

Cabinet



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Friday, 28 June 2024

A meeting of the **Cabinet** of North Norfolk District Council will be held in the Council Chamber - Council Offices on **Monday, 8 July 2024 at 10.00 am.**

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

Members of the public who wish to ask a question or speak on an agenda item are requested to arrive at least 15 minutes before the start of the meeting. It will not always be possible to accommodate requests after that time. 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 516010, Email:emma.denny@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 should inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed. This meeting is live-streamed: [NNDC eDemocracy - YouTube](#)

Emma Denny
Democratic Services Manager

To: Cllr W Fredericks, Cllr L Shires, Cllr T Adams, Cllr A Brown, Cllr H Blathwayt, Cllr C Ringer, Cllr J Toye, Cllr A Varley and Cllr L Withington

All other Members of the Council for information.
Members of the Management Team, appropriate Officers, Press and Public



If you have any special requirements in order to attend this meeting, please let us know in advance
If you would like any document in large print, audio, Braille, alternative format or in a different language please contact us

Chief Executive: Steve Blatch
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A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. MINUTES

1 - 4

To approve, as a correct record, the minutes of the meeting of the Cabinet held on 13th May 2024.

3. PUBLIC QUESTIONS AND STATEMENTS

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

4. DECLARATIONS OF INTEREST

5 - 10

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

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. MEMBERS' QUESTIONS

To receive oral questions from Members, if any

7. RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

To consider any recommendations referred to the Cabinet by the Overview & Scrutiny Committee for consideration by the Cabinet in accordance within the Overview and Scrutiny Procedure Rules.

There are no recommendations from the Overview & Scrutiny Committee to Cabinet.

8. RECOMMENDATIONS FROM GOVERNANCE, RISK & AUDIT COMMITTEE

At the meeting of the Governance, Risk & Audit Committee on 26th March 2024, the following recommendations were made to Cabinet:

1. Anti Money Laundering Policy

That Cabinet approve the anti-money laundering policy.

2. Counter-fraud, Corruption and Bribery Policy

That Cabinet approve the Counter Fraud, Corruption and Bribery policy, as amended.

**9. REPORTING PROGRESS IMPLEMENTING CORPORATE PLAN 2023-27
ACTION PLAN 2023-24** **11 - 20**

Executive Summary	The Corporate Plan 2023-27 Action Plan 2023-24 is being implemented as planned
Options considered	Not relevant.
Consultation(s)	The lead officer for each action in the Plan has been asked for their assessment of progress, identify issues and propose action they will take to address those issues.
Recommendations	Cabinet is recommended to note this report.
Reasons for recommendations	The Action Plan 2023-24 is being implemented as planned.
Background papers	Corporate Plan 2023-27 Corporate Plan Annual Action Plan 2024-25

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

Links to key documents:	
Corporate Plan:	This report is primarily concerned with ensuring the Corporate Plan 2023-27 Action Plan 2023/24 is being implemented as planned.
Medium Term Financial Strategy (MTFS)	Ensuring the Action Plan 2023/24 is implemented as planned will help to ensure the MTFS is also achieved.
Council Policies & Strategies	Corporate Plan 2023-27

10. OUTTURN REPORT 2023 – 2024 **21 - 84**

Executive Summary	<p>This report presents the provisional outturn position for the 2023/24 financial year for revenue, capital and reserves.</p> <p>Section 2 provides a summary of the key points with the subsequent sections providing more details around the reasons for the year end outturn position for both revenue and capital.</p> <p>The report also includes recommendations that provide funding for ongoing commitments and future projects.</p>
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Options considered.	None - This is a factual report of the financial year end position for 2023/24.
Consultation(s)	None – This is a factual report of the financial year end position for 2023/24.
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 2023/24 (as shown in Appendix A);</p> <p>b) The transfers to and from reserves as detailed within the report (and Appendix C) along with the corresponding updates to the 2024/25 budget;</p> <p>c) The deficit of £0.937m relating to service overspends be funded from the General Reserve (£0.737m) and the Treasury Management Reserve (£0.200m);</p> <p>d) The balance on the General Reserve of £2.148m</p> <p>d) The surplus of £2.1m relating to retained business rates be transferred to the Business Rates Reserve;</p> <p>e) The financing of the 2023/24 capital programme as detailed within the report and at Appendix D.</p> <p>f) The updated capital programme for 2024/25 to 2026/27 and scheme financing as outlined within the report and detailed at Appendix E;</p> <p>g) The roll-forward requests as shown in paragraph 5.5.</p> <p>h) Approval of additional funding to cover capital project overspends of £0.429k as detailed in paragraph 6.7.</p>
Reasons for recommendations	To provide a draft outturn position for the General Fund, Capital Accounts and Reserves which will form the basis to produce statutory accounts for 2023/24. Also to provide a draft opening position for the financial year 2024/25.
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

11. TREASURY OUTTURN REPORT 2023/24

85 - 114

Executive Summary	This report sets out the Treasury Management activities undertaken during 2023/24 compared with the Treasury Management Strategy for the year.
Options Considered	For the Council to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities (Prudential Code) and CIPFA Treasury Management in the Public Services Code of Practice an outturn report must be presented to Members to inform them of the outcome of the Treasury Management activity for the year. Therefore, no other option has been considered.
Consultation(s)	Link Treasury Services have provided the economic information in Appendix A of this report.
Recommendations	That Cabinet reviews and recommends the outturn position to full Council for approval.
Reasons for recommendations	The Treasury Management activity for the year requires approval by full Council for the Council to comply with the CIPFA Treasury Management and Prudential Codes.
Background papers	This report refers to the Council's Treasury Management Strategy 2023/24 which was approved by Members on 22 February 2023.

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

12. DEBT RECOVERY 2023 – 2024
138

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Executive Summary	<p>This is an annual report detailing the council's collection performance and debt management arrangements for 2023/24. It includes:</p> <ul style="list-style-type: none"> ▪ A summary of debts written off in each debt area showing the reasons for write-off and values. ▪ Collection performance for Council Tax and Non- Domestic Rates. ▪ Level of arrears outstanding
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	<ul style="list-style-type: none"> ▪ Level of provision for bad and doubtful debts
Options considered.	To leave the write-off limits as they currently are allowing team leaders to write-off up to £4k or to increase these to a higher figure.
Consultation(s)	We are pleased to reach this year's collection performance targets for council tax & Non-Domestic (Business) Rates whilst also working hard to reduce avoidance and fraud which with the cost-of-living crisis is a difficult time to for enforcement.
Recommendations	<p>That Cabinet recommend to full Council that it:</p> <ol style="list-style-type: none"> 1. approves the annual report which details the Council's write-offs, in accordance with the Council's Debt Write-Off Policy and performance in relation to revenues collection. 2. approves the suggested change to the delegated authority as shown in appendix 2 for write offs (increase team leaders' authorisation levels from £4k to £5k which is line with other authorisations).
Reasons for recommendations	The recommendations ensure the Council makes best use of its staff resources and manages its finances to ensure best value for money.
Background papers	Corporate Debt Management and Recovery Policy - Appendix 1; Debt Write Off Policy - Appendix 2 and Enforcement Agent Code of Practice and Enforcement Agent Instructions - Appendix 3.

Wards affected	All wards
Cabinet member(s)	Lucy Shires
Contact Officer	Sean Knight Revenues Manger Sean.Knight@north-norfolk.gov.uk

13. HOUSING BENEFIT DEBT RECOVERY REPORT - 1ST APRIL 2023 TO 31ST MARCH 2024 **139 - 156**

Executive Summary	<p>This report provides an update on Housing Benefit debt recovery detailing the council's collection performance and debt management arrangements for 2023 – 24.</p> <p>Previously this information was part of the Revenues Corporate Debt Recovery report. However, it is now being presented as a standalone item. This allows the Benefits Team to demonstrate it takes ownership of,</p>
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	<p>and is accountable for its performance, and it can also demonstrate service improvements.</p> <p>The report includes a:</p> <ul style="list-style-type: none"> ▪ A summary of the work undertaken by the team. ▪ Housing Benefit Debt Recoveries performance. ▪ A summary of overpayment levels and recovery type. ▪ Known risks to performance.
Options Considered	To continue with the write-off limits at their current levels. To continue to recover outstanding debt within the current legislative guidelines.
Consultation(s)	No consultation required as this is a statutory requirement.
Recommendation	To approve the annual report giving details of Housing Benefit Overpayment debt recovery in accordance with the Council's Debt Recovery Policy, Write-Off Policy, and Housing Benefit Overpayment Recovery Policy.
Reasons for recommendations	Recommendation is to approve the annual report in relation to Housing Benefit Overpayment recovery and to approve the continued use of legislated recovery methods to ensure income maximisation for the council.
Background papers	Housing Benefit Overpayment Policy (Appendix 1) Corporate Debt Management and Recovery Policy Debt Write Off Policy Enforcement Agent Code of Practice Enforcement Agent Instructions (Please refer to the Corporate Debt Recovery Report appendices for copies).

Wards Affected	All
Cabinet member(s):	Wendy Fredericks
Contact Officer	Trudi Grant, Benefits Manager (01263 516262) trudi.grant@north-norfolk.gov.uk

14. ROCKET HOUSE, CROMER - PROPOSED NEW LONG TERM LEASE AGREEMENT **157 - 162**

Executive Summary	The RNLI is a tenant at the Rocket House, Cromer, from where it has operated the Henry Blogg Museum. The organisation gave notice to the Council of its intention to vacate the premises in July 2024.
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	<p>To enable the RNLI to remain in occupation over the peak summer visitor period, a short-term temporary lease until 31 October 2024, was agreed. Thereafter, the Council has agreed a programme of major works at the Rocket House to address the damp issues which it is proposed be completed over the winter and spring period, with the refurbished property being available for re-occupation from the summer of 2025.</p> <p>This report considers the terms under which a new long-term lease between the Council and RNLI might be agreed allowing the charity to re-occupy space on the ground and first floors of the Rocket House for the Henry Blogg Museum once the programme of works to the building are complete.</p>
<p>Options considered</p>	<p>Following previous Cabinet decisions, refurbishment works to address the long-term damp issues at the property are to be undertaken during the forthcoming winter and spring period, extending the life of the Rocket House building.</p> <p>In terms of the future lease of space on the ground and first floors of the Rocket House building the following options have been considered:-</p> <ol style="list-style-type: none"> 1. To obtain a market valuation and commence negotiations for a new long-term lease with the RNLI – recommended. 2. To advertise the vacant ground and part of the first floor demise on the open market to demonstrate best value – not recommended.
<p>Consultation(s)</p>	<p>Local Members</p>
<p>Recommendations</p>	<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Delegate authority to the Asset Strategy Manager (ASM) to arrange for an independent rental valuation of the space previously occupied by the RNLI so as to inform future negotiations for the long-term lease of these parts of the Rocket House building. 2. Request that the ASM undertakes additional enquiries as to the social, economic or environmental factors, as detailed in the General Disposal Consent Order 2003, prior to agreeing a new long-term lease with the RNLI. 3. Delegate authority to the ASM to enter into negotiations for the long-term lease of the premises 4. To prepare a further report to Cabinet once negotiations with the RNLI are finalised to:

	<ul style="list-style-type: none"> • Ensure Cabinet is satisfied that one or more of the General Disposals Consent Order 2003 criteria is met, • Inform the outcome of negotiations as to rent proposed, • Inform of the proposed lease Heads of Terms
Reasons for recommendations	To provide an opportunity to the RNLI tenant, subject due governance and successful negotiation, to return to the building, under a long-term lease following completion of repairs.
Background papers	N/A

Wards affected	Cromer Town and Suffield Park
Cabinet member(s)	Cllr L Shires, Cllr H Blathwayt, Cllr A Varley, Cllr L Withington
Contact Officer	Renata Garfoot Asset Strategy Manager. Renata.Garfoot@North-Norfolk.gov.uk

15. LEASES FOR THE FAKENHAM LEISURE AND SPORTS HUB PROJECT (163 – 168)

Executive Summary	<p>To deliver the Fakenham Leisure and Sports Hub project legal agreements are required to secure the land and transfer the Leisure Centre Operators rights and obligations to the new facilities.</p> <p>This report outlines the legal agreements required to deliver the project and seeks approval to enter into those legal agreements.</p>
Options considered.	No alternative options were considered as the legal agreements are required to deliver the Fakenham Leisure and Sports Hub project.
Consultation(s)	Steve Hems - Director for Communities (Project Lead) Octavia Holman - Solicitor, Eastlaw Erika Temple - Corporate Programme and Project Manager
Recommendations	<p>It is recommended to Cabinet to provide approval to:</p> <ul style="list-style-type: none"> • Surrender of the lease for the existing leisure centre site to enable the new lease to be entered into.

	<ul style="list-style-type: none"> • Enter into a new 99-year Lease with Fakenham Town Council for the site, which is required to develop the proposed extended leisure centre and 3G all-weather pitch. • Surrender the current sub-lease to Leisure Centre Operator for the existing Leisure centre. • Enter into a new Lease with Leisure Centre Operator for the redeveloped leisure centre for the duration of their leisure contact. • Enter into short term legal agreements with the Leisure Centre Operator to allow them to continue occupation of existing leisure centre during the redevelopment works. • Delegate approval to the Asset Strategy Manger to agree the exact terms of the above legal agreements.
Reasons for recommendations	To facilitate the delivery of the Fakenham Leisure and Sports Hub project, approved at Full Council on the 20 th of December 2023
Background papers	Report to Full Council – 27th July 2022 Report to Full Council –20th December 2023

Wards affected	Fakenham wards (Lancaster North and South); and wards in the west of the district including Briston, Priory, Stibbard, Stody, The Raynhams, Walsingham; Wells with Holkham.
Cabinet member(s)	Cllr, L Shires
Contact Officer	Milo Creasey – Trainee Estates Surveyor : milo.creasey@north-norfolk.gov.uk Renata Garfoot - Asset Strategy Manger : Renata.Garfoot@north-norfolk.gov.uk

16. NORTH WALSHAM FOOTBALL CLUB LEASE

169 - 174

Executive Summary	Cabinet previously agreed on 5 th July 2021 a lease renewal for 21 years, to the existing tenants, The Trustees of North Walsham Football Club.
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	In order to secure funding for a 3G pitch and improvements a longer lease of 25 years is required.
Options considered.	Options previously outlined in 5 th July 2021 Cabinet report.
Consultation(s)	Leisure and Locality Services Manager Local Members
Recommendations	It is recommended that Cabinet: <ul style="list-style-type: none"> • Agree to a 25-year lease as outlined in the exempt appendix.
Reasons for recommendations	In order for the existing tenant to secure funding for improved facilities at the North Walsham Football Club.
Background papers	None.

Wards affected	North Walsham
Cabinet member(s)	Cllr, L Shires, Cllr L Withington
Contact Officer	Renata Garfoot. Asset Strategy Manager. Renata.Garfoot@North-Norfolk.gov.uk

17. PROPERTY CROMER PROMENADE - RENT REVIEW (175 – 178)

Executive Summary	<p>There is a rent review provision within the lease for a property on Cromer promenade which allows the Council to increase the rent to market value.</p> <p>Officers have carried out a market assessment to determine the open market rent of the property as set out in the exempt appendix. The proposed rental level is therefore considered to achieve best value.</p>
Options considered.	<ul style="list-style-type: none"> • Keep rent the same. • Increase rent review to market value.
Consultation(s)	Tenants Cllr. Lucy Shires – Portfolio Holder for Finance, Estates & Property Services

	Cllr. Tim Adams – (Local member) Cllr Jill Boyle – (Local member)
Recommendations	Cabinet Resolution required. <ul style="list-style-type: none"> To approve the proposed rental increase outlined in the exempt appendix. To delegate authority to the Asset Strategy Manager to sign the rent review memorandum.
Reasons for recommendations	To support the Council's Corporate Plan objective in managing the Council finances and contracts robustly. To comply with the Council obligation under the Section 123 of the Local Government Act to achieve best value.
Background papers	NA

Wards affected	Cromer Town
Cabinet member(s)	Cllr. Lucy Shires – Portfolio Holder for Finance, Estates & Property Services
Contact Officer	Milo Creasey, Estates Surveyor Trainee milo.creasey@north-norfolk.gov.uk Renata Garfoot, Asset Strategy Manager renata.garfoot@north-norfolk.gov.uk

18. FAKENHAM INDUSTRIAL UNIT LEASE RENEWAL

(179 – 184)

Executive Summary	<p>The lease for this industrial unit, owned by the District Council, is due for renewal. The tenant is an established business providing skilled jobs in the district.</p> <p>Options, which look to demonstrate the Council's best value duties, have been considered including renewing the lease on improved terms, marketing the property for reletting, and selling the property.</p> <p>Granting a new lease at the property on improved terms will secure the Council's revenue income from the property at a market rent ensuring best value is achieved.</p> <p>Granting a new lease at the property will provide security to the tenant's business and secure local jobs in the district.</p> <p>It is recommended that Option 1 to agree new lease with the existing tenant at a higher rent is taken forwards.</p>
Options considered.	The following options have been considered to ensure the Council achieves best value from the letting of the property:

	<ul style="list-style-type: none"> • Option 1 - Agree new lease and rent increase with the existing tenant. – Recommended. • Option 2 - End the tenant’s occupation and relet the premises – Not recommended. • Option 3 - Sale of the property - Not recommended.
Consultation(s)	Tenant Andrew Woodley - Surveyor Stuart Quick - Economic Growth Manager Kate Rawlings - Climate & Environmental Policy Manager
Recommendations	Cabinet to approve: <ul style="list-style-type: none"> • A new lease with the existing tenant as per Option 1 detailed in the exempt appendix. • Delegate approval to the Asset Strategy Manager to agree the exact terms of the above legal agreement.
Reasons for recommendations	<ul style="list-style-type: none"> • Granting a new lease at the property will secure the Council’s revenue income from the property at a market rent ensuring best value is achieved in line with the Council obligation under the Section 26 of the Local Government Act. • Granting a new lease at the property will provide security to the tenant’s business and secure skilled jobs in the district.
Background papers	N/A

Wards affected	Lancaster North Lancaster South
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Milo Creasey – Trainee Estates Surveyor : milo.creasey@north-norfolk.gov.uk Renata Garfoot - Asset Strategy Manager : Renata.Garfoot@north-norfolk.gov.uk

19. SEASONAL OVERFLOW CAR PARK - GOLD PARK, MUNDESLEY (185 -190)

Executive Summary	This report proposes regularising the arrangements in place for the use of part of Gold Park, Mundesley as
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	seasonal overflow parking.
Options considered.	<p>The following options have been considered to ensure the District Council achieves best value from parking income at Beach Road Car park.</p> <ol style="list-style-type: none"> 1) Agree a short-term Licence as per Option 1 set out in the exempt appendix and monitor car park use to inform future decisions. 2) Stop operating the overflow car park on Gold Park as part of the wider District Council owned Beach Road Car Park. 3) Charge a fixed management fee to provide car park services. 4) Installation of a dedicated parking meter for the overflow carpark. 5) Seek to acquire the car park or wider Gold Park area.
Consultation(s)	<p>Cllr. Wendy Fredericks (Local member) Cllr. Lucy Shires (Portfolio holder) Landlord/ Owner of the land</p>
Recommendations	<p>Cabinet to approve:</p> <ul style="list-style-type: none"> • A short-term licence as detailed in Option 1 of the exempt appendix. • Delegated authority to the Asset Strategy Manager to commence negotiation of terms for a new lease.
Reasons for recommendations	<p>A short-term licence agreement would allow the District Council to utilise a grassed area in the centre of the Gold Park public open space in Mundesley as overflow parking from the adjoining surfaced District Council owned Beach Road Pay and Display car park during peak periods when demand for parking is at its highest and provide data on the extent of usage to inform future decisions and equitable sharing of income between the District Council and the Landlord thereby ensuring that best value is achieved from the site.</p>
Background papers	N/A

Wards affected	Mundesley
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Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Milo Creasey, Estates Surveyor Trainee milo.creasey@north-norfolk.gov.uk Renata Garfoot, Asset Strategy Manager renata.garfoot@north-norfolk.gov.uk

20. EXCLUSION OF PRESS AND PUBLIC

To pass the following resolution:

“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A (as amended) to the Act.”

21. PRIVATE BUSINESS

191 - 216

Information in the following appendices involves the likely disclosure of exempt information as defined in paragraph 3, Part 1 of schedule 12A (as amended) to the Local Government Act 1972.

This paragraph relates to:

Para 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:

The information is commercially sensitive, relating to commercial options being considered by the authority. Releasing this information would be likely to have a prejudicial impact upon third parties as well as the Council in obtaining best value.

The following items have exempt appendices:

- Agenda Item 15 – Leases for the Fakenham Leisure & Sports Hub Project
- Agenda Item 16 – North Walsham Football Club
- Agenda Item 17 – Cromer Promenade
- Agenda Item 18 – Fakenham Industrial Unit Lease Renewal
- Agenda Item 19 - Seasonal Overflow Car Park, Mundesley

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Minutes of the meeting of the Cabinet held on Monday, 13 May 2024 at the Council Chamber - Council Offices at 10.00 am

Committee

Members Present:

Cllr W Fredericks (Deputy Chair)	Cllr L Shires
Cllr T Adams (Chair)	Cllr A Brown
Cllr H Blathwayt	Cllr J Toye
Cllr A Varley	

Officers in Attendance:

Chief Executive, Director for Resources / S151 Officer, Assistant Director for Finance, Assets, Legal & Monitoring Officer and Estates and Asset Strategy Manager, Scrutiny Officer

Apologies for Absence:

Cllr C Ringer
Cllr L Withington

56 MINUTES

The minutes of the meeting of Cabinet held on 15th April were approved as a correct record and signed by the Chairman.

57 PUBLIC QUESTIONS AND STATEMENTS

None received.

58 ITEMS OF URGENT BUSINESS

None received.

59 DECLARATIONS OF INTEREST

None.

60 MEMBERS' QUESTIONS

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

61 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

The Scrutiny Officer read out the following statement on behalf of Cllr N Dixon, Chairman of the Overview & Scrutiny Committee.

'In respect of the first recommendation it's self-explanatory and for the second - the Rocket House Call In, I would have confirmed the split decision of OSC was to accept recommendation (c) on page 15 of the papers'

The Chairman invited Cllr A Varley, Portfolio Holder for Climate Change and Net Zero to speak regarding the East of England Water Summit. Cllr Varley said that the discussion undertaken at the Overview & Scrutiny Committee meeting was constructive and there had been some recommendations regarding further engagement with the Norfolk Strategic Flood Alliance, Water Resources East, Internal Drainage Board, and other external agencies, and invite these agencies to Overview & Scrutiny Committee, as necessary.

The Chairman said that he agreed that initial engagement with the Norfolk Strategic Flood Alliance was important and that the Council should continue to monitor Anglian Water's strategic plan and the significant investment that was planned locally was achieved. He highlighted key areas such as adequate water supply for hydrogen production at Bacton and abstraction licences for agriculture.

Cllr H Blathwayt said that the Internal Drainage Boards should be invited to attend Overview & Scrutiny Committee so that their views could be represented.

Cllr A Varley said that Water Resources East should also be included in any discussions as they could provide an over-arching strategic input into the discussions.

The Chief Executive acknowledged that there were acute pressures regarding water availability in North Norfolk. Anglian Water had a statutory responsibility to meet future housing growth needs but there was no such requirement to meet future business needs and some agricultural and food processing firms were already experiencing pressure regarding Environment Agency review of abstraction licences. He agreed with the Chairman's comments regarding water provision to support the proposed hydrogen production at Bacton.

Regarding the Norfolk Strategic Flood Alliance (NSFA), he said that there was a further summit event on 31st May. The NSFA was developed around rainfall intensity and surface water flooding and damaged properties and flooded highways and how that water was managed. This introduced a series of issues and considerations in the way in which rainwater was captured and retained. The event on 31st May was billed as a Flood Water Management and Drought Summit and the Council would be represented by the Assistant Director for Environment & Leisure. He added that it was big issue for the Council in terms of planning policy and the Council's Planning Policy Team was already engaging with Water Resources East and he was not sure that Cabinet could add any additional advice or input on the matter. If there was a need to disseminate information or further members' understanding of the issues, then consideration could be given to that.

Cllr W Fredericks said that her recollection of the Overview and Scrutiny Committee's discussion on this matter was that they were going to request that representatives of the NSFA and Water Resources East attend a meeting of the committee to respond to questions.

The Scrutiny Officer confirmed that this was a resolution of the committee but that it was **not** a recommendation to Cabinet. The only recommendation made to Cabinet was 'That Cabinet provide advice in what it would like the Council to take forward on water issues following the East of England Water Summit'

Cllr Fredericks requested further clarity.

Cllr L Shires said that she was concerned that it could just turn into a general fact

finding mission with no clear direction or purpose. She said that it would be beneficial to understand the Council's role particularly regarding flood management. If the Council had a good understanding of the water impacts as a local authority and what partners were doing to address this.

Cllr J Toye said that the key word was strategy. There were officers with extensive knowledge of the main issues and it was important to know which partners would be delivering on these matters and how they would be monitored to ensure that they were on track.

Cllr H Blathwayt said that the Department for Environment, Food & Rural Affairs (DEFRA) which had appointed Jacobs as consultants regarding a lot of the issues being discussed. They were controlling the overall strategy in the region and it was an important part of this.

The Chairman thanked everyone for their comments. He said that it was not Cabinet's place to set the direction for Overview & Scrutiny Committee but that lots of pointers had been raised regarding the key players that should be involved.

The Chairman said that comments from the Chairman regarding the call-in of the Rocket House, Cromer were noted.

62 SHORT TERM LEASE - ROCKET HOUSE, CROMER

The Portfolio Holder for Finance & Assets, Cllr L Shires, introduced this item. She said that it was a brief paper and she asked the Estates & Asset Strategy Manager to outline the background. She explained that the existing tenant (RNLI) had served notice to vacate the property this summer and a short term lease was proposed to enable them to stay until 31st October 2024.

It was proposed by Cllr L Shires, seconded by Cllr T Adams and

RESOLVED

That Cabinet agree to the short-term lease as outlined in the exempt appendix.

Reason for decision:

To have a lease in place for a short period to enable the existing tenant to be in operation.

63 EXCLUSION OF PRESS AND PUBLIC

64 PRIVATE BUSINESS

The meeting ended at 10.20 am.

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>

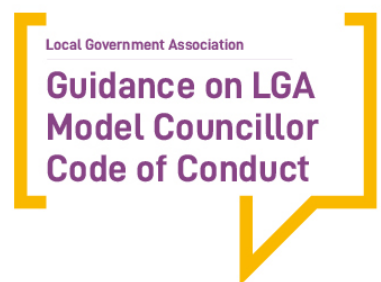
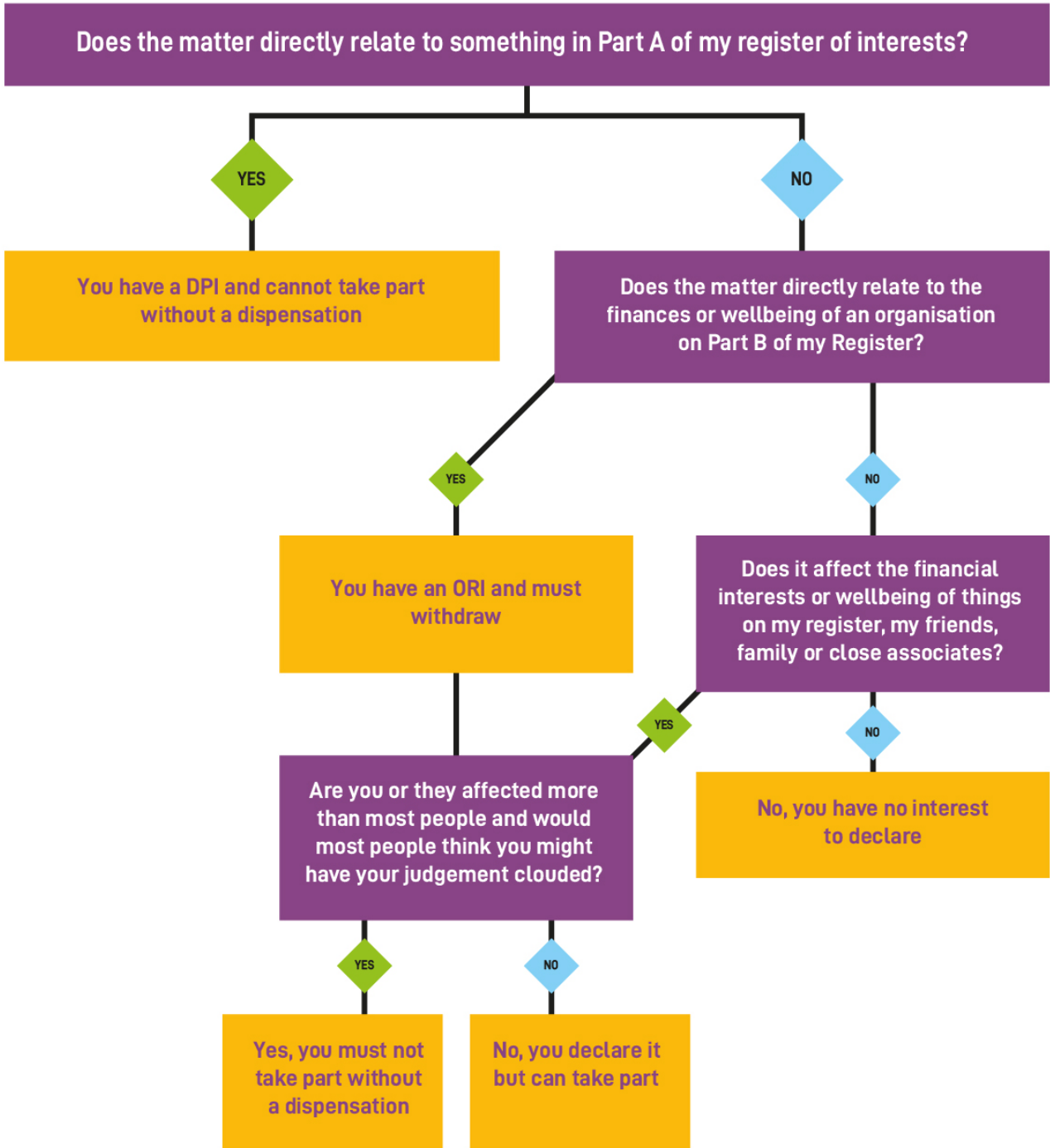
	spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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* 'director' includes a member of the committee of management of an industrial and provident society.

* '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

<p>You have a personal interest in any business of your authority where it relates to or is likely to affect:</p> <ul style="list-style-type: none">a) any body of which you are in general control or management and to which you are nominated or appointed by your authorityb) any body<ul style="list-style-type: none">(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)



Agenda Item 9

Reporting progress implementing Corporate Plan 2023-27 Action Plan 2023-24	
Executive Summary	The Corporate Plan 2023-27 Action Plan 2023-24 is being implemented as planned
Options considered	Not relevant.
Consultation(s)	The lead officer for each action in the Plan has been asked for their assessment of progress, identify issues and propose action they will take to address those issues.
Recommendations	Cabinet is recommended to note this report.
Reasons for recommendations	The Action Plan 2023-24 is being implemented as planned.
Background papers	Corporate Plan 2023-27 Corporate Plan Annual Action Plan 2024-25

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

Links to key documents:	
Corporate Plan:	This report is primarily concerned with ensuring the Corporate Plan 2023-27 Action Plan 2023/24 is being implemented as planned.
Medium Term Financial Strategy (MTFS)	Ensuring the Action Plan 2023/24 is implemented as planned will help to ensure the MTFS is also achieved.
Council Policies & Strategies	Corporate Plan 2023-27

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	Not applicable. Item is not exempt.
Details of any previous decision(s) on this matter	Corporate Plan 2023-27 and Action Plan 2023-24 approved by Full Council on 17 July 2023. Corporate Plan 2023-27 Action Plan 2024-25 approved by Cabinet 6 November 2023.

1. Purpose of the report

The purpose of this report is to present an update on the progress being made in implementing the Corporate Plan 2023-27 Action Plan 2023-24 and to give Cabinet an opportunity to discuss and agree decisions that should be taken regarding any issues raised.

2. Introduction & Background

Full Council approved the Corporate Plan 2023-27 and the first annual Action Plan for 2023/24 at its meeting of 17 July 2023. Lead officers then started to work on how the desired outcomes in the action plan would be achieved. This report shows the progress made in the quarter 1 January to 31 March 2024, identifies any issues with individual actions and puts forward proposals for how these would be addressed. The Corporate Plan 2023-27 Action Plan 2024-25 was approved by Cabinet at their meeting on 6 November 2023.

3. Overview of progress

3.1 Overall progress – Action Plan 2023/24

The tables below show overall progress in implementing the Action Plan.

Action Plan 2023/24 – Summary

Quarter 4 from 1 January to 31 March 2024

RAG status	No. of actions
Red	2
Amber	5
Green	21
NA	0
Missing data	0
Total	28

Stage	No. of actions
Not Started	2
In Progress	18
Completed	8
Cancelled	0
Missing data	0
Total	28

Crosstabulation

RAG status/ Stage	Not Started	In Progress	Completed	Cancelled
Red	1	1	0	0
Amber	1	4	0	0
Green	0	13	8	0
NA	0	0	0	0

The progress report shows that the majority of actions are in progress and on track.

3.2 **Action Plan 2024/25**

Officers have commenced work against the objectives agreed in the Corporate Plan Action Plan 2024/25 as approved by Cabinet at its meeting on 6 November 2023. Progress reports for these actions will be presented in the next report for quarter 1 2024/25 (1 April to 30 June 2024).

3.3 **Details of all Actions**

To review the updates for all the actions please see Appendix A Action Plan 2023-24 Progress Updates – Quarter 4 2023-24.

4. **Corporate Priorities**

This report is concerned with ensuring the Corporate Plan 2023-27 Action Plan 2023-24 are implemented as planned. This is a key activity to ensure the goals and objectives in the Corporate Plan are achieved.

5. **Financial and Resource Implications**

There are no financial or resource implications arising from the report.

Comments from the S151 Officer:

There are no financial or resource implications arising from the report.

6. **Legal Implications**

There are no legal implications from this report.

Comments from the Monitoring Officer

There are no specific governance issues apparent from this report.

7. **Risks**

The purpose of this report is to contribute to minimizing the risk of not implementing the Corporate Plan 2023-27 Action Plans 2023-24. This in turn reduces the risk of not achieving the goals and objectives in the Corporate Plan.

8. **Net Zero Target**

The Corporate Plan 2023-27 Action Plan 2023-24 contains actions, particularly under the theme “Our Greener Future”, that will reduce the emissions of the Council and contribute to achieving the Net Zero Target.

9. **Equality, Diversity & Inclusion**

The Corporate Plan 2023-27 Action Plan 2023-24 contains actions, particularly under the theme “Developing our Communities”, that will improve equality, diversity & inclusion. Where individual actions require an equality impact assessment the lead officer will produce and submit one during the development of the action.

10. Community Safety issues

This report does not have any impact on community safety issues.

11. Conclusion and Recommendations

The Action Plan 2023-24 is being implemented as planned.

Cabinet is recommended to note this report.

Action Plan 2023/24

Updates for quarter 4 2023/24 - January to March 2024



Action	Lead Officer	Corporate Plan Theme	Corporate Plan objective	Stage	RAG Status	Lead Officer comment (required if RAG status is Amber or Red or Stage is completed or cancelled)
1 Provide the solar car port at The Reef	Kate Rawlings	Our Greener Future	Greener: Net Zero: 2 Introducing significant new projects which deliver on our Net Zero ambitions	Completed	Green	The solar car port is complete and providing electricity to The Reef. Performance will continue to be monitored against original business case and lessons learned have been collated to provide learning to future projects.
2 Develop a response to the Waste and Resources Strategy	Bob Wade	Our Greener Future	Greener: Waste: 3 Engaging with businesses, residents and partners to develop campaigns, actions and investment in infrastructure to reduce waste and litter	Not Started	Amber	The work programme for this action is being reviewed following Government announcements on Simpler Recycling (October 2023) and Food Waste Collections (March 2024)
3 Local Plan examination	Russell Williams	Our Greener Future	Greener: Waste: 4 Identifying solutions to nutrient neutrality that will enable key watercourses to remain healthy ecosystems, whilst ensuring necessary development can take place	Completed	Green	The Examination took place in February - March 2024. The Council is now awaiting feedback from the Independent Inspector
4 Launch CoastWise	Rob Goodliffe	Our Greener Future	Greener: Coast: 1 Realising the opportunities of external funding to secure a sustainable future for our coastal communities through transition and adaptation responses	Completed	Green	Outline business case approved. Core project team in place. Programme launched. First series of Coastwise cafe events completed.
5 Commence delivery of Cromer and Mundesley Coast Protection Schemes	Tamzen Pope	Our Greener Future	Greener: Coast: 2 Implementing the Cromer and Mundesley Coast Protection Schemes	Completed	Green	Construction is progressing on both schemes according to the planned programme. Regular and ongoing collaboration as a whole project team to identify and address any challenges. Still chasing the Environment Agency for top up funding for Cromer (have sufficient funding secured for the works currently). Majority of consenting in place.
6 Promote the development of Neighbourhood Plans	Russell Williams	Developing our Communities	Communities: Engaged: 1 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	In Progress	Green	The Council continues to promote Neighbourhood Plans to Town and Parish Councils via the Forum and the bi-monthly Planning Briefing sessions. Consultation stages of the Wells Neighbourhood Plan progressed.
7 Develop a Rural Strategy	Martyn Fulcher	Developing our Communities	Communities: Engaged: 1 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	In Progress	Green	Initial discussions have commenced with the Portfolio Holder to set the focus and priorities for the strategy to achieve and how best this can be progressed.

