
Details of any previous decision(s) on this matter	

1. Purpose of the report

- 1.1 This report presents the provisional outturn position for the 2022/23 financial year which will be used to inform the production of the Council's statutory accounts, which will be subject to audit ahead of presentation to the Governance, Risk and Audit Committee (GRAC).

2. Introduction & Background

- 2.1 The draft statements should have been published by the 31 May, with the 30-day public inspection commencing after that. Whilst the Finance Team, with support from services throughout the authority, have worked hard and made every effort to meet this deadline it has not been possible. The team has been under-resourced for some considerable time and the effects of this are now being seen e.g. missing this deadline. This is an issue at a national level and only a third of all Councils have met this deadline for 2022/23.
- 2.2 A notice has been published on the Council's website to inform readers about the delay. Work continues so that the accounts can be published as soon as possible. The external audit of the 2022/23 accounts is scheduled to commence in late summer with a view to taking them to the Governance, Audit and Risk Committee in December to be signed off.
- 2.3 The outturn position for the year ending 31 March 2023 is a net £0.782m deficit. This report recommends funding the 2022/23 deficit from the General Reserve (£0.261m) and the Business Rates Reserve (£0.521m). The contents of this report will be considered by the Overview and Scrutiny Committee on 12 July 2023.
- 2.4 The Council's General Fund Reserve balance at the year-end after funding the deficit of £0.261m is shown below

General Fund:	£'m
Opening balance as at 1 April 2022	2.946
Approved use of the reserve	(0.036)
Closing balance before use to fund the deficit	2.910
Use of reserve to fund the	(0.261)
Closing balance as at 31 March 2023	2.649

- 2.5 The report also includes a current forecast position statement on the level of reserves along with the outturn and financing position for the 2022/23 capital programme. The capital programme for the period 2023/24 to 2025/26 has been updated to take account of the outturn position and is included within this report and appendices.
- 2.6 All budgets have been monitored during the year by both Service and Finance Officers with regular reports being presented to both 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 2023. The Period 10 report was forecasting a General Fund overspend of £0.603m.

- 2.7 Officers have managed their budgets in what has been an extremely difficult year. During the year the Council were faced with
- The long-term impact of COVID-19 e.g. addressing backlogs of Environmental Health inspections which could not be carried out but still needed to be done.
 - The impact of the volatile and unstable global economy with shortages in components for all sorts of products as countries began to come out lockdown.
 - The start of the Russian invasion of Ukraine resulting in shortages of various commodities e.g. wheat, cooking oil, oil
 - The shortages in supply triggering spiralling inflation in many areas
 - Salary inflation budgeted at 2% with the actual being an average of around 6% creating a budget pressure of nearly £0.500m
 - Construction costs and construction materials
 - Contract costs
 - Utility costs
 - The cost-of-living crisis which has placed pressure on budgets that are demand led.
- 2.8 This situation and the impacts on costs were recognised when reporting the outturn position for 2021/22. At its meeting on 5 October 2022 full Council approved that the net £0.616m surplus should be added to the General Fund Reserve and set aside to help offset the impacts of the issues that were being faced during 2022/23 (as outlined in paragraph 2.7).
- 2.9 The 2022/23 Period 4 budget monitoring report initially forecast a General Fund deficit of £0.9m. However this has been managed down during the year, which has been helped with some additional grants being received to fund demand led budgets, alongside proactive management of budgets e.g. holding vacancies and recovery of benefits overpayments.

3. Revenue Account – Outturn 2022/23

- 3.1 The revenue account position for the year shows a deficit arising from revenue services' activity of £0.261m and a deficit arising from a reduction in retained business rates income of £0.561m, giving an overall deficit of £0.782m as detailed at Appendix A. This is after allowing for transfers to Earmarked Reserves for current and known commitments (£1.137m).
- 3.2 The transfers to and from reserves that have been made during 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 2023), and where no future budget exists or where there is a one-off commitment that continues into the 2023/24 financial year.
 - B) Where external funding has been received in 2022/23 for which the expenditure has not yet been incurred.

- C) Where the 2022/23 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 2023/24.

3.3 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. These are subject to change as the production of the Statement Accounts progresses and during the audit.

- 3.4 **Benefits Subsidy** - The Benefit Subsidy return was completed and submitted on 17 May 2023 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, there may be a subsidy repayment due to the Department for Work and Pensions. The Council holds a Benefits Earmarked Reserve to mitigate any such impact.
- 3.5 **Business Rates** - Under the current system 50% of the business rates is retained locally - the County's share is 10% and the district's share is 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 NNDR3 Return. The draft NNDR3 Return was submitted to Government on 17 May 2023 and is subject to external audit as part of the final accounts audit, before being finalised.
- 3.6 The Council, as a billing authority, has a statutory obligation to maintain a separate Collection Fund. This Fund captures all the transactions of the Billing Authority in relation to the collection from taxpayers of Council tax and National Non-Domestic Rates (NNDR) and its distribution to Local Government bodies and Central Government. The precepts/shares of council tax and the respective shares of business rates collected are distributed to the respective authorities through the Collection Fund. Should the actual business rates income collected exceed or fall short of the anticipated amounts there would be a surplus or deficit on the fund respectively. As with the benefits subsidy, the Council keeps a Business Rates Earmarked Reserve to mitigate against any negative impacts of these arrangements.
- 3.7 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 4.

2022 /23 Subjective Analysis	2022/23 Updated Budget	2022/23 Outturn	Variance	
	£000	£000	£000	%
Employee Costs	14,652	16,973	2,321	15.8
Premises	3,397	4,349	952	28.0
Transport Related Expenditure	312	300	(13)	(4.2)
Supplies & Services	12,078	12,348	270	2.2
Transfer Payments	19,848	19,424	(423)	(2.1)
Capital Financing Costs	4,134	2,457	(1,677)	(40.57)
Income	(32,328)	(35,586)	(3,257)	10.1
Total cost of services	21,697	19,956	(1,741)	(8.0)

3.8 The reasons for some of the movements included in the summary above are as follows, further details are included at section 4:

A) Employee Costs – Most of the variance on employee costs of £2.321m, relates to adjustments of £2.151m in current service costs on the Local Government Pension Scheme. This is a technical adjustment that has to be made in the accounts to comply with Accounting Standards. It 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. As these additional costs are reversed out under net operating expenditure they have no bottom-line impact on the revenue outturn position although the increase is reflected in long term liabilities on the Balance Sheet.

In addition to this, other variances include savings of (£0.608m) on posts funded from reserves, (£0.624m) of additional employee costs being funded by grants and contributions and (£0.097m) of underspends on training budgets offset by employee inflation of £0.334m.

B) Premises – Some of the more significant areas of overspending were

- a. £0.315m on repairs and maintenance on the council's assets (including car parks, public conveniences, and temporary accommodation).
- b. £0.118m on Additional Sea Defences expenditure, however this is to be funded from the coastal protection reserve.
- c. £0.188m on higher than anticipated insurance premium increases due to revaluations.
- d. £0.273m on utility charges, of which £0.239m was for electricity.

C) Transport – Savings in mileage claims and vehicle insurance have been offset by higher fuel costs giving an overall net underspend of £13k.

D) Supplies and Services – The overall overspend relates to

- a. a net overspend of £0.567m on increased Bed and Breakfast costs (partly offset by Housing benefit and client contributions) – an impact of the cost-of-living crisis.
- b. £0.387m overspend on grants and contributions paid out, such as hardship grants, however these are funded from grants – an impact of the cost-of-living crisis.
- c. £0.152m overspend on the leisure contract, which is due to the contract being renegotiated during the year and whilst this increased the cost for 2022/23 it will reduce the cost in future years.
- d. (£47k) saving on insurances.
- e. (£54k) reduction in the provision for bad and doubtful debts.
- f. Planned use of reserves of (£0.588m) including Environmental Sustainability, Local Plan expenditure, and Community grants.

F) Transfer Payments – The underspend relates to the total of amount of housing benefits paid out in 2022/23 being lower than anticipated. However this is offset by a reduction in Subsidy received from the Department for works and Pensions (DWP).

H) 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 as they are reversed out.

I) Income – The favourable variance of (£3.157m) relates to various underspends offset by some areas of overspend.

- a. (£2.574m) Grant funding received in the year, which has been used to fund additional costs including staffing, and grants and contributions paid out.
- b. (£1.104m) Other recoverable charges relating to benefit overpayment debt and temporary accommodation costs.
- c. Service income including Car parks (£0.342m).
- d. Waste and recycling (£0.417m).
- e. £1.376m Housing Benefit Subsidy – of which £0.495m is due to a reduction in subsidy payment volume (see point F above). However there was a substantial shortfall of £0.714m in income. This relates to there being a cap or maximum amount that can be claimed in recoverable subsidy for costs of temporary accommodation costs.

4. Revenue Account – Detailed Commentary 2022/23

- 4.1 This section of the report highlights the more significant variances for direct cost and income when compared to the current budget. Further details can be found in Appendix B. Accounting standards require several notional charges to be made to service accounts e.g., capital charges, revenue expenditure funded from capital under statute (REFCUS) and pension costs, and whilst they do not have an impact on 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 - 2022/23 Revenue Account
(Excluding Notional Charges)**

	Updated Budget £	Outturn £	Variance £
Service Area:			
Corporate Leadership /Executive Support	365,763	41,539	(324,224)
Communities	9,245,202	7,828,651	(1,416,551)
Place and Climate Change	5,003,656	4,150,224	(853,432)
Resources	3,212,331	3,585,488	373,157
Net Cost of Services	17,826,952	15,605,904	(2,221,048)
Parish Precepts	2,724,873	2,724,972	99
Net Interest Receivable/ Payable	(991,120)	(1,282,349)	(291,229)
MRP - Waste Contract	562,500	661,723	99,223
Capital Financing	1,413,426	810,274	(603,152)
Contribution to /(from) Earmarked Reserves	(3,133,850)	78,372	3,212,222
Contribution to /(from) General Reserve	(100,330)	(35,826)	64,504
Net Service Expenditure/Income to be met from government Grant & Taxpayers	18,302,451	18,563,070	260,619
Government Grants and Council Tax	(18,302,451)	(17,781,505)	520,946
Net (Surplus)/Deficit for the year	0	781,564	781,564

4.2 **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. Further detailed variance explanations are provided in the appendices. These figures represent service variances before any additional contributions to/(from) reserves and revenue contributions to capital.

Service and Details
Corporate
Human Resources and Payroll – £40k Employee costs due to pay increase, £12k Recruitment costs, (£53k) Training budget offered as a one-off saving as part of the 2023/24 budget process.
Corporate Leadership Team – £53k Employee costs due to pay increase, £19k Temporary Section 151 cover, and £16k recruitment costs.
Corporate Delivery Unit – (£43k) Employee savings due to vacant posts. (£13k) Savings on subscription budgets no longer required.
Communities – Leisure and Environmental Health
Public Protection – (£57k) Additional fee income including £49k in relation to Taxi Licencing which has to be ringfenced in an earmarked reserve.

<p>Leisure Complexes – £152k Additional contract management fees resulting from an in-year contract change. £28k Higher Insurance premiums.</p>
<p>Other Sports – Net Mammoth Marathon costs £50k</p>
<p>Cromer Pier – £77k Higher insurance premiums.</p>
<p>Waste Management and Disposal – £170k Serco variable billing contract payments were higher than forecast. £14k Additional consultancy fees. (£277k) Additional service fee income. (£118k) Returned gate fee and profit share from Norfolk Environmental Waste Services (NEWS) relating to 2021/22 and a request has been made to transfer this to an earmarked reserve 'Innovation Fund'. It is proposed that some of this be used to part fund the purchase of 2 refuse freighters required to meet growing demand. There is a separate report on this agenda for this.</p>
<p>Cleansing – (£103k) Savings in Serco cleansing contract relating to one-off events.</p>
<p>Communities - People Services</p>
<p>Benefits Administration – £92k Additional staffing costs offset by grants. (£138k) Grants received from the DWP to offset additional costs of legislative changes and service improvements. (£28k) Additional administration subsidy.</p>
<p>Homelessness – £257k Temporary accommodation costs offset by additional subsidy (£579k) and client contributions. Additional grant income has been allocated to fund staffing costs in the wider People Services department.</p>
<p>Housing Options – £151k Additional staffing costs offset by grant funding.</p>
<p>Community – £345k Additional staffing funded by grant Income. This includes the Community Connectors and Homes for Ukraine support. £1.364m Additional community grants with underspends being transferred to reserves so that it can be spent in future years.</p>
<p>Place and Climate Change – Planning</p>
<p>Development Management – (£27k) Employee costs. £60k Legal fees. £11k Subscriptions. £21k Lower fee income.</p>
<p>Planning Policy – (£35k) Staff turnover savings. (£210k) Slippage in Local Plan expenditure which is offset by a reduced contribution from the New Homes Bonus reserve. (£36k) Consultancy costs.</p>
<p>Conservation Design and landscape – (£31k) Temporary posts not recruited. (£49k) Conservation area appraisals funded from the General reserve. (£10k) Contributions no longer payable.</p>

Place and Climate Change – Economic Growth
<p>Coast Protection – £117k Additional Sea Defence expenditure funded from reserves. Coastal Transition Accelerator Programme (CTAP) employee costs covered by grant income. Surplus income to be earmarked for CTAP activities.</p>
<p>Environmental Strategy – (£20k) Employee savings due to vacant posts – reserve funded. (£187k) Tree Planting underspend of which £120k has been previously approved is carried forward to fund legacy projects in 2023/24 and future years. (£20k) Professional fees relating to the Green Build event, partially offset by reduced fee income of £14k.</p>
<p>Coastal Management – (£152k) Funded employee costs not recruited.</p>
Resources – Finance, Assets and Legal
<p>Revenue Services – £60k Movement in the Provision for bad and doubtful debts. (£461k) Grant income including some residual Covid-19 funding.</p>
<p>Benefits Subsidy – (£174k) Movement in the provision for Bad and doubtful debts. £495k Reduced Housing Benefit payments made in 2022/23 offset by reduced subsidy claimed from the DWP. £714k The subsidy shortfall relates to irrecoverable subsidy on temporary accommodation. (£308k) net movement in relation to benefit overpayments.</p>
<p>Admin Buildings – £105k Electricity, £10k Gas, £17k Insurance Premiums, £37k Contract Cleaning, £43k Repairs and maintenance</p>
<p>Corporate Finance – (£44k) Budgeted apprentice posts not recruited. £35k Agency staff cover. £11k Subscriptions.</p>
<p>Investment Properties – £31k Electricity (Rocket House and Other Lettings), £14k Insurance Premiums (Other Lettings), £77k Repairs and maintenance mainly on the Rocket House. £62k Additional Rental and service charge income (£34k) for Rocket House and (£23k) Other Lettings</p>
<p>Corporate and Democratic Core – £40k Audit Fees (19/20 payment made in 22/23). Supplies and Services including, £18k Bank Charges, £14k Consultancy Fees, £30k Other Professional Fees, £71k Contributions of which £67k is funded from Business Rates reserve i.e. (Enterprise Zone).</p>

Resources – Organisational Resources
<p>Car Parking – £198k Premises related expenditure including utilities, rent and repairs and maintenance. (£314k) Additional income including ticket income and penalty notices.</p>
<p>Public Conveniences – £139k Premises related expenditure including insurance premiums, utilities, rent and repairs and maintenance.</p>

Non-Service Income and Expenditure

- 4.3 The non-service expenditure and income predominantly relates to investment income (interest and dividends). The original income budget for 2022/23 was £1.149m, but the actual investment income for the year was £1.449m. This favourable variance £300k is due to actual interest rates (actual averaging 3.53%) being higher than those anticipated when setting the budget (average rate assumed at 2.68%).
- 4.4 Borrowing costs were £165k, which were £19k higher than the budget of £146k. This was due to the interest rates being higher than anticipated, the amount of borrowing undertaken was as anticipated. All borrowing was short-term borrowing (less than 1 year duration) and was undertaken to meet shortfalls in its cash flow to fund its operations and capital programme.
- 4.5 The full details of the Treasury Management activity and performance for the year are contained in a separate report on this agenda. Significant points to note though, are that £9.419m was withdrawn from the Council's investment in pooled funds. This was done to manage the cashflow in the longer-term following a request at short notice for the repayment of COVID-19 Grant from the Government. The Council has brought the level of its pooled fund investments down to £22.581m. As at the 31st March 2023, the Council has loans invested with Housing Associations to the value of £2.332m. but with good cash flow planning the Council should be able to balance any costs of borrowing with the interest earned on its investments.

Retained Business Rate Income

- 4.8 The Council re-joined the Norfolk Business Rates Pool again in 2022/23. This is beneficial for all authorities within the Pool.
- 4.9 Accounting for Business Rates collection is a complex area as it involves three financial years and contributions to and from other external organisations over this time too. In addition to the normal complexities, there has been the impact of the additional COVID 19 pandemic grants to account for. The Council received grants from central government to redistribute as additional reliefs to the retail hospitality & leisure and nurseries sectors. This was to support businesses during the COVID 19 pandemic national lockdown. The value of this relief totalled £10m for the North Norfolk District in 2020/21. Although full compensation was provided to the authority by the government

through section 31 grants, the timing has meant that there has been a deficit created in the Collection Fund and this is still working its way through the accounts. Due to cash flow problems being experienced by Local Authorities during the pandemic, 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% was accrued in anticipation of returning it to Central Government. The grant has been repaid during 2022/23.

- 4.10 There are large variances on Retained Business Rates due to the timing difference between Section 31 grant being received and being accounted for, and the accounting for the Council's share of the deficit on the Collection Fund. This grant money was transferred to the Business Rates Reserve to offset the anticipated deficit which would affect the Council in the 2022/23 financial year alongside normal monies held in reserve.
- 4.11 The year-end position is that there is a deficit of £0.521k for Retained Business Rates Income when the actual outturn is compared to the budget. It is proposed to fund this deficit from the Business Rates Reserve. However this is the draft calculated position and may be subject to change once the calculations have been checked during the closure of accounts process which will follow on from the producing the outturn position.

5. Reserves

- 5.1 The Council holds a General Reserve for which the recommended balance for 2022/23 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.
- 5.2 The outturn position for the year ending 31 March 2022 was a net £0.616m surplus and at its meeting on 5 October 2022 full Council approved that it should be added to the General Reserve in order to help offset the impacts of pay and inflation at above budgeted levels in 2022/23, resulting from the volatile and unstable global economy (the reaction to the impact of COVID-19 and the war in Ukraine). This report recommends funding the 2022/23 deficit from the General Reserve and that it should be met from the 2021/22 surplus £0.616m set aside to meet this.
- 5.2 In addition to the General Reserve the Council holds several 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.
- 5.3 There are several 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.
- 5.4 Section 4 of the report has highlighted several 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.

5.5 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 (£3.234m) out of earmarked reserves. At outturn the final transfer made was £42k inwards, resulting in a variance of £3.276m the most significant movements are as follows.

- **Business Rates Reserve** – Business rates shortfall after final accruals (£0.521m) – please note this is not yet reflected in the Reserves position.
- **Coast Protection** - (£0.117m) Additional Sea defence expenditure. Grant roll forward request re CTAP funding programme.
- **Grants Reserve** - £0.404m – This relates to residual COVID grants which had unspent balances as of 31st March 2023.
- **Delivery Plan Reserve** – £1.415m, Capital financing and slippage in funded posts.
- **Housing Reserve** - £0.711m - lower than budgeted transfer out of this reserve to fund staffing costs. Grant roll forward requests totalling £0.593m have been transferred to this reserve.
- **Restructuring & Invest to Save Reserve** - (£0.336m) 2022/23 Capital financing.
- **Planning** – £0.149m Staffing savings earmarked for use in 2023/24 budget.
- **New Homes Bonus** – £0.160m Slippage in Local Plan expenditure.

5.7 The General Reserve balance as of 31 March 2023 stands at £2.910 million, which is above the minimum recommended balance. The funding of the deficit of £0.261m has not yet been actioned in the General Reserve. This will reduce the balance to £2.649m which is still above the minimum recommended balance.

6. Capital Programme 2022/23

6.1 This section of the report presents the financing of the capital programme for 2022/23, together with the updated programme for the financial years 2023/24 to 2027/28. Appendix D provides the detail of the outturn for the 2022/23 capital programme for all service areas and variances prior to any adjustments to the original year budgets. The updated capital programme for 2023/24 to 2027/28, after all carry forwards and bringing back of budgets, have been done together with the financing for all schemes is attached at Appendix E.

6.2 The outturn position for the 2022/23 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.

- 6.3 In total the expenditure on the capital programme for the 2022/23 year was £6.862m compared to an updated 2022/23 budget of £16.337m giving an underspend of £9.475m. This is the draft outturn position as at 31st March 2023 before any reprofiling has been done. The 'Updated Budgets' shown in Appendix D are the latest approved budgets.
- 6.4 The significant underspend is attributable to multiple factors. Some projects have not progressed as far as originally planned due to delays in confirming the finances available to budget managers. This was due to resource issues within the Finance Team meaning that there wasn't anyone with the knowledge and expertise in Capital to cover this area of work. This issue is being resolved as interim resource has been brought in and there is currently a recruitment campaign underway to appoint permanent staff.
- 6.5 The financing of the capital programme is as below. Details of the Capital Expenditure and the financing for 2022/23 can be found in Appendix D.
- Expenditure was funded by:
- £2.516m of capital receipts,
 - £1.835m of grants,
 - £1.754m of contributions
 - £0.810m from reserve allocations.
 - (£0.054m) Prior year adjustment to the borrowing which has been applied in financing the 2022/23 programme.
- 6.6 There were four capital projects outstanding from 2021/22 that were completed in 2021/22 and so the 2022/23 budget was not required. These were:
- The Car Park Ticket Machine Replacement Programme.
 - Steelworks Protection to Victory Pool and Fakenham Gym
 - Fakenham Gym
 - The Splash Gym Equipment
- 6.7 Capital receipts generated from the sale of assets during 2022/23 were:
- £1.671m earned from the sale of the Parklands site.
 - £0.417m from the sale of Property (7-9 Bridewell Street).
 - £0.778m from Right to Buy sales relating to the Council's old housing stock.
- 6.8 For schemes which did not complete in 2022/23 and where there was an underspend of the 2022/23 budget allocation, the unspent budgets have been rolled forward into 2023/24. The significant capital roll-forwards (i.e., over £100k of slippage) can be found in the table below and are detailed in Appendix E.
- 6.9 Within the capital programme there is capital expenditure planned for 2023/24 to 2025/26 of £250k per annum for the provision of temporary accommodation. It was planned to fund these through the use of preserved Right-to-buy capital receipts. There is a need for this accommodation now and so it is proposed that the expenditure is all moved into 2023/24 and that in the short term the expenditure is funded by borrowing if there is a short in

capital receipts. Then, moving forward the capital receipts can be applied to reduce the borrowing requirement until such time as the borrowing reduces to zero. This is included as a recommendation for Cabinet.

Table 3 - Budget Slippage from 2022/23 to the 2023/24 Capital Programme over £100,000

Capital Project	2022/23 Budget rolled-forward into 2023/24
Cornish Way Industrial Units	£140,120
Public Conveniences Improvements (Net budget remaining across full scope of programme)	£248,964
CPO of Long-Term Empty Properties	£434,294
Fakenham Urban Extension	£1,780,000
Loans to Housing Providers	£150,000
Property Acquisitions	£704,784
Community Housing Fund	£1,335,160
S106 Enabling	£1,425,000
Coastal Adaptations	£244,990
Cromer Pier – Infrastructure Steelworks	£576,087
The Reef Leisure Centre	£139,727
Cromer Coast Protection Scheme	£3,316,936
Mundesley – Refurbishment of Coastal Defences	£2,760,927
3G Facilities at North Walsham & Fakenham	£847,570

7. Capital Programme 2022/23 Update

- 7.1 Appendix E shows the updated capital programme for the period 2023/24 to 2027/28 as it currently stands. 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 2023/24 budget report and P10 monitoring report which went to full Council in March 2023.

8. Medium Term Financial Strategy

- 8.1 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.

9. Proposals and Options

This is a factual report that outlines the financial position at the year-end for the financial year 2022/23. There are proposed recommendations for Cabinet to make to full Council on 12 July 2023. The approval of these recommendations will enable the Council to maintain its strong financial position in the coming years.

10. Corporate Priorities

Delivering services within budgets enables the Council to maintain its strong financial position and maintain a robust level of reserves that may be required to address future unforeseen events.

11. Financial and Resource Implications

11.1 This report is of a financial nature and the financial implications are included within the report content.

12. Legal Implications

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

13. Risks

13.1 Financial risks are identified within the report content

14. Net Zero Target

The Council's Net Zero Strategy & Action Plan requires all decisions to be assessed and tested for consistency against the Net Zero 2030 Strategy & Climate Action Plan. Please confirm that this has been undertaken and provide any details.

15. Equality, Diversity & Inclusion

Under equality legislation, the Council has a legal duty to pay 'due regard' to the need to eliminate discrimination and to promote equality. Please ensure that you have referred to the Council's Equality, Diversity & Inclusion Strategy and outline whether there are any implications of the decision you are proposing. If the report is in relation to a key decision, an equality impact assessment should be undertaken and referenced as a background document. Any issues identified as a result of the impact assessment should be outlined here.

16. Community Safety issues

If the proposals are likely to have any impact on community safety issues, they should be referenced here.

