

Cabinet



Please contact: Democratic Services

Please email: democraticservices@north-norfolk.gov.uk

Please Direct Dial on: 01263 516010

Friday, 27 June 2025

A meeting of the **Cabinet** of North Norfolk District Council will be held in the Council Offices, Holt Road, Cromer, NR27 9EN on **Monday, 7 July 2025 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:democraticservices@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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Email districtcouncil@north-norfolk.gov.uk **Web site** www.north-norfolk.gov.uk

A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. MINUTES

1 - 2

To approve, as a correct record, the minutes of the meeting of the Cabinet held on 02 June 2025.

3. PUBLIC QUESTIONS AND STATEMENTS

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

4. 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

5. DECLARATIONS OF INTEREST

3 - 8

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

6. MEMBERS' QUESTIONS

To receive oral questions from Members, if any

7. RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

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

8. OUTTURN REPORT 2024/2025

9 - 68

Executive Summary	<p>This report presents the provisional outturn position for the 2024/25 financial year which shows a General Fund underspend of £0.622m. It also provides an update in relation to the Council's capital programme and use of reserves.</p> <p>The position will be used to inform the production of the Statutory accounts which will then be subject to audit by the Council's external auditors.</p> <p>The report makes recommendations for contributions to reserves.</p>
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Options considered	None - This is a factual report of the financial year end position for 2024/25.
Consultation(s)	None – This is a factual report of the financial year end position for 2024/25.
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 2024/25 (as shown in Appendix A);</p> <p>b) The transfers to and from reserves as detailed within the report (and Appendix C);</p> <p>c) The surplus of £0.622m be transferred to the General reserve to mitigate future funding shortfalls.</p> <p>d) The balance on the General Reserve of £2.825m following the transfer outlined above.</p> <p>e) The surplus of £0.384m relating to retained business rates be transferred to the Business Rates reserve.</p> <p>f) The financing of the 2024/25 capital programme as detailed within the report and at Appendix D.</p> <p>g) The updated capital programme for 2025/26 to 2030/31 and scheme financing as outlined within the report and detailed at Appendix E;</p> <p>h) Approval of additional funding to cover capital project overspends of £10,816 as detailed in paragraph 5.7.</p> <p>i) The roll-forward of existing capital project funding from 2024/25 into 2025/26 as detailed in paragraph 5.9.</p> <p>j). To note the addition of £55,000 towards the New Play Area (Sheringham, The Lees) to be funded from the Asset Management Reserve in 2025/26 for a total project budget of £120,000</p> <p>k) The addition of £6,081 towards the Cromer Offices LED Lighting in the Capital Programme to be funded from Capital Receipts in 2025/26 for a total project budget of £178,796.</p> <p>l) The addition of £20,000 towards the Public Conveniences (Sheringham & North Walsham) project in the Capital Programme to be funded from Capital Receipts in 2025/26 for a total project budget of £565,514.</p> <p>m) The addition of the Holt Eco Learning Space scheme for £100,000 into the 2025/26</p>

	Capital Programme to be funded by an external contribution.
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 2024/25. Also to provide a draft opening position for the financial year 2025/26.
Background papers	Budget report, Budget Monitoring reports, NDR3 return

Wards affected	All
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Daniel King Director of Resources daniel.king@north-norfolk.gov.uk 01263 516167

9. TREASURY MANAGEMENT OUTTURN REPORT 2024/2025

69 - 94

Executive Summary	This report sets out the Treasury Management activities undertaken during 2024/25 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	To recommend the Treasury Management 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 2024/25.

Wards affected	All
Cabinet member(s)	Cllr. Lucy Shires
Contact Officer	Claire Waplinton Claire.Waplinton@north-norfolk.gov.uk

10. DEBT RECOVERY 2024/2025

95 - 118

Executive Summary	This is an annual report detailing the council's collection performance and debt management arrangements for 2024/25. 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 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 continued delegated authority as shown in appendix 2 for write offs.
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 Recovery Methods including 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

11. **HOUSING BENEFIT DEBT RECOVERY REPORT - 1ST APRIL 2024 TO 31ST MARCH 2025** (119 – 152)

Executive Summary	<p>This report provides an update on Housing Benefit debt recovery detailing the Councils' collection performance and debt management arrangements for 2024 – 25.</p> <p>The report includes a:</p> <ul style="list-style-type: none"> ▪ A brief overview of Housing Benefit overpayments ▪ Housing Benefit Debt Recoveries performance ▪ Key trends and known risks to performance ▪ Recommendations of future recovery strategies
Options Considered	<p>To continue with the write-off limits at their current levels.</p> <p>To continue to recover outstanding debt within the current guidelines.</p> <p>The implementation of additional recovery methods to maximise recovery options to the Council.</p>
Consultation(s)	No consultation is required as this is a statutory requirement.
Recommendations	<p>(i) Note the performance of the debt management function carried out by the Benefits service.</p> <p>(ii) Note the debt write-offs for the year.</p> <p>(iii) Note the emerging impact of Universal Credit on collection levels.</p> <p>(iv) To support the implementation of future recovery strategies.</p> <p>(v) 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.</p>
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 revenue to the Council is maximised.
Background papers	Housing Benefit Overpayment Policy (Appendix 1) Corporate Debt Management and Recovery Policy Debt Write Off Policy

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

12. ROCKET HOUSE CAFÉ/RESTAURANT LEASE RENEWAL

153 - 158

Executive Summary	<p>The lease for this café/restaurant, owned by the District Council, is due for renewal. The tenant is an established business that provides jobs in the district.</p> <p>Several options have been considered to demonstrate the Council's best value duties, including renewing the lease on improved terms, ending the tenant's occupation to re-let the premises, or selling the property.</p> <p>Granting a new lease on improved terms will secure the Council's revenue at a market rent, ensuring best value is achieved while also providing security to the tenant's business and safeguarding local jobs.</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 it's 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>Cllr Lucy Shires - Portfolio Holder for Finance, Estates & Property Services. Cllr Tim Adams- Leader of the Council -</p>

	Portfolio Holder for Executive Support & Legal Services and local member. Cllr Jill Boyle – Local member Daniel King – Assistant Director for Finance and Assets Cara Jordan - Monitoring Officer
Recommendations	Resolution for Cabinet to approve: <ul style="list-style-type: none"> • The renewal of the 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 jobs in the district.
Background papers	Rocket House Cromer Cabinet decision 15/04/2024.

Wards affected	Cromer Town
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

13. EXCLUSION OF PRESS AND PUBLIC

To pass the following resolution:

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

Exempt appendices – Agenda Item 12 – Rocket House Café / Restaurant Lease Renewal

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.

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 negotiations around lease renewal and rent. Releasing this information would be likely to prejudice would be likely to have a prejudicial impact upon those businesses as well as the Council in obtaining best value.

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CABINET

Minutes of the meeting of the Cabinet held on Monday, 2 June 2025 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 of Service Delivery. AD for Finance & Resources and AD for Legal & Monitoring Officer

Apologies for Absence:

Cllr C Ringer
Cllr L Withington

12 MINUTES

The minutes of the meeting held on 6th May were approved as a correct record and signed by the Chair.

13 PUBLIC QUESTIONS AND STATEMENTS

None.

14 DECLARATIONS OF INTEREST

None received.

15 ITEMS OF URGENT BUSINESS

None.

16 MEMBERS' QUESTIONS

The Chair advised members that they could raise questions as matters arose.

17 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

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

18 DELEGATED DECISIONS MARCH TO MAY 2025

The Chair explained that this was a statutory report setting out the decisions taken under delegated powers from March to May 2025.

RESOLVED to

Note the report and the register of decisions taken under delegated powers.

Reason for the decision:

The Constitution: Chapter 6, Part 5, sections 5.1 and 5.2 details the exercise of any power or function of the Council where waiting until a meeting of Council or a committee would disadvantage the Council. The Constitution requires that any exercise of such powers should be reported to the next meeting of Council, Cabinet or working party (as appropriate)

19 RENEWAL - INLAND PUBLIC SPACE PROTECTION ORDERS FOR DOG CONTROL

The Chair introduced this item. He explained that the Council's inland Public Space Protection Order (PSPOs) for dog control were due to expire during June 2025, unless renewed for a proposed further three years. The Council launched a two week consultation that concluded on the 13th of May 2025 to determine the views of residents, local councils, organisations, and interested parties. During the consultation 39 responses were received from the public and local councils. The majority supported all PSPOs being retained.

It was proposed by Cllr T Adams, seconded by Cllr W Fredericks and

RESOLVED

To renew the Public Space Protect Orders ["PSPOs], as set out in Appendix A, relating to dog control

And that modifications to existing PSPOs, be considered in a future consultation

Reason for the decision:

To allow the continuation of the PSPOs, as supported by the significant majority of consultees, whilst also enabling consideration of additional PSPOs and PSPO amendments raised by consultees in a subsequent consultation.

20 EXCLUSION OF PRESS AND PUBLIC

21 PRIVATE BUSINESS

The meeting ended at 10.05 am.

Chairman

Registering interests

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

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

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

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

Non participation in case of disclosable pecuniary interest

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

Disclosure of Other Registerable Interests

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

Disclosure of Non-Registerable Interests

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

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

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

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

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

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

Table 1: Disclosable Pecuniary Interests

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

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

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

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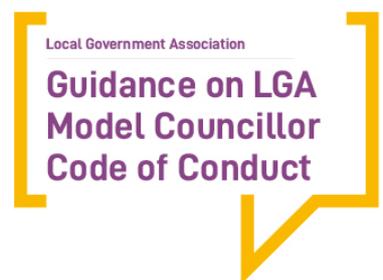
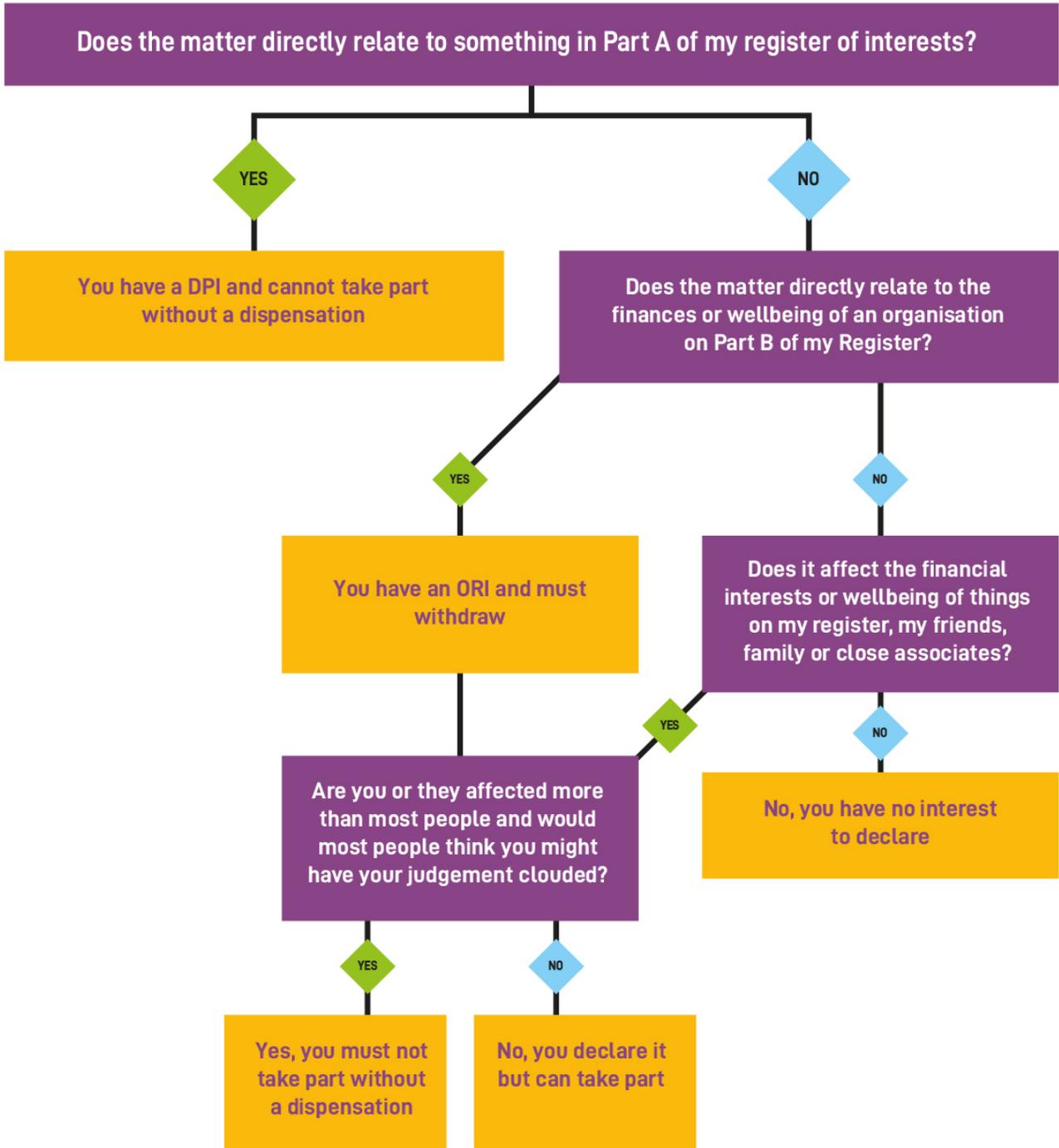
* 'director' includes a member of the committee of management of an industrial and provident society.

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

Table 2: Other Registrable Interests

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

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



2024/25 Outturn Report	
Executive Summary	<p>This report presents the provisional outturn position for the 2024/25 financial year which shows a General Fund underspend of £0.622m. It also provides an update in relation to the Council's capital programme and use of reserves.</p> <p>The position will be used to inform the production of the Statutory accounts which will then be subject to audit by the Council's external auditors.</p> <p>The report makes recommendations for contributions to reserves.</p>
Options considered	None - This is a factual report of the financial year end position for 2024/25.
Consultation(s)	None – This is a factual report of the financial year end position for 2024/25.
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 2024/25 (as shown in Appendix A);</p> <p>b) The transfers to and from reserves as detailed within the report (and Appendix C);</p> <p>c) The surplus of £0.622m be transferred to the General reserve to mitigate future funding shortfalls.</p> <p>d) The balance on the General Reserve of £2.825m following the transfer outlined above.</p> <p>e) The surplus of £0.384m relating to retained business rates be transferred to the Business Rates reserve.</p> <p>f) The financing of the 2024/25 capital programme as detailed within the report and at Appendix D.</p> <p>g) The updated capital programme for 2025/26 to 2030/31 and scheme financing as outlined within the report and detailed at Appendix E;</p> <p>h) Approval of additional funding to cover capital project overspends of £10,816 as detailed in paragraph 5.7.</p> <p>i) The roll-forward of existing capital project funding from 2024/25 into 2025/26 as detailed in paragraph 5.9.</p> <p>j). To note the addition of £55,000 towards the New Play Area (Sheringham, The Lees) to be funded from the Asset Management Reserve in 2025/26 for a total project budget of £120,000</p> <p>k) The addition of £6,081 towards the Cromer Offices LED Lighting in the Capital Programme to be funded from Capital Receipts in 2025/26 for a total project</p>

	<p>budget of £178,796.</p> <p>l) The addition of £20,000 towards the Public Conveniences (Sheringham & North Walsham) project in the Capital Programme to be funded from Capital Receipts in 2025/26 for a total project budget of £565,514.</p> <p>m) The addition of the Holt Eco Learning Space scheme for £100,000 into the 2025/26 Capital Programme to be funded by an external contribution.</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 2024/25. Also to provide a draft opening position for the financial year 2025/26.
Background papers	Budget report, Budget Monitoring reports, NNDR3 return

Wards affected	All
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Daniel King Director of Resources daniel.king@north-norfolk.gov.uk 01263 516167

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 2025/26 opening balances for the MTFS
Council Policies & Strategies	Corporate Pan 2024-2028

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	

<p>Details of any previous decision(s) on this matter</p>	<p>Budget Report – approved by Full Council on 21 February 2024</p> <p>Budget Monitoring Period 4 – taken to Full Council on 25 September 2024</p> <p>Budget Monitoring Period 6 – taken to Full Council on 18 December 2024</p> <p>Budget Monitoring Period 10 – taken to Cabinet on 3 March 2025.</p>
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1. Introduction

- 1.1 This report presents the draft outturn position for the 2024/25 financial year for revenue, capital and reserves along with details and explanations for any variances from the updated budget. The updated budget reflects the budget approved by Full Council in February 2024 updated during 2024/25 for budget virements.
- 1.2 Commentary on the more significant year-end variances is included within the report with further supporting information provided within the detailed appendices.
- 1.3 The report also includes a current forecast position statement on the level of reserves along with the outturn and financing position for the 2024/25 capital programme. The capital programme for the period 2025/26 to 2030/31 has been updated to take account of the outturn position and is included within this report and appendices.
- 1.4 All budgets have been monitored during the year by Service and Finance Officers with regular reports being presented to Cabinet and Overview and Scrutiny. The period 10 budget monitoring report was presented to Cabinet in March which covered the first 10 months of the year up to the end of January 2025. At the time this report was forecasting a General Fund underspend of (£0.048m).
- 1.5 **Estimates included in the Accounts**
The provisional outturn position includes some significant figures which are subject to external audit, these are in relation to Benefit Subsidy and Business Rates Retention.
- a) **Benefits Subsidy** - The benefit subsidy return was completed and submitted by 2 May 2025 and will be subject to external audit review later in the year. Depending on the outcome from the external audit review there could be an impact on the overall financial position, for example should a subsidy repayment be due to the Department for Work and Pensions. It is for this reason that the Council holds a Benefits Earmarked Reserve to mitigate any such impact.
 - b) **Business Rates** - Under the current system an element of the business rates is retained locally (split between the County (10%) and Districts (40%)) with the balance (50%) being returned to Central Government. The budget for the year was informed by the baseline funding and the NNDR1 position. The outturn position is based on the

National Non-Domestic Rates (NNDR3) Return which is submitted annually. The draft NNDR3 return was submitted to Government 23 May 2025 and is subject to external audit as part of the final accounts audit, before being finalised. As with the benefits subsidy above, the Council operates a Business Rates Earmarked Reserve to help mitigate against any potentially negative impacts of these arrangements

- 1.6 This outturn position final budget monitoring position for the year for the year ending 31 March 2025 is a net (£0.622) surplus. This report recommends contributing the surplus to the General Reserve to offset the impacts of future year budget shortfalls and anticipated negative outcomes of the government funding review.
- 1.7 The final key point is the deadline to publish the draft Statement of Accounts for 2024/25 is 30 June 2025, with the 30-day public inspection commencing after that. The backstop date for the final audited accounts to be published is 27 February 2026. It is anticipated that the external audit of the accounts will be undertaken in the autumn 2025.

2. Summary Financial Position 2024/25

- 2.1 The General Fund position for the year shows a year-end Surplus of (£0.622m). This is after allowing for transfers to Earmarked Reserves for current and known commitments.
- 2.2 Appendix A The General Fund Summary, shows the overall revenue position including notional charges; however, to assist reporting and explaining 'real cash' variances, Table 1 below provides a summary of the General Fund position excluding these charges.
- 2.3 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.

2.4 Table 1

2024/25 Revenue Account Excluding Notional Charges	Updated Budget £'000	Outturn £'000	Variance £'000
Service Area:			
Corporate	3,011	2,652	(359)
Communities	7,296	5,690	(1,606)
Place and Climate Change	4,044	2,777	(1,267)
Resources	5,865	5,805	(60)
Net Cost of Services	20,216	16,924	(3,292)
Parish Precepts	3,129	3,129	0
Net Interest Receivable/Payable	(1,525)	(1,061)	464
Minimum Revenue Provision (MRP)	488	570	82
Capital Financing	2,448	1,077	(1,370)

Contribution to/(from) Earmarked Reserves	(4,601)	(2,191)	2,410
Contribution to/(from) General Reserve	110	1,252	1,142
Net Service Expenditure/Income to be met from Government Grant and Taxpayers	20,265	19,700	(564)
Government Grants and Council Tax	(20,265)	(20,322)	(58)
Net (Surplus)/Deficit for the Year	0.000	(622)	(622)

2.5 **Net Cost of Service** – the position shows a net surplus of (£3.292m) across the Councils main service areas. This position is explained further within section 3 below and also within appendix B.

2.6 **Non-Service expenditure** – Relates to income and expenditure not directly related to providing specific Council services.

- **Net Interest Receivable/Payable** – relates to the Council's balances invested to provide revenue to assist with funding the budget. The position shows that there was a net deficit of £0.464m at the end of the year. This largely related to interest receivable which was lower than predicted due to reduced interest rates and lower balances available to invest. This is explained further within paragraphs 3.11 to 3.16.
- **Minimum Revenue Provision (MRP)** – is a charge to revenue made in respect of paying off the principal sum of the borrowing undertaken to finance the capital programme. At the end of the financial year this provision was £0.082m more than anticipated.
- **Capital Financing** - this expenditure line relates to revenue financing allocated to the council's capital programme. The position shows an underspend of (£1.370m) which reflects slippage in the programme. This does not impact on the bottom-line position as all of the finance relates to earmarked reserve movements.
- **Contributions to/(from) Reserves** - As the actual expenditure was below budget and income exceeded budget this has resulted in a reduction in the net movement in reserves that was expected when the budget was set. The actual use of reserves was £2.191m which compares favourably with the budgeted use of reserves of £4.601m. Contribution to earmarked reserves increased from the budgeted £0.110m to £1.252m. Further information on the councils reserves movements can be found at section 4 below and within Appx C.

2.7 Government Grants and Taxation

- This shows the provisional outturn for Business Rates and Council tax.
- £0.050m Council tax discount grant was budgeted for separately but was actually paid over as part of the net Revenue support grant allocation.

3. Net Cost of Services – Detailed Commentary by Expenditure Heading for 2024/25

3.1 The net cost of services shows a year-end Surplus of (£4.715m). This position includes notional charges and is before any transfers to/from earmarked reserves.

3.2 Table 2 below shows the main variances across the standard expenditure headings which comprise the Net Cost of Services.

Expenditure Heading	2024/25 Updated Budget	2024/25 Outturn	2024/25 Outturn Variance	
	£'000	£'000	£'000	%
A Employee Costs	16,618	14,969	(1,649)	-9.9%
B Premises	4,064	3,924	(139)	-3.4%
C Transport Related Expenditure	284	278	(5)	-1.8%
D Supplies and Services	14,515	13,721	(794)	-5.5%
E Transfer Payment	18,715	19,460	745	4.0%
F Capital Financing Costs	3,724	2,963	(761)	-20.4%
G Income	(34,247)	(36,358)	(2,111)	6.2%
Net Cost of Service	23,672	18,957	(4,715)	

3.3 The significant variances categorised under each expenditure heading are outlined in the following section. Further information on these variances can be found at detailed service level within appendix B.

3.4 A. Employee Costs

Table 2a provides further analysis on the Councils employee cost variance

Employee Costs	2024/25 Updated Budget	2024/25 Outturn	2024/25 Outturn Variance	
	£'000	£'000	£'000	%
Direct Employee Costs	16,310	14,735	(1,575)	-9.7%
Indirect Employee Exps - Training	205	101	(104)	-50.8%
Indirect Employee Exps. - Other	102	133	31	29.9%
Total Employee Costs	16,618	14,969	(1,649)	

Direct Employee costs –

- An adjustment of (£0.690m) 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 number of funded posts were not filled during the year this has resulted in a saving of (£0.284m) but is offset by a corresponding reduced contribution from earmarked reserves.
- (£0.753m) Savings have been generated from staff turnover, vacancies and changes to working patterns.
- £0.152m People services staffing offset by grant income.

Indirect Employee Expenses –

- Underspends against the training budgets including (£0.011m) qualification training, and (£0.087m) against continuing professional development and generic training, (£0.027m) of this relates to the corporate allocation. This position is partially offset by recruitment costs which are met from turnover savings and not budgeted for separately.

3.5 B. Premises Costs

Table 2b provides further analysis on the Councils premises cost variance

Premises	2024/25 Updated Budget	2024/25 Outturn	2024/25 Outturn Variance	
	£'000	£'000	£'000	%
Repairs & Maintenance	786	575	(211)	-26.8%
Grounds Maintenance	658	685	28	4.3%
Premises Running Costs	2,620	2,663	43	1.7%
Total Premises Costs	4,064	3,924	(139)	

Repairs and Maintenance –

- Underspends in Repairs and Maintenance both Programmed (£64k) and Reactive (£0.123m). The main areas that were underspent are temporary accommodation properties maintenance had underspends (£52k), alongside the Rocket House (£26k), Cromer Pier (£41k), and Amenity Lighting (£32k).
- Savings in relation to servicing of fixed plant, i.e. lifts. (£0.013m)

Grounds Maintenance –

- Savings in general ground maintenance works (£0.040m) offset by Tree safety works £0.064m.

Premises Running Costs –

- Additional rent of buildings of £0.060m this is linked to election activities and offset by grant income and recoverable charges.
- £0.026m Internal drainage board levies, although additional support has been received to compensate by way of a new burdens grant.
- Higher utilities costs in relation to electricity and water charges £0.043m, this is partially offset by savings of (£0.017m) in business rates and council tax charges.
- Reduced contract cleaning costs (£0.029m)
- Reduction in premises related insurance premiums (£0.041m)

3.6 C. Transport Related costs

- The main elements resulting in the modest net saving of (£0.005m) are mileage expenses and other allowances offset by additional contract hire costs, in relation to woodlands management and the electric pooled vehicle fleet.

3.7 D. Supplies and Services

Table 2c provides further analysis on the Councils Supplies and Services cost variances

Supplies and Services	2024/25 Updated Budget	2024/25 Outturn	2024/25 Outturn Variance	
	£'000	£'000	£'000	%
Equipment Purchases & Materials	260	201	(59)	-22.6%
Catering	3	3	0	0
Clothing, Uniforms & laundry	11	4	(7)	-62.5%
Printing & Stationery	118	271	154	131.3%
Fees & Services	11,041	10,014	(1,026)	-9.3%
Communications & Computing	1,293	1,207	(86)	-6.7%
Subscriptions & Allowances	408	391	(17)	-4.2%
Insurances – General	158	161	3	2.3%
Grants & subscriptions	1,225	1,548	323	26.4%
Other Supplies & Services		(80)	(80)	-100%
Total Supplies and Services	14,515	13,721	(794)	

The following outlines the significant variances that make up the supplies and services variance. Full variance explanations at service level can be found within appendix B accompanying this report.

Printing and Stationery –

- £0.166m election costs associated with the general election in July 2024. These costs have been offset by grant income from Central Governments electoral claim unit.
- (£0.006m) Savings in stationery purchases, most of which is in relation to paper.

Fees and Services –

- (£0.247m) External Audit fee, incorrect inflation added to the base budget.
- (£0.150m) Local Plan expenditure funded by earmarked reserves
- (£0.055m) Environmental Strategy projects funded by earmarked reserves.
- (£0.541m) Unallocated element of budgeted housing grants and contributions, this is offset by additional costs under other expenditure headings, most notably staffing.
- (£0.064m) Funded costs relating to the transfer of elements of the land charge service to the land registry.
- (£0.042m) ICT Support service, external professional services.
- £0.058m election costs offset by grant funding.
- £0.110m bed and breakfast costs offset by benefit subsidy and client contributions.
- £0.261m Agency costs incurred to cover key vacant posts including Assistant Director for Finance and Chief Technical Accountant posts. Of

this overspend £0.056m was within the public protection team and funded by the Contain Outbreak Management Fund (COMF) grant.

- Waste and Recycling expenditure (£0.181m) Serco contractor payments (Cleansing) £0.163 payments in respect of CCN26 payments. £0.083m higher processing costs to NEWS. (£0.160m) Lower Commercial waste disposal costs.

Communications and Computing –

- The variance under this expenditure heading is due to a reduction in computer software costs partially offset by additional licencing and maintenance costs.

Grants and Subscriptions –

- £0.237m Housing support scheme payments to beneficiaries, these are offset by a grant from Norfolk County Council.
- £0.131m Contribution to Norfolk County Council in respect of designated area enterprise zones, part of the NNDR3 return and funded from business rate receipts.
- (£0.025m) Contributions towards Local Government Reorganisation (LGR) projects and submissions funded from earmarked reserves.

Other Supplies and services –

- (£0.080m) Net movement in the provision for bad and doubtful debts not budgeted at service level.

3.8 E. Transfer payments

- The £19.460m expenditure relates to housing benefit payments to claimants during 2024/25. The budget position of £18.715m was based the 2023/24 Mid-year estimate adjusted for any known factors. This budget line also includes Discretionary Housing Payments (DHP) which is claimed for separately.
- The Council can claim this expense back through completing a subsidy claim to the Department for works and Pensions (DWP). The initial final claim for 2024/25 has been completed, and this shows a shortfall in recovery of £0.862m.
- This shortfall is largely in respect of temporary accommodation costs which the council pays in respect of nightly homelessness provision (Bed and Breakfast charges) due to the capping of expenditure level we cannot recover all the expense through subsidy. Some of the shortfall is mitigated by recovered overpayment debts reducing the deficit to £0.773m.