Action	Lead Officer	Corporate Plan Theme	Corporate Plan objective	Stage	RAG Status	Lead Officer comment (required if RAG status is Amber or Red or Stage is completed or cancelled)
8 Further develop and embed our Youth Council work	Emma Denny	Developing our Communities	Communities: Engaged: 2 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.	In Progress	Amber	The Youth Council is currently only meeting occasionally due to a lack of resource to provide support to it. Long-term solutions are being sought.
9 Completion of new/ refurbished toilets at North Walsham Sheringham and Holt	Russell Tanner	Developing our Communities	Communities: Accessibility: 2 Continuing our record of investment in the provision of inclusive public toilet facilities	In Progress	Amber	<p>North Walsham completed.</p> <p>Sheringham Leas works to refurbish male and female toilets completed summer 2023, but works programmed to provide refurbished accessible toilet and new Changing Places and family facilities have been delayed due to need to strengthen bridge supports for pathway above the toilets and beach access route. These works were carried out in March / April 2024 and will be followed by the toilet improvement works.</p> <p>Delays experienced with commencing replacement facilities at Albert Street toilets Holt due to capacities of statutory undertakers - UKPN.</p>
10 Develop an Active Environments Strategy	Colin Brown	Developing our Communities	Communities: Accessibility: 3 Creating active environments for all ages and abilities	Not Started	Red	Conversations are ongoing internally regarding the content of this strategy and the correct approach to take.
11 Submit quality bids to available Government funding opportunities	Tina Stankley	Developing our Communities	Communities: Culture: 4 Developing further the leisure facilities provided across the District	In Progress	Green	<p>The Council received a Levelling Up Fund grant offer of £9.8m for the Fakenham Leisure and Sports Hub in late November 2023 and in early 2024 has put in place strong governance arrangements for the delivery of this project until 2026.</p> <p>A grant offer of £174k received under the Swimming Pool Fund in March 2024 to provide solar panels at the Victory Swim and Fitness Centre, North Walsham.</p> <p>We will continue to submit bids for Government funding and other external funding where appropriate to further enhance the leisure facilities on offer throughout the District.</p>

Action	Lead Officer	Corporate Plan Theme	Corporate Plan objective	Stage	RAG Status	Lead Officer comment (required if RAG status is Amber or Red or Stage is completed or cancelled)
12 Encouraging those in our communities eligible for financial support through the benefits system to claim all they are entitled to	Trudi Grant	Developing our Communities	Communities: Health: 2 Growing the work done in reaching out to our communities and provide additional focus to the work being undertaken to support the most vulnerable	In Progress	Green	<p>The service continues to use data analytics and proactive targeting, to identify and actively support vulnerable residents affected by the impacts of welfare reform and promote better outcomes for people in poverty households.</p> <p>Offering proactive support enhances financial resilience by preventing debt and arrears. Boosting household income helps residents stay financially secure for longer, allows households to become financially resilient and able to absorb financial shocks, potentially reducing long term costs for the council in areas like debt recovery, housing, and health.</p> <p>To date the team have achieved over £1.2 million in increased benefits and funding to residents through take up campaigns, targeting, and referrals into the Financial Inclusion team.</p>
13 Develop 38 affordable housing units	Nicky Debbage	Meeting our Housing Need	Housing: Housing Need: 1 Supporting the delivery of more affordable housing, utilising partnership and external funding wherever possible	Completed	Green	38 new affordable homes were built in 2023/24. The average over the previous 10-years was 92 per annum
14 Reaffirm the Councils contracted commitment under the Local Authority Housing Fund	Nicky Debbage	Meeting our Housing Need	Housing: Housing Need: 1 Supporting the delivery of more affordable housing, utilising partnership and external funding wherever possible	Completed	Green	Working with Flagship Housing 10 new homes were delivered supported by LAHF grant and NNDC have also purchased 5 homes for homeless households supported by LAHF grant
15 Work with partners, agree a programme of investment in local housing initiatives, funded through the local Second Homes Council Tax premium	Nicky Debbage/ Graham Connolly	Meeting our Housing Need	Housing: Housing Need: 1 Supporting the delivery of more affordable housing, utilising partnership and external funding wherever possible	In Progress	Red	<p>Delays in Government passing the Levelling Up and Regeneration Bill, which was not adopted until October 2023, means the Second Homes council tax premium cannot be introduced by the Council until 1 April 2025.</p> <p>Discussions are being pursued with Norfolk County Council over the retention of the Second Homes council tax premium to support a programme of affordable housing development in the district, this action should move into 2024/25.</p>
16 Deliver additional units of Temporary Accommodation	Lisa Grice	Meeting our Housing Need	Housing: Housing Need: 3 Increasing our portfolio of Temporary Accommodation to support residents in crisis	In Progress	Green	Between 1st January 2024 and 31 March 2024, we have increased our temporary accommodation portfolio by a further two properties which now stands at 23 properties.

Action	Lead Officer	Corporate Plan Theme	Corporate Plan objective	Stage	RAG Status	Lead Officer comment (required if RAG status is Amber or Red or Stage is completed or cancelled)
17 Take forward the recommendations of the Stalham High Street Task Force Action Plan	Stuart Quick	Investing in our Local Economy and Infrastructure	Economy: Thriving Business: 1 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	In Progress	Green	The Stalham Town Team has been established and is meeting on a monthly basis. A good level of core engagement from local stakeholders has been established, but others are being sought to further strengthen this. On 26 April The Portfolio Holder for Sustainable Growth and relevant Officers held a 'walk'n'talk' session in the town to better understand some of the key issues within the town.
18 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	Stuart Quick	Investing in our Local Economy and Infrastructure	Economy: Thriving Business: 1 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	In Progress	Green	LINK have proposed Holt as a location for the first Banking Hub in North Norfolk. The Council supported the process by providing local statistics and data around banking usage and demographics, which demonstrated the importance of access to these services for local residents. The banking hub is intended to be delivered by Cash Access UK, which is a not-for profit company providing basic banking services in communities across the UK. They are presently exploring potential sites in Holt and it is hoped that the hub could be opened within the next 12 months.
19 Prepare an Economic Growth Strategy	Rob Young	Investing in our Local Economy and Infrastructure	Economy: Thriving Business: 2 Providing support to allow rural businesses to thrive, recognising that many of our larger employers operate outside of our main towns	Completed	Green	The Economic Growth Strategy was approved and adopted by full Council at its meeting of 27 March 2024.
20 Launch the Virtual Business Support Hub	Stuart Quick	Investing in our Local Economy and Infrastructure	Economy: Thriving Business: 2 Providing support to allow rural businesses to thrive, recognising that many of our larger employers operate outside of our main towns	Completed	Green	The Invest North Norfolk site is now live and providing information and support for businesses.
21 Commission a study into the potential Hydrogen production at the Bacton Energy hub	Steve Blatch	Investing in our Local Economy and Infrastructure	Economy: Infrastructure: 2 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	In Progress	Green	Cabinet approval to commission a study obtained June 2023. However significant exploratory developments around carbon capture and storage and Hydrogen production and transmission taken forward during the summer and a research project progressed by the University of Newcastle Upon Tyne. Member workshop delivered in March 2024 by the Newcastle University Team. Regular discussions now established with National Gas Grid, terminal operators and others proposing carbon capture and hydrogen developments at Bacton and these discussions are ongoing.

Action	Lead Officer	Corporate Plan Theme	Corporate Plan objective	Stage	RAG Status	Lead Officer comment (required if RAG status is Amber or Red or Stage is completed or cancelled)
22 Ensure our customer service delivery model reflects current and future customer needs	Steve Hems	A Strong, Responsible and Accountable Council	Council: Customer: 2 Providing support for all residents, focussing on equality, understanding and respect	In Progress	Amber	Work has begun on reviewing the customer service strategy and complaints procedure. Customer service strategy will be developed in consultation with service areas across the council. The complaints procedure has been delayed slightly due to the inclusion of NNDC into the pilot scheme for the LGSCO.
23 Complete implementation of the Planning Service Improvement Plan	Russell Williams	A Strong, Responsible and Accountable Council	Council: Effective & Efficient: 2 Continuing a service improvement programme to ensure our services are delivered efficiently	In Progress	Green	This should be completed in time for a report to Overview and Scrutiny Committee in Summer 2024
24 Facilitate Corporate Peer Challenge and prepare response to any recommendations made	Steve Blatch	A Strong, Responsible and Accountable Council	Council: Effective & Efficient: 3 Delivering services that are value for money and meet the needs of our residents	In Progress	Green	Corporate Peer Challenge undertaken in September 2023 and an Action Plan developed and approved in line with the recommendations from the Peer Review report. A progress review meeting with the LGA Peer Challenge Team has been diarised for 30 July 2024.
25 Ensure the Council's annual accounts are audited in a timely manner	Tina Stankley	A Strong, Responsible and Accountable Council	Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do	In Progress	Green	NNDC now has a plan which includes the completion of 2021/22 and 2022/23 accounts which will be published as soon as they are available on the Council's website. These will not be audited in line with the national guidelines. The closedown for 2023/24 will take place in line with the normal timetable and it has been agreed with the external auditors that the accounts will be audited in late autumn 2024. These will be presented for sign off at the December 2024 meeting of GRAC.
26 Develop a new People and Workforce Strategy in support of the Council's objectives and priorities	Susan Sidell	A Strong, Responsible and Accountable Council	Council: Effective & Efficient: 5 Creating a culture that empowers and fosters an ambitious, motivated workforce	In Progress	Green	The Staff survey was carried out in January/ February 2024 and will inform the development of a new People Strategy during the summer of 2024.
27 Review and prepare an options appraisal for the management of the car park service	Tina Stankley	A Strong, Responsible and Accountable Council	Council: Opportunity: 2 Reviewing our parking management contract to ensure we are realising all opportunities to generate revenue from these assets	In Progress	Green	The review is progressing. A report is planned to be presented to the Cabinet meeting in October 2024 presenting the outcome of the review and options to take that forward.
28 Advertise and let the Cedars building in North Walsham	Renata Garfoot	A Strong, Responsible and Accountable Council	Council: Opportunity: 3 Increasing the rates of occupation on all council's commercial properties	In Progress	Amber	Substantial works to the Cedars building by the Council in September 2023, however, delays experienced with securing a broadband service to the building through a third party provider meant that tenants were unable to take up the space until March 2024.

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2023/24 Outturn Report	
Executive Summary	<p>This report presents the provisional outturn position for the 2023/24 financial year for revenue, capital and reserves.</p> <p>Section 2 provides a summary of the key points with the subsequent sections providing more details around the reasons for the year end outturn position for both revenue and capital.</p> <p>The report also includes recommendations that provide funding for ongoing commitments and future projects.</p>
Options considered.	None - This is a factual report of the financial year end position for 2023/24.
Consultation(s)	None – This is a factual report of the financial year end position for 2023/24.
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 2023/24 (as shown in Appendix A); b) The transfers to and from reserves as detailed within the report (and Appendix C) along with the corresponding updates to the 2024/25 budget; c) The deficit of £0.937m relating to service overspends be funded from the General Reserve (£0.737m) and the Treasury Management Reserve (£0.200m); d) The balance on the General Reserve of £2.148m d) The surplus of £2.1m relating to retained business rates be transferred to the Business Rates Reserve; e) The financing of the 2023/24 capital programme as detailed within the report and at Appendix D. f) The updated capital programme for 2024/25 to 2026/27 and scheme financing as outlined within the report and detailed at Appendix E; g) The roll-forward requests as shown in paragraph 5.5. h) Approval of additional funding to cover capital project overspends of £0.429k as detailed in paragraph 6.7.
Reasons for recommendations	To provide a draft outturn position for the General Fund, Capital Accounts and Reserves which will form the basis to produce statutory accounts for 2023/24. Also to provide a draft opening position for the financial year 2024/25.
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 updated 2024/25 opening balances for the MTFS
Council Policies & Strategies	

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	
Details of any previous decision(s) on this matter	Budget Report – Approved by Full Council on 22 February 2023. Budget Monitoring Period 4 – Taken to Full Council on 20 September 2023 Budget Monitoring Period 6 – Taken to Full Council on 22 November 2023 Budget Monitoring Period 10 – Taken to Cabinet on 11 March 2023

1. Purpose of the report

- 1.1 This report presents the draft outturn position for the 2023/24 financial year for revenue, capital and reserves along with details and explanations for any variances from the Balanced Budget that was approved by full Council on 22 February 2023.

2. Key points

- 2.1 A balanced budget was approved by full Council in February 2023. Budget monitoring reporting to Members during the year has shown a worsening deficit position as we advanced through the year. The Period 10 budget monitoring report (presented to Cabinet on 11 March 2024) forecast a £0.986m deficit position at the year-end. The actual position is a deficit of £0.937m.

2.2 Below is a table that shows the draft outturn position and compares it with that forecast in the Period 10 Budget Monitoring report.

	2023/24 Base Budget £'m	2023/24 Updated Budget £'m	2023/24 Outturn £'m	2023/24 Outturn Variance £'m
Net Cost of Services (Income & expenditure relating to providing services)	24.346	24.458	23.399	(1.059)
Net Operating Expenditure (includes all Council income and expenditure)	22.859	22.988	21.962	(1.026)
Less use of Reserves to fund expenditure	(4.910)	(5.039)	(0.996)	4.043
Amount to be met from Government Grant and Local Taxpayers	17.949	17.949	20.966	3.017
Income from Government Grant and Taxpayers	(17.949)	(17.949)	(20.029)	(2.081)
(Surplus)/Deficit	0.000	0.000	0.937	0.937

2.3 The table above shows that the actual net expenditure was less than the budget and the income from grants and taxpayers was higher than forecast which has resulted in there being far less use of reserves required than budgeted for and that overall, this gives a net deficit of £0.937m which is in line with that forecast at Period 10 (£0.986m).

2.4 For the Capital Programme the actual expenditure was for 2023/24 was £13.766m compared to an updated 2023/24 budget of £41.021m giving a total underspend of £27.255m. The main reason for this is that the coastal protection schemes which will cost c.£20m have not progressed as quickly as initially planned and there has only been c.£3.6m spend in 2023/24. With capital it is usually the case that the expenditure can simply be reprofiled without any impact. It is only an issue if there are schemes that are grant funded whereby the grant has to be spent within a given timeframe.

2.5 As the actual expenditure was below budget and income exceeded budget this has resulted in a reduction in the need to use the level of reserves that was expected when the budget was set. The actual use of reserves was £0.996m which compares favourably with the budgeted use of reserves of £5.039m.

2.6 The overall movements between the budgeted position and the outturn have resulted in a deficit of £0.937m which will need to be funded from reserves. It is proposed to use £0.200m of the Treasury Management Reserve to fund the overspend in borrowing costs (as reported in the Period 10 Budget Monitoring report) and then it is proposed to fund the remaining deficit of £0.737m from the General Fund Reserve. The Council's General Fund Reserve balance at the year-end after funding the deficit is shown below and will be slightly higher than the optimum level recommended of £2.1m. This may be subject to amendment as the 2022/23 are still being finalised.

General Fund:	£'m
Opening balance as of 1 April 2023	3.040
Approved use of the reserve	(0.155)
Closing balance before use to fund the deficit	2.885
Use of reserve to fund the	(0.737)
Closing balance as of 31 March 2024	2.148

- 2.7 The final key point to note is that 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. This is due to the need to complete of the 2022/23 accounts so that an accurate opening balance can be used in the 2023/24 accounts. It is planned to have the 2023/24 accounts audited in October so that the Governance, Risk and Audit Committee can sign the accounts off at its meeting in December 2024. A notice has been published on the Council's website to inform readers about the delay.

3. Revenue Account – Outturn 2023/24

- 3.1 The revenue account position for the year shows a year-end deficit of £0.937m. This is after allowing for transfers to Earmarked Reserves for current and known commitments.
- 3.2 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.

Table 1

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)

Costs by type	2023/24 Updated Budget	2023/24 Outturn	2023/24 Outturn Variance	
	£'m	£'m	£'m	%
A Employee Costs	16.422	15.042	(1.380)	-8.4%
B Premises	3.860	4.067	0.207	5.4%
C Transport Related Expenditure	0.310	0.279	(0.031)	-10.0%
D Supplies and Services	13.793	14.751	0.958	6.9%
E Transfer Payment	17.078	19.608	2.530	14.8%
F Capital Financing Costs	4.134	4.253	0.119	2.9%
G Income	(31.139)	(34.601)	(3.462)	11.1%
Net Cost of Service	24.458	23.399	(1.059)	-4.3%

3.3 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 – Favourable variance (underspend) on employee costs of (£1.380m), most of this variance (£0.978m) are savings arising from vacant posts, around (£0.600m) of which are temporary posts funded from earmarked reserves.

An adjustment of (£0.423m) has been made in relation to the current service costs on the Local Government Pension Scheme. This is a technical adjustment that is 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.

A further saving of (£82k) has been made across the council's training budgets.

£94k adverse variance as the actual amount of employee time (and thus costs) charged to capital projects was less than the budgeted amount.

B) Premises – The more significant areas of the £0.207m overspend were

- a. £52k on additional Sea Defences expenditure, however this is to be funded from the coastal protection reserve.
- b. £66k on higher than anticipated grounds maintenance costs including emergency tree works.
- c. £94k premises running costs, being an overspend of £0.114m for energy costs and an overspend of £30k for contract cleaning, partially offset by a (£42k) saving in business rates.

C) Transport – Savings in mileage claims and vehicle insurance have been offset by higher fuel costs giving an overall net underspend of £31k.

D) Supplies and Services – The overall £0.958m overspend relates to

- a. net overspend of £0.433m on increased Bed and Breakfast costs (largely offset by Housing benefit and client contributions)
- b. overspends of £26k Postage costs and annual billing, £62k Computer software and hardware purchases offset by a reduction in maintenance costs.
- c. overspend of £80k for provision for enforcement costs.
- d. overspend of £55k for consultancy fees for specialist advice
- e. overspend of £0.190m on agency staff costs incurred covering vacant posts (offset by employee savings)
- f. underspend of (£0.923m) on professional fees, planned expenditure on the local plan, conservation appraisals and environmental sustainability works which have been offset by reduced contributions from earmarked reserves.
- g. Additional £0.351m Waste and Cleansing contract costs relating to 2022/23.
- h. £0.595m Contributions to Norfolk County Council and East Anglia LEP in respect of designated area enterprise zones, part of the NNDR3 return and funded from business rate receipts.
- i. Grant expenditure, savings of (£0.169m) on Sustainable Communities grants offset by reduced reserve funding, which was partly offset UK prosperity fund grant allocations for Sustainable Communities grants.
- j. Increased Insurance premiums totalling £31k
- k. (£14k) reduction in the provision for bad and doubtful debts.

E) Transfer Payments – The overspend relates to the total of amount of housing benefits paid out in 2023/24 being higher than anticipated. However, this is offset by a reduction in Subsidy received from the Department for works and Pensions (DWP).

F) 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.

G) Income – The favourable variance of (£3.462m) relates to various underspends offset by some areas of overspend.

- a. £0.120m Council Tax administration grant now part of Revenue Support Grant (RSG)
- b. (£0.385m) Other recoverable charges relating to benefit overpayment debt and (£0.453m) temporary accommodation costs.
- c. Service income including a shortfall of £0.379m in Planning, Building Control and Land charge income; higher levels of Car park income than budgeted for (£0.398m); surplus licencing income (£44k) which has been earmarked for service improvements.
- d. (£0.151m) Windfall VAT income successfully recovered from HMRC relating to an historic Leisure Centre case.
- e. Additional Waste and recycling income (£0.783m) including performance failure deduction £0.573m which has been set aside in an Innovation Fund and used for future cost pressure payments.
- f. (£1,488m) increased Housing Benefit Subsidy income – this increase in subsidy grant relates to an increase in subsidy

payment volume (see point F 'Transfer Payments' above). However, as there is a cap or maximum amount that can be claimed in subsidy for costs of temporary accommodation there was a substantial shortfall of £1.03m in income.

4. Revenue Account – Detailed Commentary for Services for 2023/24

- 4.1 This section of the report reviews and highlights the more significant budget variances that have occurred at service level. Further details can be found in Appendix B.
- 4.2 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 don't 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 these notional charges; however, to assist reporting and explaining 'real cash' variances, Table 2 below provides a summary of the position excluding these notional charges.

Table 2

2023/24 Revenue Account Excluding Notional Charges	Updated Budget £'m	Outturn £'m	Variance £'m
Service Area:			
Corporate	0.466	0.550	0.084
Communities	10.491	8.917	(1.574)
Place and Climate Change	5.316	5.144	(0.173)
Resources	4.316	5.112	0.796
Net Cost of Services	20.589	19.722	(0.867)
Parish Precepts	2.875	2.875	0.000
Net Interest Receivable/Payable	(1.533)	(1.111)	0.422
MRP Waste Contract	0.330	0.475	0.145
Capital Financing	0.726	0.000	(0.726)
Contribution to/(from) Earmarked Reserves	(4.683)	(0.841)	3.842
Contribution to/ (from) General Reserve	(0.356)	(0.155)	0.202
Net Service Expenditure/Income to be met from Government Grant and Taxpayers	17.949	20.966	3.017
Government Grants and Council Tax	(17.949)	(20.029)	(2.081)
Net (Surplus)/Deficit for the Year	0.000	0.937	0.937

- 4.3 **Service Variances** – Table 3 below provides a brief summary for the most significant variances 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.

Table 3

£'000	Service and Details
Corporate	
	Human Resources & Payroll –
£27	Overspend on Other Professional Fees/specialist employment advice
	Registration Services –
£60	Additional staffing and printing/postage for the district council election partly offset by additional grant income
	Corporate Delivery Unit –
(£38)	Employee Costs, vacant posts
Communities - Leisure and Environmental Health	
	Public Protection –
£63	Overspend in employee costs some of which are offset by residual Contain Outbreak Management Funding.
(£42)	General Licensing income
(£44)	Taxi Licensing income
	Environmental Protection –
(£51)	Savings in employee Costs due to staff turnover
	Environmental Contracts –
(£38)	Employee Costs, vacant posts and maternity leave
	Parks & Open Spaces –
£34	Repairs and Maintenance
(£151)	Settlement of a refund claim of VAT overpaid on Leisure services
	Other Sports –
(£47)	Net savings from not holding the Mammoth Marathon event
	Woodland Management –
£26	Overspend on emergency tree works which had to be done offset by higher levels of car park income than anticipated
	Waste Collection and Disposal –
(£64)	Commercial disposal costs
£239	SERCO Contractor Costs
£74	Bad Debt Provision and write offs.
(£87)	Higher fee income, bulky household, garden bin & commercial waste
(£572)	Income for SERCO performance failure fees, to be set aside in an Innovation Fund and used for future cost pressure payments.
(£86)	Profit share from NEWS
	Cleansing –
£83	SERCO Contractor payments and Bad Debt Provision
Communities – People Services	
	Benefits Administration –
(£114)	Employee costs, vacant posts and secondment
(£99)	New Burdens Funding
£121	Reduced Council Tax Admin Subsidy
	Homelessness –
(£54)	Council owned temporary accommodation, R&M and running costs
£433	Bed and Breakfast, and rental deposit payments (offset by subsidy and client contributions)
(£445)	Recoverable income relating to temporary accommodation and repaid rent deposits.
	Community –
(£330)	Other Professional Fees, some of the surplus is to be transferred to the Reserve for use towards employee and homelessness costs in future years.
(£175)	Health & Community Grant Payments not allocated
£50	Health and Wellbeing Partnership income transferred to receipts in advance
Place and Climate Change – Planning	
	Development Management –
(£79)	Employee Costs, vacant posts, partly funded by reserves and training underspend partly offset by relocation costs

£142	Planning Application income
£79	Pre-Application advice income
	Planning Policy –
(£134)	Local Plan Fees underspend (reserves funded)
	Conservation, Design & Landscape –
(£119)	Employee Costs, vacant posts, partly funded by reserves
(£44)	Other Professional Fees (reserve funded)
	Building Control –
(£44)	Employee Costs, vacant posts, reserves funded
£90	Inspection income
	Planning Enforcement Team –
£89	Appeal Legal Fees
	Property Information –
£41	Search fee income
	Place and Climate Change – Economic Growth
	Economic Growth -
£106	UK Prosperity Fund spend
	Coast Protection –
£51	Sea Defence overspend, to be covered by reserves
	Environmental Strategy –
(£43)	Employee Costs due to vacant posts (reserve funded)
(£89)	Other Professional Fees (reserve funded)
	Coastal Management –
(£42)	Employee Costs, vacant posts
	Resources – Finance Assets and Legal
	Revenue Services –
(£126)	Grant income
	Benefits Subsidy –
£376	Combination of significantly higher rent allowance benefit payments (£2.2m) and some other smaller payments off set by subsidy income (£1.5m) and other additional income
	Corporate Finance –
(£14)	Savings in employee costs of £134k due to vacancies offset by costs of £120k for use of agency staff
	Investment Properties –
£100	Overspend on repairs maintenance, utilities and a small shortfall in income across our portfolio of investment properties
	Corporate & Democratic Core –
£573	Contributions New Anglia Local Enterprise Partnership funded from business rate income.
	Legal Services –
(£136)	Savings in employee costs due to vacancies
	Resources – Organisational Resources
	Car Parking –
£74	Overspend due to increased running cost e.g. repairs and maintenance, utilities
(£421)	Car park income in excess of that budgeted for.
	IT Support Services –
(£112)	(£112k) Employee Costs due to vacant posts
	Playgrounds –
£52	Overspend on Repairs and Maintenance across the playgrounds
	Cromer Pier –
(£68)	Savings on Repairs and Maintenance and Insurance Premiums
	Public Conveniences –
£90	Overspend due to increased running cost i.e. £18k for rent of toilet at Weybourne, £42k electricity and £30k cleaning
	Customer Services Corporate –
(£84)	Savings largely due to staff vacancies (£60k)
	AD Organisational Resources –
£50	Agency Fees to cover AD vacancy

Non-Service Income and Expenditure

- 4.4 The non-service income and expenditure largely relates to investment income (interest and dividends) and the cost of borrowing (interest payable). It also includes a small amount of interest from other sources e.g. interest on loans given to organisations for affordable housing schemes.
- 4.5 The budget for 2023/24 interest receivable was £1.533m, the actual income for the year was £1.552m. Slightly better interest rates than anticipated have resulted in this small favourable variance.
- 4.6 The Council has been internally borrowing (using the Council's own cash and saving on external interest costs) for some time knowing that in the future there would be a need to take the external borrowing to replenish the cash that has been used. It was hoped that this could be delayed for another year. So, when setting the budget in December 2022/January 2023 it was thought that the cashflow could be managed for the year without any need to borrow from external sources. However, the actual cashflow has not matched the forecast cashflow which has meant that during the year the Council has had to borrow for cashflow in the recent past. Borrowing interest incurred for the year totalled £0.441m.
- 4.7 It is proposed that £0.200m of the Treasury Management Reserve be used to fund the overspend in borrowing costs (as reported in the Period 10 Budget Monitoring report). Thus, leaving a deficit of £0.737m to be funded from the General Fund Reserve.
- 4.8 The full details of the Treasury Management activity and performance for the year are contained in a separate report (Treasury Management Outturn) being presented to Cabinet at this meeting.
- 4.9 Significant points to note from the report are as follows:
- The Council started the year with nine long-term Pooled Fund investments worth £22.581m. Two of these investments were called back in February 2024 to meet cashflow needs. These investments achieved a net capital gain on fair value of £610k for the Council i.e. £2.581m was originally invested and £3.191m in cash was received when called back.
 - The Council has taken a £5m loan from the PWLB for 2 years and 1 month and this will be repaid on 28 April 2025. The interest rate on this loan is fixed at 5.39%. This has in effect replenished depleting cash levels which happens when internally borrowing. Taking the loan also reduces the exposure to risk from increasing interest rates.

Retained Business Rate Income

- 4.10 The Council is a member of the Norfolk Business Rates Pool which is beneficial for all authorities within the Pool.
- 4.11 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 year 2023/24 was the final year affected by Central Government's

reconciliation of COVID support grants distributed to and used by local authorities, and the subsequent request for any overpayments to be repaid.

- 4.12 Since 2020/21 it has been difficult to calculate the budget for the Council's Retained Business Rates because of this. Because of the uncertainty around what the actual levels would be and the possibility of having to repay grants any surplus since 2020/21 has been transferred to the Business Rates Reserve to offset any future deficits.
- 4.13 The 2023/24 budget included Retained Business Rates Income was included at a prudent level because of uncertainty around the calculation. that was when the actual outturn is compared to the budget. The actual income level for the year was £2.1m above the budget and this will be transferred to the Business Rates Reserve. It should be noted that as the accounts are audited.
- 4.14 The Council Tax surplus for the year is £0.080m for 2023/24.

5. Reserves

- 5.1 The Council holds a General Reserve for which the recommended balance for 2023/24 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 2024 was a net £0.937m surplus. This report recommends using £0.200m of the Treasury Management Reserve to part fund the overspend in borrowing costs (as reported in the Period 10 Budget Monitoring report) and then funding the remaining 2023/24 deficit of £0.737m from the General Reserve. This would retain the General Reserve balance at the recommended optimum level of £2.1m. This is shown in the table below.

General Fund:	£'m
Opening balance as of 1 April 2023	3.040
Approved use of the reserve	(0.155)
Closing balance before use to fund the deficit	2.885
Use of reserve to fund the	(0.737)
Closing balance as of 31 March 2024	2.148

- 5.3 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.
- 5.4 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 and year end deficits.

5.5 Section 4 of the report has highlighted several service areas where an underspend has occurred in the year and a transfer to reserves has 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. The table below gives a breakdown of the roll forwards underspends and roll forwards of unspent grants.

Service	Amount £'m	Under spend and details of request
1) Requests to roll forward service underspends.		
Community Services		
Licensing	0.044	Surplus taxi licensing fee income - earmarked for future fee setting (self-financing)
Waste & Cleansing	0.572	Serco - Performance failure deductions - "Innovation Fund"
Waste & Cleansing	0.032	NEWS - profit share income 2022/23
	0.648	
2) Unspent grants - grants received in the year that remain unspent on 31 March 2024		
Environment & Leisure		
Licensing	0.004	Pavement Licence - to offset staffing costs in 2024/25
Leisure	0.003	Together Fund - Rural Support centre (Male mental health project)
Finance, Assets & Legal		
Revenues	0.084	New Burdens Funding, to be used to recruit 2 x Apprentices and 2 different softwares.
People Services		
Housing	0.132	Homes for Ukraine funding - ringfenced
People Services	0.053	Grant funding set aside to cover future redundancy costs of temporary Housing staff
	0.275	
TOTAL	0.923	

5.6 The transfers to and from reserves (general and earmarked) are included within the reserves statement as detailed at Appendix C. This appendix outlines the purpose of each reserve and shows the planned use over the current four-year budget period. The updated budget projections were forecasting transfers from earmarked reserves totaling £5.039m. The outturn position only required a transfer of £0.996m from reserves. The detailed movements can be found at Appendix C.

6. Capital Programme 2023/24

6.1 This section of the report presents the capital outturn position for the 2023/24 year and the financing for this, together with the updated programme for the financial years 2024/25 to 2028/29. Appendix D provides the detail of the outturn for the 2023/24 capital programme and variances prior to any adjustments to the original year budgets. The updated capital programme for 2024/25 to 2028/29, is attached at Appendix E.

6.2 The capital programme expenditure for 2023/24 was £13.766m compared to an updated 2023/24 budget of £41.021m giving an underspend of £27.255m.

6.3 This significant underspend is attributable to multiple factors. Some high value projects have not progressed as far as originally planned due to project delays, or project timelines have been reconsidered to reflect programmed delivery or to make future cost savings. Details of significant project budgets rolled forward into the 2024/25 capital programme are shown later in this report.

6.4 The total Capital Expenditure of £13.766m was funded by:

- £8.500m of grants
- £1.035m of external contributions
- £1.432m of reserve allocations
- £0.100m of revenue contributions
- £0.704m of capital receipts
- £1.995m funded from borrowing

6.5 Details of the Capital Expenditure and the Financing for 2023/24 can be found in Appendix D.

6.6 The table below shows the schemes completed in 2023/24 along with the value of unspent budget given up. Explanations of the major unspent budgets are detailed in paragraphs (a) to (j).

Capital Projects completed in 2023/24 and removed from the future capital programme:

Budget Manager		Completed Capital Projects	Unspent budget returned / (Overspent budget) £	Funding Source returned / (used)
Estates & Asset Strategy Manager		Catfield Industrial Units – Net Zero works	1,980	Asset Management Reserve
Resilience Manager	(a)	Replacement of Flood Gates at Cable Gap Bacton, The Ship Bacton & Walcott Post Office	45,500	Capital Receipts
Environment & Safety Manager	(b)	Waste Vehicles	37,916	Borrowing
Assets & Property Programme Manager	(c)	Public Conveniences (Fakenham & Wells) Additional retention payment of £20k is also due in 2024/25	(314,603)	Capital receipts
Assets & Property Programme Manager	(d)	Public Conveniences (Sheringham & North Walsham)	265,228	Capital receipts
Assets & Property Programme Manager		Pavilion Theatre Bar Upgrade	(36,127)	Capital receipts
Assets & Property Programme Manager		Administrative Buildings	2,286	Asset Management Reserve
Estates & Asset Strategy Manager	(e)	Collectors Cabin	24,417	Capital Receipts
Estates & Asset Strategy Manager		Fakenham Connect/Crinkle Crankle Wall	(10,815)	Capital Receipts
Estates & Asset Strategy Manager	(f)	Unit 1 & 2, Surf Lifesaving School, Cromer Promenade	55,000	Capital Receipts
Network Manager	(g)	Members IT	25,518	Capital Receipts
Network Manager		Fire Wall Replacements	3,510	Capital Receipts
Network Manager	(h)	Refurbishment of IT Training Room	15,000	Capital Receipts
HR Manager	(i)	Recruitment Software	35,050	Capital Receipts
Network Manager		Printer Replacement	2,503	Capital Receipts
Network Manager		Network Hardware Replacement	5,234	Capital Receipts
Network Manager	(j)	Folding Machine Laminator	22,880	Capital Receipts
Total deallocated funding			180,477	

Total deallocated funding by financing source	180,477
Asset Management Reserve	4,266
Capital Receipts	138,295
Borrowing	37,916

- (a). The Replacement of Flood Gates at Cable Gap Bacton – this project has not been taken forward and so after consultation with the Council’s Civil Contingencies and Coastal teams who confirmed that it was no longer required this has been taken out of the Capital Programme.
- (b). The cost of the two additional Waste Vehicles was less than originally expected, therefore not all the borrowing funding is required.
- (c). There is a significant overspend of £315k on the Public Conveniences at Fakenham & Wells. In addition to this there is a further retention payment of £20k that is due to be paid in 2024/25 giving a total overspend of £335k to complete the scheme. Funding needs to be identified for this.
- (d) There is an underspend of £265k on the Public Conveniences at Sheringham & North Walsham. The North Walsham scheme has been completed, but a retention sum of £10k is due to be paid in 2024/25. The Sheringham scheme has not yet been completed and it is estimated that a further £100k will be needed to complete the scheme. Therefore £110k of the £265k underspend will need to be carried forward into 2024/25 and funded from capital receipts as originally planned.

This would leave a ‘spare’ capital receipt of £155k which could be used to part fund the overspend at Fakenham & Wells. This would still leave a funding gap of £159k to cover the 2023/24 overspend and £20k to cover the retention sums due to be paid in 2024/25.

- (e). The work on the Collectors Cabin is now complete, with the building now successfully being let to a tenant. No further renovation work is required on the building.
- (f). Roof repairs to the Surf Lifesaving School (Red Lion Retail Units 1 & 2, Cromer Promenade) - the budget is no longer required as the works have been completed under as part of another capital scheme (Asset Roof Replacements).
- (g). The Members IT budget is a residual budget that is no longer required.
- (h). The refurbishment of IT Training room and replacement of desktop PCs no longer needs doing as staff now have laptops which they can take along to any training sessions.
- (i). The Recruitment Software budget is a residual budget that is no longer required.
- (j). The Folding Machine Laminator is a residual budget that is no longer required.

- 6.7 There are schemes where overspends have occurred in 2023/24. Details are given in the table below along with the funding that has been identified to fund these overspends. Explanations for the overspends can be found in paragraphs (k) to (o) below.

Capital Projects overspent in 2023/24, requesting extra budget approval.