17. Conclusion and Recommendations

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

1. The provisional outturn position for the General Fund revenue account for 2022/23
2. The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2023/24 budget
3. Use £0.261k of the General Reserve to cover the deficit of £0.261k that is the position at the year-end for 2022/23
4. The financing of the 2022/23 capital programme as detailed within the report and at Appendix D

5. The balance on the General Reserve of £2.649 million
6. The updated capital programme for 2023/24 to 2025/26 and scheme financing as outlined within the report and detailed at Appendix E
7. The roll-forward requests as outline in Appendix F are approved

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General Fund Summary Outturn 2022/23

	2022/23 Base Budget £	2022/23 Updated Budget £	2022/23 Outturn £	2022/23 Outturn Variance £
Directorate				
Corporate Leadership/Executive Support	350,720	421,717	325,310	(96,407)
Communities	9,765,875	10,512,392	9,764,789	(747,603)
Place and Climate Change	5,530,289	6,368,062	5,290,215	(1,077,847)
Resources	5,967,695	4,393,405	4,574,958	181,553
Net Cost of Services	21,614,579	21,695,576	19,955,273	(1,740,304)
Parish Precepts	2,724,873	2,724,873	2,724,972	99
Capital Charges	(2,456,953)	(2,456,953)	(2,456,964)	(11)
Refcus	(1,677,167)	(1,677,167)	0	1,677,167
Interest Receivable	(1,136,652)	(1,136,652)	(1,448,107)	(311,455)
External Interest Paid	145,532	145,532	165,758	20,226
Revenue Financing for Capital:	1,173,426	1,413,426	810,274	(603,152)
MRP Waste Contract	562,500	562,500	661,723	99,223
IAS 19 Pension Adjustment	265,496	265,496	(1,892,404)	(2,157,900)
Net Operating Expenditure	21,215,634	21,536,631	18,520,524	(3,016,107)
Contribution to/(from) the Earmarked Reserves				
Capital Projects Reserve	0	0	0	0
Asset Management	5,466	(24,534)	(35,923)	(11,389)
Benefits	(32,303)	(32,303)	(23,426)	8,877
Building Control	0	0	0	0
Business Rates	(18,000)	(18,000)	(74,051)	(56,051)
Coast Protection	(62,422)	(62,422)	202,543	264,965
Communities	(275,000)	(275,000)	(163,226)	111,774
Delivery Plan	(2,117,608)	(2,117,608)	(702,392)	1,415,216
Economic Development & Tourism	0	0	34,800	34,800
Elections	50,000	50,000	83,015	33,015
Enforcement Reserve	0	0	(29,635)	(29,635)
Environmental Health	0	0	183,283	183,283
Grants	(51,476)	(141,476)	262,700	404,176
Housing	(544,192)	(544,192)	166,678	710,870
Legal	(29,612)	(29,612)	(30,871)	(1,259)
Major Repairs Reserve	280,000	150,000	258,772	108,772
New Homes Bonus Reserve	(160,000)	(160,000)	0	160,000
Organisational Development	(12,446)	(59,156)	(17,873)	41,283
Planning Revenue	0	0	198,965	198,965
Restructuring/Invest to save	130,453	130,453	(234,987)	(365,440)
Treasury Reserve	0	0	0	0
Contribution to/(from) the General Reserve	(76,043)	(100,330)	(35,826)	64,504
Amount to be met from Government Grant and Local Taxpayers	18,302,451	18,302,451	18,563,070	260,619
Collection Fund – Parishes	(2,724,873)	(2,724,873)	(2,724,973)	(100)
Collection Fund – District	(6,513,398)	(6,513,398)	(6,423,641)	89,757
Retained Business Rates	(7,206,520)	(7,206,520)	(6,725,157)	481,363
Revenue Support Grant	(93,540)	(93,540)	(93,540)	0
New Homes bonus	(886,575)	(886,575)	(886,575)	0
Rural Services Delivery Grant	(507,661)	(507,661)	(507,661)	0
Ctax Family Annex discount	0	0	(50,074)	(50,074)
Lower Tier Services Grant	(147,545)	(147,545)	(147,545)	0
Services Grant	(222,339)	(222,339)	(222,339)	0
Income from Government Grant and Taxpayers	(18,302,451)	(18,302,451)	(17,781,505)	520,946
(Surplus)/Deficit			781,564	781,564

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Communities Directorate

Environment and Leisure Outturn 2022/23

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Commercial Services				
Employee Costs	285,530	306,004	20,474	£35,953 Pension Fund adjustments (current service costs). (£15,479) Employee costs due to vacant post and restructure.
Transport Related Expenditure	9,778	13,607	3,829	Higher mileage and fuel costs.
Supplies & Services	48,035	5,452	(42,583)	Professional fees not spent but are partially offset by lower income generation.
Internal Support Services	173,440	196,344	22,904	
Income	(24,500)	(3,546)	20,954	Reduction in fee income (partially offset by lower costs).
	492,283	517,861	25,578	
Internal Drainage Board Levies				
Premises	432,200	438,826	6,626	Higher inflation than budgeted.
Internal Support Services	250	292	42	
	432,450	439,118	6,668	
Travellers				
Premises	8,200	6,397	(1,803)	No Major Variances.
Supplies & Services	41,400	52,940	11,540	£5,832 Higher Operating Lease rental costs. £5,525 Rental of portable toilets.
Internal Support Services	6,940	8,888	1,948	
Capital Financing Costs	23,174	23,172	(2)	No Major Variances.
Income	(2,000)	(520)	1,480	No Major Variances.
	77,714	90,876	13,162	
Public Protection				
Employee Costs	168,745	202,395	33,650	£25,793 Pension Fund adjustments (current service costs). £4,782 Employee costs. £3,492 Training costs.
Transport Related Expenditure	4,389	3,270	(1,119)	No Major Variances.
Supplies & Services	28,825	33,487	4,662	£7,613 Licensing plates; £5,305 Professional Fees & Subscriptions; (£2,991) Fewer DBS checks; (£3,000) Advertising. Balance made up of other minor variances.
Internal Support Services	127,140	142,164	15,024	
Income	(202,100)	(259,038)	(56,938)	See Note A below:
	126,999	122,278	(4,721)	
Note A: (£4,707) Grant income - Pavement Licence; (£3,743) Higher general licensing income; (£49,074) Higher Taxi Licensing income - request to roll forward to an Earmarked Reserve.				
Street Signage				
Supplies & Services	12,000	4,995	(7,005)	Fewer street signs ordered and installed.
Internal Support Services	21,040	24,738	3,698	
	33,040	29,733	(3,307)	
Environmental Protection				
Employee Costs	561,515	701,130	139,615	£93,675 Pension Fund adjustments (current service costs). £45,940 Employee costs - back pay/inflation costs.
Premises	0	248	248	No Major Variances.
Transport Related Expenditure	22,493	28,524	6,031	Higher fuel costs.
Supplies & Services	98,120	83,680	(14,440)	See Note A below:
Internal Support Services	227,770	251,736	23,966	
Capital Financing Costs	52,962	52,968	6	No Major Variances.
Income	(45,000)	(83,630)	(38,630)	See Note B below:
	917,860	1,034,657	116,797	
Note A: (£3,500) Lower equipment R&M; (£23,507) Lower Professional Fees mostly in respect of Private Water Sampling (PWS); £10,215 Enforcement Board Works (to be funded from Reserve); £2,291 Subscriptions.				
Note B: £9,772 Lower income generated from PWS and risk assessments; (£18,516) Higher level of rechargeable income received in respect of Assisted burials and rechargeable works (£13,000) Ukraine Funding for accommodation checks - request to be rolled forward and used for staffing costs in 2023/24; (£16,000) Recovery of Fixed Penalty Notices - to be utilised as part of the Environmental Health budget savings bid in 2023/24 towards staffing costs.				
Environmental Contracts				
Employee Costs	297,261	357,626	60,365	£48,869 Pension Fund adjustments (current service costs). £12,607 Employee costs - back pay/inflation costs.
Transport Related Expenditure	12,463	13,324	861	No Major Variances.
Supplies & Services	1,275	4,480	3,205	No Major Variances.
Internal Support Services	(315,520)	(380,119)	(64,599)	
Capital Financing Costs	4,521	4,524	3	No Major Variances.
Income	0	165	165	No Major Variances.
	0	0	0	

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Corporate Health and Safety				
Employee Costs	0	13,389	13,389	New post - funded by departmental restructure.
Transport Related Expenditure	0	72	72	No Major Variances.
Supplies & Services	0	378	378	No Major Variances.
Internal Support Services	0	(13,840)	(13,840)	
Income	0	0	0	No Major Variances.
	0	0	0	
Markets				
Employee Costs	16,486	17,473	987	No Major Variances.
Premises	35,914	27,050	(8,864)	Lower rental costs.
Supplies & Services	3,850	1,204	(2,646)	Bad Debts provision.
Internal Support Services	22,680	26,904	4,224	
Income	(40,000)	(35,631)	4,369	Lower income from traders.
	38,930	36,999	(1,931)	
Parks & Open Spaces				
Premises	238,773	258,105	19,332	See Note A below:
Supplies & Services	72,500	74,836	2,336	Surveyor fees and signage.
Internal Support Services	127,370	141,848	14,478	
Capital Financing Costs	16,206	16,200	(6)	No Major Variances.
Income	(8,500)	(14,497)	(5,997)	Higher interest on grassed area deposits.
	446,349	476,492	30,143	
Note A: £26,172 Higher R&M costs - the majority of this relates to works at Cromer & Sheringham Yacht Ponds; (£9,921) Serco - Lower Grounds Maintenance costs. (£3,145) Lower rental costs; £6,605 Higher utility costs.				
Foreshore				
Employee Costs	19,787	22,671	2,884	£3,746 Pension Fund adjustments (current service costs). Offset by other minor variances in relation to Employee Costs.
Premises	104,876	100,588	(4,288)	(£30,026) Lower R&M costs; £25,738 Amenity lighting electricity costs.
Transport Related Expenditure	700	877	177	No Major Variances.
Supplies & Services	5,300	390	(4,910)	Equipment not purchased.
Internal Support Services	111,360	117,814	6,454	
Capital Financing Costs	27,880	27,876	(4)	No Major Variances.
Income	0	(1,063)	(1,063)	No Major Variances.
	269,903	269,153	(750)	
Leisure Complexes				
Employee Costs	0	(8,577)	(8,577)	Reimbursement of an insurance claim.
Premises	105,393	128,610	23,217	See Note A below:
Supplies & Services	36,553	195,943	159,390	See Note B below:
Support Services	90,150	103,394	13,244	
Capital Financing Costs	492,459	492,468	9	No Major Variances.
Income	0	(728)	(728)	No Major Variances.
	724,555	911,111	186,556	
Note A: £9,208 Higher R&M costs at Cromer Sports centre; £2,351 Higher Grounds Maintenance costs (Serco); (£19,793) Lower hall hire costs; £28,443 Higher Insurance premiums; £2,988 Higher utility/running costs.				
Note B: £151,687 Management Fees - change in contract in-year; £4,080 Equipment purchases; £2,950 Other professional fees - surveys at The Splash/Reef.				
Other Sports				
Employee Costs	42,349	33,694	(8,655)	(£11,940) Sports Development post now deleted from establishment in departmental restructure; £3,285 Marshalling at the Mammoth Marathon.
Premises	5,200	5,944	744	No Major Variances.
Transport Related Expenditure	0	67	67	No Major Variances.
Supplies & Services	33,200	115,920	82,720	£89,050 Costs associated with the Mammoth Marathon; (£8,400) Grants and professional fees not spent in year. Balance made up of other minor variances.
Internal Support Services	60,520	69,685	9,165	
Income	0	(42,305)	(42,305)	Fees income for Mammoth Marathon.
	141,269	183,004	41,735	

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Recreation Grounds				
Premises	6,400	5,625	(775)	No Major Variances.
Supplies & Services	6,000	7,861	1,861	No Major Variances.
Internal Support Services	3,410	4,180	770	No Major Variances.
Capital Financing Costs	5,632	5,628	(4)	No Major Variances.
Income	(1,000)	(1,090)	(90)	No Major Variances.
	20,442	22,203	1,761	
Pier Pavilion				
Employee Costs	0	779	779	No Major Variances.
Premises	9,000	10,012	1,012	£7,012 Higher R&M costs relating to fixed wire testing and pump servicing offset by (£6,000) Saving in utility costs.
Internal Support Services	25,770	30,316	4,546	
Capital Financing Costs	17,020	17,016	(4)	No Major Variances.
	51,790	58,123	6,333	
Beach Safety				
Premises	2,750	1,198	(1,552)	No Major Variances.
Supplies & Services	414,180	371,872	(42,308)	See Note A below:
Internal Support Services	69,990	80,828	10,838	
	486,920	453,899	(33,021)	
Note A: (£40,048) Lower Cleansing costs (Serco); £5,349 Higher management fee for RNLI (Lifeguarding) contract; (£12,423) R&M for Memorial seats not spent. £4,834 Misc. expenditure relating to Beach Safety - E.g. Blue Flag applications and beach signage. Balance made up of other minor variances.				
Woodlands Management				
Employee Costs	130,407	158,873	28,466	£22,091 Pension Fund adjustments (current service costs). £6,375 Employee inflation.
Premises	50,374	72,663	22,289	Higher R&M costs - includes tree safety works.
Transport Related Expenditure	21,182	25,284	4,102	Higher fuel costs.
Supplies & Services	12,450	20,579	8,129	Cost of events at Holt Country Park and signage at Pretty Corner Woods (partially offset by grant income).
Internal Support Services	152,570	169,082	16,512	
Capital Financing Costs	1,346	1,344	(2)	No Major Variances.
Income	(33,960)	(70,492)	(36,532)	See Note A below:
	334,369	377,334	42,965	
Note A: (£16,942) Higher income from Car Parking charges; (£4,264) Grant income; (£2,608) Events income; (£10,878) Rechargeable income from the Woodland Trust for Pretty Corner Woods.				
Cromer Pier				
Premises	122,140	188,032	65,892	(£10,701) Lower R&M costs; £76,562 Higher insurance premium.
Supplies & Services	4,000	190	(3,810)	Professional fees not spent.
Internal Support Services	97,720	107,636	9,916	
Capital Financing Costs	20,737	20,736	(1)	No Major Variances.
	244,597	316,594	71,997	
Waste Collection And Disposal				
Employee Costs	0	560	560	No Major Variances.
Supplies & Services	4,467,050	4,651,722	184,672	See Note A below:
Internal Support Services	472,660	539,381	66,721	
Capital Financing Costs	459,571	459,576	5	No Major Variances.
Income	(3,824,500)	(4,249,453)	(424,953)	See Note B below:
	1,574,781	1,401,786	(172,995)	
Note A: £169,783 Serco variable billing contract payments; (£21,714) NEWS contractor payments - change in price per tonne; £14,412 Consultancy costs associated with legal advice. £12,857 Contribution to Norwich City Council for Smoothing Mechanism. £8,831 Bad debt written off.				
Note B: (£276,811) Additional fee income; £9,650, Recycling credit income - lower tonnage and higher than budgeted cost per tonne; (£118,209) Returned gate fee and profit share from Norfolk Environmental Waste Services (NEWS) relating to 2021/22 - this has been requested to be rolled forward; (£11,750) Smoothing Mechanism. (£20,206) Rechargeable income relating to a Deed of Variation and legal costs. Balance made up of other minor variances.				
Cleansing				
Supplies & Services	718,000	614,811	(103,189)	Savings in the Serco Cleansing contract relating to one-off events.
Internal Support Services	46,540	54,426	7,886	
Capital Financing Costs	85,500	85,500	0	No Major Variances.
Income	(60,000)	(83,908)	(23,908)	(£19,006) Additional income from dog and litter bin recharges; (£4,895) Sale of a vehicle.
	790,040	670,829	(119,211)	

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Leisure				
Employee Costs	186,610	180,540	(6,070)	Employee savings due to re-structure of the team.
Transport Related Expenditure	8,852	5,560	(3,292)	Lower mileage claims,
Supplies & Services	5,050	23,811	18,761	£20k Contribution to Active Norfolk towards the cost of the Locality Officer - offset by salary savings within the restructure of the team.
Internal Support Services	(200,512)	(209,895)	(9,383)	
Income	0	(15)	(15)	No Major Variances.
	0	0	0	
Community Safety				
Employee Costs	20,410	22,751	2,341	This post is now vacant - the variance relates to in-year salary savings offset by a redundancy cost.
Transport Related Expenditure	1,463	242	(1,221)	No Major Variances.
Supplies & Services	4,000	5,001	1,001	No Major Variances.
Internal Support Services	22,220	24,294	2,074	No Major Variances.
	48,093	52,288	4,195	
Civil Contingencies				
Employee Costs	74,188	95,542	21,354	£12,649 Pension Fund adjustments (current service costs). The balance relates to staffing inflation.
Premises	0	0	0	No Major Variances.
Transport Related Expenditure	1,063	1,064	1	No Major Variances.
Supplies & Services	12,390	3,361	(9,029)	Savings in Equipment purchases and Other Professional fees.
Internal Support Services	37,810	42,324	4,514	
Income	0	(2,520)	(2,520)	Sale of a vehicle.
	125,451	139,772	14,321	
Ad Environmental & Leisure Svcs				
Employee Costs	75,577	90,937	15,360	£12,358 Pension Fund adjustments (current service costs). The balance relates to staffing inflation.
Transport Related Expenditure	1,763	1,670	(93)	No Major Variances.
Supplies & Services	100	417	317	No Major Variances.
Internal Support Services	(77,440)	(93,024)	(15,584)	
Income	0	0	0	No Major Variances.
	0	0	0	
Total Environment & Leisure	7,377,835	7,604,111	226,276	

Communities Directorate

People Services Outturn 2022/23

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Benefits Administration				
Employee Costs	934,098	1,163,918	229,820	£138,207 Pension Fund adjustments (current service costs). £91,604 Higher staffing costs to be funded from grants.
Transport Related Expenditure	2,463	1,895	(568)	No Major Variances.
Supplies & Services	42,400	111,783	69,383	See Note A below:
Internal Support Services	403,670	438,270	34,600	
Capital Financing Costs	31,700	31,704	4	No Major Variances.
Income	(350,000)	(523,592)	(173,592)	(£138,300) Grants received from the Department for Works and Pensions (DWP) to offset additional costs of legislative changes and service improvements. (£27,975) Higher subsidy, (£7,318) Recharges to offset subscription costs.
	1,064,331	1,223,978	159,647	

Note A: This variance relates to: £21,821 Professional fees - Civica Services, £10,450 Consultancy, £5,172 Computer software, £6,036 Subscriptions - all funded from grant income. £20,895 Bad Debt provision. £5,009 Other minor variances.

Homelessness

Employee Costs	0	90	90	No Major Variances.
Premises	162,502	111,702	(50,800)	Lower repairs/maintenance and utility/running costs.
Transport Related Expenditure	0	3,286	3,286	Taxi costs.
Supplies & Services	928,742	1,252,303	323,561	See Note A below:
Internal Support Services	873,130	1,156,592	283,462	
Capital Financing Costs	28,482	28,488	6	No Major Variances.
Income	(998,392)	(1,833,561)	(835,169)	See Note B below:
	994,464	718,900	(275,564)	

Note A: £256,986 B&B Charges, £53,356 Rent Deposit Scheme, £26,233 Bad Debts written off, £10,070 Contributions, £3,274 Severe Weather Emergency Payment (SWEP) to cover temporary accommodation costs, (£21,440) Your Choice Your Home, (£7,383) Bad Debt provision.

Note B: (£253,426) Additional grant funding over and above the Homeless Prevention Grant; (£578,533) Rent collections and service charges for temporary accommodation.

Housing Options

Employee Costs	474,654	724,093	249,439	£93,810 Pension Fund adjustments (current service costs). £151,061 Higher employee and travel costs to be funded from grant income. £4,568 Other minor variances.
Transport Related Expenditure	9,000	5,352	(3,648)	Lower mileage claims.
Supplies & Services	9,679	4,453	(5,226)	Lower equipment and postage costs.
Internal Support Services	(493,333)	(727,462)	(234,129)	
Income	0	(6,435)	(6,435)	Grant income relating to Target Hardening project - used for staffing.
	0	0	(0)	

Community

Employee Costs	513,355	988,195	474,840	£139,653 Pension Fund adjustments (current service costs). £344,888 The majority of this relates to employee costs for fixed term posts - funded from various grants. (£9,701) Other minor variances.
Premises	50,000	52,057	2,057	No Major Variances.
Transport Related Expenditure	11,089	17,795	6,706	Travelling costs funded from grants.
Supplies & Services	410,323	503,318	92,995	£48,982 Professional fees relating to "Your Own Place". £47,156 Health & Community grant payments. (£3,143) Other minor variances.
Internal Support Services	205,096	134,746	(70,350)	
Capital Financing Costs	0	0	0	No Major Variances.
Income	(114,101)	(1,478,310)	(1,364,209)	See Note A below:
	1,075,762	217,801	(857,961)	

Note A: (£35k) Contribution from NHS for the Community Transformation Fund (Waiting Well); (£41k) Contribution from NCC for Secondary Care Social Prescribing; (£64k) Contributions from Primary Care Trust; Grants of (£347k) Covid Recovery Fund, (£613k) Contain Outbreak Management Fund (COMF), (£245k) Ukraine Funding and (£78k) UK Prosperity Funding - received against a budget of £114k - used for staffing and partnership payments. (£54,823) Disabled Facility Grant - Self Pay income.

Ad People Services

Employee Costs	72,791	90,979	18,188	£12,344 Pension Fund adjustments (current service costs). The balance relates to staffing inflation.
Transport Related Expenditure	1,213	963	(250)	No Major Variances.
Supplies & Services	100	0	(100)	No Major Variances.
Internal Support Services	(74,104)	(91,942)	(17,838)	
Income	0	0	0	No Major Variances.
	0	0	0	

Total People Services **3,134,557** **2,160,679** **(973,878)**

Total Communities **10,512,392** **9,764,790** **(747,602)**

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Corporate Directorate Outturn 2022/23

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Human Resources & Payroll				
Employee Costs	378,616	428,839	50,223	£51,253 Pension Fund adjustments (current service costs), £40,085 Employee costs due to pay increase, £12,400 Recruitment costs, (£53,086) Training budget offered as saving.
Transport Related Expenditure	690	155	(535)	No Major Variances.
Supplies & Services	28,750	50,167	21,417	£15,578 Legal advise, £8,026 Specialist employment advise. (£2,187) Other minor variances.
Internal Support Services	(360,346)	(475,928)	(115,582)	
Income	(1,000)	(3,233)	(2,233)	No Major Variances.
	46,710	0	(46,710)	
Registration Services				
Employee Costs	126,030	121,145	(4,885)	£16,093 Pension fund adjustments (current service costs), (£18,670) Employee savings due to vacant posts. (£2,308) Other minor variances.
Premises	1,050	820	(230)	No Major Variances.
Transport Related Expenditure	400	590	190	No Major Variances.
Supplies & Services	58,830	52,631	(6,199)	£5,120 Printing costs due to household notification letters. (£7,195) Postage saving as now completed externally. (£4,124) Other minor variances.
Internal Support Services	165,910	185,612	19,702	
Income	(1,500)	(35,489)	(33,989)	(£33,015) New burdens funding to be rolled forward to cover additional costs in the May 2023 Elections.
	350,720	325,310	(25,410)	
Corporate Leadership Team				
Employee Costs	700,541	866,352	165,811	£101,939 Pension fund adjustments (current service costs), £53,110 Employee costs due pay increase, £7,665 Recruitment advertising costs, £3,167 Training.
Premises	0	70	70	No Major Variances.
Transport Related Expenditure	10,652	7,384	(3,268)	No Major Variances.
Supplies & Services	17,480	41,374	23,894	£18,710 Professional fees for temporary S151 officer and recruitment of replacement officer. £7,875 Placement fee for S151 officer. (£2,691) Other minor variances.
Internal Support Services	(704,386)	(911,447)	(207,061)	
Income	0	(3,733)	(3,733)	No Major Variances.
	24,287	(0)	(24,287)	
Communications				
Employee Costs	193,884	265,669	71,785	£39,432 Pension fund adjustments (current service costs), £37,353 Employee costs due pay increase and maternity cover, (£5,000) Training.
Transport Related Expenditure	963	2,322	1,359	No Major Variances.
Supplies & Services	58,700	40,697	(18,003)	(£14,417) Saving on magazine, (£4,000) Professional photography.
Internal Support Services	(309,501)	(363,602)	(54,101)	
Capital Financing Costs	55,954	55,956	2	No Major Variances.
Income	0	(1,042)	(1,042)	No Major Variances.
	0	0	(0)	
Corporate Delivery Unit				
Employee Costs	169,572	145,420	(24,152)	£19,097 Pension fund adjustments (current service costs), (£43,175) Employee savings due to vacant posts.
Transport Related Expenditure	1,200	29	(1,171)	No Major Variances.
Supplies & Services	16,540	3,542	(12,998)	(£12,685) Subscription not needed - offered as saving.
Internal Support Services	(187,312)	(148,990)	38,322	
Income	0	0	0	No Major Variances.
	0	0	0	
Total Corporate Directorate	421,717	325,310	(96,407)	

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Place and Climate Change

Sustainable Growth Outturn 2022/23

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Economic Growth				
Employee Costs	1,510	4,711	3,201	Fixed term employee costs covered by capital income.
Premises	0	15,836	15,836	£8,790 Sheringham Little Theatre boiler report & repairs. £5,181 Sheringham Little Theatre premises insurance not budgeted for on ZBB. Other minor variances
Transport Related Expenditure	0	127	127	No Major Variances.
Supplies & Services	98,490	207,334	108,844	See Note A below:
Internal Support Services	238,720	285,208	46,488	
Capital Financing Costs	2,037	2,040	3	No Major Variances.
Income	(27,000)	(155,744)	(128,744)	See Note B below:
	313,757	359,513	45,756	
Note A: £82,928 Grant payments covered by grant income below. £30,000 Sheringham Little Theatre grant to be paid from reserves. £17,500 New Anglia Enterprise Partnership payments funded from income below. (£13,896) Deep History Coast marketing underspend offered as a saving. (£9,250) Business Hub not implemented, offered as a saving. £1,562 Other minor variances.				
Note B: (£92,315) UK Shared Prosperity Fund grant income paid out in grant payments above. (£23,646) New Anglia Enterprise Partnership income paid out above. (£10,782) 21/22 Norfolk County Council business rates pool claim not accrued (£6,000) VENI Project income. £3,999 Other minor variances.				
Tourism				
Supplies & Services	81,600	85,897	4,297	No Major Variances.
Internal Support Services	138,030	164,250	26,220	
	219,630	250,147	30,517	
Market Town Initiatives				
Supplies & Services	0	(6,987)	(6,987)	Repaid grant from previous years.
	0	(6,987)	(6,987)	
Coast Protection				
Employee Costs	0	36,458	36,458	Coastal Transition Accelerator Programme (CTAP) employee costs covered by income below.
Premises	179,500	297,881	118,381	£117,474 Sea defences overspend to be funded from the coastal reserve. £1,180 Other minor variances.
Transport Related Expenditure	0	601	601	No Major Variances.
Supplies & Services	487,000	80,721	(406,279)	(£366,264) CTAP funds to be rolled into 23/24. (£15,000) Professional fees to fund above overspend.
Internal Support Services	309,650	365,507	55,857	
Capital Financing Costs	508,701	508,704	3	No Major Variances.
Income	(405,000)	(405,000)	0	No Major Variances.
	1,079,851	884,872	(194,979)	
Business Growth Staffing				
Employee Costs	347,239	365,656	18,417	£48,347 Pension fund adjustments (current service costs). (£27,079) Employee savings due to vacant post, reserve funded. £2,850 Other minor variances.
Transport Related Expenditure	6,852	6,523	(329)	No Major Variances.
Supplies & Services	1,200	371	(829)	No Major Variances.
Internal Support Services	(353,291)	(372,550)	(19,259)	
	2,000	0	(2,000)	