3.9 F. Capital Financing Costs

- The current General Fund position excludes the final capital adjustments, In respect of depreciation and intangible amortisation. This will not have an impact of the Councils final outturn revenue position as they are reversed out.
- The variance of (£0.761m) shown at table 2 above is in relation to REFCUS (Revenue Expenditure Funded from Capital Under Statute) This relates to capital which would normally be classed as revenue expenditure as it does not create an asset on our balance sheet, for example grants and loans.

3.10 G. Income

Table 2d provides further analysis on the Councils Income variances

Income	2024/25	2024/25	2024/25	
	Updated Budget	Outturn	Outturn	Variance
	£'000	£'000	£'000	%
Government Grants	(18,922)	(18,620)	302	-1.6%
Other Grants & Reimbursements	(1,998)	(3,079)	(1,080)	54.1%
Customer & Client Receipts	(13,029)	(14,081)	(1,052)	8.01%
Interest	(8)	(18)	(10)	130.1%
Net Recharges Internal income	(289)	(559)	(270)	93.8%
Total Income	(34,246)	(26,358)	(2,111)	

Government Grants –

- £0.141m Council Tax administration grant now part of Revenue Support Grant (RSG)
- £0.161m Department for works and Pensions (DWP) Subsidy based on initial Final subsidy claim for 2024/25 submitted in May 2025.

Other Grants and Reimbursement –

- (£0.161m) Health and Wellbeing partnership grant received from Norfolk County in a prior year, transferred from Receipts in Advance (RIA) to cover expenditure.
- (£0.246m) Grant received in respect of Housing Support Fund administered by the Housing benefit team, this is offset by contributions.
- (£0.236m) Housing grants including homes for Ukraine, balances have been transferred to the Housing reserve.
- (£0.387m) Election grant received from electoral services Unit in respect of undertaking the General election. This is offset by costs although there is a net surplus of (£0.129m)
- A number of smaller one-off grants have been received including (£0.012m) additional contribution from Norfolk Climate Change Partnership, (£0.027m) Planning biodiversity grant, and (£0.051m) Benefits new burdens

Customer and Client Receipts –

- (£0.109m) Additional planning income, due to a number of larger application fees being received in the last quarter of 2024/25.
- (£0.187m) Car park income including (£0.033m) from penalty charges and (£0.029m) from season tickets.
- (£0.098m) Surplus licencing fee income, this has been earmarked as part of the self-financing regulations and will be used as part of future fee setting calculations.
- (£0.038m) Legal fee income
- £0.024m Corporate Health and Safety, due to staff vacancies there has been no capacity to undertake training courses.
- (£0.180m) Other recoverable charges, this is part of the bottom-line subsidy position and represents cash received relating to recovered overpayment debt and also movement in the provision relating to overpayment debt held on the Civica Revenue and Benefits system.
- £0.061m Investment properties, other lettings rents including the Rocket House, the RNLI have vacated the premises leaving a shortfall in rent and service charge income.

- (£0.285m) Homelessness recoverable charges on temporary accommodation (TA) including subsidy and client contributions, of this (£0.078m) is in relation to Council owned TA properties.
- (£0.184m) Net additional Waste and recycling income including performance failure deduction which has been set aside in an Innovation Fund and used for future cost pressure payments.

Internal Income –

- Additional income to the general fund in relation to staff time recharged and funded from capital projects.

Non-Service Income and Expenditure

- 3.11 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.
- 3.12 The budget for 2024/25 interest receivable was £1.865m, the actual income for the year was £1.387m. Decreasing interest rates to control inflation and having lower cash balances available for investing have resulted in this adverse variance of £0.479m.
- 3.13 The Council primarily uses internal borrowing where required (using cash from sources within the Council's own operations) which is prudent to save on external borrowing interest costs. Since March 2023 it was identified that the Council had a cashflow deficit of £5m. A PWLB long-term loan was obtained for one year to fill this requirement, however, this deficit is long-term and so future external borrowing will still need to be taken. A loan was only taken for one year as interest rates were high at the time of taking the loan. It was forecasted that interest rates would fall over 2024/25 after hitting a peak of 5.25% (interest rates had not been this high since 2008) and so the loan should only be for a year to allow for the loan to be renewed at a lower interest rate in future years. This decision aims to reduce the interest expense to the Council.
- 3.14 As the loan decision was taken after the 2024/25 budget setting process (agreed by Full Council in January 2025) there was no budget in place to finance the borrowing interest expenses of the PWLB loan. It was agreed by Full Council on the 24th of September 2024 as part of the period 4 budget monitoring report 2024/25 to use the Council's remaining £0.300m Treasury Reserve to establish a borrowing budget for the year. This reserve allocation was not taken at outturn and will now be available to mitigate shortfalls in future years. The importance of taking out a long-term loan instead of continually renewing short-term loans is to reduce the interest rate risk to the Council during times when interest rates have been fluctuating wildly. This is a more prudent approach and allows a future borrowing budget to be set which the Council knows it is able to finance.

The updated 2024/25 interest payable budget was £0.340m, the actual expenditure for the year was £0.327m. This is a minor favourable variance of £0.013m from decreasing interest rates.

- 3.15 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.
- 3.16 Significant points to note from the report are as follows:
- The Council started and finished the year with seven long-term Pooled Fund investments worth £20.000m. These funds earned interest of £1.038m.
 - The Council started and finished the year with four housing loans, starting at a value of £2.145m and finishing with a value of £1.853m after loan repayments during the year. These loans earned interest of £0.080.
 - The Council held short-term investments of varying balances during the year. These funds earned interest of £0.287m.
 - The Council started and finished the year with total loans of £5m from the PWLB. This incurred an interest expense of £0.266m.
 - The Council took out short-term loans of varying balances during the year to meet cashflow demands that could not be met from internal borrowing. These incurred an expense of £0.061m.

Retained Business Rate Income

- 3.17 The Council is a member of the Norfolk Business Rates Pool which is beneficial for all authorities within the Pool.
- 3.18 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.
- 3.19 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.
- 3.20 The 2024/25 budget included Retained Business Rates Income was included at a prudent level because of uncertainty around the calculation. The actual outturn is compared to the budget. The actual income level for the year was £0.384m above the budget and this will be transferred to the Business Rates Reserve. It should be noted that as the accounts are audited.
- 3.21 The Council Tax surplus for the 2024/25 year is £0.192m.

4. Reserves

- 4.1 The Council holds a General Reserve for which the recommended balance for 2024/25 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.
- 4.2 The outturn position for the year ending 31 March 2025 was a net (£0.622m) surplus before recommendations to reserves.
- 4.3 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.
- 4.4 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, s31 grant balances and year end deficits.
- 4.5 Section 3 of the report has highlighted the service areas where an underspend has occurred relating to budgets funded by earmarked reserves. As part of the outturn process transfer entries are input to reflect the actual reserve funding requirement ensuring that the unallocated balance is available to meet future commitments or fund future projects. This adjustment offsets some of the positive variances in the net cost of services. In addition, a number of grant funding streams are ringfenced meaning that there is a specific purpose outlined in the grant determination. Underspends on these grants need to be earmarked to be utilised in future years or repaid.
- 4.6 The transfers to and from reserves (general and earmarked) are included within the reserves statement as detailed at Appendix C. This appendix outlines the purpose of each reserve and shows the planned use over the current four-year budget period. The updated budget projections were forecasting transfers from earmarked reserves totaling £4.491m. The outturn position only required a transfer of £0.939m from reserves resulting in a variance of (£3.552m) the most significant movements are as follows.
- Capital Projects Reserve - (£0.475m) Capital Project slippage outlined in section 5 below.
 - Asset Management Reserve – (£0.137m) Capital Project slippage outlined in section 5 below.
 - Coast Protection Reserve – (£0.244m) Switch of funding for Coastal Transition Accelerator Programme (CTAP) expenditure now funded from capital grant.
 - Delivery Plan Reserve – (£0.808m) – (£0.494m) Capital Slippage (£0.192m) fixed term staffing contracts, (£0.098m) Expenditure relating to environmental strategy project.

- Environmental Health Reserve – £0.126m of which £0.097m relates to surplus Licensing fee income.
 - Housing Reserve – £0.485m, (£0.183m) COMF grant released to fund expenditure in Benefits Administration and Public Protection services. Ring fenced grant balances earmarked including Homes for Ukraine and Age UK. Budgeted use of grant for staffing, not required as funding switched to in year grants.
 - Treasury Reserve – as part of the 2024/25 updated budget £0.300m was released from this reserve to fund borrowing interest, as part of the outturn process this has not been taken. This will allow for future shortfalls to be funded.
- 4.7 The General Reserve balance on 31 March 2025 stands at £2.825 million which is above the recommended balance.

5. Capital Programme 2024/25

- 5.1 This section of the report presents the capital outturn position for the 2024/25 year and the financing for this, together with the updated programme for the financial years 2025/26 to 2030/31. Appendix D provides the detail of the outturn for the 2024/25 capital programme and variances prior to any adjustments to the original year budgets. The updated capital programme for 2025/26 to 2030/31, is attached at Appendix E.
- 5.2 The capital programme expenditure for 2024/25 was £25.702m compared to an updated 2024/25 budget of £39.629m giving an underspend of £13.927m.
- 5.3 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 changes to programmed delivery. This report requests if some budgets that are still required could be rolled forward into the 2025/26 capital programme. These are detailed further down in this report.
- 5.4 The total Capital Expenditure of £25.702m was funded by:
- £21.507m of grants
 - £1.240m of external contributions
 - £1.079m of reserve allocations
 - £0.00m of revenue contributions
 - £1.071m of capital receipts
 - £0.805m funded from borrowing
- 5.5 Details of the Capital Expenditure covered by the 2024/25 Financing can be found in Appendix D alongside projects with roll-forward requests (reprofiling to 2025/26 budget).
- 5.6 The table below shows the schemes completed in 2024/25 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 2024/25 and removed from the 2025/26 capital programme:

Budget Manager		Completed Capital Projects	Unspent budget uncommitted / (overspent budget committed) £	Funding Source returned / (used)
Contracts & Waste Services Manager	(a)	Purchase of Bins	28,476	Capital Receipts
Climate & Environmental Policy Manager	(b)	Solar PV Panels at Victory Swim and Fitness Centre	20,278	Borrowing
Coastal Engineering Manager	(c)	Coastal Defences	9,030	Capital Receipts
Contracts & Waste Services Manager	(d)	Waste Vehicles	0	Environmental Health Reserve
Assets & Property Programme Manager	(e)	Public Conveniences (Fakenham & Wells)	18,492	Capital Receipts
Leisure and Locality Services Manager	(f)	Countryside Machinery	236	Capital Receipts
Housing Strategy & Delivery Manager	(g)	Local Authority Housing Fund (Grants)	0	Grant
Estates & Asset Strategy Manager	(h)	Fakenham Connect/Crinkle Crankle Wall	3,948	Major Projects Reserve
Economic Growth Manager	(i)	North Walsham Heritage Action Zone	142,462	Capital Receipts
Director for Place & Climate Change	(j)	Fakenham Urban Extension	0	Delivery Plan Reserve
Network Manager	(k)	User IT Hardware Refresh	6,552	Capital Receipts
Application Support Manager	(l)	Financial Management System	3,034	Capital Receipts
Network Manager	(m)	Server Replacement	39,327	Capital Receipts
Network Manager	(n)	Replacement Storage Hardware	18,841	Capital Receipts
Housing Adaptations Team Leader	(o)	Disabled Facilities Grants	141,347	Grants
Total deallocated funding			432,023	

Total uncommitted funding by financing source	432,023
Capital Receipts	266,450
Grants	141,347
Major Repairs Reserve	3,948
Borrowing	20,278

- (a). The Purchase of Bins capital project was completed in 2024/25 with total expenditure of £121,524 against a yearly approved budget of £150,000. This means a total of £28,476 budget was not required and will be uncommitted from capital receipts funding. This underspend does not request a roll-forward as there is a new approved budget of £150,000 for the scheme in 2025/26.
- (b). The Solar PV Panels at Victory Swim and Fitness Centre project was completed in 2024/25 with final expenditure of £179,722 against the schemes approved budget of £200,000. This is a total saving during delivery achieved of £20,278 which will be uncommitted from borrowing funding.
- (c). The Coastal Defences capital project was completed in 2024/25 with total expenditure of £140,970 against a yearly approved budget of £150,000. This means a total of £9,030 budget was not required and will be uncommitted from capital receipts funding. This underspend does not request a roll-forward as there is a new approved budget of £150,000 for the scheme in 2025/26.

- (d). As part of the yearly final accounting checks, it was identified that solar panels were purchased to fit six SERCO waste vehicles, these were to replace diesel lifting mechanisms with solar powered lifting mechanisms. The costs of £16,750 for these panels were capitalised as they are improving a current asset of the Council. This project has been completed in 2024/25, and the costs have been put into the Council's capital programme – funded from the Innovation reserve
- (e). The Public Conveniences (Fakenham & Wells) project was completed in 2024/25 with final expenditure of £968,471 against the schemes approved budget of £986,963. This is a total saving during delivery achieved of £18,492 which will be uncommitted from capital receipts funding.
- (f). The Countryside Machinery project was completed in 2024/25 with final expenditure of £38,229 against the schemes approved budget of £38,465. This is a total saving during delivery achieved of £236 which will be uncommitted from capital receipts funding.
- (g). The Local Authority Housing Fund project was completed in 2024/25 with final expenditure of £1,040,000 against the schemes approved budget of £1,040,000. However, this scheme is specifically relating to the LAHF funding from central government which was used to administer grants from NNDC to housing developer to build affordable accommodation in the district. The Council has been awarded additional LAHF grant of £588k in 2025/26 which will be put towards the authorities Council Owned Temporary Accommodation project, instead of administering further grants.
- (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 Fakenham Connect/Crinkle Crankle Wall project was completed in 2024/25 with final expenditure of £293,389 against the schemes approved budget of £297,337. This is a total saving during delivery achieved of £3,948 which will be uncommitted from the Major Projects Reserve.
- (k). The User IT Hardware Refresh project was completed in 2024/25 with final expenditure of £75,586 against the schemes approved budget of £82,138 This is a total saving during delivery achieved of £6,552 which will be uncommitted from capital receipts funding. This underspend does not request a roll-forward as there is a new approved budget of £60,000 for the scheme in 2025/26.
- (l). The Financial Management System project was completed in 2024/25 with final expenditure of £291,966 against the schemes approved budget of £295,000. This is a total saving during delivery achieved of £3,034 which will be uncommitted from capital receipts funding.

- (m). The Server Replacement project was completed in 2024/25 with final expenditure of £60,673 against the schemes approved budget of £100,000. This is a total saving during delivery achieved of £39,327 which will be uncommitted from capital receipts funding.
- (n). The Replacement Storage Hardware project was completed in 2024/25 with final expenditure of £131,159 against the schemes approved budget of £150,000. This is a total saving during delivery achieved of £18,841 which will be uncommitted from capital receipts funding.
- (o). The Disabled Facilities Grants 2024/25 project was completed with final expenditure of £1,937,693 against the schemes approved 2024/25 budget of £2,079,040. This is a total saving during delivery achieved of £141,347. This amount will be uncommitted from the capital programme but held in the Council's capital grants received in advance. This is because the unused grant funding for this project is ringfenced and can only be used to fund additional Disabled Facilities Grants in future years

5.7 There are schemes where overspends have occurred in 2024/25. Details are given in the table below alongside the recommended funding source to finance these overspends. Explanations for the overspends can be found in the paragraphs below.

Capital Projects overspent in 2024/25, requesting extra budget approval.

Budget Manager		Overspent Capital Projects	Overspend £	Funding Source requested
Assets & Property Programme Manager	(o)	Cromer Offices LED Lighting Programme	715	Capital Receipts
Assets & Property Programme Manager	(p)	The Lees Walkway and Structural Works	10,098	Capital Receipts
Total extra funding requested to finance overspends			10,816	

Total funding requested by financing source	10,816
Capital Receipts	10,816

- (p). The Lees Walkway and Structural works project was completed in 2024/25 with final expenditure of £44,356 against the schemes approved budget of £34,258. This is an overspend of £10,098 against the project. However, this additional expenditure was deemed essential to reinforce the Lees Walkway (located in Sheringham) which due to heavy rainfall and water ingress had become dangerously unsafe for the public to walk on. Additional costs were incurred due to the specific construction of the walkway which exceed original project cost estimates. It is proposed that some uncommitted capital receipts from the above projects delivered with savings is used to finance this overspend.
- (q). The Cromer Offices LED Lighting Programme has not yet been completed but was overspend in 2024/25 with expenditure of £172,715 against an approved budget of £172,000. This is an overspend of £715 against the project caused by additional works being required beyond the original tender to implement additional motion sensors with the goal of

controlling the lights in the office (preventing them from being on when not required). It is proposed that some uncommitted capital receipts from the above projects delivered with savings is used to finance this overspend.

- 5.8 This report requests that the Council notes capital receipts of £0.761m were received in 2024/25 as outlined below:

Total capital receipts 2024/25:	
Sale of Waste Bins	-3,000.00
Repaid Egmere Bond	-6,687.63
NCC Refund on HAZ	-69,691.70
DFG Repayments	-67,409.87
Right to Buy's	-614,511.84
Total	-761,301.04

For the consideration of future capital projects, the Council's 2025/26 capital programme currently has total of £2.875m of projects agreed to be funded by capital receipts. However, the Council only has £2.386m of capital receipts funding available as at the end of 2024/25. This amount of allocated expenditure is appropriate as it is forecasted that sales of assets in 2025/26 will total £1.418m, this will meet the funding gap and provide an amount of capital receipts to fund future projects. This figure includes the estimated capital receipt of £1m from the sale of the Sheringham Enabling Land.

This report would advise that that any new larger-scale projects going forward will primarily need to be considered as funded by borrowing unless higher-value assets are sold by the authority.

- 5.9 For the schemes which were not completed in 2024/25 it is requested that the capital budgets are rolled forward into 2025/26 for the managers to finish the schemes. The project's requesting budget is approved to be rolled forward into 2025/26 are detailed below, and shown in Appendix E. This report asks members to consider and approve if the projects outlined below can continue in 2025/26 to meet the Council's goals. The details for any projects and current financial commitments are outlined in the following paragraphs.

Requests for capital budget roll forward from 2024/25 into 2025/26

Capital Project	Ref:	Budget requested to be rolled-forward into 2025/26 £	Funding Source(s)
Cromer Coastal Protection Scheme	(r)	846,067	Grants
Coastal Erosion Assistance	(s)	13,336	Capital Receipts
Coastal Adaptations	(t)	244,990	Capital Receipts
Mundesley Coastal Management Scheme	(u)	1,226,806	£144,000 Capital Receipts £312,806 Grants £770,000 Contributions
Coastal Management Fund	(v)	341,750	Capital Receipts
Coastwise	(w)	1,665,587	Grants

Electric Vehicle Charging Points	(x)	33,317	Capital Receipts
The Reef Solar Carport	(y)	65,180	Delivery Plan Reserve
Holt Country Park Electricity Improvements	(z)	237,168	Borrowing
Public Conveniences – Energy Efficiencies	(aa)	148,719	Borrowing
Public Conveniences – Sheringham & North Walsham	(ab)	2,696	Capital Receipts
Public Conveniences – Albert Street, Holt	(ac)	54,554	Borrowing
Cromer Pier – Steelworks and Improvements to Pavillion Theatre	(ad)	47,967	Capital Receipts
3G Facilities	(ae)	847,568	£600,000 Grants £247,568 Borrowing
Cromer 3G Football Facility	(af)	979,141	£683,866 Grants £295,275 Borrowing
The Reef Leisure Centre	(ag)	252,823	£139,727 Capital Receipts £113,096 Capital Projects Reserve
Green Road Football Facility (North Walsham)	(ah)	50,223	Delivery Plan Reserve
New Play Area (Sheringham, The Lees)	(ai)	16,429	Delivery Plan Reserve
Fakenham Leisure and Sports Hub (FLASH)	(aj)	2,101,486	Grants
Back Stage Refurbishment – Pier Pavillion Theatre	(ak)	16,665	Borrowing
Holt Country Park Staff Facilities	(al)	4,003	Borrowing
Cromer Church wall	(am)	50,000	Major Projects Reserve
Cabbell Park Clubhouse	(an)	237,000	Capital Receipts
Compulsory Purchase of Long-Term Empty Properties	(ao)	383,835	Borrowing
Community Housing Fund	(ap)	228,161	Housing Reserve
Council Owned Temporary Accommodation	(aq)	84,557	£84,577 Grants
Housing S106 Enabling	(ar)	764,000	S106 Contributions
Loans to Housing Providers	(as)	340,000	Capital Receipts
Rocket House	(at)	852,447	Borrowing
Property Acquisitions	(au)	700,868	Delivery Plan Reserve
Chalet Refurbishment	(av)	124,928	Capital Receipts
Marrams Building Renovation	(aw)	46,513	Asset Management Reserve
Car Parks Refurbishment	(ax)	201,800	Borrowing
Asset Roof Replacements (Art Deco Block, Red Lion Retail Unit, Sheringham Chalets)	(ay)	90,213	£58,113 Asset Management Reserve £32,100 Grants
New Fire Alarm and Fire Doors in Cromer offices	(az)	786	Capital Receipts
West Prom Sheringham, Lighting & Cliff Railings	(aaa)	55,000	Capital Receipts
Collectors Cabin Roof	(aab)	29,625	Asset Management Reserve

New Revenues and Benefits System	(aac)	98,720	Capital Receipts
Customer Services C3 Software	(aad)	23,400	Delivery Plan Reserve
Marrams Footpath and Lighting	(aae)	(2,627)	Borrowing
Total:		13,505,721	

Budget Roll-Forwards by Funding Source:	£
Grants	6,326,489
Contributions	1,534,000
Reserves	1,381,608
Revenue Contribution to Capital Outlay (RCCO)	0
Capital Receipts	1,824,217
Borrowing	2,439,407
Total	13,505,721

- (r). Cromer Coast Protection Scheme – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works are anticipated to complete in 2025. This scheme is grant-funded, the grant can only be used for the project or must be repaid.
- (s). Coastal Erosion Assistance - This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed; this budget aims to provide coastal erosion grant support in the event on an emergency.
- (t). Coastal Adaptations – This report requests that the unspent capital budget shown in the above table is rolled forward. Although there is no project works in progress, this sum is funded from a prior sale of land, which as a condition, required an agreed sum to be spent on coastal adaptation works.
- (u). Mundesley Coastal Management Scheme – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works are anticipated to complete in 2025. This scheme is primarily grant-funded, the grant can only be used for the project or must be repaid.
- (v). Coastal Management Fund – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This budget is planned to be used for a major coastal beacon replacement programme along the North Norfolk coastline.
- (w). Coastwise – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed but this grant-funded scheme can only be used for the Coastwise project.
- (x). Electric Vehicle Charging Points – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This budget is planned to be used for infrastructure enabling works to allow Norfolk County Council to install charging points on North Norfolk District Council's assets using central government funding.

- (y). The Reef Solar Carport – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This budget is planned to be used to purchase an electric battery storage or alternative electricity storage method to connect to the existing carport structure.
- (z). Holt Country Park Electricity Improvements – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is currently in the design phase to determine how best to connect the site to nearby electrical infrastructure.
- (aa). Public Conveniences, Energy Efficiencies – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to delivery net-zero improvements to Public Conveniences across the District (e.g. installing water-efficient plumbing systems, electric hand-dryers or small-scale solar panels).
- (ab). Public Conveniences, Sheringham & North Walsham – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works are anticipated to complete in 2025, where the toilet block fully refurbished.
- (ac). Public Conveniences, Albert Street, Holt – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works are anticipated to complete in 2025, where the toilet block fully refurbished.
- (ad). Cromer Pier, Steelworks and Improvements to Pavillion Theatre – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works have been completed; however, a retention sum is still due for payment in 2025.
- (ae). North Walsham 3G Facilities – This report requests that the unspent capital budget shown in the above table is rolled forward. This project has been renamed to specifically refer to the provision of a 3G facility at North Walsham as this location is eligible for potential grant funding. This project is currently under discussions with landowners to find a suitable location for the construction with a decision anticipated in 2025.
- (af). Cromer 3G Football Facility – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project construction works are anticipated to complete in summer 2025 and grant approval has been awarded from the Football Foundation which must be spent on this project or repaid.
- (ag). The Reef Leisure Centre – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. This is a retention sum which has been withheld and used to resolve construction defects following the centre’s construction contractor having gone into administration. This budget must be spent on resolving defects or paid to the contractor’s administrators.

- (ah). Green Road Football Facility (North Walsham) – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. Construction work has been delayed whilst negotiations with the tenants of the site are ongoing.
- (ai). New Play Area (Sheringham, The Lees) – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. The new play equipment has been purchased, but not yet installed at the site, therefore the remaining budget is required to complete this scheme.
- (aj). Fakenham Leisure and Sports Hub (FLASH) – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works are anticipated to be carried out in 2025 and continue in 2026 as a large-scale project. This scheme is primarily grant-funded, the grant can only be used for the project or must be repaid.
- (ak). Back Stage Refurbishment, Pier Pavillion Theatre – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works have been completed, with residual works and final payments still to be made.
- (al). Holt Country Park Staff Facilities – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works have been completed, with residual works and final payments still to be made.
- (am). Cromer Church Wall – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. Currently potential contractors are being reviewed for this specialist construction with plans for works to commence in 2025.
- (an). Cabbell Park Clubhouse – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. Discussions and construction options are ongoing to determine the most appropriate way to deliver this project.
- (ao). Compulsory Purchase of Long-Term Empty Properties – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This budget is retained for the CPO of dangerous properties in emergency circumstances (such as where property owners may not be able to financially afford to repair and keep their properties).
- (ao). Community Housing Fund – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to deliver grants to private housing developers to encourage the provision of affordable accommodation in the district.
- (aq). Council Owned Temporary Accommodation – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to purchase and make habitable residential properties for temporary accommodation to reduce

homelessness across the district. This is anticipated to reduce the annual cost to the Council of providing temporary accommodation.

- (ar). Housing S106 Enabling – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to use S106 funding specifically allocated towards providing affordable accommodation in the areas set out in individual S106 agreements. The S106 funding must be used as outlined in these agreements or repaid.
- (as). Loans to Housing Providers – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This budget is to provide long-term loans to private housing developers to support the provision of affordable accommodation in the district (at no long-term financial loss to the Council).
- (at). Rocket House – This report requests that the unspent capital budget shown in the above table is rolled forward as some project works are contractually committed. The project works are ongoing to renovate the property.
- (au). Property Acquisitions – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This budget is retained for the purchase of properties for future sale.
- (av). Chalet Refurbishment – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to renovate Council owned chalets in the district.
- (aw). Marrams Building Renovation – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. Discussions and construction options are ongoing to determine the most appropriate way to deliver this project.
- (ax). Car Parks Refurbishment – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to resurface Council owned car parks where required.
- (ay). Asset Roof Replacements (Art Deco Block, Red Lion Retail Unit, Sheringham Chalets) – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The remaining works are specifically on the Red Lion Retail Unit which is anticipated to be completed in 2025.
- (az). New Fire Alarm and Fire Doors in Cromer offices – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The project works have been completed, with residual works and final payments still to be made.
- (aaa). West Prom Sheringham, Lighting & Cliff Railings – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to improve the railings and lighting columns along the Promenade however feasibility studies are ongoing on how best to deliver this project.

- (aab). Collectors Cabin Roof – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. This project is to renovate the thatched roof of the property so that the Council can let the property to tenants.
- (aac). New Revenues and Benefits System – This report requests that the unspent capital budget shown in the above table is rolled forward as project works are contractually committed. The procurement for the new system has been completed with implementation to be carried out in 2025.
- (aad). Customer Services C3 Software – This report requests that the unspent capital budget shown in the above table is rolled forward. No project works are contractually committed. The project works are anticipated to completed in 2025.
- (aae). Marrams Footpath and Lighting – This report requests that the overspent capital budget shown in the above table is rolled forward so that the future budget can finance the costs of the 2024/25 overspend. No project works are contractually committed. The project works are anticipated to completed in 2025.

5.10 There are schemes where additional budget requests have been made to and allocated by the Council's S151 Officer to fund projects in emergencies using the Council's reserves. The S151 Officer cannot authorise any other form of additional funding without Full Council approval.

Details are given in the table below alongside the reserve used source to finance these additional budget requests. Explanations for the overspends can be found in the paragraphs below and it is asked that the Council notes these approvals which have been included into the 2025/26 capital programme, shown on Appendix E.

Additional Capital Project funding approvals 2024/25 by the S151 Officer.

Budget Manager	Ref:	Overspent Capital Projects	Overspend £	Funding Source requested
Assets & Property Programme Manager	(aae)	New Play Area (Sheringham, The Lees)	55,000	Asset Management Reserve
Total additional funding approvals			55,000	

- (aae). New Play Area (Sheringham, The Lees) – The new play equipment has been purchased, but not yet installed at the site, alongside the requested budget roll-forward of £16,429 it has been assessed that an additional £55k is required to complete the play park installation to the highest standard and make the play park safe for use. Approval of additional budget from reserves has been given to prevent delays in the installation of new play equipment following the assessment that additional budget was required.

