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# Governance, Risk and Audit Committee

NORTH NORFOLK DISTRICT COUNCIL

**Please contact**: Democratic Services
**Please email:** democraticservices@north-norfolk.gov.uk
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29 August 2025

A meeting of the **Governance, Risk and Audit Committee** of North Norfolk District Council will be held in the **Council Chamber - Council Offices** on **Tuesday, 9 September 2025** at **2.00 pm**.

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

Members of the public who wish to ask a question or speak on an agenda item are requested to notify the committee clerk 24 hours in advance of the meeting and arrive at least 15 minutes before the start of the meeting. This is to allow time for the Committee Chair to rearrange the order of items on the agenda for the convenience of members of the public. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel: 01263 516047, Email: 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 must inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed. This meeting is live-streamed: NNDC eDemocracy - YouTube

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

**Emma Denny**
**Democratic Services Manager**

**To:** Mr V Platten, Cllr S Bütikofer, Cllr J Boyle, Cllr C Cushing, Cllr A Fletcher, Cllr S Penfold and Cllr V Holliday

Members of the Management Team, appropriate Officers

**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

A G E N D A

**1. TO RECEIVE APOLOGIES FOR ABSENCE**

**2. SUBSTITUTES**

**3. PUBLIC QUESTIONS**

To receive public questions, if any.

**4. DECLARATIONS OF INTEREST** 1 - 6

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.

**5. ITEMS OF URGENT BUSINESS**

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

**6. MINUTES** 7 - 14

To approve as a correct record, the minutes of the meeting of the Governance, Risk & Audit Committee held on 3rd June 2025

**7. GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST** 15 - 16

To monitor progress on items requiring action from the previous meeting, including progress on implementation of audit recommendations.

**8. UPDATE OF OUTSTANDING AUDIT RECOMMENDATIONS**

To receive an update on progress with reducing the number of outstanding audit recommendations

**9. ANNUAL GOVERNANCE STATEMENT 24/25 & LOCAL CODE OF CORPORATE GOVERNANCE** 17 - 72

To consider the Council's Annual Governance Statement for 2024/25 and Local Code of Corporate Governance

**10. DRAFT FINANCIAL STATEMENTS 2024 - 2025** 73 - 172

To consider the draft Financial Statements for 2024/2025.

**11. MONITORING OFFICERS ANNUAL REPORT 2024 - 2025** 173 - 198

To review and note the Monitoring Officer's Report.

**12. CYBER RISK MANAGEMENT POLICY** 199 - 208

The Cyber Risk Management Policy was drafted following an audit recommendation.

The Committee is asked to review and approve the policy.

**13. CORPORATE RISK REGISTER** 209 - 262

To receive and comment on the Corporate Risk Register. The registers for May and August 2025 are attached.

**14. PROCUREMENT EXEMPTIONS REGISTER** 263 - 264

To receive the Procurement Exemptions Register for the period 21 May to 26 August 2025.

**15. GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME** 265 - 268

To review the Governance, Risk & Audit Committee Work Programme.

**16. EXCLUSION OF THE PRESS AND PUBLIC**

To pass the following resolution, if necessary:

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

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**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.<br>[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.<br>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 |

| | |
|---|---|
| | 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 —<br>(a) under which goods or services are to be provided or works are to be executed; and<br>(b) which has not been fully discharged. |
| **Land and Property** | Any beneficial interest in land which is within the area of the council.<br>'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. |
| **Licenses** | Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer |
| **Corporate tenancies** | Any tenancy where (to the councillor's knowledge)—<br>(a) the landlord is the council; and<br>(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. |
| **Securities** | Any beneficial interest in securities* of a body where—<br>(a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and<br>(b) either—<br>(i) ) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or<br>(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 |

| | |
|---|---|
| | spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class. |

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

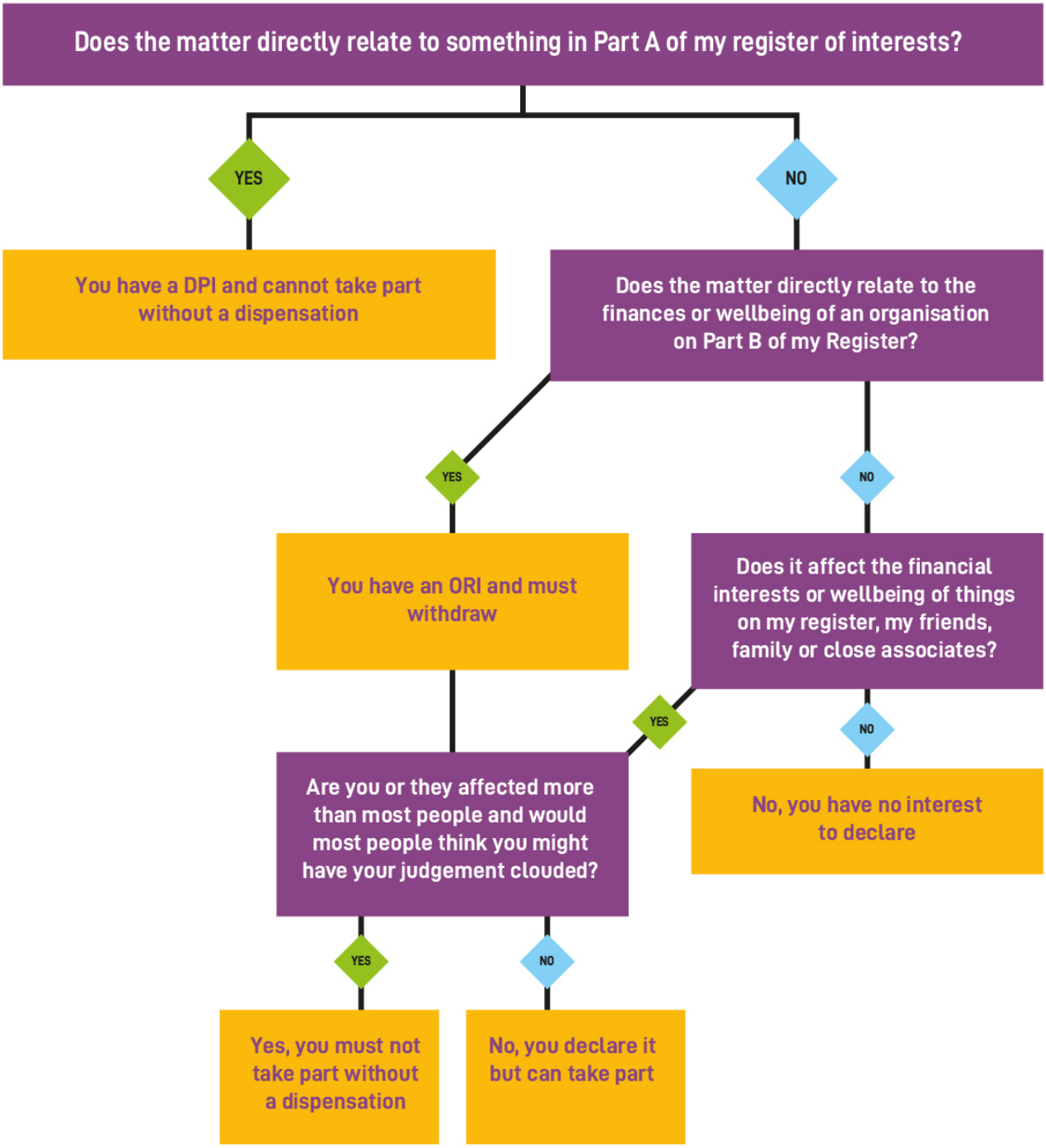
* ‘securities’ means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

**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)




Local Government Association

Guidance on LGA Model Councillor Code of Conduct

# GOVERNANCE, RISK AND AUDIT COMMITTEE

**Minutes of the meeting of the Governance, Risk and Audit Committee held on Tuesday, 3 June 2025 at the Council Chamber - Council Offices at 2.00 pm**

**Committee Members Present:**

Mr V Platten (IP)
Cllr C Cushing
Cllr V Holliday
Cllr J Boyle (Vice-Chairman)
Cllr A Fletcher

**Members also attending:** Cllr A Brown

**Officers in Attendance:**

Chief Executive, Director for Communities and Assistant Director for Finance, Assets, Legal & Monitoring Officer

## 1 TO RECEIVE APOLOGIES FOR ABSENCE

Apologies were received from Cllr Butikofer and Cllr Penfold

## 2 SUBSTITUTES

None. Cllr Cushing commented that for the last few meetings, some members had made apologies and not found a substitute. He said that for a small committee that met quarterly, it was important that members who were unable to attend found a substitute.

## 3 PUBLIC QUESTIONS

None

## 4 DECLARATIONS OF INTEREST

None

## 5 ITEMS OF URGENT BUSINESS

None

## 6 MINUTES

Cllr Cushing proposed and Cllr Fletcher seconded the approval of the minutes of the meeting of 25th Match 2025 which **was RESOLVED** unanimously.

## 7 GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST

The Chair, Cllr Cushing and Cllr Holliday noted a number of items on the action list where updates or further information had not been provided to the Committee. In

addition the Independent Person identified that it would be useful for the Committee if realistic timings and deadlines could be identified against actions.

The CE undertook to investigate why actions had not been delivered and provided the Committee with information on the organisational pressures given the political and legislative changes since the new government in July 2025. Whilst the Cabinet had reduced the corporate objectives this year, he identified to the Committee the need for work programmes to be prioritised effectively. He explained that the Performance and Productivity Oversight Board (PPOB) was intended to be an additional internal control to ensure that Internal Audit recommendations were effectively owned and delivered with management action.

**8 NORTH NORFOLK DISTRICT COUNCIL PROVISIONAL AUDIT PLANNING REPORT, YEAR ENDING 31 MARCH 2025**

The External Auditor (EA) outlined the summary audit plan for the 2024/ 25 financial year. They summarised the context contained within pages 19 and 20 of the report which explained that whilst central government had introduced the local audit strategy, much of it was not yet implemented. Pages 21 and 22 detailed the high level audit risks where particular attention would be paid given the greater risk of error or mistake. The EA drew particular attention to page 22 where two less familiar risks were identified -the general ledger system change and IFS 16 accounting standard which was now implemented for local government.