Place and Climate Change

Sustainable Growth Outturn 2022/23

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Housing Strategy				
Employee Costs	176,923	203,771	26,848	£28,173 Pension fund adjustments (current service costs). £1,325 Other minor variances.
Premises	0	17	17	No Major Variances.
Transport Related Expenditure	2,163	1,175	(988)	No Major Variances.
Supplies & Services	31,200	11,610	(19,590)	Professional and consultancy fees not needed in the year, offered as saving.
Internal Support Services	61,380	78,564	17,184	
Capital Financing Costs	777,167	0	(777,167)	Refcus transfer to be completed.
Income	(22,500)	(17,200)	5,300	Grant income lower than budgeted.
	1,026,333	277,937	(748,396)	
Environmental Strategy				
Employee Costs	140,453	139,153	(1,300)	£18,354 Pension fund adjustments (current service costs) (£19,510) Employee savings due to vacant posts, reserve funded.
Premises	0	306	306	No Major Variances.
Transport Related Expenditure	963	2,424	1,461	No Major Variances.
Supplies & Services	345,000	137,861	(207,139)	(£187,457) Tree planting underspend, reserve funded (£20,132) Green build professional fee underspend covered by reduced income.
Internal Support Services	27,250	32,218	4,968	
Income	(15,000)	(1,000)	14,000	Green build income reduction due to cancelled event covered by reduced spend above.
	498,666	310,963	(187,703)	
Coastal Management				
Employee Costs	449,694	341,220	(108,474)	£43,791 Pension fund adjustments (current service costs) (£152,265) Cancelled posts covered by reduced income below and reserve funds.
Premises	0	13	13	No Major Variances.
Transport Related Expenditure	16,815	12,282	(4,533)	No Major Variances.
Supplies & Services	30,720	11,464	(19,256)	(£17,572) Professional fees that were used and funded by CTAP. (£1,684) Other minor variances.
Internal Support Services	(367,229)	(266,315)	100,914	
Income	(130,000)	(98,665)	31,335	Reduced external funding due to cancelled posts above.
	0	0	(0)	
Ad Sustainable Growth				
Employee Costs	82,761	100,331	17,570	£13,626 Pension fund adjustment (current service costs). £3,944 Employee costs due to pay increase.
Transport Related Expenditure	1,463	1,090	(373)	No Major Variances.
Supplies & Services	100	208	108	No Major Variances.
Internal Support Services	(84,324)	(101,629)	(17,305)	
	0	0	(0)	
Total Sustainable Growth	3,140,237	2,076,445	(1,063,792)	

Place and Climate Change

Planning Outturn 2022/23

Service

	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Development Management				
Employee Costs	956,145	1,077,472	121,327	See Note A below:
Transport Related Expenditure	27,402	24,371	(3,031)	No Major Variances.
Supplies & Services	99,391	168,443	69,052	£59,695 Legal fees, predominantly Cley appeal. £10,590 Subscriptions - to be reviewed.
Internal Support Services	751,570	818,813	67,243	
Capital Financing Costs	76,501	76,500	(1)	No Major Variances.
Income	(858,216)	(840,132)	18,084	£10,610 Planning application fees down £9,644 Pre-application fees down.
	1,052,793	1,325,467	272,674	

Note A: £147,034 Pension fund adjustments (current service costs), £5,058 Unplanned recruitment costs, (£16,162) Training costs unspent due to vacant post and funding from levy, (£12,679) Employee costs due to vacant post, reserve funded. (£3,480) Professional indemnity budget not needed. £1,556 Other minor variances.

Planning Policy

Employee Costs	434,593	457,778	23,185	£60,032 Pension fund adjustments (current service costs) (£34,842) Employee costs due to vacant posts.
Transport Related Expenditure	8,454	6,743	(1,711)	No Major Variances
Supplies & Services	270,500	24,191	(246,309)	(£210,000) Local plan fees - reserve funded to be spent in 23/24. (£36,000) Consultancy Fees.
Internal Support Services	167,770	191,600	23,830	
Income	0	(22)	(22)	No Major Variances.
	881,317	680,290	(201,027)	

Conservation, Design & Landscape

Employee Costs	338,635	282,472	(56,163)	£33,403 Pension fund adjustments (current service costs) (£89,177) Employee costs due to vacant posts, partly reserve funded.
Transport Related Expenditure	10,741	7,006	(3,735)	No Major Variances.
Supplies & Services	66,450	21,031	(45,419)	£14,039 Enforcement works funded from reserves, (£48,816) Professional fees - reserve funded to be spent in 23/24 (£9,740), Contributions no longer payable.
Internal Support Services	89,550	100,800	11,250	
Income	0	(10,057)	(10,057)	DEFRA Grant to be spent in 23/24.
	505,376	401,252	(104,124)	

Major Developments

Employee Costs	374,726	300,911	(73,815)	£37,130 Pension fund adjustments (current service costs), £8,671 Unplanned recruitment costs, (£116,316) Employee costs due to vacant posts.
Transport Related Expenditure	10,126	4,992	(5,134)	No Major Variances.
Supplies & Services	5,800	10,001	4,201	No Major Variances.
Internal Support Services	118,380	133,308	14,928	
Income	0	(873)	(873)	No Major Variances.
	509,032	448,340	(60,692)	

Building Control

Employee Costs	459,631	517,400	57,769	£64,864 Pension fund adjustments (current service costs), (£5,027) Employee costs due to vacant posts - reserve funded, (£5,000) Training delayed due to vacant posts.
Transport Related Expenditure	22,678	24,858	2,180	No Major Variances.
Supplies & Services	13,990	11,802	(2,188)	No Major Variances.
Internal Support Services	174,840	191,224	16,384	
Income	(429,000)	(435,710)	(6,710)	(£84,133) Influx of building regulation plan income due to regulation change, £72,752 Lower building regulation inspection income due to regulation change, £5,175 Energy Assessments.
	242,139	309,574	67,435	

Place and Climate Change

Planning Outturn 2022/23
Service

	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Combined Enforcement Team				
Employee Costs	219,046	215,025	(4,021)	£28,531 Pension fund adjustments (current service costs), (£30,900) Employee costs due to vacant posts - part reserve funded.
Transport Related Expenditure	10,852	9,530	(1,322)	No Major Variances.
Supplies & Services	2,750	15,460	12,710	£13,937 Agency staff fee. (£1,227) Other minor variances.
Internal Support Services	(232,648)	(240,015)	(7,367)	
	0	0	(0)	
Property Information				
Employee Costs	111,318	130,421	19,103	£13,991 Pension fund adjustments (current service costs), £9,448 Employee costs due to pay increase, (£4,000) Training not completed in year.
Transport Related Expenditure	200	0	(200)	No Major Variances.
Supplies & Services	54,750	39,312	(15,438)	(£17,961) Search fees down due to lower applications, will be reflected in income. £2,523 Other minor variances.
Internal Support Services	53,090	56,732	3,642	
Income	(182,190)	(177,618)	4,572	£7,973 Search fee income down due to lower applications. (£3,299) Grant not budgeted for.
	37,168	48,847	11,679	
Ad Planning				
Employee Costs	89,640	108,302	18,662	£14,754 Pension fund adjustment (current service costs), £3,481 Employee costs due to pay increase.
Transport Related Expenditure	1,463	963	(500)	No Major Variances.
Supplies & Services	100	569	469	No Major Variances.
Internal Support Services	(91,203)	(109,834)	(18,631)	
	0	(0)	(0)	
		(266,315)		
Total Planning	3,227,825	3,213,770	(14,055)	
Total Place and Climate Change	6,368,062	5,290,215	(1,077,847)	

Resources Directorate

Finance and Assets Outturn 2022/23

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Industrial Estates				
Premises	32,100	55,799	23,699	See Note A.
Supplies & Services	12,100	15,422	3,322	See Note B.
Internal Support Services	89,740	110,546	20,806	
Capital Financing Costs	19,246	19,248	2	No Major Variances.
Income	(191,000)	(171,903)	19,097	Lower rental and service charge income due to vacant units.
	(37,814)	29,112	66,926	
Note A: Overspends in relation to: £20,183 Insurance Premiums, £4,827 Repairs and Maintenance and £5,245 Service Charges. (£4,000) Underspend on Rent/Hire of Buildings. Other minor variances totalling (£2,556).				
Note B: (£2,700) Bad Debts Written Off. (£8,100) Marketing underspend. £13,628 Other professional fees overspend in relation to Legal fees and marketing for lease of Industrials units. Other minor variances totalling £494.				
Surveyors Allotments				
Premises	3,000	1,840	(1,160)	No Major Variances.
Supplies & Services	0	(200)	(200)	No Major Variances.
Internal Support Services	18,660	22,900	4,240	
Income	(100)	(50)	50	No Major Variances.
	21,560	24,490	2,930	
Parklands				
Premises	36,768	26,621	(10,147)	Premises underspend due to Parklands being sold during the year.
Supplies & Services	0	3,489	3,489	Parklands has now been sold. £2,700 Overspend in relation to valuation of Parklands. Other minor variances totalling £789.
Internal Support Services	47,560	47,556	(4)	No Major Variances.
Income	(66,160)	(68,942)	(2,782)	Additional rental income.
	18,168	8,723	(9,445)	
Revenue Services				
Employee Costs	767,370	877,038	109,668	£102,284 Pension Fund adjustments (current service costs). £7,384 Overspend on Employee Costs.
Premises	0	4,857	4,857	Overspend in relation to Council Tax - Other.
Transport Related Expenditure	300	1,206	906	No Major Variances.
Supplies & Services	162,328	231,276	68,948	See Note A.
Internal Support Services	605,740	661,706	55,966	
Income	(513,882)	(892,525)	(378,643)	See Note B.
	1,021,856	883,558	(138,298)	

Note A: £60,462 Bad Debt Provision. £6,850 Enforcement Board works to be funded from reserve. Overspends in relation to: £11,276 Annual Billing, £4,473 Computer Costs, £2,133 External Printing, £3,197 Other Professional Fees and £10,619 Postage Direct Costs. Underspends in relation to: (£3,134) Advertising and (£27,525) Hybrid Mailing. Other minor overspends totalling £597.

Note B: Additional income in relation to (£460,700) Grants and (£35,344) Cf Demand - District. Less than budgeted income allocated from court costs.

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Benefits Subsidy				
Supplies & Services	145,377	57,519	(87,858)	See Note A.
Transfer Payments	19,711,883	19,217,030	(494,853)	Lower housing benefit payments made in the year.
Income	(19,857,260)	(18,855,090)	1,002,170	See Note B.
	0	419,459	419,459	

Note A: (£173,595) Movement in the provision for Bad and doubtful debts. £85,737 Additional hardship grants funded from additional grant funding and reserves.

Note B: £494,853 Reduced subsidy to reflect value of benefits paid out in the year. £713,896 Shortfall in subsidy relating to temporary accommodation. £167,599 subsidy at reduced rates re overpayments. (£65,818) Additional Hardship Grants (£308,360) Recovered benefit overpayment and overpayment debt.

Non Distributed Costs

Employee Costs	0	45,024	45,024	Employee Costs Overspend
	0	45,024	45,024	
Estates				
Employee Costs	269,766	312,652	42,886	£40,881 Pension Fund adjustments (current service costs). £2,005 Employee Costs Overspend.
Premises	0	5,148	5,148	Overspend in relation to Insurance Premiums.
Transport Related Expenditure	3,500	3,858	358	No Major Variances.
Supplies & Services	40,650	93,506	52,856	See Note A.
Internal Support Services	(313,916)	(416,182)	(102,266)	
Income	0	1,018	1,018	No Major Variances.
	0	0	0	

Note A: £8,411 Overspend in relation to Insurance Premiums. £49,960 Bad Debt Provision. £4,000 Enforcement Board works to be funded from reserves. Underspends in relation to: (£4,370) Consultancy Fees, (£5,099) Other Professional Fees. Reduction in amount needed from Asset Management Reserve, budget was £5,000 but only need £925.

Admin Buildings

Employee Costs	0	225	225	No Major Variances.
Premises	440,155	643,767	203,612	See Note A.
Supplies & Services	31,591	9,556	(22,035)	See Note B.
Transfer Payments	118,956	185,513	66,557	Overspends in relation to £43,807 Internal Service Charge Cromer and £22,750 Internal Service Charge Fakenham.
Internal Support Services	(238,177)	(272,926)	(34,749)	
Capital Financing Costs	43,174	43,164	(10)	No Major Variances.
Income	(328,439)	(568,303)	(239,864)	See Note C.
	67,260	40,996	(26,264)	

Note A: Overspends in relation to: £105,202 Electricity, £10,148 Gas, £16,840 Insurance Premiums, £36,586 Contract Cleaning, £42,875 Repairs and Maintenance, mainly in relation to various repairs at Cromer and scaffolding at Fakenham. (£6,831) Underspend in relation to NNDR/Business Rates. Other minor variances totalling (£1,208).

Note B: £3,146 Material Purchases Overspend. Underspends in relation to: (£16,655) Health and Safety, (£4,500) Marketing and (£5,000) Other Professional Fees. Other minor variances totalling £974.

Note C: Additional Income in relation to: (£97,562) Cromer and Fakenham COVID-19 Cleaning costs. (£27,040) Reimbursement of Capital Costs at Fakenham, this was being paid quarterly, but has now been paid in full, no further repayments expected. (£66,557) Internal Service Charge Income, (£65,236) Service Charge Income, and (£2,251) in relation to EVCP Car parking Income. £19,188 Rental income not received. Other minor variances totalling (£406).

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Corporate Finance				
Employee Costs	484,567	498,698	14,131	See Note A .
Transport Related Expenditure	1,113	1,176	63	No Major Variances.
Supplies & Services	15,330	70,302	54,972	See Note B .
Transfer Payments	0	0	0	No Major Variances.
Internal Support Services	(514,641)	(583,807)	(69,166)	
Capital Financing Costs	13,631	13,632	1	No Major Variances.
Income	0	0	0	No Major Variances.
	0	0	0	
Note A: £51,891 Pension Fund adjustments (current service costs). (£37,760) Underspend in relation to Employee Costs. 2 x Apprentices not recruited into, therefore £44,110 budget from reserve not needed.				
Note B: Overspends in relation to: £35,125 Agency Staffing. £4,865 Other Professional Fees and £11,116 Subscriptions (error at Zero Based Budgeting where no budget was included). Other minor variances totalling £3,866.				
Insurance & Risk Management				
Employee Costs	44,372	34,044	(10,328)	Employee insurance premium underspend.
Premises	437	254	(183)	No Major Variances.
Transport Related Expenditure	17,425	9,798	(7,627)	Vehicle insurance premium underspend.
Supplies & Services	148,825	103,237	(45,588)	(£53,412) Public Liability insurance premium underspend. £8,710 Professional Fees overspend. Other minor variances totalling (£886).
Internal Support Services	(211,059)	(147,697)	63,362	
Income	0	363	363	No Major Variances.
	0	0	(0)	
Internal Audit				
Supplies & Services	80,000	46,041	(33,959)	Underspend in relation to Internal Audit Fees.
Internal Support Services	(80,000)	(46,041)	33,959	
Income	0	0	0	No Major Variances.
	0	(0)	(0)	
Chalets/Beach Huts				
Premises	24,399	30,030	5,631	Overspend in relation to Roller shutter door repairs/replacements, to be funded from Major Repairs Reserve.
Supplies & Services	26,200	20,175	(6,025)	(£8,952) Underspend in relation to Equipment Purchases. Other minor variances totalling £2,927.
Internal Support Services	102,760	117,946	15,186	
Income	(236,300)	(297,324)	(61,024)	Additional Income in relation to: (£11,220) Storage Fees and (£51,104) Rental Income. Other minor variances totalling £1,300.
	(82,941)	(129,173)	(46,232)	

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Investment Properties				
Premises	153,497	263,370	109,873	See Note A .
Supplies & Services	18,679	(28,334)	(47,013)	See Note B .
Internal Support Services	147,150	176,814	29,664	
Capital Financing Costs	76,841	76,848	7	No Major Variances.
Income	(192,676)	(254,452)	(61,776)	See Note C .
	203,491	234,246	30,755	

Note A: Underspends in relation to: (£2,727) Council Tax - Empty Properties (Other Lettings), (£6,258) Grounds Maintenance (Other Lettings and Itteringham), (£5,505) Contract Cleaning (Itteringham). Overspends in relation to: £30,534 Electricity (Rocket House and Other Lettings), £3,218 Gas (Rocket House), £14,250 Insurance Premiums (Other Lettings), £3,420 Water (Rocket House), and £77,430 Repairs and Maintenance mainly in relation to Rocket House Service/Replacement of lifts and Removal of Walls at Cromer Melbourne. £8,680 of Repairs and Maintenance overspend is in relation to roller shutter doors and is to be funded from Major Repairs Reserves. Other minor variances totalling (£4,489).

Note B: (£33,305) Bad Debts Provision. Overspend in relation to £2,413 Other Fees & Charges across all investment properties. (£16,500) Underspend in relation to Marketing (Itteringham and Other Lettings). Other minor variances totalling £379.

Note C: Additional Income in relation to: (£34,194) Charges Other Recoverable (Rocket House), (£4,861) Internal Service Charge (Rocket House) and (£23,129) Rental Income (Other Lettings). Other minor variances totalling £408.

Central Costs

Employee Costs	78,580	71,399	(7,181)	£4,313 Pension Fund adjustments (current service costs). (£11,494) Employee Costs underspend.
Transport Related Expenditure	0	840	840	No Major Variances.
Supplies & Services	15,500	5,243	(10,257)	Other professional fees underspend.
Internal Support Services	(94,080)	(77,482)	16,599	
Income	0	0	0	No Major Variances
	0	(0)	0	

Corporate & Democratic Core

Premises	0	2,228	2,228	Fixtures and Fittings Overspend - Decoration of Cromer Pier for Queens Jubilee Celebrations.
Transport Related Expenditure	0	14	14	No Major Variances.
Supplies & Services	239,700	425,122	185,422	See Note A .
Internal Support Services	1,265,540	1,568,491	302,951	
Capital Financing Costs	900,000	0	(900,000)	Refcus transfers not yet completed.
Income	0	(124,613)	(124,613)	Unbudgeted income from DCLG - Support for Levelling Up bid process.
	2,405,240	1,871,243	(533,997)	

Note A: Overspends in relation to: £40,359 Audit Fees (19/20 payment made in 22/23), £18,364 Bank Charges, £13,881 Consultancy Fees (support for levelling up bid), £29,746 Other Professional Fees, £10,242 Subscriptions, £1,865 other minor variances and £70,965 in relation to Contributions of which £67,000 is to be funded from Business Rates reserve (Scottow Enterprise Park Pot A, Pot B and Pot C funding). £10,000 to be funded from Grants Reserves for NCLS Contribution.

Members Services

Employee Costs	176,553	205,832	29,279	£27,409 Pension Fund adjustments (current service costs). £11,870 Overspend on Employee costs. (£10,000) Members Training underspend.
Transport Related Expenditure	17,610	8,949	(8,661)	Transport Costs underspend.
Supplies & Services	336,450	351,821	15,371	See Note A .
Internal Support Services	76,050	87,999	11,949	
	606,663	654,601	47,938	

Note A: Overspends in relation to: £9,108 Members Basic Allowance and £9,376 Other professional fees, unbudgeted costs in relation to Youth Council Support. Other minor variances totalling (£3,113).

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Legal Services				
Employee Costs	474,969	530,156	55,187	£74,347 Pension Fund adjustments (current service costs). (£19,160) Underspend in relation to Employee Costs.
Transport Related Expenditure	7,782	3,283	(4,499)	Travelling Allowance underspend.
Supplies & Services	70,730	80,512	9,782	See Note A .
Internal Support Services	(223,585)	(289,205)	(65,620)	
Income	(329,896)	(324,746)	5,150	See Note B .
	0	0	(0)	

Note A: (£9,429) Bad Debt Provision. Underspend of (£7,510) Client Disbursements. Overspend of £27,610 Other Professional Fees mainly in relation to a legal case and fees for additional Solicitor. Other minor variances totalling (£889).

Note B: Additional Income in relation to (£7,205) Charges Other Recoverable. Due to staffing vacancies/capacity issues Legal have been unable to continue to do some of the additional work outside of/in addition to SLA for extra income, therefore there was a reduction in Fee Income of £12,355.

Ad Finance, Assets & Legal

Employee Costs	79,585	106,145	26,560	£10,991 Pension Fund adjustments (current service costs). £15,570 Employee Costs overspend.
Transport Related Expenditure	1,213	1,048	(165)	No Major Variances
Supplies & Services	100	51	(49)	No Major Variances
Internal Support Services	(80,898)	(107,244)	(26,346)	
Income		0	0	No Major Variances
	0	0	(0)	
Total Finance, Assets and Legal	4,223,483	4,082,280	(141,203)	

Resources Directorate

Organisational Resources Outturn 2022/23

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Car Parking				
Premises	582,000	779,875	197,875	See Note A.
Supplies & Services	381,000	420,540	39,540	See Note B.
Internal Support Services	149,690	177,090	27,400	
Capital Financing Costs	75,820	75,816	(4)	Depreciation.
Income	(2,772,799)	(3,086,442)	(313,643)	See Note C.
	(1,584,289)	(1,633,121)	(48,832)	
Note A: Overspends in relation to: £26,385 Electricity, £35,691 NNDR/Business Rates, £28,507 Rent/Hire/Purchase of Land and £109,229 Repairs and Maintenance, mainly due to Flowbird smart city pay and display machine service contract, and reactive repairs at Cromer - Runton Road, North Walsham - Mundesley Road, Sheringham - Chequers and Weybourne - Beach Road. Other minor variances totalling (£1,937).				
Note B: Overspends in relation to: £13,671 Advertising, £5,281 Consultancy Fees, £20,417 Credit Card Charges, and £4,881 Management Fee. Underspend of (£4,213) in relation to Other Professional Fees. Other minor variances totalling (£497).				
Note C: Additional Income in relation to: (£121,888) Charges - Cash, (£83,823) Charges - Credit Card, (£27,203) Charges - PCN, (£76,442) Charges - Season Tickets, (£2,986) Insurance Recovered and (£10,000) Other Contributions. Reduction of £9,314 in relation to Rental Income. Other minor variances totalling £615.				
ICT - Support Services				
Employee Costs	882,335	963,667	81,332	£131,383 Pension Fund adjustments (current service costs). (£50,051) Employee Costs underspend.
Transport Related Expenditure	1,000	239	(761)	
Supplies & Services	919,353	999,398	80,045	Overspends in relation to: £20,821 Computer Costs, £54,809 Other Professional Fees and £7,113 Telephone Costs. Other minor variances totalling (£2,698).
Internal Support Services	(1,930,666)	(2,086,284)	(155,618)	
Capital Financing Costs	127,978	127,980	2	Depreciation.
Income	0	(5,000)	(5,000)	Income from Local Government Authority (LGA), to be spent on Cyber training.
	0	0	0	
Poppyfields				
Premises	3,114	2,542	(572)	No Major Variances.
Supplies & Services	19,700	18,745	(955)	No Major Variances.
Internal Support Services	21,820	26,356	4,536	
	44,634	47,643	3,009	
Property Services				
Employee Costs	555,844	691,436	135,592	£94,442 Pension Fund adjustments (current service costs). £41,149 Employee Costs overspend.
Premises	0	11,555	11,555	Overspends in relation to: £10,555 Repairs and Maintenance and £1,000 Rent/Hire of Buildings.
Transport Related Expenditure	18,389	28,070	9,681	Overspends in relation to: £2,610 Travel/Transport and £7,071 Vehicle Diesel costs/Repair costs.
Supplies & Services	32,580	46,248	13,668	See Note A.
Internal Support Services	(644,568)	(821,491)	(176,923)	
Capital Financing Costs	47,755	47,760	5	No Major Variances.
Income	(10,000)	(3,579)	6,421	Reduction of Fee Income £7,878. Other minor variances totalling (£1,457).
	0	0	0	

Note A: Underspends in relation to: (£3,271) Equipment Purchases and (£6,451) Other Professional Fees. Overspends in relation to: £12,876 Materials Purchases, £6,711 Other Fees and Charges and £3,503 Postage Direct Costs. Other minor variances totalling £300.