Additional Capital Project funding requests for 2025/26 to Full Council:

Budget Manager	Ref:	New Capital Programme	Additional Budget Requested £	Funding Source
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		Requests		requested
Assets & Property Programme Manager	(aaf)	Cromer Offices LED Lighting Programme	6,081	Capital Receipts
Assets & Property Programme Manager	(aag)	Public Conveniences (Sheringham & North Walsham)	20,000	Capital Receipts
Leisure & Locality Services Manager	(aah)	Holt Eco Learning Space	100,000	Contributions
Total additional funding approvals			126,081	

Total funding requested by financing source	126,081
Contributions	100,000
Capital Receipts	26,081

- (aaf). The Cromer Offices LED Lighting Programme requires additional budget to the already approved £172,000 and £715 overspend mentioned earlier in this report. At the end of works it was identified that additional motion sensor installations needed to be purchased and installed as some sections of lighting were not activating appropriately from the normal movements of Officers working at the building. These costs are a further £6,081, this report requests that Full Council approves this further sum towards the project to be funded from capital receipts to finance the additional works required. This would make the total project cost £178,796 to complete.
- (aag). The Public Conveniences (Sheringham & North Walsham) project requires additional budget to the already approved £545,514 including £2,696 roll-forward as mentioned earlier in this report. It has been identified that additional works are required on the roof of the Sheringham Public Conveniences to finalise the construction. These costs are a further £20,000, this report requests that Full Council approves this further sum towards the project to be funded from capital receipts to finance the additional works required. This would make the total project costs £565,514 to complete.
- (aah). The Holt Eco Learning Space is a new capital project request. This project is to use a £100,000 contribution awarded from the Hornsea 3 Legacy Fund to construct an eco-learning space at Holt Country Park. This report requests that Full Council approves for this scheme to be added into the 2025/26 capital programme and has been included in Appendix E.

6. Capital Programme 2025/26 Update

- 6.1 Appendix E shows the capital programme for the period 2025/26 to 2030/31 as it currently stands. The capital programme has been updated to reflect schemes closure and budget slippage identified within this report. It also includes schemes which have already received formal approval by Full Council or the S151 Officer as at the 31 March 2025.

7. Medium Term Financial Strategy

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

8. Proposals and Options

This is a factual report that outlines the financial position at the year-end for the year 2024/25. There are proposed recommendations for Cabinet to make to full Council on 23 July 2025. The approval of these recommendations will enable the Council to maintain its strong financial position in the coming years.

9. 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.

10. Financial and Resource Implications

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

11. Legal Implications

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

12. Risks

12.1 Financial risks are identified within the report content.

13. Net ZeroTarget

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

14. Equality, Diversity & Inclusion

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

15. Community Safety issues

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

16. Conclusion and Recommendations

16.1 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 2024/25 (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 2025/26 budget;**
- c) **The surplus of £0.622m be transferred to the General reserve to fund future funding shortfalls;**

- d) The balance on the General Reserve of £2.825m
- e) The financing of the 2024/25 capital programme as detailed within the report and at Appendix D;
- f) The updated capital programme for 2025/26 to 2030/31 and scheme financing as outlined within the report and detailed at Appendix E;
- g) Approval of additional funding to cover capital project overspends of £10,816 as detailed in paragraph 5.7.
- h) Approval of capital project budget roll-forwards from 2024/25 into 2025/26 paragraph 5.9.
- i) To note the addition of £55,000 towards the New Play area (Sheringham, The Lees) to be funded from the Asset Management Reserve in 2025/26 for a total project budget of £120,000
- j) To approve the addition of £6,081 towards the Cromer Offices LED lighting programme to be funded from Capital Receipts in 2025/26 for a total project budget of £178,796.
- k) To approve the addition of £20,000 towards the Public Conveniences (Sheringham & North Walsham) project to be funded from Capital Receipts in 2025/26 for a total project budget of £565,514.
- l) To approve the addition of the Holt Eco Learning Space scheme for £100,000 into the 2025/26 Capital Programme to be funded by an external contribution.

S151 Officer

The draft outturn position as presented in this report shows that there is a surplus for the year of £0.622m 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.

Monitoring Officer

In accordance with the CIPFA requirements, this report provides financial information to Members around the 2024/25 provisional outturn position for the year and matters as detailed in the recommendations.

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General Fund Summary Outturn 2024/25

Service Area	2024/25 Base Budget £	2024/25 Updated Budget £	2024/25 Outturn £	Outturn Variance £
Corporate Leadership/ Executive Support	576,259	514,991	43,479	(471,512)
Communities	11,530,421	11,399,996	9,577,687	(1,822,309)
Place and Climate Change	7,121,376	7,129,876	4,911,753	(2,218,123)
Resources	4,538,101	4,628,088	4,424,434	(203,654)
Savings to be Identified	(250,000)	0	0	0
Net Cost of Services	23,516,157	23,672,951	18,957,353	(4,715,598)
Parish Precepts	3,129,194	3,129,194	3,129,194	0
Capital Charges	(2,962,374)	(2,962,374)	(2,962,440)	(66)
Refcus	(761,647)	(761,647)	0	761,647
Interest Receivable	(1,865,172)	(1,865,172)	(1,387,447)	477,725
External Interest Paid	40,285	340,285	326,901	(13,384)
Revenue Financing for Capital:	210,000	2,447,783	1,079,304	(1,368,479)
Minimum Revenue Provision	487,860	487,860	569,828	81,968
IAS 19 Pension Adjustment	268,000	268,000	926,987	658,987
Net Operating Expenditure	22,062,303	24,756,880	20,639,680	(4,117,200)
Funded By				
Parish Precepts	(3,129,194)	(3,129,194)	(3,129,187)	7
Council Tax	(7,068,941)	(7,068,941)	(6,766,412)	302,529
Collection Fund Surplus	(108,332)	(108,332)	(108,336)	(4)
Retained Business Rates	(7,683,000)	(7,683,000)	(8,066,899)	(383,899)
New Homes bonus	(5,600)	(5,600)	(5,600)	0
Revenue Support Grant	(309,046)	(309,046)	(336,094)	(27,048)
3% Funding Guarantee	(1,230,666)	(1,230,670)	(1,230,670)	0
Rural Services Delivery Grant	(656,974)	(656,970)	(656,974)	(4)
Ctax Discount Grant	(51,576)	(51,576)	0	51,576
Services Grant	(22,518)	(22,518)	(22,518)	0
Income from Government Grant and Taxpayers	(20,265,847)	(20,265,847)	(20,322,690)	(56,843)
(Surplus)/Deficit	1,796,456	4,491,033	316,990	(4,174,043)
Contribution To/(From) Reserves	(1,796,456)	(4,491,033)	(938,750)	3,552,283
(Suplus)/Deficit Position	0	0	(621,760)	(621,760)

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Communities Directorate Outturn 2024-25

Ad Environment & Leisure Services

	Updated Budget 2024/25 £	Outturn 2024/25 £	Outturn Variance £	Variance Explanation
Ad Environmental & Leisure Svcs				
Employee	96,751	89,675	(7,076)	Lower salary costs and Pension Fund adjustment.
Transport	1,744	1,697	(47)	No Major Variances.
Supplies and Services	100	328	228	No Major Variances.
Support Services	10,640	10,656	16	No Major Variances.
Support Services Income	(109,235)	(109,236)	(1)	No Major Variances.
	0	(6,879)	(6,879)	
Beach Safety				
Premises	2,750	88	(2,662)	Lower R&M costs.
Supplies and Services	367,665	371,713	4,048	Blue Flag applications and notice boards.
Support Services	76,820	76,824	4	No Major Variances.
Income	0	(145)	(145)	No Major Variances.
	447,235	448,481	1,246	
Civil Contingencies				
Employee	86,622	82,354	(4,268)	Pension Fund adjustments.
Transport	1,044	1,021	(23)	No Major Variances.
Supplies and Services	12,390	3,858	(8,532)	(£3,960) Professional fees budget not required. Balance is made up of misc. minor variances.
Support Services	64,100	64,128	28	No Major Variances.
	164,156	151,360	(12,796)	
Cleansing				
Supplies and Services	1,087,850	901,215	(186,635)	(£181,098) Serco contractor payments. (£2,689) Equipment purchases. (£2,848) Bad Debts provision.
Support Services	77,760	77,760	0	No Major Variances.
Income	(87,495)	(84,634)	2,861	Reduced income from dog and litter bin recharges.
	1,078,115	894,341	(183,774)	
Community Safety				
Employee	8,252	6,701	(1,551)	No Major Variances.
Transport	500	0	(500)	No Major Variances.
Supplies and Services	4,000	5,006	1,006	No Major Variances.
Support Services	25,180	25,188	8	No Major Variances.
	37,932	36,895	(1,037)	
Corporate H&S				
Employee	83,104	83,602	498	No Major Variances.
Transport	600	254	(346)	No Major Variances.
Supplies and Services	2,250	2,364	114	No Major Variances.
Support Services	20,820	20,820	0	No Major Variances.
Income	(24,000)	110	24,110	Fee income from Occupational Safety & Health (IOSH) courses not generated.
Support Services Income	(82,774)	(82,776)	(2)	No Major Variances.
	0	24,374	24,374	
Environmental Contracts				
Employee	356,623	302,867	(53,756)	(£33,161) Lower employee costs due to vacant post. (£14,728) Pension Fund adjustments. (£5,000) Qualification training budget not spent.
Transport	12,452	5,752	(6,700)	Lower vehicle maintenance costs.
Supplies and Services	1,275	4,134	2,859	No Major Variances.
Support Services	125,040	125,064	24	No Major Variances.
Support Services Income	(511,438)	(511,440)	(2)	No Major Variances.
	(16,048)	(73,623)	(57,575)	
Environmental Protection				
Employee	561,185	484,100	(77,085)	(£55,078) Lower employee costs. (£22,472) Pension Fund adjustments.
Transport	20,396	15,821	(4,575)	Lower travelling costs.
Supplies and Services	65,650	67,225	1,575	See Note A below:
Support Services	302,120	302,160	40	No Major Variances.
Capital Financing	37,620	37,632	12	No Major Variances.
Income	(13,000)	(26,452)	(13,452)	See Note B below:
	973,971	880,486	(93,485)	

Note A : (£5,815) Equipment purchases. (£5,845) Lower professional fees in relation to rechargeable works. £2,425 Subscriptions. £26,789 Bad debts written off. (£14,425) Bad debts provision.

Note B : (£2,034) Grant for Bully cross dogs to offset salary costs. (£6,248) Rechargeable income - Assisted burials and rechargeable works. (£3,800) HMO Licences.

Ad Environment & Leisure Services

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
Foreshore				
Employee	32,288	31,529	(759)	No Major Variances.
Premises	48,936	23,594	(25,342)	(£21,947) Lower R&M costs. (£2,722) Lower Premises insurance premiums.
Transport	700	516	(184)	No Major Variances.
Supplies and Services	5,300	435	(4,865)	Equipment and professional fees budgets not spent.
Support Services	72,520	72,528	8	No Major Variances.
Income	0	(791)	(791)	No Major Variances.
	159,744	127,811	(31,933)	
Internal Drainage Board Levies				
Premises	502,085	528,109	26,024	Higher levies.
Supplies and Services	0	170	170	No Major Variances.
Support Services	370	372	2	No Major Variances.
Income	(35,265)	(41,265)	(6,000)	Grant to offset higher costs.
	467,190	487,386	20,196	
Leisure				
Employee	168,176	160,370	(7,806)	Pension Fund adjustments.
Transport	5,332	4,075	(1,257)	No Major Variances.
Supplies and Services	27,550	26,792	(758)	No Major Variances.
Support Services	126,490	126,504	14	No Major Variances.
Support Services Income	(327,548)	(327,600)	(52)	No Major Variances.
	0	(9,859)	(9,859)	
Leisure Complexes				
Premises	145,711	154,501	8,790	(£10,560) Lower insurance premiums. £17,393 Business Rates - offset by higher management fee income.
Supplies and Services	0	6,597	6,597	£4,020 Engineering Insurance premiums. £2,261 Bad Debts provision.
Support Services	116,350	116,388	38	No Major Variances.
Capital Financing	587,211	587,220	9	No Major Variances.
Income	(85,398)	(102,791)	(17,393)	Higher management fees - offset by NDR costs at The Reef.
	763,874	761,915	(1,959)	
Markets				
Employee	6,084	6,813	729	No Major Variances.
Premises	35,248	19,622	(15,626)	(£3,412) Lower Business Rates. (£12,230) Lower rents to reflect lower market income.
Transport	0	115	115	No Major Variances.
Supplies and Services	4,100	3,201	(899)	No Major Variances.
Support Services	43,530	43,536	6	No Major Variances.
Income	(40,000)	(31,078)	8,922	Lower income from market traders.
	48,962	42,209	(6,753)	
Other Sports				
Premises	12,510	11,250	(1,260)	Lower insurance premiums.
Supplies and Services	41,200	31,275	(9,925)	Professional fees and costs associated with sports events.
Support Services	68,300	68,304	4	No Major Variances.
Income	(8,000)	(7,110)	890	No Major Variances.
	114,010	103,719	(10,291)	
Parks & Open Spaces				
Premises	280,468	292,569	12,101	(£11,651) Lower R&M costs. £24,966 Grounds maintenance and emergency tree works.
Supplies and Services	65,200	67,160	1,960	No Major Variances.
Support Services	139,600	139,620	20	No Major Variances.
Capital Financing	1,368	1,368	0	No Major Variances.
Income	(8,500)	(25,225)	(16,725)	(£10,021) Higher interest on grassed area deposits. (£6,510) Insurance recharges.
	478,136	475,492	(2,644)	
Pier Pavilion				
Premises	3,000	350	(2,650)	No Major Variances.
Supplies and Services	0	10	10	No Major Variances.
Support Services	42,780	42,780	0	No Major Variances.
Capital Financing	20,286	20,292	6	No Major Variances.
Income	(10,000)	(8,799)	1,201	No Major Variances.
	56,066	54,633	(1,433)	
Public Protection				
Employee	615,944	481,635	(134,309)	See Note A below :
Transport	16,041	12,854	(3,187)	Lower travelling allowances.
Supplies and Services	65,680	108,762	43,082	See Note B below :
Support Services	383,700	383,748	48	No Major Variances.
Income	(248,000)	(346,771)	(98,771)	Licensing fee income - to be transferred to the earmarked Environmental Health Reserve for future fee setting.
	833,365	640,228	(193,137)	

Note A : (£115,995) Employee savings through vacant posts - some fixed term staffing to be funded from the Contain Outbreak Management Fund (COMF). (£21,739) Pension Fund adjustments. £4,458 Higher training costs.

Note B : £58,205 Agency staff - funded from COMF. £6,000 Computer software - funded from COMF. (£3,000) Advertising budget not spent. £5,150 Subscriptions - this cost has been offset by lower professional fees. (£16,509) Professional fees to include Private Water Sampling.

Ad Environment & Leisure Services

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
Recreation Grounds				
Premises	7,100	7,127	27	No Major Variances.
Supplies and Services	7,200	7,220	20	No Major Variances.
Support Services	4,090	4,092	2	No Major Variances.
Capital Financing	6,046	6,048	2	No Major Variances.
Income	(1,000)	(1,090)	(90)	No Major Variances.
	23,436	23,397	(39)	
Street Signage				
Supplies and Services	10,000	9,715	(285)	No Major Variances.
Support Services	42,360	42,372	12	No Major Variances.
	52,360	52,087	(273)	
Travellers				
Premises	8,448	7,560	(888)	No Major Variances.
Supplies and Services	53,600	56,263	2,663	No Major Variances.
Support Services	9,000	9,012	12	No Major Variances.
Capital Financing	6,104	6,108	4	No Major Variances.
Income	(2,000)	(490)	1,510	No Major Variances.
	75,152	78,454	3,302	
Waste Collection And Disposal				
Employee	0	976	976	No Major Variances.
Supplies and Services	5,826,469	5,833,424	6,955	See Note A below:
Support Services	488,000	487,992	(8)	No Major Variances.
Capital Financing	764,192	764,196	4	No Major Variances.
Income	(4,824,575)	(5,007,069)	(182,494)	See Note B below:
	2,254,086	2,079,519	(174,567)	
Note A ; £163,086 - Higher Serco contractor costs. £82,627 Higher processing costs to NEWS , some of which is being offset by a returned gate fee. (£159,844) Lower commercial waste disposal costs. (£70,257) Bad debts provisions. (£4,675) Lower postage and hybrid mailing costs. (£3,500) Lower contribution to Great Yarmouth BC for Norfolk Waste Partnership.				
Note B : £55,194 Lower recycling credits - lower tonnage. (£52,024) Increased bulky waste collection fees. (£13,716) Increased commercial waste fee income. £77,677 Lower than budgeted fee income - savings bid of £50,000 not achieved. (£109,000) Norfolk Environmental Waste Services (NEWS) - returned gate and profit share - this has been used to offset the additional processing costs and the balance to be taken to the Environmental Health Reserve. (£137,343) Serco performance failure fees - this income will be rolled forward to the Innovation Fund.				
Woodlands Management				
Employee	188,114	177,124	(10,990)	Pension Fund adjustments.
Premises	52,962	31,627	(21,335)	Emergency Tree works - all costs in 2024/25 have been reallocated to various services.
Transport	21,661	28,755	7,094	Additional car leasing payments - maintenance not included in the original contract cost.
Supplies and Services	12,450	16,308	3,858	Replacement generator at Holt Country Park.
Support Services	159,650	160,271	621	No Major Variances.
Capital Financing	5,449	5,448	(1)	No Major Variances.
Income	(56,460)	(66,893)	(10,433)	Youth Advisory Board grant - to be rolled forward to 2025/26.
	383,826	352,640	(31,186)	
Total Environment and Leisure	8,395,568	7,625,065	(770,503)	

Communities Directorate Outturn 2024-25

Ad People Services

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
	£	£	£	
Ad People Services				
Employee	88,386	75,719	(12,667)	Lower salary costs and Pension Fund adjustment.
Transport	1,194	1,167	(27)	No Major Variances.
Supplies and Services	100	0	(100)	No Major Variances.
Support Services	10,590	10,608	18	No Major Variances.
Support Services Income	(104,247)	(104,244)	3	No Major Variances.
	(3,977)	(16,750)	(12,773)	

Benefits Administration

Employee	1,090,319	1,017,510	(72,809)	See Note A below:
Transport	944	4,403	3,459	Higher travelling costs.
Supplies and Services	67,100	28,862	(38,238)	See Note B below:
Support Services	494,610	494,616	6	No Major Variances.
Capital Financing	31,700	31,704	4	No Major Variances.
Income	(413,215)	(323,425)	89,790	See Note C below:
	1,271,458	1,253,671	(17,787)	

Note A : (£26,296) Employee costs - some vacant posts during the year, offset by fixed term contract costs, some of which have been funded by COMF. (£46,716) Pension Fund adjustments.

Note B : £11,950 Consultancy fees (Policy in Practice) - funded from New Burdens Grant. £23,279 Computer software and licences - LIFT Dashboard - funded from COMF. (£73,577) Bad debts provision.

Note C : (£50,667) Additional New Burdens Funding. £140,849 Shortfall in Benefits Administration Subsidy - included with Revenue Support Grant as part of the Council's settlement.

Community

Employee	705,958	821,086	115,128	See Note A below:
Premises	0	795	795	No Major Variances.
Transport	11,032	15,821	4,789	Lump sum travelling allowances.
Supplies and Services	304,106	79,918	(224,188)	See Note B below:
Support Services	362,750	362,796	46	No Major Variances.
Income	(449,999)	(711,800)	(261,801)	See Note C below:
Support Services Income	(202,500)	(212,365)	(9,865)	Contributions for capital salaries.
	731,347	356,251	(375,096)	

Note A : £152,541 Employee costs - fixed term staffing costs funded from grant and partnership contributions. (£41,727) Pension Fund adjustments.

Note B : (£15,925) Unspent grants.(£205,324) Professional fees - some of the surplus is to be transferred to the Reserve for use towards employee and homelessness costs in future years.

Note C : Additional grant income and contributions from the Health & Wellbeing Partnership, Better Care Fund, Age UK, Community Transformation Fund and the Primary Care Network, all of which was not budgeted for.

Homelessness

Premises	132,652	82,490	(50,162)	See Note A below:
Transport	0	261	261	No Major Variances.
Supplies and Services	1,317,252	1,121,391	(195,861)	See Note B below:
Support Services	1,219,500	1,219,476	(24)	No Major Variances.
Capital Financing	83,963	83,964	1	No Major Variances.
Income	(1,747,767)	(2,079,732)	(331,965)	See Note C below:
	1,005,600	427,851	(577,749)	

Note A : (£43,603) Lower R&M costs. (£5,034) Lower Council Tax costs for empty properties. (£8,112) Lower utility costs. £4,092 Higher service charges.

Note B : £110,099 Higher B&B charges - offset by subsidy and client contributions. £4,625 Bad Debts written off. £23,767 Computer software and Licences - to include costs of Locata which are partially offset by partnership contributions. (£335,025) Professional fees - some of this surplus is to be used to offset higher Homelessness costs.

Note C : (£282,807) Higher rent collections and service charges for temporary accommodation. (£44,604) Additional central government grants received for Rough Sleeper Initiatives and Winter Pressure funding - some of which is to be transferred to the Housing Reserve.

Housing Options

Employee	780,481	732,716	(47,765)	(£8,204) Lower employee costs. (£34,392) Pension Fund adjustments. (£4,270) Lower training costs.
Transport	6,000	7,823	1,823	No Major Variances.
Supplies and Services	5,179	4,512	(667)	No Major Variances.
Support Services	299,560	299,604	44	No Major Variances.
Support Services	(1,091,220)	(1,091,280)	(60)	No Major Variances.
Income	0	(21,776)	(21,776)	
	0	(68,401)	(68,401)	

Total People Services **3,004,428** **1,952,621** **(1,051,807)**

Total Communities **11,399,996** **9,577,686** **(1,822,310)**

Corporate Directorship Outturn 2024-25

AD Corporate

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
	£	£	£	
Communications				
Employee	225,773	211,880	(13,893)	(£10,498) Pension fund adjustments. (£4,950) Training.
Transport	2,238	2,031	(207)	No major variances.
Supplies and Services	52,536	34,311	(18,225)	(£10,569) Magazine publication. (£4,000) Photography. (£2,954) Digital promotion.
Support Services	72,820	72,840	20	No major variances.
Capital Financing	55,954	55,956	2	No major variances.
Support Services Income	(409,321)	(409,380)	(59)	No major variances.
Income	0	(1,417)	(1,417)	No major variances.
	0	(33,779)	(33,779)	
Corporate Delivery Unit				
Employee	204,309	186,248	(18,061)	(£9,061) Pension fund adjustments. (£8,259) Reduced hours posts.
Transport	600	135	(465)	No major variances.
Supplies and Services	2,840	2,654	(186)	No major variances.
Support Services	40,840	40,848	8	No major variances.
Support Services Income	(248,589)	(248,604)	(15)	No major variances.
	0	(18,719)	(18,719)	
Corporate Leadership Team				
Employee	787,919	731,583	(56,336)	(£34,449) Pension fund adjustments. (£18,191) Vacant posts.
Transport	10,096	6,916	(3,180)	No major variances.
Supplies and Services	14,070	18,048	3,978	No major variances.
Support Services	204,560	204,564	4	No major variances.
Support Services Income	(1,029,418)	(1,029,528)	(110)	No major variances.
	(12,773)	(68,417)	(55,644)	
Customer Services - Corporate				
Employee	904,778	841,691	(63,086)	(£38,502) Pension fund adjustments. (£22,447) Vacant posts.
Transport	4,000	1,645	(2,355)	No major variances.
Supplies and Services	53,872	32,254	(21,618)	(£8,131) Equipment & tools. (£6,686) Stationery. (£3,118) Equipment leases. (£2,825) Subscriptions.
Support Services	400,200	400,212	12	No major variances.
Capital Financing	54,056	54,048	(8)	No major variances.
Income	(17,250)	(26,276)	(9,026)	Additional income from new tenant charges.
Support Services income	(1,404,816)	(1,404,888)	(72)	No major variances.
	(5,160)	(101,314)	(96,154)	
Human Resources & Payroll				
Employee	374,279	273,761	(100,518)	(£62,677) Vacant posts. (£27,991) Corporate training. (£9,788) Pension fund adjustments.
Transport	500	87	(413)	No major variances.
Supplies and Services	34,760	16,401	(18,359)	(£9,753) Professional fees. (£7,721) Software. (£4,326) Equipment. £5,500 Compensation.
Support Services	115,710	115,704	(6)	No major variances.
Income	(1,000)	2,756	3,756	No major variances.
Support Services Income	(567,585)	(567,684)	(99)	No major variances.
	(43,336)	(158,975)	(115,639)	

AD Corporate

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
	£	£	£	
Registration Services				
Employee	152,858	129,514	(23,344)	(£21,410) Vacant post. (£5,863) Pension fund adjustments. £3,941 Training.
Premises	2,600	54,090	51,490	Election costs funded from grant income below.
Transport	400	1,186	786	No major variances.
Supplies and Services	60,929	293,041	232,112	Election costs funded from grant income below.
Support Services	191,590	191,604	14	No major variances.
Income	(1,500)	(391,671)	(390,171)	Grant income to cover above election costs together with additional new burdens funding.
	406,877	277,764	(129,113)	
Reprographics				
Employee	4,328	3,946	(382)	No major variances.
Transport	250	0	(250)	No major variances.
Supplies and Services	35,290	22,390	(12,900)	(£7,109) Equipment leases. (£5,076) Stationery.
Support Services	31,560	31,572	12	No major variances.
Income	(4,000)	(2,030)	1,970	No major variances.
Support Services Income	(67,428)	(67,440)	(12)	No major variances.
	0	(11,562)	(11,562)	
Tic'S				
Employee	76,029	77,211	1,182	No major variances.
Premises	41,367	36,091	(5,276)	(£7,748) Electricity
Transport	85	0	(85)	No major variances.
Supplies and Services	18,370	10,781	(7,589)	(£7,546) Purchases for resale.
Support Services	61,050	61,056	6	No major variances.
Capital Financing	2,651	2,652	1	No major variances.
Income	(30,170)	(29,309)	861	No major variances.
	169,382	158,481	(10,901)	
Total Corporate	514,990	43,479	(471,511)	

Place and Climate Change Directorate Outturn 2024-25

Ad Planning

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
	£	£	£	
Ad Planning				
Employee	123,200	91,434	(31,766)	(£27,622) Directorate training. (£4,137) Pension fund adjustments.
Transport	1,325	1,557	232	No major variances.
Support Services	35,570	35,604	34	No major variances.
Support Services Income	(166,325)	(166,332)	(7)	No major variances.
Income	0	(10,000)	(10,000)	Norfolk mitigation fund contribution.
	(6,230)	(47,737)	(41,507)	

Building Control

Employee	541,026	501,786	(39,240)	(£23,979) Pension fund adjustments. (£10,667) Reduced hours post. (£4,450) Qualification training.
Transport	22,563	18,968	(3,595)	No major variances.
Supplies and Services	15,940	9,331	(6,609)	No major variances.
Support Services	194,250	194,268	18	No major variances.
Income	(487,500)	(466,422)	21,078	Lower fee income due to external economic factors.
	286,279	257,931	(28,348)	

Conservation, Design & Landscape

Employee	429,634	314,564	(115,071)	(£94,933) Reserve funded posts not recruited. (£14,664) Pension fund adjustments. (£5,130) Career graded post.
Transport	9,796	8,431	(1,365)	No major variances.
Supplies and Services	14,250	9,824	(4,426)	No major variances.
Support Services	119,770	119,784	14	No major variances.
Income	0	(25,151)	(25,151)	Biodiversity net gain grant.
	573,450	427,451	(145,999)	

Development Management

Employee	1,496,325	1,239,605	(256,720)	(£200,982) Various vacant posts, partly funded from reserves. (£57,973) Pension fund adjustments.
Transport	27,883	27,240	(643)	No major variances.
Supplies and Services	69,950	67,298	(2,652)	No major variances.
Support Services	1,033,390	1,033,368	(22)	No major variances.
Capital Financing	76,501	76,500	(1)	No major variances.
Income	(900,000)	(1,009,128)	(109,128)	Higher income due to larger one off application fees.
	1,804,049	1,434,882	(369,167)	

Planning Enforcement Team

Employee	235,228	227,238	(7,990)	(£11,226) Pension fund adjustments. £3,654 Underbudgeted post.
Transport	8,891	7,360	(1,531)	No major variances.
Supplies and Services	4,650	(18,685)	(23,335)	(£32,544) Costs awarded lower than provision. £8,967 Legal fees.
Support Services	91,140	91,140	0	No major variances.
Support Services Income	(331,202)	(331,200)	2	No major variances.
	8,707	(24,147)	(32,854)	

Planning Policy

Employee	415,825	349,928	(65,897)	(£48,182) Vacant & reduced hours posts. (£16,329) Pension fund adjustments.
Transport	7,106	6,030	(1,076)	No major variances.
Supplies and Services	201,350	53,895	(147,455)	Local plan spend, reserve funded, to be carried forward for future years.
Support Services	227,570	227,568	(2)	No major variances.
Income	0	(100)	(100)	No major variances.
	851,851	637,320	(214,531)	