The Committee was asked to note the timeline for this audit as detailed on page 47 with the statutory back stop date when a set of accounts had to be signed off being 27th February 2026. The Committee's attention was also brought to Appendix B which laid out the relevant scale fees.

The External Audit Manager (EAM) updated the Committee with actions completed to date, including the planning phase to determine risks and the scope and strategy of the audit. No further areas of risk were identified during that work. Other work included activity around the significant class of transactions brackets (for example accounts receivable/ payable) and the Value for Money (VFM) assessment.

Cllr Fletcher requested more information regarding the audit ‘system leader’ referred to on page 19. The EA replied that currently there were numerous stakeholders involved and that moving forward, the Government’s plan was that a local audit office would be established which would assist in simplifying matters.

Cllr Cushing asked for clarification, as he believed that given the information provided, the audit opinion 2024/ 25 would not be disclaimed. The EA stated that the opinion would still be disclaimed. It was explained to the Committee that it would take three to four years to unwind the disclaimer on the accounts and rebuild assurance. The disclaimer would refer to historic opening balances where full assurance had not been obtained.

The Independent Person (IP), Mr V Platten, ask for confirmation that there were sufficient resources in place to support the audit process. The Assistant Director for Finance & Assets (ADFA) confirmed that there were experienced staff in place, and he was confident that they could support the audit.

Cllr Holliday asked whether treasury management was included within this plan and if not, where this process was audited. The EA confirmed that treasury management was not directly audited by them but the VFM analysis would look at it on a high-

level basis to look for any significant weakness in process. The CE explained that a treasury management report was part of the next cycle of meetings and would go to the July Cabinet meeting.

Cllr Holliday asked for an explanation as to how it had been assessed [on page 21] that there was no change in risks or focus for the audit, given that the audit work had not been undertaken. The EA confirmed that this assessment was made and informed by the scope and strategy work that had been undertaken at this stage.

The Chair asked for clarification on the materiality detailed at Page 23 of the report. The EA explained the three levels to the Committee, with planning materiality being the highest level which would impact on the audit report, performance materiality would be the threshold by which all testing was directed and the audit materiality being the level where the issue would be reported.

The Chair asked questions relating to climate change and pension values and assets given the impact of LGR and the long-term position of NNDC. The EA acknowledged the concern but confirmed that the National Audit Office (NAO) governed the approach they took. In response to a further question regarding the large increase in fees (page 54) the EA replied that they reflected the start of a new contract for a 5 year period.

Following a question from the Chair, the EA explained to the Committee that the required timeline meant that they would issue the Value for Money (VFM) assessment prior to the completion of the full financial audit.

The Committee **noted** the Report.

**9 INTERNAL AUDIT PROGRESS & FOLLOW-UP REPORT**

The Head of Internal Audit (HIA) presented the report, informing the Committee that this was the last report for 2024/25 with all audits completed and a total of 20 outstanding recommendations.

Cllr Holliday sought clarification on whether 20 outstanding recommendations amounted to a significant number. The HIA advised that this represented good progress from previous reports and benchmarked favourably.

The DSD updated the Committee on the work of the Performance and Productivity Oversight Board (PPOB) and agreed to provide the Committee with an update on the oldest 2 outstanding recommendations and, following a question from Cllr Cushing, would similarly obtain and share an update on NN2202 relating to the provision of car parking services provide by Kings Lynn & West Norfolk Borough Council (KLWNBC).

The IP suggested that identifying levels of confidence over delivery of recommendations in the identified timescale may allow better targeting of interventions from the Committee. The DSD and HIA provided details as to how officers could challenge the standard timescales for recommendations, negotiate appropriate and achievable delivery dates and how they would be held accountable for delivery.

Cllr Holliday noted that the cyber security audit referenced on page 71 noted a relatively high level of assurance despite 17 recommendations and sought confirmation that this was correct. The HIA noted that there was a robust framework

which was used for the Audit and was comfortable with the assurance level given.

The IP and Cllr Cushing asked for confirmation that the outstanding recommendations on the waste management audit could be delivered by the timescales quoted, given they seemed significant. They also sought assurance on how lessons would be learnt on these issues and then embedded moving forward. The DSD gave an overview of the historic challenges of the garden waste collection service, noting that its popularity had increased, and that information and data was held on 3 difference systems including with 2 external parties. He expressed confidence that, given a staff vacancy had now been filled, the majority of the recommendations would be completed by the end of July 2025. The CE noted the importance of dealing with any discrepancy within accounts but did not believe the scale was of significant concern.

Cllr Brown as an Observer on the Committee and Portfolio Holder for Planning welcomed the audit on the Section 106 processes, he noted it would be challenging to find resources to support further development as they would need to be reassigned from elsewhere. He commented that better communication between developers and planners was important, Cllr Fletcher suggested that communication with parish councils was key, whilst acknowledging that parish councils may need to be more proactive communicating their needs. Cllr Cushing expressed concern regarding the reference to some information still being retained on spreadsheets. The CE explained that most of the processes were within the planning system but that currently did not include an interface with the Council's finance system and accepted that there was a need to move away from spreadsheets in this area.

Following a question from Cllr Fletcher, the CE provided the Committee with further information on the services provided by Kings Lynn & West Norfolk Borough Council (KLWNBC) relating to the issuing of car parking penalty charges. He confirmed that the obligations of the parties had been more clearly defined in the recent redrafting of a service level agreement (SLA), and, at that time, alternative options had been considered but that continuing to use KLWNBC as service provider was the preferred option. Further discussions would take place to consider whether the most appropriate internal owner of the arrangement was the Council's property services team or the finance team. The IP asked for clarification on whether NNDC was receiving the financial amounts due to it, the CE reassured the Committee that additional clarity over financial transactions was part of the new SLA.

Cllr Holiday noted the longstanding and outstanding issue surrounding the environmental health system on page 93. The DSD explained that this related to an issue with the interface between the Council's environmental health system and its finance system which had required workarounds, adding that work was being undertaken following system updates to ascertain whether this interface could now be automated.

Cllr Cushing asked for clarification regarding the recommendation relating to land charges on page 94 as the timescale for completion had slipped and the new deadline was close. He questioned how this would be achieved. The DSD undertook to obtain further information on this for the Committee.

The DSD provided the Committee with an update on the private sector housing and HMO's audit, confirming that 3 recommendations had been completed and signed off with a draft policy soon to go to the Corporate Leadership Team (CLT).

The Committee RESOLVED to to receive and note the completion of the 2024/25

Internal Audit Plan and the progress of the outstanding recommendations.

**10 ANNUAL REPORT/OPINION & REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT**

The HIA introduced the report and confirmed that, having considered the audit work for 2024/25 for the Council, she was able to provide 'Reasonable / Limited Assurance' in relation to the framework of risk management, governance, and internal control.

The opinion was based on the 15 audits undertaken in the year, the number of outstanding recommendations and the improvement in the completion of outstanding recommendations.

The overall performance for the main contractor performing internal audit for the Council was 'red'. This could move to 'amber' as the last reports were finalised across the Consortium (given that KPIs are measured consortium wide.)

The HIA also reported to the Committee that the service was compliant with internal audit standards as per the external quality assessment in October 2022 and a review of compliance with the new Global internal audit standards was still progressing.

The HIA then provided the Committee with a brief overview of the urgent and important recommendations on audits assessed to be 'limited'. The recommendations fell into 2 categories, relating to suitable design or timely accurate data and information.

Cllr Holliday asked for confirmation of her understanding that the assurance picture was declining over time given the increase in the number of limited audits. The HIA confirmed that this was the case but noted that this meant that areas of weakness were being identified and given a chance to improve and therefore this trend was not necessarily a bad thing. The CE noted that none of the recommendations suggested any significant risks or failure in relation to procurement, fraud or health & safety and that whilst he would not want the trend to continue any further he was satisfied that the audits and recommendations presented an opportunity to learn and improve.

The CE then updated the Committee on recent discussions surrounding the status of recommendations in the Environmental Charter audit which had moved from urgent to important give that they referred to matters of policy rather than service delivery.

The IP asked whether Internal Audit was tracking whether the delivery of the recommendations was leading to changes in systems that they were intended to address. The HIA advised the Committee that the intention was to amend KPI's over time to move away from just focussing on contractor performance to consider the added value of Internal Audit.

The Committee RESOLVED to

- Receive and consider the contents of the Annual Opinion Report of the Head of Internal Audit.
- Note that a reasonable / limited audit opinion has been given in relation to the framework of governance, risk management and control for the year ended 31 March 2025.

- Note that the opinions expressed together with significant matters arising from internal audit work and contained within this report should be given due consideration when developing and reviewing the Council's Annual Governance Statement for 2024/25.
- Note the outcomes of the Internal Audit's performance measures and the Quality Assurance and Improvement Programme (QAIP).

**11 TREASURY MANAGEMENT CODE OF PRACTICE**

The Chair asked if the Council was compliant with the Code of Practice. The ADFA confirmed that the report detailed and demonstrated compliance with the Code in the council's day to day operations he also reassured the Committee that the Council only borrowed funds from government sources or other councils.

Cllr Fletcher proposed and Cllr Cushing seconded the recommendation.

**IT WAS RESOLVED Unanimously** to recommend that Full Council adopts the updated Treasury Management Code of Practice

**12 TREASURY OUTTURN REPORT 2024/25**

Members noted that it was difficult to identify issues to note from the report and asked that in future the report contained more information to allow them to identify and add greater value to the discussion.

Cllr Fletcher proposed and Cllr Holliday seconded the recommendation

**It was RESOLVED unanimously to** recommended that Full Council approve the Treasury Management Outturn Report 2024/2025.

**13 CORPORATE RISK REGISTER**

The DSD provided the Committee with an update, explaining that the process of managing overall corporate risks had been changed with a new management information system which should make it more intuitive and therefore easier for Officers to record and manage risks. He confirmed that CLT regularly reviewed the corporate risk register and further reviews were undertaken by the Performance and Productivity Oversight Board.