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Playgrounds				
Premises	24,200	40,521	16,321	£16,355 Repairs and Maintenance overspend. Other minor variances totalling £34.
Supplies & Services	53,000	93,493	40,493	Overspends in relation to: £15,491 Equipment Purchases, £10,031 Materials Purchases and £16,523 Playground Repairs. Other minor variances totalling (£1,552).
Internal Support Services	59,340	67,900	8,560	
	136,540	201,914	65,374	
Community Centres				
Premises	5,800	16,984	11,184	Overspends in relation to: £4,383 Increased Insurance Premiums and £6,855 Repairs and Maintenance. Other minor variances totalling (£54).
Internal Support Services	16,010	19,840	3,830	
	21,810	36,824	15,014	
Tourist Information Centres				
Employee Costs	64,339	86,649	22,310	£11,350 Pension Fund adjustments (current service costs). £10,960 Employee Costs overspend.
Premises	13,336	38,736	25,400	£17,572 Electricity cost overspend. Balance of £7,828 made up of other minor variances.
Transport Related Expenditure	85	0	(85)	No Major Variances.
Supplies & Services	17,820	21,250	3,430	£5,348 Purchases for Resale overspend. (£1,918) underspend made up of other minor variances.
Internal Support Services	51,550	56,556	5,006	
Capital Financing Costs	6,040	6,036	(4)	No Major Variances.
Income	(30,170)	(30,904)	(734)	No Major Variances.
	123,000	178,323	55,323	
Public Conveniences				
Premises	563,540	702,954	139,414	See Note A .
Supplies & Services	23,000	27,669	4,669	Overspends in relation to: £5,895 Sanitary & Nappy waste collection service and £3,590 Material Purchases. Underspend of (£7,000) in relation to Repairs and Maintenance. Other minor variances totalling £2,184.
Transfer Payments	16,774	21,635	4,861	Rocket House Service Charge.
Internal Support Services	190,120	231,136	41,016	
Capital Financing Costs	82,028	82,032	4	Depreciation
Income	0	(153)	(153)	No Major Variances.
	875,462	1,065,273	189,811	
Note A: Overspends in relation to: £53,029 Electricity, £14,076 Increased insurance premiums, £18,815 Rent/Hire of Buildings - Toilet unit at Weybourne, £34,236 Water Charges (includes draining down most public conveniences), £2,346 SERCO costs in relation to Contract Cleaning and £45,867 Repairs and Maintenance (unbudgeted vandalism, arson costs and programmed maintenance). Underspend in relation to (£28,416) NNDR/Business Rates. Other minor variances totalling (£539).				
Digital Transformation				
Employee Costs	164,485	176,013	11,528	£20,462 Pension Fund adjustments (current service costs). (£8,934) Underspend on Employee Costs.
Transport Related Expenditure	0	180	180	No Major Variances.
Supplies & Services	0	54	54	No Major Variances.
Internal Support Services	388,280	419,576	31,296	
	552,765	595,823	43,058	

Service	Updated Budget 2022/23 £	Outturn 2022/23 £	Outturn Variance £	Variance Explanation
Reprographics				
Employee Costs	42,349	53,977	11,628	£7,317 Pension Fund adjustments (current service costs). £4,311 Overspend on Employee Costs.
Transport Related Expenditure	250	0	(250)	No Major Variances.
Supplies & Services	40,290	33,750	(6,540)	Underspends in relation to: (£2,647) Equipment Operating Lease and (£2,366) Stationery. Other minor variances totalling (£1,527).
Internal Support Services Income	(75,389) (7,500)	(84,686) (3,041)	(9,297) 4,459	Reduction in income from external clients since COVID, some customers no longer exist and other customers are not ordering as much to keep costs down.
	0	0	0	
Customer Services - Corporate				
Employee Costs	866,577	948,409	81,832	£110,999 Pension Fund adjustments (current service costs). (£29,167) Employee costs underspend.
Transport Related Expenditure	500	3,959	3,459	Travelling allowance overspend.
Supplies & Services	62,367	51,736	(10,631)	See Note A .
Internal Support Services	(966,250)	(1,034,834)	(68,584)	
Capital Financing Costs	54,056	54,048	(8)	No Major Variances.
Income	(17,250)	(23,318)	(6,068)	Additional income of (£7,770) in relation to Service Charge. Reduction in income of £2,335 in relation to Charges Other Recoverable. Other minor variances totalling (£633).
	0	(0)	(0)	
Note A: Overspends in relation to: £5,055 Equipment Operating Lease, £8,354 Equipment Purchases and £2,733 Legal Fees. Underspends in relation to: (£6,764) Postage Direct Costs, (£4,645) Repairs and Maintenance and (£10,380) Stationery. Other minor variances totalling (£4,984).				
Ad Organisational Resources				
Employee Costs	75,642	99,745	24,103	£13,619 Pension Fund adjustments (current service costs). £10,483 Overspend in relation to Employee Costs.
Transport Related Expenditure	1,213	963	(250)	No Major Variances.
Supplies & Services	100	0	(100)	No Major Variances.
Internal Support Services Income	(76,955) 0	(100,708) 0	(23,753) 0	No Major Variances.
	0	(0)	(0)	
Total Organisational Resources	169,922	492,678	322,756	
Total Resources	4,393,405	4,574,958	181,553	
	4,393,405	4,574,958	181,553	GF Summary

Reserves Statement 2022-23 Outturn

Appendix C

Reserve	Purpose and Use of Reserve	Balance 01/04/22	Contributions In	Contributions Out	Outturn 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.	2,945,866	0	(35,826)	(35,826)	2,910,040	(356,461)	2,553,579	(9,298)	2,544,281	0	2,544,281
Earmarked Reserves:												
Capital Projects	To provide funding for capital developments and purchase of major assets.	555,618	0	0	0	555,618	(400,000)	155,618	0	155,618	0	155,618
Asset Management	To support improvements to our existing assets as identified through the Asset Management Plan.	882,030	37,506	(73,429)	(35,923)	846,107	0	846,107		846,107		846,107
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.	749,248	0	(23,426)	(23,426)	725,822	(111,305)	614,517	0	614,517	0	614,517
Building Control	Building Control surplus ring-fenced to cover any future deficits in the service.	224,115	0	0	0	224,115	(81,866)	142,249	(53,529)	88,720	(53,529)	35,191
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.	4,256,294	0	(74,051)	(74,051)	4,182,243	(1,278,267)	2,903,976	(18,000)	2,885,976	(18,000)	2,867,976
Coast Protection	To support the ongoing coast protection maintenance programme and carry forward funding between financial years.	299,889	345,017	(142,474)	202,543	502,432	0	502,432	0	502,432	0	502,432
Communities	To support projects that communities identify where they will make a difference to the economic and social wellbeing of the area.	569,776	0	(163,226)	(163,226)	406,550	(275,000)	131,550	0	131,550	0	131,550
Delivery Plan	To help achieve the outputs from the Corporate Plan and Delivery Plan.	4,326,421	0	(702,392)	(702,392)	3,624,029	(1,289,412)	2,334,617	(424,860)	1,909,757	(10,000)	1,899,757
Economic Development and Regeneration	Earmarked from previous underspends within Economic Development and Regeneration Budgets.	197,621	34,800	0	34,800	232,421	(44,800)	187,621	(10,000)	177,621	(10,000)	167,621
Election Reserve	Established to meet costs associated with district council elections, to smooth the impact between financial years.	103,000	83,015	0	83,015	186,015	(100,000)	86,015	50,000	136,015	50,000	186,015
Enforcement Works	Established to meet costs associated with district council enforcement works including buildings at risk .	90,125	0	(29,635)	(29,635)	60,490	0	60,490	0	60,490	0	60,490
Environmental Health	Earmarking of previous underspends and additional income to meet Environmental Health initiatives.	311,193	183,283	0	183,283	494,476	(16,000)	478,476	0	478,476	0	478,476

Reserves Statement 2022-23 Outturn

Appendix C

Reserve	Purpose and Use of Reserve	Balance 01/04/22	Contributions In	Contributions Out	Outturn 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
		£	£	£	£	£	£	£	£	£	£	£
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
Grants	Revenue Grants received and due to timing issues not used in the year.	2,357,656	376,188	(113,488)	262,700	2,620,356	0	2,620,356		2,620,356		2,620,356
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.	2,107,358	648,042	(481,364)	166,678	2,274,036	(555,898)	1,718,138	(189,179)	1,528,959	(52,897)	1,476,062
Land Charges	To mitigate the impact of potential income reductions.	339,152	0	0	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.	124,323	0	(30,871)	(30,871)	93,452	(31,745)	61,707	(31,745)	29,962	0	29,962
Major Repairs Reserve	To provide provision for the repair and maintenance of the councils asset portfolio.	329,207	280,000	(21,228)	258,772	587,979	0	587,979	0	587,979	0	587,979
New Homes Bonus (NHB)	Established for supporting communities with future growth and development and Plan review*	222,543	0	0	0	222,543	(178,000)	44,543	0	44,543	(18,000)	26,543
Organisational Development	To provide funding for organisation development to create capacity within the organisation, including the provision and support for apprenticeships and internships.	173,097	0	(17,873)	(17,873)	155,224	(42,742)	112,482	(7,860)	104,622	0	104,622
Pathfinder	To help Coastal Communities adapt to coastal changes.	89,566	0	0	0	89,566	0	89,566	0	89,566	0	89,566
Planning	Additional Planning income earmarked for Planning initiatives including Plan Review.	217,926	198,965	0	198,965	416,891	(148,965)	267,926	50,000	317,926	50,000	367,926
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.	898,995	144,453	(379,440)	(234,987)	664,008	0	664,008	0	664,008	0	664,008
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.	(0)	0	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	500,000	0	0	0	500,000		500,000	0	500,000	0	500,000
Total Reserves		23,021,018	2,331,269	(2,288,723)	42,546	23,063,564	(4,910,461)	18,153,103	(644,471)	17,508,632	(62,426)	17,446,206

Capital Programme Outturn 2022-23				
<u>Scheme</u>	Updated Budget 2022/23	22/23 Actual Expenditure	Variance	Reprofiling
	£	£	£	£
Boosting Business Sustainability and Growth				
Rocket House	39,620	2,784	(36,836)	36,836
Collectors Cabin	24,400	160	(24,240)	24,240
Cornish Way Industrial Units	161,860	21,740	(140,120)	140,120
Fakenham Connect/Crinkle Wall	96,060	3,631	(92,430)	92,430
North Walsham Heritage Action Zone	2,097,280	2,122,908	25,628	(25,628)
Public Convenience Improvements Fakenham and Wells	535,360	707,338	171,978	(171,978)
Public Convenience Improvements Sheringham and North Walsham	500,000	79,058	(420,942)	420,942
Weybourne Car Park Public Convenience	0	9,985	9,985	0
Unit 1 & 2, Surf Lifesaving School, Cromer Promenade	55,000	0	(55,000)	55,000
Purchase of Property Services Vehicles	25,000	10,465	(14,535)	14,535
Car Park Ticket Machine Replacement Programme	140,570	6,669	(133,901)	0
Fakenham Urban Extension	1,800,000	20,000	(1,780,000)	1,780,000
CPO of Long Term Empty Properties	444,000	0	(444,000)	444,000
Loans to Housing Providers	150,000	0	(150,000)	150,000
Public Conveniences	99,000	0	(99,000)	99,000
Crinkle Crankle Wall	130,000	0	(130,000)	130,000
Countryside Machinery	27,700	7,249	(20,451)	20,451
Property Acquisitions	0	5,216	5,216	(5,216)
Chalet Refurbishment	0	47,965	47,965	0
			0	0
Morris Street CP Boundary	0	59,935	59,935	0
	6,325,850	3,105,103	(3,220,747)	3,204,731
Local Homes for Local Need				
REFCUS - Disabled Facilities Grants - grants paid out	1,354,615	1,339,364	(15,251)	15,251
Compulsory Purchase of Long Term Empty Properties	184,820	9,706	(175,114)	175,114
Community Housing Fund	1,335,160	0	(1,335,160)	1,335,160
Provision of Temporary Accommodation	336,040	336,965	925	(925)
S106 Enabling	1,425,000	0	(1,425,000)	1,425,000
	4,635,635	1,686,035	(2,949,600)	2,949,600
Climate, Coast and the Environment				
Coastal Erosion Assistance	45,370	13,375	(31,995)	31,995
REFCUS - Windblown Sand Reimbursement	0	2,719	2,719	0
Coastal Adaptations	247,490	2,500	(244,990)	244,990
Sandscaping Monitoring	0	26,760	26,760	0
Windblown Sand Reimbursement	0	2,719	2,719	0
Cromer Pier - Infrastructure Steelworks	881,920	305,833	(576,087)	576,087
Pier Theatre Drainage	200,000	35,565	(164,435)	0
Sea Palling Ramp	9,650	0	(9,650)	9,650
Replacement of Flood Gates at Cable Gap Bacton, The Ship Bacton & Walcott Post Office	45,500	0	(45,500)	45,500
Coastal Management Fund	100,000	103,000	3,000	(3,000)
Mundesley - Refurbishment of Coastal Defences	0	198,933	198,933	(198,933)
Cromer Coast Protection Scheme	0	199,244	199,244	(199,244)
Coastal Transition Accelerator	1,015,000	55,042	(959,958)	959,958
Cromer Pier Phase 2		150	150	0
	2,544,930	945,841	(1,599,089)	1,467,002

<u>Scheme</u>	Updated Budget 2022/23 £	22/23 Actual Expenditure £	Variance £	Reprofiling £
Quality of Life				
Steelwork Protection to Victory Pool and Fakenham Gym	27,470	0	(27,470)	0
Fakenham Gym	62,500	0	(62,500)	0
The Splash Gym Equipment	161,830	0	(161,830)	0
Artificial Football Pitch - North Walsham/Fakenham	848,870	1,300	(847,570)	847,570
The Reef Leisure Centre	147,640	7,913	(139,727)	139,727
Sheringham Enabling Land	99,030	20,353	(78,677)	78,677
Green Road Football Facility	50,220	0	(50,220)	50,220
Holt Country Park	150,000	0	(150,000)	150,000
Pavilion Theatre Bar Upgrade	46,000	294,586	248,586	0
The Reef Solar Car Port	0	17,551	17,551	(17,551)
	1,593,560	341,703	(1,251,857)	1,248,643
Customer Focus and Financial Sustainability				
Administrative Buildings	10,100	1,232	(8,868)	8,868
Cromer Office LED Lighting	60,000	58,403	(1,597)	1,597
LED Lighting Programme	90,000	0	(90,000)	90,000
Fire Sensors	150,000	0	(150,000)	150,000
Electric Vehicle Charging Points	87,980	8,047	(79,933)	33,317
Waste vehicles	32,600	(32,446)	(65,046)	65,046
Purchase of Bins	8,780	142,240	133,460	0
User IT Hardware Refresh	131,070	130,463	(607)	607
Storage Hardware	17,570	0	(17,570)	17,570
Server Replacement	60,000	0	(60,000)	60,000
Members IT	23,540	21,991	(1,549)	1,549
Backup Network Upgrade	14,000	0	(14,000)	14,000
Network Hardware Replacement	100,000	91,119	(8,881)	8,881
Fire Wall Replacements	3,510	0	(3,510)	3,510
Computer Hardware Purchases (Printers - MFDs)	48,000	45,497	(2,503)	2,503
Digital Mailroom Scanner	20,000	4,383	(15,617)	15,617
Refurbishment of IT Training Room	15,000	0	(15,000)	15,000
Financial Management System	230,000	226,966	(3,034)	3,034
Folding Machine/Laminator	24,500	1,620	(22,880)	22,880
Planning S106 Software (Exacom)	40,000	45,500	5,500	0
Civica Revenues System	11,090	11,090	0	0
Long Income Family Track (LIFT) Dashboard	23,430	23,426	(4)	0
Recruitment Software	35,050	0	(35,050)	35,050
Citizen App	1,000	3,400	2,400	0
	1,237,220	782,929	(454,291)	549,031
TOTAL EXPENDITURE	16,337,195	6,861,611	(9,475,584)	9,419,007
2022/23 Capital Programme Financing Table				
Grants	1,835,656			
Other Contributions	1,754,024			
Asset Management Reserve	72,504			
Revenue Contribution to Capital (RCCO)	0			
Delivery Plan reserve	37,551			
Housing reserve	340,431			
Benefits reserve	23,426			
Capital receipts	2,516,189			
Borrowing	-54,534			
Total	6,861,611			

Capital Programme - Budget 2023/24

Scheme	Budget before brought forwards from 2022/23	Brought forwards from 2022/23	Updated Budget	Updated Budget	Updated Budget	Updated Budget	Updated Budget
	2023/24 £	2023/24 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Boosting Business Sustainability and Growth							
Rocket House Building	1,000,000	36,836	1,036,836	0	0	0	0
Collectors Cabin		24,240	24,240	0	0	0	0
Cornish Way Industrial Units		140,120	140,120	0	0	0	0
Fakenham Connect/Crinkle Crinkle Wall	130,000	92,430	222,430	0	0	0	0
North Walsham Heritage Action Zone	307,250	66,872	374,122	0	0	0	0
Public Conveniences (Fakenham & Wells)		(171,978)	(171,978)	0	0	0	0
Public Conveniences (Sheringham & North Walsham)		420,942	420,942	0	0	0	0
Changing Places Toilets	300,000	0	300,000	0	0	0	0
Unit 1 & 2, Cromer Promenade		55,000	55,000	0	0	0	0
Purchase of Property Services Vehicles		14,535	14,535	0	0	0	0
Fakenham Urban Extension		1,780,000	1,780,000	0	0	0	0
Property Acquisitions	710,000	(5,216)	704,784	0	0	0	0
Chalet Refurbishment	125,000	0	125,000	0	0	0	0
Marrams Building - Roof Repair	50,000	0	50,000	0	0	0	0
Red Lion Roof	30,000	0	30,000	0	0	0	0
Car Parks refurbishment	311,000	0	311,000	0	0	0	0
Loans to Housing Providers	150,000	150,000	300,000	150,000	0	0	0
Cromer Office - LED Lighting Programme		91,597	91,597	0	0	0	0
	3,113,250	2,695,377	5,808,627	150,000	0	0	0
Local Homes for Local Need							
Disabled Facilities Grants	1,354,615	0	1,354,615	0	0	0	0
Compulsory Purchase of Long Term Empty Properties		434,294	434,294	0	0	0	0
Community Housing Fund	250,000	1,335,160	1,585,160	0	0	0	0
Provision of Temporary Accommodation	750,000	(927)	749,073	0	0	0	0

Capital Programme - Budget 2023/24

Scheme	Budget before brought forwards from 2022/23	Brought forwards from 2022/23	Updated Budget	Updated Budget	Updated Budget	Updated Budget	Updated Budget
	2023/24 £	2023/24 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
S106 Enabling	175,000	1,425,000	1,600,000	300,000	300,000	300,000	0
	2,529,615	3,193,527	5,723,142	300,000	300,000	300,000	0
Climate, Coast and the Environment							
Cromer Coast Protection Scheme	3,516,180	(199,244)	3,316,936	0	0	0	0
Coastal Erosion Assistance		31,991	31,991	0	0	0	0
Coastal Adaptations		244,990	244,990	0	0	0	0
Mundesley - Refurbishment of Coastal Defences	2,959,860	(198,933)	2,760,927	0	0	0	0
Sea Palling Ramp		9,650	9,650	0	0	0	0
Replacement of Flood Gates at Cable Gap Bacton, The Ship Bacton & Walcott Post Office		45,500	45,500	0	0	0	0
Dountryside Machinery		31,216	31,216	0	0	0	0
Coastal Management Fund	150,000	(3,000)	147,000	200,000	250,000	250,000	0
Port Country Park		150,000	150,000	0	0	0	0
Coastwise Initiative (Coastal Transition Accelerator)		959,958	959,958	0	0	0	0
	6,626,040	1,072,128	7,698,168	200,000	250,000	250,000	0
Quality of Life							
Cromer Pier - Steelworks and Improvements to Pavilion Theatre		576,087	576,087	0	0	0	0
3G Facility at North Walsham/Fakenham		847,570	847,570	0	0	0	0
Cromer 3G Football Facility	1,000,000	0	1,000,000	0	0	0	0
The Reef Leisure Centre	161,000	139,727	300,727	0	0	0	0
Sheringham Enabling Land		78,677	78,677	0	0	0	0
Green Road Football Facility		50,220	50,220	0	0	0	0
	1,161,000	1,692,281	2,853,281	0	0	0	0
Customer Focus and Financial Sustainability							
Administrative Buildings		8,868	8,868	0	0	0	0
Purchase of Bins	20,000	0	20,000	20,000	20,000	80,000	0
User IT Hardware Refresh	60,000	602	60,602	60,000	60,000	60,000	0

Capital Programme - Budget 2023/24

Scheme	Budget before brought forwards from 2022/23	Brought forwards from 2022/23	Updated Budget	Updated Budget	Updated Budget	Updated Budget	Updated Budget
	2023/24 £	2023/24 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Storage Hardware		17,570	17,570	0	0	0	0
Members IT	25,000	1,549	26,549	0	0	0	0
Electric Vehicle Charging Points		33,317	33,317	0	0	0	0
Waste vehicles		65,046	65,046	0	0	0	0
Backup Network Upgrade		14,000	14,000	0	0	0	0
Fire Wall Replacements		3,510	3,510	0	0	0	0
Refurbishment of IT Training Room		15,000	15,000	0	0	0	0
Financial Management System		3,034	3,034	0	0	0	0
The Reef Solar Carport	596,000	(17,551)	578,449	0	0	0	0
Recruitment Software		35,050	35,050	0	0	0	0
Printer Replacement		2,503	2,503	0	0	0	0
Network Hardware Replacement	100,000	8,881	108,881	0	0	0	0
Folding Machine Laminator		22,880	22,880	0	0	0	0
Fire Sensors/Modern Alarm system in Cromer Offices		150,000	150,000	0	0	0	0
Digital Mailroom Scanners		15,617	15,617	0	0	0	0
	801,000	379,878	1,180,878	80,000	80,000	140,000	0
	14,230,905	9,033,190	23,264,095	730,000	630,000	690,000	0

Capital Programme Financing

	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28
Grants	7,602,750	1,882,186	9,484,936	1,354,615	1,354,615	1,354,615	1,354,615
Other Contributions	300,000	2,200,000	2,500,000	300,000	300,000	300,000	0
Asset Management Reserve	0	163,523	163,523	0	0	0	0
Major Repairs Reserve	0	222,430	222,430	0	0	0	0
Invest to Save Reserve	0	0	0	0	0	0	0
Delivery Plan Reserve	456,000	1,002,449	1,458,449	0	0	0	0
Capital Projects Reserve	0	916,004	916,004	0	0	0	0
Housing Reserve	1,000,000	1,084,233	2,084,233	0	0	0	0
Benefit Reserve	0	0	0	0	0	0	0
Grants Reserve	0	0	0	0	0	0	0
Revenue Contribution to Capital (RCCO)	0	0	0	0	0	0	0
Capital Receipts	2,142,840	4,243,715	6,386,555	430,000	330,000	140,000	80,000
Internal / External Borrowing	1,583,700	(1,583,700)	0	(1,354,615)	(1,354,615)	(1,104,615)	(1,434,615)

Capital Programme - Budget 2023/24

<u>Scheme</u>	Budget before brought forwards from 2022/23	Brought forwards from 2022/23	Updated Budget	Updated Budget	Updated Budget	Updated Budget	Updated Budget
	2023/24 £	2023/24 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
TOTAL FINANCING	13,085,290	10,130,840	23,216,130	730,000	630,000	690,000	0

2022/23 Under spends and Grants - Requests to Roll Forward

Ref	Service Area	Service	Amount £	Amount Agreed by S151	Under spend and details of request	Request Made by (Service Mgr/Budget Holder)	Recommended Treatment / Reserve Allocation
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1) Requests to roll forward service underspends.

US1	Community	Environmental Protection	16,000	16,000	Recovery of Fixed Penalty Notices (to offset Housing staffing costs in 2023/24 - part of the EH savings bid)	Emily Capps	Environmental Health
US2	Community	Waste	118,209	118,209	NEWS returned gate fee and profit share 2021/22	Scott Martin	Environmental Health
US3	Coastal	Coastal Management	14,000	14,000	Preparation for Redundancy Pay at end of contract from East Suffolk Council.	Rob Goodliffe	Restructuring & Invest to Save Proposals

148,209 148,209

2) Unspent grants - grants received in the year that remain unspent at 31 March 2023

Grant 1	People Services	Housing	488,028	488,028	COMF - Contain Outbreak Management Fund, funds drawn down from Norfolk County Council to be allocated in 2023/24.	Karen Hill	Housing
Grant 2	People Services	Housing	105,443	105,443	Balance of unallocated grants received re NNCP, Waiting well and the better care fund	Karen Hill	Housing
Grant 3	Coastal	CTAP	345,017	345,017	Revenue grant received for CTAP programme to be implemented over 5 years from 2022/23 - 2026/27.	Rob Goodliffe	Coast Protection
Grant 4	Resources	Revenues	17,080	17,080	Request to keep these New Burden funds as need some resources to backfill staff bringing in the new schemes and to cover any additional software costs etc.	Sean Knight	Grants
Grant 5	Electoral Services	Election Expenses	33,015	33,015	Electoral Integrity Programme New Burdens Funding needed for additional costs associated with the voter identification and accessibility portions of the act for the May 2023 Elections.	Tracey Holmes	Election Reserve

988,583 988,583

TOTAL 1,136,792 1,136,792

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Treasury Outturn Report 2022/23	
Executive Summary	This report sets out the Treasury Management activities undertaken during 2022/23 compared with the Treasury Management Strategy for the year.
Options Considered	This report must be prepared to be ensured members are aware of Treasury activities. It is also a requirement for the Council to comply with the CIPFA Treasury Management and Prudential Codes.
Consultation(s)	Link Treasury Services have provided the economic information in Appendix T associated with this report.
Recommendations	That Cabinet reviews and approves this report, with the recommendation that it is submitted to Full Council for final approval.
Reasons for recommendations	This report requires approval by Full Council for the Authority to be compliant with the CIPFA Treasury Management and Prudential Codes.
Background papers	<p>This report refers to the Council's Capital Strategy Report 2022/23 which was approved by Members on 31/01/2022.</p> <p>This report refers to the Council's Treasury Management Strategy 2022/23 which was approved by Members on 23/02/2022.</p>

Wards affected	All
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	James Moore - Accountancy Assistant - James.Moore@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	This report shows the Council's current Treasury position against the cost of delivering its Capital Programme (CFR – Capital Financing Requirement). This shows the Council's current ability to finance its current Capital Programme.
Medium Term Financial Strategy (MTFS)	<p>This report supports the Medium Term Financial Strategy through protecting Council funds and cash flows, whilst minimizing borrowing costs.</p> <p>This report shows the Council's Investment and Borrowing position against the Council's Capital Financing Requirement, showing the net debt position of the Authority as at the end of the financial year.</p>
Council Policies & Strategies	<p>This report refers to the Council's Capital Strategy Report 2022/23 which was approved by Members on 31/01/2022.</p> <p>This report refers to the Council's Treasury Management Strategy 2022/23 which was approved by Members on 23/02/2022.</p>

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	This report is available to the public.
Details of any previous decision(s) on this matter	This is an annual report on the Council's current Treasury position.