Ad Planning

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
	£	£	£	
Property Information				
Employee	122,915	116,166	(6,749)	(£4,683) Pension fund adjustments.
Transport	100	0	(100)	No major variances.
Supplies and Services	131,210	63,066	(68,144)	(£63,738) Migration funds to be carried forward. (£10,760) Search fees. £5,398 Software updates.
Support Services	89,190	89,208	18	No major variances.
Income	(235,950)	(210,631)	25,319	£58,900 Migration income to be received in future year. (£34,350) Higher search fees due to one off applications.
	107,465	57,809	(49,656)	
Total Planning	3,625,571	2,743,510	(882,061)	

Place and Climate Change Directorate Outturn 2024-25

Ad Sustainable Growth

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
	£	£	£	
Ad Sustainable Growth				
Employee	92,427	87,250	(5,177)	(£4,231) Pension fund adjustments.
Transport	1,944	1,231	(713)	No major variances.
Supplies and Services	200	168	(32)	No major variances.
Support Services	48,440	48,456	16	No major variances.
Support Services Income	(143,011)	(143,004)	7	No major variances.
	0	(5,899)	(5,899)	
Business Growth Staffing				
Employee	290,110	277,634	(12,476)	(£13,687) Pension fund adjustments.
Transport	5,456	4,326	(1,130)	No major variances.
Supplies and Services	100	332	232	No major variances.
Support Services	115,900	115,908	8	No major variances.
Support Services Income	(411,566)	(415,091)	(3,525)	No major variances.
	0	(16,890)	(16,890)	
Coast Protection				
Employee	282,058	275,441	(6,617)	(£12,295) Pension fund adjustments. £6,963 Coastwise staffing funded from capital grant.
Premises	156,000	155,287	(713)	No major variances.
Transport	3,194	4,037	843	No major variances.
Supplies and Services	85,450	102,209	16,759	(£38,270) Consultancy fees. £45,027 Contributions funded from grant. £5,004 Professional fees funded from grant. £3,676 Equipment funded from grant.
Support Services	536,410	553,427	17,017	Revised recharges from Coastal Management.
Capital Financing	503,880	503,880	0	No major variances.
Support Services Income	0	-329,962	(329,962)	Capital funding for coastwise employee costs.
	1,566,992	1,264,318	(302,674)	
Coastal Management				
Employee	319,324	254,717	(64,607)	(£50,969) Capital funded post not recruited. (£10,274) Pension fund adjustments. (£5,000) Training.
Transport	9,719	10,275	556	No major variances.
Supplies and Services	74,874	52,633	(22,241)	(£18,626) Contributions
Support Services	133,670	133,680	10	No major variances.
Income	(71,261)	(76,453)	(5,192)	(£5,184) Employee recharges to other LA's.
Support Services Income	(466,326)	(432,419)	33,907	£50,969 Capital funding not spent. (£17,099) Revised recharges to Coast Protection.
	0	(57,567)	(57,567)	
Economic Growth				
Employee	2,000	224	(1,776)	No major variances.
Premises	6,490	8,569	2,079	No major variances.
Supplies and Services	654,000	627,013	(26,987)	(£29,557) Grants. (£7,152) Marketing. £8,074 Software. £4,194 Audit fees.
Support Services	320,680	320,700	20	No major variances.
Capital Financing	47,792	47,796	4	No major variances.
Income	(597,500)	(586,632)	10,868	£15,896 Grants. (£5,028) Recharged insurance.
	433,462	417,670	(15,792)	

Ad Sustainable Growth

	Updated Budget 2024/25	Outturn 2024/25	Outturn Variance	Variance Explanation
	£	£	£	
Environmental Strategy				
Employee	257,780	198,352	(59,428)	(£44,136) Reserve funded posts not recruited. (£9,769) Pension fund adjustments. (£5,615) Reduced hours post.
Transport	2,798	21,194	18,396	£19,815 EV pool car charges to be funded from reserves.
Supplies and Services	101,050	46,420	(54,630)	Reserve funded climate project funds.
Support Services	62,020	62,040	20	No major variances.
Income	(63,774)	(88,531)	(24,757)	(£12,204) Additional contribution from Norfolk Climate Change Partnership (£7,008) Grant funding for reserve funded post. (£5,712) Employee recharges to other LA's.
	359,874	239,475	(120,399)	
Housing Strategy				
Employee	135,546	105,781	(29,765)	(£24,690) Vacant post. (£5,029) Pension fund adjustments.
Transport	1,644	1,235	(409)	No major variances.
Supplies and Services	21,000	7,976	(13,024)	(£10,000) Consultancy fee's. (£3,606) Professional fee's.
Support Services	262,028	262,068	40	No major variances.
Capital Financing	761,647	0	(761,647)	Capital financing included Refcus Income.
Support Services Income	(171,388)	(171,384)	4	No major variances.
	1,010,477	205,676	(804,801)	
Tourism				
Supplies and Services	68,050	56,000	(12,050)	(£7,500) Subscriptions. (£3,550) Grants.
Support Services	65,450	65,460	10	No major variances.
	133,500	121,460	(12,040)	
Total Economic Growth	3,504,305	2,168,244	(1,336,061)	
Total Place and Climate Change	7,129,876	4,911,753	(2,218,123)	

Resources Directorate Outturn 2024-25

AD Finance Assets and Revenues

	Updated Budget	Outturn	Outturn Variance	Variance Explanation
	£	£	£	
Ad Finance, Assets and Revenues				
Employee	37,892	55,868	17,976	See Note A Below:
Transport	1,219	28	(1,191)	Travelling allowance underspend.
Supplies and Services	43,636	86,246	42,610	Agency staff.
Support Services	11,730	11,748	18	No Major Variances.
Support Services	(94,477)	(94,524)	(47)	No Major Variances.
	0	59,366	59,366	

Note A: £10,314 Training/Management Development, £5,118 Employee Costs and £4,363 New Appointment Advertising. (£1,818) Pension Fund Adjustment.

Admin Buildings

Premises	530,115	522,490	(7,625)	See Note A Below:
Supplies and Services	29,315	17,595	(11,720)	See Note B Below:
Transfer Payments	154,957	203,432	48,475	See Note C Below:
Support Services	225,600	225,624	24	No Major Variances.
Capital Financing	30,487	30,492	5	No Major Variances.
Income	(452,007)	(483,486)	(31,479)	See Note D Below:
Support Services	(464,822)	(464,856)	(34)	No Major Variances.
	53,645	51,291	(2,354)	

Note A: £14,165 Utilities (mainly Electricity), £2,517 Repairs and Maintenance, £2,198 Grounds Maintenance and £1,558 Business Rates. (£21,477) Cleaning and (£6,629) Premises Insurance.

Note B: £8,713 Telephone costs and £3,104 Insurance - Engineering. (£16,708) Health and Safety, (£5,000) Other Professional Fees and (£2,600) Marketing - General.

Note C: £45,787 NNDC share of Cromer service charge costs, £2,274 NNDC share of North Walsham service charge costs and £414 NNDC share of Fakenham service charge costs.

Note D: Additional Income: (£18,336) Service Charge, (£12,233) Other commercial premises rental income, mainly in relation to Cromer offices.

Amenity Lighting

Premises	61,221	29,551	(31,670)	(£17,878) Repairs and Maintenance and (£13,792) Electricity.
Support Services	30,360	30,360	0	No Major Variances.
	91,581	59,911	(31,670)	

Benefits Subsidy

Supplies and Services	0	335,391	335,391	£237,861 Housing support fund (HSF) payments offset by grant payments. £97,531 Provision for bad and doubtful debts not budgeted for at service level.
Transfer Payments	18,544,784	19,246,885	702,101	Housing benefit and discretionary housing payments, offset by subsidy.
Income	(18,544,784)	(18,809,443)	(264,659)	See Note A Below:
	0	772,833	772,833	

Note A: (£245,684) HSF Grant. (£14,186) Other recoverable income. £86,143 movement in the Civica debtor position. (£251,822) Recovered overpayments. £160,890 Subsidy payments from Department for Works and Pensions (DWP).

AD Finance Assets and Revenues

	Updated Budget	Outturn	Outturn Variance	Variance Explanation
	£	£	£	
Car Parking				
Premises	759,706	771,687	11,981	See Note A Below:
Supplies and Services	350,925	351,047	122	(£2,962) Credit Card charges and (£2,301) Management Fee. £4,578 Postage costs.
Support Services	200,930	200,940	10	No Major Variances.
Capital Financing	55,829	55,824	(5)	No Major Variances.
Income	(3,156,799)	(3,376,162)	(219,363)	See Note B Below:
Support Services Income	(20,000)	(7,770)	12,230	Lower markets income.
	(1,809,409)	(2,004,434)	(195,025)	

Note A: £13,815 Tree safety, £7,544 Repairs and Maintenance (mainly the Flowbird contract) and £2,756 Rent/Hire/Purchase of land (Income Shares payable). (£11,557) Business rates.

Note B: Income under budget: £56,505 Cash and £16,991 Electric Vehicle Charging Point. Additional Income: (£188,773) Credit Cards, (£33,392) PCN income, (£29,351) Season ticket income, (£21,970) Rental Income, (£10,000) Income - Other Contributions, (£6,638) Apps and (£2,735) Charges Other Recoverable.

Central Costs

Employee	35,500	43,806	8,306	£5,193 National Insurance - Apprenticeship Levy and £2,930 Subs to Professional Bodies.
Premises	0	1,925	1,925	No Major Variances.
Supplies and Services	15,500	5,386	(10,114)	Other Professional Fees underspend.
Support Services	347,780	347,796	16	No Major Variances.
Support Services Income	(398,780)	(398,784)	(4)	No Major Variances.
	0	129	129	

Chalets/Beach Huts

Premises	42,683	29,212	(13,471)	(£11,258) Repairs and Maintenance, (£2,272) Business Rates.
Supplies and Services	18,700	9,638	(9,062)	(£2,506) Equipment/Materials Purchases and (£6,070) Other Professional Fees.
Support Services	107,640	107,652	12	No Major Variances.
Capital Financing	4,530	4,536	6	No Major Variances.
Income	(323,570)	(255,773)	67,797	See Note A Below:
	(150,017)	(104,735)	45,282	

Note A: Additional fee income (£3,475) offset by £71,272 Rental income not received due to less uptake on beach huts/chalets as a result of poor weather over summer and cost of living increases.

Community Centres

Premises	12,670	6,390	(6,280)	Premises Insurance and Repairs and Maintenance underspends.
Support Services	18,120	18,120	0	No Major Variances.
Capital Financing	1,460	1,464	4	No Major Variances.
Income	0	(5,319)	(5,319)	Recovering insurance premiums from tenant.
	32,250	20,655	(11,595)	

AD Finance Assets and Revenues

	Updated Budget £	Outturn £	Outturn Variance £	Variance Explanation
Corporate & Democratic Core				
Employee	0	355	355	No Major Variances.
Premises	0	344	344	No Major Variances.
Transport	100	0	(100)	No Major Variances.
Supplies and Services	685,035	586,599	(98,436)	See Note A Below:
Support Services	1,483,680	1,483,536	(144)	No Major Variances.
Income	0	(38,923)	(38,923)	See Note B Below:
	2,168,815	2,031,911	(136,904)	
Note A: (£246,843) Audit Fees, (£7,829) Treasury Brokerage Fees and (£6,660) Other Professional Fees. £90,437 Contributions, £38,287 Consultancy Fees (work undertaken by LGA as a result of the Peer Review). £19,646 Bank Charges, £12,124 Subscriptions and £2,402 Licences.				
Note B: Additional income: (£20,841) Grant Income, (£13,643) Charges Other Recoverable and (£4,439) Over/Under Banking's.				
Corporate Finance				
Employee	552,808	478,870	(73,938)	See Note A Below:
Transport	1,044	419	(625)	No Major Variances.
Supplies and Services	28,423	207,085	178,662	See Note B Below:
Support Services	238,040	238,068	28	No Major Variances.
Capital Financing	13,631	13,632	1	No Major Variances.
Income	0	(16,206)	(16,206)	Ministry of Housing Communities and Local Government (MHCLG) Grant Income.
Support Services Income	(833,946)	(834,024)	(78)	No Major Variances.
	0	87,844	87,844	
Note A: (£57,526) Employee costs and (£18,986) Pension Fund Adjustment. £2,946 New Appointment Advertising overspend.				
Note B: £153,047 Agency Staffing, £13,385 Other Professional Fees, £9,724 Computer Costs and £4,272 Subscriptions.				
Cromer Pier				
Premises	172,000	130,998	(41,002)	(£32,801) Repairs and Maintenance and (£8,200) Premises Insurance.
Supplies and Services	89,000	85,275	(3,725)	Other Professional Fees.
Support Services	99,930	99,936	6	No Major Variances.
Capital Financing	72,849	72,852	3	No Major Variances.
Income	0	(1,036)	(1,036)	Recharging property services staff time for external events.
	433,779	388,025	(45,754)	
Estates				
Employee	244,102	190,250	(53,852)	(£46,292) Employee costs and (£8,261) Pension Fund Adjustment.
Premises	6,660	6,284	(376)	No Major Variances.
Transport	4,000	426	(3,574)	Travelling allowances underspend.
Supplies and Services	26,000	21,453	(4,547)	Consultancy/Other Professional Fees.
Support Services	134,940	134,964	24	No Major Variances.
Support Services Income	(415,702)	(406,861)	8,841	Reduction in employee time charged to capital projects.
Income	0	(3,456)	(3,456)	(£2,646) Shared equity insurance recharges.
	0	(56,840)	(56,840)	

AD Finance Assets and Revenues

	Updated Budget £	Outturn £	Outturn Variance £	Variance Explanation
Industrial Estates				
Premises	29,126	33,714	4,588	£2,745 Business Rates and £2,163 Premises Insurance.
Supplies and Services	0	(5,659)	(5,659)	(£9,506) Bad Debts Provision, £3,598 Bad Debts Written off.
Support Services	81,730	81,756	26	No Major Variances.
Capital Financing	24,189	24,192	3	No Major Variances.
Income	(218,006)	(200,684)	17,322	Service charge and rental income lower due to vacant units throughout the year.
	(82,961)	(66,681)	16,280	
Insurance & Risk Management				
Employee	50,350	53,196	2,846	Mainly in relation to Employers' Liability and Fidelity Guarantee.
Premises	310	74	(236)	No Major Variances.
Transport	9,210	10,429	1,219	No Major Variances.
Supplies and Services	143,070	142,911	(159)	No Major Variances.
Support Services	49,890	49,896	6	No Major Variances.
Support Services Income	(252,830)	(252,804)	26	No Major Variances.
Income	0	(29)	(29)	No Major Variances.
	0	3,673	3,673	
Internal Audit				
Supplies and Services	88,200	75,282	(12,918)	Audit Fee underspend.
Support Services	9,290	9,288	(2)	No Major Variances.
Support Services Income	(97,490)	(97,500)	(10)	No Major Variances.
	0	(12,930)	(12,930)	
Investment Properties				
Premises	211,320	179,706	(31,614)	(£30,547) Repairs and Maintenance, (£4,204) Business Rates and (£7,714) Premises Insurance. £11,015 Utilities.
Supplies and Services	2,219	(1,285)	(3,504)	£1,750 Surveyors/Estate Agent Fees offset by (£4,722) Bad Debt Provision.
Support Services	187,500	187,500	0	No Major Variances.
Capital Financing	111,696	111,696	0	No Major Variances.
Income	(289,799)	(231,509)	58,290	See Note A Below:
	222,936	246,108	23,172	
Note A: £19,000 Unachievable QR Donations Saving. £39,114 Reduction in Service Charge income and £5,297 Reduction in NNDC Public Conveniences Service charge due to reduced costs at Rocket House as a result of Capital works. (£3,026) Rental Income from investment properties.				
Non Distributed Costs				
Employee	0	17,000	17,000	Pension Fund Adjustment.
	0	17,000	17,000	

AD Finance Assets and Revenues

	Updated Budget £	Outturn £	Outturn Variance £	Variance Explanation
Playgrounds				
Premises	29,660	36,544	6,884	£2,536 Repairs and Maintenance and £4,255 Tree Safety works.
Supplies and Services	63,500	50,760	(12,740)	(£4,240) Playground Equipment/Repairs and (£8,500) Inspection costs.
Support Services	59,950	59,964	14	No Major Variances.
	153,110	147,268	(5,842)	
Poppyfields				
Premises	3,425	955	(2,470)	Repairs and Maintenance underspend.
Supplies and Services	20,100	15,883	(4,217)	Equipment Purchases.
Support Services	22,890	22,908	18	No Major Variances.
	46,415	39,746	(6,669)	
Property Services				
Employee	609,930	563,493	(46,437)	See Note A Below:
Premises	1,820	5,140	3,320	Repairs and Maintenance.
Transport	32,340	25,780	(6,560)	Underspends in relation to: (£3,440) Vehicle repairs/servicing and (£3,120) Travelling Allowance and Car Leasing.
Supplies and Services	34,131	21,067	(13,064)	See Note B Below:
Support Services	452,670	452,688	18	No Major Variances.
Capital Financing	16,354	16,356	2	No Major Variances.
Support Services Income	(1,171,322)	(1,171,380)	(59)	No Major Variances.
Income	0	(1,978)	(1,978)	Recharging property services staff time for external events.
	(24,077)	(88,834)	(64,757)	
Note A: (£26,826) Pension Fund Adjustment, (£11,798) Generic Training/Subs to Professional Bodies, (£10,748) Employee Costs, partly offset by £2,930 Redundancy Payment.				
Note B: (£4,637) Material Purchases, (£6,692) Insurance - Engineering, (£2,261) Subscriptions and (£1,842) Personal Protective Equipment, offset by £2,029 Postage Direct Costs.				
Public Conveniences				
Premises	759,501	751,616	(7,885)	See Note A Below:
Supplies and Services	41,000	18,831	(22,169)	Legionella Surveys and Professional Fees.
Transfer Payments	15,091	9,794	(5,297)	Reduced Internal Recharge to Rocket House.
Support Services	245,010	245,016	6	No Major Variances.
Capital Financing	139,989	139,992	3	No Major Variances.
Income	(8,000)	(3,270)	4,730	Reduced income in relation to the sale of the Woo Woo Loo.
	1,192,591	1,161,979	(30,612)	
Note A: (£45,217) Repairs and Maintenance, (£10,161) Contract Cleaning, (£6,447) Business Rates, (£3,950) Premises Insurance, offset by £40,781 Utilities and £16,970 Rent/Hire of Buildings.				

AD Finance Assets and Revenues

	Updated Budget £	Outturn £	Outturn Variance £	Variance Explanation
Revenue Services				
Employee	946,779	862,062	(84,717)	See Note A Below:
Transport	900	4,437	3,537	Travelling Allowance overspend.
Supplies and Services	176,573	101,965	(74,608)	See Note B Below:
Support Services	707,910	707,964	54	No Major Variances.
Capital Financing Costs	0	190	190	No Major Variances.
Income	(454,130)	(463,860)	(9,730)	
	1,378,032	1,212,758	(165,274)	
Note A: (£44,635) Vacant posts funded by reserves. (£38,967) Pension Fund Adjustment.				
Note B: Underspends in relation to: (£31,480) Software, however there will be a reduction in drawdown from reserves of £26,070 due to a delay in purchasing software until 2025/26, (£16,194) Bad Debts Provision, (£8,561) Other Professional Fees, (£7,768) Annual Billing, (£6,960) Hybrid Mailing and (£2,372) Advertising - General.				
Surveyors Allotments				
Premises	5,000	3,865	(1,135)	No Major Variances.
Supplies and Services	0	0	0	No Major Variances.
Support Services	20,140	20,148	8	No Major Variances.
Income	(50)	(50)	0	No Major Variances.
	25,090	23,963	(1,127)	
Total Finance and Assets	3,731,780	3,989,906	258,126	

Resources Directorate Outturn 2024-25

Ad Legal and Governance

	Updated Budget £	Outturn £	Outturn Variance £	Variance Explanation
Ad Legal and Governance				
Employee	102,287	96,867	(5,420)	(£4,584) Pension Fund Adjustment.
Transport	2,194	1,314	(880)	No Major Variances.
Supplies and Services	800	302	(498)	No Major Variances.
Support Services	11,730	11,748	18	No Major Variances.
Support Services Income	(117,011)	(117,012)	(1)	No Major Variances.
	0	(6,781)	(6,781)	
It - Support Services				
Employee	1,100,259	973,160	(127,099)	(£75,899) Employee costs, (£46,740) Pension Fund Adjustment and (£4,465) Generic Training.
Transport	800	504	(296)	No Major Variances.
Supplies and Services	1,044,921	846,186	(198,735)	(£156,945) Computer Costs and (£41,811) Other Professional Fees.
Support Services	388,280	388,356	76	No Major Variances.
Capital Financing	206,587	206,592	5	No Major Variances.
Support Services Income	(2,540,131)	(2,540,328)	(197)	No Major Variances.
Income	0	(15,000)	(15,000)	Cyber Assessment Framework - Local Digital Grant Rolled forward.
	200,716	(140,530)	(341,246)	
Legal Services				
Employee	404,804	398,659	(6,145)	See Note A Below:
Transport	3,588	1,057	(2,531)	Travelling Allowance.
Supplies and Services	135,667	98,741	(36,926)	See Note B Below:
Support Services	209,030	209,040	10	No Major Variances.
Income	(50,000)	(88,094)	(38,094)	Legal Fees.
Support Services Income	(713,382)	(713,568)	(186)	No Major Variances.
	(10,293)	(94,165)	(83,872)	
Note A: £21,747 Employee Overspend, Local Government Lawyer recruited as a result of the Peer Review. (£19,092) Pension Fund Adjustment and (£7,250) Training.				
Note B: (£22,397) Other Professional Fees underspend in relation to locum Lawyer, (£6,868) Books and (£5,383) Client Disbursements. Reserve drawdown £2,590 Agreed Enforcement board works.				
Members Services				
Employee	191,420	184,844	(6,576)	£2,452 Employee overspend (mainly in relation to Members NI) offset by (£8,524) Pension Fund Adjustment.
Transport	7,981	9,765	1,784	Travelling Allowance.
Supplies and Services	409,805	384,711	(25,094)	See Note B Below:
Support Services	96,680	96,684	4	No Major Variances.
	705,886	676,004	(29,882)	
Note B: (£17,093) Members Basic Allowance, (£10,130) Other Professional Fees, (£3,668) Chairman's Civic Expenditure, (£2,723) Members Carers Allowance. £7,494 Agency Staffing overspend.				
Total Legal and Governance	896,309	434,528	(461,781)	
Total Resources	4,628,089	4,424,434	(203,655)	

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Reserves Statement 2024/25 Outturn

Reserve	Purpose and Use of Reserve	Balance 01/04/24	Transfers Out 2024/25	Transfers In 2024/25	Outturn 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	Budgeted Movement 2028/29	Balance 01/04/29
		£			£	£	£	£	£	£	£	£	£	£
General Fund - General Reserve	A working balance and contingency, current recommended balance is £2.1 million.	2,223,322	<i>(25,722)</i>	<i>5,801</i>	(19,921)	2,203,401	(14,706)	2,188,695	0	2,188,695	0	2,188,695	0	2,188,695
Earmarked Reserves:														
Capital Projects	To provide funding for capital developments and purchase of major assets.	484,708	<i>(9,901)</i>	<i>0</i>	(9,901)	474,807	(474,807)	(0)	0	(0)	0	(0)	0	(0)
Asset Management	To support improvements to our existing assets as identified through the Asset Management Plan.	602,375	<i>(172,753)</i>	<i>0</i>	(172,753)	429,622	(135,925)	293,697	0	293,697	0	293,697	0	293,697
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.	727,822	<i>0</i>	<i>0</i>	0	727,822	(51,567)	676,255	0	676,255	0	676,255	0	676,255
Building Control	Building Control surplus ring-fenced to cover any future deficits in the service.	145,799	<i>(40,714)</i>	<i>0</i>	(40,714)	105,085	(19,874)	85,211	0	85,211	0	85,211	0	85,211
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.	1,952,000	<i>0</i>	<i>383,899</i>	383,899	2,335,899	(18,000)	2,317,899	(18,000)	2,299,899	(18,000)	2,281,899	(18,000)	2,263,899
Coast Protection	To support the ongoing coast protection maintenance programme and carry forward funding between financial years.	241,534	<i>(22,141)</i>	<i>0</i>	(22,141)	219,393	0	219,393	0	219,393	0	219,393	0	219,393
Communities	To support projects that communities identify where they will make a difference to the economic and social wellbeing of the area.	300,491	<i>(131,550)</i>	<i>0</i>	(131,550)	168,941	0	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.	2,221,101	<i>(1,103,678)</i>	<i>0</i>	(1,103,678)	1,117,423	(574,388)	543,035	0	543,035	0	543,035	0	543,035
Economic Development and Regeneration	Earmarked from previous underspends within Economic Development and Regeneration Budgets.	178,326	<i>(247)</i>	<i>0</i>	(247)	178,079	0	178,079	0	178,079	0	178,079	0	178,079
Election Reserve	Established to meet costs associated with district council elections, to smooth the impact between financial years.	63,000	<i>0</i>	<i>60,000</i>	60,000	123,000	60,000	183,000	60,000	243,000	60,000	303,000	60,000	363,000
Enforcement Works	Established to meet costs associated with district council enforcement works including buildings at risk.	45,962	<i>(6,078)</i>	<i>0</i>	(6,078)	39,884	0	39,884	0	39,884	0	39,884	0	39,884
Environmental Health	Earmarking of previous underspends and additional income to meet Environmental Health initiatives.	542,848	<i>0</i>	<i>125,566</i>	125,566	668,414	0	668,414	0	668,414	0	668,414	0	668,414
Environment Reserve	To fund expenditure relating to the Council's Green Agenda.	150,000	<i>0</i>	<i>0</i>	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000
Extended Responsibility Producer	Earmarking of money to be received in relation to packaging, waste collection and disposal costs.	0	<i>0</i>	<i>0</i>	0	0	1,616,000	1,616,000	0	1,616,000	0	1,616,000	0	1,616,000

Reserves Statement 2024/25 Outturn

Reserve	Purpose and Use of Reserve	Balance 01/04/24 £	Transfers Out 2024/25	Transfers In 2024/25	Outturn 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 £	Budgeted Movement 2028/29 £	Balance 01/04/29 £
Grants	Revenue Grants received and due to timing issues not used in the year.	2,686,696	(18,525)	51,349	32,824	2,719,520	(85,159)	2,634,361	(49,148)	2,585,213	(19,780)	2,565,433	(9,020)	2,556,413
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.	1,422,448	(243,901)	372,794	128,893	1,551,341	(56,299)	1,495,042	(57,406)	1,437,636	(58,535)	1,379,101	0	1,379,101
Innovation Fund	Contract default payments earmarked to fund service improvement projects.	472,426	(16,750)	137,343	120,593	593,019	0	593,019	0	593,019	0	593,019	0	593,019
Land Charges	To mitigate the impact of potential income reductions.	339,152	(89,100)	0	(89,100)	250,052	0	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.	88,914	(36,000)	0	(36,000)	52,914	(4,579)	48,335	0	48,335	0	48,335	0	48,335
Major Repairs Reserve	To provide provision for the repair and maintenance of the councils asset portfolio.	457,979	(1,652)	0	(1,652)	456,327	(53,948)	402,379	0	402,379	0	402,379	0	402,379
Net Zero Initiatives	to support the Councils Net Zero programme	471,857	(87,820)	0	(87,820)	384,037	(21,400)	362,637	(278,600)	84,037	0	84,037	0	84,037
New Homes Bonus (NHB)	Established for supporting communities with future growth and development and Plan review*	146,149	(27,834)	0	(27,834)	118,315	(83,763)	34,552	0	34,552	0	34,552	0	34,552
Organisational Development	To provide funding for organisation development to create capacity within the organisation, including the provision and support for apprenticeships and internships.	112,221	(13,340)	0	(13,340)	98,881	0	98,881	0	98,881	0	98,881	0	98,881
Pathfinder	To help Coastal Communities adapt to coastal changes.	89,566	0	0	0	89,566	0	89,566	0	89,566	0	89,566	0	89,566
Planning	Additional Planning income earmarked for Planning initiatives including Plan Review.	287,926	(87,300)	76,807	(10,493)	277,433	46,763	324,196	50,000	374,196	50,000	424,196	50,000	474,196
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.	717,051	(55,973)	38,670	(17,303)	699,748	0	699,748	0	699,748	0	699,748	0	699,748
Second Home Premium	To earmark the additional income delivered from the introduction of second Home premium council tax, to be used for affordable housing and homelessness prevention initiatives.	0	0	0	0	0	515,337	515,337	515,337	1,030,674	515,337	1,546,011	515,337	2,061,348
Treasury	To smooth impacts on the Revenue account of movement in fair value changes of the Councils holdings in Pooled Funds	300,000	0	0	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000
Total Reserves		17,471,673	(2,190,979)	1,252,229	(938,750)	16,532,923	643,685	17,176,608	222,183	17,398,791	529,022	17,927,813	598,317	18,526,130