Cllr Cushing expressed disappointment that the Committee had not seen the corporate risk register and members discussed the need for the committee to have oversight of the document to allow it to fulfil its oversight role.

It was agreed that the Committee members would be provided with a copy of the corporate risk register and members would consider whether they wished to discuss it prior to the next scheduled meeting.

**14 PROCUREMENT EXEMPTIONS**

The Committee noted the report.

## 15 GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME

The IP suggested that the Corporate Risk register be added as a substantive item on the agenda for the meeting in September. The Committee supported this request.

The meeting ended at 5.00 pm.

_____
Chairman

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**GOVERNANCE, RISK & AUDIT COMMITTEE 03 June 2025 – OUTCOMES & ACTIONS LIST**

| MINUTE NO. | AGENDA ITEM AND ACTION | ACTION | DEADLINE/UPDATE |
|---|---|---|---|
| **7** | **GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST** | | |
| | **Actions flagged as still outstanding:**<br><br>1. *To provide a written update on progress of the recommendation contained within the Private Sector Housing Audit. Officers were asked to identify who was responsible for this action and the update to be provided.*<br>2. *HIA to provide a brief progress update each month to ensure the Audit action plan remained on track for completion.*<br>3. *The Performance Manager to discuss with the responsible Officer the lack of property assessments and the Committee to be updated on appropriate Property assessments*<br><br>**New Action:**<br>Action list to be circulated to CLT following the meeting | **DSD**<br><br>**HIA**<br><br>**DSM** | *Completed – update provided at meeting*<br><br>Ongoing commitment |
| **9** | **INTERNAL AUDIT PROGRESS & FOLLOW UP REPORT** | | |
| | To provide an update on the oldest 2 outstanding recommendations.<br><br>To obtain and share an update on NN2202 relating to the provision of car parking services provide by Kings Lynn & West Norfolk Borough Council (KLWNBC). | **DSD**<br><br>**DSD** | Before September meeting<br><br>Before September meeting |

| | | | |
|---|---|---|---|
| | Update on land charges audit NN2412 (as nearing deadline for completion)<br><br>Clarification on the amount of money involved in the recommendation regarding the correct accounting of all Licence fee income and land charges reconciliation (Pages 73 and 74). The HIA agreed to provide this information to the Committee | **DSD**<br><br>**HIA** | Before September meeting<br><br>Email circulated 12.06.25 |
| **12** | **TREASURY OUTTURN REPORT 2024/2025** | | |
| | Future reports to contain more information to allow the committee to identify and add greater value to the discussion including:<br>- *additional text in executive summary explaining why there is a change in trends*<br>- *additional context to help members understand key points* | **ADFA** | June 2026 |
| **13** | **CORPORATE RISK REGISTER** | | |
| | To circulate Corporate Risk Register after the meeting<br><br>To review the register at the September meeting | **DSD**<br><br>**DSM** | Email sent 23.06.25 |
| **15** | **GOVERNANCE, RISK & AUDIT COMMITTEE WORK PROGRAMME** | | |
| | Self- assessment – to confirm when this will take place | **HIA** | Still outstanding – confirm before next meeting |

## Executive Summary

As the Leader and Chief Executive of North Norfolk District Council we would like to present our Annual Governance Statement for 2024-2025.

The Council's vision is centred around Putting North Norfolk and its Communities first. The Council is one that places the environment and its communities at the heart of everything that it does, particularly for those in rural villages, businesses, those affected by the housing crisis, and in facing the unique challenges that our unique environment brings. Our Corporate Plan 2023-2027 sets out how we aim to achieve this.

Good governance remains essential to the Council's ability to deliver its vision and achieve our aims set out in our Corporate Plan. Our Annual Governance Statement for the period April 2024 to March 2025 covers what governance arrangements and what systems we have had in place during the year to ensure that we continue to improve and continue to comply with the principles of good governance embedded within our Local Code of Governance (our governance framework). These are:

- Behaving with integrity
- Ensuring openness and engagement
- Working together to establish a viable and clear direction for the future
- Identifying and delivering the actions that are required to ensure the Council achieves its goals
- Developing the Council's capacity to deliver its intended outcomes by ensuring it has the right people in the right place at the right time
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting and audit to deliver effective accountability

The Council is not only committed to these core principles of good governance but also to seeking ways in which we can continue to improve service delivery and in finding solutions to any issues identified. The Council has been through a challenging year with the demand for services not only increasing but also placing increasing pressure on our budgets. However, despite this we can report that there haven't been any significant governance issues identified during our annual review and our governance arrangements remain fit for purpose. Areas of improvement have been identified, and action has been taken to make these improvements. The main areas for improvement being that as part of the implementation of the Planning Improvement Plan there will be a need to review and update the governance arrangements within that area and that we will continue to review our partnership and contract management arrangements to ensure that we obtain good value for money and sound use of the council's assets. We will continue to seek out areas for improvement during the coming year so that we can be satisfied that good governance remains an essential element in all that we do.

## 1. RESPONSIBILITY

1.1. North Norfolk District Council (NNDC) must conduct its business in a lawful and compliant way. It must safeguard public money ensuring that it is properly accounted for and used economically, efficiently and effectively. The Council should be transparent in its service delivery. The Council also has a duty (under the Local Government Act 1999) to continuously seek to make improvements in the way in which it delivers its services and about economy, efficiency and effectiveness.

1.2. The governance arrangements in place ensure that the Council conducts its business and delivers its services by

- Operating in a lawful, compliant, honest and transparent way.
- Safeguarding public money ensuring that it is properly accounted for that best value is achieved in spending this money.
- Having in place proper and adequate arrangements for managing risk.
- Identifying opportunities to develop and improve what it does
- Providing the opportunity for challenge and scrutiny, accepting that challenge and learning from it.



1.3. The Council has a Local Code of Corporate Governance, which is based on the '*Delivering Good Governance in Local Government: Framework'* (CIPFA/Solace, 2016) ('the Framework'). A copy of the Council's current Local Code can be found on our website. This statement shows how the Council has complied with the Framework and meets the statutory requirement to publish an Annual Governance Statement (AGS). The statement is prepared in accordance with proper practices for internal control and is reviewed annually or more frequently as required. In addition, NNDC's framework for delivering good corporate governance is embedded within its Constitution, policies and procedures.

## 2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

2.1. The governance framework comprises the systems, processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to appropriate, cost-effective service delivery.

2.2. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is a continuous process

- to identify and prioritise risks that may prevent the achievement of the Council's policies, aims and objectives,
- to evaluate the likelihood and impact should those risks be realised and
- to manage those risks efficiently, effectively and economically.

## 3. THE GOVERNANCE FRAMEWORK – THE SEVEN CORE PRINCIPLES

3.1. The Council's governance framework is based on the following core principles (as recommended in the CIPFA/SOLACE 2016 Framework);

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law;
- Ensuring openness and comprehensive stakeholder engagement;
- Defining outcomes in terms of sustainable economic, social and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the entity's capacity, including the capability of its leadership and the individuals within it;
- Managing risks and performance through robust internal control and strong public financial management and;
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

3.2. Our Local Code of Corporate Governance explains how good governance supports the Council and shows what we aim to achieve by following the seven core principles, along with the tools we use to support our compliance. It goes on to identify the behaviours and actions that can demonstrate our compliance with the code, how we put this into practice and the source documents, polices, procedures and frameworks that enable us to evidence compliance.



3.3. ***Our Vision and Priorities***

Our Vision is "Making North Norfolk a fantastic place to live, work, do business and visit"

Our Mission statement facilitates this through us **'**. "Engaging with our communities to create a fair and inclusive North Norfolk where local people can secure quality homes and good jobs whilst protecting and conserving our environment and leading on Net Zero development".

Our Vision and Mission for North Norfolk is supported by four values: -

- Fairness – We respect people and treat everyone fairly
- Ambition – We welcome new challenges and embrace change
- Integrity – We are open and honest and listen
- Resourcefulness – We strive to be efficient with our resources

To help us deliver this vision we have produced our Corporate Plan 2023-2027 that reflects the priorities and high-level outcomes for the North Norfolk area over a four-year period.

3.4. ***Quality of Services***

The Council has an established Performance Management Framework, which sets out how it monitors both performance and the delivery of its objectives, Quarterly performance reviews are presented to Cabinet and the Overview and Scrutiny Committee. We publish information about our performance. This includes agreeing an annual Delivery Plan against which performance is monitored to show progress in delivering the plan.

*3.5.* ***Constitution and Responsibilities***

The Constitution is a comprehensive document which sets out the clearly defined structure for the Council's organisational and decision-making arrangements based upon a Cabinet/Executive model. In essence the different roles can be summarised as follows:

- Council decides upon certain policies and other specialist functions that cannot be delegated elsewhere e.g. the setting of the council tax;
- Cabinet is allocated authority by Council to approve policies not reserved for consideration by Council, deliver policies and to take most significant executive decisions;
- Cabinet follows a Work Programme which is updated on monthly to include details of forthcoming decisions for up to three months ahead;
- All executive decisions are recorded in a Decision List, with formal minutes being available for public inspection;
- The work of the Cabinet and the Council is supported by the Overview and Scrutiny Committee and its task and finish groups
- The Overview and Scrutiny Committee has its own work programme to review Council services in addition to scrutinising the work of the Cabinet. It can 'call-in' a decision which has been made by the Cabinet but not yet implemented.
- The Governance, Risk and Audit Committee (GRAC) is well established and is responsible for the review of the work of the Internal and External Audit functions. It provides independent assurance of the effectiveness of governance arrangements, risk management and financial management processes. It has responsibility for the approval of the Statements of Accounts.
- Separate committees exist for Planning, Standards and Licensing.
- Delegation arrangements to committees, Cabinet and officers are set out in detail within the Constitution; and
- Regular meetings take place between relevant senior officers and Members of the Council to discuss and propose policy.

The Constitution also includes sections on Standing Orders, financial regulations and conduct of meetings. It is reviewed periodically with interim updates made as and when appropriate. There is a significant review of the Constitution underway, involving external consultants to assist this.