1. Purpose of the report

This report sets out the Treasury Management activities undertaken during 2022/23 compared with the Treasury Management Strategy for the year.

It is a requirement for this report to be completed to comply with the CIPFA (Chartered Institute of Public Finance) Treasury Management Code and the Council's own Treasury Management: Code of Practice, so that members are updated with the current Treasury position of the Authority.

2. Introduction & Background

This report shows the Council's current Treasury position against the cost of delivering its Capital Programme (CFR – Capital Financing Requirement). This shows the Council's current ability to finance its current Capital Programme.

The Council Borrows and Invests substantial sums of money and is therefore exposed to financial risks including the loss/gain of invested funds. There is also the revenue accounting implications of a constantly changing interest rate environment on the Authority's investments. The successful identification, monitoring and control of risk remains central to the Authority's Treasury Management Strategy.

Please refer to **Appendix T – Annual Treasury Outturn Report 2022/23** for a full outline of the Council's Treasury position.

3. Proposals and Options

This report contributes towards the overall financial performance of the Council. It is recommended that the Council proceeds with its Treasury operations as outlined in the Treasury Management Strategy 2023-24 and Capital Strategy 2023-24 approved by members on 22/02/2023.

4. Corporate Priorities

The Council's Treasury Management report supports the Medium Term Financial Strategy through protecting the Council's funds and cash flows whilst minimizing borrowing costs.

5. Financial and Resource Implications

There is no significant implication highlighted by this report. The Treasury has followed the Treasury Management Strategy, and the Council currently has sufficient investment balances to fund the Capital Programme.

6. Legal Implications

This report must be prepared to ensure the Council is compliant with the CIPFA Treasury Management Code.

7. Risks

This report addresses the potential risk that the Council does not have sufficient funds, or requires long-term borrowing, to finance its Capital Programme.

Full risks details are highlighted within Appendix T associated with this report.

8. Net Zero Target

Not applicable to this report.

9. Equality, Diversity & Inclusion

10. Not applicable to this report.

11. Community Safety issues

Not applicable to this report.

12. Conclusion and Recommendations

11.1. To conclude that treasury activities for the year have been carried out in accordance with the CIPFA code and the Council's Treasury Strategy.

11.2. To ask that this report is sent to Full Council for approval.

North Norfolk District Council

Annual Treasury Outturn Report 2022/23

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Annual Treasury Management Review 2022/23

Purpose

This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2022/23. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

During 2022/23 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 23/02/2022)
- a mid-year, (minimum), treasury update report (Council 20/12/2022)
- an annual review following the end of the year describing the activity compared to the strategy, (this report)

In addition, the Council has received quarterly treasury management update reports.

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Overview & Scrutiny Committee before they were reported to the full Council.

Member training on treasury management was not undertaken during the 2022/23 year, but a session will be organised during the 2023/24 financial year order to support members' scrutiny role, with intentions for this session to run yearly to keep members updated with the Council's current portfolio.

Executive Summary

During 2022/23, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Prudential and treasury indicators	31.3.22 Actual £m	2022/23 Forecast £m	31.3.23 Actual £m
Capital Expenditure	9.183	13.985	6.862
Capital Financial Requirement	15.827	15.677	15.111
Short-Term Borrowing	13.000	0.000	9.000
Long-Term Borrowing	0.000	0.000	0
Gross Borrowing	13.000	0.000	9.000
Short-Term Investments	10.770	8.600	2.830
Long-Term Investments	32.000	32.000	22.582
Non-Treasury Investments (Housing Loans)	2.605		2.332
Total Investments	45.375	40.600	27.744
Net Investments	32.375	40.600	18.744
Net Borrowing	(16.548)	(24.923)	(3.633)

Other prudential and treasury indicators are to be found in the main body of this report. The Director of Finance also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit, (the authorised limit), was not breached.

Recommendations

The Council is recommended to:

1. Approve the actual 2022/23 prudential and treasury indicators in this report
2. Note the annual treasury management report for 2022/23

Introduction and Background

This report summarises the following:-

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness, (the Capital Financing Requirement);
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

1. The Council's Capital Expenditure and Financing

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

General Fund £m	31.3.22 Actual	2022/23 Forecast	31.3.23 Actual
Capital expenditure	9.183	13.985	6.862
Capital Receipts	0.999	6.035	2.516
Grants, Reserves & Capital Contributions	2.624	4.657	4.400
Revenue Contributions	1.319	3.293	0.00
Financed in year	4.942	0.000	6.916
Unfinanced capital expenditure (External Borrowing)	4.241	0.000	(0.054)

2. The Council's Overall Borrowing Need

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2022/23 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. The Council can borrow from multiple sources; two potential brokers (Tradition/King & Shaxson) to organise borrowing from other Government Bodies (Council's, Police Authorities, Fire Authorities), it can borrow through the Public Works Loan Board (PWLB), or it can borrow internally using temporary cash resources within the Council.

Reducing the CFR – the Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of the Revenue Account borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources, (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

The Council's 2022/23 MRP Policy, (as required by DLUHC Guidance), was approved as part of the Capital Strategy Report for 2022/23 on 31/01/2022.

The Council's CFR for the year is shown below, and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract (*if applicable*).

CFR (£m): General Fund	31.3.22 Actual	2022/23 Budget	31.3.23 Actual
Opening balance	11.939	16.003	15.827
Add unfinanced capital expenditure (as above)	4.241	0.000	(0.054)
Less MRP/VRP*	(0.353)	(0.326)	(0.662)
Less PFI & finance lease repayments	0.000	0.000	0.000
Closing balance	15.827	15.677	15.111

* Includes voluntary application of capital receipts

Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2022/23) plus the estimates of any additional capital financing requirement for the current (2023/24) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2022/23. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

£m	31.3.22 Actual	2022/23 Budget	31.3.23 Actual
Gross borrowing position	13.000	0.000	9.000
CFR	15.827	15.677	15.111
(Under) / over funding of CFR	(2.527)	(15.677)	(6.111)

The Council does not have a gross borrowing position above its CFR.

The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2022/23 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

	2022/23
Authorised limit	£50m
Maximum gross borrowing position during the year	£15m
Operational boundary	£15m
Average gross borrowing position	£10m

3. Treasury Position as at 31st March 2023

The Council's treasury management debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the end of 2022/23 the Council's treasury, (excluding borrowing by PFI and finance leases), position was as follows:

DEBT PORTFOLIO £m	31.3.22 Principal	Average Rate/ Return	Average Duration (Days)	31.3.23 Principal	Average Rate/ Return	Average Duration (Days)
Fixed rate funding, Short-Term Borrowing:						
- Local Authority Borrowing	11.000	0.51%	208	7.000	4.23%	137
- Police Authority Borrowing	0.000			2.000	4.55%	85
- Fire Authority Borrowing	2.000	0.95%	184	0.000		
Variable rate funding:						
- None	0.000			0.000		
Total debt	13.000	0.58%		9.000	4.30%	120
CFR	15.827			15.111		
Over / (under) borrowing	(3.520)			(6.858)		
Total investments	45.375	2.10%		27.744	5.21%	
Net debt	(41.855)			(20.886)		

The maturity structure of the debt portfolio was as follows:

£m	31.3.22 actual	2022/23 original limits	31.3.23 Actual
Under 12 months	13.000	50.000	9.000
12 months and within 24 months	0.000	0.000	0.000
24 months and within 5 years	0.000	0.000	0.000
5 years and within 10 years	0.000	0.000	0.000
10 years and within 20 years	0.000	0.000	0.000
20 years and within 30 years	0.000	0.000	0.000
30 years and within 40 years	0.000	0.000	0.000
40 years and within 50 years	0.000	0.000	0.000

The Council has reduced its short-term borrowing during the 2022-23 financial year by selling some of its long term-investments (Pooled Funds) in March 2023 as can be seen in the Executive Summary on page 7 above. The amount of long-term investments has decreased from £32m to £22.581m, £9.419m of investment was sold which generated a net investment return of £118,298 on the principal invested.

Mostly short-term deposit funds were repaid (Cash Plus and Short-Dated Funds) as these have a recommended investment duration of around 5 years and were bought in May 2015. These

investments focus on a high-level of security with a low return yet can be repaid at same day notice. The below investment portfolio table reflects the balance of these two types of funds being reduced from a total of £6m to £1.012m.

Approximately 20% investment of the larger fund categories (equity and Multi-Asset Funds) were then repaid to keep diversification across the portfolio whilst ensuring there was no loss in recognition of principle on the total repayment (net investment return mentioned above). By keeping a diverse portfolio in different fund types, the Council is able to balance losses and gains on the capital values of investments so that a net gain is always realised when repaying long-term investments.

INVESTMENT PORTFOLIO	31.3.22 Actual £m	31.3.22 Actual % of Portfolio	31.3.23 Actual £m	31.3.23 Actual % of Portfolio
Treasury investments				
Money Market Funds	10.770	24%	2.830	11%
Total managed in house	10.770	24%	2.830	11%
Cash Plus Funds	3.000	7%	0	0%
Short-Dated Bond Funds	3.000	7%	1.012	4%
Strategic Bond Funds	5.000	12%	5.000	20%
Equity Income Funds	8.000	19%	5.570	22%
Property Funds	5.000	12%	5.000	20%
Multi-Asset Income Funds	8.000	19%	6.000	23%
Total managed externally (Pooled Funds)	32.000	76%	22.582	89%
TOTAL TREASURY INVESTMENTS	42.770	100%	25.412	100%

Non-Treasury investments				
Loan to Broadland Housing Association	2.422	93%	2.154	92%
Loan To Homes for Wells	0.186	7%	0.178	8%
TOTAL NON-TREASURY INVESTMENTS	2.605	100%	2.332	100%

Treasury investments	42.770	94%	25.412	92%
Non-Treasury investments	2.605	6%	2.332	8%
TOTAL OF ALL INVESTMENTS	45,375	100%	27.744	100%

The maturity structure of the investment portfolio was as follows:

COUNTERPARTY / INVESTMENT	Redemption Period	Investment Value 31.03.2023 (£m)
Aberdeen Standard / MMF	CALL	0.555
Blackrock / MMF	CALL	1.075
DWS / MMF	CALL	1.200
Federated Investors (UK) LLP / MMF	CALL	0.000
Goldman Sachs / MMF	CALL	0.000
Invesco AIM / MMF	CALL	0.000
CCLA (UK) Public Sector Deposit Fund / MMF	CALL	0.000
CCLA / Local Authorities Mutual Investment Trust	T + 6 months	5.000
Payden & Rygel / Sterling Reserve Fund	T + 2 days	1.012
M&G Securities / UK Income Distribution Fund	T + 3 days	2.000
M&G Securities / Global Dividend Fund	T + 3 days	1.570
Ninety-One / Diversified Income Fund	T + 3 days	3.000
Schroder Unit Trusts / Income Maximiser Fund	T + 4 days	2.000
Threadneedle / Strategic Bond Fund	T + 4 days	3.000
M&G Securities / Strategic Corporate Bond Fund	T + 3 days	2.000
Aegon Asset Management / Diversified Income Fund	T + 3 days	3.000
TOTAL		25.412

Note: CALL = Same day. T = Terms (date of notification to redeem/invest). Fixed = Long-term investment with set repayment dates. The CCLA (LAMIT) fund a Property Fund investment which has a long redemption period.

The Council has seven same day investment/redemption Money Market Funds (MMF) accounts to invest/redeem surplus cash for its daily operations. For MMF's there is no gain/loss on principal invested, therefore they are low risk but with lower interest rates. The cash balances invested in these counterparties fluctuate daily.

The Council has nine Pooled Fund investments as at 31/03/2023, these are intended for long-term investing generating a higher return than MMF's. The principal invested in these funds is at more risk than MMF's as they are subject to gain/loss dependant on the value of the shares owned by the Council. The Council has only invested in counterparties recommended by its treasury advisors and with thorough credit checks. These are all income funds.

The Council sold all of its investments in Royal London Asset Management / Short-Term Income Fund, Royal London / Short-term Income Enhance Fund, Threadneedle / UK Equity Fund and the CCLA / Diversified Income Fund.

The Council currently has two outstanding loans with Housing Associations. One large loan with the Broadland Housing Association (original loan value £3.5m) and one smaller loan with Homes for Wells (original loan value £192,675).

To support the above investment portfolio, the below table summarises the interest earned on the average amounts of the Council's investments during the last two financial years. The purpose of this table is to give members an idea of the rate of return on the Council's portfolio of each type of investment.

INVESTMENT INTEREST	31.3.22 Average Amount Invested £m	31.3.22 Interest Earned £m	31.3.22 Average interest rate %	31.3.23 Average Amount Invested £m	31.3.23 Interest Earned £m	31.3.23 Average interest rate %
Money Market Funds	10.770	0.006	0.06%	7.427	0.136	4.82%
Total managed in house	10.770	0.006	0.06%	7.427	0.136	4.82%
Cash Plus Funds	3.000	0.013	0.42%	2.679	0.048	1.80%
Short-Dated Bond Funds	3.000	0.014	0.48%	2.831	0.045	1.61%
Strategic Bond Funds	5.000	0.098	1.96%	5.000	0.155	3.11%
Equity Income Funds	8.000	0.277	3.46%	7.794	0.371	4.76%
Property Funds	5.000	0.254	5.08%	5.000	0.267	5.34%
Multi-Asset Income Funds	8.000	0.278	3.48%	7.830	0.334	4.26%
Total managed externally (Pooled Funds)	32.000	0.934	2.92%	31.134	1.220	3.92%
TOTAL TREASURY INVESTMENTS	42.770	0.940	2.20%	38.561	1.356	3.99%

Please note that for 31.3.23 figures, pooled funds investments were sold in March 2023, so principal values are different for the average amounts invested.

Non-Treasury Investments	31.3.22 Average Amount Invested £m	31.3.22 Interest Earned £m	31.3.22 Average interest rate %	31.3.23 Average Amount Invested £m	31.3.23 Interest Earned £m	31.3.23 Average interest rate %
Loan to Broadland Housing Association	2.423	0.092	3.80%	2.219	0.084	3.80%
Loan To Homes for Wells	0.182	0.005	3.00%	0.178	0.006	3.00%
Total Loans	2.605	0.097	3.75%	2.397	0.090	3.75%

AVERAGE OF ALL INVESTMENTS	31.3.22 Average Amount Invested £m	31.3.22 Interest Earned £m	31.3.22 Average interest rate %	31.3.23 Average Amount Invested £m	31.3.23 Interest Earned £m	31.3.23 Average interest rate %
Treasury Investments	42.770	0.940	2.20%	38.561	1.356	3.99%
Non-Treasury Investments	2.605	0.097	3.75%	2.397	0.09	3.75%
AVERAGE OF ALL INVESTMENTS	45.375	1.037	2.29%	40.959	1.446	3.53%

As can be seen from the above, interest rates in 2021/22 were low from the effects of COVID. In February 2022, the Russia-Ukraine war occurred which led to high levels of inflation in cost of goods. The MPC (Monetary Policy Committee) have increased interest rates consistently over the 2022/23 fiscal year to help control the rising inflation rate and prevent a recession. By making interest rates more expensive, consumers and businesses are less likely to borrow funds and therefore spending decreases, slowing down inflation.

4. The Investment Risk Strategy for 2022/23

4.1 Investment strategy and control of interest rate risk

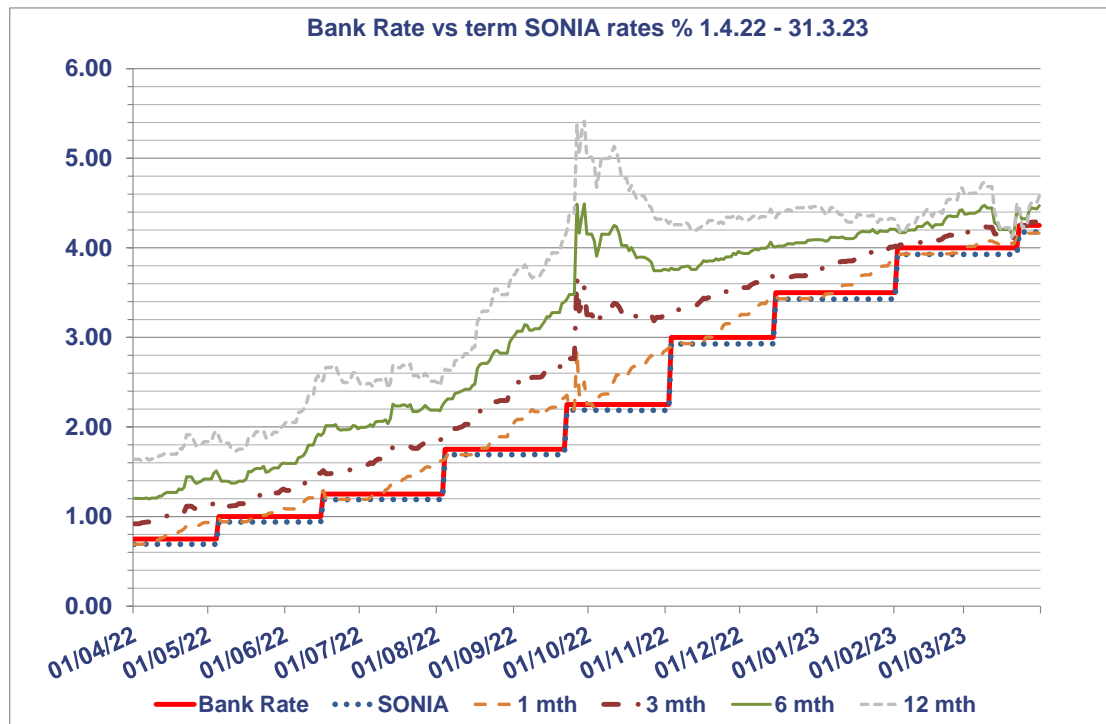
The Treasury managed the Council's interest rate risk in 2022/23 by minimalizing the amount of borrowing undertaken. This is achieved by investing surplus cash into Money Market Funds which have same day access, maintaining a cash flow record to track predicted cash shortfalls in daily operations. When borrowing is necessary to be undertaken, interest rates and MPC (Monetary Policy Committee) meetings are taken into consideration and borrowing is undertaken earlier if it is deemed more financial beneficial to borrow earlier at a cheaper rate. This "forward borrowing" or a week or two was undertaken by the Council in 2022/23 to meet its shortfalls in cash, and in doing so managed to borrow the required sums at more beneficial interest rate and balance the borrowing costs with the increase in interest rates of its long-term investments.

The effective borrowing management of the Council has been more difficult than in previous years. Before and during the COVID period, interest rates and borrowing rates averaged 0.5% and never exceeded 1% even on long-term borrowing (1 year +). After this period, with the changes in the UK's political leadership and the Ukrainian-Russia war, inflation and interest rates increased monthly to the point where even treasury advisors were uncertain of future interest rate forecasts.

In January 2023 year, the decision was made to reduce the Council's total long-term investment portfolio, with the redemption of just under £9.42m of its Pooled Fund investments. It was ensured that a balanced portfolio was kept minimizing risk of realising capital losses on investments during a turbulent financial period. By redeeming these long-term investments, the Council prevented its borrowing requirement being increased to figures of around £20m following a request from central government to repay COVID grants unspent in March 2023 to the value of £6m. The remaining value was used to reduce the Council's short-term borrowing amount at the end of the 2022/23 financial year.

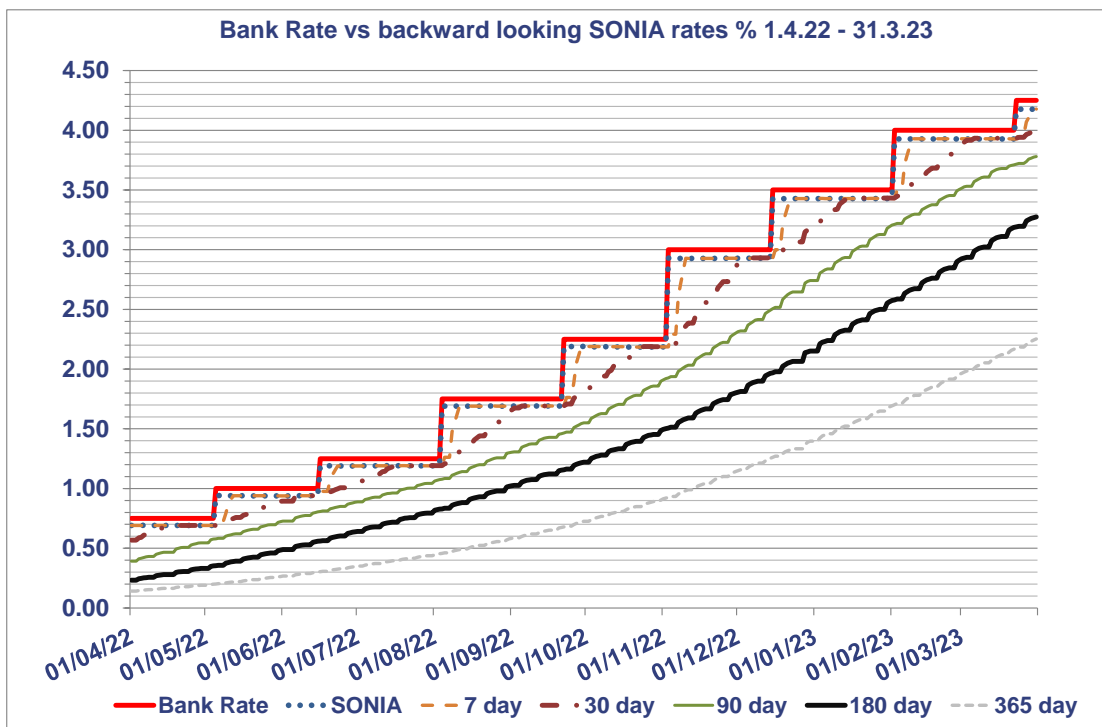
Consideration to further borrowing and possibly withdrawing more Pooled Fund investments will be constantly monitored during the 2023/24 financial year. With interest rates predicted to rise further to 5% in June 2023, 5.25% in July 2023 and peaking at 5.5% in September 2023. The current bank of England rate is 4.5% (as at May 2023). It would not be unexpected for rates to reach 6% by December 2023. The Council will need to take careful consideration into its levels of expenditure over the 2023/24 year with the risk of overspending becoming more prevalent as the interest rates increase throughout the year.

Investment Benchmarking Data – Sterling Overnight Index Averages (Term) 2022/23



FINANCIAL YEAR TO QUARTER ENDED 31/3/2023						
	Bank Rate	SONIA	1 mth	3 mth	6 mth	12 mth
High	4.25	4.18	4.17	4.30	4.49	5.41
High Date	23/03/2023	31/03/2023	31/03/2023	31/03/2023	29/09/2022	29/09/2022
Low	0.75	0.69	0.69	0.92	1.20	1.62
Low Date	01/04/2022	28/04/2022	01/04/2022	01/04/2022	07/04/2022	04/04/2022
Average	2.30	2.24	2.41	2.72	3.11	3.53
Spread	3.50	3.49	3.48	3.38	3.29	3.79

Investment Benchmarking Data – Sterling Overnight Index Averages (Backward-looking) 2022/23



FINANCIAL YEAR TO QUARTER ENDED 31/03/2023							
	Bank Rate	SONIA	7 day	30 day	90 day	180 day	365 day
High	4.25	4.18	4.18	4.00	3.78	3.27	2.25
High Date	23/03/2023	31/03/2023	31/03/2023	31/03/2023	31/03/2023	31/03/2023	31/03/2023
Low	0.75	0.69	0.69	0.57	0.39	0.23	0.14
Low Date	01/04/2022	28/04/2022	29/04/2022	01/04/2022	01/04/2022	01/04/2022	01/04/2022
Average	2.30	2.24	2.20	2.09	1.81	1.42	0.90
Spread	3.50	3.49	3.49	3.43	3.39	3.04	2.11

4.2 Borrowing strategy and control of interest rate risk

During 2022/23, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were initially low and minimising counterparty risk on placing investments also needed to be considered.

A cost of carry generally remained in place during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns. As the cost of carry dissipated, the Council sought to avoid taking on long-term borrowing at elevated levels (>4%) and has focused on a policy of internal and short-term borrowing (<1 year).

The policy of avoiding long-term borrowing has served well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when this Authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Director of Resources has monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks as outlined in section 4.1 above.

- It was realised that there was a significant risk of a sharp rise in long and short-term rates, (e.g., due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and so consideration into potential long-term fixed rate borrowing was avoided to prevent the Council being locked into a expensive long-term loan from the PWLB. Short term borrowing and the repayment of long-term investments was decided as the best management of the Council's Treasury.
- if it had been felt that there was a significant risk of a much sharper fall in long and short-term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden recession, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

Interest rate forecasts were initially suggesting only gradual rises in short, medium and longer-term fixed borrowing rates during 2022/23 but by August it had become clear that inflation was moving up towards 40-year highs, and the Bank of England engaged in monetary policy tightening at every Monetary Policy Committee meeting during 2022, and into 2023, either by increasing Bank Rate by 0.25% or 0.5% each time. Currently the CPI measure of inflation is still above 10% in the UK but is expected to fall back towards 4% by year end. Nonetheless, there remain significant risks to that central forecast.