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 Offices LED Lighting Programme	109,121	109,836	715	0
Cromer Coast Protection Scheme	11,258,278	10,412,212	(846,067)	846,067
Coastal Erosion Assistance (Grants)	27,931	14,595	(13,336)	13,336
Coastal Adaptations (Cliff Protection)	244,990	0	(244,990)	244,990
Mundesley Coastal Management Scheme	6,512,339	5,285,533	(1,226,806)	1,226,806
Coastal Management Fund	341,750	0	(341,750)	341,750
Coastwise	2,702,317	1,036,730	(1,665,587)	1,665,587
Purchase of Bins	150,000	121,524	(28,476)	0
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	162,832	(237,168)	237,168
Solar PV Panels at Victory Swim and Fitness Centre	193,288	173,009	(20,278)	0
Public Conveniences Energy Efficiencies	150,000	1,281	(148,719)	148,719
Coastal Defences	150,000	140,970	(9,030)	0
Fakenham Sports Centre Decarbonisation	0	0	0	0
Waste Vehicles	16,750	16,750	0	0
	22,355,262	17,475,272	(4,879,990)	4,822,921

<u>Scheme</u>	Updated Budget 2024/25	24/25 Actual Expenditure	Variance	Reprofiling to 2025/26 budget
	£	£	£	£
Developing Our Communities				
Public Conveniences (Fakenham & Wells)	20,000	1,508	(18,492)	0
Public Conveniences (Sheringham & North Walsham)	105,742	103,046	(2,696)	2,696
Public Conveniences - Albert Street, Holt	320,979	266,425	(54,554)	54,554
Countryside Machinery	1,957	1,721	(236)	0
Cromer Pier - Steelworks and Improvements to Pavilion Theatre	276,258	228,291	(47,967)	47,967
North Walsham 3G Facility	847,568	0	(847,568)	847,568
Cromer 3G Football Facility	995,275	16,134	(979,141)	979,141
The Reef Leisure Centre	262,724	9,901	(252,823)	252,823
Green Road Football Facility (North Walsham)	50,223	0	(50,223)	50,223
New Play Area (Sheringham, The Lees)	65,000	48,571	(16,429)	16,429
Fakenham Leisure and Sports Hub (FLASH)	2,553,638	452,152	(2,101,486)	2,101,486
Back Stage Refurbishment - Pier Pavilion Theatre	405,000	388,335	(16,665)	16,665
Holt Country Park Staff Facilities	93,500	89,497	(4,003)	4,003
Cromer Church Wall	50,000	0	(50,000)	50,000
Cabbell Park Clubhouse	237,000	0	(237,000)	237,000
Itteringham Shop Roof Renovation	0	0	0	0
Holt Country Park Septic Tank	0	0	0	0
Public Conveniences Renovation, Holt Country Park	0	0	0	0
	6,284,864	1,605,582	(4,679,283)	4,660,555

<u>Scheme</u>	Updated Budget 2024/25	24/25 Actual Expenditure	Variance	Reprofiling to 2025/26 budget
	£	£	£	£
Meeting Our Housing Needs				
Disabled Facilities Grants	2,079,040	1,937,693	(141,347)	0
Compulsory Purchase of Long-Term Empty Properties	429,472	45,637	(383,835)	383,835
Community Housing Fund (Grants to Housing Providers	228,161	0	(228,161)	228,161
Council Owned Temporary Accommodation	578,307	493,730	(84,577)	84,577
Housing S106 Enabling	1,064,000	300,000	(764,000)	764,000
Loans to Housing Providers	340,000	0	(340,000)	340,000
Local Authority Housing Fund	312,000	312,000	0	0
	5,030,980	3,089,060	(1,941,920)	1,800,573
Investing In Our Local Economy And Infrastructure				
Rocket House	1,014,394	161,946	(852,447)	852,447
Fakenham Connect/Crinkle Crankle Wall	5,600	1,652	(3,948)	0
North Walsham Heritage Action Zone	155,154	12,692	(142,462)	0
Fakenham Urban Extension	1,581,462	1,581,462	0	0
Property Acquisitions	704,784	3,917	(700,868)	700,868
Chalet Refurbishment	124,928	0	(124,928)	124,928
Marrams Building Renovation	48,325	1,812	(46,513)	46,513
Car Parks Refurbishment	252,335	50,535	(201,800)	201,800
Marrams Footpath and Lighting	49,725	52,352	2,627	(2,627)
Asset Roof Replacements (Art Deco Block, Red Lion Re	127,464	37,251	(90,213)	90,213
UK Shared Prosperity Fund	233,577	233,577	0	0
Rural England Prosperity Fund	1,093,388	1,093,388	(0)	0
New Fire Alarm and Fire Doors in Cromer Offices	34,362	33,576	(786)	786
West Prom Sheringham, Lighting & Cliff Railings	55,000	0	(55,000)	55,000
The Lees Walkway and Structural Works	33,723	43,822	10,098	0
Collectors Cabin Roof	30,000	375	(29,625)	29,625
Sunken Gardens Improvements, Marrams, Cromer	0	0	0	0
	5,544,221	3,308,358	(2,235,863)	2,099,551

<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	75,586	(6,552)	0
Financial Management System	3,034	0	(3,034)	0
Server Replacement	56,327	17,000	(39,327)	0
New Revenues and Benefits System	98,720	0	(98,720)	98,720
Replacement Storage Hardware	150,000	131,159	(18,841)	0
Customer Services C3 Software	23,400	0	(23,400)	23,400
Property Services Asset Management Database	0	0	0	0
Replacement of Uninterruptible Power Supply	0	0	0	0
	413,619	223,745	(189,874)	122,120
TOTAL EXPENDITURE	39,628,947	25,702,017	(13,926,930)	13,505,721

Capital Programme Financing Table	Budget 2024/25	Actual 2024/25
Grants	27,812,325	21,507,489
Other Contributions	2,773,835	1,239,835
Reserves	2,464,533	1,078,979
Revenue Contribution to Capital (RCCO)	0	0
Capital receipts	3,310,902	1,070,676
Borrowing	3,267,351	805,039
Total	39,628,947	25,702,017

Capital Programme - Budget Monitoring 2025/26

Scheme	Scheme Total Approval £	Pre 2025/26 Expenditure £	Updated Budget	Actual Expenditure	Remaining Budget (Forecasted YE spend)	Budget	Budget	Budget	Budget	Budget
			2025/26 £	2025/26 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £	2030/31 £
Our Greener Future										
Cromer Offices LED Lighting Programme	178,796	172,715	6,081	0	6,081	0	0	0	0	0
Cromer Coast Protection Scheme	19,284,841	18,438,774	846,067	0	846,067	0	0	0	0	0
Coastal Erosion Assistance (Grants)	90,000	76,664	13,336	0	13,336	0	0	0	0	0
Coastal Adaptations (Cliff Protection)	247,493	2,503	244,990	0	244,990	0	0	0	0	0
Mundesley Coastal Management Scheme	8,949,998	7,560,192	1,389,806	0	1,389,806	0	0	0	0	0
Coastal Management Fund	950,000	108,250	591,750	0	591,750	250,000	0	0	0	0
Coastwise	14,609,914	1,213,564	7,248,638	0	7,248,638	6,147,712	0	0	0	0
Purchase of Bins	600,000	150,000	150,000	0	150,000	150,000	150,000	0	0	0
Electric Vehicle Charging Points	248,600	215,283	33,317	0	33,317	0	0	0	0	0
The Reef Solar Carport	596,000	530,820	65,180	0	65,180	0	0	0	0	0
Holt Country Park Electricity Improvements	400,000	163,832	236,168	0	236,168	0	0	0	0	0
Public Conveniences Energy Efficiencies	150,000	1,218	148,782	0	148,782	0	0	0	0	0
Coastal Defences	600,000	150,000	150,000	0	150,000	150,000	150,000	0	0	0
Fakenham Sports Centre Decarbonisation	514,300	0	171,400	0	171,400	342,900	0	0	0	0
Waste Vehicles	1,972,750	16,750	1,956,000	0	1,956,000	0	0	0	0	0
			13,245,435	0	13,245,435	7,040,612	300,000	0	0	0

Capital Programme - Budget Monitoring 2025/26

Scheme	Scheme Total Approval £	Pre 2025/26 Expenditure £	Updated Budget		Remaining Budget (Forecasted YE spend) 2025/26		Budget	Budget	Budget	Budget	Budget
			2025/26 £	2025/26 £	2025/26 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £	2030/31 £
Developing Our Communities											
Public Conveniences (Sheringham & North Walsham)	565,514	542,818	22,696	0	22,696	0	0	0	0	0	0
Public Conveniences - Albert Street, Holt	332,552	277,998	54,554	0	54,554	0	0	0	0	0	0
Cromer Pier - Steelworks and Improvements to Pavilion Theatre	1,134,000	1,086,033	47,967	0	47,967	0	0	0	0	0	0
North Walsham 3G Facility	860,000	12,432	847,568	0	847,568	0	0	0	0	0	0
Cromer 3G Football Facility	1,000,000	20,859	979,141	0	979,141	0	0	0	0	0	0
The Reef Leisure Centre	12,861,000	12,608,177	252,823	0	252,823	0	0	0	0	0	0
Green Road Football Facility (North Walsham)	60,000	9,777	50,223	0	50,223	0	0	0	0	0	0
New Play Area (Sheringham, The Lees)	120,000	48,571	71,429	0	71,429	0	0	0	0	0	0
Fakenham Leisure and Sports Hub (FLASH)	10,850,000	539,514	10,310,486	0	10,310,486	0	0	0	0	0	0
Back Stage Refurbishment - Pier Pavilion Theatre	405,000	388,335	16,665	0	16,665	0	0	0	0	0	0
Holt Country Park Staff Facilities	93,500	89,497	4,003	0	4,003	0	0	0	0	0	0
Cromer Church Wall	50,000	0	50,000	0	50,000	0	0	0	0	0	0
Cabbell Park Clubhouse	237,000	0	237,000	0	237,000	0	0	0	0	0	0
Itteringham Shop Roof Renovation	20,000	0	20,000	0	20,000	0	0	0	0	0	0
Holt Country Park Septic Tank	30,000	0	30,000	0	30,000	0	0	0	0	0	0
Public Conveniences Renovation, Holt Country Park	50,000	0	50,000	0	50,000	0	0	0	0	0	0
Holt Eco Learning Space	100,000	0	100,000	0	100,000	0	0	0	0	0	0
			13,144,555	0	13,144,555	0	0	0	0	0	0

Capital Programme - Budget Monitoring 2025/26

Scheme	Scheme Total Approval	Pre 2025/26 Expenditure	Updated Budget	Actual Expenditure	Remaining Budget (Forecasted YE spend)	Budget	Budget	Budget	Budget	Budget
			2025/26	2025/26	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£	£	£	£	£	£	£	£	£	£
Meeting Our Housing Needs										
Disabled Facilities Grants	12,079,040	Annual Programme	2,079,040	0	2,079,040	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Compulsory Purchase of Long-Term Empty Properties	930,000	546,165	383,835	0	383,835	0	0	0	0	0
Community Housing Fund (Grants to Housing Providers)	1,653,373	1,425,212	228,161	0	228,161	0	0	0	0	0
Council Owned Temporary Accommodation	6,246,584	4,762,007	1,484,577	0	1,484,577	0	0	0	0	0
Housing S106 Enabling	2,500,000	1,136,000	1,064,000	0	1,064,000	300,000	0	0	0	0
Loans to Housing Providers	600,000	260,000	340,000	0	340,000	0	0	0	0	0
			5,579,613	0	5,579,613	2,300,000	2,000,000	2,000,000	2,000,000	2,000,000

Capital Programme - Budget Monitoring 2025/26

Scheme	Scheme Total Approval	Pre 2025/26 Expenditure	Updated Budget		Remaining Budget (Forecasted YE spend)	Budget	Budget	Budget	Budget	Budget
			2025/26	2025/26	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£	£	£	£	£	£	£	£	£	£
Investing In Our Local Economy And Infrastructure										
Rocket House	1,077,085	224,638	852,447	0	852,447	0	0	0	0	0
Property Acquisitions	710,000	9,133	700,868	0	700,868	0	0	0	0	0
Chalet Refurbishment	125,000	72	124,928	0	124,928	0	0	0	0	0
Marrams Building Renovation	50,000	3,487	46,513	0	46,513	0	0	0	0	0
Car Parks Refurbishment	601,000	129,200	411,800	0	411,800	60,000	0	0	0	0
Marrams Footpath and Lighting	290,000	52,627	237,373	0	237,373	0	0	0	0	0
Asset Roof Replacements (Art Deco Block, Red Lion Retail Unit, Sheringham Chalet's)	165,351	75,138	90,213	0	90,213	0	0	0	0	0
UK Shared Prosperity Fund	474,196	399,403	74,793	0	74,793	0	0	0	0	0
Rural England Prosperity Fund	1,895,110	1,457,851	437,259	0	437,259	0	0	0	0	0
New Fire Alarm and Fire Doors in Cromer Offices	150,000	149,214	786	0	786	0	0	0	0	0
West Prom Sheringham, Lighting & Cliff Railings	55,000	0	55,000	0	55,000	0	0	0	0	0
Collectors Cabin Roof	30,000	375	29,625	0	29,625	0	0	0	0	0
Sunken Gardens Improvements, Marrams, Cromer	150,000	0	150,000	0	150,000	0	0	0	0	0
Weybourne Car Park Improvements	20,000	0	20,000	0	20,000	0	0	0	0	0
			3,231,603	0	3,231,603	60,000	0	0	0	0

Capital Programme - Budget Monitoring 2025/26

Scheme	Scheme Total Approval	Pre 2025/26 Expenditure	Updated Budget	Actual Expenditure	Remaining Budget (Forecasted YE spend)	Budget	Budget	Budget	Budget	Budget
			2025/26	2025/26	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£	£	£	£	£	£	£	£	£	£
A Strong, Responsible And Accountable Council										
User IT Hardware Refresh	300,000	180,000	60,000	0	60,000	60,000	0	0	0	0
New Revenues and Benefits System	200,720	0	200,720	0	200,720	0	0	0	0	0
Customer Services C3 Software	23,400	0	23,400	0	23,400	0	0	0	0	0
Property Services Asset Management Database	30,000	0	30,000	0	30,000	0	0	0	0	0
Replacement of Uninterruptible Power Supply	40,000	0	40,000	0	40,000	0	0	0	0	0
			354,120	0	354,120	60,000	0	0	0	0
Totals			35,555,326	0	35,555,326	9,460,612	2,300,000	2,000,000	2,000,000	2,000,000

2024/25 Capital Programme Financing Table	Budget 2025/26	Actual Expenditure 2025/26	Remaining Budget 2024/25	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30	Budget 2030/31
Grants	24,903,633	0	24,903,633	8,147,712	2,000,000	2,000,000	2,000,000	2,000,000
Other Contributions	1,834,000	0	1,834,000	300,000	0	0	0	0
Reserves	1,958,006	0	1,958,006	278,600	0	0	0	0
Revenue Contribution to Capital (RCCO)	20,000	0	20,000	0	0	0	0	0
Capital receipts	2,895,299	0	2,895,299	610,000	300,000	0	0	0
Borrowing	3,850,469	0	3,850,469	124,300	0	0	0	0
Total	35,461,407	0	35,461,407	9,460,612	2,300,000	2,000,000	2,000,000	2,000,000

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Agenda Item 9

Treasury Outturn Report 2024/25	
Executive Summary	This report sets out the Treasury Management activities undertaken during 2024/25 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 recommends the Treasury Management 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 2024/25.

Wards affected	All
Cabinet member(s)	Cllr. Lucy Shires
Contact Officer	Claire Waplinton Claire.Waplinton@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 has sufficient access to liquid funds that it 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 the Council's Capital Financing Requirement position, which together show the net debt position of the Council as at the end of the 2024/25 financial year.</p>
Council Policies & Strategies	This report refers to the Council's Treasury Management Strategy 2024/25.

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 Treasury position.

1. Purpose of the report

This report sets out the Treasury Management activities undertaken during 2024/25 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 2024/25** provides the details of the Council's Treasury Management activity for the 2024/25 year and the final position as at 31 March 2025.

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.

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. This aligns with the corporate priority: A strong, responsible and accountable Council.

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 comply fully with the CIPFA Codes of Practice. The Council has a Capital Programme that is fully funded.

Comments from the S151 Officer:

This 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.

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

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

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. That Governance, Risk and Audit Committee recommend that the Treasury Management Outturn report for 2024/25 is approved by Full Council.

North Norfolk District Council

Annual Treasury Management Outturn Report 2024/25

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Annual Treasury Management Review 2024/25

Purpose

This Authority 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 2024/25. 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).

For the financial year 2024/25, to comply with reporting requirements, Full Council has been provided with the following reports:

- An annual treasury strategy in advance of the year (Council 21 February 2024).
- A mid-year treasury update report (Council 19 February 2025).
- An annual review following the end of the year describing the activity compared to the strategy (this report).

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report provides details of the outturn position for treasury activities and highlights compliance with the Authority's policies previously approved by members.

This Authority 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 2024/25, the Authority complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Prudential and treasury indicators	31 March 2024 Actual (£m)	2024/25 Forecast (£m)	31 March 2025 Actual (£m)
Capital Expenditure	13.766	39.622	25.724
Capital Financing Requirement:	17.474	20.198	18.379
Short-term Borrowing (under 1 year)	6.700	0.000	2.000
Long-term Borrowing (over 1 year)	5.000	5.000	5.000
Total External Debt	11.700	5.000	7.000
Short-term Investments (under 1 year)	2.010	8.000	5.317
Long-term Investments (over 1 year)	20.000	22.581	20.000
Non-Treasury Investments (Housing Loans)	2.144	2.229	1.853
Total Investments	24.154	32.810	27.170
Net Borrowing/(Investments)	(12.454)	(27.810)	(20.170)

Other prudential and treasury indicators are to be found in the main body of this report. The Section 151 Officer also, confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit) was not breached.

Recommendations

The Authority is recommended to:

1. Approve the actual 2024/25 prudential and treasury indicators in this report
2. Note the annual treasury management report for 2024/25

Introduction and Background

This report summarises the following:

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

1. The Authority's Capital Expenditure and Financing

The Authority 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 Authority's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

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

General Fund	31 March 2024 Actual (£m)	2024/25 Budget (£m)	31 March 2025 Actual (£m)
Capital expenditure	13.766	39.622	25.724
Capital Receipts	0.470	3.311	0.936
Grants	7.846	27.812	21.502
Contributions	1.035	2.783	1.064
Reserves	1.455	2.448	1.060
Revenue Contribution to Capital (RCCO)	0.100	0.000	0.000
Total Financed in year	10.906	39.622	25.724
Unfinanced capital expenditure (Borrowing)	(2.860)	(3.268)	(1.162)

2. The Authority's Overall Borrowing Need

The Authority's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Authority's indebtedness. It represents the 2024/25 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 Authority's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Authority's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies or utilising temporary cash resources within the Authority.

Reducing the CFR – the Authority'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 Authority 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 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 Authority's 2024/25 MRP Policy (as required by MHCLG Guidance) was approved as part of the Treasury Management Strategy Report for 2024/25 on 21 February 2024.

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

CFR: General Fund	31 March 2024 Actual (£m)	2024/25 Budget	31 March 2025 Actual (£m)
Opening balance	15.111	17.474	17.474
Add unfinanced capital expenditure (as above)	2.860	3.267	1.162
Add Finance Leases *	0.000	0.000	0.310
Less MRP	(0.497)	(0.543)	(0.507)
Less Finance Lease repayments	0.000	0.000	(0.060)
Closing balance	17.474	20.198	18.379

**Includes reclassified leases due to introduction of IFRS 16 (see note 8D for explanation of the new standard).*

The authority has made no voluntary application of capital receipts (VRP) in 2024/25.

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 Authority 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 Authority is not borrowing to support revenue expenditure. This indicator allows the Authority some flexibility to borrow in advance of its immediate capital needs. The table below highlights the Authority's gross borrowing position against the CFR, and demonstrates compliance with this prudential indicator.

CFR vs Gross Borrowing Indicator £m	31.3.24 Actual	2024/25 Budget	31.3.25 Actual
Gross borrowing position	11.700	5.000	7.000
CFR	17.474	20.198	18.379
Under / (over) funding of CFR	5.774	15.198	11.379

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 Authority does not have the power to borrow above this level. The table below demonstrates that during 2024/25 the Authority has maintained gross borrowing within its authorised limit.

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

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

Treasury Limits Indicator (£m)	2024/25
Authorised limit	50.000
Maximum gross borrowing position during the year	12.052
Operational boundary	15.000
Average gross borrowing position	6.147

The above table shows that the maximum borrowing undertaken by the authority did not exceed the authorised limit. It also shows that the average borrowing position was below the operational boundary.

3. Treasury Position as of 31 March 2025

The Authority'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 Authority's Treasury Management Practices.

At the end of 2024/25, the Authority 's treasury position, (excluding borrowing by finance leases) was as follows:

DEBT PORTFOLIO	31 March 24 Principal (£m)	Rate/ Return (%)	Average Duration (Days)	31 March 25 Principal (£m)	Average Rate/Return (£m)	Average period (Days)
Fixed rate funding, short-term borrowing:						
Local Authority Borrowing	5.000	4.93	110	2.000	5.44	34
Police Authority Borrowing	0.000	4.55	85	0.000	0.00	0
Fire Authority Borrowing	0.000	0.00	0	0.000	0.00	0
Pension Fund Borrowing	1.700	5.63	37	0.000	5.55	32
Housing Authority Borrowing	0.000	0.00	0	0.000	0.00	0
Fixed rate funding, long-term borrowing:						
PWLB	5.000	5.39	393	5.000	5.39	28
Total debt	11.700	5.09	156	7.000	5.43	31
CFR	17.474			18.379		
Over / (under) borrowing	(5.774)			(11.379)		
Total investments	24.154	4.81		27.171	4.95%	
Net debt	(18.380)			(15.792)		

The maturity structure of the debt portfolio was as follows:

Debt Comparison	31 March 2024 Actual (£m)	31 March 2025 Actual (£m)
Under 12 months	6.700	2.000
12 months and within 24 months	5.000	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	11.700	7.000
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 27 March 2024 to 28 April 2025, secured at an interest rate of 5.39%.

The Treasury has identified that at any point of time, the Council had a £5m minimum borrowing requirement per year, for the last three financial years. 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 on an ad-hoc basis. Relying on short-term borrowing throughout the financial year leaves the Council vulnerable to fluctuations in the economy and subsequent unknown interest rate hikes. The loan was secured for one year only, 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. Interest rates have been declining in 24/25 as forecasted by the Treasury and the Council's Treasury Advisors and this downwards interest rate trend is expected to continue into 25/26.

Overall, the Council's borrowing requirement has decreased by £4.7m at the financial year end. This is from increased efforts put towards management of the Council's cashflow, payment run processing and appropriate financing of the Council's capital programme by accountants and managers (limiting use of forward-funding projects etc.)

Subsequent to the year end, the Council agreed a further PWLB loan for £5m in April 2025 for a period of 1 year. This will also be reflected in the 2025/26 Treasury Management reporting.

The Council's investment portfolio was as follows:

INVESTMENT PORTFOLIO	31 March 2024		31 March 2025	
	Actual (£m)	Percentage of Portfolio	Actual (£m)	Percentage of Portfolio
Treasury investments				
Money Market Funds	2.010	8%	5.317	19%
Total managed in house	2.010	8%	5.317	19%
Strategic Bond Funds	5.000	21%	5.000	18%
Equity Income Funds	4.000	17%	4.000	15%
Property Funds	5.000	21%	5.000	18%
Multi-Asset Income Funds	6.000	24%	6.000	21%
Total managed externally	20.000	83%	20.000	72%
TOTAL TREASURY INVESTMENTS	22.010	91%	25.317	91%
Non-Treasury investments				
LN0001 – Broadland Housing	1.885	6%	1.615	6%
LN0002 – Homes for Wells	0.150	1%	0.133	1%
LN0003 – Homes for Wells	0.042	1%	0.041	1%
LN0004 – Homes for Wells	0.067	1%	0.064	1%
TOTAL NON-TREASURY INVESTMENTS	2.144	9%	1.853	9%
TOTAL ALL INVESTMENTS	24.154	100%	27.170	100%

The maturity structure of the investment portfolio was as follows:

COUNTERPARTY / INVESTMENT	Redemption Period	Investment Value 31 March 2025 (£m)
Aberdeen Standard / MMF	CALL	1.960
Blackrock / MMF	CALL	2.127
DWS / MMF	CALL	0.000
Federated Investors (UK) LLP / MMF	CALL	1.230
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
Broadland Housing (Housing Loan)	FIXED (Long-term loan)	1.615
Homes for Wells (Housing Loan)	FIXED (Long-term loan)	0.238
TOTAL		27.170

The Council has seven same day 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 MMFs. The principal invested in Pooled Funds is more at risk than with MMFs as they are subject to gains/loss on fair value (change in sale price).

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.

INVESTMENT INTEREST (£m)	31 March 2024			31 March 2025		
	Average Amount Invested	Interest Earnt (£m)	Average interest rate	Average Amount Invested	Interest Earnt (£m)	Average interest rate
Money Market Funds	7.242	0.359	4.96%	5.722	0.262	4.58%
Total managed in house	7.242	0.359	4.96%	5.722	0.262	4.58%
Short-Dated Bond Funds	0.923	0.029	3.12%	0.000	0.000	0.00%
Strategic Bond Funds	5.000	0.195	3.70%	5.000	0.196	3.93%
Equity Income Funds	5.426	0.292	5.38%	4.000	0.222	5.54%
Property Funds	5.000	0.307	6.13%	5.000	0.317	6.34%
Multi-Asset Income Funds	6.000	0.301	4.62%	6.000	0.303	5.04%
Total managed externally (Pooled Funds)	22.349	1.124	5.03%	20.000	1.038	5.19%
TOTAL TREASURY INVESTMENTS	29.591	1.483	5.01%	25.722	1.300	5.05%

Non-Treasury Investments (£m)	31 March 2024			31 March 2025		
	Actual Amount Invested	Interest Earnt (£m)	Loan interest rate	Actual Amount Invested	Interest Earnt (£m)	Loan interest rate
LN0001 - Broadland Housing Association	1.885	0.080	3.80%	1.615	0.069	3.80%
LN0002 - Homes for Wells	0.150	0.005	3.00%	0.133	0.005	3.00%
LN0003 – Homes for Wells	0.042	0.000	5.50%	0.041	0.002	5.50%
LN0004 – Homes for Wells	0.067	0.000	5.50%	0.064	0.004	5.50%
Total Loans	2.144	0.085	3.95%	2.144	0.080	3.95%

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 or paying borrowing interest on to fund.

The non-treasury investments (housing loans) are amortised loans where an element of principal and interest is repaid at agreed instalment dates. This allows the lender to repay the loan over time, lowering interest costs towards the end of the loan duration (the interest is calculated based on the most recent ending balance of the loan at each repayment interval). This approach allows for clearer financial reporting and risk management for both the borrower and the Council.

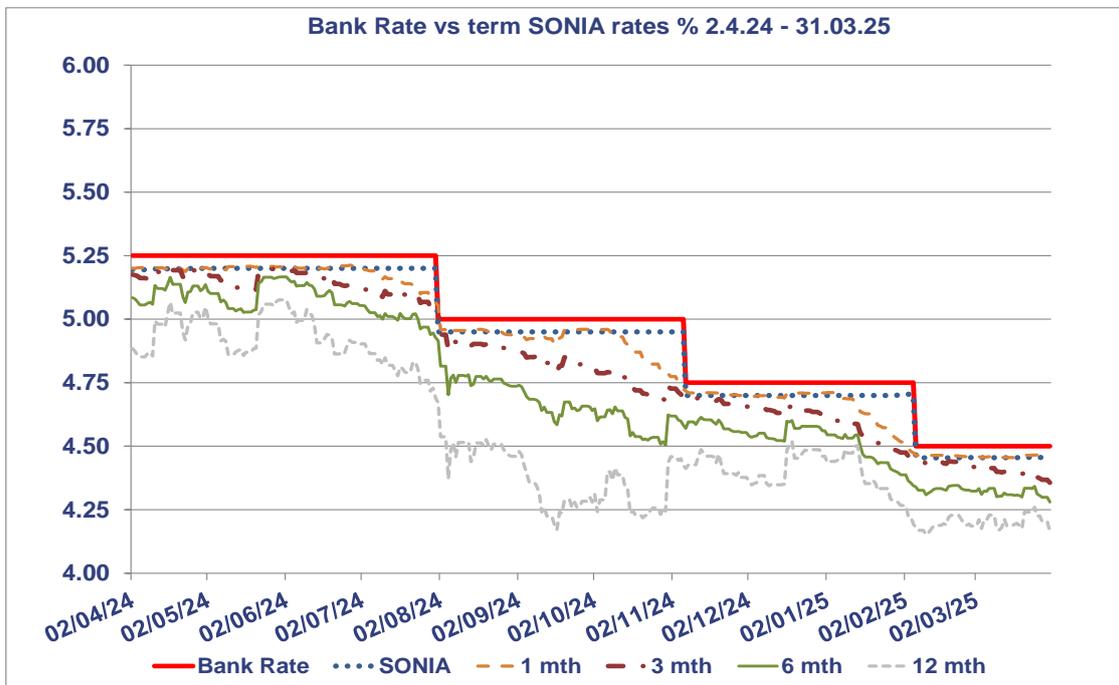
4. The Strategy for 2024/25

The Treasury strategy for managing the Council’s interest rate risk was to continue its PWLB loan of £5m (long-term borrowing) to reduce the authorities need to take out continuous short-term borrowing. This in turn reduced the interest rate risk to the authority. If the cashflow requirement identified an additional borrowing need beyond the £5m loan, it was policy to only take out short-term borrowing for the shortest possible duration to minimise any unplanned additional borrowing interest costs to the authority.