Budget Manager		Overspent Capital Projects	Overspend £	Funding Source requested
Assets & Property Programme Manager	(k)	Public Conveniences (Fakenham & Wells)	159,375	Capital Receipts
Assets & Property Programme Manager	(l)	Pavilion Theatre Bar Upgrade	36,127	Capital Receipts
Early Help and Prevention Manager	(m)	Disabled Facilities Grants	219,255	Grants
Estates & Asset Strategy Manager	(n)	Fakenham Connect /Crinkle Crankle Wall	10,815	Asset Management Reserve
Assets & Property Programme Manager	(o)	Morris Street Car Park Boundary Wall (n)	3,800	Asset Management Reserve
Total extra funding requested to finance overspends			429,372	

Total funding requested by financing source	429,372
Asset Management Reserve	14,615
Capital Receipts	195,502
Grants	219,255

- (k). See comments at paragraph 6.6 (c) and (d) above. The Fakenham & Wells Public Conveniences refurbishment scheme was started and priced before the COVID pandemic and the war in Ukraine. Construction costs increased significantly across the world following these events and this has been the case with the work at Fakenham and Wells. There was also unforeseen ground works identified which required a major electrical cable diversion coming at a significant extra cost.
- (l). The Pavilion Theatre Bar Upgrade project overspent because of additional works that were required i.e. the replacement of the existing rotten timber flooring at the toilet on the Pier Theatre and remedial works needed to rectify the impact of a pigeon infestation which alone cost £25k. It is proposed that the overspend of £36k is funded from the use of Capital Receipts.
- (m). Whilst it appears that Disabled Facilities Grants paid out exceeded the in-year budget by £219k there is a balance of £1.269m of prior years' unspent DFG funding available in the Council's Capital Grants Unapplied account which is ringfenced for DFG expenditure. The S151 Officer approved this prior to the expenditure being committed. It is therefore proposed to fund the overspend using this grant funding.

Officers also propose that in order to continue to deliver more disabled facilities across the district a further £400k of grant funding is released from the Capital Grants Unapplied account to increase the DFG budget in 2024/25. This would leave a balance of £650k available for future years.

- (n). Fakenham Connect and the Crinkle Crankle Wall project was overspent in 2023/24 by £11k. This arose as the need for specialist advice was unforeseen in scoping the work, but it was required to complete the work

properly. It is proposed this is funded from the Asset Management Reserve.

- (o). The Morris Street car park boundary wall was damaged by a storm and was declared a dangerous structure. The rebuild costs have exceeded the approved budget £4k. It is proposed this is funded from the Asset Management Reserve.

- 6.8 Capital receipts of £0.704m were received in 2023/24 these were:
- £0.407m from Right to Buy sales relating to the Council's old housing stock.
 - £0.234m from the sale of Waste Vehicles to SERCO.
 - £0.063m from the repayment of Disabled Facilities Grants during the year.

- 6.9 For schemes which were not completed in 2023/24 the capital budgets will be rolled forward into 2024/25. The most significant of these are listed in table below. Full details are given in Appendix E.

Budget Slippage from 2023/24 to the 2024/25 Capital Programme over £100,000

Capital Project		Budget rolled-forward into 2024/25. £'m	Funding Source(s)
Cromer Coastal Protection Scheme	(p)	£10.371	Grants
Coastal Adaptations	(q)	£0.245	Capital Receipts
Mundesley Coastal Management Scheme	(r)	£5.792	£340k Contribution £307k Capital Receipts £5.145m Grants
Coastal Management Fund	(s)	£0.142	Capital Receipts
Coastwise	(t)	£1.347	Grants
Holt Country Park Electricity Improvements	(u)	£0.150	Capital Receipts
Public Conveniences – Albert Street, Holt	(v)	£0.358	£190k Capital Receipts £120k insurance claim, £48k Grants
3G Facilities	(w)	£0.848	Capital Receipts
Cromer 3G Football Facility	(x)	£0.995	£700k Grants £295k Capital Receipts
The Reef Leisure Centre	(y)	£0.263	£123k Capital Projects Reserve, £139k Capital Receipts
Compulsory Purchase of Long-Term Empty Properties	(z)	£0.429	Capital Receipts
Community Housing Fund	(aa)	£0.228	Housing Reserve
Temporary Accommodation	(ab)	£0.298	Capital Receipts
S106 Enabling	(ac)	£0.764	S106 Contributions
Loans to Housing Providers	(ad)	£0.190	Capital Receipts
Local Authority Housing Fund	(ae)	£0.312	Grants
Rocket House	(af)	£1.014	Capital Receipts
North Walsham HAZ	(ag)	£0.155	Capital Receipts

Fakenham Urban Extension	(ah)	£1.581	£900k Delivery Plan Reserve, £681k Contributions
Property Acquisitions	(ai)	£0.705	Capital Projects Reserve
Chalet Refurbishment	(aj)	£0.125	Capital Receipts
Car Parks Refurbishment	(ak)	£0.147	£105k Borrowing, remainder £147k Capital Receipts
Asset Roof Replacements (Art Deco Block, Red Lion Retail Unit, Sheringham Chalets)	(al)	£0.137	£96k Asset Management Reserve £29k Contributions £12k Grants

- (p). Cromer Coast Protection Scheme – the budget profile has been adjusted as the main part of the scheme is the delivery of the rocks which are sensitive to many factors e.g. availability of the barges, weather and tide patterns. This should be completed the summer of 2024, with residual works planned for completion in the winter 2024 and spring 2025.
- (q). Coastal Adaptations fund – any unspent budget is rolled forward as the budget is retained to cover unforeseen and required coastal works that support residents and businesses that need support for coastal related emergencies.
- (r). Mundesley Coastal Management Scheme – see (p) above which applies here too.
- (s). Coastal Management fund – any unspent budget is rolled forward as the budget is retained to carry out major coastal defence works (groynes, steps, revetments etc.) when required.
- (t). Coastwise - any unspent budget is rolled forward as the budget is retained to support residents needing emergency relocation.
- (u). Holt County Park Electricity - budget of £150k was found to be insufficient when the work was scoped and so the budget will be rolled forward and amalgamated with a further £250k of funding which was approved by full Council in February 2024.
- (v). Public Conveniences (Albert Street, Holt) – unavoidable delays due to complex negotiations with third parties around party walls and discovery of unmarked electrical supplies needing disconnection has meant the project will now be completed in 2024/25.
- (w). 3G sports facility at North Walsham – This is a major undertaking and works will commence shortly with planned completion in March 2026.
- (x). 3G sports facility at Cromer – initial discussions are underway, and the work will commence as soon as agreement has been reached by all counterparties involved.
- (y). Retention sum for The Reef Leisure Centre - rolled forward into 2024/25 to cover any snagging/remedial that should have been done by the contractor. However, as the contractor went into administration in 2023 the retention not paid over will be used by NNDC to cover the cost of any required works e.g. fixing a leak under the pool that has been identified.

- (z). Compulsory Purchase of Long-Term Empty Properties - any unspent budget is rolled forward as the budget is provides funding for emergency compulsory purchases the Council may need to make at short-notice.
- (aa). Community Housing Fund - any unspent budget is rolled forward as the budget is retained to provide grants to housing companies, specifically aimed at supporting the provision of affordable accommodation.
- (ab). Provision of Temporary Accommodation - any unspent budget is rolled forward as the budget is retained to purchase properties that can be used as temporary accommodation.
- (ac). S106 enabling budget - any unspent budget is rolled forward as the S106 contributions received are to be used for the provision of infrastructure, recreational facilities and affordable housing in the district, but there are restrictions on how and where the funding can be spent and so the budget will be rolled forward until appropriate schemes are identified.
- (ad). Loans to Housing Providers - any unspent budget is rolled forward as this budget is used to provide loans to local housing companies provide affordable housing in the North Norfolk District.
- (ae). Local Authority Housing Fund (LAHF) - the unspent budget is to be rolled forward as the budget is government grant funding for the Council to purchase properties to use as temporary accommodation. There are two property purchases planned for 2024/25 to use the remaining funding.
- (af). Rocket House - the unspent budget is to be rolled forward to complete the work that was started in 2023/24 to resolve damp issues identified at the property.
- (ag). North Walsham Heritage Action Zone (HAZ) – the scheme was essentially completed in 2023/24. There is a small element of work to be paid for and so the full amount of the budget will be rolled forward and retained until all final costs have been covered. At this point the unused funding will be returned so that it can be used to fund other projects.
- (ah). Fakenham Urban Extension – delivery of the project has been delayed due to issues with Nutrient Neutrality as previously disclosed to the Council. This project is still due to be completed and so the budget will be rolled forward into 2024/25.
- (ai). Property Acquisitions budget - any unspent budget is rolled forward to fund property purchases.
- (aj). Chalet Refurbishment – the unspent budget will be rolled forward to fund renovation works to the Chalets have not yet been undertaken. Whilst these works were planned to take place during 2023/24 other works needed to be prioritised above this work.
- (ak). Car Parks Refurbishment - any unspent budget is rolled forward as this is a rolling programme of resurfacing works to the Council's car parks.
- (al). Asset Roof Replacements (Art Deco Block, Red Lion Retail Unit, Sheringham Chalets) – Previously approved budgets were amalgamated

(see paragraph 6.6 (f) to obtain better value for money by combining these works under one. Some of the work was completed in 2023/24 and the remainder will be completed in 2024/25.

7. Capital Programme 2023/24 Update

- 7.1 Appendix E shows the updated capital programme for the period 2024/25 to 2028/29 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 full Council or the Director of Resources as at the 31 March 2024.

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 year 2023/24. 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.

Comments from the S151 Officer:

The draft outturn position as presented in this report shows that there is a deficit for the year of £0.937m for the year. The Council can meet this through the use of Reserves however future years' position will need to be closely managed and monitored to ensure that the Council can remain financially sustainable.

The is still subject to audit and may be subject to change. The final position will be presented to GRAC in the Statement of Accounts which they Committee will be asked to approve and sign.

12. Legal Implications

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

Comments from the Monitoring Officer

In accordance with the CIPFA requirements, this report provides financial information to Members around the 2023/24 provisional outturn position for the year and matters as detailed in the recommendations.

13. Risks

- 13.1 Financial risks are identified within the report content.

14. Net ZeroTarget

This report does not raise any issues relating to the achieving the net zero target.

15. Equality, Diversity & Inclusion

This report does not raise any issues relating to the achieving the net zero target.

16. Community Safety issues

This report does not raise any issues relating to the community safety issues.

17. Conclusion and Recommendations

- 17.1 Members are asked to consider the report and recommend the following to full Council:
- a) **The provisional outturn position for the General Fund revenue account for 2023/24 (See Appendix A);**
 - b) **The transfers to and from reserves as detailed within the report (and Appendix C) along with the corresponding updates to the 2024/25 budget;**
 - c) **The deficit of £0.937m relating to service overspends be funded from the General Reserve (£0.737m) and the Treasury Management Reserve (£0.200m);**
 - d) **The balance on the General Reserve of £2.148m**
 - e) **The surplus of £2.1m relating to retained business rates be transferred to the Business Rates Reserve;**

- f) The financing of the 2023/24 capital programme as detailed within the report and at Appendix D;**
- g) The updated capital programme for 2024/25 to 2026/27 and scheme financing as outlined within the report and detailed at Appendix E;**
- h) The roll-forward requests as detailed in paragraph 5.5**
- i) Approval of additional funding to cover capital project overspends of £0.429k as detailed in paragraph 6.7.**

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General Fund Summary Outturn 2023/24

	2023/24 Base Budget £	2023/24 Updated Budget £	2023/24 Outturn £	2023/24 Outturn Variance £
Directorate				
Corporate Leadership/Executive Support	484,705	521,563	561,524	39,961
Communities	12,243,383	11,737,581	10,246,812	(1,490,769)
Place and Climate Change Resources	6,509,032	6,680,859	7,295,220	614,361
	5,108,854	5,518,103	5,295,431	(222,672)
Net Cost of Services	24,345,974	24,458,106	23,398,988	(1,059,118)
Parish Precepts	2,875,207	2,875,207	2,875,441	234
Capital Charges	(2,456,953)	(2,456,953)	(2,456,232)	721
Refcus	(1,677,167)	(1,677,167)	(1,906,616)	(229,449)
Interest Receivable	(1,533,436)	(1,533,437)	(1,552,206)	(18,769)
External Interest Paid	0	0	441,204	441,204
Revenue Financing for Capital:	710,000	726,372	0	(726,372)
MRP Waste Contract	330,000	330,000	474,907	144,907
IAS 19 Pension Adjustment	265,496	265,496	686,215	420,719
Net Operating Expenditure	22,859,121	22,987,624	21,961,702	(1,025,922)
Contribution to/(from) the Earmarked Reserves				
Capital Projects Reserve	(400,000)	(400,000)	0	400,000
Asset Management	0	0	(5,510)	(5,510)
Benefits	(111,305)	(111,305)	0	111,305
Building Control	(81,866)	(89,690)	(78,316)	11,374
Business Rates	(1,278,267)	(1,278,268)	(7,000)	1,271,268
Coast Protection	0	(134,003)	(224,754)	(90,751)
Communities	(275,000)	(275,000)	(106,059)	168,941
Delivery Plan	(1,289,412)	(1,258,911)	(389,659)	869,252
Economic Development and Tourism	(44,800)	(44,800)	(54,095)	(9,295)
Elections	(100,000)	(133,015)	(123,015)	10,000
Enforcement Board	0	0	(14,528)	(14,528)
Environmental Health	(16,000)	(32,372)	639,170	671,542
Grants	0	0	66,340	66,340
Housing	(555,898)	(493,689)	(315,563)	178,126
Legal	(31,745)	(31,745)	(4,538)	27,207
Net Zero Initiatives	0	0	(28,143)	(28,143)
New Homes Bonus Reserve	(178,000)	(178,000)	(76,394)	101,606
Organisational Development	(42,742)	(42,742)	(43,003)	(261)
Planning Revenue	(148,965)	(178,965)	(128,965)	50,000
Restructuring and Invest to Save	0	0	53,043	53,043
Contribution to/(from) the General Reserve	(356,461)	(356,460)	(154,795)	201,665
Amount to be met from Government Grant and Local Taxpayers	17,948,660	17,948,659	20,965,917	3,017,258
Collection Fund – Parishes	(2,875,207)	(2,875,207)	(2,875,207)	0
Collection Fund – District	(6,738,797)	(6,738,797)	(6,825,685)	(86,888)
Retained Business Rates	(6,342,049)	(6,342,048)	(8,335,147)	(1,993,099)
Revenue Support Grant	(102,462)	(102,462)	(289,848)	(187,386)
3% funding Guarantee	(974,416)	(974,416)	(974,424)	(8)
Ctax Discount Grant	(50,074)	(50,074)	0	50,074
LCTS Admin Grant	(136,747)	(136,747)	0	136,747
New Homes bonus	(31,080)	(31,080)	(31,080)	0
Rural Services Delivery Grant	(567,386)	(567,386)	(567,386)	0
Services Grant	(130,442)	(130,442)	(130,434)	8
Income from Government Grant and Taxpayers	(17,948,660)	(17,948,659)	(20,029,211)	(2,080,552)
(Surplus)/Deficit	0	0	936,706	936,706

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Communities Directorate

Environment and Leisure Outturn 2023/24

Service Description	Updated Budget £	Outturn 2023/24 £	Variance £
Commercial Services	23,085	23,076	(9)
Internal Drainage Board Levies	478,176	478,354	178
Travellers	50,890	62,133	11,243
Public Protection	367,277	389,557	22,280
Street Signage	12,000	7,936	(4,064)
Environmental Protection	651,422	588,573	(62,849)
Environmental Contracts	350,589	314,708	(35,881)
Corporate Health and Safety	71,626	75,531	3,905
Markets	12,192	(2,071)	(14,263)
Parks and Open Spaces	330,984	351,707	20,723
Foreshore	85,585	55,676	(29,909)
Leisure Complexes	95,464	(36,529)	(131,993)
Other Sports	58,462	16,232	(42,230)
Recreation Grounds	12,950	14,023	1,073
Pier Pavilion	9,300	3,864	(5,436)
Beach Safety	378,730	388,898	10,168
Woodlands Management	198,603	220,452	21,849
Waste Collection And Disposal	1,180,010	687,593	(492,417)
Cleansing	993,500	1,049,731	56,231
Leisure	189,416	194,828	5,412
Community Safety	13,794	8,960	(4,834)
Civil Contingencies	96,472	89,732	(6,740)
Ad Environmental & Leisure Svs	90,251	91,498	1,247
Total Direct Costs	5,750,778	5,074,462	(676,316)
IAS 19 Pension Adjustment	0	(56,341)	(56,341)
Support Service costs	1,266,687	1,186,010	(80,677)
Capital Charges	1,186,271	1,185,924	(347)
Total Environment and Leisure	8,203,736	7,390,054	(813,682)

Communities Directorate

Environment and Leisure Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Commercial Services				
Employee Costs	23,085	23,076	(9)	No Major Variances.
Support Services	193,170	180,450	(12,720)	No Major Variances.
	216,255	203,526	(12,729)	
Internal Drainage Board Levies				
Premises	478,176	478,354	178	No Major Variances.
Support Services	300	290	(10)	No Major Variances.
	478,476	478,644	168	
Travellers				
Premises	9,290	7,439	(1,851)	Lower grounds maintenance costs.
Supplies & Services	43,600	55,014	11,414	£6,526 Higher Operating Lease rental costs. £4,825 Rental of portable toilets.
Support Services	7,870	5,852	(2,018)	No Major Variances.
Capital Financing Costs	23,174	23,172	(2)	No Major Variances.
Income	(2,000)	(320)	1,680	Reduced income - facilities not used.
	81,934	91,157	9,223	
Public Protection				
Employee Costs	502,700	565,678	62,978	£35,792 Fixed Term staffing costs - some of which has been funded through the COMF (Contain Outbreak Management Fund). . The balance relates to back pay and inflationary costs.
IAS 19 Pension Adjustment	0	(15,822)	(15,822)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	13,997	18,374	4,377	Higher staff travelling costs.
Supplies & Services	88,680	130,603	41,923	See Note A below:
Support Services	144,330	133,940	(10,390)	Lower recharges from service management.
Income	(238,100)	(325,097)	(86,997)	See Note B below:
	511,607	507,675	(3,932)	
Note A: £60,811 Legal advice and court costs - offset by a budget of £36,610. (£19,407) Lower Private Water Sampling costs. £8,073 Professional Fees. £7,618 Agency staffing and £7,500 Computer software - funded through COMF. £4,600 Assure upgrade. £12,751 Subscriptions to include NEC Software (support and maintenance), James Button and ABC Food Law. The balance consists of minor misc. variances.				
Note B: (£4,110) Grant income - Pavement Licence; £1,707 Misc. fee income and recoverable charges. (£41,824) Higher general licensing income; (£43,769) Higher Taxi Licensing income - request to roll forward to an Earmarked Reserve.				
Street Signage				
Supplies & Services	12,000	7,936	(4,064)	Fewer street signs ordered and installed.
Support Services	23,300	20,844	(2,456)	No Major Variances.
	35,300	28,780	(6,520)	
Environmental Protection				
Employee Costs	576,583	525,366	(51,217)	(£51,392) Employee savings within the team.
IAS 19 Pension Adjustment	0	(14,660)	(14,660)	Pension Fund adjustment 2023/24
Premises	0	750	750	No Major Variances.
Transport Related Expenditure	22,189	17,570	(4,619)	Lower travelling costs.
Supplies & Services	65,650	60,140	(5,510)	See Note A below:
Support Services	251,400	235,676	(15,724)	Lower recharges from service management.
Capital Financing Costs	52,962	52,956	(6)	No Major Variances.
Income	(13,000)	(15,254)	(2,254)	No Major Variances.
	955,784	862,545	(93,239)	
Note A: (£10,137) Lower equipment purchases / R&M; (£10,497) Lower Professional Fees in respect of Contaminated Land enquires, Assisted Burials, Air Quality Management and Rechargeable works; £4,305 Higher contractor costs relating to Stray Dogs. £7,820 Enforcement Board Works (to be funded from Reserve); £3,500 Computer Maintenance. £7,232 Subscriptions. (£6,894) Bad Debt provisions and write-offs.				
Environmental Contracts				
Employee Costs	336,870	299,277	(37,593)	Vacant posts and maternity leave.
IAS 19 Pension Adjustment	0	(8,680)	(8,680)	Pension Fund adjustment 2023/24
Transport Related Expenditure	12,444	9,872	(2,572)	Lower vehicle maintenance costs.
Supplies & Services	1,275	7,659	6,384	£2,971 Subscriptions. £2,006 Postage and Hybrid mailing costs.
Support Services	(355,110)	(310,552)	44,558	Higher recharges from service management.
Capital Financing Costs	4,521	4,524	3	No Major Variances.
Income	0	(2,100)	(2,100)	Repayment of training costs.
	0	0	0	

Communities Directorate

Environment and Leisure Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Corporate Health and Safety				
Employee Costs	71,626	76,106	4,480	Turnover savings not achieved.
IAS 19 Pension Adjustment	0	(2,248)	(2,248)	Pension Fund adjustment 2023/24
Transport Related Expenditure	0	444	444	No Major Variances.
Supplies & Services	0	581	581	No Major Variances.
Support Services	(71,626)	(73,283)	(1,657)	No Major Variances.
Income	0	(1,600)	(1,600)	Recharge for IOSH (Occupational Safety & Health) course.
	0	0	0	
Markets				
Employee Costs	12,896	6,432	(6,464)	Vacant seasonal posts.
IAS 19 Pension Adjustment	0	(158)	(158)	Pension Fund adjustment 2023/24
Premises	35,246	19,833	(15,413)	Lower rental costs and Business Rates.
Transport Related Expenditure	0	100	100	No Major Variances.
Supplies & Services	4,050	3,837	(213)	No Major Variances.
Support Services	42,160	39,578	(2,582)	Lower recharges from service management.
Income	(40,000)	(32,272)	7,728	Lower income from market traders.
	54,352	37,349	(17,003)	
Parks & Open Spaces				
Premises	275,984	297,726	21,742	£33,715 Higher R&M Costs. (£7,073) Serco - lower grounds maintenance costs. (£4,700) Lower utility costs.
Supplies & Services	63,500	76,112	12,612	£3,751 Surveyor fees. £6,329 Serco - cleansing contract costs.
Support Services	138,000	132,712	(5,288)	Lower recharges from service management.
Capital Financing Costs	16,206	16,212	6	No Major Variances.
Income	(8,500)	(22,131)	(13,631)	(£9,276) Higher interest on grassed area deposits. The balance consists of minor misc. recharges.
	485,190	500,631	15,441	
Foreshore				
Employee Costs	25,640	26,700	1,060	No Major Variances.
IAS 19 Pension Adjustment	0	(745)	(745)	Pension Fund adjustment 2023/24
Premises	53,945	32,927	(21,018)	(£30,159) Lower R&M costs. £9,141 Higher running costs to include insurance and utility costs.
Transport Related Expenditure	700	515	(185)	No Major Variances.
Supplies & Services	5,300	150	(5,150)	Equipment and professional fees budgets not spent.
Support Services	85,270	86,026	756	No Major Variances.
Capital Financing Costs	27,880	27,876	(4)	No Major Variances.
Income	0	(4,616)	(4,616)	Concessions.
	198,735	168,833	(29,902)	
Leisure Complexes				
Premises	139,569	137,176	(2,393)	See Note A below:
Supplies & Services	0	21,063	21,063	£6,000 Consultancy fees related to The Reef. £15,063 Fee for VAT advice relating to an historic refund claim.
Support Services	103,090	98,478	(4,612)	Lower recharges from service management.
Capital Financing Costs	492,459	492,288	(171)	No Major Variances.
Income	(44,105)	(194,767)	(150,662)	Settlement of a refund claim of VAT overpaid on Leisure services.
	691,013	554,237	(136,776)	
Note A: £14,409 Higher R&M costs which includes installation of floodlights at Cromer. £4,882 Higher grounds maintenance costs - no budget provision at Cromer Sports centre. (£21,684) Lower rental costs relating to prior years.				
Other Sports				
Employee Costs	3,459	3,468	9	No Major Variances.
Premises	6,803	11,176	4,373	Higher insurance premium.
Supplies & Services	88,200	10,321	(77,879)	Professional fees and costs associated with the Mammoth Marathon event which was cancelled.
Support Services	76,290	73,808	(2,482)	No Major Variances.
Income	(40,000)	(8,733)	31,267	No fee income from Mammoth Marathon.
	134,752	90,040	(44,712)	
Recreation Grounds				
Premises	6,950	7,410	460	No Major Variances.
Supplies & Services	7,000	7,703	703	No Major Variances.
Support Services	3,860	3,772	(88)	No Major Variances.
Capital Financing Costs	5,632	5,640	8	No Major Variances.
Income	(1,000)	(1,090)	(90)	No Major Variances.
	22,442	23,435	993	
Pier Pavilion				
Premises	9,300	3,864	(5,436)	Electricity costs - payable by theatre management.
Support Services	28,230	27,084	(1,146)	No Major Variances.
Capital Financing Costs	17,020	17,016	(4)	No Major Variances.
	54,550	47,964	(6,586)	

Communities Directorate

Environment and Leisure Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Beach Safety				
Premises	2,750	1,815	(935)	No Major Variances.
Supplies & Services	375,980	387,738	11,758	See Note A below:
Support Services	78,900	74,330	(4,570)	Lower recharges from service management.
Income	0	(656)	(656)	No Major Variances.
	457,630	463,228	5,598	
Note A: £21,049 Higher Serco contract cleansing costs. (£5,939) Lower management fee for RNLI (Lifeguarding contract). (£6,976) R&M for Memorial seats not spent. £3,182 Misc. expenditure relating to Beach Safety - E.g. Blue Flag applications and beach signage.				
Woodlands Management				
Employee Costs	148,418	146,871	(1,547)	No Major Variances.
IAS 19 Pension Adjustment	0	(4,240)	(4,240)	Pension Fund adjustment 2023/24
Premises	56,126	105,895	49,769	Emergency Tree works.
Transport Related Expenditure	21,469	21,327	(142)	No Major Variances.
Supplies & Services	12,450	21,634	9,184	£3,895 Cost of events at Holt Country Park. £3,000 Purchase of a memorial bench (funded by a legacy payment). £2,150 Bad debt provision.
Support Services	165,920	159,880	(6,040)	Lower recharges from service management.
Capital Financing Costs	1,346	1,356	10	No Major Variances.
Income	(39,860)	(75,275)	(35,415)	(£24,330) Higher income from Car Parking charges. (£2,018) Misc. sales. (£4,863) Fee income from events at Holt Country Park. (£3,000) Legacy - offset by purchase of a memorial bench.
	365,869	377,449	11,580	
Waste Collection And Disposal				
Employee Costs	0	2,938	2,938	Overtime incurred for work on garden bins - offset by salary savings within the team.
IAS 19 Pension Adjustment	0	(99)	(99)	Pension Fund adjustment 2023/24
Supplies & Services	5,603,220	5,891,679	288,459	See Note A below:
Support Services	514,840	467,740	(47,100)	Lower recharges from service management.
Capital Financing Costs	459,571	459,408	(163)	No Major Variances.
Income	(4,423,210)	(5,207,024)	(783,814)	See Note B below:
	2,154,421	1,614,642	(539,779)	
Note A: (£3,000) Equipment purchases not made. (£63,983) Lower commercial disposal costs. £34,020 Consultancy costs (partially recharged). £14,257 NEWS contractor costs. £239,424 Serco contractor costs. (£6,312) Lower contribution to Norfolk Waste Partnership (NWP). £73,978 Bad debt provision and write offs.				
Note B: (£87,077) Additional fee income from bulky household, garden bin and commercial waste. (£18,510) Recycling credit income. (£572,426) Serco performance failure fees - to be set aside in an Innovation Fund and used for future cost pressure payments. (£85,751) Profit share from Norfolk Environmental Waste Services (NEWS). (£17,010) Rechargeable income from Breckland DC towards consultancy costs.				
Cleansing				
Supplies & Services	1,059,500	1,142,512	83,012	£78,608 Serco contractor payments. £2,848 Bad Debts provision.
Support Services	51,840	46,600	(5,240)	Lower recharges from service management.
Capital Financing Costs	85,500	85,476	(24)	No Major Variances.
Income	(66,000)	(92,782)	(26,782)	Additional income from dog and litter bin recharges.
	1,130,840	1,181,807	50,967	
Leisure				
Employee Costs	159,066	167,063	7,997	No Major Variances.
IAS 19 Pension Adjustment	0	(4,559)	(4,559)	Pension Fund adjustment 2023/24
Premises	0	361	361	No Major Variances.
Transport Related Expenditure	5,331	4,921	(410)	No Major Variances.
Supplies & Services	25,019	22,482	(2,537)	Lower contribution to Active Norfolk.
Support Services	(189,416)	(190,269)	(853)	No Major Variances.
Income	0	0	0	No Major Variances.
	0	0	0	

Communities Directorate

Environment and Leisure Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Community Safety				
Employee Costs	9,198	8,955	(243)	No Major Variances.
IAS 19 Pension Adjustment	0	(227)	(227)	Pension Fund adjustment 2023/24
Transport Related Expenditure	596	0	(596)	No Major Variances.
Supplies & Services	4,000	5	(3,995)	No Major Variances.
Support Services	23,320	21,966	(1,354)	No Major Variances.
	37,114	30,699	(6,415)	
Civil Contingencies				
Employee Costs	83,038	83,635	597	No Major Variances.
IAS 19 Pension Adjustment	0	(2,394)	(2,394)	Pension Fund adjustment 2023/24
Transport Related Expenditure	1,044	1,183	139	No Major Variances.
Supplies & Services	12,390	4,913	(7,477)	(£4,000) Contributions budget not required. Balance is made up of misc. minor variances.
Support Services	41,000	40,076	(924)	No Major Variances.
	137,472	127,413	(10,059)	
Ad Environmental & Leisure Svcs				
Employee Costs	88,407	88,892	485	No Major Variances.
IAS 19 Pension Adjustment	0	(2,509)	(2,509)	Pension Fund adjustment 2023/24
Transport Related Expenditure	1,744	1,959	215	No Major Variances.
Supplies & Services	100	647	547	No Major Variances.
Support Services	(90,251)	(88,989)	1,262	No Major Variances.
	0	0	0	
Total Environment & Leisure	8,203,736	7,390,054	(813,682)	
Total Communities	11,737,581	10,246,813	(1,490,768)	

Communities Directorate

People Services Outturn 2023/24

	Updated Budget	Outturn 2023/24	Variance
	£	£	£
Benefits Administration	813,732	734,988	(78,744)
Homelessness	(295,431)	(459,467)	(164,036)
Housing Options	807,787	797,391	(10,396)
Community	1,217,264	750,542	(466,722)
Ad People Services	87,469	87,566	97
Total Direct Costs	2,630,821	1,911,020	(719,801)
IAS 19 Pension Adjustment	0	(79,599)	(79,599)
Support Service costs	842,842	745,902	(96,940)
Capital Charges	60,182	279,435	219,253
Total People Services	3,533,845	2,856,758	(677,087)
Total Communities	11,737,581	10,246,813	(1,490,768)

Communities Directorate

People Services Outturn 2023/24

	Updated Budget 2023/24	Outturn 2023/24	Outturn Variance	Explanation
	£	£	£	
Benefits Administration				
Employee Costs	1,161,688	1,047,534	(114,154)	(£116,817) Saving due to vacant posts and secondment. £2,686 Training and subscriptions.
IAS 19 Pension Adjustment	0	(26,369)	(26,369)	Pension Fund adjustments 2023/24.
Transport Related Expenditure	944	4,398	3,454	Higher staff travelling costs.
Supplies & Services	31,100	42,143	11,043	See Note A below:
Support Services	434,060	403,248	(30,812)	Lower recharges from service management.
Capital Financing Costs	31,700	31,692	(8)	No Major Variances.
Income	(380,000)	(359,087)	20,913	(£99,438) Additional New Burdens Funding - used to offset in-year costs. £120,802 Reduced Council Tax Admin subsidy received as part of the Revenue Support Grant.
	1,279,492	1,143,560	(135,932)	

Note A: (£3,965) Saving in Hybrid mailing and annual billing costs. £11,323 Civica Software (Includes application interfaces, on-line applications and a Data Sharing programme). £20,926 Licences - LIFT (Low Income Family Tracker) a cloud based Dashboard to include training and support). £3,147 Contributions relating to the Household Support Fund. £2,836 Subscriptions. (£22,620) Bad debt provision. These costs have been contained within the service and funded from New Burdens Grant Funding received during 2023/24.

Homelessness

Premises	147,946	94,087	(53,859)	(£37,970) Lower R&M costs. (£15,889) Lower utility/running costs.
Transport Related Expenditure	0	2,283	2,283	Public transport costs.
Supplies & Services	1,257,038	1,434,404	177,366	£432,538 Higher B&B charges and Rent Deposit payments - offset by subsidy and client contributions. £7,400 Bad Debts written off. (£4,615) Lower costs for Your Choice Your Home.
Support Services	1,142,250	1,164,160	21,910	Higher recharges as a result of higher costs within the service.
Capital Financing Costs	28,482	28,488	6	No Major Variances.
Income	(1,700,415)	(1,990,241)	(289,826)	(£445,077) Higher rent collections and service charges for temporary accommodation offset by £160,298 Housing Prevention grant income transferred to capital (Local Authority Housing Fund).
	875,301	733,181	(142,120)	

Housing Options

Employee Costs	816,874	802,541	(14,333)	(£12,283) Saving in salary and fixed term contract payments. (£3,099) Saving in training costs and employee subscriptions.
IAS 19 Pension Adjustment	0	(22,585)	(22,585)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	7,040	11,210	4,170	Higher staff travelling costs.
Supplies & Services	3,179	3,838	659	No Major Variances.
Support Services	(714,749)	(774,806)	(60,057)	Lower recharges from service management.
Income	(19,306)	(20,198)	(892)	No Major Variances.
	93,038	0	(93,038)	
Community				
Employee Costs	956,926	944,939	(11,987)	(£10,689) Salary and oncosts.
IAS 19 Pension Adjustment	0	(28,182)	(28,182)	Pension Fund Adjustment 2023/24
Premises	0	(12,631)	(12,631)	R&M costs - accrual brought forward and no longer required.
Transport Related Expenditure	26,678	15,919	(10,759)	Lower staff travelling costs.
Supplies & Services	728,245	222,398	(505,847)	See Note A below:
Support Services	68,750	38,402	(30,348)	Lower recharges from service management.
Capital Financing Costs	0	219,255	219,255	Net refocus position 2023/24 Capital outturn.
Income	(494,585)	(420,083)	74,502	£50k relates to Health & Wellbeing Partnership, transferred to Receipts in Advance, for use in future years. £25,144 Reduction in contributions from the Primary Care Network.
	1,286,014	980,018	(305,996)	

Note A: (£329,635) Professional fees - some of the surplus is to be transferred to the Reserve for use towards employee and homelessness costs in future years. (£175,379) Health & Community Grant payments not allocated.