Forecasts at the time of approval of the treasury management strategy report for 2022/23 are as per the below table:

Link Group Interest Rate View 7.2.22												
	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
3 month ave earnings	1.00	1.00	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
6 month ave earnings	1.10	1.20	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
12 month ave earnings	1.50	1.60	1.70	1.70	1.60	1.60	1.50	1.40	1.40	1.40	1.40	1.40
5 yr PWLB	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
10 yr PWLB	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
25 yr PWLB	2.50	2.50	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60
50 yr PWLB	2.30	2.30	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40

The following table highlight the rapid bank rate increases over the 2022/23 financial year:

Link Group Interest Rate View 10.5.22													
	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
BANK RATE	1.25	1.50	1.75	2.00	2.00	2.00	2.00	2.00	1.75	1.75	1.75	1.75	1.75
3 month ave earnings	1.20	1.50	1.70	2.00	2.00	2.00	2.00	2.00	1.70	1.70	1.70	1.70	1.70
6 month ave earnings	1.60	1.90	2.10	2.20	2.20	2.20	2.20	2.10	2.00	1.90	1.90	1.90	1.90
12 month ave earnings	2.00	2.20	2.30	2.40	2.40	2.30	2.30	2.20	2.20	2.10	2.10	2.10	2.10
5 yr PWLB	2.50	2.50	2.60	2.60	2.60	2.60	2.60	2.60	2.50	2.50	2.50	2.50	2.50
10 yr PWLB	2.80	2.80	2.90	2.90	2.90	2.90	2.90	2.90	2.80	2.80	2.80	2.80	2.80
25 yr PWLB	3.00	3.10	3.10	3.20	3.20	3.20	3.10	3.10	3.00	3.00	3.00	3.00	3.00
50 yr PWLB	2.70	2.80	2.80	2.90	2.90	2.90	2.80	2.80	2.70	2.70	2.70	2.70	2.70

Link Group Interest Rate View 21.06.22												
	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
BANK RATE	1.75	2.25	2.75	2.75	2.75	2.75	2.50	2.50	2.25	2.25	2.25	2.25
3 month ave earnings	2.00	2.50	2.80	2.80	2.80	2.80	2.60	2.50	2.30	2.30	2.20	2.20
6 month ave earnings	2.50	2.80	3.00	3.00	2.90	2.90	2.80	2.70	2.60	2.50	2.40	2.30
12 month ave earnings	3.10	3.20	3.20	3.20	3.00	2.90	2.80	2.60	2.50	2.40	2.40	2.40
5 yr PWLB	3.20	3.30	3.30	3.30	3.30	3.20	3.10	3.00	3.00	3.00	2.90	2.90
10 yr PWLB	3.40	3.50	3.50	3.50	3.50	3.40	3.30	3.20	3.20	3.20	3.10	3.10
25 yr PWLB	3.70	3.70	3.70	3.70	3.70	3.70	3.60	3.50	3.50	3.40	3.40	3.30
50 yr PWLB	3.40	3.40	3.50	3.50	3.40	3.40	3.30	3.20	3.20	3.10	3.10	3.00

Link Group Interest Rate View 09.08.22													
	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
BANK RATE	2.25	2.50	2.75	2.75	2.75	2.50	2.50	2.25	2.25	2.25	2.25	2.25	2.00
3 month ave earnings	2.50	2.80	3.00	2.90	2.80	2.50	2.40	2.30	2.30	2.30	2.20	2.20	2.20
6 month ave earnings	2.90	3.10	3.10	3.00	2.90	2.80	2.70	2.60	2.50	2.50	2.40	2.30	2.30
12 month ave earnings	3.20	3.30	3.20	3.10	3.00	2.90	2.80	2.70	2.40	2.40	2.40	2.40	2.40
5 yr PWLB	2.80	3.00	3.10	3.10	3.00	3.00	2.90	2.90	2.80	2.80	2.80	2.70	2.70
10 yr PWLB	3.00	3.20	3.30	3.30	3.20	3.10	3.10	3.00	3.00	3.00	2.90	2.90	2.80
25 yr PWLB	3.40	3.50	3.50	3.50	3.50	3.40	3.40	3.30	3.30	3.20	3.20	3.20	3.10
50 yr PWLB	3.10	3.20	3.20	3.20	3.20	3.10	3.10	3.00	3.00	2.90	2.90	2.90	2.80

Link Group Interest Rate View 27.09.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
BANK RATE	4.00	5.00	5.00	5.00	4.50	4.00	3.75	3.25	3.00	2.75	2.75	2.50
3 month ave earnings	4.50	5.00	5.00	5.00	4.50	4.00	3.80	3.30	3.00	2.80	2.80	2.50
6 month ave earnings	4.70	5.20	5.10	5.00	4.60	4.10	3.90	3.40	3.10	3.00	2.90	2.60
12 month ave earnings	5.30	5.30	5.20	5.00	4.70	4.20	4.00	3.50	3.20	3.10	3.00	2.70
5 yr PWLB	5.00	4.90	4.70	4.50	4.20	3.90	3.70	3.50	3.40	3.30	3.20	3.20
10 yr PWLB	4.90	4.70	4.60	4.30	4.10	3.80	3.60	3.50	3.40	3.30	3.20	3.20
25 yr PWLB	5.10	4.90	4.80	4.50	4.30	4.10	3.90	3.70	3.60	3.60	3.50	3.40
50 yr PWLB	4.80	4.60	4.50	4.20	4.00	3.80	3.60	3.40	3.30	3.30	3.20	3.10

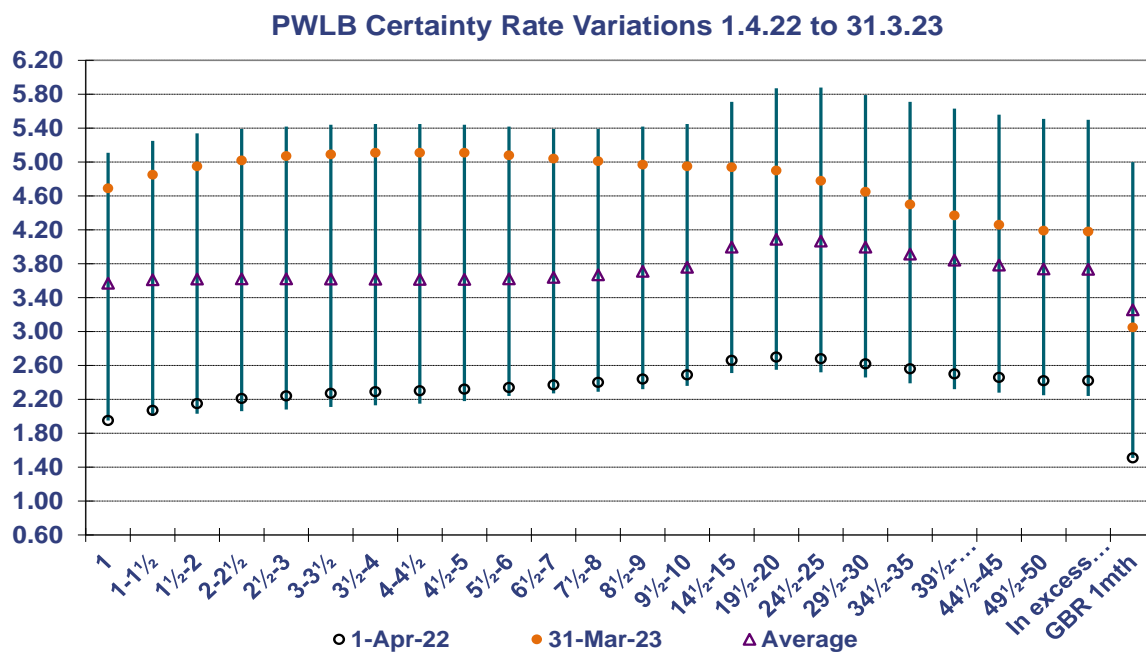
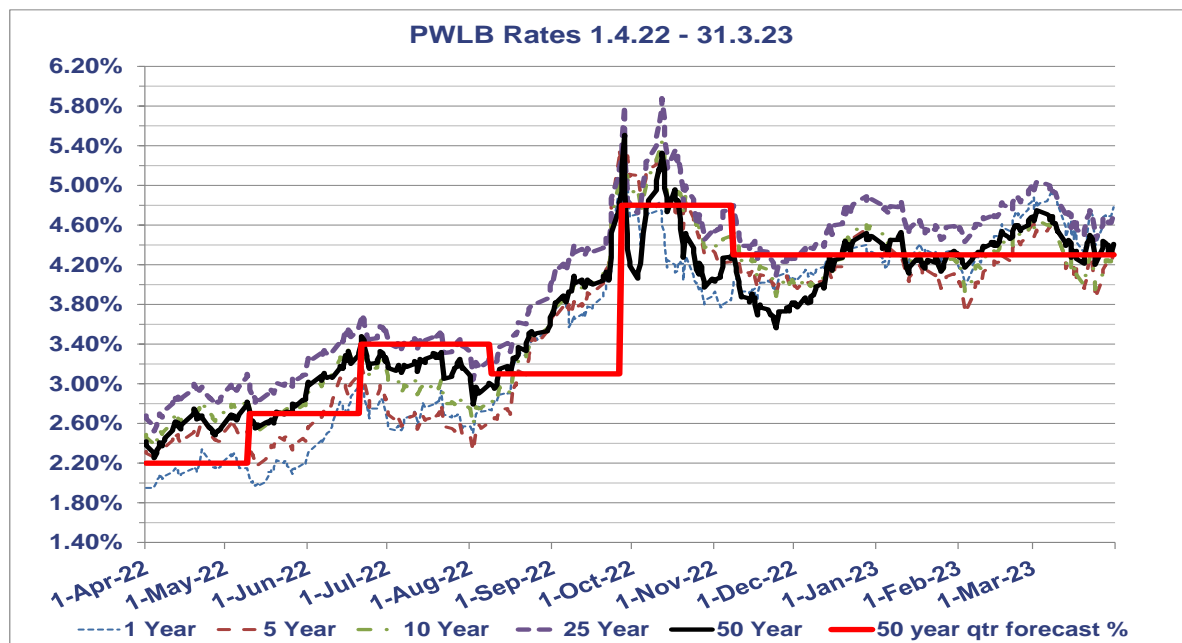
Link Group Interest Rate View		08.11.22											
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.30	4.30	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.50	4.50	4.40	4.30	4.20	4.00	3.90	3.70	3.60	3.50	3.40	3.30	3.20
25 yr PWLB	4.70	4.70	4.60	4.50	4.40	4.30	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.40	3.30	3.20	3.20

Link Group Interest Rate View		19.12.22											
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

Link Group Interest Rate View		07.02.23											
	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
BANK RATE	4.25	4.50	4.50	4.25	4.00	3.75	3.25	3.00	2.75	2.75	2.50	2.50	2.50
3 month ave earnings	4.30	4.50	4.50	4.30	4.00	3.80	3.30	3.00	2.80	2.80	2.50	2.50	2.50
6 month ave earnings	4.40	4.50	4.40	4.20	3.90	3.70	3.20	2.90	2.80	2.80	2.60	2.60	2.60
12 month ave earnings	4.50	4.50	4.40	4.20	3.80	3.60	3.10	2.70	2.70	2.70	2.70	2.70	2.70
5 yr PWLB	4.00	4.00	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20	3.10	3.10	3.10
10 yr PWLB	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.50	3.40	3.30	3.30	3.20
25 yr PWLB	4.60	4.60	4.40	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.40	3.40
50 yr PWLB	4.30	4.30	4.20	4.10	3.90	3.80	3.60	3.60	3.40	3.30	3.20	3.20	3.10

Link Group Interest Rate View		27.03.23										
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
BANK RATE	4.50	4.50	4.25	4.00	3.50	3.25	3.00	2.75	2.75	2.50	2.50	2.50
3 month ave earnings	4.50	4.50	4.30	4.00	3.50	3.30	3.00	2.80	2.80	2.50	2.50	2.50
6 month ave earnings	4.50	4.40	4.20	3.90	3.40	3.20	2.90	2.80	2.80	2.60	2.60	2.60
12 month ave earnings	4.50	4.40	4.20	3.80	3.30	3.10	2.70	2.70	2.70	2.70	2.70	2.70
5 yr PWLB	4.10	4.10	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20	3.20	3.10
10 yr PWLB	4.20	4.20	4.00	3.90	3.80	3.70	3.50	3.50	3.40	3.30	3.30	3.20
25 yr PWLB	4.60	4.50	4.40	4.20	4.10	4.00	3.80	3.70	3.60	3.50	3.50	3.40
50 yr PWLB	4.30	4.20	4.10	3.90	3.80	3.70	3.50	3.50	3.30	3.20	3.20	3.10

PWLB RATES 2022/23



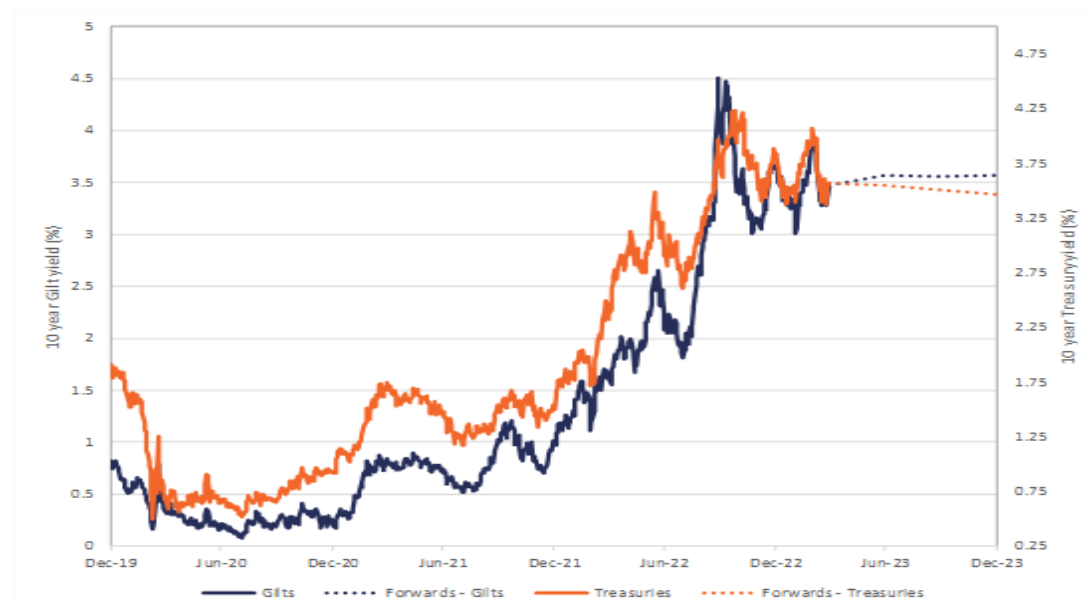
HIGH/LOW/AVERAGE PWLB RATES FOR 2022/23

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
High	5.11%	5.44%	5.45%	5.88%	5.51%
Date	28/09/2022	28/09/2022	12/10/2022	12/10/2022	28/09/2022
Average	3.57%	3.62%	3.76%	4.07%	3.74%
Spread	3.16%	3.26%	3.09%	3.36%	3.26%

PWLB rates are based on gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. Inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation and the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. Indeed, in recent years many bond yields up to 10 years in the Eurozone turned negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.

However, since early 2022, yields have risen dramatically in all the major developed economies, first as economies opened post-Covid; then because of the inflationary impact of the war in Ukraine in respect of the supply side of many goods. In particular, rising cost pressures emanating from shortages of energy and some food categories have been central to inflation rising rapidly. Furthermore, at present the FOMC, ECB and Bank of England are all being challenged by persistent inflation that is exacerbated by very tight labour markets and high wage increases relative to what central banks believe to be sustainable.

Graph of UK gilt yields v. US treasury yields



There is likely to be a fall in PWLB rates across the whole curve over the next one to two years as Bank Rate first rises to dampen inflationary pressures and a tight labour market, and is then cut as the economy slows, unemployment rises, and inflation (on the Consumer Price Index measure) moves closer to the Bank of England's 2% target.

5. Borrowing Outturn

Treasury Borrowing – *The following is record of all short-term borrowing undertaken by the Council in 2022-23:*

Lender	Principal £m	Interest Rate Type	Interest Rate	Maturity days	Interest payable in 2022/23
West Midland Combined Authority	5.000	Fixed	0.10%	182	£821.92
Humberside Fire & Rescue Service	2.000	Fixed	0.95%	184	£9,005.48
North Hertfordshire District Council	2.000	Fixed	0.95%	184	£7,912.33
Tendring District Council	2.000	Fixed	0.95%	184	£9,005.48
Armagh City Banbridge and Craigavon Borough Council	2.000	Fixed	0.65%	99	£2,635.62
Northern Ireland Housing Executive	2.000	Fixed	1.30%	80	£5,698.63
Solihull Metropolitan Borough Council	5.000	Fixed	2.80%	181	£69,424.66
Fermanagh and Omagh District Council	2.000	Fixed	3.55%	182	£32,679.45
Erewash Borough Council	2.000	Fixed	3.45%	32	£6,049.32
Newport City Council	1.000	Fixed	3.85%	14	£1,476.71
Cambridgeshire & Peterborough Combined Authority	5.000	Fixed	4.50%	92	£14,178.08
Police & Crime Commissioner for Avon and Somerset	2.000	Fixed	4.55%	85	£5,734.25

The Five borrowed amounts highlighted in light grey were carried forward from the 2021/22 financial year, the above table reflects the amount of interest due in the 2022/23 year only.

The three borrowed amounts highlighted in dark grey were carried forward into the 2022/23 financial year, the above table reflects the amount of interest due in the 2022/23 year only.

The Council's borrowing budget for 2022/23 was £145,532, this was calculated on a forecast of interest rates being 2%, interest rates were 1% as at December 2021, and they were expected to only marginally rise by April 2022.

The actual cost of borrowing in 2022/23 was £164,621.93, £19,089.93 over the budgeted amount. This cost was covered the extra interest earned above budget on the Council's investments.

The Council has taken no long-term borrowing from the Public Works Loans Board.

Borrowing in advance of need

The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

As outlined in section 4.1 The Council did borrow in advance of need when a forecasted cash deficit was known, and it was predicted borrowing rates were to be increased by the MPC soon. Therefore, borrowing was agreed ahead of the borrowing date to agree a lower interest rate.

6. Investment Outturn

Investment Policy – the Council’s investment policy is governed by DLUHC investment guidance, which has been implemented in the annual investment strategy approved at Full Council. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc.)

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties that were not managed by short-term borrowing. No overdraft charges were received.

Investments held by the Council

- The Council maintained an average balance of £40.959m of internally managed funds over the 2022/23 financial year.
- The internally managed funds earned an average rate of return of 3.53%.
- The comparable performance indicator is the average 12-month SONIA rate, which was also 3.53% as shown in the table on page 18.
- This compares with a budget assumption of £42.821m investment balances earning an average rate of 2.68%.
- Total investment income was £1.449m compared to a budget of £1.149m which is a total of £300k extra income earned.

7. The Economy and Interest Rates

UK. Economy.

Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022/23.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, EZ and US 10-year yields all rising by over 200bps in 2022. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
Bank Rate	4.25%	3%	4.75%-5%
GDP	0.1%q/q Q4 (4.1%y/y)	+0.1%q/q Q4 (1.9%y/y)	2.6% Q4 Annualised
Inflation	10.4%y/y (Feb)	6.9%y/y (Mar)	6.0%y/y (Feb)
Unemployment Rate	3.7% (Jan)	6.6% (Feb)	3.6% (Feb)

Q2 of 2022 saw UK GDP deliver growth of +0.1% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen's passing. Q4 GDP was positive at 0.1% q/q. Most recently, January saw a 0.3% m/m increase in GDP as the number of strikes reduced compared to December. In addition, the resilience in activity at the end of 2022 was, in part, due to a 1.3% q/q rise in real household disposable incomes. A big part of that reflected the £5.7bn payments received by households from the government under the Energy Bills Support Scheme.

Nevertheless, CPI inflation picked up to what should be a peak reading of 11.1% in October, although hopes for significant falls from this level will very much rest on the movements in the gas and electricity markets, as well as the supply-side factors impacting food prices. On balance, most commentators expect the CPI measure of inflation to drop back towards 4% by the end of 2023. As of February 2023, CPI was 10.4%.

The UK unemployment rate fell through 2022 to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact remains, however, that with many economic participants registered as long-term sick, the UK labour force shrunk by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at over 6% the MPC will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food (up 18.3% y/y in February 2023) and energy that have endured since Russia's invasion of Ukraine on 22 February 2022.

Bank Rate increased steadily throughout 2022/23, starting at 0.75% and finishing at 4.25%.

In the interim, following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by

her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of the 17th of November gave rise to a net £55bn fiscal tightening, although much of the “heavy lifting” has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have reversed the increases seen under the previous tenants of No10/11 Downing Street, although they remain elevated in line with developed economies generally.

As noted above, GDP has been tepid throughout 2022/23, although the most recent composite Purchasing Manager Indices for the UK, US, EZ and China have all surprised to the upside, registering survey scores just above 50 (below suggests economies are contracting, and above suggests expansion). Whether that means a shallow recession, or worse, will be avoided is still unclear. Ultimately, the MPC will want to see material evidence of a reduction in inflationary pressures and a loosening in labour markets. Realistically, that is an unlikely outcome without unemployment rising and wage settlements falling from their current levels. At present, the bigger rise in employment kept the ILO unemployment rate unchanged at 3.7% in January. Also, while the number of job vacancies fell for the ninth consecutive month in February, they remained around 40% above pre-pandemic levels.

Our economic analysts, Capital Economics, expect real GDP to contract by around 0.2% q/q in Q1 and forecast a recession this year involving a 1.0% peak-to-trough fall in real GDP.

The £ has remained resilient of late, recovering from a record low of \$1.035, on the Monday following the Truss government’s “fiscal event”, to \$1.23. Notwithstanding the £’s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 4.5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

As for equity markets, the FTSE 100 started 2023 strongly, rising to a record high of 8,014 on 20th February, as resilient data and falling inflation boosted earnings. But global equities fell sharply after concerns over the health of the global banking system emerged early in March. The fall in the FTSE 100 was bigger than the drop in the US S&P 500. Indeed, at around 7,600 now, the FTSE is 5.2% below its record high on 20th February, while the S&P 500 is only 1.9% lower over the same period. That’s despite UK banks having been less exposed and equity prices in the UK’s financial sector not falling as far. It may be due to the smaller decline in UK interest rate expectations and bond yields, which raise the discounted value of future earnings, compared to the US.

USA. The flurry of comments from Fed officials over recent months suggest there is still an underlying hawkish theme to their outlook for interest rates. Markets are pricing in a further interest rate increases of 25-50bps, on top of the current interest rate range of 4.75% - 5%.

In addition, the Fed is expected to continue to run down its balance sheet once the on-going concerns about some elements of niche banking provision are in the rear-view mirror.

As for inflation, it is currently at c6% but with the economy expected to weaken during 2023, and wage data already falling back, there is the prospect that should the economy slide into a recession of any kind there will be scope for rates to be cut at the backend of 2023 or shortly after.

EU. Although the Euro-zone inflation rate has fallen below 7%, the ECB will still be mindful that it has further work to do to dampen inflation expectations and it seems destined to raise rates to 4% in order to do so. Like the UK, growth has remained more robust than anticipated but a recession in 2023 is still seen as likely by most commentators.

8. Other Issues

1. IFRS 9 fair value of investments

English authorities: Following the consultation undertaken by the Department of Levelling Up, Housing and Communities DLUHC on IFRS 9, the Government has extended the mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds to 31st March 2025. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.

Risk management will need to take account of the 2018/19 Accounting Code of Practice proposals for the valuation of investments. Whilst for many authorities, this may not be a significant issue, key considerations are included in our Technical Release, (TRA14, 29 August 2017), including:

- Expected credit loss model. Whilst this should not be material for vanilla treasury investments such as bank deposits, this is likely to be problematic for some funds e.g., property funds, (and also for non-treasury management investments dealt with in the capital strategy e.g., longer dated service investments, loans to third parties or loans to subsidiaries).
- The valuation of investments previously valued under the available for sale category e.g., equity related to the “commercialism” agenda, property funds, equity funds and similar, will be changed to Fair Value through the Profit and Loss (FVPL).

2. Changes in risk appetite

The Treasury has not changed its risk appetite during the 2022/23 year. The main focus of the treasury is to safeguard taxpayers money by investing in low risk counterparties and maintaining a diverse portfolio, and then secondly to generate a interest return on investments.

3. Counterparty limits

The counterparty limits were not changed at the end of the 2022/23 year, effective the 1st April 2023. This is to reflect a lower total investment value of the Council, and to ensure diversification is maintained across the investment portfolio to minimize risk. These limits are in the Treasury Strategy 2023/24, but are also highlighted again below:

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£6m	Unlimited
Secured investments *	25 years	£6m	Unlimited
Banks (unsecured) *	13 months	£2m	£5m
Building societies (unsecured) *	13 months	£2m	£5m
Registered providers (unsecured) *	5 years	£2m	£10m
Money market funds *	n/a	£6m	£20m
Strategic pooled funds	n/a	£6m	Unlimited
Real estate investment trusts	n/a	£6m	£10m
Other investments *	5 years	£2m	£5m

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Corporate Plan 2023 – 2027	
Executive Summary	<p>Following the District Council elections on 4th May the Cabinet and Corporate Leadership Team have worked to develop a new Corporate Plan which sets out the intent and ambition of the authority for the period 2023 – 2027.</p> <p>The draft Corporate Plan document is now presented for comment by the Overview and Scrutiny Committee and thereafter presentation to Full Council for adoption.</p>
Options considered	<p>The Council is required to publish a Corporate Plan.</p> <p>The development of this Plan reflects the priorities of the administration based upon their manifesto statements and looks to take forward new actions under the principal themes from the 2019 – 2023 Corporate Plan – particularly with respect to the environment and Net Zero, housing, the local economy, quality of life and engagement with our residents and communities.</p>
Consultation(s)	<p>The development of the new Corporate Plan has not in itself involved a specific process of consultation. The Plan has been developed recognising those critical issues facing North Norfolk and its communities and reflects the priorities of the incoming council administration for the period 2023 – 2027. These issues are not new and will involve the Council working with established partners to develop responses to these challenges. The Corporate Plan is a high level document setting out the priorities of the Council over the next four years, with specific project proposals and interventions developed to address those challenges being the subject of engagement and consultation in the months ahead.</p>
Recommendations	<p>That the Overview and Scrutiny Committee:-</p> <ol style="list-style-type: none"> 1. Considers and comments upon the content of the draft Corporate Plan 2023 – 2027 as a statement of the Council’s intent and ambition for the term of this Council administration, with any comments being reported to the meeting of Full Council to be held on 19th July 2023. 2. Notes the arrangements outlined for a series of member workshops in September 2023 to contribute to the development of actions / proposals for inclusion in the 2024/25 Annual Action Plan and then for the draft Action Plan being presented as a pre-scrutiny item for discussion / agreement by the Overview and Scrutiny Committee at its 11th October 2023 meeting.
Reasons for recommendations	<p>The Corporate Plan details the Council’s ambitions and intent for the next four years. It will provide the</p>

	<p>framework and context for the Council's service provision, project interventions and resource allocation (financial and staffing) for the period through to 2027.</p> <p>The Plan will be subject to annual review to ensure that it continues to reflect the Council's priorities and objectives throughout the next four years in response to emerging trends, policy developments and legislation.</p>
Background papers	No background papers were used in the preparation of this report.