This process has been followed throughout the year and has led to a greater ability to forecast year end borrowing costs, which has in turn allowed the Authority to accurately forecast the required year-end funding required to meet external borrowing costs throughout the financial year.

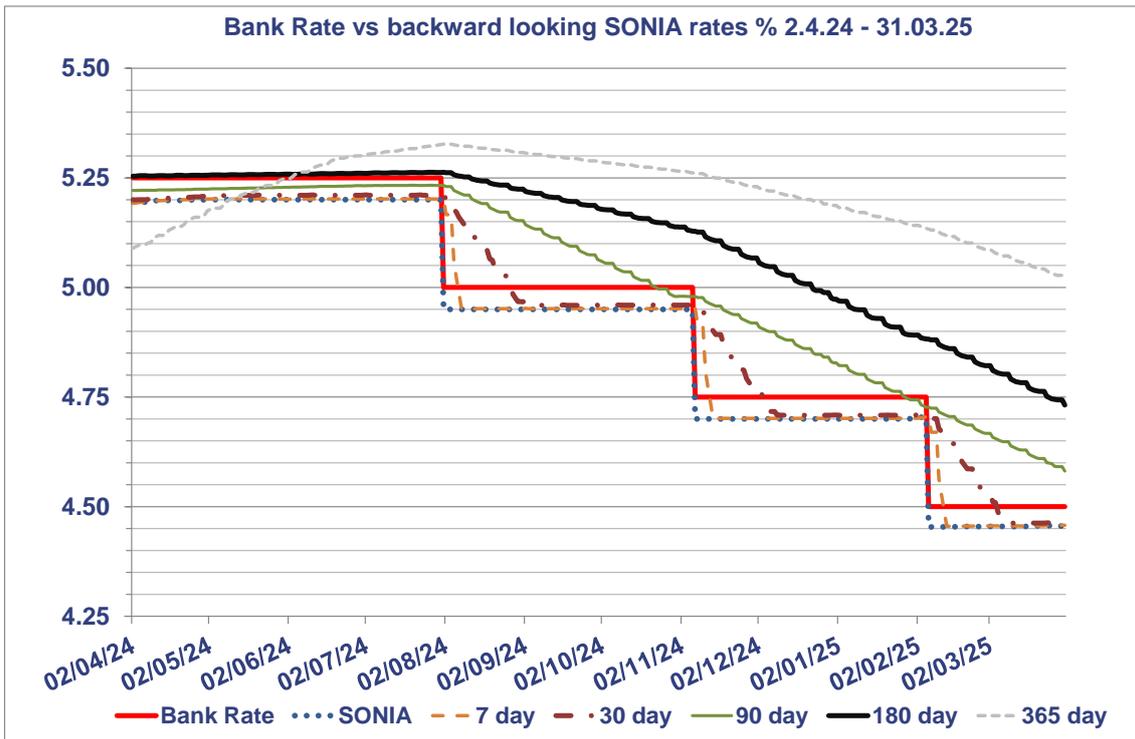
4.1 Investment strategy and control of interest rate risk

Investment Benchmarking Data – Sterling Overnight Index Averages (Term) 2024/25



FINANCIAL YEAR TO QUARTER ENDED 31/03/2025						
	Bank Rate	SONIA	1 month	3 months	6 months	12 months
High	5.25	5.20	5.21	5.20	5.17	5.08
High Date	02/04/2024	03/05/2024	27/06/2024	17/04/2024	31/05/2024	30/05/2024
Low	4.50	4.45	4.45	4.36	4.28	4.15
Low Date	06/02/2025	12/02/2025	04/03/2025	31/03/2025	31/03/2025	10/02/2025
Average	4.95	4.90	4.88	4.82	4.72	4.54
Spread	0.75	0.75	0.76	0.85	0.89	0.93

Investment Benchmarking Data – Sterling Overnight Index Averages (Backward-looking) 2024/25



FINANCIAL YEAR TO QUARTER ENDED 31/03/2025							
	Bank Rate	SONIA	7 day	30 day	90 day	180 day	365 day
High	5.25	5.20	5.20	5.21	5.23	5.26	5.33
High Date	02/04/2024	03/05/2024	13/05/2024	26/06/2024	26/07/2024	26/07/2024	01/08/2024
Low	4.50	4.45	4.46	4.46	4.58	4.73	5.02
Low Date	06/02/2025	12/02/2025	13/02/2025	12/03/2025	31/03/2025	31/03/2025	31/03/2025
Average	4.95	4.90	4.91	4.94	5.02	5.11	5.22
Spread	0.75	0.75	0.75	0.75	0.65	0.53	0.30

4.2 Borrowing strategy and control of interest rate risk

During 2024/25, the Authority 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 Authority’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 2025 and 2026 in the light of economic growth concerns and the eventual dampening of inflation. The Authority has sought to minimise the taking on of long-term borrowing at elevated levels (>5%) 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:

- If it had been felt that there was a significant risk of a sharp FALL in long and short-term rates (for instance, due to a marked increase of risks around a relapse into recession or of risks of deflation),

then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.

- If 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, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

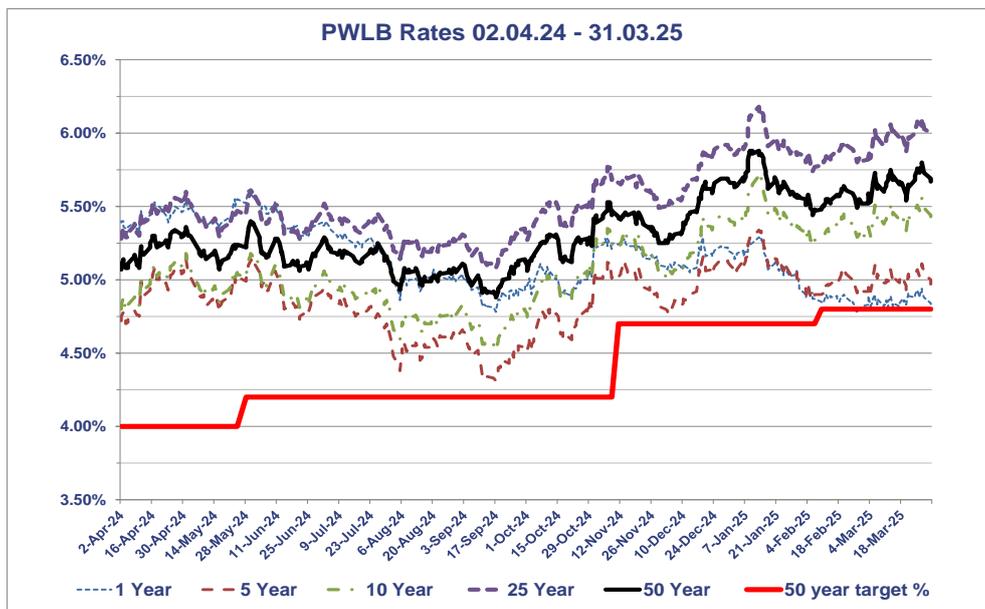
Interest rate forecasts initially suggested gradual reductions in short, medium and longer-term fixed borrowing rates during 2024/25. The Bank Rate did peak at 5.25% as anticipated, but the initial expectation of significant rate reductions did not transpire, primarily because inflation concerns remained elevated. Forecasts were too optimistic from a rate reduction perspective, but more recently the forecasts, updated from November 2024 onwards, look more realistic.

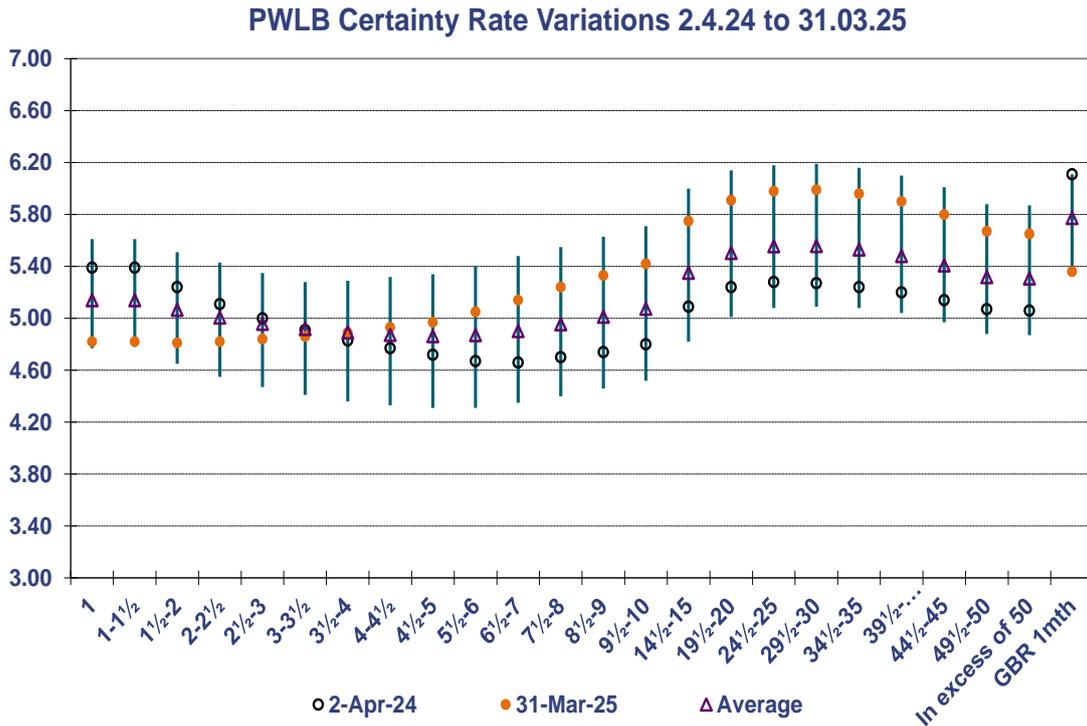
At the start of April 2025, following the introduction of President Trump’s trade tariffs policies, the market now expects Bank Rate to fall to 3.75% by the end of December 2025, pulling down the 5- and 10-year parts of the curve too.

This should provide an opportunity for greater certainty to be added to the debt portfolio, although a significant fall in inflation will be required to underpin any material movement lower in the longer part of the curve.

Forecasts at the time of approval of the treasury management strategy report for 2024/25 were as follows:

MUFG Corporate Markets Interest Rate View 05.02.24													
	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 average 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 average 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 average 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 year PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.50	3.50	3.50	3.50
10 year 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
15 year 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
20 year PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	4.00	3.90	3.90	3.90





HIGH/LOW/AVERAGE PWLB RATES FOR 2024/25

MUFG Corporate Markets Interest Rate View 05.02.24					
	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.77	4.31	4.52	5.08	4.88
date	26/02/2025	17/09/2024	17/09/2024	17/09/2024	17/09/2024
High	5.61	5.34	5.71	6.18	5.88
Date	29/05/2024	13/01/2025	13/01/2025	13/01/2025	09/01/2025
Average	5.14	4.86	5.07	5.56	5.32
Spread	0.84	1.03	1.19	1.10	1.00

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. Therefore, central banks do not need to raise rates as much, to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. Indeed, in recent years many bond yields up to 10 years in the Eurozone turned negative, on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.

However, since early 2022, yields have risen dramatically in all the major developed economies, first as economies opened post Covid, then because of the inflationary impact of the war in Ukraine in respect of the supply side of many goods. In particular, rising cost pressures emanating from shortages of energy and some food categories have been central to inflation rising rapidly. Furthermore, at present the Federal Reserve System, European Central Bank and Bank of England are all being challenged by levels of

persistent inflation that are exacerbated by tight labour markets and high wage increases relative to what central banks believe to be sustainable.

Gilt yields have been volatile through 2024/25. Indeed, the low point for the financial year for many periods was reached in September 2024. Thereafter, and especially following the Autumn Statement, PWLB Certainty rates have remained elevated at between c5% - 6% apart from the slightly cheaper shorter dates.

At the close of 31 March 2025, the 1-year PWLB Certainty rate was 4.82% whilst the 25-year rate was 5.98% and the 50-year rate was 5.67%.

Regarding PWLB borrowing rates, the various margins attributed to their pricing are as follows: -

- **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60 basis points (G+60bps)
- **HRA Borrowing rate** is gilt plus 40 basis points (G+40bps)

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 lower.

As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook.

5. Borrowing Outturn

Treasury Borrowing – The following is a record of all borrowing undertaken by the authority in 2024/25 with the interest payable being a revenue expense to the Council.

Lender	Principal £m	Interest Rate Type	Interest Rate %	Maturity days	Interest payable in 2024/25 (£)
Cambridgeshire & Peterborough Combined Authority	5.000	Fixed	5.55	25	18,246.57
Middlesbrough Borough Council Pension Fund	1.700	Fixed	6.50	38	11,201.37
Norfolk County Council	0.352	Fixed	6.00	1	57.80
London Borough of Havering Council	3.500	Fixed	5.35	14	7,182.19
Middlesbrough Borough Council Pension Fund	5.900	Fixed	5.27	14	11,926.08
Norfolk County Council	1.800	Fixed	5.01	12	2,964.82
Neath Talbort County Borough Council	3.500	Fixed	5.00	7	3,356.16
Causeway Coast and Glens Borough Council	2.000	Fixed	6.35	31	5,915.07
Total			5.47		60,850.06

Borrowing in advance of need

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

Rescheduling

No debt rescheduling has been undertaken during the year as the approximate 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

Early Repayments

The Council did not make early repayment of any agreed loans during 2024/25.

6. Investment Outturn

Investment Policy – the Authority’s investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by the Authority. 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 Authority had no liquidity difficulties.

Investments held by the Authority.

- The Authority maintained an average balance of £27.170m of internally managed funds.
- The internally managed funds earned an average rate of return of 5.08%.
- The comparable performance indicator is the overnight (O/N) SONIA rate, which was 4.90% (see table below).
- This compares with a budget assumption of £33.797m investment balances earning an average rate of 5.52%.
- Total investment income was £1.380m compared to a budget of £1.866m, an adverse variance of £0.486m

Returns:	%
O/N SONIA	4.8979
O/N SONIA Compounded	5.0195
1m fwd SONIA	4.8783
1m fwd SONIA Compounded	5.0231
3m fwd SONIA	4.8181
3m fwd SONIA Compounded	5.0258
6m fwd SONIA	4.7182
6m fwd SONIA Compounded	4.9254
7d back SONIA	4.9080
7d backward SONIA Compounded	5.0355
30d backward SONIA	4.9401
30d backward SONIA Compounded	5.0961
90d backward SONIA	5.0151
90d backward SONIA Compounded	5.2068
180d backward SONIA	5.1110
180d backward SONIA Compounded	5.3231
365d backward SONIA	5.2188
365d backward SONIA Compounded	5.0896

7. The Economy and Interest Rates

UK Economy

UK inflation has proved somewhat stubborn throughout 2024/25. Having started the financial year at 2.3% year on year, the CPI measure of inflation briefly dipped to 1.7% year on year in September before picking up pace again in the latter months. The latest data shows CPI rising by 2.8% year on year February, but there is a strong likelihood that figure will increase to at least 3.5% by the Autumn of 2025.

Against that backdrop, and the continued lack of progress in ending the Russian invasion of Ukraine, as well as the potentially negative implications for global growth because of the implementation of US tariff policies by US President Trump in April 2025, Bank Rate reductions have been limited. The Bank Rate currently stands at 4.5%, despite the Office for Budget Responsibility reducing its 2025 GDP forecast for the UK economy to only 1% (previously 2% in October).

Moreover, borrowing has becoming increasingly expensive in 2024/25. Gilt yields rose significantly in the wake of the Chancellor's Autumn Statement, and the loosening of fiscal policy, and have remained elevated ever since, as dampened growth expectations and the minimal budget contingency (<£10bn) have stoked market fears that increased levels of borrowing will need to be funded during 2025.

The table below provides a snapshot of the conundrum facing central banks: inflation pressures remain, labour markets are still relatively tight by historical comparisons, and central banks are also having to react to a fundamental re-ordering of economic and defence policies by the US administration.

	UK	Eurozone	US
Bank Rate	4.50%	2.5%	4.25%-4.5%
GDP	0.1%q/q Q4 (1.1%y/y)	+0.1%q/q Q4 (0.7%y/y)	2.4% Q4 Annualised
Inflation	2.8%y/y (Feb)	2.3%y/y (Feb)	2.8%y/y (Feb)
Unemployment Rate	4.4% (Jan)	6.2% (Jan)	4.1% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving Bank Rate unchanged at 4.5% by a vote of 8-1, but suggesting further reductions would be gradual. The Bank of England was always going to continue its cut-hold-cut-hold pattern by leaving interest rates at 4.50% but, in the opposite of what happened at the February meeting, the vote was more hawkish than expected. This suggested that as inflation rises later in the year, the Bank cuts rates even slower, but the initial impact of President Trump's tariff policies in April 2025 on the financial markets underpin our view that the Bank will eventually reduce rates to 3.50%.

Having said that, the Bank still thinks inflation will rise from 2.8% in February to 3.75% in Q3. And while in February it said, "inflation is expected to fall back thereafter to around the 2% target", this time it just said it would "fall back thereafter". That may be a sign that the Bank is getting a bit more worried about the "persistence in domestic wages and prices, including from second-round effects". Accordingly, although we expect a series of rate cuts over the next year or so, that does not contradict the Bank taking "a gradual and careful" approach to cutting rates, but a tepid economy will probably reduce inflation further ahead and prompt the Bank to cut at regular intervals.

From a fiscal perspective, the increase in businesses' national insurance and national minimum wage costs from April 2025 is likely to prove a headwind, although in the near-term the Government's efforts to

provide 300,000 new homes in each year of the current Parliament is likely to ensure building industry employees are well remunerated, as will the clamp-down on immigration and the generally high levels of sickness amongst the British workforce. Currently wages continue to increase at a rate close to 6% y/y. The MPC would prefer a more sustainable level of c3.5%.

As for equity markets, the FTSE 100 has recently fallen back to 7,700 having hit an all-time intra-day high 8,908 as recently as 3 March 2025. Pound Sterling has also endured a topsy-turvy time, hitting a peak of \$1.34 before dropping to \$1.22 in January and then reaching \$1.27 in early April 2025.

USA Economy

Despite the markets willing the Federal Open Market Committee (FOMC) to repeat the rate cut medicine of 2024 (100 basis points in total), the Fed Chair, Jay Powell, has suggested that the Federal Reserve System Funds Rate will remain anchored at 4.25%-4.5% until inflation is under control, and/or the economy looks like it may head into recession as a consequence of President Trump's tariff policies.

Inflation is close to 3% and annualised growth for Q4 2024 was 2.4%. With unemployment just above 4%, and tax cuts in the pipeline, the FOMC is unlikely to be in a hurry to cut rates, at least for now.

Eurozone Economy

The Eurozone economy has struggled throughout 2024 and is flat lining at present, although there is the promise of substantial expenditure on German defence/infrastructure over the coming years, which would see a fiscal loosening. France has struggled against a difficult political backdrop, but with a large budget deficit it is difficult to see any turn-around in economic hopes in the near-term.

With GDP currently below 1% in the Eurozone, the European Central Bank (ECB) is likely to continue to cut rates, although the headline inflation rate is still above 2% (2.3% February 2025). Currently at 2.5%, a further reduction in the Deposit Rate to at least 2% is highly likely.

8. Other Issues

A. IFRS 9 fair value of investments

Following the consultation undertaken by the Ministry of Housing, Communities and Local Government (MHCLG) 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 2029, except for any new pooled investments from 1st April 2024. 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.

This is beneficial to the authority. Previously the long-term Pooled Fund investments had a significant fair value gain, however during the COVID pandemic the values of almost all shares globally fell sharply in value during the difficult economic times. Although share prices have slowly recovered since, as at the end of 2024/25, the Council's long-term investments still have an overall fair value loss of £0.181m against a total value of £20m. Although this is not a huge value, if the IFRS 9 statutory override had not been extended to 2029, the authority would have been required to set aside a treasury reserve to the value of £0.181m which would have negatively impacted the year-end financial position.

B. Changes in risk appetite

The Treasury has not changed its risk appetite during the year 2024/25. 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. All borrowing is undertaken at the lowest rates available.

C. Counterparty limits

The counterparty limits have not changed during 2024/25 as set out in the Treasury Strategy 2024/25.

D. IFRS 16

From 1st April 2024, a new International Financial Report Standard, IFRS 16, came into effect for Local Authorities. IFRS 16 introduces a new 'Right of Use' asset class to the balance sheet from 2024/25 and onward and recognises the corresponding lease liability. The standard was primarily intended to bring transparency to leases in the financial statements of companies, by reducing the number of off-balance sheet leases, to enable informed comparisons within business sectors.

The impact from the 1st April 2024, will mean any current or new operational leases, not exempt due to certain conditions, will now be recognised on the balance sheet as a 'Right of Use' asset with a corresponding lease liability. This has financial implications for the Council's Treasury Management Strategy, its Capital Programme and its Financial Statements.

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REPORT TITLE - Debt Recovery 2024-25	
Executive Summary	This is an annual report detailing the council's collection performance and debt management arrangements for 2024/25. 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 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 continued delegated authority as shown in appendix 2 for write offs.
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 Recovery Methods including 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
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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	July 2024 for the 2023/24 Debt Report.

1. Purpose of the report

This is an annual report detailing the council's collection performance and debt management arrangements for 2024/25.

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 2024/25 for the following:

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

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	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
	2024/25	4,182,151	1,555,273	1.52%	1,672,438

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	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
	2024/25	253,229	115,244	0.44%	148,212

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

** This is the arrears figure as at 31/3/2025. Collection of the 2024/25 debt is ongoing and £307k council tax and £118k NDR has been collected since 22 June 2025 against the previous 2024/25 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	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
	2024/25	833,552	7,093,184	11.75%	£41,074

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	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
	2024/25	102,643,972	56,723	1,810	4,182,151
NNDR	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
	2024/25	26,031,863	7,843	3,319	253,229
Sundry Income	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
	2024/25	7,093,184	6,750	1,051	833,552

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

Table 5

Income Area	2021/22	2022/23	2023/24	2024/25	Target 2024/25
Council Tax	98.1	98.27	98.37	98.37	98.20%
NNDR	99.24	99.25	99.29	99.45	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 one, 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 30% 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 did impact 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 further from 1 July 2022 to 66% and from 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	2021/22 (£)	2022/23 (£)	2023/24 (£)	2024/25 (£)
Council Tax	133,790	159,939	113,208	229,725
NNDR	3,957	49,224	25,031	90,488
Sundry Income only	12,595	35,077	50,707	55,271

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	912	9	Information on category not held on the finance system.
Debtor deceased	10,951	0	
Debtor absconded	112,684	12,683	
Debtor in bankruptcy, liquidation or other Insolvency proceedings	93,704	70,957	
Disputed Liability Debt cannot be proved (conflict of evidence)	4,137	5,195	
Ill health & no means	1,106	0	
Undue hardship	-287	191	
Debt remitted by the Court	0	0	
Irrecoverable	3,932	1,453	
Detained/Prison	2,586	0	
Other	0	0	
Totals	229,725	90,488	

The level of Council Tax and Non-Domestic (Business) Rates debts written off has increased since last year. The Council Tax and Non-Domestic (Business) Rates debts that have been written off are principally debts from insolvency or absconders. 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 2024/25

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 continue to approve the 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.

Methods of recovery for council tax and Non-Domestic (Business) Rates debts are outlined in Appendix 3.

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
24 June 2025.

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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 24 June 2025.

Appendix 3

Methods of debt recovery.

Attachment of Earnings Order

The Council can order an employer to make deductions from earnings of their employee and to pay the deducted amount to the Council. Failure to comply with the order may result in the employer being fined.

The amount deducted will be in line with regulations and will depend on earnings. Employers can deduct £1 per order for every time a deduction is made to cover administration costs and deductions will continue until the debt is paid. Changes in employment must be reported to the Revenues Team within two weeks.

Deductions from Department for Work and Pensions benefits

The Council can ask the Department for Work and Pensions (DWP) to make deductions from Universal Credit, Income Support, Jobseekers Allowance, Pension Credit or Employment Support Allowance.

The amount deducted will be in line with regulations and will depend on the amount of benefit in payment and any existing deductions in force. Changes to benefit entitlement must be reported to the Revenues Team within two weeks.

External agencies

We work in partnership with several specialist companies in our efforts to recover unpaid council tax and business rates. These companies provide additional support and are specialists in their respective area of recovery. External companies are used for debt collection work, tracing absconders, enforcement action and insolvency. Costs will be added to the debt and external agencies will be used if all other attempts to recover the debt have failed.

Once a case is referred to the debt recovery specialist, all further contact will be referred to the practitioner. The documents issued will recommend the debtor seek their own independent legal advice.

Bankruptcy/insolvency

If the debt owed is more than £5,000 bankruptcy/insolvency proceedings will be considered. There are significant costs associated with this method of recovery, that are incurred by the customer, and their home may be at risk.

A full risk assessment will be undertaken by the Revenues Team using all the information available from the council's records including Land Registry checks, credit reference reports and Companies House records where applicable.

The team will liaise with Social Prescribing Team and other relevant partners to check for vulnerability before proceeding. All cases referred to our debt recovery solicitors for bankruptcy proceedings will be authorised by the Revenues Manager.

Charging orders

When a customer owns property a Charging Order may be appropriate.

Once a Charging Order has been granted against a property, the Council can apply to the court for an Order for Sale and force the property to be sold and the debt recovered from the proceeds of the sale.

There are significant costs associated with this method of recovery, that are incurred by the customer, and their home may be lost so these proceedings will be used with caution. A full risk assessment will be undertaken by the Revenues Team using all the information available from the Council's records including Land Registry checks, credit reference reports and Companies House records where applicable.

The team will liaise with Social Prescribing Team and other relevant partners to check for vulnerability before proceeding. All cases referred for Charging Orders will be authorised by the Revenues Manager.

A factor to consider when deciding to proceed with a Charging Order would be the length of time it will take for the Council to receive the money which may run into years. Once a Charging Order has been granted against a property, the Council can apply to the court for an order to evict and force the property to be sold and the debt recovered from the proceeds of the sale.

The Council may still look to recover any debt that remains not covered by the Charging Order, by other methods.

Tracing debts

All debts owed to the council will be pursued. If the debtor leaves their last known address without a forwarding address, the Council will use various means of tracing the debtor which may involve external tracing agents.

Winding up (Business Rates)

If the ratepayer is a limited company, the Council can apply to 'wind up' the business. There are significant costs associated with this method of recovery that are incurred by the ratepayer.

After agreeing this method of recovery against a business, the Council will send a formal request for payment advising of the intended action and subsequent consequences if the debt is not paid. If no response is received within 14 days, the Council will consider whether a petition for the winding up of the company should be issued.

If the Council seeks a petition from the High Court, the petition will be served on the ratepayer advising them of a date and time of the hearing. At this stage, significant costs are added to the debt.

If the ratepayer refuses to attend court to make representation to the judge, this generally results in the company being wound up. Once the company has been wound up, the matter is then referred to the Official Receiver.

Enforcement agents

the Council will instruct their Enforcement Agents to collect the balance owing when a customer has failed to provide income details, failed to agree an acceptable payment plan and/or make the agreed payments.

The Revenues Team will continually monitor the performance of the Enforcement Agents to ensure they are an efficient and effective collection method.

If the Enforcement Agent cannot identify sufficient goods to clear the debt, or cannot gain lawful entry to the property, they will advise the council accordingly. The Revenues Team will then consider further recovery action as appropriate.

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 debtor's 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 debtor's 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 24 June 2025.