3.6. ***Codes of Conduct***

The Council has two Codes of Conduct one for Members and one for officers, and a protocol for councillor/officer relationships that can be found here. These have defined the roles and conduct of Members so that they can work successfully together to deliver the Council's vision and high quality services to its residents. The Codes include reference to the need to declare any interests that may conflict with an individual's role at the Council and there are registers for Councillors and officers which are maintained by the Council to record this information.

3.7. ***Complaints***

The Council has a Whistle-blowing Policy and a compliments and complaints procedure, so that individuals can safely have any referrals fully investigated, properly resolved and learning applied to service delivery. The compliments and complaints procedure is currently being revised to ensure that it includes all the recommendations of the Local Government and Social Care Ombudsman's new code (Effective April 2024).

3.8. ***Policies, Procedures, Laws and Regulations***

The Council's statutory officers are the Chief Executive (Head of Paid Service), the Monitoring Officer (Assistant Director of Legal and Governance) and the Section 151 Officer (Director for Resources). They are responsible for ensuring the Council acts within the law and in accordance with established policies and procedures. The Section 151 Officer is specifically responsible for the proper discharge of financial arrangements and must advise the Council where any proposal might be unlawful or where expenditure is likely to exceed resources. As well as complying with legislation there is comply with the Chartered Institute of Public Finance and Accountancy (CIPFA) statement on the Role of the Chief Financial Officer (2010) along with other CIPFA codes. The Council has an Policies, protocols and reports area on its website which contains the policies, protocols and reports where the latest annual reports and policies are held.

3.9. ***Development and training needs***

North Norfolk is committed to investing in the staff and Members Staff are valued and given the opportunities to develop and achieve their full potential through the training and development programmes that are in place. The Council supports Members by providing a training and development programme to equip them with the skills needed in carrying out their duties. An example of this is the comprehensive induction programme that was provided for all Members, both new and returning, following the District Council elections held in May 2023.



3.10. ***Risk Management***

Risk Management is a planned and systematic approach to the identification, assessment and management of the risks facing the organisation. The Council's Risk Management Framework shows how the Council manages risk actively when delivering services. All committee reports contain a risk section which must be completed by the officer presenting the report to ensure that Members can consider the risks and opportunities of any recommendations or options. By doing this consideration of risk forms an integral part of all decision making. Training has been provided to Members on risk and risk appetite which is included as part of the Policy.

3.11. ***Communication***

The Council places great importance on communicating and consulting with its residents and businesses as it wants to operate in an open and transparent way and it believes public understanding of its work, achievements and services, coupled with consultation with residents is key to maintaining high satisfaction levels. The Council uses its website and a variety of social media channels to publish information and engage with its residents and businesses. The Communications Team also continuously works with the local media to provide information to ensure residents are kept informed. The Council continue to publish and distribute a paper copy of a twice yearly residents' newsletter, to every household to ensure that the Council can communicate with everyone.

3.12. ***Partnerships***
The Council works in partnership with numerous organisations. These partnership arrangements are governed by the Council's Partnership Governance Framework and Partnership Register, which ensure that we maintain a consistent approach when entering any new partnerships.

3.13. ***Transparency***
As a Council we want to be publicly accountable and present our work with openness and transparency, we present a range of information on our 'Transparency Data' pages on the website, ranging from contract and purchasing information to car park data.

## 4. REVIEW OF EFFECTIVENESS

4.1. An annual review is carried out by the Council to determine the effectiveness of its governance framework, including the system of internal control. This review considers

- the findings of self-assessments carried out by senior officers of the Council (Corporate Leadership Team (Chief Executive and Directors) and Management Team (Assistant Directors) who review their area of responsibility to determine the effectiveness of their governance arrangements,
- the work of the internal auditors and
- comments made by the external auditors and other inspection agencies.



4.2. Arrangements are in place to monitor and assess key aspects of the Council operations over each financial year. These are:

4.2.1. The Cabinet consider the Council's overall financial and performance management throughout the year. This is reported on a quarterly basis with the final quarter's report being a review of the full year's activity.

4.2.2. Cabinet is also responsible for key decisions and for initiating corrective action where appropriate while GRAC consider corporate risk and internal control issues.

4.2.3. The Monitoring Officer has a duty to monitor and review compliance with the Constitution. There is also a Constitution Working Party in place to review the constitution and make recommendations to Full Council as appropriate. A significant review of the Constitution is currently being undertaken.

4.2.4. The Council has an Overview and Scrutiny Committee that can establish 'task and finish' groups, to look at particular issues in depth, taking evidence from internal and external sources, before making recommendations to the Cabinet. Scrutiny can "call-in" decisions of the Cabinet, which are yet to be implemented, to enable it to consider whether the decision is appropriate. In addition, the Overview and Scrutiny Committee can exercise its scrutiny role in respect of any Cabinet function, regardless of service area or functional responsibility, and will conduct regular performance monitoring of all services, with particular attention to areas identified as under-performing.

4.2.5. The Local Government and Public Involvement in Health Act 2007 include powers to enable Councillors to champion local issues where problems have arisen in their ward. North Norfolk has embedded the "Councillor Call for Action" which allows Councillors to ask for discussion at Overview and Scrutiny Committee on issues where other methods of resolution by the District Member have been exhausted.

4.2.6. The development of the procurement function across the public sector has led to the establishment of several framework agreements for purchasing where the detailed work on price and quantity with suppliers has already been carried out. Contracts for supply are only established when goods, works or services are called off under the agreement.

4.2.7. The Council has a Standards Committee to ensure that Councillors maintain a high standard of conduct, and to arrange training to help them do so. The Committee will investigate reports of breaches of standards and act if necessary.

4.2.8. The Model Code of Conduct for Members has been adopted by the Council.

4.2.9. The Council also has in place the 'Counter Fraud, Corruption and Bribery Policy', which provides a key source of assurance. This was updated in March 2024. All staff have undertaken mandatory training on this, so that they have the knowledge to identify possible instances of fraud, corruption and bribery. This policy is a key policy in delivering good governance and the policy provides the framework and support for combatting this activity.

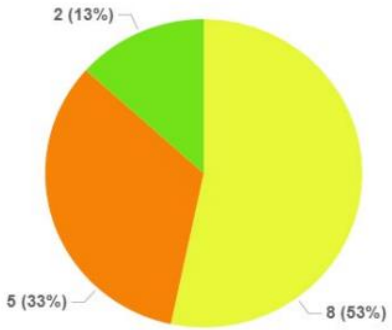
4.2.10. The GRAC met five times during the year to 31 March 2025, to provide independent assurance to the Council in relation to the effectiveness of the risk management framework and internal control environment. The Committee received regular reports on internal control and governance matters in accordance with its agreed work programme. It also received reports from the External Auditor on the work carried out for the Council.

4.2.11. At its meeting on 26 March 2024 GRAC considered and approved the 2024/25 Internal Audit Plan which included a total of 177 days, encompassing 15 internal audit reviews, split into key themes to provide adequate coverage over the Governance, Risk Management and Control framework informing the annual audit opinion.

4.2.12. The Head of Internal Audit (HIA) reported to GRAC at its meeting on 3 June 2025 the actual audit work carried out during 2024/25. There were 15 (13 in 2023/24) internal audit assignments completed. A **reasonable/limited audit opinion** was given for the year overall in relation to the framework of Governance, Risk Management and Control. This opinion is consistent with the opinion given for the previous year. The split opinion given by the HIA reflects the potential direction of travel in the control environment at the Council based on the information reported by the HIA.

4.2.13. As part of our commitment to continuous improvement and effective governance, the Council adopts a risk-based approach to internal auditing. Given the constraints of our internal audit budget, we prioritise areas where we believe there is the greatest potential for improvement, rather than focusing on services or functions that are already known to be performing well. This targeted approach ensures that internal audit resources are used efficiently and support the Council in strengthening controls, enhancing service delivery, and addressing any emerging risks or weaknesses. Of the 15 audits completed in 2024/25, only two related to areas that were also audited in 2023/24. In both cases, there was no reduction in the level of assurance provided, indicating a consistent or improved control environment in those areas.

4.2.14. Below is the diagram taken from the report showing the spread of audit opinions across audit work completed in 2024/25.




| | |
|---|---|
| Substantial Assurance | There is a robust system of internal controls operating effectively to ensure that risks are managed, and process objectives achieved. |
| Reasonable Assurance | The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved. |
| Limited Assurance | The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed, and process objectives achieved. |
| No Assurance | There is a fundamental breakdown or absence of core internal controls requiring immediate action. |
| Position Statement | Advisory work and Follow Up. |

4.2.15. The five audits where there was a limited assurance opinion given were

- Section 106 Arrangements where there were 1 urgent, 8 important, and 1 routine action points to address.
- Private Sector Housing – HMOs, private rental enforcement and empty homes where there were 6 important action points to address
- Risk Management where there were 6 important, 2 routine action points to address
- Environmental Charter where there were 5 important, 2 routine action points to address
- Waste Management – Commercial and garden waste where there were 2 urgent, 5 important, 1 routine action points to address

4.2.16. The number of outstanding audit recommendations also considered by the HIA in coming to her opinion of Reasonable/Limited assurance. There were 19 audit recommendation outstanding at the year-end 2024/25 (41 outstanding as at year ending 2023/24). The table below has been taken from the HIA's report to GRAC on 3 June 2025 which shows the number of audit recommendations outstanding by year and the category of the recommendations.

| Audit Year | No. Outstanding | No. of Urgent | No. of Important | No. of Routine |
|---|---|---|---|---|
| 2021/22 | 3 | 0 | 3 | 0 |
| 2023/24 | 6 | 0 | 4 | 2 |
| 2024/25 | 10 | 0 | 4 | 6 |

4.2.17. Prompt implementation of audit recommendations is a fundamental element in having strong governance in place within the organisation. The HIA's annual opinion of reasonable/limited assurance is concerning, and an improvement plan is being put in place to address her findings. The Corporate Leadership Team will review outstanding recommendations monthly and intervene where it appears that no action is being taken by managers to implement recommendations.