Ad People Services

Employee Costs	86,175	86,448	273	No Major Variances.
IAS 19 Pension Adjustment	0	(2,464)	(2,464)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,194	1,015	(179)	No Major Variances.
Supplies & Services	100	104	4	No Major Variances.
Support Services	(87,469)	(85,102)	2,367	No Major Variances.
	0	0	0	
Total People Services	3,533,845	2,856,758	(677,087)	

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Corporate Directorate Outturn 2023/24

Service Description	Updated Budget £	Outturn 2023/24 £	Variance £
Human Resources & Payroll	422,190	430,668	8,478
Registration Services	335,690	397,217	61,527
Corporate Leadership Team	778,376	762,171	(16,205)
Communications	279,334	276,474	(2,860)
Corporate Delivery Unit	192,429	149,365	(43,064)
Total Direct Costs	2,008,019	2,015,896	7,877
IAS 19 Pension Adjustment	0	(43,954)	(43,954)
Support Service costs	(1,542,410)	(1,466,350)	76,060
Capital Charges	55,954	55,932	(22)
Total Corporate Directorate	521,563	561,524	39,961

Corporate Directorate Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Human Resources & Payroll				
Employee Costs	386,490	372,145	(14,345)	(£6,333) Common training budget (£6,157) Repayment of employee training costs.
IAS 19 Pension Adjustment	0	(8,923)	(8,923)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	500	126	(374)	No Major Variances.
Supplies & Services	36,200	63,666	27,466	£12,340 Professional fees. £14,863 Specialist employment advice.
Support Services	(414,190)	(421,745)	(7,555)	Lower recharges from service management
Income	(1,000)	(5,269)	(4,269)	Cycle scheme repayments.
	8,000	0	(8,000)	
Registration Services				
Employee Costs	146,000	126,389	(19,611)	(£16,344) Vacant post. (£3,268) Training.
IAS 19 Pension Adjustment	0	(3,539)	(3,539)	Pension Fund Adjustment 2023/24
Premises	24,050	24,883	833	No Major Variances.
Transport Related Expenditure	400	368	(32)	No Major Variances.
Supplies & Services	217,235	317,607	100,372	Inflationary increases on wages and printing/postage costs for district election.
Support Services	182,030	167,846	(14,184)	Lower recharges from service management
Income	(51,995)	(72,030)	(20,035)	Additional grant income.
	517,720	561,524	43,804	
Corporate Leadership Team				
Employee Costs	750,508	746,017	(4,491)	(£7,046) Vacant post. £4,301 Training.
IAS 19 Pension Adjustment	0	(19,918)	(19,918)	Pension Fund Adjustment 2023/24
Premises	0	60	60	No Major Variances.
Transport Related Expenditure	10,288	7,718	(2,570)	No Major Variances.
Supplies & Services	17,580	8,376	(9,204)	(£8,536) Professional fees.
Support Services	(782,533)	(742,253)	40,280	Higher recharges from service management
	(4,157)	0	4,157	
Communications				
Employee Costs	225,640	236,201	10,561	£14,147 Employee costs due to maternity cover. (£3,586) Training.
IAS 19 Pension Adjustment	0	(7,448)	(7,448)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,294	2,057	763	No Major Variances.
Supplies & Services	52,400	40,473	(11,927)	(£6,938) Magazine publication. (£4,000) Photography.
Support Services	(335,288)	(324,958)	10,330	Higher recharges from service management
Capital Financing Costs	55,954	55,932	(22)	No Major Variances.
Income	0	(2,256)	(2,256)	No Major Variances.
	0	0	0	
Corporate Delivery Unit				
Employee Costs	184,689	146,993	(37,696)	(£36,280) Vacant posts.
IAS 19 Pension Adjustment	0	(4,125)	(4,125)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,200	42	(1,158)	No Major Variances.
Supplies & Services	6,540	2,331	(4,209)	No Major Variances.
Support Services	(192,429)	(145,241)	47,188	Higher recharges from service management
	0	0	0	
Total Corporate Directorate	521,563	561,524	39,961	

**Place and Climate Change
Sustainable Growth Outturn 2023/24**

	Updated Budget £	Outturn 2023/24 £	Variance £
Service Description			
Economic Growth	(29,008)	117,919	146,927
Tourism	78,050	67,585	(10,465)
Coast Protection	401,453	483,616	82,163
Business Growth Staffing	347,922	334,100	(13,822)
Housing Strategy	207,044	192,673	(14,371)
Environmental Strategy	280,154	132,745	(147,409)
Coastal Management	329,860	270,605	(59,255)
Ad Sustainable Growth	90,961	90,811	(150)
Total Direct Costs	1,706,436	1,690,053	(16,383)
IAS 19 Pension Adjustment	0	(30,769)	(30,769)
Support Service costs	182,130	286,542	104,412
Capital Charges	1,287,905	2,077,597	789,692
Total Sustainable Growth	3,176,471	4,023,423	846,952

Place and Climate Change

Sustainable Growth Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Economic Growth				
Employee Costs	12,482	213	(12,269)	(£10,482) Fixed term post not recruited.
Premises	5,285	24,322	19,037	Repairs to Sheringham Little Theatre - partly funded from reserves.
Transport Related Expenditure	125	0	(125)	No Major Variances.
Supplies & Services	191,600	307,349	115,749	See Note A below:
Support Services	259,391	253,188	(6,203)	Lower recharges from service management
Capital Financing Costs	2,037	191,534	189,497	Refcus expenditure in relation to North Walsham Heritage Action Zone (NWHAZ) .
Income	(238,500)	(213,965)	24,536	UK Shared Prosperity Fund Grant to be spent in 24/25.
	232,420	562,641	330,221	
Note A: £106,365 UK Shared Prosperity Fund spend covered by Grant. £21,293 North Walsham Cultural Consortium spend covered by grant. £12,000 Grant to Sheringham Little Theatre funded from reserves. £7,000 Veni project spend funded from reserves. (£10,190) Software Licences. (£8,846) Deep History Coast Marketing. (£6,469) Marketing. (£4,983) Bad Debt. (£2,000) Conferences.				
Tourism				
Supplies & Services	78,050	67,585	(10,465)	(£10,000) Contribution no longer payable.
Support Services	155,700	146,602	(9,098)	Lower recharges from service management
	233,750	214,187	(19,563)	
Coast Protection				
Employee Costs	119,549	123,720	4,171	No Major Variances.
IAS 19 Pension Adjustment	0	(3,587)	(3,587)	Pension Fund Adjustment 2023/24
Premises	236,600	287,628	51,028	£51,958 Sea defence overspend funded from reserves.
Transport Related Expenditure	1,994	2,040	46	No Major Variances.
Supplies & Services	43,310	70,228	26,918	£24,521 Coastwise contribution funded from grant.
Support Services	404,860	406,694	1,834	No Major Variances.
Capital Financing Costs	508,701	508,500	(201)	No Major Variances.
	1,315,014	1,395,223	80,209	
Business Growth Staffing				
Employee Costs	341,187	328,466	(12,721)	(£10,791) Reduced hours in post covered by reduced support service income.
IAS 19 Pension Adjustment	0	(9,227)	(9,227)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	6,635	5,294	(1,341)	No Major Variances.
Supplies & Services	100	339	239	No Major Variances.
Support Services	(347,922)	(324,872)	23,050	Higher recharges from service management.
	0	(0)	(0)	

Place and Climate Change

Sustainable Growth Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Housing Strategy				
Employee Costs	182,700	171,335	(11,365)	(£11,751) Reduced hours in post.
IAS 19 Pension Adjustment	0	(5,074)	(5,074)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	2,144	1,158	(986)	No Major Variances.
Supplies & Services	22,200	20,181	(2,019)	No Major Variances.
Support Services	101,502	130,587	29,085	Higher recharges from service management.
Capital Financing Costs	777,167	1,377,563	600,396	Refcus 2023/24
	1,085,713	1,695,749	610,036	
Environmental Strategy				
Employee Costs	197,072	154,470	(42,602)	(£42,423) Employee savings due to vacant posts - reserve funded.
IAS 19 Pension Adjustment	0	(4,406)	(4,406)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	3,020	1,718	(1,302)	No Major Variances.
Supplies & Services	152,715	31,712	(121,003)	(£88,914) Professional Fees - reserve funded. (£22,595) Norfolk Climate Change Partnership funds for 24/25. (£10,000) Cancelled Green Build spend.
Support Services	29,420	27,284	(2,136)	Lower recharges from service management.
Income	(72,653)	(55,155)	17,498	£22,498 Norfolk Climate Change Partnership Income due in 24/25. (£5,000) Sports England grant.
	309,574	155,623	(153,951)	
Coastal Management				
Employee Costs	315,040	267,770	(47,270)	(£42,624) Cancelled posts covered by reduced income below. (£5,000) Training.
IAS 19 Pension Adjustment	0	(5,955)	(5,955)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	9,719	9,894	175	No Major Variances.
Supplies & Services	71,601	60,051	(11,550)	(£8,322) Lower contributions due to external manager.
Support Services	(329,860)	(264,650)	65,210	Higher recharges from service management
Income	(66,500)	(67,110)	(610)	No Major Variances.
	0	0	0	
Ad Sustainable Growth				
Employee Costs	88,817	89,461	644	No Major Variances.
IAS 19 Pension Adjustment	0	(2,520)	(2,520)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,944	1,268	(676)	No Major Variances.
Supplies & Services	200	81	(119)	No Major Variances.
Support Services	(90,961)	(88,291)	2,670	No Major Variances.
	0	0	(0)	
Total Sustainable Growth	3,176,471	4,023,423	846,952	

Place and Climate Change

Planning Outturn 2023/24

	Updated Budget £	Outturn 2023/24 £	Variance £
Service Description			
Development Management	678,397	845,914	167,517
Planning Policy	707,911	532,259	(175,652)
Conservation, Design & Landscape	486,718	281,018	(205,700)
Building Control	88,853	150,601	61,748
Planning Enforcement Team	238,520	333,336	94,816
Property Information	(16,192)	23,403	39,595
Ad Planning	95,619	88,857	(6,762)
Total Direct Costs	2,279,826	2,255,388	(24,438)
IAS 19 Pension Adjustment	0	(81,510)	(81,510)
Support Service costs	1,148,061	1,021,444	(126,617)
Capital Charges	76,501	76,476	(25)
Total Planning	3,504,388	3,271,798	(232,590)

Place and Climate Change

Planning Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Development Management				
Employee Costs	1,410,306	1,331,746	(78,560)	(£61,228) Vacant posts partly funded by reserves. (£18,884) Training. £3,475 Employee relocation costs.
IAS 19 Pension Adjustment	0	(37,053)	(37,053)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	32,086	27,889	(4,197)	Lower travel costs due to vacant posts - partly funded from reserves.
Supplies & Services	101,005	154,373	53,368	£17,998 Bad debt provision. £15,425 Subscription. £12,439 Agency staff covered by grant. £4,457 Enforcement board work funded from reserves. £2,502 Legal journals.
Support Services	946,560	943,435	(3,125)	Lower recharges from service management.
Capital Financing Costs	76,501	76,476	(25)	No Major Variances.
Income	(865,000)	(668,094)	196,906	£142,435 Planning applications. £78,522 Pre-application advice. (£12,327) Grant to fund agency fees. (£11,346) Additional planning performance agreements.
	1,701,458	1,828,772	127,314	
Planning Policy				
Employee Costs	440,384	423,393	(16,991)	(£13,199) Vacant posts. (£2,000) Training.
IAS 19 Pension Adjustment	0	(11,554)	(11,554)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	7,027	7,019	(8)	No Major Variances.
Supplies & Services	260,500	101,890	(158,610)	(£134,469) Local plan fees - reserve funded. (£26,000) Professional fees - neighbourhood plan.
Support Services	196,150	172,126	(24,024)	Lower recharges from service management.
Income	0	(42)	(42)	No Major Variances.
	904,061	692,831	(211,230)	
Conservation, Design & Landscape				
Employee Costs	410,472	290,988	(119,484)	(£119,449) Vacant posts - partly reserve funded.
IAS 19 Pension Adjustment	0	(7,991)	(7,991)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	9,796	7,699	(2,097)	Lower travel costs due to vacant posts - partly funded from reserves.
Supplies & Services	66,450	10,794	(55,656)	(£43,700) Professional fees - reserve funded. (£10,490) Contributions no longer payable.
Support Services	95,290	88,952	(6,338)	Lower recharges from service management.
Income	0	(28,463)	(28,463)	Bio diversity net gain grant.
	582,008	361,979	(220,029)	
Building Control				
Employee Costs	542,477	498,575	(43,902)	(£41,160) Vacant posts - reserve funded. (£2,704) Training.
IAS 19 Pension Adjustment	0	(13,321)	(13,321)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	22,562	20,080	(2,482)	Lower travel costs due to vacant posts - partly funded from reserves.
Supplies & Services	21,314	9,782	(11,532)	(£7,710) Subscriptions (£2,914) Professional fees.
Support Services	187,890	177,734	(10,156)	Lower recharges from service management.
Income	(497,500)	(377,836)	119,664	£89,920 Inspections. £21,482 Plans. £8,442 Energy assessments.
	276,743	315,014	38,271	

Place and Climate Change

Planning Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Planning Enforcement Team				
Employee Costs	224,770	231,663	6,893	£6,255 Pay award.
IAS 19 Pension Adjustment	0	(6,469)	(6,469)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	8,650	8,747	97	No Major Variances.
Supplies & Services	5,100	92,926	87,826	£88,500 Appeal legal fees.
Support Services	(238,520)	(326,867)	(88,347)	Lower recharges from service management
	0	0	(0)	
Property Information				
Employee Costs	122,952	122,624	(328)	£4,692 Pay award. (£5,000) Training. (£2,689) Pension fund adjustments.
IAS 19 Pension Adjustment	0	(2,689)	(2,689)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	112	0	(112)	No Major Variances.
Supplies & Services	56,704	54,733	(1,971)	£4,200 Compensation payments covered by income. (£3,615) Bad debt provision. (£2,784) Search Fees.
Support Services	56,310	52,488	(3,822)	No Major Variances.
Income	(195,960)	(153,954)	42,006	£40,965 Search Fees. £8,539 Street name & numbering fees. (£4,200) Income to cover compensation payments. (£3,299) Grant.
	40,118	73,201	33,083	
Ad Planning				
Employee Costs	94,294	87,218	(7,076)	Lower salary costs due to appointment of new officer.
IAS 19 Pension Adjustment	0	(2,433)	(2,433)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,225	1,185	(40)	No Major Variances.
Supplies & Services	100	455	355	No Major Variances.
Support Services	(95,619)	(86,424)	9,195	Lower recharges from service management
	0	0	0	
Total Planning	3,504,388	3,271,798	(232,590)	
Total Place and Climate Change	7,527,811	6,448,269	614,361	

Resources Directorate

Finance and Assets Outturn 2023/24

Service Description	Updated Budget £	Outturn 2023/24 £	Variance £
Industrial Estates	(193,265)	(184,660)	8,605
Surveyors Allotments	9,900	(50)	(9,950)
Parklands	0	250	250
Revenue Services	588,136	441,019	(147,117)
Benefits Subsidy	0	702,432	702,432
Non Distributed Costs	0	0	0
Estates	340,453	250,465	(89,988)
Admin Buildings	241,747	235,434	(6,313)
Corporate Finance	686,167	691,161	4,994
Insurance & Risk Management	152,546	185,774	33,228
Internal Audit	84,000	61,123	(22,877)
Chalets/Beach Huts	(217,576)	(232,188)	(14,612)
Investment Properties	(79,792)	8,667	88,459
Central Costs	54,413	59,666	5,253
Corporate & Democratic Core	415,578	1,004,764	589,186
Members Services	579,193	561,195	(17,998)
Legal Services	577,160	460,445	(116,715)
Ad Finance, Assets & Legal	93,327	96,371	3,044
Total Direct Costs	3,331,987	4,341,870	1,009,883
IAS 19 Pension Adjustment	0	(59,272)	(59,272)
Support Service costs	533,323	582,641	49,318
Capital Charges	1,052,892	163,318	(889,574)
Total Finance Assets and Legal	4,918,202	5,028,557	110,355

Resources Directorate

Finance and Assets Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Industrial Estates				
Premises	45,755	31,208	(14,547)	See Note A Below:
Supplies & Services	0	11,890	11,890	Bad Debt Provision.
Support Services	99,700	86,882	(12,818)	Lower recharges from service management.
Capital Financing Costs	19,246	19,248	2	No Major Variances.
Income	(239,020)	(227,758)	11,262	£4,673 Rental income not received due to vacant unit at Catfield. £4,747 Service charge income North Walsham and Hornbeam. Other Minor Variances.
	(74,319)	(78,530)	(4,211)	
Note A:	Underspends in relation to (£14,688) Insurance Premiums and (£5,665) in relation to Repairs and Maintenance. £2,601 Higher Business Rates overspend. Other Minor Variances.			
Surveyors Allotments				
Premises	10,000	0	(10,000)	Cromer Church wall works not carried out in 23/24. Capital budget input into 24/25.
Support Services	20,750	19,410	(1,340)	Lower recharges from service management.
Income	(100)	(50)	50	No Major Variances.
	30,650	19,360	(11,290)	
Parklands				
Premises	0	626	626	No Major Variances.
Supplies & Services	0	25	25	No Major Variances.
Income	0	(401)	(401)	No Major Variances.
	0	250	250	
Revenue Services				
Employee Costs	928,588	924,834	(3,754)	Underspend due to delays in recruitment.
IAS 19 Pension Adjustment	0	(23,098)	(23,098)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	900	2,896	1,996	No Major Variances.
Supplies & Services	112,778	130,336	17,558	See Note A Below:
Support Services	669,580	629,286	(40,294)	Lower recharges from service management.
Capital Financing Costs	0	122	122	No Major Variances.
Income	(454,130)	(617,047)	(162,917)	Court Cost down by £5,000, Collection Allowance up by (£20,000). Grant Income (£125,671). Other Recoverable costs (£21,438).
	1,257,716	1,047,329	(210,387)	

Note A: Underspends in relation to: (£16,890) Other Professional Fees, and (£8,883) Computer Costs/Purchases. Overspends in relation to: £9,562 Postage Costs Direct, £2,187 Hybrid Mailing, £12,951 Annual Billing £16,162 Bad Debts Provision, and £5,000 Business storm damage grants (covered by Grant income). Other Minor Variances.

Resources Directorate

Finance and Assets Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Benefits Subsidy				
Supplies & Services	0	62,839	62,839	See Note A Below:
Transfer Payments	16,930,262	19,448,344	2,518,082	Higher Housing Benefit payments made in the year.
Income	(16,930,262)	(18,808,751)	(1,878,489)	See Note B Below:
	0	702,432	702,432	

Note A: £76,579 Contribution to Post Office offset by Grant Income, £32,771 Discretionary Hardship Support Grant Payments. (£45,889) Bad Debt Provision.

Note B: (£1,488,167) DWP Subsidy, (£103,685) Household Support Fund Allocations, £300,157 Overpayment cash recovered and movement in system debtor.

Estates

Employee Costs	287,073	248,839	(38,234)	See Note A Below:
IAS 19 Pension Adjustment	0	(6,910)	(6,910)	Pension Fund Adjustment 2023/24
Premises	5,990	8,238	2,248	Insurance premium higher than budgeted.
Transport Related Expenditure	5,000	2,326	(2,674)	Travelling Allowance - General underspend.
Supplies & Services	42,390	(8,268)	(50,658)	See Note B Below:
Support Services	(340,453)	(243,556)	96,897	Higher recharges from service management.
Income	0	(670)	(670)	No Major Variances.
	0	(0)	0	

Note A: Vacant fixed term post, this will not have a full year effect as there will be reduction in drawdown from reserves. Permanent staffing overspend as unpaid leave saving input at budget setting not going to be achieved due to pressures within the team.

Note B: (£47,360) Bad Debt Provision. (£12,916) Asset Valuation underspend. Overspends in relation to £5,682 Engineering Insurance and £5,343 Subscriptions.

Admin Buildings

Premises	450,437	480,060	29,623	See Note A Below:
Supplies & Services	29,781	13,916	(15,865)	See Note B Below:
Transfer Payments	133,630	147,831	14,201	Underspend in relation to (£2,829) NNDC share of Cromer Service charge costs. £17,030 Overspend in relation to NNDC share of Fakenham Service Charge costs.
Support Services	(219,585)	(211,843)	7,742	Higher recharges from service management.
Capital Financing Costs	43,174	43,176	2	No Major Variances.
Income	(372,101)	(406,373)	(34,272)	See Note C Below:
	65,336	66,767	1,431	

Note A: Underspends in relation to (£13,442) Repairs and Maintenance, mainly in relation to Cromer and Fakenham and (£4,269) Kings Arms Street Rental for 22/23, invoice came in less than accrued for. Overspends in relation to £34,787 Utilities and £8,515 Premises insurance (mainly in relation to Cromer). Other Minor Variances.

Note B: Underspends in relation to (£11,377) Health & Safety (£3,100) Marketing (£5,000) Other Professional Fees (Cedars - N.Walsham). Overspends in relation to £2,275 Material Purchases. Other Minor Variances.

Note C: Income in relation to (£9,914) Cromer Admin Building Rental, (£23,677) Service Charge Income from tenants (offset by expenditure above). Rental Income not received £15,000 Cedars North Walsham. Other Minor Variances.

Resources Directorate

Finance and Assets Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Corporate Finance				
Employee Costs	584,228	449,824	(134,404)	Vacant Chief Technical Accountant and 2 Apprentice posts (Apprentice vacancies will cause a reduction in funding from reserves).
IAS 19 Pension Adjustment	0	(10,269)	(10,269)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,044	773	(271)	No Major Variances.
Supplies & Services	100,895	248,667	147,772	See Note A Below:
Support Services	(699,798)	(694,524)	5,274	Higher recharges from service management.
Capital Financing Costs	13,631	13,632	1	No Major Variances.
Income	0	(8,103)	(8,103)	Transparency - New Burdens Grant Income.
	0	0	(0)	
Note A: Overspends in relation to: £120,305 Agency Staff, £16,362 Other Professional Fees mainly in relation to Pixel Advisory Service, Lavat Consulting, and LG Futures, £4,307 Computer Software and £4,788 Subscriptions.				
Insurance & Risk Management				
Employee Costs	39,906	48,333	8,427	Mainly in relation to Employers' Liability.
Premises	274	290	16	No Major Variances.
Transport Related Expenditure	10,555	9,099	(1,456)	No Major Variances.
Supplies & Services	101,811	128,079	26,268	£27,368 Public Liability (£2,155) All Risks Insurance.
Support Services	(152,546)	(185,774)	(33,228)	Lower recharges from service management.
Income	0	(26)	(26)	No Major Variances.
	0	0	0	
Internal Audit				
Supplies & Services	84,000	61,123	(22,877)	Audit Fee underspend.
Support Services	(84,000)	(61,123)	22,877	Higher recharges from service management.
	0	(0)	(0)	
Chalets/Beach Huts				
Premises	29,994	25,712	(4,282)	See Note A Below:
Supplies & Services	16,200	16,499	299	No Major Variances.
Support Services	113,390	103,420	(9,970)	Lower recharges from service management.
Income	(263,770)	(274,399)	(10,629)	Beach Hut/Chalets and Storage Income.
	(104,186)	(128,768)	(24,582)	

Note A: (£12,744) Repairs and Maintenance (Reactive) underspend, offset by overspends in relation to: £4,747 Business Rates and £3,385 Premises Insurance.

Resources Directorate

Finance and Assets Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Investment Properties				
Premises	167,122	222,004	54,882	See Note A Below:
Supplies & Services	4,719	(1,514)	(6,233)	(£3,500) Marketing underspend. (£12,346) Bad Debt Provision (Rocket House). £9,193 Bad Debt Provision (Other Lettings).
Support Services	148,750	140,194	(8,556)	Lower recharges from service management.
Capital Financing Costs	76,841	76,824	(17)	No Major Variances.
Income	(251,633)	(211,823)	39,810	See Note B Below:
	145,799	225,685	79,886	

Note A: £25,302 Repairs and maintenance overspend for installation of new doors, lift repairs, boiler works and Electrical Installation Condition Report at Rocket House. Overspend in relation to Rocket House of £17,472 Utilities partially offset by (£4,520) Insurance Premiums £18,058 Overspend on vinyl, water supply installations, repairing tarmac, making electrics safe and repairing brickwork and rails on Other Lettings. £6,011 Grounds Maintenance across all Investment Properties. (£5,830) Underspend in relation to Insurance Premiums (Other Lettings).

Note B: £25,001 Reduction in other lettings income. £13,105 Insurance premiums and Service charge income that we are not recovering from tenants at Rocket House due to prior issues with the building.

Central Costs

Employee Costs	38,913	51,546	12,633	£9,146 National Insurance - Apprenticeship Levy. £2,930 Subs to Professional Bodies.
IAS 19 Pension Adjustment	0	(104)	(104)	Pension Fund Adjustment 2023/24
Premises	0	42	42	No Major Variances.
Transport Related Expenditure	0	131	131	No Major Variances.
Supplies & Services	15,500	7,947	(7,553)	Other Professional Fees underspend.
Support Services	(54,413)	(59,562)	(5,149)	Lower recharges from service management.
	0	(0)	(0)	

Corporate & Democratic Core

Transport Related Expenditure	100	0	(100)	No Major Variances.
Supplies & Services	415,478	1,023,028	607,550	See Note A Below:
Support Services	1,615,410	1,520,126	(95,284)	Lower recharges from service management.
Capital Financing Costs	900,000	10,316	(889,684)	2023/24 Refcus expenditure, slippage in the capital programme.
Income	0	(18,264)	(18,264)	DLUHC Grant Funding.
	2,930,988	2,535,206	(395,782)	

Note A: Overspends in relation to: £14,963 Bank Charges, £3,889 Treasury Brokerage Fees, £4,914 Furniture Purchases, £3,660 Advertising, £572,738 Contributions mainly in relation to Norfolk food hubs and New Anglia Local Enterprise Partnership linked to Business rates income received, and £7,065 Subscriptions.

Members Services

Employee Costs	188,583	188,215	(368)	(£8,052) Underspend on employee costs within Democratic Services. £3,852 National Insurance Overspend within Members Costs.
IAS 19 Pension Adjustment	0	(4,781)	(4,781)	Pension Fund Adjustment 2023/24
Premises	0	1,353	1,353	No Major Variances.
Transport Related Expenditure	17,610	11,154	(6,456)	Travelling Allowance underspend.
Supplies & Services	373,000	360,473	(12,527)	See Note A Below:
Support Services	87,025	82,410	(4,615)	Lower recharges from service management.
	666,218	638,824	(27,394)	

Note A: (£8,699) Members Basic Allowance underspend. (£6,217) Other Professional Fees (Youth Council), however there will be a reduction in drawdown from the reserves.

Resources Directorate

Finance and Assets Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Legal Services				
Employee Costs	544,864	409,235	(135,629)	Vacant posts partly funded from reserves.
IAS 19 Pension Adjustment	0	(11,437)	(11,437)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	3,586	1,554	(2,032)	Travelling Allowance underspend.
Supplies & Services	73,710	112,685	38,975	Agency Fees.
Support Services	(577,160)	(449,007)	128,153	Higher recharges from service management.
Income	(45,000)	(63,030)	(18,030)	Legal Fee Income.
	0	0	(0)	
Ad Finance, Assets & Legal				
Employee Costs	91,814	94,961	3,147	No Major Variances.
IAS 19 Pension Adjustment	0	(2,673)	(2,673)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,213	1,125	(89)	No Major Variances.
Supplies & Services	300	285	(15)	No Major Variances.
Support Services	(93,327)	(93,698)	(371)	No Major Variances.
	0	0	(0)	
Total Finance, Assets and Legal	4,918,202	5,028,557	110,355	

Resources Directorate

Organisational Resources Outturn 2023/24

Service Description	Updated Budget £	Outturn 2023/24 £	Variance £
Car Parking	(2,021,134)	(2,366,987)	(345,853)
It - Support Services	1,822,151	1,726,378	(95,773)
Poppyfields	22,814	20,404	(2,410)
Property Services	669,490	684,198	14,708
Playgrounds	92,635	136,833	44,198
Amenity Lighting	37,875	37,196	(679)
Community Centres	10,520	6,960	(3,560)
Tic'S	80,027	99,257	19,230
Cromer Pier	213,667	139,992	(73,675)
Public Conveniences	753,197	814,533	61,336
IT Business Support	138,675	143,602	4,927
Reprographics	78,393	71,494	(6,899)
Customer Services - Corporate	1,011,771	911,841	(99,930)
Ad Organisational Resources	84,794	139,972	55,178
Total Direct Costs	2,994,875	2,565,673	(429,202)
IAS 19 Pension Adjustment	0	(72,054)	(72,054)
Support Service costs	(2,809,388)	(2,641,032)	168,356
Capital Charges	414,414	414,288	(126)
Total Organisational Resources	599,901	266,874	(333,027)

Resources Directorate

Organisational Resources Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Car Parking				
Premises	654,665	699,949	45,284	See Note A Below:
Supplies & Services	357,000	387,824	30,824	See Note B Below:
Support Services	187,090	195,440	8,350	Higher recharges from service management.
Capital Financing Costs	75,820	75,792	(28)	No Major Variances.
Income	(3,032,799)	(3,454,760)	(421,961)	See Note C Below:
	(1,758,224)	(2,095,755)	(337,531)	
Note A: Overspends in relation to £23,618 Repairs and Maintenance, mainly the Flowbird Contract, £5,410 Ground Maintenance costs, £18,896 Income shares payable and £26,338 Electricity. (£29,895) Business Rates underspend.				
Note B: Overspends in relation to; £7,033 Cleansing Contract and £35,261 Management Fee. Underspends in relation to: (£5,000) Other Professional Fees, (£10,543) Credit Card Charges. Other Minor Variances.				
Note C: Additional Income of: (£10,000) Income - Other Contributions in relation to Millers Walk, (£9,976) Car Parking Cash, (£34,363), Excess Parking, (£74,331), Season Tickets, (£59,682) Electric Vehicle Charging Points, (£451,497) App Income, (£14,452) Rental Income. £233,325 Credit Cards income under budget, however this is due to more people paying by App.				
It - Support Services				
Employee Costs	927,631	816,080	(111,551)	Vacant posts.
IAS 19 Pension Adjustment	0	(23,926)	(23,926)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,000	187	(813)	No Major Variances.
Supplies & Services	893,520	914,178	20,658	(£14,605) Other Professional Fees. Overspends in relation to: £30,481 Computer Costs and £3,380 Mobile Phone Rentals.
Support Services	(1,950,129)	(1,830,384)	119,745	Higher recharges from service management.
Capital Financing Costs	127,978	127,932	(46)	No Major Variances.
Income	0	(4,067)	(4,067)	Sale of Equipment.
	0	0	0	
Poppyfields				
Employee Costs	0	0	0	No Major Variances.
Premises	3,114	1,748	(1,366)	No Major Variances.
Supplies & Services	19,700	18,505	(1,195)	No Major Variances.
Support Services	22,770	20,716	(2,054)	Lower recharges from service management.
Income	0	150	150	No Major Variances.
	45,584	41,120	(4,464)	
Property Services				
Employee Costs	614,974	605,137	(9,837)	Employee costs underspend.
IAS 19 Pension Adjustment	0	(17,093)	(17,093)	Pension Fund Adjustment 2023/24
Premises	0	6,804	6,804	Unplanned Repairs and Maintenance.
Transport Related Expenditure	29,431	29,883	452	No Major Variances.
Supplies & Services	25,085	42,908	17,823	See Note A Below:
Support Services	(712,795)	(714,854)	(2,059)	Lower recharges from service management.
Capital Financing Costs	47,755	47,748	(7)	No Major Variances.
Income	0	(535)	(535)	No Major Variances.
	4,450	0	(4,450)	
Note A: Overspends in relation to: £2,398 Equipment Purchases, £16,919 Computer software upgrade and £5,234 Postage Costs. Underspends in relation to: (£4,614) Material Purchases and (£2,055) Subscriptions.				

Resources Directorate

Organisational Resources Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
Playgrounds				
Premises	29,135	54,951	25,816	Repairs and Maintenance.
Supplies & Services	63,500	89,697	26,197	Repairs, Maintenance and Equipment.
Support Services	54,070	52,794	(1,276)	Lower recharges from service management.
Income	0	(7,815)	(7,815)	Contribution towards installation of accessible roundabout Cromer Road, Sheringham.
	146,705	189,627	42,922	
Amenity Lighting				
Premises	37,875	37,196	(679)	No Major Variances.
Support Services	29,980	28,440	(1,540)	Lower recharges from service management.
	67,855	65,636	(2,219)	
Community Centres				
Premises	10,520	6,960	(3,560)	(£5,600) Repairs and Maintenance underspend offset by other minor variances.
Support Services	18,140	16,874	(1,266)	Lower recharges from service management.
	28,660	23,834	(4,826)	
Tic'S				
Employee Costs	75,138	84,487	9,349	Holiday Cover.
IAS 19 Pension Adjustment	0	(2,221)	(2,221)	Pension Fund Adjustment 2023/24
Premises	16,604	32,399	15,795	Overspends in relation to: £3,850 Repairs and Maintenance, £7,013 Electricity and £2,564 Contract Cleaning.
Transport Related Expenditure	85	0	(85)	No Major Variances.
Supplies & Services	18,370	18,534	164	No Major Variances.
Support Services	54,820	52,080	(2,740)	Lower recharges from service management.
Capital Financing Costs	6,040	6,048	8	No Major Variances.
Income	(30,170)	(36,163)	(5,993)	Income from Sales.
	140,887	155,163	14,276	
Cromer Pier				
Premises	209,667	139,992	(69,675)	Underspends in relation to; (£37,378) Repairs and Maintenance and (£31,100) Insurance premium due to only insuring half of the pier.
Supplies & Services	4,000	0	(4,000)	Other Professional Fees.
Support Services	106,990	106,350	(640)	Lower recharges from service management.
Capital Financing Costs	20,737	20,736	(1)	No Major Variances.
	341,394	267,078	(74,316)	
Public Conveniences				
Premises	700,772	794,758	93,986	See Note A Below:
Transport Related Expenditure	0	91	91	No Major Variances.
Supplies & Services	38,250	18,223	(20,027)	Legionella Survey underspend.
Transfer Payments	14,175	11,951	(2,224)	Internal service charge to Rocket House less than budgeted.
Support Services	214,450	206,162	(8,288)	Lower recharges from service management.
Capital Financing Costs	82,028	81,996	(32)	No Major Variances.
Income	0	(10,489)	(10,489)	Insurance Claims Reimbursement.
	1,049,675	1,102,691	53,016	

Note A: Overspends in relation to; £9,768 Repairs and Maintenance, £18,155 Rent/Hire of toilet at Weybourne car park, £41,981 Electricity, £29,898 Contract Cleaning and £4,244 Premises Insurance. Underspend in relation to: (£8,702) Business Rates.