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Housing Benefit Debt Recovery Report – 1st April 2024 to 31st March 2025	
Executive Summary	<p>This report provides an update on Housing Benefit debt recovery detailing the Councils' collection performance and debt management arrangements for 2024 – 25.</p> <p>The report includes a:</p> <ul style="list-style-type: none"> ▪ A brief overview of Housing Benefit overpayments ▪ Housing Benefit Debt Recoveries performance ▪ Key trends and known risks to performance ▪ Recommendations of future recovery strategies
Options Considered	<p>To continue with the write-off limits at their current levels.</p> <p>To continue to recover outstanding debt within the current guidelines.</p> <p>The implementation of additional recovery methods to maximise recovery options to the Council.</p>
Consultation(s)	No consultation is required as this is a statutory requirement.
Recommendations	<ul style="list-style-type: none"> (i) Note the performance of the debt management function carried out by the Benefits service. (ii) Note the debt write-offs for the year. (iii) Note the emerging impact of Universal Credit on collection levels. (iv) To support the implementation of future recovery strategies. (v) 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 revenue to the Council is maximised.
Background papers	<p>Housing Benefit Overpayment Policy (Appendix 1)</p> <p>Corporate Debt Management and Recovery Policy</p> <p>Debt Write Off Policy</p>
Wards Affected	All
Cabinet member(s):	Wendy Fredericks
Contact Officer	<p>Trudi Grant, Benefits Manager (01263 516262)</p> <p>trudi.grant@north-norfolk.gov.uk</p>

Links to key documents:	
Corporate Plan:	Effective income management processes are critical to the delivery of overall Council service objectives. A more efficient income management process contributes to the availability of resources for wider or deeper service provision. It is linked to the Council's Corporate Plan priority of being a strong, responsible, and accountable Council.
Medium Term Financial Strategy (MTFS)	<p>Housing Benefit debt recovery contributes to the MTFS by improving revenue, supporting financial control, enabling accurate financial planning, and helping meet statutory and audit expectations.</p> <p>We will support the Council in maintaining 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.</p>
Council Policies & Strategies	<p>Corporate Debt Management and Recovery Policy</p> <p>Debt Write Off Policy</p> <p>Housing Benefit Overpayment Policy (Appendix 1)</p>

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	Yes - The public interest in recovering Housing Benefit overpayments lies in ensuring the efficient, fair, and responsible use of public funds, which supports the Council's Medium Term Financial Strategy.
Details of any previous decision(s) on this matter	N/A

1. Purpose of the report

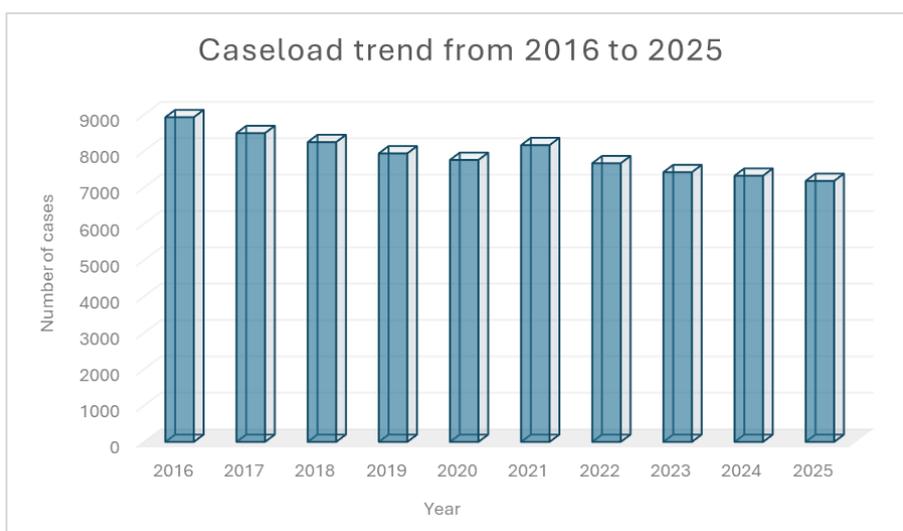
- 1.1 This is an annual report detailing the Council's collection performance and debt management arrangements for 2024/25 in relation to Housing Benefit Overpayment debt.
- 1.2 The report provides the Council with the assurance as to the efficiency and effectiveness of its collection and recovery policies and systems.

2. 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 overpaid Housing Benefit. This is a key income stream for the Council which offsets against any Housing Benefit subsidy losses.
- 2.2 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) is clear that local authorities should maximise all recovery options and should make use of networks and intelligence to support the recovery process.
- 2.3 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 regionally is shown in section 10.5 to 10.7 of this report.

3. Housing Benefit Caseload

- 3.1 Housing Benefit (HB) is an income-related benefit that is intended to help meet housing costs for rented accommodation. Housing Benefit is treated as a legacy benefit and is being replaced for most working-age claimants (with some exceptions) by the housing element of Universal Credit (UC). This process is referred to as Managed Migration.
- 3.2 The number of people claiming HB has been steadily decreasing and will continue to fall as legacy HB claims transfer to UC. This downward trend is reflected below illustrating approx. 20% decline over the last 10 years.



- 3.3 Looking ahead, managed migration of UC, will 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.

- 3.4 Where the number of people claiming HB is reducing, the amount of overpaid HB identified by local authorities will reduce, as well as the amount of overpaid HB we can recover. In addition to this the administration grant for HB received from the DWP and the amount of subsidy we can claim will also reduce over time.

4. What is an overpayment

- 4.1 An overpayment occurs where an amount of HB 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 delaying in reporting changes which may affect their entitlement or the Council making an error when calculating or paying HB.
- 4.2 Changes in circumstances can be identified through DWP data matches or may be notified by the claimant or a third party.
- 4.3 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.
- 4.4 *Example of Housing Benefit overpayment:*

Mr H of 1 Street receives £50 per week in HB. Mr H has currently been paid Housing Benefit up to Sunday 8th June 2025. On, Monday 9th June 2025, Mr H informs the team that he vacated the property he was claiming HB for on Sunday 11th May 2025. An overpayment of HB is created for the period Monday 12th May 2025 to Sunday 8th June 2025 (4 weeks @ £50 per week = £200).

5. The importance of identifying Housing Benefit Overpayments early

- 5.1 Overpayments represent money that was paid out incorrectly and should not have been spent. Identifying and recovering these overpayments helps ensure that public funds are used appropriately and fairly, protecting the public purse.
- 5.2 When Housing Benefit is overpaid, the local authority may not always be able to recover the money, especially in cases of official or local authority error. This means the Council could bear the financial loss. Identifying overpayments early reduces this risk.
- 5.3 If overpayments go undetected, incorrect payments may continue for months or even years. Early identification stops further loss and allows the correct benefit amount to be paid moving forward.
- 5.4 Timely identification helps distinguish between error (e.g., forgetting to report a change in income) and intentional fraud. Addressing overpayments helps reinforce compliance with benefit rules and can deter fraudulent claims.
- 5.5 Overpayments can result in significant debts for claimants if not identified early. Prompt detection allows quicker resolution and a smaller repayment burden, helping to avoid financial hardship.

5.6 Local authorities must demonstrate good financial governance and compliance with DWP regulations. Identifying and classifying overpayments accurately supports audit processes and allows the authority to claim the correct level of subsidy from central Government.

6. Housing Benefit Subsidy

6.1 Housing Benefit Subsidy is the mechanism by which we are reimbursed by the DWP for the Housing Benefit we have paid out in each financial year. This is claimed back through the Final Subsidy claim which is subject to an external audit.

6.2 The amount we are reimbursed depends on the type of claim, the tenancy type, and any errors or overpayments. The HB Subsidy rates that apply to different types of claims and overpayments are shown below.

Type of Benefit Payment / Overpayment	Subsidy Rate	Notes
Claimant error	40%	Council must attempt recovery to receive this rate.
Local Authority error	0% to 100%	Thresholds determine the amount of subsidy recouped. These are based on the total amount of our Local Authority error overpayments. If we stay below the lower threshold we will receive 100% subsidy back on overpayments. This reduces to 40% if levels go over the lower threshold, and 0% if levels go over the higher threshold which are calculated throughout the year based on overpayment levels.
Official error (e.g. by the DWP)	100%	This is reduced to 0% if the overpayment is recovered. These overpayments are normally written-off as they are official errors and not fair to the claimant to recover.
Fraud overpayments (with prosecution/sanction)	40%	Must meet fraud criteria (e.g. penalty, caution, or conviction)

6.3 Councils only receive 40% subsidy on a claimant error overpayment. However, if we can collect anything between 40% to 100%, 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.

6.4 *Using the previous example in 4.4 - As the Council has already paid out £200 in HB, there will be a cost to the Council of £120 as it will only get £80 (40%) subsidy back on the original expenditure of £200.*

6.5 *The incentive here is to recover the full £200 as the Council will increase revenue by an additional £80.*

- 6.6 Where an overpayment is being recovered through deductions from ongoing HB payments, 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.
- 6.7 Our Final Subsidy claim for 2024/25 identified a total of £99,845 in claimant error overpayments of which we receive 40% subsidy = £39,938. Where we can recover the overpayment from ongoing benefit, we would be able to recoup the remaining 60% (£59,907).
- 6.8 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%.
- 6.9 Our Final Subsidy claim for 2024/25, identified £118,779 of claimant error overpayments being created for a previous financial year. We would have claimed 100% subsidy for this expenditure as part of the 2023/24 Final Subsidy claim. We would now have to pay back 60% of this expenditure to the DWP (£71,267). Where we can recover 100% of the overpayment from ongoing benefit, we would be able to recoup the 60% we had to payback.
- 6.10 Continued UC migration will impact the recovery of HB overpayments and recouping subsidy losses.

7. Tackling fraud and error in the Benefits system

- 7.1 Fraud and error are significant risks within the welfare benefits system due to the complexity of regulations and frequent changes in claimant circumstances. We receive approx.8,000 work items each month. Accurate and timely assessments are crucial to avoid incorrect HB payments, reduced subsidy from the DWP, and financial losses for the Council.
- 7.2 We are focused on reducing benefit fraud and error and are currently undertaking the following measures.

Type of measure	Notes
Verification Framework	Evidence requirements for new claims and changes ensures correct and relevant evidence is gathered before a payment is made.

Housing Benefit Matching Service (HBMS)	The DWP matches HB records submitted by the Council against other Government databases (HMRC, DWP).
National Fraud Initiative (NFI)	A Government led data matching exercise. Cross matches are carried out against data sets supplied by DWP, HMRC, DVLA, NHS.
Housing Benefit Accuracy Award (HBAA)	DWP lead initiative which supports Councils to improve the accuracy of HB claims. Targets high risk claims using data analytics and claim characteristics.
Fraud referrals	Where there is suspected fraud activity against HB, a referral is passed to the Single Fraud Investigation Service (SFIS) for investigation.
Regular Quality Assurance checks	Accuracy checks are carried out to ensure accurate decision making, compliance, prevention of subsidy loss, improved staff performance and training needs.
Training for staff	Periodic training is completed to ensure officers are applying correct legislation, verification, and decision making.
Media campaigns	We encourage customers to report changes in their circumstances through online, social, and paper based campaigns. We also offer several methods to report a change.

8. A supportive & informative approach to debt recovery

- 8.1 We are committed to taking a supportive approach to the recovery of HB overpayments, recognising that many residents facing debt are experiencing financial vulnerability, hardship, and complex circumstances. Rather than taking a solely enforcement-led approach, we aim to balance the need of recovering monies owed with compassion and fairness.
- 8.2 With the current cost of living, we find we chase customers for multiple debts who are often in financial difficulty and unable to effectively manage their finances. Many households facing financial hardship, will result in loss of income to the Council as households will need to prioritise household bills such as rent, food, electricity, gas, and water over bills such as Council Tax and HB overpayments. We have also seen households cancelling important services around health and care, which could have a knock on effect to demand for other Council services.
- 8.3 It is important to have efficient and effective recovery mechanisms in place to maintain the Council's cash flow but at the same time using methods that support our most vulnerable residents.
- 8.4 To strengthen our approach to debt recovery, People Services has established a collaborative partnership with Citizens Advice where our vulnerable residents can access early engagement, financial inclusion, and person-centred support.
- 8.5 We are also using the Low Income Family Tracker (LIFT) Dashboard to make informed decisions on a customer's ability to pay and allows us to work with customers to break

the cycle of debt, ensuring they are receiving all benefits and financial support they are entitled to and effectively recovering monies that is owed to the Council.

- 8.6 Our Financial Inclusion work is continuing to maximise households' income through unclaimed benefits and grants and so far, has achieved £5.6 million additional annualised income for residents since 2023.
- 8.7 This approach not only supports ethical and responsible debt recovery, but also strengthens financial resilience, prevents escalation of hardship, tackles poverty, and improves resident outcomes.

9. Current outstanding overpayment levels

- 9.1 While we maximise recovery opportunities through various methods, HB overpayments remain challenging to collect. This is often due to debtors being on low incomes, receiving DWP benefits, or being vulnerable. Fewer recovery options are available for HB overpayments compared to Council Tax or Business Rates, for example.
- 9.2 Where an overpayment occurs and HB remains in payment, we can recover it by deducting a set amount from the ongoing HB entitlement each month. The DWP sets maximum recovery rates; the standard rate is £13.95 per week, increasing to £23.25 per week for overpayments resulting from fraud.
- 9.3 As at May 2025, we are recovering £175,905.82 in overpaid HB against 82 cases using this method. These debts are not yet classed as corporate debt, as they have not been passed to the Sundry Debtor system. They continue to be recorded against the subsidy claim and will transfer to the Sundry Debtor system when the claimant migrates to UC.
- 9.4 In addition to this, as of May 2025, we have £688,000 of overpaid HB to be collected through the Sundry Debtor system. This is spread across 420 accounts.
- 9.5 A small number of debts are being managed by the Finance team through the Civica E-Financials system, as they have existing benefit attachments or payment arrangements which we do not wish to disrupt. The total debt outstanding against these cases is £54,573.
- 9.6 The total debt outstanding across all systems is shown below.

System	Amount of HB overpayment outstanding
Open Revenues – Recovery via ongoing HB	£175,905.82
Open Revenues – Sundry Debtor	£688,000
Civica Financials – Sundry Debtor	£54,573
Total debt to collect across all systems	£918,478.82

10. Recovery Performance for 2024/25

- 10.1 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) return we submit to the DWP each quarter.
- 10.2 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 has advised that our Housing Benefit Debt Recovery performance is comparatively strong. A recovery rate of between 28% - 30% is considered strong by the DWP.
- 10.3 Our collection rate for End of Year 2024/25 was 31.38% which is an increase to the previous year. At the beginning of the 2025 financial year, we have just over £633,000 of overpaid HB debt to collect via the Sundry Debtor system. Please refer to the table below.

HB Debt Recoveries performance			
	FYE 2023/24 (£)	FYE 2024/25 (£)	FYE 2025/26 (£)
Overpayment outstanding at the start of year (1 st April)	660,752	707,598	633,006
Overpayments identified throughout the year	336,405	217,056	
Overpayments recovered throughout the year	274,773	257,775	
O/p written off	16,304	37,160	
% recovery against total debt	29.04%	31.38%	

- 10.4 Details of our Housing Benefit overpayment collection performance for Norfolk are shown below. 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 2024 (Q2).
- 10.5 In Q1 and Q2 for 2024, we have the third highest performance around the recovery of HB overpayments.

		Total value of HB overpayments recovered during the quarter (in thousand £)					
		Q1			Q2		
		Rent Rebate	Rent Allowance	*Total	Rent Rebate	Rent Allowance	*Total
		1	2		1	2	
E1000020	Norfolk						
E07000143	Breckland	-	172	172	-	277	277
E07000144	Broadland	-	37	37	-	34	34
E07000145	Great Yarmouth	32	52	84	27	50	78
E07000146	King's Lynn and West Norfolk	*	*	86	*	*	103
E07000147	North Norfolk	-	160	160	-	148	148
E07000148	Norwich	127	110	237	107	143	250
E07000149	South Norfolk	-	64	64	-	70	70

- 10.6 Through targeted interventions, data matching, and by reaching out to customers to report changes promptly, we have the third highest performance in Q1 and Q2 around identifying HB overpayments, as shown below.

			Total value of HB overpayments identified during the quarter (in thousand £)					
			Q1			Q2		
			Rent Rebate ¹	Rent Allowance ₂	*Total	Rent Rebate ¹	Rent Allowance ₂	*Total
E1000020	Norfolk							
E07000143	Breckland	-	120	120	-	335	335	
E07000144	Broadland	-	84	84	-	62	62	
E07000145	Great Yarmouth	26	28	54	23	33	56	
E07000146	King's Lynn and West Norfolk	*	*	46	*	*	115	
E07000147	North Norfolk	-	114	114	-	120	120	
E07000148	Norwich	78	145	223	87	116	204	
E07000149	South Norfolk	-	81	81	1	88	89	

10.7 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 in Q1 and the second lowest in Q2, as shown below.

			Total value of HB overpayments outstanding at the start of the quarter (in thousand £)					
			Q1			Q2		
			Rent Rebate ¹	Rent Allowance ₂	*Total	Rent Rebate ¹	Rent Allowance ₂	*Total
E1000020	Norfolk							
E07000143	Breckland	-	1,823	1,823	-	1,762	1,762	
E07000144	Broadland	-	981	981	-	1,028	1,028	
E07000145	Great Yarmouth	448	1,223	1,671	442	1,198	1,640	
E07000146	King's Lynn and West Norfolk	*	*	1,619	*	*	1,555	
E07000147	North Norfolk	-	1,050	1,050	-	993	993	
E07000148	Norwich	2,045	1,951	3,996	1,992	1,983	3,975	
E07000149	South Norfolk	5	749	754	6	757	763	

11. Write-Offs

11.1 The provision for bad debt for all Housing Benefit Overpayments is £515,113.

11.2 Overpayments are only written off following careful consideration and in line with the Corporate Debt Write-Off policy and Housing Benefit Overpayment Policy. The table below shows a summary of the amount of debt written off and reason in 2024/25.

Write off reason	Number of cases	Amount of debt written-off (£)
Bankrupt	50	10,270
Deceased – no estate	32	25,299
Interest charges not able to be recovered	2	107
Of ill health	1	228
Undue Hardship	2	180
Uneconomical to recover	17	1,077
Total	104	37,160

12. Risks affecting recovery of overpayments in 2025 and beyond

- 12.1 There are several factors which could risk the team's performance around the recovery of overpayments.
- 12.2 *Change in volume or value of overpayments*
In 2024 we saw an increased level of overpayments outstanding at the start of the financial year compared to the previous year. This was partially attributed to Government initiatives such as the Housing Benefit Award Accuracy scheme, which looks for fraud and error in the system. Whilst such initiatives are welcomed, because of this initiative, an additional £11k of HB overpayments were identified. These initiatives are continuing in 2025. An increase in overpayments will also be seen because of managed migration as Housing Benefit claims end.
- 12.3 *Delays in processing changes in circumstances*
If we do not process reported changes before the next payment of Housing Benefit is issued, subsequent overpayments are classified as a Local Authority error and could result in further loss of subsidy and recovery. During 2024 we saw an increase in workloads due to the additional work associated with the managed migration to Universal Credit. Workloads in 2023/24 were calculated at just under 89,000 work items, and for 2024/25 workloads increased to just over 94,000 work items. The increase in workloads is expected to continue during 2025 with the managed migration process due to be completed by 31st March 2026. We are also seeing a reduced team size.
- 12.4 *Emerging barriers to recovery*
Rising cost of living and economic hardship reduces the claimant's ability to repay debts promptly. We also need to consider the increased levels of financial vulnerability where households are struggling to meet the cost of priority bills such as food, utilities, and rent. This limits the capacity around repayments.
- 12.5 *Transition to Universal Credit and other welfare reforms*
As Housing Benefit continues to transition alongside the rollout of Universal Credit (UC), we must adapt our overpayment recovery strategies to account for more complex overlaps and transitional rules. The shift of claims from HB to UC means fewer HB claims but the legacy HB debt remains and must still be recovered.
- 12.6 Where the overpayment would have been recovered directly from ongoing HB payments, once the HB claim ends due to the transition to UC, the debt is more difficult to recover. Normal practice would be to recover through an Attachment of Benefits directly from the UC payment, but HB is seen as a low priority debt when the DWP handles attachments of benefits and other debts such as Council Tax and utilities take precedence.
- 12.7 Welfare reforms have been announced by the Government around disability benefits. This will affect households from 2026 where access to certain disability benefits and components will be reduced. Potentially, this will lead to households having less income to repay debts and pay for essential cost of living items.
- 12.8 *Debt pandemic*

As we entered 2024 many families were feeling the effects of the cost of living crisis, rising inflation and higher interest rates. These pressures add to debt, further stretching household budgets, and many people are turning to credit to cover essential costs.

- 12.9 Unsecured debts like credit cards, personal loans, and buy now pay later schemes are becoming more common, and some households are falling into a cycle of high interest borrowing that only worsens their financial situation.
- 12.10 At the same time, a major issue is the £32 million in unclaimed benefits and support across North Norfolk that could help struggling families. Many people are unaware of the help available to them, and this gap in access to support remains a significant problem. This is detailed below.

£32,016,699 is unclaimed in North Norfolk		
21,350 people are not claiming support		
Benefit type	Amount	Claims
Total amount unclaimed in North Norfolk	£32,016,699	21,350
Universal Credit amount	£17,330,417	1,614
Pension Credit amount	£3,292,751	1,594
Carer's Allowance amount	£2,926,123	687
HB (pensioner) amount	£1,937,082	550
Child Benefit amount	£1,997,617	1,046
FSM amount	£1,408,760	Not available
Healthy Start amount	£267,444	184
Water social tariffs amount	£96,480	713
Broadband amount	£1,975,401	9,877
WHD amount	£594,348	3,962
Free TV Licences amount	£190,275	1,123

Source: Policy in Practice Missing Out Report 2024

13. Proposals and options

Improvements and recommendations for future overpayment recovery

- 13.1 In response to the risks forecast for the recovery of overpaid Housing Benefit, the following outlines forward looking options we are considering mitigating risk and enhancing recovery while ensuring a fair and supportive approach.
- 13.2 *Digital data driven recovery*
We are committed to improving the management and recovery of debts owed by residents while ensuring a compassionate and effective approach to those experiencing financial hardship. To achieve this, we will continue to utilise the Benefits and Council Tax data linked through the Low Income Family Tracker (LIFT) Dashboard.
- 13.3 The LIFT Dashboard will enable us to identify households with multiple debts owed to the Council, facilitating targeted interventions including income maximisation, attachment of benefits where appropriate, and consideration of debt write-offs to reduce overall indebtedness.
- 13.4 We seek to strengthen cross-departmental collaboration using the LIFT Dashboard to focus on households who are unable to pay or have fallen into Council Tax arrears.

Recognising that arrears often arise from insufficient income to meet basic living costs; we will work to understand individual circumstances and ability to pay and proactively guide households towards appropriate support services. Early intervention and prompt reporting of changes in circumstances will be key to preventing the development and escalation of arrears.

13.5 Further, we seek to collaborate with our Registered Social Landlords to implement data sharing on tenants' rent arrears. This integration into the LIFT Dashboard will provide a comprehensive view of residents' debt profiles, supporting informed and consistent debt recovery decisions across services.

13.6 By making smarter use of integrated data, we aim to identify warning signs early and deliver timely support to residents before debts escalate. This approach will enable services to manage needs more effectively, reduce financial hardship, and promote sustainable repayment outcomes for the benefit of both residents and the Council.

13.7 *Maximising household incomes*

We will continue to use the LIFT dashboard to stabilise households' incomes by identifying and targeting households eligible for but missing out on Pension Credit, Universal Credit, Attendance Allowance, Severe Disability Premiums, Free School meals, Healthy Start, free childcare, and social tariffs for utilities. We will also use LIFT metrics to prioritise discretionary funds where households have cash shortfalls, are in poverty, in debt and have a threat of homelessness.

13.8 We will continue to build the Better Off platform using the LIFT dashboard and Better Off calculator and facilitate an Apply Once option to increase take up to missed income.

13.9 *Partnership working*

We seek to continue our partnership with Citizens Advice with a dedicated Debt Adviser support for residents facing financial difficulties. This collaboration aims to deliver practical, personalised assistance to households struggling with debt, helping them to achieve realistic and sustainable debt management outcomes. Through this partnership, we seek to enhance the support available to our community, reduce financial hardship, and improve overall debt recovery effectiveness.

13.10 *Extension to external recovery methods*

For debts where we have been unable to engage successfully with the customer, we will extend our recovery methods to include the use of Enforcement Agents under a formal Service Level Agreement. It is recognised that historically this method has had limited success, as Enforcement Agents are restricted to contacting customers by phone or letter when recovering Housing Benefit debts.

13.11 To strengthen our recovery capacity for larger debts, we intend to establish a contract for High Court Enforcement. This will provide enhanced powers and resources to recover outstanding Housing Benefit debt more effectively and efficiently.

14. Corporate Priorities

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

- 14.2 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.
- 14.3 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.

15. Financial and Resource Implications

- 15.1 The information gained from this report will help improve monitoring and our ability to consider any risks in a more accurate way.
- 15.2 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 DWP 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.
- 15.3 The importance of prompt collection is that debts become more difficult to collect as the debt ages and there is a much greater risk of not being able to collect older debts. The Council maintains a provision for bad debts from which the cost of uncollectable debts relating to 2024/25, and earlier years are charged.
- 15.4 A periodical review is required to ensure the adequacy of the Council's Bad Debt Provisions can be met from the Council's revenue budget, which may reduce the funds available for other Council expenditure.
- 15.5 The level of write offs for 2024/25 total £37,160. It is important that bad debts are written off promptly so that the Council can maintain the appropriate level of bad debt provision. The approved write offs can be met from the Council's current Bad Debt Provision.
- 15.6 With the ongoing managed migration of HB to UC, overpayments being recovered from ongoing HB will then be transferred to the Open Revenues Sundry Debtor system for recovery. As this will make it more difficult to recover the debt, this could increase the timeframe over which debts are collected, imposing a financial risk to Council finances around revenue and subsidy loss.
- 15.7 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.
- 15.8 The cost of the LIFT Dashboard in 2024 and for 2025 is budgeted for from DWP Burdens Income. Should the Council look to increase its resource in Debt Management, consideration would be needed around funding.

Comments from the S151 Officer:

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

Housing Benefit Overpayment Policy:

This policy supports the Council's statutory duty to recover Housing Benefit overpayments effectively, while recognising the need to balance financial control with support for vulnerable residents. It ensures a consistent approach aligned with national guidance, contributing to the Council's financial sustainability.

Housing Benefit Debt Management

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.

16. Legal Implications

- 16.1 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.
- 16.2 Monies owed to the Council in the form of debts are a form of asset that is the prospect of a payment sometime in the future. The decision not to pursue a debt carries a cost and so a decision not to pursue a debt is not taken lightly.
- 16.3 If requests for payment are not complied with then the Council can seek to recover money owed to it by way of court action through a County Court Judgement once all other options are exhausted. While a consistent message that the Council is not a soft touch is sent out with Court actions there can come a time where a pragmatic approach should be taken with debts as on occasion, they are uneconomical to recover in terms of the cost of process and the means of the debtor to pay.
- 16.4 The best approach to resolve their predicament is to maintain a dialogue with those in debt to the Council, to offer early advice and help in making repayments if they need it.
- 16.5 Debt recovery will follow the Council's Debt Management Policy and Housing Benefit Overpayment policy of which a revised version has been presented with this report.
- 16.6 The decision to write off debts has been delegated to Chief Officers who must have regard to the Financial Rules.

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.

This report seeks to approve the annual report relating to Housing Benefit overpayment recovery and note performance. The information explains that it looks to maximise income for the Council whilst also supporting individuals in financial difficulty.

17. Risks

- 17.1 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.
- 17.2 Operational risks have been explained in section 12 of this report.

18. Net Zero Target

- 18.1 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.

19. Equality, Diversity, and inclusion

- 19.1 The Corporate Debt Recovery Policy and Housing Benefit Overpayment 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.
- 19.2 The Financial Inclusion Team, targeted work through the LIFT Dashboard, 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.
- 19.3 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.

20. Community Safety issues

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

21. Conclusions and recommendations

21.1 This is an annual report detailing the Council's collection performance and debt management arrangements for 2024/25.

21.2 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.
- Proposals for future debt recovery.

21.3 This is a recommendation to Full Council to approve the annual report in relation to Housing Benefit Overpayment debt recovery, to approve the continued use of legislated recovery methods to ensure income maximisation for the Council, and to support the proposals for improvements and recommendations for future overpayment recovery.

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Housing Benefit Overpayment Recovery Policy

VERSION NUMBER	DATE
2.0	01.06.2025

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1. *Introduction*

- 1.1 The Council has a duty to recover outstanding debts in compliance with the Housing Benefit Regulations 2006, Housing Benefit (Decision Making and Appeals) Regulations 2012, and the Social Security Administration Act 1992, alongside the Department for Work and Pensions Overpayment Recovery best practice.
- 1.2 Whilst doing so we must ensure that our processes are fair to everyone having regard for the rights of individuals and obligations of the council under the provisions of the Human Rights Act 1998.
- 1.3 The Housing Benefit Overpayment Recovery Policy ensures we minimise debt and maximise rates of collection, are consistent in our approach and ensures that we assist customers who experience financial difficulty.