4.2.18. The Council has a Project Management Framework in place for project managers to use when managing projects. By following the framework, it ensures that a consistent approach in delivering projects is applied across the organisation thus ensuring stronger governance. Whilst this has been in place for over two years the framework is not being adopted universally across the council and so at present this does represent a weakness in governance. However work will be undertaken to enforce its use across the whole organisation.

4.2.19. The GRAC and the Corporate Leadership Team (CLT) monitor and continually review corporate risks and ensure that actions are being taken to effectively manage the Council's highest risks.

4.2.20. The Council continues to review its treasury management arrangements in line with best practice and in response to regular updates and advice from the Council's Treasury advisors, Link Asset Services, who also provide training to both officers and Members on treasury management related issues.

4.2.21. Key officers complete an annual Self-Assessment Assurance Statement which identifies compliance (or non-compliance) in several areas including procedures, risk and control, financial management and procurement. Any significant areas of non-compliance will either be taken account of in Service Plans or if corporate included in the AGS action plan.

4.3. The year-end review of the governance and the control environment arrangements by CLT included:

4.3.1. Obtaining assurances from the Chief Executive, Directors and Assistant Directors that key elements of the control framework were in place during the year in their areas of responsibility.

4.3.2. Obtaining assurances from other senior management, including the Monitoring Officer, that internal control and corporate governance arrangements were operating effectively within their areas of responsibility throughout the year.

4.3.3. Reviewing any high-level audit recommendations that remained outstanding at the year end and taking appropriate action to address these where necessary.

4.3.4. Reviewing external inspection reports received by the Council during the year, the opinion of the Head of Internal Audit in her annual report to management and an evaluation of management information in key areas to identify any indications that the control environment may not be sound.

4.3.5. Reviewing the updated Local Code of Corporate Governance.



4.4. The GRAC received some assurance from the Head of Internal Audit that standards of internal control, corporate governance arrangements and systems of risk management were largely operating to an adequate standard, however a reasonable/limited assurance was given as there were some areas of concerns to be addressed.

4.5. The GRAC review the effectiveness of the governance framework as part of an annual review of the Local Code of Corporate Governance, and an improvement plan to address weaknesses and ensure continuous improvement of the system is in place.

## 5. GOVERNANCE ISSUES

### *5.1. Financial Statements*

These it should be noted that the 2021–22, 2022–23, and 2023-24 Statements of Accounts were issued with disclaimed audit opinions. The national Local Government audit market has experienced sustained challenges in recent years, with delays affecting many local authorities. These stem from issues such as auditor capacity and regulatory pressures. An update was provided to the GRAC confirming that the Council submitted the above-mentioned accounts ahead of the respective backstop dates.

### *5.2. Coastal Partnership East*

In January 2025, North Norfolk District Council approved the dissolution of Coastal Partnership East (CPE), a shared coastal management arrangement originally established under a Section 113 Agreement in 2016 with East Suffolk Council and Great Yarmouth Borough Councils. This decision was made in recognition of evolving local priorities, climate change pressures, and differing partner council needs. The Cabinet resolved to withdraw from the partnership and establish a dedicated in-house Coastal Management Team. Governance arrangements have since been revised to ensure continuity of statutory coastal defence responsibilities, operational resilience, and accountability. The Council remains committed to exploring future collaborative opportunities through service level agreements with other local authorities as appropriate.



### *5.3. Local Government Reorganisation & Devolution*

In March 2025, North Norfolk District Council's Full Council formally debated and responded to the Government's invitation under the English Devolution White Paper to develop proposals for Local Government Reorganisation (LGR). The Council considered various structural options and, at its meeting on 19 March 2025, voted unanimously to oppose a single-unitary structure and instead support a three-unitary model for Norfolk. A detailed interim plan reflecting this preference was approved for submission by the Chief Executive in consultation with the Leader. Governance and democratic accountability arrangements will continue to be reviewed as the process develops through 2025–26.

**5.4.** ***Managers' Self-Assessment Assurance Statements***

These are completed annually by the Chief Executive, Directors and Assistant Directors (ADs) for their service areas. There are also further specific requirements for the Monitoring Officer and Section 151 Officer. The Statements cover key areas of responsibility as follows;

- Procedures
- Effectiveness of key controls
- Alignment of Services with Corporate Objectives, Service Planning, Performance Management and Customer Satisfaction
- Human Resources
- Finance
- Risks and Control
- Health and Safety
- Procurement
- Insurance
- Information Technology
- Data Protection
- Freedom of Information
- Business Continuity
- Partnerships
- Equalities
- Driver safety

5.5. Following a review of the Statements supplied, the AGS is drafted before being considered by CLT. Once approved by CLT the statement is signed off by the Chief Executive and the Leader of the Council before being approved by GRAC.

5.6. ***Self-Assessment Assurance Statements for 2024/25***
A yes/partial/no response is required, with evidence and action required recorded where appropriate. Each AD is also required to note any issues they feel represent a significant control risk or governance issue.

5.7. Following the review of the Statements, the following have been identified in terms of emerging themes for the organisation.

1. ***Service/team plans and performance –***
   Several managers referred to the need for further development of the Service and Team Plans to help ensure that resources are targeted in the most efficient way and to ensure that budgets are aligned with service delivery.

2. ***Risk Assessments –***
   Several managers have highlighted the inconsistent completion and updating of risk assessments across multiple service areas, highlighting the need for a more robust and coordinated approach to operational risk management.

3. ***Policy and strategy updates –***
   Several of the Council's policy and strategy documents are overdue for review and updating and there is a risk that these documents do not reflect current corporate priorities and best practice if the reviews are delayed. The lack of updating is mainly down to capacity issues and having the appropriate staff in post to undertake the reviews.

5.8. Crucially, the responses have highlighted that there are no significant and systemic governance issues and governance arrangements are mainly consistent across the Council. Where partial responses have been provided, managers have already identified actions that are being progressed to address these areas and the Head of Internal Audit will review progress during 2024/25.

5.9. There have not been any alleged or proven frauds for note during the 2024/25 financial year.

5.10. The following Action Plan has been developed to help address any control or governance issues identified as part of the AGS process.

| Issue | Action/Outcome | Officer(s) | Target Date |
|---|---|---|---|
| Not all Service Plans and Team Plans have been updated. Without these in place there is an increased risk that resources are not targeted in the most efficient way and that significant areas of work are not sufficiently resourced. These plans will also drive and impact on some of the Council's performance targets. | Team Plans and Service Plans to be reviewed along with performance measures to ensure they continue to support corporate priorities and that targets are realistic, meaningful and relevant.<br><br>Service budgets should be realigned with Service Plans where ADs consider these to be misaligned | CLT/MT<br><br>ADs | 31 December 2025<br><br>As part of the budget setting process for 26/27 |
| The Council's IT Strategy has not been reviewed for several years. | Review and update IT Strategy and combine with Digital Strategy | AD Finance & Assets | 31 March 2026 |
| Audit recommendations not being implemented in a timely and prompt manner. | Immediate implementation of a monthly review of outstanding audit recommendations by CLT | CLT | Immediate |
| Section 106 Arrangements audit was given limited assurance | All audit recommendations to be implemented. | AD for Planning & AD for Finance & Assets | Urgent recommendations implemented ASAP. Important within 3 months. Routine within 6 months – Completion November 2025. |
| Private Sector Housing – HMOs, private rental enforcement and empty homes audit was given limited assurance | All audit recommendations to be implemented. | AD for People Services | Urgent recommendations implemented ASAP. Important within 3 months. Routine within 6 months – Completion November 2025. |
| Risk Management audit was given limited assurance | All audit recommendations to be implemented. | Director of Service Delivery | Urgent recommendations implemented ASAP. Important within 3 months. Routine within 6 months – Completion November 2025. |

| | | | |
|---|---|---|---|
| Environmental Charter audit was given limited assurance | All audit recommendations to be implemented. | AD for Sustainable Growth | Urgent recommendations implemented ASAP. Important within 3 months. Routine within 6 months – Completion November 2025. |
| Waste Management audit was given limited assurance | All audit recommendations to be implemented. | AD for Environmental & Leisure Services | Urgent recommendations implemented ASAP. Important within 3 months. Routine within 6 months – Completion November 2025. |
| The Partnership Framework has not been reviewed for a number of years so there is a risk that the project management framework is not properly aligned with this area of the business. | Review and update the Partnership Framework and guidance. | CLT | 31 December 2025 |

## 6. CERTIFICATION

6.1. To the best of our knowledge, the governance arrangements, as defined above, have been effectively operating during the year except for those areas identified above. We have either already put in place or are putting in place improvement plans to address the areas of weakness in our governance arrangements and will continue to focus on these until it is evident that good progress has been made in enhancing and strengthening our governance arrangements. We are satisfied that these steps will address the need to make improvements in the areas identified during the review of effectiveness and will monitor their implementation and operation throughout the year.

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|---|---|
| **Leader of the Council** | **Chief Executive** |
| **Councillor Tim Adams** | **Mr Steve Blatch** |
| **Date** | **Date** |

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# North Norfolk District Council
# Local Code of Corporate Governance 2024/25

North Norfolk is a fantastic place to live, work and visit – covering over 360 sq miles of coastal and rural environment, with a population of 103,000 people living in 120 distinct communities, our District is one of England's top holiday destinations and a place where people positively choose to live, with large numbers of people retiring to the area.

However, despite these positive attributes we also have some big challenges: responding to environmental change, increasing housing supply, supporting economic growth, meeting the challenges of service delivery to rural communities and the needs of both our young people and a rapidly ageing population. Our Corporate Plan sets out our vision for the Council and its work over the four-year period 2023 to 2027. It reflects the essential needs and aspirations of our customers and communities and how we feel the Council can best use its resources to deliver services and outcomes that make a positive difference for everyone who lives in, works in or visits North Norfolk. The Corporate Plan is a strategic document, listing the priorities for council actions for the period 2023 to 2027, giving our shared vision and our values and listing the priority areas on which the council intends to concentrate its efforts:

- Our Greener Future
- Developing our Communities
- Meeting our Housing Need
- Investing in our Local Economy & Infrastructure
- A Strong, Responsible & Accountable Council

The Corporate Plan objectives are achieved by implementing the actions in the Annual Action Plans the Annual Action Plans set out clearly what the Council intends to do. Annual Action Plans for 2023/24, 2024/25 and 2025/26 have been developed, agreed and implemented.