Resources Directorate

Organisational Resources Outturn 2023/24

	Updated Budget 2023/24 £	Outturn 2023/24 £	Outturn Variance £	Variance Explanation
IT Business Support				
Employee Costs	138,675	143,537	4,862	No Major Variances.
IAS 19 Pension Adjustment	0	(3,215)	(3,215)	Pension Fund Adjustment 2023/24
Supplies & Services	0	65	65	No Major Variances.
Support Services	398,690	377,094	(21,596)	Lower recharges from service management.
	537,365	517,481	(19,884)	
Reprographics				
Employee Costs	46,853	48,776	1,923	No Major Variances.
IAS 19 Pension Adjustment	0	(1,383)	(1,383)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	250	0	(250)	No Major Variances.
Supplies & Services	35,290	27,270	(8,020)	Equipment Operating Lease Rental.
Support Services	(78,393)	(70,112)	8,281	Higher recharges from service management.
Income	(4,000)	(4,552)	(552)	No Major Variances.
	0	0	0	
Customer Services - Corporate				
Employee Costs	951,854	891,426	(60,428)	Vacant posts.
IAS 19 Pension Adjustment	0	(22,800)	(22,800)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	2,300	3,926	1,626	No Major Variances.
Supplies & Services	74,867	45,158	(29,709)	Underspends in relation to; (£24,348) Equipment Purchases and (£3,200) Postage Costs.
Support Services	(1,065,827)	(943,077)	122,750	Higher recharges from service management.
Capital Financing Costs	54,056	54,036	(20)	No Major Variances.
Income	(17,250)	(28,669)	(11,419)	Service Charge Income.
	0	0	0	
Ad Organisational Resources				
Employee Costs	83,500	89,631	6,131	Leaver/Sick Pay.
IAS 19 Pension Adjustment	0	(1,416)	(1,416)	Pension Fund Adjustment 2023/24
Transport Related Expenditure	1,194	541	(653)	No Major Variances.
Supplies & Services	100	49,800	49,700	Agency Staff.
Support Services	(89,244)	(138,556)	(49,312)	Lower recharges from service management.
	(4,450)	0	4,450	
Total Organisational Resources	599,901	266,874	(333,027)	
Total Resources	5,518,103	5,295,431	(222,672)	

Reserves Statement 2023/24 Outturn

Reserve	Purpose and Use of Reserve	Balance 01/04/23	Transfers in	Transfers Out	Outturn Movement 2023/24	Balance 01/04/24	Budgeted Movement 2024/25	Balance 01/04/25	Budgeted Movement 2025/26	Balance 01/04/26	Budgeted Movement 2026/27	Balance 01/04/27	Budgeted Movement 2027/28	Balance 01/04/28
		£	£	£	£	£	£	£	£	£	£	£	£	£
General Fund - General Reserve	A working balance and contingency, current recommended balance is £2.1 million.	3,040,242	0	(154,795)	(154,795)	2,885,447	(9,844)	2,875,603	0	2,875,603	0	2,875,603	0	2,875,603
Earmarked Reserves:						0								
Capital Projects	To provide funding for capital developments and purchase of major assets.	555,618	0	0	0	555,618	0	555,618	0	555,618	0	555,618	0	555,618
Asset Management	To support improvements to our existing assets as identified through the Asset Management Plan.	846,107	0	(5,510)	(5,510)	840,597	(120,000)	720,597	0	720,597	0	720,597	0	720,597
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.	725,822	0	0	0	725,822	(46,622)	679,200	0	679,200	0	679,200	0	679,200
Building Control	Building Control surplus ring-fenced to cover any future deficits in the service.	224,115	0	(78,316)	(78,316)	145,799	(122,542)	23,257	(11,883)	11,374	0	11,374	0	11,374
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.	2,921,236	0	(7,000)	(7,000)	2,914,236	(18,000)	2,896,236	(18,000)	2,878,236	(18,000)	2,860,236	(18,000)	2,842,236
Coast Protection	To support the ongoing coast protection maintenance programme and carry forward funding between financial years.	466,288	0	(224,754)	(224,754)	241,534	(265,738)	(24,204)	0	(24,204)	0	(24,204)	0	(24,204)
Communities	To support projects that communities identify where they will make a difference to the economic and social wellbeing of the area.	406,550	0	(106,059)	(106,059)	300,491	(131,550)	168,941	0	168,941	0	168,941	0	168,941
Delivery Plan	To help achieve the outputs from the Corporate Plan and Delivery Plan.	3,124,029	0	(389,659)	(389,659)	2,734,370	(451,893)	2,282,477	(159,764)	2,122,713	(10,000)	2,112,713	(10,000)	2,102,713
Economic Development and Regeneration	Earmarked from previous underspends within Economic Development and Regeneration Budgets.	232,421	0	(54,095)	(54,095)	178,326	(10,000)	168,326	(10,000)	158,326	(10,000)	148,326	(10,000)	138,326
Election Reserve	Established to meet costs associated with district council elections, to smooth the impact between financial years.	186,015	60,000	(183,015)	(123,015)	63,000	60,000	123,000	60,000	183,000	60,000	243,000	60,000	303,000
Enforcement Works	Established to meet costs associated with district council enforcement works including buildings at risk.	60,490	0	(14,528)	(14,528)	45,962	0	45,962	0	45,962	0	45,962	0	45,962
Environmental Health	Earmarking of previous underspends and additional income to meet Environmental Health initiatives.	494,476	655,170	(16,000)	639,170	1,133,646	0	1,133,646	0	1,133,646	0	1,133,646	0	1,133,646
Environment Reserve	To fund expenditure relating to the Council's Green Agenda.	150,000	0	0	0	150,000	(40,000)	110,000	0	110,000	0	110,000	0	110,000
Grants	Revenue Grants received and due to timing issues not used in the year.	2,620,356	83,756	(17,416)	66,340	2,686,696	(77,969)	2,608,727	(44,410)	2,564,317	(19,780)	2,544,537	(9,020)	2,535,517

Reserves Statement 2023/24 Outturn

Appendix C

Reserve	Purpose and Use of Reserve	Balance 01/04/23	Transfers in	Transfers Out	Outturn Movement 2023/24	Balance 01/04/24	Budgeted Movement 2024/25	Balance 01/04/25	Budgeted Movement 2025/26	Balance 01/04/26	Budgeted Movement 2026/27	Balance 01/04/27	Budgeted Movement 2027/28	Balance 01/04/28
		£	£	£	£	£	£	£	£	£	£	£	£	£
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.	2,274,036	131,544	(447,107)	(315,563)	1,958,473	(128,318)	1,830,155	(55,273)	1,774,882	(55,273)	1,719,609	(55,273)	1,664,336
Land Charges	To mitigate the impact of potential income reductions.	339,152	0	0	0	339,152	(89,100)	250,052	0	250,052	0	250,052	0	250,052
Legal	One off funding for Compulsory Purchase Order (CPO) work and East Law Surplus.	93,452	0	(4,538)	(4,538)	88,914	(36,000)	52,914	0	52,914	0	52,914	0	52,914
Major Repairs Reserve	To provide provision for the repair and maintenance of the councils asset portfolio.	587,979	0	0	0	587,979	(50,000)	537,979	0	537,979	0	537,979	0	537,979
Net Zero Initiatives	to support the Councils Net Zero programme	500,000	0	(28,143)	(28,143)	471,857	0	471,857	0	471,857	0	471,857	0	471,857
New Homes Bonus (NHB)	Established for supporting communities with future growth and development and Plan review*	222,543	0	(76,394)	(76,394)	146,149	(100,000)	46,149	0	46,149	0	46,149	0	46,149
Organisational Development	To provide funding for organisation development to create capacity within the organisation, including the provision and support for apprenticeships and internships.	155,224	0	(43,003)	(43,003)	112,221	(26,123)	86,098	0	86,098	0	86,098	0	86,098
Parish	To help Coastal Communities adapt to coastal changes.	89,566	0	0	0	89,566	0	89,566	0	89,566	0	89,566	0	89,566
Planning	Additional Planning income earmarked for Planning initiatives including Plan Review.	416,891	50,000	(178,965)	(128,965)	287,926	(87,300)	200,626	50,000	250,626	50,000	300,626	50,000	350,626
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.	664,008	53,043	0	53,043	717,051	(45,456)	671,595	0	671,595	0	671,595	0	671,595
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	0	500,000	0	500,000	0	500,000	0	500,000
Total Reserves		21,896,616	1,033,513	(2,029,297)	(995,784)	20,900,832	(1,796,455)	19,104,377	(189,330)	18,915,047	(3,053)	18,911,994	7,707	18,919,701

Capital Programme Outturn 2023-24				
<u>Scheme</u>	Updated Budget 2023/24	23/24 Actual Expenditure	Variance	Reprofiling to 2024/25 budget
	£	£	£	£
Our Greener Future				
Cornish Way Industrial Units	52,484	52,484	0	0
Cromer Office LED Lighting Programme	91,597	4,476	(87,121)	87,121
Catfield Industrial Units - Net Zero works	30,000	28,020	(1,980)	0
Cromer Coast Protection Scheme	12,210,742	1,840,172	(10,370,570)	10,370,570
Coastal Erosion Assistance	31,931	4,000	(27,931)	27,931
Coastal Adaptations	244,990	0	(244,990)	244,990
Mundesley Coastal Management Scheme	7,618,322	1,826,288	(5,792,034)	5,792,034
Sea Palling Ramp	9,650	9,650	0	0
Replacement of Flood Gates at Cable Gap Bacton, The Ship Bacton & Walcott Post Office	45,500	0	(45,500)	0
Coastal Management Fund	147,000	5,250	(141,750)	141,750
Coastwise	1,504,473	157,935	(1,346,537)	1,346,537
Purchase of Bins	103,715	103,715	0	0
Waste Vehicles	649,340	611,424	(37,916)	0
Electric Vehicle Charging Points	33,317	0	(33,317)	33,317
The Reef Solar Carport	578,449	513,269	(65,180)	65,180
Holt Country Park Electricity Improvements	150,000	0	(150,000)	150,000
Solar PV Panels at Victory Swim and Fitness Centre	6,713	6,713	0	0
Public Conveniences Energy Efficiencies	0	0	0	0
Coastal Defences	0	0	0	0
	23,508,223	5,163,395	(18,344,827)	18,259,431

<u>Scheme</u>	Updated Budget 2023/24	23/24 Actual Expenditure	Variance	Reprofiling to 2024/25 budget
	£	£	£	£
Developing Our Communities				
Public Conveniences (Fakenham & Wells)	213,250	262,625	49,375	0
Public Conveniences Sheringham & North Walsham	360,714	360,713	(0)	0
Public Conveniences - Albert Street, Holt	370,000	11,572	(358,428)	358,428
Countryside Machinery	31,216	29,259	(1,957)	1,957
Cromer Pier - Steelworks and Improvements to Pavilion Theatre	576,087	553,202	(22,885)	22,885
Pavilion Theatre Bar Upgrade	0	36,127	36,127	0
3G Facilities	847,568	0	(847,568)	847,568
Cromer 3G Football Facility	1,000,000	4,725	(995,275)	995,275
The Reef Leisure Centre	300,727	38,003	(262,724)	262,724
Green Road Football Facility	50,223	0	(50,223)	50,223
Environmental Health Noise Equipment	18,372	18,372	0	0
New Play Area (Sheringham, The Lees)	65,000	0	(65,000)	65,000
Fakenham Leisure and Sports Hub (FLASH)	100,000	87,362	(12,638)	12,638
Back Stage Refurbishment - Pier Pavilion Theatre	0	0	0	0
Holt Country Park Staff Facilities	0	0	0	0
Cromer Church Wall	0	0	0	0
Changing Places Access Control	0	0	0	0
	3,933,157	1,401,960	(2,531,196)	2,616,697

<u>Scheme</u>	Updated Budget 2023/24	23/24 Actual Expenditure	Variance	Reprofiling to 2024/25 budget
	£	£	£	£
Meeting Our Housing Needs				
Disabled Facilities Grants	1,475,730	1,694,985	219,255	0
Compulsory Purchase of Long-Term Empty Properties	429,616	144	(429,472)	429,472
Community Housing Fund	708,161	480,000	(228,161)	228,161
Provision of Temporary Accommodation	1,738,588	1,440,282	(298,307)	298,307
S106 Enabling	1,600,000	836,000	(764,000)	764,000
Loans to Housing Providers	300,000	110,000	(190,000)	190,000
Local Authority Housing Fund	1,040,000	728,000	(312,000)	312,000
	7,292,096	5,289,411	(2,002,685)	2,221,940

<u>Scheme</u>	Updated Budget 2023/24	23/24 Actual Expenditure	Variance	Reprofiling to 2024/25 budget
	£	£	£	£
Investing In Our Local Economy And Infrastructure				
Sheringham Enabling Land	78,681	217	(78,464)	78,464
Administrative Buildings	8,868	6,583	(2,286)	0
Rocket House	1,036,835	22,442	(1,014,394)	1,014,394
Collectors Cabin	29,840	5,423	(24,417)	0
Fakenham Connect/Crinkle Crankle Wall	224,360	235,175	10,815	0
North Walsham Heritage Action Zone	796,116	640,963	(155,154)	155,154
Unit 1 & 2, Surf Lifesaving School, Cromer Promenade	55,000	0	(55,000)	0
Fakenham Urban Extension	1,780,000	198,538	(1,581,462)	1,581,462
Property Acquisitions	704,784	0	(704,784)	704,784
Chalet Refurbishment	125,000	72	(124,928)	124,928
Marrams Building Renovation	50,000	1,675	(48,325)	48,325
Car Parks Refurbishment	226,000	78,665	(147,335)	147,335
Marrams Footpath and Lighting	50,000	275	(49,725)	49,725
Asset Roof Replacements (Art Deco Block, Red Lion Retail Unit, Sheringham Chalet's)	175,000	37,887	(137,113)	137,113
Morris Street Car Park Boundary Wall	11,247	15,047	3,800	0
UK Shared Prosperity Fund	85,867	85,867	0	0
Rural England Prosperity Fund	364,463	364,463	0	0
New Fire Alarm and Fire Doors in Cromer Offices	150,000	115,638	(34,362)	34,362
West Prom Sheringham, Lighting & Cliff Railings	0	0	0	0
Cromer Offices Floor Power Boxes	0	0	0	0
The Lees Walkway and Structural Works	30,000	534	(29,466)	29,466
Disposal Costs for Fakenham Highfield Road	1,205	1,205	0	0
	5,983,266	1,810,668	(4,172,598)	4,105,512

<u>Scheme</u>	Updated Budget 2023/24 £	23/24 Actual Expenditure £	Variance £	Reprofiling to 2024/25 budget £
A Strong, Responsible And Accountable Council				
User IT Hardware Refresh	60,602	38,464	(22,138)	22,138
Members IT	26,549	1,032	(25,518)	0
Backup Network Upgrade	14,000	0	(14,000)	14,000
Fire Wall Replacements	3,510	0	(3,510)	0
Refurbishment of IT Training Room	15,000	0	(15,000)	0
Financial Management System	3,034	0	(3,034)	3,034
Recruitment Software	35,050	0	(35,050)	0
Printer Replacement	2,503	0	(2,503)	0
Network Hardware Replacement	8,881	3,648	(5,234)	0
Server Replacement	100,000	43,673	(56,327)	56,327
Folding Machine Laminator	22,880	0	(22,880)	0
Digital Mailroom Scanners	15,617	13,748	(1,869)	1,869
New Revenues and Benefits System	0	0	0	0
Replacement Storage Hardware	0	0	0	0
	307,627	100,565	(207,062)	97,368
TOTAL EXPENDITURE	41,024,368	13,765,999	(27,258,369)	27,300,948

2023/24 Capital Programme Financing Table	Budget 2023/24	Actual 2023/24
Grants	26,235,299	8,500,521
Other Contributions	2,971,250	1,034,538
Reserves	3,713,043	1,431,907
Revenue Contribution to Capital (RCCO)	100,000	100,000
Capital receipts	7,716,061	2,445,236
Borrowing	288,715	253,797
Total	41,024,368	13,765,999

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Capital Programme Outturn 2024-25

<u>Scheme</u>	Updated Budget 2024/25 £	24/25 Actual Expenditure £	Variance £	Reprofiling to 2025/26 budget £
Our Greener Future				
Cromer Office LED Lighting Programme	87,121	0	(87,121)	87,121
Cromer Coast Protection Scheme	10,370,570	0	(10,370,570)	10,370,570
Coastal Erosion Assistance	27,931	0	(27,931)	27,931
Coastal Adaptations	244,990	0	(244,990)	244,990
Mundesley Coastal Management Scheme	5,792,034	0	(5,792,034)	5,792,034
Coastal Management Fund	341,750	0	(341,750)	341,750
Coastwise	3,242,968	0	(3,242,968)	3,242,968
Purchase of Bins	146,285	0	(146,285)	146,285
Electric Vehicle Charging Points	33,317	0	(33,317)	33,317
The Reef Solar Carport	65,180	0	(65,180)	65,180
Holt Country Park Electricity Improvements	400,000	0	(400,000)	400,000
Solar PV Panels at Victory Swim and Fitness Centre	193,288	0	(193,288)	193,288
Public Conveniences Energy Efficiencies	150,000	0	(150,000)	150,000
Coastal Defences	150,000	0	(150,000)	150,000
	21,245,434	0	(21,245,434)	21,245,434

<u>Scheme</u>	Updated Budget 2024/25 £	24/25 Actual Expenditure £	Variance £	Reprofiling to 2025/26 budget £
Developing Our Communities				
Public Conveniences (Fakenham & Wells)	0	0	0	0
Public Conveniences (Sheringham & North Walsham)	0	0	0	0
Public Conveniences - Albert Street, Holt	358,428	0	(358,428)	358,428
Countryside Machinery	1,957	0	(1,957)	1,957
Cromer Pier - Steelworks and Improvements to Pavilion Theatre	22,885	0	(22,885)	22,885
3G Facilities	847,568	0	(847,568)	847,568
Cromer 3G Football Facility	995,275	0	(995,275)	995,275
The Reef Leisure Centre	262,724	0	(262,724)	262,724
Green Road Football Facility (North Walsham)	50,223	0	(50,223)	50,223
New Play Area (Sheringham, The Lees)	65,000	0	(65,000)	65,000
Fakenham Leisure and Sports Hub (FLASH)	2,553,638	0	(2,553,638)	2,553,638
Back Stage Refurbishment - Pier Pavilion Theatre	331,000	0	(331,000)	331,000
Holt Country Park Staff Facilities	93,500	0	(93,500)	93,500
Cromer Church Wall	50,000	0	(50,000)	50,000
Changing Places Access Control	40,000	0	(40,000)	40,000
Cabbell Park Clubhouse	237,000	0	(237,000)	237,000
	5,909,197	0	(5,909,197)	5,909,197

<u>Scheme</u>	Updated Budget 2024/25 £	24/25 Actual Expenditure £	Variance £	Reprofiling to 2025/26 budget £
Meeting Our Housing Needs				
Disabled Facilities Grants	1,475,730	0	(1,475,730)	1,475,730
Compulsory Purchase of Long-Term Empty Properties	429,472	0	(429,472)	429,472
Community Housing Fund	228,161	0	(228,161)	228,161
Provision of Temporary Accommodation	298,307	0	(298,307)	298,307
S106 Enabling	1,064,000	0	(1,064,000)	1,064,000
Loans to Housing Providers	340,000	0	(340,000)	340,000
Local Authority Housing Fund	592,000	0	(592,000)	592,000
	4,427,670	0	(4,427,670)	4,427,670

<u>Scheme</u>	Updated Budget 2024/25 £	24/25 Actual Expenditure £	Variance £	Reprofiling to 2025/26 budget £
Investing In Our Local Economy And Infrastructure				
Sheringham Enabling Land	78,464	0	(78,464)	78,464
Rocket House	1,014,394	0	(1,014,394)	1,014,394
North Walsham Heritage Action Zone	155,154	0	(155,154)	155,154
Fakenham Urban Extension	1,581,462	0	(1,581,462)	1,581,462
Property Acquisitions	704,784	0	(704,784)	704,784
Chalet Refurbishment	124,928	0	(124,928)	124,928
Marrams Building Renovation	48,325	0	(48,325)	48,325
Car Parks Refurbishment	252,335	0	(252,335)	252,335
Marrams Footpath and Lighting	49,725	0	(49,725)	49,725
Asset Roof Replacements (Art Deco Block, Red Lion Retail Unit, Sheringham Chalet's)	137,113	0	(137,113)	137,113
UK Shared Prosperity Fund	190,000	0	(190,000)	190,000
Rural England Prosperity Fund	1,093,385	0	(1,093,385)	1,093,385
New Fire Alarm and Fire Doors in Cromer Offices	34,362	0	(34,362)	34,362
West Prom Sheringham, Lighting & Cliff Railings	55,000	0	(55,000)	55,000
Cromer Offices Floor Power Boxes	50,000	0	(50,000)	50,000
The Lees Walkway and Structural Works	29,466	0	(29,466)	29,466
Disposal Costs for Fakenham Highfield Road	0	0	0	0
	5,598,897	0	(5,598,897)	5,598,897

<u>Scheme</u>	Updated Budget 2024/25 £	24/25 Actual Expenditure £	Variance £	Reprofiling to 2025/26 budget £
A Strong, Responsible And Accountable Council				
User IT Hardware Refresh	82,138	0	(82,138)	82,138
Backup Network Upgrade	14,000	0	(14,000)	14,000
Financial Management System	3,034	0	(3,034)	3,034
Server Replacement	56,327	0	(56,327)	56,327
Digital Mailroom Scanners	1,869	0	(1,869)	1,869
New Revenues and Benefits System	98,720	0	(98,720)	98,720
Replacement Storage Hardware	150,000	0	(150,000)	150,000
	406,088	0	(406,088)	406,088
TOTAL EXPENDITURE	37,587,286	0	(37,587,286)	37,587,286

2023/24 Capital Programme Financing Table	Budget 2024/25	Actual 2024/25
Grants	25,598,592	0
Other Contributions	2,234,462	0
Reserves	2,330,670	0
Revenue Contribution to Capital (RCCO)	0	0
Capital receipts	6,470,500	0
Borrowing	953,063	0
Total	37,587,286	0

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Treasury Outturn Report 2023/24	
Executive Summary	This report sets out the Treasury Management activities undertaken during 2023/24 compared with the Treasury Management Strategy for the year.
Options Considered	For the Council to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities (Prudential Code) and CIPFA Treasury Management in the Public Services Code of Practice an outturn report must be presented to Members to inform them of the outcome of the Treasury Management activity for the year. Therefore, no other option has been considered.
Consultation(s)	Link Treasury Services have provided the economic information in Appendix A of this report.
Recommendations	That Cabinet reviews and recommends the outturn position to full Council for approval.
Reasons for recommendations	The Treasury Management activity for the year requires approval by full Council for the Council to comply with the CIPFA Treasury Management and Prudential Codes.
Background papers	This report refers to the Council's Treasury Management Strategy 2023/24 which was approved by Members on 22 February 2023.

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

Links to key documents:	
Corporate Plan:	This report shows the Council's current Treasury position and compares it with 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>The treasury management activity during the year has been undertaken to ensure that the Council sufficient access to liquid funds that it is requires to maintain its cashflow. Management of the Council's cash, investments and borrowing underpins the delivery of the Medium-Term Financial Strategy.</p> <p>This report provides details of the Council's Investment and Borrowing position and Capital Financing Requirement position, which together show the net debt position of the Council as at the end of the 2023/24 financial year.</p>
Council Policies & Strategies	This report refers to the Council's Treasury Management Strategy 2023/24 which was approved by Members on 22 February 2023.

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 2023/24 compared with the Treasury Management Strategy for the year.

It is a requirement for this report to be presented Members to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities (Prudential Code) and CIPFA Treasury Management in the Public Services Code of Practice. It provides Members with the current Treasury position of the Council.

2. Introduction & Background

This report shows the Council's current Treasury position compared with 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 significant sums of money and is therefore exposed to financial risks including the losses in invested funds. There are also the revenue budget implications of a varying interest rate on the Council's investments. The successful identification, monitoring and control of risk remains central to the Council's Treasury Management Strategy. **Appendix A – Annual Treasury Outturn Report 2023/24** provides the details of the Council's Treasury Management activity for the 2023/24 year and the final position as of 31 March 2024.

3. **Proposals and Options**

This report contributes towards the overall financial performance of the Council. It is recommended that the Council continues with its Treasury Management activity as outlined in the Treasury Management Strategy 2024-25 approved by full Council on 21 February 2024.

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 minimising borrowing costs.

5. **Financial and Resource Implications**

The financial implications are contained in the report and in Appendix A. Treasury Management activities have been carried out in accordance with the Council's Treasury Management Strategy and complies fully with the CIPFA Codes of Practice. The Council has a Capital Programme that is fully funded.

Comments from the S151 Officer:

<p>The report provides details of the Treasury Management activity for the year. All activity has complied with the codes of practice and the Council's Treasury Management Strategy.</p>

6. **Legal Implications**

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

Comments from the Monitoring Officer

<p>The Council needs to act in accordance with its Treasury Management Strategy and comply with the CIPFA codes of practice to keep Members informed.</p>

7. **Risks**

This report addresses the potential risk that the Council does not have sufficient funds to finance its Capital Programme.

Full risks details are highlighted within Appendix A of this report.

8. **Net Zero Target**

Not applicable to this report.

9. **Equality, Diversity & Inclusion**

Not applicable to this report.

10. Community Safety issues

Not applicable to this report.

11. 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. Cabinet recommends that the Treasury Management activity for 2023/24 is approved by full Council.

North Norfolk District Council

Annual Treasury Outturn Report 2023/24

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Annual Treasury Management Review 2023/24

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 2023/24. 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 2023/24 the minimum reporting requirements were that the Full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 22/02/2023)
- a mid-year, (minimum), treasury update report (Council 22/11/2023)
- 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.

Executive Summary

During 2023/24, 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:

Table 1: Prudential and Treasury Indicators

Prudential and treasury indicators	31.3.23 Actual £000	2023/24 Forecast £000	31.3.24 Actual £000
Capital expenditure.	6.862	40.830	13.766
Capital Financing Requirement:	15.111	13.395	17.474
Short-Term Borrowing	9.000	0.000	6.700
Long-Term Borrowing	0.000	0.000	5.000
Gross Borrowing	9.000	0.000	11.700
Short-Term Investments	2.830	2.000	2.010
Long-Term Investments	22.582	22.000	20.000
Non-Treasury Investments (Housing Loans)	2.332	2.190	2.144
Total Investments	27.744	26.190	24.154
Net borrowing	(12.633)	(12.795)	(6.680)

Other prudential and treasury indicators are to be found in the main body of this report. The Director for Resources 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:

- Approve the actual 2023/24 prudential and treasury indicators in this report.
- Note the annual treasury management report for 2023/24.

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.

Table 2: Capital Expenditure and Financing

£m General Fund	31.3.23 Actual	2023/24 Forecast	31.3.24 Actual
Capital expenditure	6.862	40.840	13.766
Capital Receipts	2.088	4.994	0.470
Grants	3.247	30.646	7.846
Contributions	0.263	2.962	1.035
Reserves	0.890	3.858	1.455
Revenue Contributions (RCCO)	0.000	0.000	0.100
Financed in year.	6.916	42.460	10.906
Unfinanced capital expenditure (External Borrowing)	(0.054)	(2.647)	(2.860)

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 2023/24 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 and use local government brokers (Tradition, King & Shaxson, Imperial, BGC) 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 2023/24 MRP Policy, (as required by DLUHC Guidance), was approved as part of the Treasury Management Strategy Report for 2023/24 on 22/02/2023.

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.

Table 3: CFR

Housing authorities to show separate General Fund and HRA CFR tables

CFR (£m): General Fund	31.3.23 Actual	2023/24 Budget	31.3.24 Actual
Opening balance	15.827	11.222	15.111
Add unfinanced capital expenditure (as above)	0.054	2.647	2.860
Less MRP/VRP*	(0.662)	(0.474)	(0.474)
Less PFI & finance lease repayments	0.000	0.000	0.000
Closing balance	15.111	13.395	17.474

* 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 (2023/24) plus the estimates of any additional capital financing requirement for the current (2024/25) 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 2023/24. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

Table 4: Gross Borrowing and CFR

£m	31.3.23 Actual	2023/24 Forecast	31.3.24 Actual
Gross borrowing position	9.000	0.000	11.700
CFR	15.111	13.395	17.474
(Under) / over funding of CFR	(6.111)	(13.395)	(5.774)

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 2023/24 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.

Table 5: Operational Boundary

£m	2023/24
Authorised limit	50.000
Maximum gross borrowing position during the year	11.700
Operational boundary	15.000
Average gross borrowing position	9.392

3. Treasury Position as of 31st March 2024

The Council's treasury management debt and investment position is organised by the treasury management service 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 2023/24 the Council's treasury position, (excluding borrowing by PFI and finance leases) was as follows:

Table 6: Treasury Position

DEBT PORTFOLIO £m	31.3.23 Principal	Average Rate/ Return	Average Duration (Days)	31.3.24 Principal	Average Rate/ Return	Average Duration (Days)
Fixed rate funding, Short-Term Borrowing:						
- Local Authority Borrowing	7.000	2.31%	128	5.000	4.93%	110
- Police Authority Borrowing	2.000	4.55%	85	0.000	4.55%	85
- Fire Authority Borrowing	0.000	0.95%	184	0.000	0.00%	0
- Pension Fund Borrowing	0.000	0.00%	0	1.700	5.63%	37
- Housing Authority Borrowing	0.000	1.30%	80	0.000	0.00%	0
Fixed rate funding, Long-Term Borrowing:						
- PWLB	0.000			5.000	5.39%	397
Variable rate funding:						
- None	0.000			0.000		
Total debt	9.000	2.30%	125	11.700	5.09%	82
CFR	15.111			17.474		
Over / (under) borrowing	(6.111)			(5.774)		
Total investments	27.744	3.53%		24.154	4.81%	
Net debt	(21.633)			(18.380)		

The maturity structure of the debt portfolio was as follows:

Table 7: Debt Maturity Structure

£m	31.3.23 actual	31.3.24 actual
Under 12 months	9.000	6.700
12 months and within 24 months	0.000	5.000
24 months and within 5 years	0.000	0.000
5 years and within 10 years	0.000	0.000
10 years and within 20 years	0.000	0.000
20 years and within 30 years	0.000	0.000
30 years and within 40 years	0.000	0.000
40 years and within 50 years	0.000	0.000
Total Borrowing	9.000	11.700
Total Borrowing Authorised Limit	50.000	50.000
Borrowing Limit Exceeded	No	No

During 2023/24 the Council has secured a £5m long-term loan with the PWLB (Central Government Public Works Loans Board) running from the 27th of March 2024 to the 28th of April 2025. This was secured at an interest rate of 5.39%.

The Council has had a need to borrow £5m over the last few financial years (identified that the Council needs £5m minimum borrowing per year for the last three financial years at any point in time). Any extra borrowing above this sum was only required on a short-term basis caused by the timing differences between the Council's expenditure and sources of income (cash flow).

To avoid interest rate risk, a PWLB long-term loan was secured instead of renewing short-term borrowing. Solely relying on short-term borrowing throughout the financial year leaves the Council vulnerable to fluctuations in the economy and subsequent unknown interest rate hikes. Interest rates during 2023/24 and the future year of 2024/25 are still expected to remain high (base rate at 5.25% since August 2023, and still at 5.25% at the time of this report), therefore a loan has only been secured for one year to allow for a potential decrease in interest rates at the end of 2024/25 and avoid locking the Council into a long-term loan with a high fixed rate of interest.

The latest forecast from the Council's Treasury Advisors (Link Treasury Services) is that the base rate will decrease down to 4% or lower in March 2025. Therefore, it is the Treasury's plan to renew this long-term borrowing at a lower rate in the future if there is still a requirement for borrowing.

Overall, the Council's borrowing requirement has increased by £2.7m at the financial year end. However, this extra borrowing was only required temporarily, mainly for a £2.075m repayment to central government for energy rebate grant money not issued. For comparison at the end of April 2024, the Council's short-term borrowing total was 1.7m showing that £5m of borrowing was only required to carry the Council's finance

across the end of financial year. March is a high-pressure time on the cashflow at all Council's due to this being the last month to settle any outstanding bills with contractors/central government before the end of the financial year.

Table 8: Investment Portfolio

INVESTMENT PORTFOLIO	31.3.23 Actual £m	31.3.23 Actual % of Portfolio	31.3.24 Actual £m	31.3.24 Actual % of Portfolio
Treasury investments				
Money Market Funds	2.830	11%	2.010	9%
Total managed in house	2.830	11%	2.010	9%
Cash Plus Funds	0	0%	0	0%
Short-Dated Bond Funds	1.012	4%	0	0%
Strategic Bond Funds	5.000	20%	5.000	23%
Equity Income Funds	5.570	22%	4.000	18%
Property Funds	5.000	20%	5.000	23%
Multi-Asset Income Funds	6.000	23%	6.000	27%
Total managed externally (Pooled Funds)	22.582	89%	20.000	91%
TOTAL TREASURY INVESTMENTS	25.412	100%	22.010	100%
Non-Treasury investments				
LN0001 - Broadland Housing Association	2.154	92%	1.885	88%
LN0002 - Homes for Wells	0.178	8%	0.150	7%
LN0003 – Homes for Wells			0.042	2%
LN0004 – Homes for Wells			0.067	3%
TOTAL NON-TREASURY INVESTMENTS	2.332	100%	2.144	100%
Treasury investments	25.412	92%	22.010	91%
Non-Treasury investments	2.332	8%	2.144	9%
TOTAL OF ALL INVESTMENTS	27.744	100%	24.154	100%

The maturity structure of the investment portfolio was as follows:

Table 9: Maturity Structure of Investment Portfolio

COUNTERPARTY / INVESTMENT	Redemption Period	Investment Value 31.03.2023 (£m)
Aberdeen Standard / MMF	CALL	0.000
Blackrock / MMF	CALL	0.000
DWS / MMF	CALL	0.000
Federated Investors (UK) LLP / MMF	CALL	2.010
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
M&G Securities / UK Income Distribution Fund	T + 3 days	2.000
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		22.010

The Council has seven same day (on call) Money Market Fund (MMF) accounts which can be used to invest/redeem surplus cash around its daily cash requirements. For these MMF's there is no gain/loss on principal invested, they are secure but consequently provide a lower interest rate than alternative types of investment. Typically interest rates match the current Bank of England Monetary Policy Committee set base rate or are slightly below. The cash balances invested in these counterparties fluctuate daily between £0.5m and £20m, the above table shows the balances at the outturn position.

The Council finished the year with seven investments in Pooled funds. These are intended for long-term investing to generate a higher interest return than the Council MMF's. The principal invested in Pooled Funds is more at risk than with MMF's as they are subject to gains/loss on fair value (change in sale price). Pooled Fund investments are a purchase of shares previously by the Council.

The Council started the year with nine investments in Pooled Funds, two of which were sold on the 28th of February 2024 to reduce some of the Council's long-term borrowing cashflow requirement (total principle repaid of £3.191m). Selling these investments resulted with a net gain in value of £610k on the original amount of principle invested.

The Council has only invested in counterparties approved by its treasury advisors with thorough credit rating checks. All the Council's Pooled Fund investments are income funds, not accumulating funds.

The Council currently has four outstanding loans with Housing Associations (loans issued to support the provision of affordable housing in the district). These loans are agreed at the PWLB central government borrowing rate to ensure the Council is not funding private businesses at a cost to the authority.

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 for each type of investment.

Table 10: Investment Interest

INVESTMENT INTEREST	31.3.23 Average Amount Invested £m	31.3.23 Interest Earned £m	31.3.23 Average interest rate %	31.3.24 Average Amount Invested £m	31.3.24 Interest Earned £m	31.3.24 Average interest rate %
Money Market Funds	7.427	0.136	1.84%	7.242	0.359	4.96%
Total managed in house	7.427	0.136	1.84%	7.242	0.359	4.96%
Cash Plus Funds	2.679	0.048	1.80%	0.00	0.00	0.00%
Short-Dated Bond Funds	2.831	0.045	1.61%	0.923	0.029	3.12%
Strategic Bond Funds	5.000	0.155	3.11%	5.000	0.195	3.70%
Equity Income Funds	7.794	0.371	4.76%	5.426	0.292	5.38%
Property Funds	5.000	0.267	5.34%	5.000	0.307	6.13%
Multi-Asset Income Funds	7.830	0.334	4.26%	6.000	0.301	4.62%
Total managed externally (Pooled Funds)	31.134	1.220	3.92%	22.349	1.124	5.03%
TOTAL TREASURY INVESTMENTS	38.561	1.356	3.52%	29.591	1.483	5.01%

Please note that for 31.3.24 figures, some pooled fund investments were sold in February 2024, so actual principal values differ from the average amounts invested.

Non-Treasury Investments	31.3.23 Actual Amount Invested £m	31.3.23 Interest Earned £m	31.3.23 Average interest rate %	31.3.24 Actual Amount Invested £m	31.3.24 Interest Earned £m	31.3.24 Average interest rate %
LN0001 - Broadland Housing Association	2.154	0.084	3.80%	1.885	0.080	3.80%
LN0002 - Homes for Wells	0.178	0.006	3.00%	0.150	0.005	3.00%
LN0003 – Homes for Wells	New			0.042	0.000	5.50%
LN0004 – Homes for Wells	New			0.067	0.000	5.50%
Total Loans	2.332	0.090	3.75%	2.144	0.085	3.95%

As per the table above, two new loans were issued to housing providers during the financial year. Both loans were to Homes for Wells to support their plans to purchase two properties to be used as affordable housing.

The Council currently only issues loans to Housing Providers as part of the Corporate Plan objective to provide affordable housing in North Norfolk, no other forms of loans have been issued. Consequently, the aim of these loans is not to provide a financial return to the Council. The interest rate of these loans is agreed at the central government PWLB rate. This is to ensure that the Council is not potentially borrowing money in the future to fund private businesses, we are not issuing loans that the Council would be paying borrowing interest on to fund.

Table 11: Average Interest Rates of all Investments

AVERAGE OF ALL INVESTMENTS	31.3.23 Average Amount Invested £m	31.3.23 Interest Earned £m	31.3.23 Average interest rate %	31.3.24 Actual Amount Invested £m	31.3.24 Interest Earned £m	31.3.24 Average interest rate %
Treasury Investments	38.561	1.356	3.52%	29.591	1.483	5.01%
Non-Treasury Investments	2.397	0.09	3.75%	2.144	0.085	3.95%
AVERAGE OF ALL INVESTMENTS	40.959	1.446	3.53%	31.735	1.567	4.94%

As shown above, interest rates in the 2023/24 financial year continued to increase from 2022/23. The MPC (Monetary Policy Committee) have increased interest rates consistently over the last two financial year to help control the rising inflation caused by the economic events that occurred in 2022/23 (mainly the Russia-Ukraine war).

By increasing interest rates this helped to prevent a hard recession in the country, by making interest rates more expensive, consumers and businesses are less likely to borrow funds they may not be able to repay. This causes spending to decrease and subsequently slows down inflation.

4. The Strategy for 2023/24

The Treasury strategy for managing the Council's interest rate risk in 2023/24 was to only take out required short-term borrowing and borrowing ahead of time where a favourable borrowing interest rate could be obtained. This is achieved by closely monitoring interest rates and maintaining a cash flow record to track predicted cash shortfalls in daily operations.

When borrowing is forecasted to be undertaken, treasury advisor forecasted interest rates and MPC (Monetary Policy Committee) meeting dates were taken into consideration to identify if it was more beneficial to borrow at an earlier date to meet a future shortfall in cash (obtain borrowing at a reduced interest rate).

It was forecasted earlier in the financial year that the interest rate on the Council's treasury investments would exceed the rate of the agreed short-term borrowing (with previous forecasts if borrowed around the increased in the base rate (it was previously estimated that the base rate to reach 6% by December 2023 and continue into April 2024).

This did not occur, interest rates peaked in August 2023 at 5.25% and have remained at this level as at the time of writing this report (May 2024). The amended interest rate forecasts from the Council's Treasury Advisors now predict no further increases (a forecast which is reinforced by the now reduced rate of inflation which the government uses as a significant factor when considering base rate increases). The rate of 5.25% is forecasted to continue through the Summer of 2024, when it may then start to slowly decrease until an expected rate of 3.75% by March 2024 and then 3% by March 2025).

Because of this, extra interest on the Council's investments was not earned (although the Council did meet its interest income budget, total interest of £1.55m was earned against a 1.53m budget). This means that there was no extra income available to offset the borrowing costs incurred during the 2023/24 financial year of which there was no budget for. Total borrowing costs for the fiscal year were £0.440m with the high interest rates.

The effective borrowing of the Council has been more difficult than in previous years. During the COVID period of 2021/22 and prior years 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. This meant that although the Council had a regular borrowing portfolio of between £5m - £10m, interest rates incurred during each financial year were minimal.

As mentioned in section 3 above. In February 2024, the decision was made to reduce the Council's total long-term investment portfolio by redeeming two Pooled Fund investments. The original principle invested was £2.581m and a value of £3.191m was

received, a total capital gain on the investments of £0.610m to the Council. It was ensured that a balanced portfolio remained afterwards to minimize the risk of realising capital losses on future investments.

By redeeming these long-term investments, the Council lowered its borrowing requirement at the end of the 2023/24 financial year and for the future. By re-diversifying the treasury portfolio, more cash is available for the daily operation of the business. Any future surpluses of cash will be invested in short-term investments to generate income. The income on the short-term investments will be less than the previous long-term investments (by approximately 1%) however the Council is in a position where it requires more liquidity in its portfolio, as opposed to its previous position of having a small amount of readily available cash and a significant proportion of long-term investments. This increased liquidity is to support the delivery of the Council's large capital programme where significant amounts of cash may be required outside of normal business operation.

The high amount of borrowing costs incurred during 2023/24 were caused by the unexpected fluctuation in interest rates, with such large jumps not seen for 27 years. To combat the fluctuation interest rates, the Council secured a £5m long-term loan with the PWLB (Central Government Public Works Loans Boards) in March 2024. This was a fixed rate loan secured at a rate of 5.39%, much lower than the current short-term borrowing rates in March 2024 which averaged 6.5%.