2. *The principles of good practice*

- 2.1 There are a variety of reasons why debt is created. Putting effective processes in place; invoicing accurately and speedily, ensures that debts raised are correct and do not discourage timely payment.
- 2.2 Customers fail to make payments for a variety of reasons. Categorising debts into 'Can't pay' / 'Won't pay' can ensure targeted recovery methods are utilised. Where people genuinely have difficulty maintaining their payments; the council will make every effort to help.
- 2.3 Others may deliberately set out to delay or not make payments at all. In these situations, the council will take action to secure and recover payments.
- 2.4 The council will follow the principles of good practice set out below:
 - Accurate and prompt invoicing
 - Promote Direct Debit for arrangements as the default method of repayment with a range of other payment options for customers without a bank account
 - Provide advice on ways to reduce household bills and maximise income
 - Consider special payment arrangements for those customers experiencing financial difficulties
 - Keep customers informed
 - Take appropriate recovery action in a timely manner
 - Multiple debt management - where the Council is aware of more than one debt owing to the Council
 - Review and write off debt where appropriate

3. Policy Objectives

- 3.1 This policy is effective from 1st April 2025 and supersedes the Housing Benefit Overpayment Policy last revised April 2023.
- 3.2 The key objective of this policy is to ensure that we do all that we can to maximise income for the provision of services in the district whilst supporting people in financial difficulty, protecting residents who are at risk or vulnerable and ensuring that we are collecting payment from those that are able to pay.
- 3.3 The main principles that the council must adhere to achieve the objectives of the policy would be to:
- Process changes in circumstances quickly to minimise the overpayment.
 - Identify overpayments promptly by reviewing entitlement regularly and using third party data to cross reference against i.e. HMRC and DWP.
 - Calculate, classify and record overpayments accurately and correctly to ensure that the correct amount of subsidy is claimed.
 - Determine whether overpayments are recoverable quickly.
 - Pursue recovery of the overpayment using the most effective and efficient method.
 - Ensure that effective financial control is kept over the whole of the overpayment process.
 - Notify affected parties promptly of their overpayment.
 - Pursue recovery by the most appropriate method.
 - Set targets and monitor performance.
- 3.4 The council will recognise that causes of debt vary and recovery methods should be focused accordingly. Debt will be categorised and methods of recovery focused by type, with debtors identified either as ‘Can’t Pay’ or Won’t Pay’:
- Can’t Pay – will receive appropriate assistance and support through debt management and benefit advice, helped to make and adhere to payment arrangements and understand options to minimise costs in the future.
 - Won’t Pay - appropriate tools of recovery will be focused on debt collection depending on individuals’ circumstances and the assets or income they have.
- 3.5 The council will ensure that debts are managed in accordance with legislative provisions and best practice to:
- Protect the council’s reputation by demonstrating a commitment to adhering to regulations.
 - Help provide a quality and value for money service to our customers.
 - Deter fraud and error.
 - Meet internal and external audit requirements and are being adhered to.
 - Ensure that performance targets are continuously monitored, and continuous improvement is sought.
 - Ensure support of the Council’s vision and emerging corporate plan.
- 3.6 This policy should be applied to all cases where an overpayment of benefit may occur and against all identified recoverable overpayments.

- 3.7 This policy should be read in conjunction with the DWP Benefit Overpayment recovery guide [Benefit overpayment recovery guide - GOV.UK](#)
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4. Identification of Housing Benefit Overpayments

- 4.1 An overpayment of Housing Benefit is an amount which has been paid to which there is no entitlement under Housing Benefit Regulations. Overpayments are generally created through a change in the claimants' circumstances.
- 4.2 In most cases overpayments can arise in consequence of:
- Late disclosures of change in circumstances.
 - Errors made by the claimant in completing the application form or subsequent review form.
 - Claimant fraud.
 - Official errors made by the council or other Statutory Benefits Departments such as the DWP.
- 4.3 The authority aims to encourage claimants to notify us of changes in their circumstances immediately through various publicity methods such as notification letters, display boards, website and social media.
- 4.4 The authority will continue to use data available for cross referencing purposes to find fraud and error in the system. The data is available from third parties such as Department for Work and Pensions (DWP), HMRC, and National Fraud Initiative (NFI).
-

5. Prevention of Housing Benefit Overpayments

- 5.1 All overpayments must be identified and actioned as soon as possible by acting on reported changes promptly, keeping levels of outstanding work to a minimum, and suspending payments to prevent further payments being issued.
- 5.2 Minimising fraud and error is a key objective. This will be achieved by taking the following measures:
- Continuing to verify the claimant's income and identity.
 - Continuing with daily Quality Assurance checks against all Benefit Officer's.
 - Continuing with risk based Quality Assurance checks.
 - Periodically reviewing entitlement to Housing Benefit through the Housing Benefit Award Accuracy initiative.
 - Delivery of continual staff training to ensure staff knowledge is up to date.
 - Advise claimants and landlords of the requirement to report changes in circumstances promptly.
 - Monitoring of overpayment levels through the subsidy claim.

6. *Classification of Overpayments*

- 6.1 On identification, all overpayments are categorised into specific types to record reasons for the overpayment occurring and for subsidy purposes.
- 6.2 Overpayments of benefit are mainly classified as claimant error, Local Authority error, DWP error, and fraud (if prosecuted or an administrative penalty is accepted).

For example:

Claimant error

- Mistake by the claimant in completion of a claim form.
- Claimant delay in reporting a change in their circumstances.
- Deliberate fraud by the claimant for failing to disclose a material fact or deliberate misrepresentation).

Local Authority error

- Mistake made by the council
- Delay in processing a reported change in circumstance.

- 6.3 To classify the overpayment correctly, the Benefit Officer must determine:

- The cause of the overpayment.
- The period and amount of the overpayment.
- Whether or not the overpayment is recoverable.
- Whether or not recovery should be sought.
- From whom recovery should be sought.

- 6.4 The classification of an overpayment is checked by the Quality Assurance & Subsidy team throughout the year to support the council's Subsidy Claim, which is submitted to the Department for Work and Pensions mid-year and at the end of each financial year.

- 6.5 Where an error is identified against the classification of an overpayment, this can be revised by the Benefit Officer if the overpayment classification needs to be amended. Where the overpayment classification needs amending in part, this can be corrected by a Benefits Team Leader or a Quality Assurance & Subsidy Officer.

7. *Calculation and notification of overpayments*

- 7.1 When an overpayment or excess payment is identified the claimant is notified in writing and given the following information:

- The reason for the overpayment/excess payment
- The amount
- The benefit period covered
- The method of recovery
- Their right of appeal

- 7.2 Where an overpayment is identified the Council will invite claimants to provide sufficient information to establish any underlying benefit entitlement. This will allow for the overpayment to be netted down against their true entitlement, as though the relevant changes been notified to the council at the time they occurred.
- 7.3 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.

8. *Who should the overpayment be recovered from?*

- 8.1 All overpayments are recoverable, but the council can use its discretion to not pursue an overpayment. Where an overpayment is deemed to be recoverable, it is in the interest of the council and the claimant to act quickly. It will be much more difficult attempting recovery from a claimant who has moved and left no forwarding address; and from a claimant's point of view, they can make a better provision for repayment if they are informed as soon as possible after it has arisen.
- 8.2 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.
- 8.3 Recovery of fraudulent overpayments should, in the first instance, be sought from the person who misrepresented or failed to disclose material facts giving rise to the overpayment. In some circumstances, this may be someone different to whom received the payment of Housing Benefit.

9. *Supporting Vulnerable People*

- 9.1 The Council recognises that some members of the community may be more vulnerable and, therefore, may require additional support in dealing with their financial affairs. Vulnerability does not mean that a person will not be required to pay amounts they are legally obliged to pay.
- 9.2 The Council will identify and assist those who face difficulties in paying at an early stage and to actively encourage them to contact us at the earliest stage.
- 9.3 Where a person is recognised to be vulnerable consideration should be given to:
- Allowing longer to pay
 - Postponing enforcement action
 - Assisting the person to claim benefits, discounts or other financial support

- Supporting people to access sources of independent advice
 - Providing information in an accessible format
 - A temporary payment arrangement with lower repayment than would normally be agreed
 - Where appropriate engagement with third parties to assist the debtor with their financial affairs
 - Returning debt to North Norfolk District Council if the debt has been pursued by the Enforcement Agent.
- 9.4 The Council will also recognise that some customers who have an overpayment of Housing Benefit, will often have multiple debts and often experience a spiral of debt that affects the whole family and life quality and becomes a way of life. All staff dealing with families in difficult circumstances must be cognizant of this and recognise the effect being in debt has.
- 9.5 The council will optimize its partnership working the Citizens Advice and its internal Financial Inclusion team to ensure people in genuine financial difficulty are supported to claim any benefits they are entitled to and where appropriate are signposted towards free debt advice.
- 9.6 The cause of vulnerability may be temporary or may be permanent in nature and the degree of vulnerability will vary widely. In some circumstances it will be appropriate to liaise with or seek further advice from other agencies that may be involved in working with the customer.

10. *Methods of recovery*

- 10.1 There are various methods available to recover outstanding debts that are mentioned in this policy. This Council supports fair debt collection and recovery practices.
- 10.2 Appropriate means of recovery should be considered in all cases under Regulation 102 of the Housing Benefit Regulations 2006.
- 10.3 Where the customer has an ongoing entitlement to Housing Benefit, recovery action will commence by making deductions from the **ongoing housing benefit payments**. 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 because of fraud or not. These rates may be updated annually by the Department for Work and Pensions on the 1st April. A minimum of 50p per week must be left in payment.
- 10.4 Where there is no ongoing entitlement to Housing Benefit an **invoice** will be raised and sent to the debtor. Invoices will be raised for overpayments of £25 or more. The credit terms are 28 days from the date of the invoice. If after a further 14 days the account is unpaid, the account will move into recovery and one of the following recovery methods will commence.
- 10.5 The first principle will be to seek payment in full. Where the debtor can show that this is unaffordable, then instalments will be negotiated under a **Special Arrangement**. An income and expenditure form will be completed to prove the arrangement is affordable.
- 10.6 **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.
- 10.7 **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 across to an invoice to create an account for payments to be credited to NNDC.

- 10.8 **Direct Earnings Attachment.** The Welfare Reform Act 2012 allows NNDC to ask employers to make deductions from the employees pay. The deduction is based on the level of earnings. An attachment cannot be made if the debtor is working for a small company or if they are self-employed.
- 10.9 **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 tenants. The tenants are protected, and the deduction counts as their rent payment. This is referred to as Blameless Tenant recovery.
- 10.10 **Enforcement Agent.** Where an invoice has been raised, and the payment has not been received the debt can be passed to an Enforcement Agent to collect.
- 10.11 **County Court Judgement.** 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.
- 10.12 **Recovery action (Post County Court Judgement).** The overpayment is registered as a judgement of the court. Unpaid debts can be recovered by several enforcement methods – warrant of execution, attachment of earnings, third party debt order, charging order, bankruptcy or High Court Enforcement (see 10.13 below).
- 10.13 **Housing Benefit Debt Service (HBDS).** This is administered by the DWP and allows us to retrieve debtor’s employment, self-employment, private pension information and address details directly from the HMRC.
- 10.14 **High Court Enforcement.** This is where a Writ of Execution (a cost to NNDC of £66 if not successful) will be obtained from the High Court authorising a High Court Enforcement Officer to recover the amount owed by the debtor or take sufficient goods to be sold at auction to raise what is owed. The Enforcement Agent will not raise or charge any costs or fees more than the costs and fees allowed under the regulations in force as shown in the table in 10.14.
- 10.15 Schedule of Enforcement Fees (other than under a High Court Writ).

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

The above figures are not including VAT.

- 10.16 **Recovery from an estate.** Where the case involves the death of a claimant, the deceased's representative or executor should be approached to seek recovery from the estate. However, the overpayment should not be recovered from ongoing benefit deductions from the surviving spouse.
- 10.17 **Excess Council Tax Support** will be added back onto the Council Tax account and collected in accordance with the Council Tax recovery Regulations.
- 10.18 The Council will determine the most appropriate option for recovery of the debt.
- 10.19 Recovery action will commence after taking into consideration the claimant's 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.

11. *Multiple debt management*

- 11.1 We will proactively check for multiple debts owed to the council, and we will work with colleagues in other service areas to ensure that creditors are not in competition.
- 11.2 Customer who have multiple debts will be encouraged to share with staff information relating to any debts owed outside of the council.
- 11.3 A solution will be identified to allow for the best outcome for the council and the customer.

12. *Breathing Space*

- 12.1 We recognise that households in debt may not always be able to resolve their financial problems easily or quickly. The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 came into force with effect from 4 May 2021 and ensures that we allow households the time to get independent financial help without fear of their debts increasing further, which can happen when recovery action is taken.
- 12.2 The scheme aims to help people in problem debt to better manage their finances, seek professional debt advice and reach sustainable solutions. When we are advised that people are working with a debt advice organisation to reach a sustainable solution to their debt, they will be protected from recovery action for up to 60 days. If the person is receiving mental health crisis treatment, then under the mental health crisis moratorium there are some stronger protections which last as long as a person's mental health crisis treatment, plus 30 days.
- 12.3 During the breathing space we will pause recovery action on any debts included in the breathing space and not contact the debtor to seek payment.
- 12.4 The Insolvency Service, which maintains the central electronic system that debt advisers use, will notify the Council when a person has entered a breathing space. The Council will process the notifications to implement the protections under the breathing space. The Council will also conduct

a search of its records for any additional debt(s) owed to them by the debtor, as they may be eligible to be added to the breathing space.

13. Financial Inclusion

- 13.1 Promoting financial inclusion encompasses efforts to reduce poverty and reduce financial stress by: increasing benefit income; reducing levels of debt; providing better access to financial products; and increasing financial capability, i.e. the skills, knowledge, confidence and motivation to manage finances in the short and long term.
- 13.2 The Financial Inclusion team at North Norfolk District Council work with residents to build financial capability, both with basic financial tasks, such as budgeting, and helping them make the right financial decisions in the longer term. This choice reflects both our commitment to improve the lives of our communities and a commitment to greater organisational cost efficiency and effectiveness.
- 13.3 Financial inclusion work can help us become more cost efficient:
- Local Authorities constantly deal with the wider consequences of poverty.
 - Financial inclusion interventions can increase the skills and motivation of staff, improving recruitment and retention.
 - Developing financial inclusion work can improve responses to arrears, evictions and tenancy turnover, reducing the impact of homelessness in the district.
 - It can support the delivery of related initiatives to increase employability, and resident engagement.
 - Reduction to the number of households living in poverty, social exclusion and homelessness.

14. Insolvency

- 14.1 When a debtor becomes insolvent (i.e. formally unable to pay debts), this affects overpayment recovery in the following ways:

Insolvency Type	Effect on HB Debt
Bankruptcy	Debt is included in the bankruptcy estate; recovery must stop.
Debt Relief Order (DRO)	Debt is frozen for 12 months and written off if DRO completes.
Individual Voluntary Arrangement (IVA)	Recovery action must cease; partial payment may be received via the IVA.

- 14.2 When the council is informed of impending insolvency it will:
- Stop recovery immediately upon notification of insolvency.
 - Submit a proof of debt to the Insolvency Practitioner where applicable.
 - Monitor discharge status and update records (write off, suppress future recovery attempts).

14.3 Notably, fraudulent overpayments (overpayments caused by benefit fraud) are not always written off in bankruptcy — councils may still pursue them, though this is relatively rare.

15. Write-offs

15.1 The Council will make every effort to collect monies due, to maximise the resources it has available to provide good quality services to its community. However, it also recognised that there will be occasions when debts become irrecoverable and will need to be considered for write off in accordance with the **Councils Corporate Debt Write-Off Policy**.

15.2 In such circumstances prompt and regular write offs of such debts is good practice, as this allows for a correct calculation of bad debt provision each year and avoids wasting resources chasing debt where there is no realistic prospect of recovery.

15.3 The Council will seek to minimise the cost of write offs by taking all necessary action to recover what is due. All debts will be subject to full collection, recovery and legal proceedings as outlined in this policy.

15.4 Write off is only appropriate where:

- The invoice has been raised correctly and is due and owing.
- That every effort has been made to recover the debt, in the form of reminders and any other relevant recovery action undertaken.
- There is a justified reason why the debt should not be pursued further.

15.5 The definition of irrecoverable is a debt that will never be paid to the person owed, and is uncollectable for whatever reason, and should therefore be written off.

15.6 Whilst it is not possible to list every scenario which could make a debt suitable for write off, the most common circumstances where a debt may be written off have been categorised as follows:

Category	Requirement
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.
Debtor deceased - No Estate	Insufficient funds in estate to discharge debt.
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.
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.
Debt cannot be proved (conflict of evidence)	An explanation should be given as to why recovery cannot be made.

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 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.
Irrecoverable / Out of Jurisdiction***	The debtor has moved out of legal jurisdiction, or the debt has been returned null a bona and all other recovery avenues have failed.

*If a debtors 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.

15.7 The Council will make all necessary attempts to trace any debtor that has absconded to ensure that payment is received. This will include checking internal and external sources of information and sharing information with other authorities and using tracing agents as appropriate. The timeliness of tracing, allowing time for the debtor to reappear will be considered before the debt is submitted for write off.

15.8 Appropriate records of all authorised write-offs will be maintained.

15.9 Authorisation levels are reflected in the Scheme of Delegation as detailed in the **Councils Corporate Debt Write-Off Policy**.

16. Credit Balances

16.1 Where an account has been overpaid or falls into credit for some other reason, with the agreement of the customer, the credit will be refunded or may be transferred to reduce another debt owed by the customer. All refunds will be repaid by electronic transfer to a UK bank account, and only by cheque in exceptional circumstances.

16.2 Whilst the customer's permission may be required to transfer to another outstanding debt, every reasonable effort must be made not to refund the credit whilst other debt is outstanding.

17. Appeals and disputes (Inhibits)

- 17.1 If there is a dispute against a Housing Benefit overpayment after it has been invoiced, the Benefits Team must attempt to resolve the matter within 30 days of the dispute being registered.
- 17.2 Accounts will be placed on hold (an inhibit applied) for one month whilst the dispute is resolved.
- 17.3 Monthly monitoring of accounts will take place using reports produced by the Civica Debtors System. Reports will be investigated and stored for audit purposes.
- 17.4 Notations will be made on the Civica IT System of the reason why accounts have been inhibited from recovery.

18. Performance and debt monitoring

- 18.1 The Council recognises that prompt recovery action is essential for effective debt management and will:
- regularly monitor the level and age of its debt
 - set clear targets for the recovery of debt
 - have written recovery procedures
 - assess recovery methods to ensure maximum returns
 - regularly review irrecoverable debts for write-of
- 18.2 To ensure this policy achieves its objectives a range of indicators are in place to monitor performance against annual targets. Key indicators include:

Performance Measure	Comments (Including benchmarking)
Total overpayments raised	Helps understand trends and whether internal processes are generating preventable overpayments.
The amount of Housing Benefit (HB) recovered (£)	Core measure of recovery effectiveness; shows cash collected.
HB overpayments recovered as a percentage of the total amount of HB overpayment debt raised. <i>Overpayments recovered / Overpayments raised x 100</i>	Tracks efficiency of recovery efforts in proportion to debt created. DWP target.
Total value (£) of outstanding HB overpayment debt at period-end.	Indicates long-term burden; used to track backlog or legacy cases.
Portion of debt where the debtor has an agreed payment plan in place or other successful recovery method.	Shows proactive engagement and reduces enforcement risk.
Housing Benefit (HB) overpayments written off as a percentage of the total amount of HB overpayment debt outstanding at the start of the year, plus amount of HB overpayments identified during the year.	Important for financial forecasting and audit; high rates may indicate systemic issues.
% of Debt Recovered by Method. Break down by: Deductions from ongoing HB, Invoices/payment plans, DWP Debt <u>Management</u> , (DEA), Housing benefit offset, Enforcement (bailiffs, court)	This helps analyse what's working and where to invest effort.
Average number of days/weeks from overpayment identification to full recovery (or setup of recovery arrangement).	Efficiency and responsiveness.
Breakdown of debt by age (e.g., 0–6 months, 6–12 months, 1–2 years, 2+ years).	Shows how quickly overpayments are being addressed and where old debt is accumulating.

18.3 Performance monitoring will be discussed with the DWP Performance Development Team as part of the Council's regular performance meetings.

19. Roles and responsibilities

19.1 The Council will publish and promote its Housing Benefit Overpayment Policy and the steps taken to recover debt, so our customers understand the consequences of non-payments.

19.2 The Benefits Manager will ensure that:

a) Financial Regulations in relation to the collection of Housing Benefit overpayments are adhered to and this policy is correctly followed.

b) All officers proactively support the achievement of corporate targets for debt collection.

c) All officers are fully appraised of their responsibilities in collecting debt.

d) Relevant systems and procedures are put in place to achieve the above.

e) Staff involved in the debt collection process are appropriately trained.

20. Equality Statement

20.1 Whilst it is vital for the Council to maximise the income collected to deliver and invest in services, we also need to ensure that we are consistent and fair in our dealings with residents, regardless of race, disability, gender, gender orientation, religion or belief, or age.

20.2 By administering the policy we will assist in tackling poverty by offering the right advice to enable people to maximise their income and to help prevent the build-up of debt.

20.3 It will also allow us to engage with different groups and further assist specific people who may need community services or who are at risk of financial hardship.

20.4 When people get into arrears, we will:

- ensure that customers who are hard to reach, at risk or vulnerable have access to information and support to enable them to get help if they are in financial difficulty, so that they can start repaying their debts.
- ensure that as far as possible, payment arrangements reflect the ability to pay as well as the level of debt owed.
- expect Priority Debts to be given priority over other debts owed.
- work with recognised advice agencies and charities wherever possible to reach an acceptable arrangement for the recovery of the debt.
- ensure that Breathing Space legislation is adhered to, and recovery action is suspended in relevant cases.
- treat individuals consistently and fairly and in accordance with the Council's Equalities Strategy.

21. *Review of this policy*

21.1 The Council is committed to continuous improvement, and it is critical that new approaches and ways of working will be introduced. This policy will be reviewed annually to allow it to be updated and to take any service improvements or changes into account.

Officer Name	Version	Date Updated	Review Date
Trudi Grant	1.0	April 2023	1 st April 2024
Trudi Grant	2.0	1 st June 2025	1 st April 2026

Rocket House Café/Restaurant Lease Renewal	
Executive Summary	<p>The lease for this café/restaurant, owned by the District Council, is due for renewal. The tenant is an established business that provides jobs in the district.</p> <p>Several options have been considered to demonstrate the Council's best value duties, including renewing the lease on improved terms, ending the tenant's occupation to re-let the premises, or selling the property.</p> <p>Granting a new lease on improved terms will secure the Council's revenue at a market rent, ensuring best value is achieved while also providing security to the tenant's business and safeguarding local jobs.</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 it's 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>Cllr Lucy Shires - Portfolio Holder for Finance, Estates & Property Services. Cllr Tim Adams- Leader of the Council - Portfolio Holder for Executive Support & Legal Services and local member. Cllr Jill Boyle – Local member Daniel King – Assistant Director for Finance and Assets Cara Jordan - Monitoring Officer</p>
Recommendations	<p>Resolution for Cabinet to approve:</p> <ul style="list-style-type: none"> • The renewal of the 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.

	<ul style="list-style-type: none"> Granting a new lease at the property will provide security to the tenant's business and secure jobs in the district.
Background papers	Rocket House Cromer Cabinet decision 15/04/2024.

Wards affected	Cromer Town
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 <ul style="list-style-type: none"> We will ensure the Council maintains a financially sound position, seeking to make best use of its assets and staff resources, effective partnership working and maximising the opportunities of external funding and income.
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

<p>Has the public interest test been applied</p>	<p>Exempt appendices</p> <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 style="padding-left: 40px;">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 style="padding-left: 40px;">The information is commercially sensitive, relating to negotiations around lease renewal and rent. Releasing this information would be likely to prejudice would be likely to have a prejudicial impact upon those businesses as well as the Council in obtaining best value.</p>
<p>Details of any previous decision(s) on this matter</p>	<p>NA</p>

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 Rocket house Café with an increased annual rent in accordance the Asset Management Plan.

2. Introduction & Background

- 2.1 The Rocket House Building, Cromer is a mixed-use property with museum (Currently vacant), café, public toilets, and lift, which is situated on the East promenade prominently on Cromer's east promenade
- 2.2 The previous lease commenced in June 2018 is now due for renewal.
- 2.3 The Council undertook improvement works to the cafe floor over the winter. It is in a good condition.
- 2.4 Further works to the ground floor of the property are continuing outside of the tenants demise.

- 2.5 This report outlines the proposal to renew the tenants lease with an increased rent in line with market values.

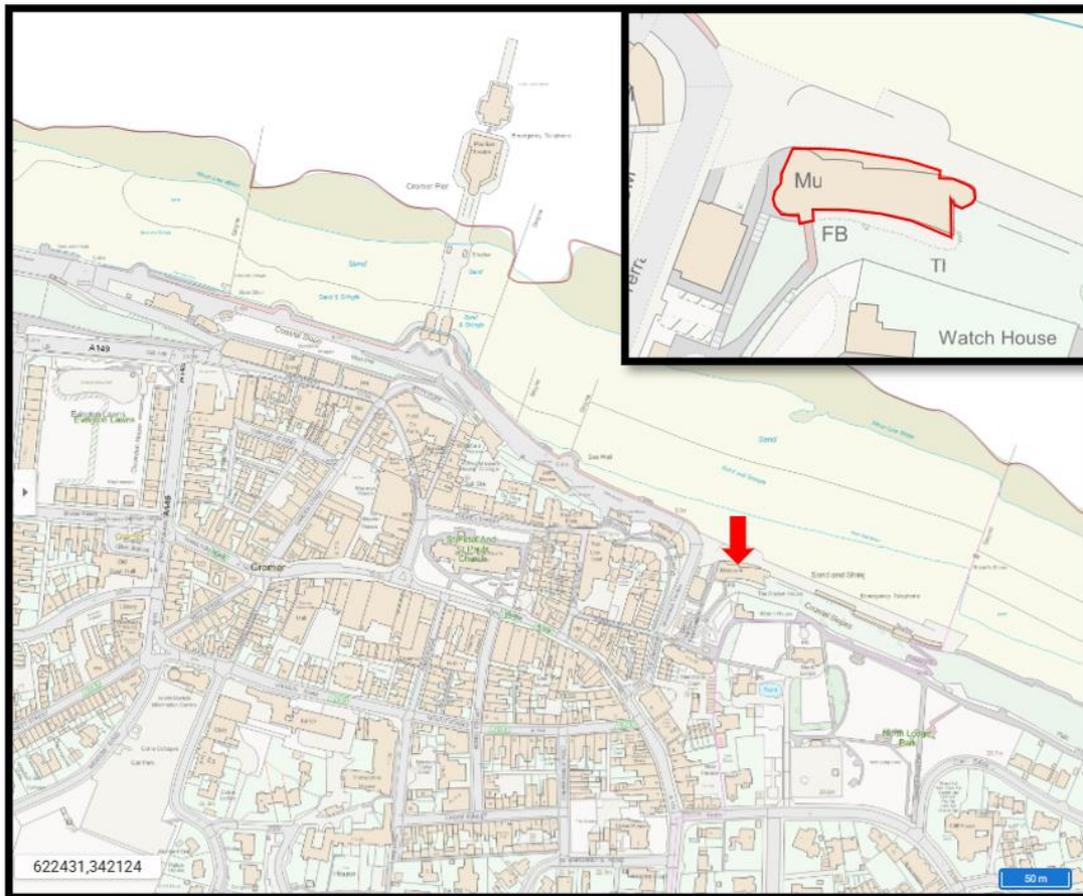


Figure 1: Rocket House Location Plan

3. Proposals and Options

- 3.1 Officers have held negotiations with the tenant to renew their lease with an increased rent value 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, with the Estates and Asset strategy manager being delegated authority to agree the exact lease terms.
- 3.3 **Option 2 - End the tenant’s occupation and relet the premises – not recommended.**
- 3.3.1 Consideration of this option has been outlined in the exempt appendix.

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

- 3.4.1 A sale of the property has been considered however it has been discounted due to decisions made by cabinet at earlier dates to retain the wider property, see Cabinet decision 15/04/2024.

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 a valuation for the property to demonstrate best value in accordance with the Asset Management Plan and s.123 of the Local Government Act 1972.
- 5.3 Further financial implications have been included in the exempt appendix.

Comments from the S151 Officer:

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

The recommended option, being option one will ensure that the new lease at the property will secure the Council's revenue income from the property at a market rent ensuring best value is achieved.

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 Legal advice has been obtained on this Lease transaction, see the exempt appendix.

Comments from the Monitoring Officer

This report relates to the renewal of a commercial lease and best value considerations. 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 more closely aligned to market values, 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 along with void costs.
- 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.
- 8.2 The property is currently compliant with the Minimum Energy Efficiency Standards required for letting, with a rating of B.
- 8.3 The recommended decision does not increase or decrease council emissions; it is a continuation of current emissions. It is possible for greener measures to be introduced to the new lease contract to encourage behaviour change of tenants to reduce energy use and make cooperation to future retrofit works mandatory. In order to reduce emissions associated with this lease the council will need to decarbonise the building by electrifying all energy uses, generating renewable sources and reducing energy losses. This can be considered a separate issue to the lease in question of this decision.

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, who has occupied the premises since 2006, runs a well-established business that contributes to local employment.
- 11.2 Offering a new lease with an increased rental rate will generate additional revenue for the Council at market value and ensure compliance with the Council's obligations under Section 26 of the Local Government Act.
- 11.3 A renewed lease will provide stability for the tenant's business and maintain the local job supply in the district.
- 11.4 It is recommended that Option 1 be approved, securing a new lease with the existing tenant at a higher rent, as detailed in the Exempt Appendix.

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

Document is Restricted

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