As a Local Authority, we are entrusted with public funds and aim to spend these wisely to improve the outcomes in our District. Our Local Code of Corporate Governance is the framework of policies, procedures, behaviours and values which determine how we work to achieve our priorities, and is based upon the 7 core principles of the International Framework: Good Governance in the Public Sector which are as follows.

A. Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
B. Ensuring openness and comprehensive stakeholder engagement

In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for:

C. Defining outcomes in terms of sustainable economic, social and environmental benefits
D. Determining the interventions necessary to optimise the achievement of the intended outcomes
E. Developing the entities capacity, including the capacity of its leadership and the individuals within it
F. Managing risks and performance through robust internal control and strong public financial management.
G. Implementing good practices in transparency, reporting, and audit, to deliver effective accountability

Good governance supports the Council through:

- Enabling the Council to achieve its objectives in an open and accountable way
- Ensuring decisions are sound and lawful, upholding the Council's reputation and minimising the risk of financial loss
- Ensuring decisions take into account local people's needs and priorities
- Giving the public confidence in the work we do
- Underpinning our Code with our four corporate values which are as follows;
  - Fairness - We respect people and treat everyone fairly
  - Ambition – We welcome new challenges and embrace change
  - Integrity - We are open and honest and listen
  - Resourcefulness - We strive to be efficient with our resources
- Each year, the Council reviews its governance arrangements through the Annual Governance Statement, ensuring these arrangements are adequate and operating effectively. Where reviews identify any gaps in corporate governance, or areas for improvement, recommendations for improvements are made

| Principle | What we aim to achieve | The key tools we use to support our compliance |
|---|---|---|
| **A**<br>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law | We are accountable for the money entrusted to us. We can show the decisions we take are appropriate and there are strong processes in place to encourage and enforce compliance with the Council's values and the law. | • Codes of Conduct<br>• Constitution<br>• Member/Officer protocol<br>• Corporate Values<br>• Financial Standing Orders<br>• Contract Standing Orders<br>• Staff/Member induction/ training<br>• Appraisal and development systems i.e. Check Ins<br>• Performance Management Framework<br>• Counter-Fraud, Corruption and Bribery Strategy<br>• Whistleblowing Policy<br>• Register of Interests/Gifts<br>• Compliments and Complaints Procedure<br>• Procurement Policy<br>• Partnership Framework & Principles Guidance |
| **B**<br>Ensuring openness and comprehensive stakeholder engagement | Local Government is accountable to its public. We use clear channels of communication to engage with our residents and stakeholders, understanding their needs. We manage expectations and model service delivery to respond to demand. | • Customer Service Strategy<br>• Publication of minutes and decision notices<br>• Customer Complaints and Compliments Procedure<br>• Consultation Exercises<br>• Quarterly performance reports<br>• Performance Management Framework<br>• FOI scheme<br>• Council website<br>• Corporate Plan<br>• Committee timetables<br>• Constitution<br>• Statutory provisions<br>• Partnership Framework<br>• Member Bulletin<br>• Staff updates<br>• Intranet<br>• Customer Charter |

| Principle | What we aim to achieve | The key tools we use to support our compliance |
|---|---|---|
| **C**<br>Defining outcomes in terms of sustainable economic, social and environmental benefits | We form clear, long-term priorities in line with our long-term ambitions. We balance the competing demands and priorities we face and allocate resources accordingly. | • Corporate Plan<br>• Annual Action Plans<br>• Annual Service Planning<br>• Budget and Capital Programme<br>• Medium Term Financial Strategy<br>• Asset Management Plan<br>• Risk Management Framework<br>• Business Continuity Plan/ Policy<br>• Programme Management approaches<br>• Equality Impact Assessments<br>• Performance Management Framework<br>• Committee reports<br>• Housing Strategy<br>• Net Zero Strategy & Action Plan<br>• Decarbonisation Oversight Board<br>• Performance and Productivity Oversight Board |
| **D**<br>Determining the interventions necessary to optimise the achievement of intended outcomes | We have robust decision-making processes to ensure defined outcomes can be achieved given the varying demands we face. We monitor our performance and delivery on an ongoing basis to ensure the intended outcomes are achieved. | • Committee Work Programmes/ timetables<br>• Consultation exercises<br>• Risk Assessments/ Framework<br>• Procurement Strategy<br>• Reviews of core services<br>• Medium Term Financial Strategy<br>• Performance Management Framework<br>• Partnership Framework and Principles Guidance<br>• Budget framework<br>• Committee reports<br>• Annual Governance Statement<br>• Performance and Productivity Oversight Board |

| Principle | What we aim to achieve | The key tools we use to support our compliance |
|---|---|---|
| E<br>Developing the entity's capacity, including the capability of its leadership and the individuals within it | We invest in our people and work to develop our talent to maximize the potential of the resources we hold. We remain at the forefront of national developments to support our commitment to retaining viability. | • Service Reviews<br>• Scheme of Delegation<br>• Performance Management Framework<br>• Peer Reviews<br>• Appraisal and development systems/ i.e. Check Ins<br>• New Ways of Working Policy<br>• Attendance & Absence Policy<br>• Employee Code of Conduct<br>• Equality, Diversity and Inclusion Policy<br>• Asset Management Plan<br>• Partnership Framework and Principles Guidance<br>• Job descriptions<br>• Benchmarking exercises |
| F<br>Managing risks and performance through robust internal control and strong public financial management | We have robust management information procedures to ensure that outcomes are accurately reported and monitored. We welcome challenges to the way we operate and actively learn to improve the way we deliver. | • Risk Management Framework<br>• Business Continuity Plan/ Policy<br>• Team Plans<br>• Overview & Scrutiny Committee<br>• Governance, Risk & Audit Committee (GRAC)<br>• Internal/external audit<br>• Budget Management procedures<br>• Treasury Management Strategy<br>• Debt Management Policies<br>• Health and Safety Policies<br>• Information Management Strategy<br>• Performance Management Framework<br>• Quarterly performance reports<br>• SIRO Officer<br>• Information Management Strategy<br>• Data Protection Policy<br>• Data Quality Policy<br>• Risk Assessments<br>• Corporate Risk Register<br>• Service Risk Register<br>• Performance and Productivity Oversight Board<br>• Major Projects Oversight Board |

| Principle | What we aim to achieve | The key tools we use to support our compliance |
|---|---|---|
| **G**<br>Implementing good practices in transparency, reporting and audit, to deliver effective accountability | We proactively make information available to give stakeholders confidence in our decision-making. We have strong systems of oversight, including audit and scrutiny, to maintain accountability for our delivery. | • Internal/external audit<br>• External inspection of internal audit<br>• Corporate Governance Frameworks<br>• Annual Governance Statement<br>• Pay Policy Statement<br>• Transparency agenda<br>• Council website<br>• Monitoring Officer's Annual Report<br>• Financial Statements<br>• Overview & Scrutiny Committee<br>• Quarterly performance reports<br>• Local Code of Corporate Governance<br>• Audit protocols<br>• Medium Term Financial Strategy<br>• Performance and Productivity Oversight Board |