Wards affected	All
Cabinet member(s)	Cllr Tim Adams, Leader of the Council
Contact Officer	Steve Blatch, Chief Executive Tel:- 01263 516232 Email: steve.blatch@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	Not applicable – this report proposes a new Corporate Plan
Medium Term Financial Strategy (MTFS)	The adoption of a new Corporate Plan will inform future revision of the Medium Term Financial Strategy
Council Policies & Strategies	The adoption of a new Corporate Plan will inform future revision / adoption of council policies and strategies

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	Public business item.
Details of any previous decision(s) on this matter	New Corporate Plan to reflect the priorities of the Council during the period 2023 - 2027

1. Purpose of the report

- 1.1 To propose a new Corporate Plan for the Council for the period 2023 – 2027.

2. Introduction & Background

- 2.1 The Corporate Plan is a key document which details the Council's ambitions and intent for the four-year term of this Council administration. It is a high-level document which details the Council's priorities and will then inform service provision, project interventions and the allocation of staff and financial resources to deliver against those priority issues and themes over the lifetime of this Council.

- 2.2 The Corporate Plan details the Council's ambitions and priority areas of focus and attention. However, alongside delivery of actions in support of the Corporate Plan objectives, many of the Council's staff and resources will be focused on the delivery of "core" or statutory services around which there is some choice as to service standards but little real discretion over the need to provide.
- 2.3 The Council's performance in these "core" service areas will be the subject of performance monitoring and "benchmark" reporting in addition to reporting on the progress the Council makes in delivering against its Corporate Plan objectives in quarterly performance reports.

3. Proposals and Options

- 3.1 Following the District Council elections held on 4th May, the Council's new Cabinet has shared its priority areas of focus for the next four years with the Corporate Leadership Team and work has been undertaken to refine key ideas and proposals in to a high level Corporate Plan, which is now attached at Appendix A of this report.
- 3.2 The Plan has a headline strapline and overarching statement of intent, as follows:-

Putting North Norfolk and its Communities First

We will be a Council green to its core, focussed on supporting the communities of North Norfolk; particularly our rural villages, businesses, those affected by the housing crisis and the challenges facing our unique environment.

- 3.3 This statement of intent is then supported by five principal themes, being:-

- **Our greener future**
- **Developing our communities**
- **Meeting our local housing need**
- **Investing in our Local Economy and Infrastructure**
- **A strong, responsible and accountable council**

- 3.4 Following approval and adoption of the Corporate Plan, work will commence on the development of a more detailed Action Plan for this year and next (2024/25) which will outline those projects and interventions the authority might seek to take forward to address the challenges faced by the District under each of the priority themes over the next 21 months – particularly in the 2024/25 year. It is proposed that this will be an inclusive process with some initial work being progressed by officers over the July / August period and then some member / officer workshops for each theme held in September before a draft Action Plan is presented as a pre-Scrutiny item to the Overview and Scrutiny Committee meeting on 11th October and then the final draft Action Plan documented presented to Cabinet for approval at its meeting to be held on 6th November.

- 3.5 Agreement of the Action Plan will then inform a revision of the Council's Medium-Term Financial Strategy and the 2024/5 budget process, so that the focus of the Council's activity and resources in the future are clearly aligned to the Corporate Plan priorities.

4. Corporate Priorities

- 4.1 Early agreement of a new Corporate Plan for the four-year term of this Council administration will provide a clear public context for the Council's priority actions and allocation of resources – both staff and finances for the next few years.
- 4.2 Agreement of the new Corporate Plan will therefore provide the context for the development of new policies and strategies and inform future financial and investment decisions to be made by the authority on projects and initiatives moving forward. The Corporate Plan is therefore a key document for the authority as it looks to plan for the next four years.

5. Financial and Resource Implications

- 5.1 Agreement of a new Corporate Plan will assist with the Council's financial planning through informing a revision to the Medium Term Financial Strategy and preparation of the 2024/25 and future years budgets.
- 5.2 Preparation of the new Corporate Plan itself will not involve significant direct costs beyond senior management time, which has been scheduled to support this process following the May elections. There will then be some wider requirement for officer time in the development of the Action Plan over the period July – October this year but this will provide the context for where staff and financial resources will be directed in the future.
- 5.3 There are no direct costs associated with the preparation of the new Corporate Plan itself; any project proposals identified through the Action Plan process will require the development of business cases and allocation of resources in their own right in due course.

6. Legal Implications

- 6.1 The Council is required to produce a Corporate Plan detailing its priorities and focus in seeking to address the challenges and opportunities in its area. The Corporate Plan is a high level document and does not in itself raise any legal issues which require consideration at this time. As individual project proposals are developed due consideration will need to be given to any legal issues arising through procurement, land and premises, employment issues etc.

7. Risks

- 7.1 The development of a new Corporate Plan does not in itself raise any risks for the authority. As individual project proposals are developed each will be required to consider any risks involved and where these are significant a project risk register developed and regularly reviewed. Any significant “corporate” risks would be escalated and included in the Corporate Risk Register.

8. Net Zero Target

- 8.1 The challenges of climate change and the Net Zero agenda and the Council’s proposed response feature prominently in the new Corporate Plan; with specific objectives outlined. Detailed project proposals which seek to address the Net Zero challenge will be included in the Action Plan as well as there being an over-arching narrative and requirement for the Council to consider Net Zero objectives in all of its activities and actions moving forward.

9. Equality, Diversity & Inclusion

- 9.1 The development of a new Corporate Plan does not in itself raise any issues in respect of equality, diversity and inclusion although a number of the key themes of community engagement, housing, the economy, and quality of life seek to address equality and diversity issues across the District.
- 9.2 As the Corporate Plan Action Plan is developed over the period July – October proposals will be assessed against an Equality Impact Assessment to ensure that the implications of any proposals on equality, diversity and inclusion are properly understood.

10. Community Safety issues

- 10.1 This report does not raise any issues relating to Crime and Disorder.

11. Conclusion and Recommendations:-

Following the District Council elections on 4th May the Cabinet and Corporate Leadership Team have worked to develop a new Corporate Plan which sets out the intent and ambition of the authority for the period 2023 – 2027.

The draft Corporate Plan document is now presented for comment by the Overview and Scrutiny Committee and thereafter presentation to Full Council for adoption.

That the Overview and Scrutiny Committee:-

- 1. Considers and comments upon the content of the draft Corporate Plan 2023 – 2027 as a statement of the Council’s intent and ambition for the term of this Council administration, with any comments being reported to the meeting of Full Council to be held on 19th July 2023.**

- 2. Notes the arrangements outlined for a series of member workshops in September 2023 to contribute to the development of actions / proposals for inclusion in the 2024/25 Annual Action Plan and then for the draft Action Plan being presented as a pre-scrutiny item for discussion / agreement by the Overview and Scrutiny Committee at its 11th October 2023 meeting.**

LOGO

Corporate Plan 2023 -2027

Putting North Norfolk and its Communities First

A Council placing the environment and our communities at the heart of everything we do, particularly our rural villages, businesses, those affected by the housing crisis and the challenges facing our unique environment.

Leader's introductory statement

To be developed for meeting of Full Council to be held on 19th July 2023 reflecting on discussions of Cabinet on 29th June and Overview and Scrutiny Committee on 12th July 2023.

final draft

Contextual Information/Infographics

The infographic datasets to be included here are being developed alongside the process of approving the draft Corporate Plan at the Cabinet meeting of 29th June and Overview and Scrutiny Committee meeting to be held on 12th July 2023.

final draft

Our Priorities.....

Our Greener Future

Developing our communities

Meeting our local Housing Need

Investing in our Local Economy and Infrastructure

A Strong, Responsible and Accountable Council

Final draft

Our Greener Future

We will continue our work to create a cleaner, greener and zero-carbon future for North Norfolk.

Continue our journey to Net Zero

- Continuing our own annual emissions reductions to reach Net Zero by 2030
- Introducing significant new projects which deliver on our Net Zero ambitions
- Supporting homeowners upgrade the environmental performance of their homes.
- Continuing to invest in the Council's property portfolio to reduce carbon impact.
- Promoting measures to reduce emissions from transport and increase active travel
- Protecting and enhancing the special landscape and ecological value of North Norfolk whilst improving the biodiversity of the district
- Strengthening the ability for local communities to deliver on local environmental ambitions and priorities.

- Continuing to pursue government and external funding for new green initiatives.
- Providing carbon literacy training for all staff and members to better inform council decisions and promote community understanding.

Tackle environmental waste and pollution

- Using the National Waste and Resources Strategy implementation and any additional funding available to maximise recycling and reduce waste through the introduction of new streams, such as food waste collections for every household.
- Taking the strongest action to combat and prevent environmental crimes, such as fly-tipping
- Engaging with businesses, residents and partners to develop campaigns, actions and investment in infrastructure to reduce waste and litter

- Identifying solutions to nutrient neutrality that will enable key watercourses to remain healthy ecosystems, whilst ensuring necessary development can take place

Protect and Transition our Coastal Environments

- Realising the opportunities of external funding to secure a sustainable future for our coastal communities through transition and adaptation responses.
- Implementing the Cromer and Mundesley Coast Protection Schemes.
- Continuing our programme of investment in coastal and resort infrastructure and amenities, building on the progress made in recent years.
- Working with local communities and organisations to reduce plastic in the environment and achieve 'Plastic Free' status for our coastline

Developing our Communities

We will develop our work to support confident, engaged, resilient and inclusive communities.

Engaged and supported individuals and communities

- Ensuring that people feel well informed about local issues, have opportunities to get involved, influence local decision making, shape their area and allow us to continue to improve services they receive.
- Ensuring that the needs of harder to reach groups are not overlooked; through identifying, understanding and removing the barriers that might hinder engagement with the council.
- Supporting our communities to become more resilient, self-reliant, inclusive and embrace their diversity

Increase accessibility and inclusion for all

- Building upon our declared statement of wanting to make North Norfolk more accessible and inclusive for all.

- Continuing our record of investment in the provision of inclusive public toilet facilities.
- Creating active environments for all ages and abilities.
- Continuing to deliver the Sustainable Communities Fund, focussing on community activities for all.

Promote Culture, Leisure and Sports activities

- Championing North Norfolk as a place where residents and visitors can enjoy inclusive cultural opportunities and healthy leisure and sports activities.
- Continuing to support cultural assets across the District to provide cultural opportunities for all.
- Working with partners to support and develop participatory and community sports and cultural events.

- Developing further the leisure facilities provided across the District

Promote health, wellbeing and independence for all

- Tackling the COVID legacy of loneliness and isolation felt by those most impacted across our communities.
- Growing the work done in reaching out to our communities and provide additional focus to the work being undertaken to support the most vulnerable.
- Working with partners to promote healthy lifestyles and address the health inequalities faced by our communities.

Meeting our Housing Need

We will seek to meet the challenges of local housing need.

Address housing need

- Supporting the delivery of more affordable housing, utilising partnership and external funding wherever possible.
- Developing our prevention and support services to those who are at risk of losing a secure home
- Increasing our portfolio of Temporary Accommodation to support residents in crisis.
- Innovating to bring new types and tenures of homes to the District

- Working with partners to deliver more rural exception sites.
- Meeting the specific housing needs of our elderly and vulnerable residents.
- Working with national, regional and local partners to support the needs of refugees.

Tackle the impact of second homes and holiday lets

- Continuing the work we have done to represent the District over second homes, advocating for a fair proportion of the taxation which will be spent on

affordable homes and related infrastructure provision.

- Ensuring the efficient collection of taxes on second homes and holiday lets.

Promote best use of housing stock and good housing standards

- Working harder to bring empty homes back into use.
- Continuing the high-profile work done to tackle unscrupulous landlords/ poor quality housing during the cost of living crisis.

Investing in our Local Economy and Infrastructure

We will create an environment where businesses thrive and prosper, supporting jobs and economic opportunity for all

An environment for business to thrive in

- Working with our Market and Resort Towns to reinforce their roles as local service centres, centres of employment, financial services and business activity, served by public transport
- Providing support to allow rural businesses to thrive, recognising that many of our larger employers operate outside of our main towns.
- Looking to maximise the benefits to our business community of the UK Shared Prosperity and Rural England Prosperity Funds.
- Continuing to promote North Norfolk's diverse tourism and visitor offer
- Working with partners locally and nationally to deliver increased

sustainability in marine industries and develop a sustainable and equitable blue economy that delivers ocean recovery and local prosperity

Skills for jobs

- Promoting innovation and workforce development throughout the district.
- Promoting improved access to post 16 vocational education
- Continuing to provide apprenticeships opportunities, directly as a large local employer and promoting uptake in the wider business economy.

Infrastructure to support growth

- Exploring opportunities for securing development of our few brownfield sites.

- Seeking to maximise the potential from the local implications of the transition towards hydrogen and carbon capture, use and storage (CCUS) at the Bacton Gas site
- Acting as a digital champion to promote investment to address our competitive disadvantage through broadband and mobile connectivity challenges.
- Influencing issues of water scarcity and constraints in the local electricity distribution network
- Ensuring an adequate supply of serviced employment land and premises to support local business growth and inward investment

A Strong, Responsible and Accountable Council

We will ensure the Council maintains a financially sound position, seeking to make best use of its assets and staff resources, effective partnership working and maximising the opportunities of external funding and income.

Quality customer service

- Developing our self-service options so that customers can do business with us 24/7 to enable the most efficient transactions
- Providing support for all residents, focussing on equality, understanding and respect
- Improving communication with residents via all communication channels
- Reviewing contract and partnership arrangements to ensure the most appropriate and efficient means of delivering services to our diverse communities and customers.
- Reviewing service delivery arrangements so as to realise efficiencies without compromising service standards and outcomes

Effective and efficient delivery

- Managing our finances and contracts robustly to ensure best value for money
- Continuing a service improvement programme to ensure our services are delivered efficiently
- Providing services that are value for money and meet the needs of our residents
- Ensuring that strong governance is at the heart of all we do.
- Creating a culture that empowers and fosters an ambitious, motivated workforce
- Exploring opportunities to work further with stakeholders and partner organisations

Maximising opportunity

- Investing in projects which deliver financial returns and/or contribute to our wider objectives around Net Zero, business and jobs, community facilities and infrastructure
- Reviewing our parking management contract to ensure we are realising all opportunities to generate revenue from these assets.
- Increasing the rates of occupation on all council's commercial properties
- Maximising external grant funding to deliver the Council's corporate objectives
- Investigating the implementation of a Tourist Tax to finance the provision and maintenance of visitor infrastructure so that the costs do not fall directly on local Council Tax payers/ making sure tourism pays for itself.

Our Key Actions 2023 -2024

Green to our core

- Provide the solar car port at the Reef
- Develop a response to the Waste and Resources Strategy
- Local Plan examination
- Launch CoastWise
- Commence delivery of Cromer and Mundesley Coast Protection Schemes

Developing our Communities

- Encouraging those in our communities eligible for financial support through the benefits system to claim all they are entitled to
- Completion of new/ refurbished toilets at North Walsham Sheringham and Holt
- Promote the development of Neighbourhood Plans
- Develop an Active Environments Strategy
- Further develop and embed our Youth Council work
- Develop a Rural Strategy
- Submit quality bids to available Government funding opportunities

Meeting Housing Need

- Develop XX (to be agreed) affordable housing units
- Realise the Council's contracted commitment under the Local Authority Housing Fund
- Work with partners, agree a programme of investment in local housing initiatives, funded through the local Second Homes Council Tax premium. Deliver additional units of Temporary Accommodation

Investing in our Local Economy and Infrastructure

- Take forward the recommendations of the Stalham High Street Task Force Action Plan
- Facilitate the provision of at least one Banking Hub in the district as a model to retain access to cash and financial services in our key settlements
- Commission a study into the potential Hydrogen production at the Bacton Energy hub
- Prepare an Economic Growth Strategy
- Launch the Virtual Business Support Hub

A Strong, Responsible and Accountable Council

- Ensure the Council's annual accounts are audited in a timely manner
- Facilitate Corporate Peer Challenge and prepare response to any recommendations made
- Review and prepare an options appraisal for the management of the car park service
- Advertise and let the Cedars building in North Walsham
- Ensure our customer service delivery model reflects current and future customer needs
- Complete implementation of the Planning Service Improvement Plan
- Develop a new People and Workforce Strategy in support of the Council's objectives and priorities

Our proposed future actions.....(for 2024 and beyond)

To be agreed through member / officer workshops for each of the themes to be staged in September 2023, followed by pre-Scrutiny in October 2023 and then agreement / sign off by Cabinet at its meeting of 6th November 2023.

final draft

Headline Benchmarking Report (selected measures) – CIPFA Comparison	
Executive Summary	<p>The Overview and Scrutiny Committee previously selected datasets from LG Inform’s Headline Benchmarking Report, to compare NNDC’s position with those of similar Local Authorities (CIPFA). Following this quarterly review of the selected measures, the Committee may decide to make recommendations to Cabinet to investigate or improve performance in specific areas.</p> <p>For this quarter, 7 of the 11 measures have been updated since the last Report. Out of all the 11 measures, 3 scored red in the CIPFA quartile RAG analysis, 4 scored amber, 2 scored light green and 2 scored green.</p> <p>The measures that scored red were CIPFA Measure 3b: Time taken to process housing benefit change events (average days per quarter (data updated since last report)); CIPFA Measure 8: Total expenditure - Central Services per head of population (£’s per person, per year (data not updated since last report)); and CIPFA Measure 9a: Rate of births of new enterprises per 10,000 residents of the population aged 16 and above (number of businesses per 10,000 people, per year (data not updated since last report)).</p> <p>The 4 datasets in the amber category have all shown some improvement since the previous period. 3 out of these 4 datasets have been updated since the last Report.</p>
Options considered	<ol style="list-style-type: none"> 1. No action 2. Make recommendations to Cabinet
Consultation(s)	<p>Consultation is not necessary as the “Headline Benchmarking Report (selected measures) – CIPFA comparison” has been produced solely for the Overview and Scrutiny Committee to review.</p>
Recommendations	<ol style="list-style-type: none"> 1. Receive and note the headline benchmarking data for NNDC compared to the CIPFA benchmarking group. 2. Decide whether to take no action or make recommendations to Cabinet for further investigation, monitoring and/or possible intervention for improvement in specific areas.
Reasons for recommendations	<p>Measuring a broad range of indicators will allow a detailed assessment of the services the Council provides and the general health and climate of North Norfolk. Monitoring these trends over time and in comparison to North Norfolk’s CIPFA Nearest Neighbours will be a useful facilitator for any resulting recommended actions that may be required.</p>
Background papers	<p>All background papers used are published on NNDC’s</p>

	intranet. The information is also available on LG Inform's online data portal.
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Wards affected	All wards are affected as the data is for the North Norfolk district.
Cabinet member(s)	Cllr. Tim Adams
Contact Officer	Lucy Wilshaw, Corporate Data Analyst. Tel: 01263 516 379. Email: performance@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	The "Headline Benchmarking Report (selected measures) – CIPFA comparison" does not link to any Corporate Plan priorities as it has been produced solely for the Overview and Scrutiny Committee to review.
Medium Term Financial Strategy (MTFS)	The Report is not specifically linked to MTFS however early identification and intervention of any concerning areas will, in the long run, save time and money, and improve efficiency, avoiding any services falling below acceptable levels and improving the general health and climate of North Norfolk.
Council Policies & Strategies	The Report is not specifically linked to any existing Council policies and strategies.

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	The "Headline Benchmarking Report (selected measures) – CIPFA comparison" has been produced solely for the Overview and Scrutiny Committee to review.
Details of any previous decision(s) on this matter	15/06/2022 - Overview and Scrutiny Committee meeting: <ul style="list-style-type: none"> • Quarterly review of the Report • CIPFA comparison area only • Review datasets in the Report every six months – adding and deleting datasets as necessary.

1. Purpose of the report

To provide the Overview and Scrutiny Committee with further benchmarking information, of their selected measures, for regular review, in addition to the benchmarking data provided in the Quarterly Performance Report and the Contextual Measures Report which are also presented to the Committee.

Reviewing datasets in this way will enable a proactive insight in to the services the Council provides and North Norfolk in general. Early identification and intervention of any concerning areas will, in the long run, save time and money, and improve efficiency, avoiding any services falling below acceptable levels and improving the general health and climate of North Norfolk.

2. Introduction & Background

2.1 On the 15th June 2022 the Overview & Scrutiny Committee decided to review additional benchmarking data from measures chosen from LG Informs' prebuilt Headline Report, they agreed:

2.1.1 To review the chosen datasets quarterly at the Committee meetings.

2.1.2 The datasets were to be presented for the CIPFA comparison area only.

2.1.3 The chosen datasets in the Report are to be reviewed every six months, adding and deleting datasets as necessary – next review due October 2023.

2.2 Summary of measures added and removed at Committee meetings:

Measure	Date added	Date removed
CIPFA 1: Council tax non-collection rate, as a percentage of council tax due (% per year)	15/06/2022	14/12/2022
CIPFA 2: Households on the housing waiting list (number of households per year)	15/06/2022	Current
CIPFA 3a: Time taken to process housing benefit new claims (average days per quarter)	15/06/2022	Current
CIPFA 3b: Time taken to process housing benefit change events (average days per quarter)	15/06/2022	Current
CIPFA 4: Number of affordable homes delivered (number of homes per year)	15/06/2022	Current
CIPFA 5: Percentage of major development planning applications decided in time (% per quarter)	15/06/2022	Current
CIPFA 6: Percentage of minor development planning applications decided in time (% per quarter)	15/06/2022	Current
CIPFA 7: Percentage of household waste recycled (% per year)	15/06/2022	Current
CIPFA 8: Total expenditure - Central Services per head of population (£'s per person, per year)	14/12/2022	Current
CIPFA 9a: Rate of births of new enterprises per 10,000 residents of the population aged 16 and above (number of businesses per 10,000 people, per year)	14/12/2022	Current
CIPFA 9b: Rate of births of new enterprises per 10,000 residents of the population aged 16 to 64 (number of businesses per 10,000 people, per year)	15/03/2022	Current
CIPFA 10 Residual household waste per household (kg per household, per year)	14/12/2022	Current

3. Proposals and Options

There are two tables below to support the Overview and Scrutiny Committee with the headline benchmarking quarterly review. The full data report can be found on NNDC's intranet on the Corporate Delivery Unit's Intelligence Centre page, in the section titled "Headline benchmarking reports": <https://nnorfolkdc.sharepoint.com/sites/CorporateDeliveryUnit/SitePages/Intelligence-Centre.aspx> The report is best viewed online as the online version contains interactive functions and is self updating so will always show the latest data.

3.1 Brief summary of latest headline benchmarking data:

Measure	Data released for next period since last report	Figure for North Norfolk	Direction of change from previous period	Quartile compared to CIPFA nearest neighbours	Current period of dataset
CIPFA 1: Council tax non-collection rate, as a percentage of council tax due (% per year) - removed from review on the 14/12/2022.	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
CIPFA 2: Households on the housing waiting list (number of households per year)	No	2,560	↓	3	2021/22
CIPFA 3a: Time taken to process housing benefit new claims (average days per quarter)	Yes	14	↔	2	2022/23 Q3
CIPFA 3b: Time taken to process housing benefit change events (average days per quarter)	Yes	16	↓	4	2022/23 Q3
CIPFA 4: Number of affordable homes delivered (number of homes per year)	No	111	↓	2	2021/22

Measure	Data released for next period since last report	Figure for North Norfolk	Direction of change from previous period	Quartile compared to CIPFA nearest neighbours	Current period of dataset
CIPFA 5: Percentage of major development planning applications decided in time (% per quarter)	Yes	100%	↔	1	2022/23 Q4
CIPFA 6: Percentage of minor development planning applications decided in time (% per quarter)	Yes	96%	↓	1	2022/23 Q4
CIPFA 7: Percentage of household waste recycled (% per year)	Yes	42.30%	↑	3	2021/22
CIPFA 8: Total expenditure - Central Services per head of population (£'s per person, per year)	No Data is missing for 2021/22	£178.83	↓	4	2020/21
CIPFA 9a: Rate of births of new enterprises per 10,000 residents of the population aged 16 and above (number of businesses per 10,000 people, per year)	No	43.6	↑	4	2021
CIPFA 9b: Rate of births of new enterprises per 10,000 residents of the population aged 16 to 64 (number of businesses per 10,000 people, per year)	New	71	↑	3	2021
CIPFA 10 Residual household waste per household (kg per household, per year)	Yes	472.9	↓	3	2021/22

Grey highlight = New data has not been released since the previous review.

Directional arrows (change in data compared to previous period): Green = trend improving; Red = trend worsening; Black = no change in trend.

Quartiles: The 1st quartile (top quartile) contains the best 25% of values in any given scenario and the 4th quartile (lowest quartile) contains the worst 25% in any given scenario.