Therefore, by replacing £5m of short-term borrowing with £5m long-term borrowing the Council can reduce its risk from exposure to variable borrow interest rates.

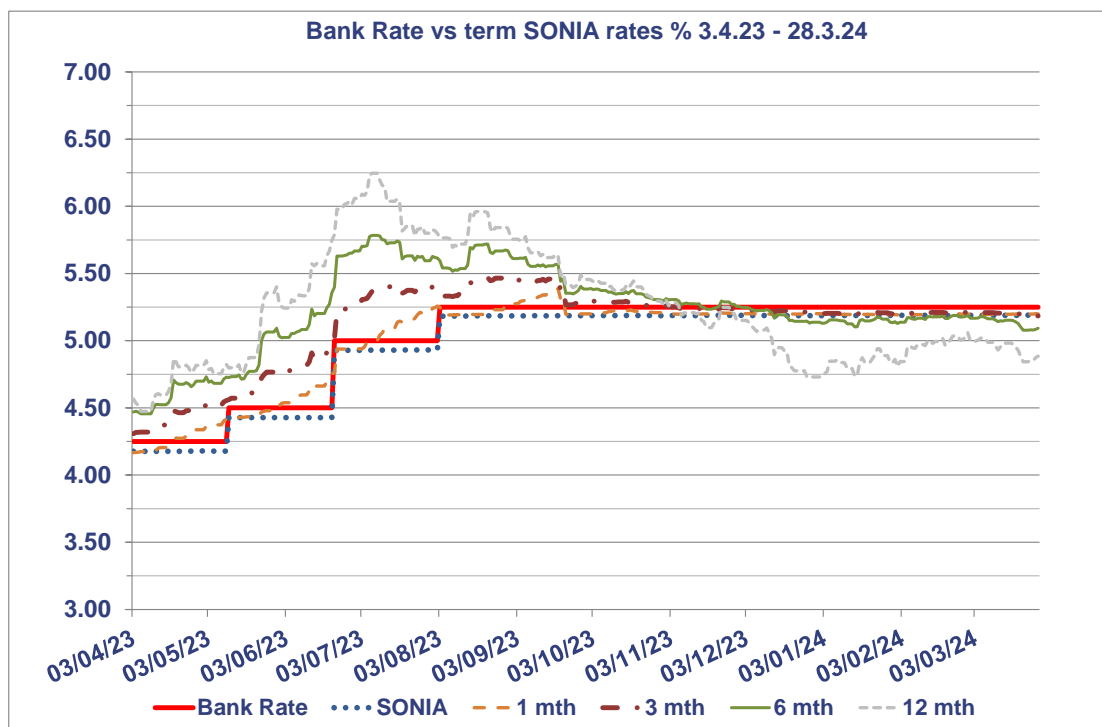
The loan will run from the 27th of March 2024 to the 28th of April 2025, a period of 397 days. From prior year Treasury cash flow and borrowing monitoring it was identified that there was a constant need for £5m extra cash throughout each year. Therefore, securing this fixed interest loan will give the Council a known borrowing interest cost for 2024/25 as opposed to an unknown fluctuating balance. The total amount of borrowing cost to the Council for this PWLB loan will be £293,062.84, with £3,690.97 incurred in 2023/24, £270,178.84 to be incurred in 2024/25 and the final amount of £22,884 to be incurred in 2025/26.

There will still be some degree of fluctuation where any extra borrowing is required on top of the £5m sum, however this need is temporary. It is forecasted that any future short-term borrowing will only need to be secured for several days/weeks instead of months (as previously agreed). Extra borrowing costs outside of the PWLB loan will be incurred on a minimal basis without reducing the Council's ability to operate.

This loan has only been secured for one year to allow take advantage of the forecast reduction in interest rates at the end of 2024/25 and avoid locking the Council into a very long-term high interest rate loan where a cheaper opportunity may be available. The Council's cash flow position will be reviewed again in April 2025 and a new PWLB loan will be considered if required.

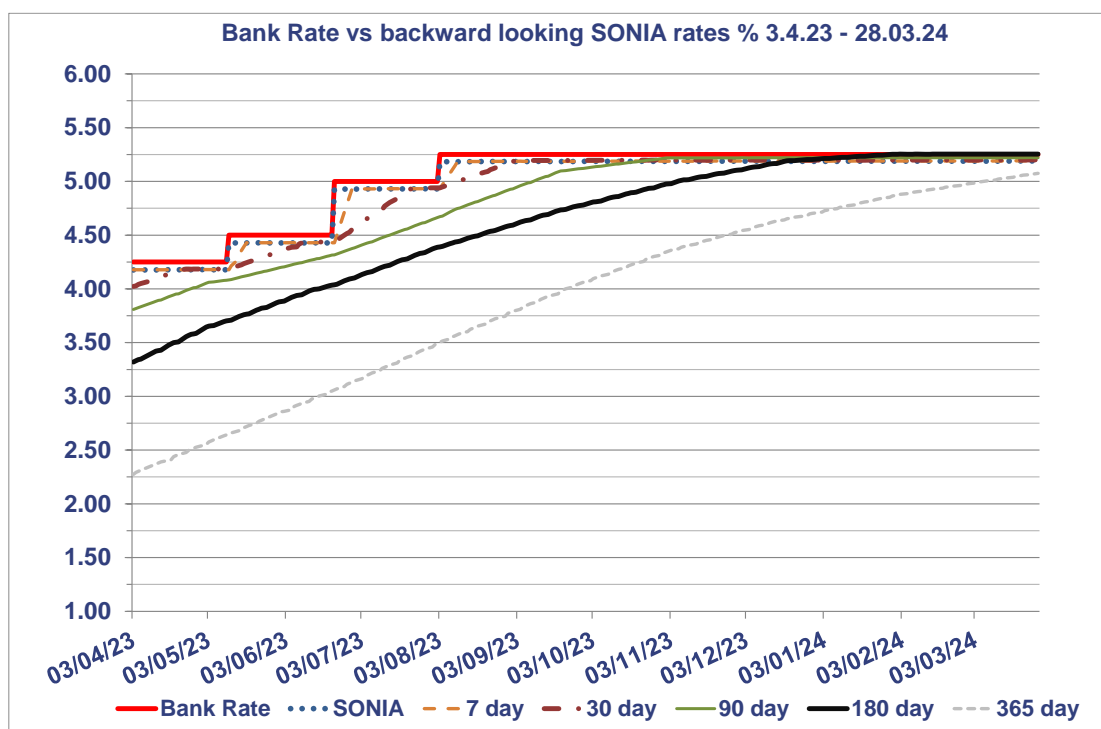
4.1 Investment strategy and control of interest rate risk

Investment Benchmarking Data – Sterling Overnight Index Averages (Term) 2023/24



FINANCIAL YEAR TO QUARTER ENDED 28/03/2024						
	Bank Rate	SONIA	1 mth	3 mth	6 mth	12 mth
High	5.25	5.19	5.39	5.48	5.78	6.25
High Date	03/08/2023	28/03/2024	19/09/2023	30/08/2023	07/07/2023	07/07/2023
Low	4.25	4.18	4.17	4.31	4.46	4.47
Low Date	03/04/2023	04/04/2023	03/04/2023	03/04/2023	06/04/2023	06/04/2023
Average	5.03	4.96	5.02	5.13	5.23	5.25
Spread	1.00	1.01	1.22	1.17	1.33	1.77

Investment Benchmarking Data – Sterling Overnight Index Averages (Backward-looking) 2023/24



FINANCIAL YEAR TO QUARTER ENDED 28/03/2024							
	Bank Rate	SONIA	7 day	30 day	90 day	180 day	365 day
High	5.25	5.19	5.19	5.20	5.22	5.25	5.08
High Date	03/08/2023	28/03/2024	28/03/2024	26/03/2024	25/03/2024	22/03/2024	28/03/2024
Low	4.25	4.18	4.18	4.02	3.81	3.32	2.27
Low Date	03/04/2023	04/04/2023	11/04/2023	03/04/2023	03/04/2023	03/04/2023	03/04/2023
Average	5.03	4.96	4.96	4.93	4.84	4.64	3.93
Spread	1.00	1.01	1.01	1.18	1.41	1.94	2.80

4.2 Borrowing strategy and control of interest rate risk

During 2023/24, 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 although near-term investment rates were equal to, and sometimes higher than, long-term borrowing costs, the latter are expected to fall back through 2024 and 2025 as inflation concerns are dampened. The Council has sought to minimise the taking on of very long-term borrowing at elevated levels (>4%) and has focused on a policy of internal and temporary borrowing, supplemented by short-dated borrowing (<5 years) as appropriate.

Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Treasury therefore monitored interest rates in financial

markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:

- It had been felt that there was a significant risk of a much sharper rise in long and short-term rates than initially expected, perhaps arising from the stickiness of inflation in the major developed economies, the portfolio position would have been re-appraised and outlined in section 4. Fixed rate funding was agreed to reduce the Council's exposure to variable interest costs during a period of rapidly increasing rates.

Interest rate forecasts initially suggested further gradual rises in short, medium, and longer-term fixed borrowing rates during 2023/24, potentially reaching 6%. However, the Bank Rate is now expected to have peaked at 5.25% with no further increases in future years.

By January 24 it had become clear that inflation was moving down significantly from its 40-year double-digit highs, and the Bank of England signalled in March 2024 that the next move in Bank Rate would be down, so long as upcoming inflation and employment data underpinned that view. Currently the CPI measure of inflation stands at 3.4% but is expected to fall materially below 2% over the summer months and to stay there in 2025 and 2026. Nonetheless, there remains significant risks to central forecasts, mainly in the form of a very tight labour market putting upward pressure on wages and the continuing geo-political inflationary risks emanating from the prevailing Middle East crisis and the Russian invasion of Ukraine.

Forecasts at the time of approval of the treasury management strategy report for 2023/24 were as follows: -

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

To see how the interest rate forecasts changed during 2023/24, these are the forecast tables after the 2023/24 treasury management strategy was agreed:

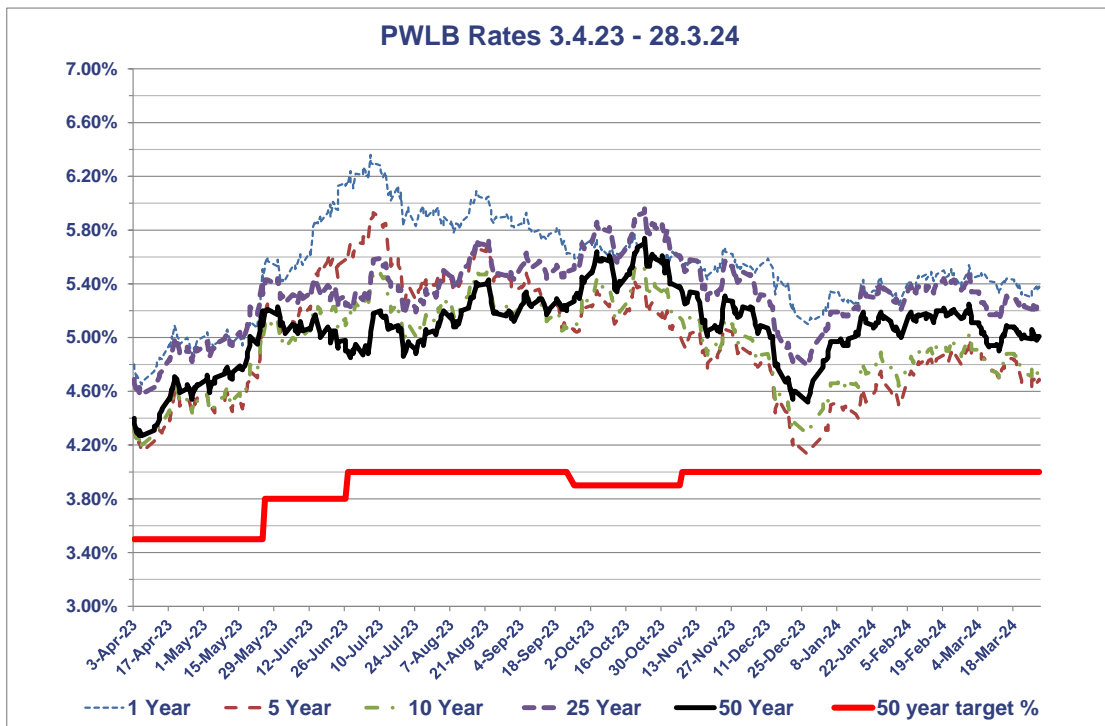
Link Group Interest Rate View	24.05.23												
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
BANK RATE	4.75	5.00	5.00	4.75	4.50	4.00	3.50	3.25	2.75	2.50	2.50	2.50	2.50
3 month ave earnings	4.80	5.00	5.00	4.80	4.50	4.00	3.50	3.30	2.80	2.50	2.50	2.50	2.50
6 month ave earnings	5.10	5.20	5.10	4.90	4.50	3.90	3.40	3.20	2.90	2.60	2.60	2.60	2.60
12 month ave earnings	5.40	5.40	5.30	5.00	4.50	3.90	3.40	3.20	2.90	2.70	2.70	2.70	2.70
5 yr PWLB	5.00	5.00	5.00	4.80	4.50	4.10	3.70	3.50	3.30	3.20	3.20	3.10	3.10
10 yr PWLB	5.00	5.00	5.00	4.80	4.40	4.10	3.80	3.60	3.50	3.40	3.30	3.30	3.30
25 yr PWLB	5.30	5.30	5.20	5.10	4.80	4.50	4.20	4.00	3.80	3.70	3.60	3.60	3.60
50 yr PWLB	5.10	5.10	5.00	4.90	4.60	4.30	4.00	3.80	3.60	3.50	3.40	3.40	3.40

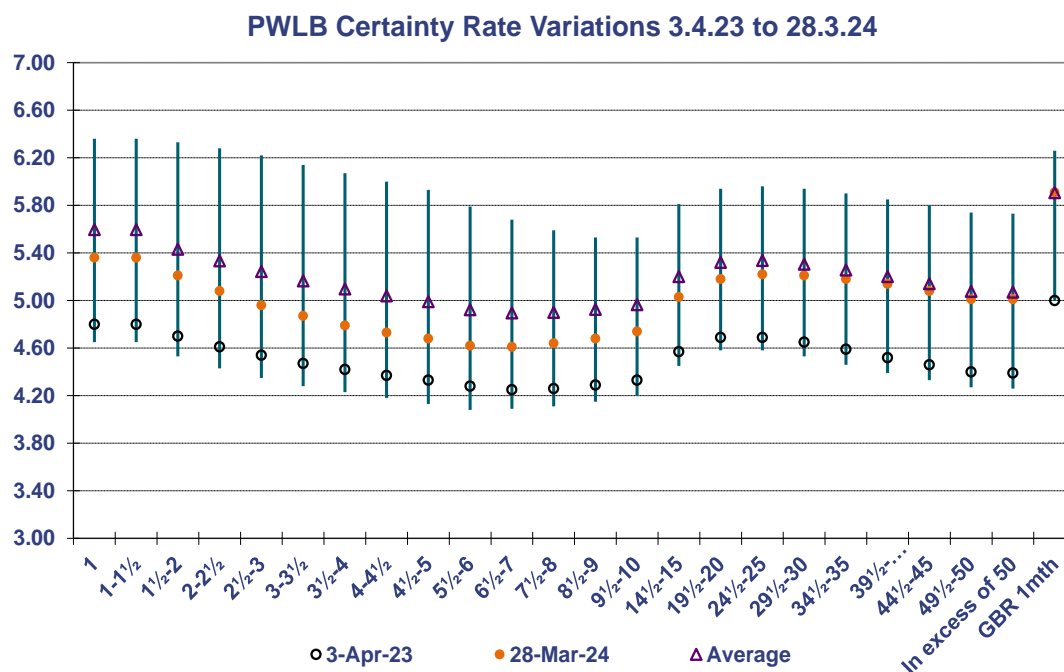
Link Group Interest Rate View		25.09.23											
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.00	2.75	2.75	2.75	2.75	2.75
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.00	2.80	2.80	2.80	2.80	2.80
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.10	2.90	2.90	2.90	2.90	2.90
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.20	3.00	3.00	3.00	3.00	3.00
5 yr PWLB	5.10	5.00	4.90	4.70	4.40	4.20	4.00	3.90	3.70	3.70	3.60	3.60	3.50
10 yr PWLB	5.00	4.90	4.80	4.60	4.40	4.20	4.00	3.80	3.70	3.60	3.60	3.50	3.50
25 yr PWLB	5.40	5.20	5.10	4.90	4.70	4.40	4.30	4.10	4.00	3.90	3.80	3.80	3.80
50 yr PWLB	5.20	5.00	4.90	4.70	4.50	4.20	4.10	3.90	3.80	3.70	3.60	3.60	3.60

Link Group Interest Rate View		06.11.23											
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.25	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.30	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.40	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.50	3.30	3.30	3.30	3.30	3.30
5 yr PWLB	5.00	4.90	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.60	3.50	3.50	3.50
10 yr PWLB	5.10	5.00	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.70	3.60	3.60	3.50
25 yr PWLB	5.50	5.30	5.10	4.90	4.70	4.50	4.30	4.20	4.10	4.10	4.00	4.00	4.00
50 yr PWLB	5.30	5.10	4.90	4.70	4.50	4.30	4.10	4.00	3.90	3.90	3.80	3.80	3.80

Link Group Interest Rate View		08.01.24											
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

PWLB RATES 2023/24





HIGH/LOW/AVERAGE PWLB RATES FOR 2023/24

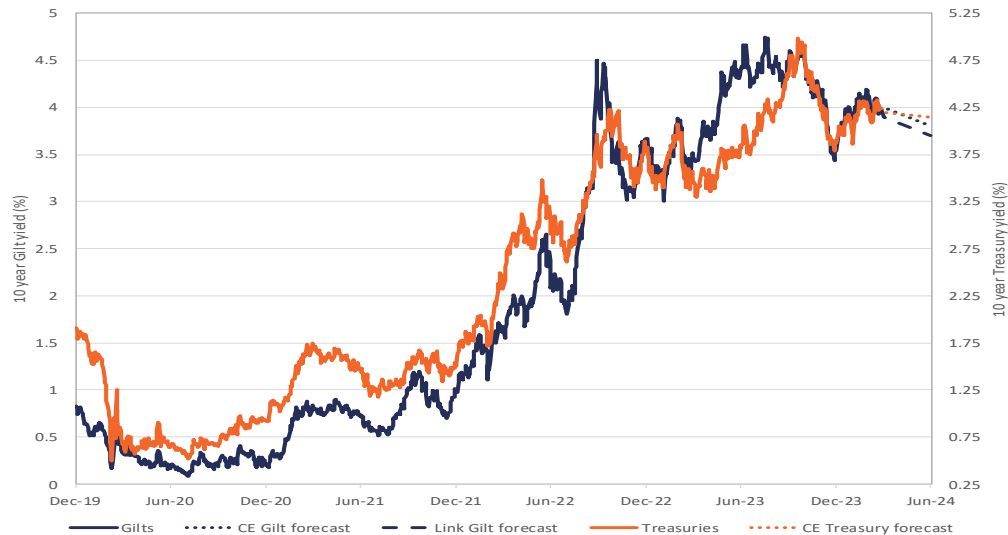
	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.54%	4.99%	4.97%	5.34%	5.08%
Spread	1.71%	1.80%	1.33%	1.38%	1.47%

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 bonds yield 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. 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 levels of persistent inflation that are exacerbated by very tight

labour markets and high wage increases relative to what central banks believe to be sustainable.

Graph of 10-year UK gilt yields v. US treasury yields (inclusive of Link's and Capital Economics' forecasts)



Gilt yields have generally been on a continual rise since the start of 2021, peaking in the autumn of 2023. Currently, yields are broadly range bound between 3.5% and 4.25%.

At the close of the day on 28 March 2024, all gilt yields from 1 to 50 years were between 3.81% and 4.56%, with the 1 year being the highest and 6-7 years being the lowest yield.

There is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rate falls and inflation (on the Consumer Price Index measure) moves below 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 2023/24 that was a revenue expense to the Council.

Table 12: Short-term borrowing

Lender	Principal £m	Interest Rate Type	Interest Rate %	Maturity days	Interest payable in 2023/24 (£)
Fermanagh and Omagh District Council	2.000	Fixed	3.55	182	2,723.29
Cambridgeshire & Peterborough Combined Authority	5.000	Fixed	4.50	92	42,534.25
Police & Crime Commissioner for Avon and Somerset	2.000	Fixed	4.55	85	15,457.53
Dumfries and Galloway Council	5.000	Fixed	4.5	184	113,424.66
Cambridgeshire & Peterborough Combined Authority	5.000	Fixed	4.55	183	114,604.64
Rotherham Metropolitan Borough Council	2.000	Fixed	5.38	25	7,369.86
Cambridgeshire & Peterborough Combined Authority	5.000	Fixed	5.55	139	87,431.51
Middlesbrough Borough Council Pension Fund	2.000	Fixed	5.40	37	10,947.95
Middlesbrough Borough Council Pension Fund	4.000	Fixed	5.25	32	18,410.96
Middlesbrough Borough Council Pension Fund	2.000	Fixed	6.05	29	9,613.70
Middlesbrough Borough Council Pension Fund	1.000	Fixed	5.25	37	5,321.92
Middlesbrough Borough Council Pension Fund	1.700	Fixed	6.5	50	3,935.62
Causeway Coast and Glens Borough Council	2.000	Fixed	6.5	8	2,849.32
Total					434,082.21

Borrowing for capital projects - The following is record of all short-term borrowing undertaken by the Council in 2023/24 that was a capital expense to the Council (borrowed to support a temporary funding shortfall in a capital scheme funded outside of Council resources, e.g. funded by grant or external contributions).

Lender	Principal £m	Interest Rate Type	Interest Rate %	Maturity days	Interest payable in 2023/24 (£)
Halton, Knowsley, Liverpool, St Helens, Sefton, and Wirral City Region Combined Authority	3.000	Fixed	5.55	63	28,738.36

Key:

Light Gray = borrowing started in prior financial year (2022/23).

White = Borrowing start and finished in current financial year (2023/24).

Dark Gray = Borrowing started but not finished until following financial year (2024/25).

There was a nil forecast requirement for borrowing or associated interest costs for 2023/24.

Borrowing in advance of need

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

The Council did borrow in advance of need for a period of up to a week, when borrowing rates were forecasted to increase at subsequent MPC (Monetary Policy Committee) meeting dates, where a meeting was set to occur days before the Council's borrowing need. This was only done at points where it was considered optimal to do so to finance expenditure which would be incurred within the timeframe of the forward approved Capital Financing Requirement estimates. In taking this decision, the Council carefully considered achieving best value, the risk of having to borrow at higher rates at a later date, the carrying cost of the difference between interest paid on such debt and interest received from investing funds which would be surplus until used, and that the Council could ensure the security of such funds placed on temporary investment.

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 treasury operations.

Investments held by the Council.

- The Council maintained an average balance of £31.735 of internally managed funds over the 2023/24 financial year.
- The internally managed funds earned an average rate of return of 4.94%.
- The comparable performance indicator is the average overnight (O/N) SONIA rate, which was 4.96% please see table below). Therefore, the Council was near on target.
- This compares with a budget assumption of £34.191 investment balances earning an average rate of 4.48%.
- Total investment income was £1.567m compared to a budget of £1.533m, a favourable variance of £34k.

Returns:	%
O/N SONIA	4.9601
O/N SONIA Compounded	5.0991
1m fwd SONIA	5.0143
1m fwd SONIA Compounded	5.0899
3m fwd SONIA	5.1246
3m fwd SONIA Compounded	5.1113
6m fwd SONIA	5.2288
6m fwd SONIA Compounded	4.9885
7d back SONIA	4.9617
7d backward SONIA Compounded	5.0077
30d backward SONIA	4.9318
30d backward SONIA Compounded	5.0032
90d backward SONIA	4.8408
90d backward SONIA Compounded	4.7358
180d backward SONIA	4.6352
180d backward SONIA Compounded	4.0944
365d backward SONIA	3.9317
365d backward SONIA Compounded	2.2740

7. The Economy and Interest Rates

UK Economy

Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.

Markets have sought an end to central banks' on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.

UK, EZ and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by historical comparisons, making it an issue of fine judgment as to when rates can be cut.

	UK	Eurozone	US
Bank Rate	5.25%	4%	5.25%-5.5%
GDP	-0.3%q/q Q4 (-0.2%y/y)	+0.0%q/q Q4 (0.1%y/y)	2.0% Q1 Annualised
Inflation	3.4%y/y (Feb)	2.4%y/y (Mar)	3.2%y/y (Feb)
Unemployment Rate	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving interest rates at 5.25% for the fifth time in a row and, despite no MPC members no longer voting to

raise interest rates, it retained its relatively hawkish guidance. The Bank's communications suggest the MPC is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that "the restrictive stance of monetary policy is weighing on activity in the real economy, is leading to a looser labour market and is bearing down on inflationary pressures", conversely it noted that key indicators of inflation persistence remain elevated, and policy will be "restrictive for sufficiently long" and "restrictive for an extended period".

Of course, the UK economy has started to perform a little better in Q1 2024 but is still recovering from a shallow recession through the second half of 2023. Indeed, Q4 2023 saw negative GDP growth of -0.3% while y/y growth was also negative at -0.2%.

But it was a strange recession. Unemployment is currently sub 4%, against a backdrop of still over 900k of job vacancies, and annual wage inflation is running at above 5%. With gas and electricity price caps falling in April 2024, the CPI measure of inflation - which peaked at 11.1% in October 2022 - is now due to slide below the 2% target rate in April and to remain below that Bank of England benchmark for the next couple of years, according to Capital Economics. The Bank of England still needs some convincing on that score, but upcoming inflation and employment releases will settle that argument shortly. It is noted that core CPI was still a heady 4.5% in February and, ideally, needs to fall further.

Shoppers largely shrugged off the unusually wet weather in February, whilst rising real household incomes should support retail activity throughout 2024. Furthermore, the impact of higher interest rates on household interest payments is getting close to its peak, even though fixed rate mortgage rates on new loans have shifted up a little since falling close to 4.5% in early 2024.

From a fiscal perspective, the further cuts to national insurance tax (from April) announced in the March Budget will boost real household disposable income by 0.5 - 1.0%. After real household disposable income rose by 1.9% in 2023, Capital Economics forecast it will rise by 1.7% in 2024 and by 2.4% in 2025. These rises in real household disposable income, combined with the earlier fading of the drag from previous rises in interest rates, means GDP growth of 0.5% is envisaged in 2024 and 1.5% in 2025. The Bank of England is less optimistic than that, seeing growth struggling to get near 1% over the next two to three years.

As for equity markets, the FTSE 100 has risen to nearly 8,000 and is now only 1% below the all-time high it reached in February 2023. The modest rise in UK equities in February was driven by strong performances in the cyclical industrials and consumer discretionary sectors, whilst communications and basic materials have fared poorly.

Despite its performance, the FTSE 100 is still lagging behind the S&P 500, which has been at an all-time high for several weeks.

USA Economy.

Despite the markets willing the FOMC to cut rates as soon as June 2024, the continued resilience of the economy, married to sticky inflation, is providing a significant headwind to a change in monetary policy. Markets currently anticipate three rate cuts this calendar year, but two or less would not be out of the question. Currently, policy remains flexible but primarily data driven.

In addition, the Fed will want to shrink its swollen \$16 trillion balance sheet at some point. Just because the \$ is the world's foremost reserve currency (China owns over \$1 trillion) does not mean the US can continually run a budget deficit. The mix of stubborn inflation and significant treasury issuance is keeping treasury yields high. The 10 year stands at 4.4%.

As for inflation, it is currently a little above 3%. The market is not expecting a recession, but whether rates staying high for longer is conducive to a soft landing for the economy is uncertain, hence why the consensus is for rate cuts this year and into 2025...but how many and when?

EZ Economy.

Although the Euro-zone inflation rate has fallen to 2.4%, the ECB will still be mindful that it has further work to do to dampen inflation expectations. However, with growth steadfastly in the slow lane (GDP flatlined in 2023), a June rate cut from the current 4% looks probable.

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 for the Government to keep the override under review and to maintain a form of transparency.

As at the end of 2023/24, the Council has an unrealised capital loss of £320,063 on the fair value on its long-term (Pooled Fund) investments. This will need to be considered in the future as a reserve balance will need to be allocated for any future net capital loss from the 2025/26 financial year unless a further statutory override is actioned by central government.

2. Changes in risk appetite

The Treasury has not changed its risk appetite during the 2023/24 year. The 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 return on investments. Borrowing was at the lowest rates available.

3. Counterparty limits

The counterparty limits changed at the end of the 2023/24, effective the 1st of April 2024. This is to reflect a lower total investment portfolio held by the Council, and to ensure diversification across the investment portfolio to minimize risk. These limits are in the Treasury Strategy 2024/25.

Debt Recovery 2023-24	
Executive Summary	This is an annual report detailing the council's collection performance and debt management arrangements for 2023/24. It includes: <ul style="list-style-type: none"> ▪ A summary of debts written off in each debt area showing the reasons for write-off and values. ▪ Collection performance for Council Tax and Non-Domestic Rates. ▪ Level of arrears outstanding ▪ Level of provision for bad and doubtful debts
Options considered.	To leave the write-off limits as they currently are allowing team leaders to write-off up to £4k or to increase these to a higher figure.
Consultation(s)	We are pleased to reach this year's collection performance targets for council tax & Non-Domestic (Business) Rates whilst also working hard to reduce avoidance and fraud which with the cost-of-living crisis is a difficult time to for enforcement.
Recommendations	That Cabinet recommend to full Council that it: <ol style="list-style-type: none"> 1. approves the annual report which details the Council's write-offs, in accordance with the Council's Debt Write-Off Policy and performance in relation to revenues collection. 2. approves the suggested change to the delegated authority as shown in appendix 2 for write offs (increase team leaders' authorisation levels from £4k to £5k which is line with other authorisations).
Reasons for recommendations	The recommendations ensure the Council makes best use of its staff resources and manages its finances to ensure best value for money.
Background papers	Corporate Debt Management and Recovery Policy - Appendix 1; Debt Write Off Policy - Appendix 2 and Enforcement Agent Code of Practice and Enforcement Agent Instructions - Appendix 3.

Wards affected	All wards
Cabinet member(s)	Lucy Shires
Contact Officer	Sean Knight Revenues Manger Sean.Knight@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	A Strong, Responsible, & Accountable Council.

Medium Term Financial Strategy (MTFS)	Maximises Income of revenues.
Council Policies & Strategies	Corporate Debt Management and Recovery Policy and Debt Write Off Policy

Corporate Governance:	
Is this a key decision	Yes.
Has the public interest test been applied	Yes.
Details of any previous decision(s) on this matter	September 2022, 2021/22, Debt Report.

1. Purpose of the report

This is an annual report detailing the council's collection performance and debt management arrangements for 2023/24.

The report includes a:

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

2. Introduction & Background

Introduction

The Corporate Debt Management annual report is one of the performance managements measures to provide members with outturn figures for 2023/24 for the following:

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

Background

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

3. Proposals and Options

Performance

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

Table 1

Income Area	Year/Date	Total Arrears on 31 st March All Years (after write offs) * (£)	Current Years Arrears Included (After write – offs) ** (£)	% Of Current Arrears v Net Debit	Provision for Bad/Doubtful Debt for all years (£)
Council Tax	2020/21	3,451,400	1,610,836	2.10%	1,155,777
	2021/22	3,654,527	1,548,794	1.90%	1,272,071
	2022/23	4,115,165	1,546,928	1.68%	1,439,591
	2023/24	4,188,131	1,481,904	1.53%	1,562,049

Table 2

Income Area	Year/Date	Total Arrears on 31 st March All Years (after write offs) * (£)	Current Years Arrears Included (After write – offs) ** (£)	% Of Current Arrears v Net Debit	Provision for Bad/Doubtful Debt for all years (£)
NDR	2020/21	410,374	179,520	1.40%	243,423
	2021/22	393,786	106,462	0.56%	254,611
	2022/23	329,183	201,357	0.82%	211,375
	2023/24	406,489	163,204	0.68%	240,984

*This is the cumulative arrears (excludes costs) for all years.

** This is the arrears figure as at 31/3/2024. Collection of the 2023/24 debt is ongoing and £443k council tax and £48k NDR has been collected since 12. June 2024 against the previous 2023/24 year's arrears.

The table below shows the level of sundry debt outstanding at the year-end.

Table 3

Income Area	Year	Total Arrears on 31 st March All Years (after write offs) (£)	Net Debt Raised End of Year (£)	% Outstanding against debit at year end	Provision for Bad/Debt for all years (£)
Sundry Income	2020/21	1,111,194	5,585,812	19.89%	210,170
	2021/22	643,957	7,085,105	9.09%	189,373
	2022/23	1,059,575	7,470,570	14.20%	254,248
	2023/24	1,332,459	8,394,985	15.87%	222,967

Figures previously included overpayments being recovered through weekly reclaim against ongoing Housing Benefit. The value of overpayments shown

above from 2019/20 onwards are not treated as a corporate debt as they have not been invoiced. The value of these debts is recorded against the subsidy claim and will now be reported separately.

The table below shows the net collectable debit raised across the number of bills/invoices and the total arrears of each.

Table 4

Income Area	Year/Date	Net Collectable Debit (£)	Number of Accounts	Average Amount per Account (after adjustments) (£)	Total of all Years Arrears (£)
Council Tax	2020/21	77,133,527	55,463	1,391	3,451,400
	2021/22	81,511,373	55,825	1,460	3,654,527
	2022/23	91,952,456	55,804	1,648	4,037,735
	2023/24	96,822,771	56,238	1,722	4,188,131
NNDR	2020/21	12,809,134	7,879	1,626	410,374
	2021/22	19,105,144	8,158	2,342	393,786
	2022/23	24,700,970	8,327	2,966	329,183
	2023/24	24,056,007	8,085	2,975	406,447
Sundry Income	2020/20	5,585,812	5,364	1,041	1,111,194
	2021/22	7,085,105	5,637	1,257	657,258
	2022/23	7,470,570	5,733	1,303	1,059,575
	2023/24	8,394,985	6,433	1,305	1,332,459

The table below shows the collection performance of council tax and Non-Domestic (Business) Rates over the past four years.

Table 5

Income Area	2020/21	2021/22	2022/23	2023/24	Target 2023/24
Council Tax	98.01%	98.1	98.27	98.37	98.20%
NNDR	98.41%	99.24	99.25	99.29	99.20%

There have been several changes over the past few years that have affected council tax charges. From April 2013, support for council tax was localised. The Government reduced the level of funding that it had previously provided to cover the cost of the support (council tax benefit). All those of working age who had previously been on 100% benefit had to pay a minimum of 8.5%. In addition, some people on benefits were also affected by other welfare reform changes – e.g., under occupation of properties in the social sector, the benefit cap, and Universal Credit, putting additional pressure on incomes. In addition to the welfare, changes there were several technical changes to council tax. These included an increase in the charge for

empty properties with additional premiums for those empty for more than two, five and ten years, a reduction in the second homes discounts and those properties undergoing structural repair and alteration. These changes affected the level of council tax to be collected and the ability of some residents to pay. The target for council tax collection continues to be challenging given the above.

There are no longer national indicators for the collection of Council Tax and Non-Domestic (Business) Rates. The performance indicator (PI) is retained as a local PI and continues to be monitored monthly. An important part of debt management is to ensure that bills are sent out accurately and timely and that council tax and business ratepayers are aware of any appropriate discounts, exemptions, reliefs, and benefit entitlement they may apply. Information is sent with the annual bills and is shown on our web site with service information being provided on these. The ongoing promotion of Direct Debit also forms an important part of debt management where 77% of council taxpayers are paying by direct debit and 29% of NNDR customers pay by direct debit.

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

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

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

Non-Domestic Rates had the introduction of the Covid Additional Relief Fund (CARF) for 2021/22 where we agreed on a scheme across most of Norfolk. This scheme awarded a discretionary relief to businesses who were unable to gain other covid business grants instead of allowing them to appeal their rateable value.

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

3.1 Write-Offs

The table below shows in summary the amounts of debts that have been written off over the last four years.

Table 6

Income Area	2020/21 (£)	2021/22 (£)	2022/23 (£)	2023/24 (£)
Council Tax	65,638	133,790	159,939	113,208
NNDR	94,863	3,957	49,224	25,031
Sundry Income only	9,962	12,595	35,077	50,707

The table below details the category of debts that have been written off over the year 2023/24 (includes costs) for all years.

Table 7

Category	Council Tax (£)	NNDR (£)	Sundry Income (£)
Unable or Uneconomic to collect / bailiff unable to collect	-65.13	-160.51	
Debtor deceased	29,348.52		
Debtor absconded	27,713.14	1,950.84	
Debtor in bankruptcy, liquidation or other Insolvency proceedings	45,523.10	10,539.38	
Disputed Liability Debt cannot be proved (conflict of evidence)	1,762.41	24.00	
Ill health & no means	650.59		
Undue hardship	3,069.95		
Debt remitted by the Court			
Irrecoverable	3,774.52	12,677.52	
Detained/Prison	1,430.77		
Other			50,707
Totals	113,207.87	25,031.23	50,707
			Information on category not held on new finance system.