3.2 CIPFA quartile RAG analysis of the latest headline benchmarking data including data notes:

Measure	Notes about data
Red	
<p>CIPFA 3b: Time taken to process housing benefit change events (average days per quarter)</p>	<p>Remained in the lowest quartile but the processing time improved since the previous period. Lowest average number of days processing time since 2022/23 Q1. Consistently higher than CIPFA mean over recent periods.</p> <p>The Benefits team are continuing to process new claims for Housing Benefit within 24 hours of receipt to ensure payments are issued as a priority. Delays in processing are around incomplete claims where additional information needs to be requested. The Benefits team are continuing to review their practices to see how they can further support customers to provide all the information needed at the time of claiming. Due to the migration of Housing Benefit cases onto Universal Credit, Local Authorities are seeing a significant increase to the number of changes in circumstances. The Department for Work and Pensions are also extending the sources of data for matching exercises to reduce fraud and error which will increase workloads for Local Authorities. In October 2022, the service recruited seven additional officers to support the work of the team, which included five apprentices and two temporary Benefit Officers. However, whilst this added capacity to the team, there is a delay in improving the processing times whilst the new staff are being trained.</p> <p>Please note: The performance data being used for benchmarking the Benefits team is provided by the Department for Work and Pensions and only represents Housing Benefit cases. The data reported for Benchmarking is also out of date. Performance in the service changes continuously and rapidly for several reasons. The data does not include NNDC's performance around handling Council Tax Support claims. Due to the roll out of Universal Credit the Housing Benefit cases represents 48% of the total caseload, with Council Tax Support claims making up the remainder of cases.</p>

Measure	Notes about data
CIPFA 8: Total expenditure - Central Services per head of population (£'s per person, per year)	<p>Data is missing for 2021/22. Previously remained in the lowest quartile but the expenditure per person improved since the previous period. Varied fluctuations over previous periods. Considerably higher than the CIPFA mean over recent periods.</p> <p>Data is missing for the latest period due to the accounts being in draft format due resource shortages.</p>

Measure	Notes about data
<p>CIPFA 9a: Rate of births of new enterprises per 10,000 residents of the population aged 16 and above (number of businesses per 10,000 people, per year)</p>	<p>Remained in the lowest quartile but the rate of business births improved since the previous period. Highest rate since 2008. Consistently lower than CIPFA mean over recent periods.</p> <p><u>Additional business profile data:</u></p> <p>The business growth ratio for North Norfolk was positive for the latest period and there was no excess business mortality. New businesses showed an increase for the latest period but North Norfolk generally has a lower number of active businesses compared to the CIPFA neighbours. The new businesses and business deaths was in proportion with the total number of businesses in North Norfolk. Although the number of business deaths rose in 2021 it is not proportionally high compared to the other Local Authorities.</p> <ul style="list-style-type: none"> • The number of new business births was 390 for the latest period in 2021, an increase from 285 business births in the previous period. • The number of active businesses increased by 150 enterprises this period but remains in lowest quartile for the active businesses per 10,000 people. • The percentage of new businesses out of all businesses and the percentage of business deaths out of all businesses are both in the top quartile. • The number of business deaths rose from 275 to 320 from 2020 to 2021 but it is in the top quartile for the business deaths per 10,000 residents. • The business growth ratio increased to 70 this period from 10 the previous period and is in the second quartile. • The excess business mortality was 0 for this period improving from 8 businesses in the previous period.
Amber	

Measure	Notes about data
CIPFA 2: Households on the housing waiting list (number of households per year)	Remained in the 3rd quartile but the number of households on the housing waiting list improved since the previous period. Lowest number of houses on waiting list since 2017/18. Higher than CIPFA mean over the last six periods.
CIPFA 7: Percentage of household waste recycled (% per year)	Remained in the 3 rd quartile but the percentage of household waste recycled improved since the previous period. Highest percentage of waste recycled since 2013/14. Considerably below the CIPFA mean for the last 11 periods.
CIPFA 9b: Rate of births of new enterprises per 10,000 residents of the population aged 16 to 64 (number of businesses per 10,000 people, per year)	Moved from the last quartile to the 3 rd quartile and the rate of business births improved since the previous period. Highest rate since 2006. Lower than the CIPFA mean for the last 12 periods.
CIPFA 10 Residual household waste per household (kg per household, per year)	<p>Moved from the 2nd quartile to the 3rd quartile but the residual household waste improved since the previous period. The last two periods have been the highest since the dataset began in 2007/08. Above CIPFA mean for the previous nine periods.</p> <p>The change in quartile is most likely due to the figures from the other Local Authorities, some of which were missing for this period.</p>
Light green	
CIPFA 3a: Time taken to process housing benefit new claims (average days per quarter)	Moved from the top quartile to the 2 nd quartile and the processing time remained the same since the previous period. Lowest average number of days processing time since 2021/22 Q4. Below the CIPFA mean for the last three periods.
CIPFA 4: Number of affordable homes delivered (number of homes per year)	Moved from the top quartile to the 2nd quartile and the number of affordable homes delivered declined since the previous period. Large fluctuations over previous periods. Considerably higher than the CIPFA mean in the previous period, just under it in the current period.
Green	

Measure	Notes about data
CIPFA 5: Percentage of major development planning applications decided in time (% per quarter)	Remained in the top quartile and the percentage of planning applications decided in time remained the same since the previous period. Maintained full 100% performance since 2021/22 Q2. Higher than the CIPFA mean for the previous seven periods.
CIPFA 6: Percentage of minor development planning applications decided in time (% per quarter)	Remained in the top quartile but the percentage of planning applications decided in time declined since the previous period. The last three periods were the highest since 2020/21 Q3. Higher than the CIPFA mean for the last seven periods.

Grey highlight = New data has not been released since the previous review.

Quartiles: The 1st quartile (top quartile) contains the best 25% of values in any given scenario and the 4th quartile (lowest quartile) contains the worst 25% in any given scenario.

4. Corporate Priorities

The “Headline Benchmarking Report (selected measures) – CIPFA comparison” has been produced solely for the Overview and Scrutiny Committee to review, it is not specifically links to the Corporate Plan or MTF5, however early identification and intervention of any concerning areas will, in the long run, save time and money, and improve efficiency, avoiding any services falling below acceptable levels and improving the general health and climate of North Norfolk.

5. Financial and Resource Implications

None, the Report is for monitoring purposes only. Any actions taken forward from this review will be subject to agreement by Cabinet and treated as separate agenda items.

6. Legal Implications

All the data included in the report is open source data and adheres to GDPR. The data is published under the Open Government License <https://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/> which states where the data are copied, published, distributed or the information transmitted. The source of the data must be stated, the attribution statements are provided with each dataset in the full data report on NNDC’s intranet on the Corporate Delivery Unit’s Intelligence Centre page, in the section titled “Headline benchmarking reports”: <https://nnorfolkdc.sharepoint.com/sites/CorporateDeliveryUnit/SitePages/Intelligence-Centre.aspx>

7. Risks

Reviewing benchmarking data is a part of risk mitigation for the Council. Early identification and intervention of any concerning areas will, in the long run, save time and money, and improve efficiency, avoiding any services falling below acceptable levels and improving the general health and climate of North Norfolk.

8. Net Zero Target

Not applicable, the Headline Benchmarking Report is for monitoring purposes only. There could be a positive impact if measures relating to sustainability, climate and carbon impact are chosen for investigation.

9. Equality, Diversity & Inclusion

Not applicable, the Headline Benchmarking Report is for monitoring purposes only. There could be a positive impact if measures relating to equality, diversity and inclusion are chosen for investigation.

10. Community Safety issues

Not applicable, the Headline Benchmarking Report is for monitoring purposes only. There could be a positive impact if measures relating to community safety issues are chosen for investigation.

11. Conclusion and Recommendations

For this quarter, 7 of the 11 measures have been updated since the last Report. Out of all the 11 measures, 3 scored red in the CIPFA quartile RAG analysis, 4 scored amber, 2 scored light green and 2 scored green.

The measures that scored red were:






- CIPFA Measure 3b: Time taken to process housing benefit change events (average days per quarter (data updated since last report))
 - Remained in the lowest quartile but the processing time improved since the previous period. Lowest average number of days processing time since 2022/23 Q1. Consistently higher than CIPFA mean over recent periods.
- CIPFA Measure 8: Total expenditure - Central Services per head of population (£'s per person, per year (data not updated since last report))
 - Data is missing for 2021/22. Previously remained in the lowest quartile but the expenditure per person improved since the previous period. Varied fluctuations over previous periods. Considerably higher than the CIPFA mean over recent periods.
- CIPFA Measure 9a: Rate of births of new enterprises per 10,000 residents of the population aged 16 and above (number of businesses per 10,000 people, per year (data not updated since last report))
 - Remained in the lowest quartile but the rate of business births improved since the previous period. Highest rate since 2008. Consistently lower than CIPFA mean over recent periods.

The 4 datasets in the amber category have all shown some improvement since the previous period. 3 out of these 4 datasets have been updated since the last Report.

The recommendations for the Committee are to:

1. Receive and note the headline benchmarking data for NNDC compared to the CIPFA benchmarking group – paying particular attention to the red and amber categories in the CIPFA quartile RAG analysis table (3.2).
2. Decide whether to take no action or make recommendations to Cabinet for further investigation, monitoring and/or possible intervention for improvement in specific areas – paying particular attention to:
 - a. The longer processing time for housing benefit change events
 - b. The higher expenditure in Central Services
 - c. The lower number of businesses in North Norfolk

North Norfolk District Council
Cabinet Work Programme
For the Period 01 September 2023 to 30 November 2023

Committee(s)	Meeting	Report title	Cabinet member	Corporate Plan theme	Decision details
September 2023					
Property Transactions:					
Cabinet	04 Sep 2023	Rocket House, Cromer	Cllr Lucy Shires <i>Neil Turvey</i> <i>Renata Garfoot</i>		 Possible Exempt information
Cabinet	04 Sep 2023	Marrams Bowls Club, Cromer	Cllr Lucy Shires <i>Neil Turvey</i> <i>Renata Garfoot</i>		 Possible Exempt information
Cabinet	04 Sep 2023	The Cedars, NW	Cllr Lucy Shires <i>Neil Turvey</i> <i>Renata Garfoot</i>		 Possible Exempt information
Cabinet	04 Sep 2023	Cromer Tennis Club	Cllr Lucy Shires <i>Neil Turvey</i> <i>Renata Garfoot</i>		 Possible Exempt information
Cabinet	04 Sep 2023	Stalham Sports Centre	Cllr Lucy Shires <i>Neil Turvey</i> <i>Renata Garfoot</i>		
Cabinet Scrutiny	04 Sept 2023 13 Sep 2023	Budget Monitoring P4	Cllr L Shires <i>Tina Stankley</i> <i>Director of Resources</i>		



Key Decision – a decision which is likely to incur expenditure or savings of £100,000 or more, or affect two or more wards. (NNDC Constitution, p9 s12.2b)

* Schedule 12A of the Local Government Act 1972 (As amended by the Local Authorities (Access to Information) (Exempt Information) (England) Order 2006)

North Norfolk District Council

Cabinet Work Programme

For the Period 01 September 2023 to 30 November 2023

Committee(s)	Meeting	Report title	Cabinet member	Corporate Plan theme	Decision details
Cabinet Scrutiny	04 Sep 2023 13 Sep 2023	Debt Management Annual Report 2022/2023	Cllr Lucy Shires <i>Sean Knight</i> <i>Revenues Manager</i>		
Full Council	20 Sep 2023				
Cabinet Scrutiny	04 Sept 2023 13 Sep 2023	Managing Performance Q1	Cllr T Adams <i>Steve Blatch</i> <i>Chief Executive</i>		
Cabinet Scrutiny	04 Sep 2023	NN Sustainable Communities Fund Annual review	Cllr L Withington <i>Sonia Shuter</i> <i>Early Help &</i> <i>Prevention Manager</i>		
Cabinet Scrutiny	04 Sept 2023 13 Sep 2023	Coastwise update	Cllr H Blathwayt <i>Rob Goodliffe</i> <i>Coastwise Manager</i>		
Cabinet Scrutiny	04 Sept 2023 13 Sep 2023	Delegated Decisions	Cllr T Adams <i>Emma Denny</i> <i>DS Manager</i>		
October 2023					
Cabinet	02 Oct 2023	LAHF Round 2	Cllr W Fredericks <i>Nicky Debbage</i> <i>Housing Strategy &</i> <i>Delivery Manager</i>		



Key Decision – a decision which is likely to incur expenditure or savings of £100,000 or more, or affect two or more wards. (NNDC Constitution, p9 s12.2b)

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North Norfolk District Council
Cabinet Work Programme
For the Period 01 September 2023 to 30 November 2023

Committee(s)	Meeting	Report title	Cabinet member	Corporate Plan theme	Decision details
Cabinet	02 Oct 2023	Proposals for S106 Grant Funding	Cllr W Fredericks Nicky Debbage <i>Housing Strategy & Delivery Manager</i>		
Cabinet Scrutiny	06 Nov 2023 11 Oct 2023	Draft Delivery Plan	Cllr T Adams Steve Blatch <i>Chief Executive</i>		<i>Pre-Scrutiny</i>
Cabinet Scrutiny	06 Nov 2023 15 Nov 2023	Budget Monitoring P6	Cllr L Shires Tina Stankley <i>Director of Resources</i>	<i>Financial Sustainability</i>	
Cabinet Scrutiny Council	06 Nov 2023 15 Nov 2023 22 Nov 2023	Medium Term Financial Strategy	Cllr L Shires Tina Stankley <i>Director of Resources</i>		<i>Could slip to October</i>
Dates tbc:					
Cabinet		Council Tax Support Recs	Cllr Lucy Shires Tina Stankley <i>Director of Resources</i>		<i>Could slip – depends on Working Party meeting</i>



Key Decision – a decision which is likely to incur expenditure or savings of £100,000 or more, or affect two or more wards. (NNDC Constitution, p9 s12.2b)

* Schedule 12A of the Local Government Act 1972 (As amended by the Local Authorities (Access to Information) (Exempt Information) (England) Order 2006)

North Norfolk District Council

Cabinet Work Programme

For the Period 01 September 2023 to 30 November 2023

Cabinet		Review of Joint Venture - Nutrient Neutrality			
Cabinet		Norfolk Coastal Forum – Review of Terms of Reference	<i>Emma Denny DS Manager</i>		



Key Decision – a decision which is likely to incur expenditure or savings of £100,000 or more, or affect two or more wards. (NNDC Constitution, p9 s12.2b)

* Schedule 12A of the Local Government Act 1972 (As amended by the Local Authorities (Access to Information) (Exempt Information) (England) Order 2006)

OVERVIEW & SCRUTINY: OUTCOMES & ACTION LIST – JUNE 2023

REPORT, RECOMMENDATIONS & ACTIONS	ACTION BY	DATE
<p><u>4. MINUTES</u></p> <p>ACTIONS</p> <p>1. Meeting to be arranged between Committee Chair/Vice-Chair/Cllr Housden and Officers to discuss outcomes and requested information on NWHHAZ project.</p>	<p>Chief Executive/ Cllr N Dixon</p>	<p>June 2023</p>
<p><u>11. APPOINTMENT OF REPRESENTATIVE AND SUBSTITUTE FOR THE NCC NORFOLK HEALTH OVERVIEW & SCRUTINY COMMITTEE</u></p> <p>RESOLVED</p> <p>That the following Members are appointed to Norfolk County Council’s – Norfolk Health Overview & Scrutiny Committee:</p> <p>Appointee – Cllr J Boyle</p> <p>Substitute – Cllr V Holliday</p>	<p>Scrutiny Officer</p>	<p>June 2023</p>
<p><u>12. OVERVIEW & SCRUTINY COMMITTEE – WORK PROGRAMME SETTING 2023-24</u></p> <p>RESOLVED</p> <p>1. To agree the draft Work Programme with the addition of dental service provision in North Norfolk.</p>	<p>O&S Committee /Scrutiny Officer</p>	<p>June 2023</p>
<p><u>13. PURCHASE OF TWO ADDITIONAL REFUSE COLLECTION VEHICLES</u></p> <p>RESOLVED</p> <p>1. To recommend to Full Council an addition to the Capital programme of £385,000 to purchase two new refuse collection vehicles and that the £385,000 be added to the residual £65,000 that is left over from the original budget to purchase refuse vehicles from 2019 to date. It is also recommended to Full Council that the purchase be funded by borrowing of £335,000 and a revenue contribution of £50,000.</p>	<p>Full Council</p>	<p>June 2023</p>

<p><u>14. MANAGING PERFORMANCE QUARTER 4 AND CUMULATIVELY FOR 2022/2023</u></p> <p>RESOLVED</p> <p>1. To note the report and endorses the actions being taken by Corporate Leadership Team detailed in Appendix A – Managing Performance.</p>	<p>O&S Committee</p>	<p>June 2023</p>
<p><u>15. CONTEXTUAL MEASURES REPORT – CIPFA COMPARISON</u></p> <p>RESOLVED</p> <p>1. To receive and note the contextual measure data for NNDC compared to the CIPFA benchmarking group.</p>	<p>O&S Committee</p>	<p>June 2023</p>

OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2023/24

Meeting	Topic	Officer / Member	Objectives & desired outcomes	Time cycle
May 2023				
NO MEETING DUE TO ELECTION				
June				
Scrutiny	Training Recap	Cllr N Dixon Matt Stembrowicz		
Scrutiny	O&S Draft 2023/24 Work Programme	Matt Stembrowicz Cllr N Dixon	To review and approve the Committee's draft 2022/23 Work Programme	Annual
Cabinet Scrutiny	Performance Monitoring Q4	Steve Blatch Cllr T Adams	To monitor the Council's performance and consider any recommendations to Cabinet	Quarterly
Scrutiny	Contextual Performance Measures Report	Lucy Wilshaw Cllr T Adams	To review contextual performance and consider how this may impact corporate priorities	Quarterly/six-monthly
Cabinet Scrutiny Council	Purchase of additional refuse vehicles for garden & commercial waste	Scott Martin Cllr C Ringer	To review proposal to purchase additional waste collection vehicles in advance of approval by Council	
Scrutiny	Appointment to NCC Norfolk Health Overview & Scrutiny Committee	Matt Stembrowicz	To appoint a Member of the Committee (and substitute) to sit on the NCC Norfolk Health O&S Committee	
July				
Cabinet Scrutiny Council	Treasury Management Annual Report (Cabinet recommendation)	Cllr L Shires Tina Stankley	Committee to consider recommendation to Council	Annual
Cabinet Scrutiny Council	Out-turn report	Cllr L Shires Tina Stankley	To make any recommendations to Council – To include an update on savings proposals	Annual
Scrutiny	Performance Benchmarking	Lucy Wilshaw Cllr T Adams	To review performance benchmarking data comparatively with similar authorities	Quarterly
Cabinet Scrutiny Council	Draft Corporate Plan 2023 - 2027	Cllr T Adams Steve Blatch	To review and comment on the Draft Corporate Plan and consider any necessary recommendations	

OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2023/24

Meeting	Topic	Officer / Member	Objectives & desired outcomes	Time cycle
August				
NO MEETING - AUGUST BREAK				
September				
Cabinet Scrutiny Council	Debt Management Annual Report (Cabinet recommendation)	Sean Knight Cllr L Shires	Committee to consider recommendation to Council	Annual
Cabinet Scrutiny	Budget Monitoring P4	Cllr L Shires Tina Stankley	To review the budget monitoring position	Periodical
Cabinet Scrutiny	Performance Monitoring Q1	Steve Blatch Cllr T Adams	To monitor the Council's performance and consider any recommendations to Cabinet	Quarterly
Scrutiny	Contextual Performance Measures Report	Lucy Wilshaw Cllr T Adams	To review contextual performance and consider how this may impact corporate priorities	Quarterly/six-monthly
Scrutiny Council	Overview & Scrutiny Committee Annual Report	Matt Stembrowicz Cllr N Dixon	To approve annual summary of Committee work for 2022-23	Annual
Scrutiny	Planning Service Improvement Plan – Statutory Consultee Update	Martyn Fulcher Cllr A Brown	To receive an update on feedback received from statutory consultees in relation to the PSIP	
Scrutiny	Enforcement Board Update	Martyn Fulcher Cllr A Brown	To receive an update on the work of the Enforcement Board	Bi-annual
October				
Cabinet Scrutiny Council	Council Tax Discount Determinations (Cabinet Recommendation)	Cllr L Shires Tina Stankley	To determine the Council Tax discounts for 2023/24	Annual
Scrutiny	Pre-Scrutiny: Delivery Plan	Cllr T Adams Steve Blatch	To pre-scrutinise the Corporate Plan: Delivery Plan in advance of approval	Cabinet Request
Scrutiny	Ambulance Response Times Data Monitoring	Matt Stembrowicz Lucy Wilshaw	To monitor ambulance response times data across the District	Six-monthly
Scrutiny	Access to NHS Dentistry Services in North Norfolk	Matt Stembrowicz Cllr J Boyle	Seek outline of position from NHOSC and consider possible actions.	
Scrutiny	Performance Benchmarking	Lucy Wilshaw Cllr T Adams	To review performance benchmarking data comparatively with similar authorities	Quarterly
Scrutiny	NWHSZ Project Update	Lou Robson Cllr P Heinrich	To receive an update on all wider elements of project	

OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2023/24

Meeting	Topic	Officer / Member	Objectives & Desired Outcomes	Time cycle
November				
Scrutiny	Anglian Water – Sewage Outflows Briefing/Q&A		To receive a briefing on sewage outflow events and efforts/investment made to address these + Q&A	
Cabinet Scrutiny Council	Prudential Indicators 2021-22 (Cabinet recommendation)	Cllr L Shires Tina Stankley	To ensure the prudential indicators for 2021-22 are fully complied with.	Annual
Cabinet Scrutiny	Budget Monitoring P6	Cllr L Shires Tina Stankley	To review the budget monitoring position	Periodical
Scrutiny	Waste Contract: Serco Update	Steve Hems Cllr C Ringer	To receive a formal update on the performance and functioning of the waste contract	Annual
Scrutiny	CTAP/Coastwise - Coastal Monitoring TBC	Rob Goodliffe Cllr H Blathwayt	To receive a progress update on the Coastwise/CTAP programme	Annual
Scrutiny	Scrutiny Panel: Review TOR and Seek Appointments	Matt Stembrowicz Cllr N Dixon	To review Scrutiny Panel's Terms of Reference and seek new appointments	
December				
Cabinet Scrutiny Council	Treasury Management Half-Yearly Report (Cabinet recommendation)	Cllr L Shires Tina Stankley	Committee to consider recommendation to Council	Six Monthly
Cabinet Scrutiny Council	Fees & Charges	Cllr L Shires Tina Stankley	To undertake an annual review of the Council's fees & charges to consider any changes	Annual
Scrutiny	Beach Huts & Chalets Monitoring	Renata Garfoot Cllr L Shires	To monitor the occupancy, condition and revenue of NNDC owned beach huts and chalets.	Annual
Cabinet Scrutiny	Performance Monitoring Q2	Steve Blatch Cllr T Adams	To monitor the Council's performance and consider any recommendations to Cabinet	Quarterly
Scrutiny	Contextual Performance Measures Report	Lucy Wilshaw Cllr T Adams	To review contextual performance and consider how this may impact corporate priorities	Quarterly/six-monthly
Scrutiny	Planning Service Improvement Plan – Monitoring	Martyn Fulcher Cllr A Brown	To monitor the progress of implementation of the PSIP	Committee Request

OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2023/24

Meeting	Topic	Officer / Member	Objectives & Desired Outcomes	Time cycle
January 2024				
Scrutiny Cabinet Council	Pre-Scrutiny: Draft Budget 2024-25	Cllr L Shires Tina Stankley	To review the proposed budget and projections	Annual
Scrutiny Cabinet Council	Medium Term Financial Strategy 2023-26	Cllr L Shires Tina Stankley	To review the MTFs for 2023-2026	Annual
Scrutiny Cabinet Council	Treasury Strategy (Cabinet recommendation)	Cllr L Shires Tina Stankley	Committee to consider recommendation to Council	Annual
Scrutiny Cabinet Council	Capital Strategy (Cabinet recommendation)	Cllr L Shires Tina Stankley	Committee to consider recommendation to Council	Annual
Scrutiny Cabinet Council	Investment Strategy (Cabinet recommendation)	Cllr L Shires Tina Stankley	Committee to consider recommendation to Council	Annual
February				
Scrutiny	Crime & Disorder Update TBC	Matt Stembrowicz OPCC	To receive a briefing on Crime and Disorder in the District/County	Annual
Scrutiny	Enforcement Board Update	Martyn Fulcher Cllr A Brown	To receive an update on the work of the Enforcement Board	Bi-annual
Scrutiny	Car Park Usage Monitoring	Cllr L Shires Tina Stankley	To undertake an annual review of the usage and revenue of the Council's public car parks	Annual
Scrutiny	Net Zero Commitment (NZAP) Monitoring	Kate Rawlings Cllr A Varley	To monitor the implementation of the NZAP and progress made toward the net zero by 2030 pledge	

OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2023/24

Meeting	Topic	Officer / Member	Objectives & Desired Outcomes	Time cycle
March				
Cabinet Scrutiny	Budget Monitoring P10	Cllr L Shires Tina Stankley	To review the budget monitoring position	Periodic
Cabinet Scrutiny	Performance Monitoring Q3	Steve Blatch Cllr T Adams	To monitor the Council's performance and consider any recommendations to Cabinet	Quarterly
Scrutiny	Contextual Performance Measures Report	Lucy Wilshaw Cllr T Adams	To review contextual performance and consider how this may impact corporate priorities	Quarterly/six-monthly
April				
Scrutiny	Ambulance Response Times Monitoring	Matt Stembrowicz	To monitor ambulance response times data across the District	Six-monthly
Scrutiny	Performance Benchmarking	Lucy Wilshaw Cllr T Adams	To review performance benchmarking data comparatively with similar authorities	Quarterly
Scrutiny	Planning Service Improvement Plan – Monitoring/Overview	Martyn Fulcher Cllr A Brown	To review the implementation of the PSIP	Committee Request
Scrutiny	Public Convenience Strategy Follow-up	Cllr L Shires Renata Garfoot		

ITEMS OF INTEREST TBC				

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Start Date	Action	Owner	Status	Comments
14.06.23	Meeting to discuss outstanding NWHSHAZ w/ Chair, VC, Cllr N Housden & CE	Chief Executive	TBC	

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