The level of Council Tax and Non-Domestic (Business) Rates debts written off has reduced since last year. The Council Tax and Non-Domestic (Business) Rates debts that have been written off are principally debts from insolvency. Council Tax write offs were also mostly caused by debtor deceased or gone away whereas Non-Domestic (Business) Rates main reason was Irrecoverable which was the agreed write off following payment link to court action against one particular company. Whilst every effort is made to trace debtors there is several debtors that cannot be traced, and the debt must be written off.

4. Corporate Priorities

This report is linked to the Corporate Plan under A Strong, Responsible and Accountable Council.

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

We aim to provide effective and efficient delivery of the Revenues Service. Managing our finances 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 and exploring opportunities to work further with stakeholders and partner organisations.

5. Financial and Resource Implications

There are no resource implications here.

Comments from the S151 Officer:

Collection of income is critical to the Council as the Budget is based on an assumed level of income that the Council will receive for the year. The collection rates achieved by the Revenues team is excellent and this is recognised.

The Council makes every effort to collect outstanding debts and it is only after all avenues for recovery have been exhausted then a debt is considered for write off.

6. Legal Implications

There are no legal implications here.

Comments from the Monitoring Officer

This report details the Council's main income streams and its performance relating to collection as well as our policy and practice in regard to write offs. There are no apparent specific governance or legal issues arising.

7. Risks

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

8. Net Zero Target

This report does not raise any issues relating to the Net Zero target.

9. Equality, Diversity & Inclusion

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

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

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

10. Community Safety issues

This report does not raise any issues relating to the community safety issues.

11. Conclusion and Recommendations

This is an annual report detailing the council's collection performance and debt management arrangements for 2023/24

The report includes a:

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

This is a recommendation to Full Council.

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

To approve the suggested changes to the delegated authority (to increase the team leader level from £4k to £5k similar to other delegated authority) as shown in appendix 2 for write offs.

CORPORATE DEBT MANAGEMENT AND RECOVERY POLICY

INTRODUCTION

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

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

The following policies have been prepared within this framework:

Debt Write -Off policy as shown in Appendix 2.

POLICY AIMS

The key aims of this policy are as follows:

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

SUPPORTING THE COUNCIL'S CORPORATE PRIORITIES

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

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

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

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

DEBTS COVERED BY THIS POLICY

The main section involved in debt recovery is Finance.

The debts involved are primarily:

- Council Tax
- National Non Domestic Rates
- Sundry Income

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

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

THE LEGAL AND POLICY FRAMEWORK FOR RECOVERY

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

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

Local Taxation

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

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

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

Miscellaneous Income

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

THE POLICY

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

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

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

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

If a debtor fails to co-operate by:

- Refusing to provide details of their means, and/or
- Not consenting to multiple debts being dealt with together, and/or
- Failing to pay a special arrangement on time without contact, then recovery action will be taken promptly in the normal way.

- If there are council tax arrears on properties of over £1,000, then we are able to apply for a charging order. This basically means we register our interest against a property and when it is sold, we receive the payment out of the proceeds of sale. Some customers ask us to use this method where they have no or low income and are in the process of selling their property. This method is also used where other recovery action has not been successful and the property is empty or a second home. This helps bring the property back into use. Where the property is occupied and there is very large debt because of repeated non-payment, then this method will be considered on a case by case basis with the portfolio member.

LIMITATIONS ON DEBT RECOVERY

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

PROCEDURES AND TRAINING

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

MONITORING

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

Revised
20 June 2024.

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DEBT WRITE OFF POLICY

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

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

Appendix 2

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

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

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

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

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

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

Section Manager / Team Leader	up to £5,000
Head of Service / Revenues Manager	up to £20,000
Section 151 Officer or Deputy Section 151 Officer	up to £30,000
Director for Resources or Chief Executive in consultation with the Portfolio Member	over £30,000
16. The revenues manager will record all write-off decisions, and provide a summary to the Director for Resources. This will be available for further Scrutiny, for Audit purposes and for reporting to Cabinet.
17. The Director for Resources will submit an annual report to Cabinet identifying the following:
 - A summary of debts written off in each debt area showing reason for write-off, values and number of cases.
 - Collection performance for each service area
 - Level of arrears outstanding
 - Level of provision for bad and doubtful debts

Appendix 2

Reviewed 20 June 2024.

Enforcement Agent Code of Practice

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

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

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

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

The above figures are not including VAT.

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

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

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



1. General

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

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

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

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

2. ENFORCEMENT AGENT WORKING PRACTICES.

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

2.2 Work shall be issued to the Enforcement Agent electronically.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COUNCIL'S SPECIAL ARRANGEMENT POLICY

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

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

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

Revised 20 June 2024.

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Housing Benefit Debt Recovery Report – 1st April 2023 to 31st March 2024	
Executive Summary	<p>This report provides an update on Housing Benefit debt recovery detailing the council’s collection performance and debt management arrangements for 2023 – 24.</p> <p>Previously this information was part of the Revenues Corporate Debt Recovery report. However, it is now being presented as a standalone item. This allows the Benefits Team to demonstrate it takes ownership of, and is accountable for its performance, and it can also demonstrate service improvements.</p> <p>The report includes a:</p> <ul style="list-style-type: none"> ▪ A summary of the work undertaken by the team. ▪ Housing Benefit Debt Recoveries performance. ▪ A summary of overpayment levels and recovery type. ▪ Known risks to performance.
Options Considered	<p>To continue with the write-off limits at their current levels. To continue to recover outstanding debt within the current legislative guidelines.</p>
Consultation(s)	No consultation required as this is a statutory requirement.
Recommendations	To approve the annual report giving details of Housing Benefit Overpayment debt recovery in accordance with the Council’s Debt Recovery Policy, Write-Off Policy, and Housing Benefit Overpayment Recovery Policy.
Reasons for recommendations	Recommendation is to approve the annual report in relation to Housing Benefit Overpayment recovery and to approve the continued use of legislated recovery methods to ensure income maximisation for the council.
Background papers	<p>Housing Benefit Overpayment Policy (Appendix 1) Corporate Debt Management and Recovery Policy Debt Write Off Policy Enforcement Agent Code of Practice Enforcement Agent Instructions (Please refer to the Corporate Debt Recovery Report appendices for copies).</p>
Wards Affected	All
Cabinet member(s):	Wendy Fredericks
Contact Officer	<p>Trudi Grant, Benefits Manager (01263 516262) trudi.grant@north-norfolk.gov.uk</p>

Links to key documents:	
Corporate Plan:	N/A
Medium Term Financial Strategy (MTFS)	This report is linked to the Corporate Plan under A Strong, Responsible and Accountable Council. We will ensure the Council maintains a financially sound position, seeking to make best use of its staff resources, effective partnership working and maximising the opportunities of external funding and income.
Council Policies & Strategies	Corporate Debt Management and Recovery Policy, and Debt Write Off Policy

Corporate Governance:	
Is this a key decision	Yes.
Has the public interest test been applied	Yes.
Details of any previous decision(s) on this matter	Previously included in the September 2022, 2021/22, Corporate Debt Report.

1. Purpose of the report

- 1.1 This is an annual report detailing the council's collection performance and debt management arrangements for 2023/24 in relation to Housing Benefit Overpayment debt.
- 1.2 The report includes a:
 - A summary of the councils Housing Benefit Debt Recoveries performance.
 - Recovery performance for Housing Benefit overpayments.
 - A summary of debts written off showing the reasons for write-off and values.
 - Level of provision for bad and doubtful debts.

2. Introduction & background

Introduction

- 2.1 The Benefits Team is responsible for the collection of Housing Benefit overpayments. It is important that we have robust procedures in place for the collection of Housing Benefit. This is a key income stream for the council which offsets against the subsidy loss around Housing Benefit overpayments.
- 2.2 This report provides an update on Housing Benefit debt recovery performance. Previously this information was part of the Revenues Corporate Debt Recovery report. However, it is now being presented as a standalone report. This allows the Benefits Team to demonstrate it takes ownership of, and is accountable for its performance, and it can also demonstrate service improvements.
- 2.3 Housing Benefit overpayments are one of the most difficult debts to collect as the debtor is often receiving benefits, is on a low income or is vulnerable. Notwithstanding this, the Department for Work and Pensions (DWP) are clear that local authorities should maximise all recovery options in maximising debt recovery and should make use of networks and intelligence to support the recovery process.
- 2.4 The Government publishes statistics on the amount of Housing Benefit that local authorities have identified as overpaid to claimants, the amount recovered, and the

amount written off. The statistics are published twice yearly, in March and September and are based on the Housing Benefit Debt Recovery (HBDR) returns we submit to the DWP each quarter. North Norfolk District Council's performance and how it compares both regionally and nationally is shown in section 3.4 to 3.6 of this report.

Background

- 2.5 Housing Benefit (HB) is an income-related benefit that is intended to help meet housing costs for rented accommodation. Since the end of 2018, most new working-age claimants have claimed the housing element of Universal Credit (UC) rather than HB. The number of people claiming HB has been steadily decreasing and will continue to fall as existing HB claims transfer to UC. This has had an impact, both on the amount of overpaid HB identified by local authorities and the amount of overpaid HB we can recover.
- 2.6 HB overpayments are created when changes which affect a claim are identified and processed on the Benefits system. These can be identified through DWP data matches or may be notified by the claimant. An overpayment occurs where an amount has been paid to which there is no entitlement. This can happen for several reasons including the claimant giving incorrect or incomplete information, the claimant not reporting any changes which may affect their entitlement or the Council making a mistake when calculating or paying HB.
- 2.7 There are also overpayments that are caused by deliberate fraud or wilful neglect in reporting changes that would have led to a lower entitlement which create large overpayments for individuals who then struggle to repay the amounts.
- 2.8 The Government is focused on reducing benefit fraud and error and has introduced several data matching initiatives which we are required to action promptly. Whilst these exercises may benefit the Council in terms of additional Housing Benefit subsidy paid for identifying claimant error, they can also generate significant amounts of overpayment debt which we must recover.
- 2.9 The Council's management arrangements underpin the delivery of all the Council's priorities including the commitment to provide value for money services. Incorporated within this, is the timely collection of monies due to the Council. Debts are recovered in accordance with the Debt Recovery Policy, Debt Write-Off Policy, and the Housing Benefit Overpayment Policy.
- 2.10 Housing Benefit Overpayment recovery outside of the Housing Benefit claim originally sat within the corporate Sundry Debtor Team where an invoice for overpaid HB would be sent to the claimant and recovery action taken.
- 2.11 Following procurement of the Benefits system, it was agreed that the recovery of Housing Benefit overpayments would move across to the Open Revenues Sundry Debtor system in 2013 and managed by Benefit Officers. The Civica system had been developed bringing in an integrated Sundry Debtor module which would allow for Direct Debits, payment arrangements, County Court recovery, attachments of benefit, and better management reports, meaning the Housing Benefit Team were better placed to manage this debt.
- 2.12 Whilst we maximise opportunities to recover the debt via several recovery options, HB remains a difficult debt to collect as often the debtor is still receiving DWP Benefits, is on a low-income or is vulnerable. There are less recovery options available to us to recover the debt than for Council Tax and Business Rates.
- 2.13 The DWP have introduced more measures to support local authorities recover Housing Benefit debt. The Payment Deduction Programme (PDP) was introduced to help local authorities recover Housing Benefit debt directly from Universal and non-Universal Credit benefits.

- 2.14 The DWP also introduced the Housing Benefit Debt Service (HBDS) which allows local authorities to send debtors details to the HMRC for employment information. This is an electronic process and allows us to obtain an attachment of earnings more quickly.
- 2.15 During the COVID-19 lockdowns many LAs redeployed staff away from debt recovery to other frontline activities. However, whilst we did cease enforcement action, we did not suspend our recovery practices altogether. Instead, we reviewed our practices to support households in hardship by accepting reduced payment arrangements, allowing payment holidays, and longer payment plans. We also ensured debtors were made aware of the Breathing Space regulations which allows for no recovery action to take place whilst the debtor sought professional debt advice.
- 2.16 Beyond the pandemic, we have continued to support debtors and now with the cost-of-living crisis we have continued to apply the same softer principles to recovery as we did during the pandemic, where applicable. We are now benefiting from the additional support from our own inhouse Financial Inclusion team, and we are working with the Citizens Advice (CA) where we have an inhouse CA Debt Adviser supporting our residents 2 days a week.
- 2.17 Looking ahead, the roll out of the managed migration of Universal Credit which started on 1st April 2024, could impede our recovery performance. We have identified all known risks to our service delivery associated with managed migration and we are taking steps to mitigate these with debt recovery being one of the areas being monitored.
- 2.18 Councils only receive 40% subsidy on claimant error overpayment debt through the Final Subsidy claim. However, if we can collect anything over 40% this is considered additional revenue to the Council and should be recovered in an efficient manner whilst still having regard to the customer's ability to pay.
- 2.19 The service will endeavour to continue to treat Housing Benefit overpayment recovery as a priority area of service delivery to reduce the loss of subsidy and increase council revenue.

3. Proposals and Options

Housing Benefit Debt Recoveries (HBDR) Performance

- 3.1 The Government publishes statistics on the amount of Housing Benefit that local authorities have identified as overpaid to claimants, the amount recovered, and the amount written off. The statistics are published twice yearly, in March and September and are based on the Housing Benefit Debt Recovery (HBDR) returns we submit to the DWP each quarter.
- 3.2 We attend quarterly meetings with the DWP LA Performance Team where our overpayment recovery performance is one of the areas of service delivery that is reviewed. The DWP have advised that our Housing Benefit Debt Recovery performance is comparatively strong. Our collection rate for EOY 2022/23 was 36.01% as shown in table 1.

Table 1:

Monetary values are £1000		
	FYE 2022/23	April – Sept 2023/24
O/p identified	£649	£445
O/p recovered	£605	£399
% in year recovery	93.22%	90%
O/p written off	£39	£36
O/p outstanding Start of year	£1031	£1045

O/p outstanding Start of following year	N/A	N/A
% recovery against total debt	36.01%	27%

Source: DWP LA Performance Team

- 3.3 Details of our Housing Benefit overpayment collection performance, Norfolk, and nationally, are shown below in table 2. The council only has rent allowance (private rent cases) overpayments as we do not have any housing stock (rent rebate cases). There is quite a time lag in the national figures being published, and we currently only have national data to September 2023 (Q2).
- 3.4 In Q1 and Q2, we have performed better than other Norfolk councils, and have recovered more in rent allowance overpayments as shown in table 2.

Table 2:

		Total value of HB overpayments recovered during the quarter (£ thousands)					
		Q1			Q2		
		Rent Rebate ¹	Rent Allowance ²	*Total	Rent Rebate ¹	Rent Allowance ²	*Total
K03000001	GREAT BRITAIN	*	*	104,469	*	*	113,281
E92000001	ENGLAND	*	*	94,836	*	*	103,997
E10000020	<i>Norfolk</i>						
E07000143	Breckland	-	146	146	-	188	188
E07000144	Broadland	-	75	75	-	76	76
E07000145	Great Yarmouth	26	47	73	50	82	132
E07000146	King's Lynn and West Norfolk	*	*	96	*	*	120
E07000147	North Norfolk	-	187	187	-	212	212
E07000148	Norwich	108	149	257	109	130	239
E07000149	South Norfolk	-	60	60	-	52	52

Source: Housing Benefit Debt Recoveries (HBDR)

- 3.5 Through targeted interventions, data matching, and by reaching out to customers to report changes promptly, we have identified more overpayments in Q1 than any other Norfolk authority, and we have the second highest performance in Q2, as shown in table 3.

Table 3:

		Total value of HB overpayments identified during the quarter (£ thousands)					
		Q1			Q2		
		Rent Rebate ¹	Rent Allowance ²	*Total	Rent Rebate ¹	Rent Allowance ²	*Total
K03000001	GREAT BRITAIN	*	*	107,172	*	*	117,423
E92000001	ENGLAND	*	*	98,033	*	*	107,713
E10000020	<i>Norfolk</i>						
E07000143	Breckland	-	166	166	-	181	181
E07000144	Broadland	-	145	145	-	35	35
E07000145	Great Yarmouth	32	37	69	43	39	82
E07000146	King's Lynn and West Norfolk	*	*	81	*	*	199
E07000147	North Norfolk	-	260	260	-	185	185
E07000148	Norwich	75	122	197	71	83	154
E07000149	South Norfolk	3	41	43	-	30	30

Source: Housing Benefit Debt Recoveries (HBDR)

3.6 When reviewing performance around the level of outstanding Housing Benefit debt (rent allowance only), we have the third lowest level of outstanding debt across Norfolk, as shown in table 4 below.

Table 4:

		Total value of HB overpayments outstanding at the start of the quarter (£ thousands)					
		Q1			Q2		
		Rent Rebate ¹	Allowance ²	*Total	Rent Rebate ¹	Allowance ²	*Total
K03000001	GREAT BRITAIN	*	*	1,703,456	*	*	1,685,662
E92000001	ENGLAND	*	*	1,525,076	*	*	1,509,192
E10000020	Norfolk						
E07000143	Breckland	-	1,922	1,922	-	1,938	1,938
E07000144	Broadland	-	945	945	-	991	991
E07000145	Great Yarmouth	459	1,299	1,758	462	1,289	1,751
E07000146	King's Lynn and West Norfolk	*	*	1,735	*	*	1,694
E07000147	North Norfolk	-	1,045	1,045	-	1,100	1,100
E07000148	Norwich	2,242	2,152	4,394	2,195	2,110	4,305
E07000149	South Norfolk	5	786	791	5	765	771

Source: Housing Benefit Debt Recoveries (HBDR)

3.7 As there is a time lag in the published DWP HBDR data, we have provided up to data below on the balance of all Housing Benefit debt as of May 2024. We currently have £795,523 outstanding to collect. This is represented in Table 5 below along with the recovery type in use and the number of cases with the most debt being collected through an attachment of benefit.

Table 5:

Recovery Stage	Number of cases	Outstanding balance (£)
Attachment of Benefit	83	101,802.82
Attachment of Benefit (pending)	17	24,336.89
Direct Earnings Attachment	12	19,011.22
Direct Earnings Attachment (pending)	56	45,782.87
County Court Judgement	34	102,320.95
Enforcement Agencies	20	20,943.06
Enquiry – waiting for further information	1	587.78
Final – Debt past 28 days, recovery action not yet commenced	213	324,230.95
Information – waiting for further information before County Court Judgement obtained	2	4,497.25
Invoice – Debt within 28 days of date of invoice being issues	66	79,331.07
Oral Examination – No response to CCJ	10	25,735.32
Reminder – Debt	36	43,942.64
Totals	550	792,522.82

Housing Benefit Recovery

3.8 As previously advised Housing Benefit is a difficult debt to collect with less recovery options that Council Tax and Business Rates. However, we do have the following options:

- Direct Earnings Attachments (DEAs).
- Payment plans.
- Instructing a third-party collection agency.
- Deductions from ongoing benefit.
- Applying to another local authority for deductions from ongoing entitlement in their area.
- Civil proceedings – County Court Judgement.

- 3.9 Where we recover through an attachment of benefit, the debt can be passed through to the Payment Deduction Programme (PDP) from the Benefit claim without having to transfer the debt to the Open Revenues Sundry Debtor system first. This helps speed up the attachment process. The attachment of benefit data in table 5 includes all cases using this recovery method, regardless of the route taken to set up the attachment.
- 3.10 Our recovery performance will be affected by managed migration of Universal Credit. This will affect our recovery where an attachment of benefit is against a legacy benefit, the attachment will cease, and a new attachment will need to be created against Universal Credit if claimed.
- 3.11 While it is legislatively possible to ask DWP to recover the overpayment under the new Universal Credit claim, there are some key obstacles to this:
- 3.12 The DWP will prioritise recovery of any other overpaid (DWP) benefit but there are also several other higher priority debts that would come before HB such as utilities, and Council Tax.
- 3.13 Prior to managed migration, where an attachable benefit was in payment, we would automatically set up the attachment as our preferred recovery method as we are collecting monies owed directly from the debtor's source of income. However, where the legacy benefit being claimed is Housing Benefit and the customer migrates to UC, if they have other debts such as utility arrears, utility companies will now be able to attach to the UC award leading to more companies trying to attach one person's award stacking multiple attachments of benefit.
- 3.14 It would also be reasonable to assume such activity may not be an administrative priority for the DWP in the short term either (UC resources are likely to be stretched massively while the migration process is completed) leading to delayed recovery.
- 3.15 Where an overpayment occurs and HB is still in payment, we can recover the overpayment from the ongoing HB entitlement by making a deduction from each monthly HB payment. As this debt is being collected directly from the claim, this debt is not included in the data in table 5.
- 3.16 The DWP set maximum recovery rates which must be adhered to when deducting from ongoing benefit. The standard maximum rate of recovery is £13.65 per week, rising to £22.75 per week for overpayments arising from fraud.
- 3.17 As at May 2024, we are recovering £234,653.40 in overpaid Housing Benefit against 154 cases using this method. The value of these overpayments is not treated as a corporate debt as they have not been passed for collection through the Open Revenues Sundry Debtor system. The value of these debts is recorded against the subsidy claim.
- 3.18 Table 6 shows the breakdown of the debts raised via the Open Revenues Sundry Debtor System, payments, and write-offs during 2023/24.

Table 6:

Balance Brought Forward	£671,891.53
Invoice Charge Total	£256,716.43
Payments Total	£261,395.40
Write-Off Total	£10,501.67
Refund Total	£1,286.86
Balance Outstanding as of 31st March 2024	£656,710.89

Housing Benefit Debt (Finance System)

- 3.19 A small number of debts remain on the old Finance System as these have successful attachments of benefits or arrangements in place which we did not want to cancel. The total debt outstanding is £54,573.

Write-Offs

- 3.20 The provision for bad debt for all Housing Benefit Overpayments is shown in Table 7 below, categorised by the system the debt is being recovered from. *Data is as of Friday 24th May 2024.

Table 7:

Outstanding Debt as at 31/03/24		
Source	Amount £	Bad debt Provision £
Finance System	54,572.54	23,444.79
Civica Debtor Module	711,371.75	410,958.00
Civica In Claim debt	292,331.01	122,194.95
Totals	1,058,275.30	556,597.74

- 3.21 Overpayments are only written off following careful consideration and in line with the Corporate Debt Recovery policy and Housing Benefit Overpayment Policy. Table 8 below shows in summary the amount of debt written off over the 2023/24 year and the reason for debts sitting on the Open Revenues Sundry Debtor system. No debts on the Finance System have been written off.

Table 8:

Write off reason	Number of cases	Amount of debt written-off
Bankrupt	19	-£3,923.35*
Deceased	24	£16,988.07
Detained (in prison)	3	£379.48
Of ill health	1	£1,025.28
Uneconomical to recover	12	£1,834.23
Total		£16,303.71

**The amount written off under bankruptcy is showing as in credit, as this includes dividends, we receive from insolvency companies which show as a credit.*

Overpayment Subsidy

- 3.22 As Housing Benefit claimants migrate to UC Housing Costs, Housing Benefit expenditure will subsequently reduce, and the level of Housing Benefit subsidy will reduce with it.
- 3.23 The recovery of subsidy around overpayments is a particular concern. Where a Housing Benefit case has been overpaid, if there is an ongoing award of Housing Benefit, the overpayment will be recovered from ongoing payments. By doing this the authority maximises recovery opportunities and ensures the amount of subsidy against the overpayment is recouped.

- 3.24 However, once the case migrates to UC, the potential to continue recovering the remaining outstanding Housing Benefit overpayment significantly reduces as the recovery options are limited. There is also the impact of the outstanding overpayment to the subsidy claim and the ability to recoup subsidy already lost.
- 3.25 Where an overpayment is being recovered through deductions from ongoing benefit, full subsidy is claimed (as this is part of a claimant's HB award diverted to the debt rather than paid out) but, where cases migrate to UC, there will simply be no ongoing HB so no subsidy at all.
- 3.26 The issue is that where a claimant error overpayment occurs the LA can only recoup 40% of the value of the overpayment through the subsidy claim. So, unless the LA can recover the overpayment in full, it loses 60% subsidy on those overpayments. This is where the LA's finances could be hit.
- 3.27 Our Final Subsidy claim for 2023/24 identified £158,915 of claimant error overpayment of which we receive 40% subsidy = £63,566. Where we can recover the overpayment from ongoing benefit, we would be able to recoup the remaining 60%.
- 3.28 The impact of the loss is made worse for Prior Year overpayments. This is where an overpayment is created that spans a previous financial year. The LA will have claimed 100% subsidy on the expenditure as it relates to a previous financial year and would have been included in the Final Subsidy claim for that year. The LA in effect must pay back the DWP 60% of the value of the overpayment and has the 100% subsidy replaced with 40%.
- 3.29 Our Final Subsidy claim for 2023/24, identified £219,950 of claimant error overpayments being created for a previous financial year. We would have claimed 100% subsidy for this expenditure prior to the 2023/24 Final Subsidy claim. We would now have to pay back 60% of this expenditure to the DWP (£131,970). Where we can recover 100% of the overpayment from ongoing benefit, we would be able to recoup the 60% we had to payback.
- 3.30 Further migration could impact the recovery of Housing Benefit overpayments and recouping subsidy losses.

4. Corporate Priorities

- 4.1 This report is linked to the Corporate Plan under A Strong, Responsible and Accountable Council.
- 4.2 We will ensure the Council maintains a financially sound position, seeking to make best use of its staff resources, effective partnership working and maximising the opportunities of external funding and income.
- 4.3 We aim to provide effective and efficient delivery of the Benefits Service. Managing our finances 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 and exploring opportunities to work further with stakeholders and partner organisations.

5. Financial and Resource Implications

- 5.1 The information gained from this report will help improve monitoring and our ability to consider any risks in a more accurate way.
- 5.2 The Council could choose not to recover Housing Benefit overpayments, however in doing so, the Council would expose itself to reputational risk and scrutiny from the Department

for Work and Pensions and internal and external audit. It would also be unable to demonstrate that it is providing its residents and businesses with best value for money.

- 5.3 With the commencement of managed migration, as Housing Benefit claims end, a greater amount of debt will be transferred to the Open Revenues Sundry Debtor system for recovery. This could inhibit the amount of debt we collect and increase the timeframe over which debts are collected, imposing a financial risk to council finances around revenue and subsidy loss.
- 5.4 As a council we need to ensure our approach to debt recovery ensures debts are recovered in a targeted and efficient way, taking a collaborative approach to debt recovery and financial inclusion.
- 5.5 There are no expected resource implications as the management of Housing Benefit Debt recovery is resourced from within the team.

Comments from the S151 Officer

The Council makes every effort to collect outstanding debts and it is only after all avenues for recovery have been exhausted then a debt is considered for write off.

6. Legal Implications

- 6.1 The Council can collect monies owed under the following regulations which set out the definition of an overpayment and how it can be recovered:
- The Social Security Administration Act 1992; and
 - The Housing Benefit Regulations 2006.

Comments from the Monitoring Officer

This report details information relating to Housing Benefit debt recovery. There are no apparent specific governance or legal issues arising.

7. Risks

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

8. Net Zero Target

- 8.1 This report does not raise any issues relating to the net zero target. There is the potential to reduce issuing of recovery notices through better engagement and payment plans via online and Direct Debit channels.

9. Equality, Diversity, and inclusion

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

- 9.2 The Financial Inclusion Team and partnership working with the Citizens Advice is providing a positive impact on those with protected characteristics and is supporting households on a case-by-case basis.
- 9.3 Before writing off debt, the Council will satisfy itself that all reasonable steps have been considered to collect it and that no further recovery action is possible or practicable. It will consider the age, size, and types of debt, together with any other factors that it feels are relevant to the individual case. All write-offs are dealt with in the same fair and consistent way in line with equality and diversity issues.

10. Community Safety issues

- 10.1 This report does not raise any issues relating to the community safety issues.

11. Conclusions and recommendations

- 11.1 This is an annual report detailing the council's collection performance and debt management arrangements for 2023/24.

The report includes a:

- A summary of the work undertaken by the team.
- Housing Benefit Debt Recoveries performance.
- A summary of overpayment levels and recovery type.
- Known risks to performance.

- 11.2 This is a recommendation to Full Council to approve the annual report in relation to Housing Benefit Overpayment debt recovery and to approve the continued use of legislated recovery methods to ensure income maximisation for the council.

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BENEFIT OVERPAYMENT POLICY

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BENEFIT OVERPAYMENTS POLICY

1.0 COUNCIL RESPONSIBILITIES

- 1.1 The Council recognises that overpayments of benefit do occur. In order to reduce the loss to public funds the Council ensures that firm but fair action must be applied in the administration of overpayments. Positive action in the recovery of overpayments has a deterrent effect. However, in the overpayments process and that of recovering any overpayment of benefit the Council has the responsibility to:
- a) Act in accordance with Primary Legislation (being that of an Act of Parliament, Order or other Statutory Requirement).
 - b) Comply with the requirements of Secondary Legislation (being that of the Housing Benefit Regulations, Claims and Payment Regulations, Decision Making and Appeals Regulations etc).
 - c) Comply with any changes to the above stated Primary or Secondary Legislation.
 - d) Identify the overpayment promptly.
 - e) Stop the overpayment continuing.
 - f) Classify the overpayment correctly.
 - g) Determine if the overpayment is recoverable.
 - h) If recoverable:
 - Determine from whom recovery should be sought, and
 - Determine the most appropriate method of recovery.
 - i) Notify claimants and other affected persons of any decision in accordance with the regulations.

- j) Ensure implementation of effective financial control during the overpayments process.
- k) Pursue debt by the most effective recovery method.

2.0 BEST PRACTICE

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

3.0 APPLICATION OF THE POLICY

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

4.0 IDENTIFICATION OF OVERPAYMENTS

- 4.1 The Council will endeavour to act on any information received in relation to a claimant's change of circumstances within service target of having sufficient information to identify an actual or potential overpayment which has occurred or may be occurring.
- 4.2 Such action should, in the first instance, include suspending further ongoing payments of incorrect benefit.
- 4.3 The Council will endeavour to identify any changes of circumstances, resulting in an overpayment by:
 - a) Identifying communications from the DWP notifying of Income Support or Income based Jobseekers Allowance having stopped.
 - b) Identifying communications from fraud sections requiring action;
 - c) Identifying incoming post that indicates a change of circumstances.
 - d) Identifying internal post from area and other NNDC offices which indicates a change of circumstances

5.0 DECISIONS ON RECOVERABILITY

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

6.0 CLASSIFICATION OF OVERPAYMENTS

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

7.0 WHO SHOULD THE OVERPAYMENT BE RECOVERED FROM?

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

8.0 METHOD OF RECOVERY

- 8.1 Appropriate means of recovery should be considered in all cases under **Regulation 102 of the Housing Benefit Regulations 2006**. Recovery action should be taken by one of the following methods:-
- a) **Ongoing housing benefit deductions;** - The Regulation prescribes the maximum weekly deduction that can be made to recover an overpayment from ongoing entitlement. There are prescribed rates of deduction depending on whether the overpayment has arisen as a result of fraud or not. These rates may be updated annually by the Department for Work and Pensions on the 1st April.

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

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

8.3 The Housing Benefit Debt Service (HBDS) is administered by the DWP and allows us to retrieve the debtor’s employment, self-employment, and private pension information, as well as up to date address details, directly from the HMRC. This provides opportunity for LAs to apply for a Direct Earnings Attachment.

- 8.4 Where these recovery options do fail and we are unable to engage with the debtor and once a County Court Judgement has been obtained, we are able to consider use of High Court Enforcement. However, this recovery method is not currently being used by the Council due to concerns around undue financial hardship.
- 8.5 In respect of ongoing housing benefit deductions, the standard rates should be applied as per the amounts laid down in regulations, unless having regard to the health and/or financial circumstances and/or housing risk or need of the person from whom recovery is sought a lesser sum is deemed appropriate. Regulations provide that in all cases a minimum of 50p per week housing benefit must remain in payment.
- 8.6 Where the debtor has been made bankrupt, recovery should be sought via ongoing benefit entitlement or from other prescribed benefits before considering any further action such as a write-off or suspending recovery.
- 8.7 Where the case involves the death of a claimant, the deceased's representative or executor should be approached to seek recovery from the estate. In any case, the overpayment should not be recovered from ongoing benefit deductions from the surviving spouse.
- 8.8 'Excess Council Tax Support will be added back onto the Council Tax account and collected in accordance with the Council Tax recovery Regulations.

9.0 PERIOD OF OVERPAYMENT CALCULATION

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

10.0 CALCULATION OF OVERPAYMENTS

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

11.0 MAXIMUM AMOUNT

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

12.0 MAXIMUM PERIOD OF RECOVERY

- 12.1 In all cases the overpayment should be recovered as quickly as possible. However, the maximum period over which the debtor should be allowed to repay the overpayment is that of six years.

12.2 The maximum period of six years may be exceeded if the method of recovery is deductions from ongoing benefit entitlement of other DWP benefits, having regard to the maximum deductions allowed by the regulations.

13.0 DECISION NOTICES

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

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

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

14.0 RECOVERY OF OVERPAYMENT DEBT

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

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

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

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

15.0 POLICY PERFORMANCE

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

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

Rocket House, Cromer – Proposed new Long Term Lease agreement–	
Executive Summary	<p>The RNLI is a tenant at the Rocket House, Cromer, from where it has operated the Henry Blogg Museum. The organisation gave notice to the Council of its intention to vacate the premises in July 2024.</p> <p>To enable the RNLI to remain in occupation over the peak summer visitor period, a short-term temporary lease until 31 October 2024, was agreed. Thereafter the Council has agreed a programme of major works at the Rocket House to address the damp issues which it is proposed be completed over the winter and spring period, with the refurbished property being available for re-occupation from the summer of 2025.</p> <p>This report considers the terms under which a new long-term lease between the Council and RNLI might be agreed allowing the charity to re-occupy space on the ground and first floors of the Rocket House for the Henry Blogg Museum once the programme of works to the building are complete.</p>
Options considered	<p>Following previous Cabinet decisions, refurbishment works to address the long-term damp issues at the property are to be undertaken during the forthcoming winter and spring period, extending the life of the Rocket House building.</p> <p>In terms of the future lease of space on the ground and first floors of the Rocket House building the following options have been considered:-</p> <ol style="list-style-type: none"> 1. To obtain a market valuation and commence negotiations for a new long-term lease with the RNLI – recommended. 2. To advertise the vacant ground and part of the first floor demise on the open market to demonstrate best value – not recommended.
Consultation(s)	Local Members
Recommendations	<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Delegate authority to the Asset Strategy Manager (ASM) to arrange for an independent rental valuation of the space previously occupied by the RNLI so as to inform future negotiations for the long-term lease of these parts of the Rocket House building. 2. Request that the ASM undertakes additional enquiries as to the social, economic or environmental factors, as detailed in the General

	<p>Disposal Consent Order 2003, prior to agreeing a new long-term lease with the RNLI.</p> <p>3. Delegate authority to the ASM to enter into negotiations for the long-term lease of the premises</p> <p>4. To prepare a further report to Cabinet once negotiations with the RNLI are finalised to:</p> <ul style="list-style-type: none"> • Ensure Cabinet are satisfied that one or more of the General Disposals Consent Order 2003 criteria is met, • Inform the outcome of negotiations as to rent proposed, • Inform of the proposed lease Heads of Terms
Reasons for recommendations	To provide an opportunity to the RNLI tenant, subject due governance and successful negotiation, to return to the building, under a long-term lease following completion of repairs.
Background papers	N/A

Wards affected	Cromer Town and Suffield Park
Cabinet member(s)	Cllr L Shires, Cllr H Blathwayt, Cllr A Varley, Cllr L Withington
Contact Officer	Renata Garfoot Asset Strategy Manager. Renata.Garfoot@North-Norfolk.gov.uk

Links to key documents:	
Corporate Plan:	Investing in our local economy and infrastructure A strong responsible and accountable Council
Medium Term Financial Strategy (MTFS)	There are no savings or efficiencies made with this proposal
Council Policies & Strategies	Asset Management Plan 2018 - 2022

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	There is no exempt appendix with this report.
Details of any previous decision(s) on this matter	Cabinet – 15 th April 2024, Cabinet - 13 th May 2024

1. Purpose of the report

- 1.1 The purpose of the report is to seek approval to enter negotiations for the long-term lease with the existing RNLI tenant for occupation of parts of the Rocket House, Cromer

2. Introduction & Background

- 2.1 The Rocket House Building, Cromer is a mixed-use property with museum, café, public toilets, and lift, which is situated on the East promenade. The building is in need of repair, energy efficiency and net zero improvements. Having obtained detailed surveys and investigation of the building, it was agreed at the Cabinet meeting of 15th April 2024 to allocate the existing capital budget to address those repair issues and to undertake net zero and energy efficiency improvements. A detailed programme and scope of works in relation to this is now being prepared.
- 2.2 Also, at that Cabinet meeting officers were granted authority to commence negotiation of terms for a new lease with the existing RNLI tenant, with a further report back to Cabinet in accordance with governance procedures.
- 2.3 A report was presented to Cabinet on 13th May 2024, seeking authority for a short-term temporary lease, currently due to expire in October 2024. This would enable the RNLI to operate the museum during the current visitor season with the programme of repairs to the building being undertaken thereafter. This short term lease is now in place.
- 2.4 Early discussions with the RNLI regarding a longer-term lease are underway. If negotiations are successful, and subject to the Council's governance obligations, this would allow the Henry Blogg museum to return to the building, once the programme of works are complete

3. Proposals and Options

- 3.1 Following completion of the repairs and improvements in 2025, the the RNLI have confirmed they would wish to agree a longer-term lease to allow their Henry Blogg Museum operation to return to the building.
- 3.2 Initial lease terms have been proposed by the RNLI on a similar basis to their previous lease of the property in the period from 2019 to 2024. Officers need to consider this proposal and will seek to negotiate the best terms possible for the Council. in accordance with the Council exercising its fiduciary duty and complying with best value requirements.
- 3.3 Officers therefore seek Cabinet authority to obtain an independent rental valuation of a lease of that part of the building to be occupied by the RNLI museum, which, once completed, will enable Members to further consider the authority's position with respect to a longer-term lease proposal so as to demonstrate compliance with the General Disposals Consent order 2003. This approach would recognise that the RNLI had been a partner of the Council in the development of the Rocket House building and contributed £375,000 at the time of its original construction, securing a long occupation of parts of the building for a museum recognising the history of the RNLI in Cromer; whilst acknowledging that the Council as landlord has significant ongoing

responsibilities for the repair and maintenance of the Rocket House building, the costs of which cannot be expected to be met on an ongoing basis by District Council tax payers. Some agreement therefore needs to be reached with the RNLI as to the future terms under which the charity would continue to occupy space within the Rocket House development.

- 3.4 Alternatively, the Council could advertise the property on the open market to establish demand for a letting of that part of the property and to demonstrate best financial value.
- 3.5 Other options for the building, including a disposal have previously been presented to Cabinet and are now discounted as a decision to repair and improve the premises allowing for future occupation has been agreed by Cabinet.

4. Corporate Priorities

- 4.1 This proposal aligns to the following Corporate Plan priorities:
- 4.2 Investing in our Local Economy and Infrastructure by continuing to promote North Norfolk's diverse tourism and visitor offer.

5. Financial and Resource Implications

- 5.1 The initial proposed lease terms from the RNLI, are based on the existing lease, however as the Council is now intending to invest £1m into the repair and improvement of the building, the authority needs to carefully consider the terms of any new lease so that future costs of the building are shared equitably between occupiers through agreement of new rental and service charges.
- 5.2 Other terms and conditions relating to the occupation of the building and vacating at the end of the lease will also need to be considered.
- 5.3 The Council has a duty under s.123 Local Government Act 1972 to obtain best value. The starting position is that best financial consideration be obtained from the Council's property assets, though a departure from this may be permitted in certain circumstances, including where it is considered that the disposal of an asset through sale or lease is likely to achieve one of the objectives in the General Disposals Consent Order 2003, one of which is where the disposal is likely to contribute to the promotion or improvement of social, economic or environment well-being, in the whole or part of its area, of all or any residents in its area.
- 5.4 An independent valuation of the premises for lease purposes is therefore to be commissioned as part of the governance process.

Comments from the S151 Officer:

The S151 Officer (or member of the Finance team on their behalf) will complete this section.

As the Section 151 Officer, I have a responsibility to ensure that best value is obtained from the use of our assets. If the Council departs from this best consideration position, it needs to be able to demonstrate that this was a

legitimate course of action agreed by members through the Council's governance framework (ie this is not an officer decision).

6. Legal Implications

- 6.1 Eastlaw are able to advise on lease terms and have previously provided advice regarding the Council's public law obligations for the lease of the premises.
- 6.2 Local Authorities are expected, under the Local Government Act 1972, to dispose of land (which includes leasing) for the best consideration that can reasonably be obtained. Best consideration is not limited to the purchase price or rental value but may include a term or condition attached to the disposal which identifies a specific commercial benefit to the vendor.
- 6.3 Departures from the best financial value principle, require consent from the Secretary of State, or must be in accordance with the LGA 1972 General Disposals Consent Order 2003. This Order permits the Council to consider a lease disposal at less than best financial consideration if there are clear environmental, social or economic benefits and that the 'under value' is less than £2,000,000.
- 6.4 There is a requirement to comply with subsidy control rules.
- 6.5 Where departing from the best value requirement, and relying on the General Disposals Consent Order, there must be clear grounds identified to do so.

Comments from the Monitoring Officer

The Monitoring Officer (or member of the Legal team on behalf of the MO) will complete this section. They will outline any legal advice provided.

The Council has a fiduciary duty to deal prudently with its assets, and the starting position is that it is required to obtain best consideration. The General Disposals Consent Order 2003 does allow departure from that starting position, but the grounds are limited. Members should only depart from seeking best consideration where the disposal is likely to contribute to the achievement of the promotion or improvement of economic, social or environmental well-being for the area or all/any persons resident or present in the area. The recommendations in this report enable such enquiries to be made with a view to protect the Council's position.

7. Risks

- 7.1 Typical lease risks apply regarding arrears, dilapidations issues at the property and this can be mitigated with good asset management.

8. Net Zero Target

- 8.1 The Rocket House property and tenant are accounted for in the Council's current carbon emissions, and it is expected that with energy efficiency improvements being undertaken to the building as part of the programme of repair works that a reduction in carbon emissions will be achieved.
- 8.2 A Climate Impact Assessment has been undertaken regarding the lease proposal, which highlights opportunities for the use of sustainable materials as part of the improvement works.
- 8.3 Green clauses within the lease regarding the tenants taking measures to reduce energy consumption will be added to the new lease.

8.4 A decarbonisation action plan to Net Zero for their operations in the building is a further mitigation.

9. Equality, Diversity & Inclusion

9.1 There are no equality, diversity & inclusion impacts with this proposal.

10. Community Safety issues

10.1 There are no community safety issues with this proposal.

11. Conclusion and Recommendations

11.1 The RNLI is an existing tenant at the Rocket House, Cromer from where it operates the Henry Blogg Museum. This charitable organisation gave notice to vacate the premises in July 2024 and a short-term temporary lease until 31 October 2024, has been agreed. This lease enables the RNLI to remain in occupation over the summer period.

11.2 Following completion of the repairs and improvements in 2025, the Rocket House building will be available for re-occupation and the RNLI have confirmed they wish to agree a longer-term lease to return to the building to continue their museum service.

11.3 It is recommended that Cabinet:

1. Delegate authority to the Asset Strategy Manager (ASM) to arrange for an independent rental valuation of the space previously occupied by the RNLI so as to inform future negotiations for the long-term lease of these parts of the Rocket House building.
2. Request that the ASM undertakes additional enquiries as to the social, economic or environmental factors, as detailed in the General Disposal Consent Order 2003, in agreeing a new long-term lease with the RNLI.
3. Delegate authority to the ASM to enter into negotiations for the long-term lease of the premises
4. To prepare a further report to Cabinet once negotiations with the RNLI are finalised to:
 - Ensure Cabinet are satisfied that one or more of the General Disposals Consent Order 2003 criteria is met,
 - Inform the outcome of negotiations as to rent proposed,
 - Inform of the proposed lease Heads of Terms

Leases for the Fakenham Leisure and Sports Hub Project	
Executive Summary	<p>To deliver the Fakenham Leisure and Sports Hub project legal agreements are required to secure the land and transfer the Leisure Centre Operators rights and obligations to the new facilities.</p> <p>This report outlines the legal agreements required to deliver the project and seeks approval to enter into those legal agreements.</p>
Options considered.	No alternative options were considered as the legal agreements are required to deliver the Fakenham Leisure and Sports Hub project.
Consultation(s)	<p>Steve Hems - Director for Communities (Project Lead)</p> <p>Octavia Holman - Solicitor, Eastlaw</p> <p>Erika Temple - Corporate Programme and Project Manager</p>
Recommendations	<p>It is recommended to Cabinet to provide approval to:</p> <ul style="list-style-type: none"> • Surrender of the lease for the existing leisure centre site to enable the new lease to be entered into. • Enter into a new 99-year Lease with Fakenham Town Council for the site, which is required to develop the proposed extended leisure centre and 3G all-weather pitch. • Surrender the current sub-lease to Leisure Centre Operator for the existing Leisure centre. • Enter into a new Lease with Leisure Centre Operator for the redeveloped leisure centre for the duration of their leisure contact. • Enter into short term legal agreements with the Leisure Centre Operator to allow them to continue occupation of existing leisure centre during the redevelopment works. • Delegate approval to the Asset Strategy Manger to agree the exact terms of the above legal agreements.
Reasons for recommendations	To facilitate the delivery of the Fakenham Leisure and Sports Hub project, approved at Full Council on the 20 th of December 2023
Background papers	<p>Report to Full Council – 27th July 2022</p> <p>Report to Full Council –20th December 2023</p>

Wards affected	Fakenham wards (Lancaster North and South); and wards in the west of the district including Briston, Priory, Stibbard, Stody, The Raynhams, Walsingham; Wells with Holkham.
Cabinet member(s)	Cllr, L Shires
Contact Officer	Milo Creasey – Trainee Estates Surveyor - milo.creasey@north-norfolk.gov.uk Renata Garfoot - Asset Strategy Manger - Renata.Garfoot@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	The 2023-2027 Corporate Plan themes - Developing our Communities and A Strong, Responsible and Accountable Council
Medium Term Financial Strategy (MTFS)	The contents of this report do not directly impact upon the MTFS. Wider financial implications of the Fakenham Leisure and Sports Hub have been considered in earlier reports to Full Council.
Council Policies & Strategies	Asset Management Plan 2018 - 2022

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	Yes. There is no private or confidential information to be considered by this report.
Details of any previous decision(s) on this matter	Report to Full Council –20th December 2023.

1. Purpose of the report

- 1.1 The purpose of this report is to seek agreement to the legal documentation required to facilitate the Fakenham Leisure and Sports Hub Project.

2. Introduction & Background

- 2.1 The existing Fakenham Leisure Centre is located on Trap Lane on the North Western edge of Fakenham.
- 2.2 Fakenham Town Council owns the freehold of the site of the existing Leisure Centre and the land directly to the north of the site.

- 2.3 The Council has a 120-year lease for the existing Fakenham Leisure Centre site which commenced in 2003 and has a term 99 year remaining, which is due to expire in 2123. The rent for this lease is £1 per annum.
- 2.4 The Council have granted a 10-year sub-lease of the site to the Leisure Centre Operator which commenced in 2019 in line with their wider leisure services contract.
- 2.5 The Council was successful in bidding for Levelling Up monies to build an extended facility and refurbish the existing Fakenham Sports Centre, allowing the Council to further enhance its quality leisure facilities offer to communities in the west of the District.
- 2.6 In order to accommodate a larger leisure centre and 3G pitches, a larger site area is required, this therefore requires that a new lease be entered into with Fakenham Town Council. Following initial discussion Fakenham Town Council have indicated that they are agreeable to this.

3. Proposals and Options

To deliver the Fakenham Leisure and Sports Hub project, a lease between Fakenham Town Council (the landowner) and the Council, incorporating the extended site area, is required. In addition, the Leisure Centre Operators current lease needs to be updated to incorporate the new facilities.

3.1 Lease from Fakenham Town Council to The Council

- 3.1.1 It is proposed that an agreement to lease (Legal Contract) is entered into with Fakenham Town Council. This will secure the Lease for the extended demise while planning consent and other project actions are progressed.
- 3.1.2 Once permissions are approved the exiting lease can be surrendered and the new lease can be completed. The new lease will include the land required to deliver the project which is owned by Fakenham Town Council.

3.2 Lease From the Council to the Leisure Centre Operator

- 3.2.1 An agreement to lease with the Leisure Operator will be entered into to transfer their existing rights and obligations to the new facilities. Their lease will commence on completion of the works and be for the remaining term of the Leisure contact approx. 5 years.
- 3.2.2 The proposal is for the Leisure Operator's lease to be surrendered prior to the commencement of works on site as their demise will be affected by the redevelopment. An interim legal agreement will be entered into to allow the Leisure Operator to remain in occupation during the works.

3.2.3 When the works are completed the Leisure operators new lease will commence.

3.3 **Alternative options.**

3.3.1 No alternative options were considered as the legal agreements are required to deliver the Fakenham Leisure and Sports Hub project.

4. **Corporate Priorities**

4.1 Delivery of the Fakenham Leisure and Sports Hub project supports the Council's Corporate Plan themes – Developing our Communities and A Strong, Responsible and Accountable Council.

5. **Financial and Resource Implications**

5.1 Officer time is required to process the proposed legal agreements recommended in this report.

5.2 NNDC to pay Fakenham Town Council's reasonable legal fees in connection the processing of the legal agreements in this report.

5.3 Wider financial and resource implications regarding the development of the facility have been considered in earlier project reports.

5.4 Rent payable to the Town Council for the new lease is as per the current lease at £1 per annum.

Comments from the S151 Officer:

The new lease arrangement with Fakenham Town Council will be similar to the previous arrangement with a peppercorn rent being paid over the term of the lease. This lease is needed is progress with the FLASH project.

There will be an interim legal arrangement with the Leisure operator to enable them to continue occupation of the current building while the work is completed.

Neither lease represents a high risk to the Council.

6. Legal Implications

- 6.1 The leases and other legal agreements proposed in this report will oblige that all parties, to adhere to the terms agreed.

Comments from the Monitoring Officer

The proposed new lease with Fakenham Town Council appears necessary to further the FLASH project. The other proposed arrangements regarding the Leisure Centre operator will allow them to operate during the redevelopment works.

7. Risks

- 7.1 The legal agreements outlined in this report and formal registration of land are required to deliver the Fakenham Leisure and Sports Hub project.
- 7.2 If leases cannot be implemented or are delayed, due to issues with formal land registration, 3rd party negotiations, funding conditions or gaining planning and other consents the wider project could be delayed.
- 7.3 Wider project risks have been included a Project risk register and appropriate entries have been entered into the Corporate Risk Register

8. Net Zero Target

- 8.1 Covered in approved report to Full Council on the 20th of December 2023.

9. Equality, Diversity & Inclusion

- 9.1 Covered in approved report to Full Council on the 20th of December 2023.

10. Community Safety issues

- 10.1 Covered in approved report to Full Council on the 20th of December 2023.

11. Conclusion and Recommendations

11.1 The legal agreements proposed in this report are required to deliver the Fakenham Leisure and Sports Hub project.

11.2 It is recommended that Cabinet provide approval to:

1. Surrender of the lease for the existing leisure centre site to enable the new lease to be entered into.
2. Enter into a new 99-year Lease with Fakenham Town Council for the site, which is required to develop the proposed extended leisure centre and 3G all-weather pitch.
3. Surrender the current sub-lease to Leisure Centre Operator for the existing Leisure centre.
4. Enter into a new Lease with Leisure Centre Operator for the redeveloped leisure centre for the duration of their leisure contact.
5. Enter into short term legal agreements with the Leisure Centre Operator to allow them to continue occupation of existing leisure centre during the redevelopment works.
6. Delegate approval to the Asset Strategy Manger to agree the exact terms of the above legal agreements.

North Walsham Football Club Lease	
Executive Summary	Cabinet previously agreed on 5 th July 2021 a lease renewal for 21 years, to the existing tenants, The Trustees of North Walsham Football Club. In order to secure funding for a 3G pitch and improvements a longer lease of 25 years is required.
Options considered.	Options previously outlined in 5 th July 2021 Cabinet report.
Consultation(s)	Leisure and Locality Services Manager Local Members
Recommendations	It is recommended that Cabinet: <ul style="list-style-type: none"> • Agree to a 25-year lease as outlined in the exempt appendix.
Reasons for recommendations	In order for the existing tenant to secure funding for improved facilities at the North Walsham Football Club.
Background papers	None.

Wards affected	North Walsham
Cabinet member(s)	Cllr, L Shires, Cllr L Withington
Contact Officer	Renata Garfoot. Asset Strategy Manager. Renata.Garfoot@North-Norfolk.gov.uk

Links to key documents:	
Corporate Plan:	Developing our communities
Medium Term Financial Strategy (MTFS)	The proposed new rent is increased generating additional income to the Council during the lease term.
Council Policies & Strategies	Asset Management Plan 2018 - 2022

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	Exempt appendix including commercial sensitive financial information.
Details of any previous decision(s) on this matter	Cabinet report 5 th July 2021

1. Purpose of the report

- 1.1 The purpose of the report is to seek further approval to complete a lease renewal to the existing tenants, the Trustees of North Walsham Football Club for the Council's land and property asset at Greens Lane, North Walsham.

2. Introduction & Background

- 2.1 The North Walsham Football Club have been tenants at Greens Road, North Walsham since at least 1992, with the current lease due to expire 25th December 2025. See a site plan in appendix A.
- 2.2 The Club wish to apply for funding from the Football Association for a 3G football pitch and other improvement works and in order to do this they require longer term security.
- 2.3 A report was presented at the 5th of July 2021 Cabinet meeting, proposing a lease renewal for a 21-year period, which was agreed.

3. Proposals and Options

- 3.1 In order to secure funding, it is proposed that a new lease be agreed for a longer period of 25 years. Further terms are set out in the exempt appendix.
- 3.2 It is also proposed to widen the use of the existing lease to enable the tenants to utilise the building and pitches, for alternative income generation, when not in use for football use in order to maintain financial sustainability.

4. Corporate Priorities

- 4.1 This proposal aligns to the following Corporate Plan priorities:
- 4.2 Developing our communities, by Championing North Norfolk as a place where residents and visitors can enjoy inclusive cultural opportunities and healthy leisure and sports activities.

5. Financial and Resource Implications

- 5.1 A new rent and capital repayment terms have been proposed in the heads of terms, with further details in the exempt appendix.

Comments from the S151 Officer:

<p>This report is being brought before members to agree to extend the lease by a further 4 years, from the previously agreed 21 years, so that the Club is able to obtain grant funding. The terms of the lease give the Council increases in lease rental over the full 25-year term of the lease.</p>

6. Legal Implications

- 6.1 Eastlaw are advising on the lease renewal.

Comments from the Monitoring Officer

A lease renewal (21 years) to this tenant was agreed by Cabinet three years ago. The longer period (25 years) allows the club to secure funding to make significant improvements to the facilities. Eastlaw is able to assist with any advice on renewal or drafting.

7. Risks

- 7.1 Typical lease risks including rent arrears and dilapidations may arise but can be mitigated through good asset management.

8. Net Zero Target

8.1

The recommendation has no additional impact on the Council's Net Zero Strategy as the lease is a ground lease only, with the Football Club owning the building and structures on the site.

The Net Zero implications of any further development of the site, such as provision of a new 3G pitch, through mitigation or off-setting will need to be considered at the time of any planning permission being sought for new development.

9. Equality, Diversity & Inclusion

- 9.1 The football club's proposed investment in new and expanded facilities at the Greens Road, North Walsham site seeks to respond to the growing participation of women and girls in competitive football and the provision of new and expanded sports facilities for the local community, increasing inclusion and participation in sport.

10. Community Safety issues

- 10.1 There are no community safety issues anticipated with this proposal.

11. Conclusion and Recommendations

- 11.1 Cabinet previously agreed on 5th July 2021 a lease renewal for 21 years, to the existing tenants, The Trustees of North Walsham Football Club. In order to secure funding for a 3G pitch a longer lease of 25 years is required.
- 11.2 It is recommended that Cabinet approve a 25-year lease as outlined in the exempt appendix.

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Property Cromer Promenade – Rent Review	
Executive Summary	<p>There is a rent review provision within the lease for a property on Cromer promenade which allows the Council to increase the rent to market value.</p> <p>Officers have carried out a market assessment to determine the open market rent of the property as set out in the exempt appendix. The proposed rental level is therefore considered to achieve best value.</p>
Options considered.	<ul style="list-style-type: none"> • Keep rent the same. • Increase rent review to market value.
Consultation(s)	<p>Tenants Cllr. Lucy Shires – Portfolio Holder for Finance, Estates & Property Services Cllr. Tim Adams – (Local member) Cllr Jill Boyle – (Local member)</p>
Recommendations	<p>Cabinet Resolution required.</p> <ul style="list-style-type: none"> • To approve the proposed rental increase outlined in the exempt appendix. • To delegate authority to the Asset Strategy Manager to sign the rent review memorandum.
Reasons for recommendations	<p>To support the Council's Corporate Plan objective in managing the Council finances and contracts robustly.</p> <p>To comply with the Council obligation under the Section 123 of the Local Government Act to achieve best value.</p>
Background papers	NA

Wards affected	Cromer Town
Cabinet member(s)	Cllr. Lucy Shires – Portfolio Holder for Finance, Estates & Property Services
Contact Officer	Milo Creasey, Estates Surveyor Trainee milo.creasey@north-norfolk.gov.uk Renata Garfoot, Asset Strategy Manager renata.garfoot@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	A strong responsible and accountable Council
Medium Term Financial Strategy (MTFS)	Proposal will generate long term financial revenue income to the Council.
Council Policies & Strategies	Asset Management Plan 2018 - 22

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	NA
Details of any previous decision(s) on this matter	Surrender and renewal to the current lease was agreed by Cabinet on 03/08/2020

1. Purpose of the report

- 1.1 The purpose of the report is to seek Cabinet approval to complete a rent review in accordance with the lease terms for this property and the Asset Management Plan.

2. Introduction & Background

- 2.1 The property, an amusement arcade, is located in a prime location on Cromer promenade.
- 2.2 The lease for the property was agreed by Cabinet on 03/08/2020 for a period of 20 years commencing on 05/03/2021. The lease allows the Council as landlord to review the annual rent to an open market level in April on every fourth year within the lease term.
- 2.3 This report outlines the proposed rent review that was due on the 1st of April 2024.
- 2.4 Officers have had negotiations with the tenant and an increased rent has been agreed in principle, subject to Cabinet approval.

3. Proposals and Options

- 3.1 It is proposed to increase the rent to be in line with market rents as outlined in the exempt appendix.
- 3.2 The alternative option was to not increase the rent. This option was discounted as the new rent proposed is in line with market rents which have increased since the lease was agreed.

4. Corporate Priorities

- 4.1 This proposal aligns with the Council's Corporate plan priority to create a strong responsible and accountable Council by providing increased revenue income.

5. Financial and Resource Implications

- 5.1 Officer resource is required to process the rent review.

Comments from the S151 Officer:

Any increase in rent will contribute to improving the immediate financial position and over the life of the Medium-Term Financial Plan.

6. Legal Implications

- 6.1 The rent review has been carried out in accordance with the terms of the lease agreement.
- 6.2 If approved by Cabinet the rental increase will be documented by a memorandum to be signed by both parties.

Comments from the Monitoring Officer

So as to achieve best value in accordance with the Council's obligations, there has been a market assessment resulting in this proposed rental increase as part of the rent review.

7. Risks

- 7.1 See exempt appendix.

8. Net Zero Target

- 8.1 The recommendation has no additional impact on the Council's Net Zero Strategy as the building is exiting with no operational changes the lease is a ground lease only, with the tenant owning the building and structures on the site.

9. Equality, Diversity & Inclusion

- 9.1 There are no equality, diversity and inclusion implications identified with this proposal.

10. Community Safety issues

- 10.1 There are no community safety issues implications identified with this proposal.

11. Conclusion and Recommendations

- 11.1 Under the terms of the lease the Council has a rent review provision for this property which allows the Council to increase the rent to the current market value.
- 11.2 Officers have carried out a market assessment to determine the open market rent of the property as set out in the exempt appendix. The proposed rental level is therefore considered to achieve best value.
- 11.3 It is recommended that Cabinet approve the proposed rental increase and delegate authority to the Asset Strategy Manger to sign the rent review memorandum.

Fakenham Industrial Unit Lease Renewal	
Executive Summary	<p>The lease for this industrial unit, owned by the District Council, is due for renewal. The tenant is an established business providing skilled jobs in the district.</p> <p>Options, which look to demonstrate the Council's best value duties, have been considered including renewing the lease on improved terms, marketing the property for reletting, and selling the property.</p> <p>Granting a new lease at the property on improved terms will secure the Council's revenue income from the property at a market rent ensuring best value is achieved.</p> <p>Granting a new lease at the property will provide security to the tenant's business and secure local jobs in the district.</p> <p>It is recommended that Option 1 to agree new lease with the existing tenant at a higher rent is taken forwards.</p>
Options considered.	<p>The following options have been considered to ensure the Council achieves best value from the letting of the property:</p> <ul style="list-style-type: none"> • Option 1 - Agree new lease and rent increase with the existing tenant. – Recommended. • Option 2 - End the tenant's occupation and relet the premises – Not recommended. • Option 3 - Sale of the property - Not recommended.
Consultation(s)	<p>Tenant Andrew Woodley - Surveyor Stuart Quick - Economic Growth Manager Kate Rawlings - Climate & Environmental Policy Manager</p>
Recommendations	<p>Resolution for Cabinet to approve:</p> <ul style="list-style-type: none"> • A new lease with the existing tenant as per Option 1 detailed in the exempt appendix. • Delegate approval to the Asset Strategy Manager to agree the exact terms of the above legal agreement.
Reasons for recommendations	<ul style="list-style-type: none"> • Granting a new lease at the property will secure the Council's revenue income from the property at a market rent ensuring best value is achieved in line with the Council obligation under the Section 26 of the Local Government Act. • Granting a new lease at the property will provide security to the tenant's business and secure skilled jobs in the district.

Background papers	N/A
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Wards affected	Lancaster North Lancaster South
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Milo Creasey – Trainee Estates Surveyor - milo.creasey@north-norfolk.gov.uk Renata Garfoot - Asset Strategy Manager - Renata.Garfoot@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	A strong responsible and accountable Council
Medium Term Financial Strategy (MTFS)	The proposal secures an increased income from this asset for the duration of the lease term.
Council Policies & Strategies	Asset Management Plan 2018 - 2022

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	Yes. Commercially sensitive information has been included in the exempt appendix.
Details of any previous decision(s) on this matter	NA

1. Purpose of the report

- 1.1 The purpose of the report is to seek Cabinet approval to renew the current tenants lease for the Fakenham industrial unit with an increased annual rent in accordance the Asset Management Plan.

2. Introduction & Background

- 2.1 The property, an industrial unit, is located centrally within Fakenham.
- 2.2 The current lease for the property commenced in September 2013 and is now due for renewal.

- 2.3 This report outlines the proposal to renew the tenants lease for a further 10 years at an increased rent in line with market rents.

3. Proposals and Options

- 3.1 Officers have had negotiations with the tenant to renew their lease with an increased rent which has been agreed in principle and proposed as per the Exempt Appendix.

- 3.2 **Option 1 - Agree new lease and rent increase with the existing tenant – this is the officer recommendation.**

- 3.2.1 To renew the lease with the existing tenant at an increased rental level in line with market rent, as outlined in the exempt appendix.

- 3.3 **Option 2 - End the tenant's occupation and relet the premises – not recommended.**

- 3.3.1 There are risks to the Councils revenue income associated with advertising the premises for re-let including not finding a new tenant and potential void costs.

- 3.3.2 This option is discounted as the current tenant is considered to be a good covenant and provides skilled jobs in the district.

- 3.4 **Option 3 - Sale of the property – not recommended.**

- 3.4.1 A sale of the property has been considered however has been discounted due to the loss of revenue income to the Council.

4. Corporate Priorities

- 4.1 This proposal aligns with the Councils Corporate Plan priority to create a strong responsible and accountable Council by providing increased revenue income.

5. Financial and Resource Implications

- 5.1 Officer resource is required to process the lease renewal.

- 5.2 The Council has obtained two valuations for the property to demonstrate best value has been achieved in accordance with the Asset Management Plan.

- 5.3 Further financial implications have been included in the exempt appendix.

Comments from the S151 Officer:

The recommended option, being option one, provides us with a source of income for the next 10 years from a known tenant and therefore the level of risk associated with renewing the lease is low.

6. Legal Implications

- 6.1 The new lease will oblige the Council and tenant to adhere to the conditions of the lease for the lease term.
- 6.2 Eastlaw will advise on the lease transaction.

Comments from the Monitoring Officer

This lease for renewal is subject to best value considerations. Such appear to have been considered. If option 1 is chosen (subject to agreeable terms), this would tie in the Council for a number of years and the Council should receive the income as detailed in the appendix from a leaseholder, with a good history, and who has occupied the premises for a considerable time. There are no additional governance observations, but the legal department is available to assist with any drafting or legal work resulting from the Members' decision.

7. Risks

- 7.1 If a new lease is not agreed there is a potential for loss of revenue.
- 7.2 As with all commercial lettings there is a risk of unpaid rent and the tenant not complying with their repair obligation, however the tenant is an established business and is considered to offer good covenant strength.
- 7.3 Impact on local jobs and detrimental impact on the tenant's business if a new lease is not agreed.

8. Net Zero Target

- 8.1 The Council's Net Zero Strategy & Action Plan identified leased building emissions and a commitment to reduce carbon by improving energy efficiency. If the Council were to sell this property there would be a reduction in the Council's own emissions, but little impact to the district as the operational carbon consumption would likely continue at the same rate if the building was privately owned.
- 8.2 The proposed new lease would include green clauses to support the Council and tenant to work cooperatively to minimize carbon emissions generated from the property.

9. Equality, Diversity & Inclusion

- 9.1 There are no equality, diversity and inclusion implications identified with this proposal.

10. Community Safety issues

- 10.1 There are no community safety issues regarding the continuation of the current tenant occupation of the property.

11. Conclusion and Recommendations

- 11.1 The existing tenant has been in occupation over 20 years and their business is well established and provides local jobs.
- 11.2 Granting a new lease with a rental increase with the existing tenant will secure revenue income for the Council from the property at a market value, therefore ensuring best value is achieved in line with the Council obligation under the Section 26 of the Local Government Act.
- 11.3 Granting a new lease at the property will provide security to the tenant's business and continued support for local skilled jobs in the district.
- 11.4 It is recommended that Option 1, as outlined in the Exempt Appendix, is approved for a new lease with the existing tenant at a higher rent.

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Seasonal Overflow Car Park – Gold Park, Mundesley	
Executive Summary	This report proposes regularising the arrangements in place for the use of part of Gold Park, Mundesley as seasonal overflow parking.
Options considered.	<p>The following options have been considered to ensure the District Council achieves best value from parking income at Beach Road Car park.</p> <ol style="list-style-type: none"> 1) Agree a short-term Licence as per Option 1 set out in the exempt appendix and monitor car park use to inform future decisions. 2) Stop operating the overflow car park on Gold Park as part of the wider District Council owned Beach Road Car Park. 3) Charge a fixed management fee to provide car park services. 4) Installation of a dedicated parking meter for the overflow carpark. 5) Seek to acquire the car park or wider Gold Park area.
Consultation(s)	<p>Cllr. Wendy Fredericks (Local member) Cllr. Lucy Shires (Portfolio holder) Landlord/ Owner of the land</p>
Recommendations	<p>Resolution for Cabinet to approve:</p> <ul style="list-style-type: none"> • A short-term licence as detailed in Option 1 of the exempt appendix. • Delegated authority to the Asset Strategy Manager to commence negotiation of terms for a new lease.
Reasons for recommendations	<p>A short-term licence agreement would allow the District Council to utilise a grassed area in the centre of the Gold Park public open space in Mundesley as overflow parking from the adjoining surfaced District Council owned Beach Road Pay and Display car park during peak periods when demand for parking is at its highest and provide data on the extent of usage to inform future decisions and equitable sharing of income between the District Council and the Landlord thereby ensuring that best value is achieved from the site.</p>
Background papers	N/A

Wards affected	Mundesley
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Milo Creasey, Estates Surveyor Trainee milo.creasey@north-norfolk.gov.uk Renata Garfoot, Asset Strategy Manager renata.garfoot@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	Investing in our local economy and infrastructure A strong responsible and accountable Council
Medium Term Financial Strategy (MTFS)	The proposal will provide continued revenue income from car parking fees.
Council Policies & Strategies	Asset Management Plan 2018 - 22

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	<p>Information in this appendix involves the likely disclosure of exempt information as defined in paragraph 3, Part 1 of schedule 12A (as amended) to the Local Government Act 1972.</p> <p>This paragraph relates to:</p> <p>Para 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>The public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:</p> <p>The information is commercially sensitive, relating to income and financial arrangements between the Council and another entity. Releasing this information would be likely to prejudice this entity and the Council in obtaining best value.</p>
Details of any previous decision(s) on this matter	N/A

1. Purpose of the report

- 1.1. The purpose of the report is to present to Cabinet, a proposal to regularise the existing arrangement for the use of Gold Park as an overflow car park for the adjoining Beach Road Car park in Mundesley following review of the existing agreement.

2. Introduction & Background

- 2.1. The District Council owns and manages Beach Road Car Park in Mundesley as a public pay and display car park. It is a surfaced car park with 79 parking spaces. Areas A and B indicated on the plan in Appendix A shows the District Council owned land.
- 2.2. Since 2008, the District Council, has operated an overflow car park to the Beach Road Car Park on the adjoining Gold Park. Typically, the overflow car park is operated from April through to the end of September. It is estimated that up to 131 cars could park in the overflow, when at full capacity. Area C indicated on Appendix A shows the area of Gold Park used as the overflow carpark. The wider Gold Park consists of a play area, and a large grass field used as a playing field, cricket pitch, car boot site, and site for other local events.
- 2.3. Information provided by the Landlord indicates the current arrangement has been in place since 2008 when the District Council gifted some adjoining land to the Landlord which they improved for public recreational use through the provision of a skatepark, outdoor gym and picnic area.
- 2.4. The current arrangement for use of Gold Park for seasonal parking is informal which creates a risk of unclear responsibilities at the site and gives no security for either party for the continued use of the site for car parking and income generation.
- 2.5. The income produced from the car park, is shared between the District Council and Landlord. This shared revenue arrangement accounts for the majority of the income the Landlord generates, which it uses to fund the repairs and maintenance of the park and its play area.

3. Proposals and Options

- 3.1. The following options have been considered to ensure the District Council achieves best value from parking income at the Beach Road Car Park, Mundesley.
 - 1) Agree a short-term Licence as per Option 1 set out in the exempt appendix and monitor car park use to inform future decisions. The recommended option

- 2) Stop operating the overflow car park on Gold Park as part of the wider Council owned Beach Road Car Park. This option has been discounted because of the detrimental impact the loss or shortage of seasonal parking would have on the local village economy, which is dependent on the village being a popular seaside destination.
- 3) Charge a fixed management fee to provide car park services.
- 4) Installation of a dedicated parking meter for the overflow carpark.
- 5) Seek to acquire the car park or wider Gold Park area.

4. Corporate Priorities

- 4.1. This proposal aligns to the following Corporate Priorities:
- 4.2. A strong responsible and accountable Council, by generating revenue income to help provide Council services and reduce financial burden.
- 4.3. Investing in our local economy and infrastructure, by providing car parking to the local community and tourism sector.

5. Financial and Resource Implications

- 5.1. Staff resource is required to process the legal agreements and managing the land.
- 5.2. Further financial implications outlined in the exempt appendix B.

Comments from the S151 Officer:

<p>The continued use of the overflow car park is recommended as it needed and generates additional income for the Council during the peak season. Option 1 would provide the best solution in introducing a formal arrangement for the use of the car park and the split of income. It also formalises responsibilities for repairs and maintenance which is beneficial to both the Council and the Landlord.</p>

6. Legal Implications

- 6.1. The current use of Gold Park as an overflow car park is undocumented and this creates a risk to the District Council as current liabilities are unclear. A License agreement will clarify responsibility for repair and insurance responsibilities.
- 6.2. Legal advice on the terms of a new agreement will be sought.
- 6.3. Further legal implications can be found in Exempt Appendix B.

Comments from the Monitoring Officer

Currently there is no formal agreement in place to protect income received by the Council at this car park. Option 1 provides a plan towards regularising this situation, and a fairer deal.

7. Risks

- 7.1. If no action is taken there is a risk that the liabilities (Maintenance, insurance etc) at the site and fees continue to be unclear and could result in additional costs to the District Council.
- 7.2. If no action is taken to formalise the legal agreement for the site the Landlord could utilise the land for other purposes without notice, preventing its use as a publicly available car park.
- 7.3. Agreeing a 2-year licence does not secure the long-term use of the site for the District Council and there is a risk that the Landlord decides not to agree a longer arrangement at the end of the licence term.
- 7.4. Please refer to Exempt Appendix B.

8. Net Zero Target

- 8.1. The District Council's Net Zero Strategy & Action Plan identified leased building emissions and a commitment to reduce carbon by improving energy efficiency. If the District Council withdraws there would be a reduction in the District Council's own emissions, but little impact to the District as the site is likely to continue to be used by the GPT as a car park.

9. Equality, Diversity & Inclusion

- 9.1 There are no equality, diversity and inclusion implications identified with this proposal.

10. Community Safety issues

- 10.1 There is a potential for public safety issues being created by increased on-road parking if Gold Park is no longer used as a car park during peak busy periods.

11. Conclusion and Recommendations

11.1 To provide additional parking during peak periods, the use of Gold Park in Mundesley as an overflow for the District Council owned Beach Road Car Park has been informally in place since 2008. As there is no legal documentation of this arrangement, this report alongside the exempt appendix considers the options available to the District Council to regularize this arrangement.

11.2 The current arrangement is set out in the exempt appendix.

11.3 It is recommended that:

11.3.1. A Short-term license as detailed in Option 1 is approved.

11.3.2 Delegated authority to the Asset Strategy Manager to commence negotiations of terms for a new license.

Appendix A – Beach Road Car Park Site Plan



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