## A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Behaving with Integrity** | | |
| Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation | The Council has approved Codes of Conduct which are included within induction packs. All officers are part of the Council's performance management framework and expected to perform in line with designated competencies appropriate to their role and job description. The authority's leadership style is underpinned by the Constitution, Policies, Protocols and Codes of Conduct. The values of the organisation are documented and displayed in the Council's offices and on individual monitors. The Council has introduced and encourages public speaking at Committees and has invested in upgrading its website and Intranet, actively managing its content to ensure easy access to information. The Corporate Delivery Unit (CDU) work continuously to further embed these principles. | • Constitution<br>• Articles in Members Bulletin<br>• CLT Intranet articles<br>• Corporate briefings held during the year to update staff about key issues and items<br>• Appraisal and Development Scheme/ i.e. Check Ins<br>• Member/Officer Codes of Conduct<br>• Member/Officer Protocol<br>• Whistleblowing policy<br>• Counter Fraud, Corruption and Bribery Strategy<br>• Freedom of Information (statement and publication scheme)<br>• Planning Protocol<br>• Standards Committee<br>• Officer Register of Gifts and Hospitality<br>• Member / Officer Registers of Interests<br>• Annual Governance Statement<br>• Local Code of Corporate Governance<br>• Information and support provided by the Corporate Delivery Unit (CDU) |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles) | The Corporate Plan sets out our clear vision for the District, and our ambition. This is further supported by our Annual Action Plans which is monitored through the Council's Performance Management Framework/CDU. | • Corporate Plan,<br>• Annual Action Plans,<br>• Standards Committee Annual Report,<br>• Model Councillor Code of Conduct<br>• Member/Officer Codes of Conduct,<br>• Member/Officer Protocol,<br>• Whistleblowing Policy,<br>• Counter Fraud, Corruption and Bribery Strategy,<br>• Member / Officer Register of Gifts and Hospitality,<br>• Performance Management Framework,<br>• Complaints and Compliments Procedure,<br>• Information Technology (ICT) Security Policy. |
| Leading by example and using these standard operating principles or values as a framework for decision making and other actions | The values of the organisation are well documented and shared on the walls of the Council offices and the Council's log in screen to remind staff every day of the values and behaviours we expect from staff. Our decision making processes are embedded into the Council's Constitution, which is periodically reviewed and endorsed by Councillors. Members are required to make any 'Declarations of Interest' where appropriate. | • Corporate Plan,<br>• Constitution,<br>• Member/Officer Codes of Conduct,<br>• Whistleblowing policy,<br>• Counter Fraud, Corruption and Bribery Strategy,<br>• Planning Protocol,<br>• Member/Officer Register of Gifts and Hospitality,<br>• Member/Officer Registers of Interests,<br>• Financial Regulations,<br>• Contract Procedure Rules,<br>• Equality, Diversity and Inclusion Policy,<br>• Member / Officer Induction and Training<br>• Governance, Risk & Audit Committee (GRAC) terms of reference. |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively. | The Council has a number of documents which reinforce its commitment to best practice, including Whistleblowing policies, Counter-fraud and Corruption policies, Registers of Interests and Gifts and Hospitality and Complaints policies. These are all subject to periodic review. New staff are required to review the Council's key polices as part of the induction process and to sign to confirm this has been completed. | • Member/Officer Codes of Conduct<br>• Whistleblowing policy<br>• Counter Fraud, Corruption and Bribery Strategy<br>• Planning Protocol<br>• Member / Officer Register of Gifts and Hospitality<br>• Member / Officer Registers of Interests,<br>• Financial Regulations<br>• Contract Procedure Rules<br>• Member / Officer Induction and Training<br>• Governance, Risk & Audit Committee (GRAC) terms of reference<br>• Constitution |
| **Demonstrating strong commitment to ethical values** | | |
| Seeking to establish, monitor and maintain the organisation's ethical standards and performance | The Nolan principles are embedded into Codes of Conduct. The Monitoring Officer produces an Annual Report on the activity of the Standards Committee and its activity to maintain the organisation's standards. Shared values have been developed and are reflected throughout the building including the Intranet.<br>Leadership training has been undertaken between the Corporate Leadership Team and the Management Team to reinforce these values. Internal Audit provides assurance that policies built on ethical standards are being complied with. On-going monitoring of the application and effectiveness of the local standard regime is undertaken. | • Staff and Member Briefings<br>• Corporate Plan<br>• Internal & External Audit Reports<br>• Monitoring Officer's Annual Report<br>• Standards Committee (Terms of Reference) |
| Underpinning personal behaviours with ethical values and ensuring they permeate all aspects of the organisation's culture and operation | New members and staff are provided inductions, which emphasise areas such as codes of conduct and appropriate behaviours. Ongoing training is then provided, for example through Member training sessions. | • Internal Audit Reports<br>• Competency framework<br>• Appraisal system/ i.e. Check In process,<br>• Constitution<br>• Staff & Member training and development |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values | In addition to policies identified above, the Constitution includes specific rules and procedures with respect to procurement; financial governance, and members sitting in a regulatory capacity. These are reviewed and updated on a regular basis. | • Constitution<br>• Member/Officer Codes of Conduct<br>• Whistleblowing Policy<br>• Counter Fraud, Corruption and Bribery Strategy<br>• Procurement Strategy |
| Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation | As part of Council procurement exercises, service providers are required to provide statements confirming compliance with ethical standards and, for example, anti- money laundering statements. The Partnership Framework and Principles Guidance also further support this. | • Council's Website<br>• Constitution<br>• Anti-money Laundering Policy<br>• Procurement Strategy<br>• Individual Partnership / Service Level Agreements<br>• Partnership Framework and Principles Guidance |
| **Respecting the rule of law** | | |
| Ensuring members and staff demonstrate a strong commitment to the rule of law as well as adhering to relevant laws and regulations | The Constitution is regularly updated to include new specific laws and regulations. Staff are required to hold relevant professional qualifications and comply with the law and codes of conduct. The Council has an appointed Monitoring Officer responsible for the maintenance of the Constitution and for guiding members on the information contained therein. The Council has appropriate legal advice both on the specific requirements of legislation and the general responsibilities placed on local authorities by public law. Induction training for new staff includes review of the Council's policies, which include provisions from legislation. | • Constitution<br>• Report Template requiring input from Monitoring Officer and S151 Officer (information quality for decision taking) / positive sign off<br>• Legal advice to Licensing and Planning Committees<br>• Statutory Provisions,<br>• Whistleblowing policy<br>• Counter Fraud, Corruption and Bribery Strategy<br>• Data Protection Policy<br>• GDPR guidance and training<br>• IT Security Policy<br>• ICT Waste Disposal Policy |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements | Staff are provided with key legal changes where relevant in addition to the Council holding a number of subscriptions to services to ensure staff are provided with appropriate professional support.<br>Members making regulatory decisions are provided with training to ensure they are sufficiently aware of the legal requirements of their role.<br>Areas for focus are highlighted as part of the appraisal process/ i.e.Check Ins and provided as part of the corporate training plan. | • Constitution<br>• Monitoring Officer Provisions / Protocol<br>• Report Template requiring input from Monitoring Officer and S151 Officer (information quality for decision taking) / positive sign off<br>• Availability of legal advice to Licensing and Planning Committees<br>• Appraisal framework/.e. Check In process<br>• Job descriptions<br>• Committee Terms of Reference<br>• Training for statutory officers |
| Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders | There are clear, defined decision making processes within the Council to ensure that all appropriate options are considered prior to any decisions being made. | • Monitoring Officer Provisions / Protocol<br>• Report Template<br>• Standing Orders<br>• Complaints and Compliments Procedures<br>• Investigations<br>• Records of Delegated Authority decisions<br>• Planning protocol<br>• Project Management Framework and processes |
| Dealing with breaches of legal and regulatory provisions effectively | The Monitoring Officer and Section 151 Officer are informed of all key decisions to be made and any such occurrences are reported as required. These officers are nominated officers under the Whistleblowing Policy and are available to officers and Members for advice | • Monitoring Officer Provisions / Protocol,<br>• Records of Delegated Authority decisions<br>• Constitution<br>• Standing Orders<br>• Whistleblowing Policy |
| Ensuring corruption and misuse of power are dealt with effectively | The Council has a well-established Counter Fraud, Corruption and Bribery Strategy, access to which is available on the Intranet. | • Counter Fraud, Corruption and Bribery Strategy<br>• Whistleblowing Policy<br>• Constitution |

## B - Ensuring openness and comprehensive stakeholder engagement

Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Openness** | | |
| Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness | The Council has a clear vision, demonstrated through its Corporate Plan. The website has undergone a number of improvements and provides a large amount of information to the public, including a section dedicated to the requirements of the Transparency Code. The Council has an FOI policy in place. | • Constitution<br>• Stakeholder Identification<br>• Performance Management Framework Satisfaction Surveys<br>• Councillor Call to Action<br>• Council Tax online information<br>• Norfolk Crime and Disorder Partnership<br>• Council's Website including consultations page |
| Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided | All Committee reports are prepared using pre-agreed templates. If a Cabinet meeting has to consider anything under Part 2 business the press/public will be excluded for that item but the reasons for this need to be justified and is often on the basis of commercial sensitivity. | • Meeting minutes<br>• Statutory Provisions<br>• Council's Website<br>• Forums and Partnerships<br>• Direct communication with Parish & Town Councils |
| Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear | The Committee schedule is prepared in advance of the year and is then subject to negotiation with key officers to ensure timely decisions can be made. All Committee reports are subject to pre-approval procedures, including pre-meetings with key members and consultation with portfolio holders to ensure relevant matters have been taken into account. Reports are based on agreed templates and must record key considerations and decisions. | • Committee timetable<br>• Council's Website<br>• Constitution<br>• Report template<br>• Meeting minutes<br>• Input from Monitoring Officer/S151 Officer |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action | The Council adapts its consultation procedures according to the relevant decision being made with the public on planning decisions. Decisions are considered on a case by case basis and in line with legal requirements | • Planning protocols<br>• Legal requirements<br>• Consultation workshops<br>• Direct communication with Parish & Town Councils<br>• Local Development Framework<br>• Council's Website including consultations page |
| **Engaging comprehensively with institutional stakeholders** | | |
| Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably | Engagement practices are adapted to the environment rather than operating to a pre-defined strategy. Where appropriate, particularly where major change occurs that is likely to have a significant impact on the public, communication plans are developed to tailor engagement and to plan for responding to particular circumstances. | • Consultation workshops<br>• Local Development Framework consultation<br>• Council's website<br>• Direct communication with Parish & Town Councils<br>• Support of a Youth Council |
| Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively | This is an inherent part of the Council's operation. Partnerships are developed to support service delivery and link to activities within the Corporate Plan and Team Plans. Partnerships are subject to periodic review to ensure they remain effective and deliver Council outcomes. | • Partnership Framework and Principles Guidance |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Ensuring that partnerships are based on:<br>trust<br>a shared commitment to change<br>a culture that promotes and accepts challenge among partners<br><br>and that the added value of partnership working is explicit | Partnerships are based on the Partnership Framework and Principles Guidance and include a Service Level Agreement (SLA) where appropriate.<br>Each Partnership will normally have a defined agreement (SLA etc), which will detail the nature of the working relationship and how it operates, including any governance arrangements.<br>Managers are accountable for ensuring the successful operation and monitoring of partnerships. | • Partnership Framework and Principles Guidance<br>• Team Plans<br>• Self-Assessment Assurance Statements |
| **Engaging with individual citizens and service users effectively** | | |
| Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes. | The Council has policies and protocols regarding communicating with the public in place. | • Website - consultations page,<br>• Media protocol<br>• Social Media Management Policy and Guidance<br>• Social Media Policy |
| Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement | Communications come through various forms. Communication Plans are developed for more significant changes that will have an impact on the public.<br>Members receive a monthly bulletin informing them of key events ongoing in the Council of which they need to be aware. Key messages to staff are delivered through quarterly All Staff Briefings, fortnightly CLT updates and other information placed on the Intranet. | • Members Bulletin<br>• Website<br>• CLT briefings<br>• Intranet<br>• Community Engagement Strategy<br>• Media protocol<br>• Social Media Management Policy and Guidance<br>• Social Media Policy |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs | As above, engagement comes through a variety of forms<br>Specific decisions will be subject to consultation – for example, the Local Plan Process has various forms of communication and engagement to ensure the public and wider stakeholders are fully consulted. | • Planning Local Plan Review process/protocols<br>• Consultation workshops (North Walsham HAZ)<br>• Website consultations page |
| Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account | The Council welcomes customers to raise concern or compliments with any aspect of service provision. All complaints and compliments are recorded on a corporate database.<br>A summary of complaints and compliments is reported on via a quarterly statement with decisions fed back to stakeholders. | • Customer Complaints and Compliments Procedure<br>• Customer Service Strategy<br>• Website consultations pages |
| Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity | This seeks to primarily address how the council can deal with competing demands in a community. The primary competing demand for the Council is the decreasing level of Council resources versus demands from customers for a high level of service. | • Equality, Diversity and Inclusion Policy<br>• Equality Impact Assessments (EQIA's)<br>• Community Engagement Strategy |
| Taking account of the impact of decisions on future generations of tax payers and service users | This is considered on a case by case basis and balancing the various needs within the Council. | • Committee reports<br>• Budget setting process including a residents survey of priorities for the Council<br>• Equality Impact Assessments (EQIA's) |

## C Defining outcomes in terms of sustainable economic, social, and environmental benefits

The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable.

Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Defining outcomes** | | |
| Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions | The Council's Corporate Plan clearly identifies the organisation's vision and purpose. This is supplemented by the Annual Action Plans which identify specific objectives and is reported upon regularly throughout the year. The Team Planning process is directly linked to these plans, and set out specific activities to achieve outcomes in the Plan. Each activity is linked to defined corporate plan objectives which then cascades into individual performance and Team Plan objectives and delivery is monitored and supported by the Corporate Delivery Unit (CDU). In July 2021 the Council approved the Housing Strategy 2021-2025. In February 2022 Full Council approved the Net Zero Strategy & Action Plan which details the Council's commitment to achieving net-zero by 2030. In 2024 the Council set up three Oversight Boards, the Performance and Productivity Oversight Board, Major Projects Oversight Board and the Decarbonisation Oversight Board. | • Corporate Plan<br>• Annual Action Plans<br>• Team Plans<br>• Performance and Risk Frameworks<br>• Appraisal framework/i.e. Check Ins<br>• CDU<br>• Housing Strategy 2021 – 2025<br>• Net Zero Strategy & Action Plan<br>• Oversight Boards agendas and notes |
| Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer | The Corporate Plan 2023-27, Annual Action Plans and Team Plans identify specified performance measures to evaluate how the organisation will deliver its priorities and benefit its local environment and this is reported on regularly throughout the year. The performance measures are currently under review (April 2024). | • Corporate Plan<br>• Annual Action Plans<br>• Team Plans<br>• Quarterly performance reporting |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Delivering defined outcomes on a sustainable basis within the resources that will be available | Team Plan and budget setting processes are integrated and identify the level of cost and resources required to deliver the activity. There are frequent updates to committees in terms of budget monitoring and also performance against the objectives contained within the Annual Action Plans to demonstrate how the Council is delivering against its objectives. In 2024 the Council set up three Oversight Boards, the Performance and Productivity Oversight Board, Major Projects Oversight Board and the Decarbonisation Oversight Board. | • Corporate Plan<br>• Annual Action Plans<br>• Team Plans<br>• Performance and Risk Frameworks<br>• Budget monitoring protocols and reports<br>• Committee reports<br>• Medium Term Financial Strategy |
| Identifying and managing risks to the achievement of outcomes | The Council has an agreed Risk Management Policy & Framework, and has embedded reporting of risk (to the Governance, Risk and Audit Committee and the Corporate Leadership Team (CLT)) alongside its performance and financial reporting to ensure these are reviewed on an ongoing basis.<br>Individual Team Plans and key decisions are subject to risk assessment at the time to ensure that issues have been raised and mitigation plans developed. | • Risk Management Policy & Framework<br>• CLT reports and minutes<br>• Committee reports<br>• Risk registers for major projects such as the re-provision of the Splash/Reef leisure complex |
| Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available | The Delivery Plan and Team Plans define established performance measures to monitor how services are provided and the outcomes achieved. Team Planning helps to determine how resources should be allocated to defined activities, as well as the core 'business as usual' service delivery. The plans and the Customer Charter help to set expectations to service users on their potential user experience. | • Corporate Plan<br>• Annual Action Plans<br>• Team Plans<br>• Performance and Risk Frameworks<br>• Budget process<br>• Medium Term Financial Strategy<br>• Customer Charter<br>• Customer Service Strategy |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Sustainable economic, social and environmental benefits** | | |
| Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision | The Council takes into account a wide range of factors when considering the impact of policies and plans when making decisions about service delivery. For example, the capital bidding process requires managers to complete a capital budget template which details not only the cost of their proposals but also any wider benefits in terms of service delivery, environmental enhancements etc. This is supported by the Capital Strategy and the budget framework and monitoring processes. | • Medium Term Financial Strategy<br>• Capital bidding process<br>• Budget framework<br>• Capital Strategy<br>• Equality, Diversity and Inclusion Policy<br>• Net Zero Strategy & Action Plan<br>• Decarbonisation Oversight Board agendas and notes |
| Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints | All decision making should be linked to the Council's longer term Corporate Plan and Medium Term Financial Strategy. The Team Planning process helps to support this in that all activities should be identified in the Team Plan and any additional activities would have to be subject to appropriate consideration, taking into account the ability to deliver already identified priorities. This can be evidenced through decisions taken at Cabinet. | • Corporate Plan<br>• Medium Term Financial Strategy<br>• Budget setting process<br>• Annual Outturn report<br>• Team Plans<br>• Committee reports |
| Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs | Decisions made have to necessarily balance the public interest and achievement of outcomes, as can be evidenced through various committee reports. | • Corporate Plan<br>• Committee reports and minutes<br>• Annual Governance Statement<br>• Net Zero Strategy & Action Plan<br>• Decarbonisation Oversight Board agendas and notes |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Ensuring fair access to services | The Council evaluates equality impacts as appropriate within its decision making, ensuring due regard is given to enabling groups to access services. Our Customer Strategy seeks to support this through identifying how customers access services and ensuring that the Council's service provision responds to this. | • Equality, Diversity and Inclusion Policy<br>• Equality Impact Assessments (EQIA's) and guidance<br>• Statutory guidance<br>• Customer Service Strategy |

## D Determining the interventions necessary to optimise the achievement of the intended outcomes

Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Determining interventions** | | |
| Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks.<br>Therefore, ensuring best value is achieved however services are provided | This can be evidenced through papers presented to Cabinet and to the Council's Overview & Scrutiny Committee which helps to ensure this is put into practice by engaging with members at the earliest possible stage in the development of plans and strategies, enabling their input into the potential options and ensuring these have been considered before key decisions are made. | • Committee reports and minutes<br>• Report template |
| Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts | This is evidenced through the consultation processes involved with the update of the Local Plan. The Council's Medium Term Financial Strategy also enables the Council to prioritise competing demands with limited resources. Budget consultation also takes place. | • Medium Term Financial Strategy<br>• Local Plan protocols<br>• Council website consultations pages<br>• Corporate Plan Annual Action Plans |
| **Planning interventions** | | |
| Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets | The annual committee programme is developed in advance of the calendar year. Pre-Committee meetings discuss forthcoming reports with key officers and members to ensure these are programmed, with each Committee having its own specified work programme. There are clear programmes in place for the business planning and financial planning cycle, which are complementary to each other. | • Committee timetables and work plans<br>• Committee reports<br>• Budget setting framework<br>• Corporate Plan process<br>• Team Planning process |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered | This is a necessary part of our planning, and can be evidenced through the ongoing work on the development of the new Local Plan. | • Council website consultations page<br>• Local Plan protocols |
| Considering and monitoring risks facing each partner when working collaboratively including shared risks | This is a necessary part of planning for partnership working. Each partnership has associated protocols or agreements (SLA's) to outline how it will operate, which would be subject to agreement with each partner to ensure their risks and challenges have been taken into account. | • Partnership Framework and Principles Guidance<br>• Risk Management Policy & Framework |
| Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances | Change procedures, poor performance and termination is embedded into agreements and contracts to ensure that the Council is not locked into arrangements which are not effective. Performance targets for individuals and partnerships are reviewed regularly and incorporated within Team Plans. | • Partnership Framework and Principles Guidance<br>• Performance and Risk Management Frameworks,<br>• Contract key performance indicators (KPIs) |
| Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured | This is firmly embedded into the Corporate Plan and Team Planning process. Each year, and then as part of quarterly reporting, key performance indicators are subject to review to ensure to introduce new / amendments to the indicators, and ensure they remain SMART. | • Annual Action Plans<br>• Team Plans<br>• Quarterly performance reports |
| Ensuring capacity exists to generate the information required to review service quality regularly | The Council has a Policy & Performance Manager who works with officers and Members to monitor and track performance cascading down from the Corporate Plan, Annual Action Plans and into the Team Plans. There are quarterly performance reports to Committee to monitor performance, highlighting any corrective action that might be required where appropriate. The Performance and Productivity Oversight Board ensures the Performance Management Framework is adhered to. | • Corporate Plan<br>• Annual Action Plans<br>• Team Plans<br>• Quarterly reports<br>• Performance Management Framework<br>• Performance and Productivity Oversight Board agendas and notes<br>• Regular reporting to the public on the Council website |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Preparing budgets in accordance with objectives, strategies and the medium term financial plan | The Budget and Team Planning process is fully integrated, with priorities cascading down from the Corporate Plan and Annual Action Plans into Team Plans. Managers develop their budgets and resource requirements with the finance team to ensure these objectives are deliverable. | • Corporate Plan<br>• Annual Action Plans<br>• Team Plans<br>• Budget setting process<br>• Committee reports<br>• Medium Term Financial Strategy |
| Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy | The Team Planning and budget cycles are fully integrated and informed by the production of the Medium Term Financial Strategy, which sets out how the Council will address the future funding challenges. | • Corporate Plan<br>• Annual Action Plans<br>• Team Plans<br>• Budget setting process<br>• Committee reports<br>• Medium Term Financial Strategy |
| **Optimising achievement of intended outcomes** | | |
| Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints | The Medium Term Financial Strategy is updated ahead of the Team Planning and budget setting process to ensure it remains deliverable. Budgets and Team Plans are then based on this work to take account of any potential issues as required. | • Team Plans<br>• Budget setting process<br>• Committee reports<br>• Medium Term Financial Strategy |
| Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term | As above, the budget and Team Planning process comprehensively links service demands and activities to the projected cost of service delivery. | • Team Plans<br>• Budget setting process<br>• Committee reports<br>• Medium Term Financial Strategy |
| Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage | This is covered within the Council's Medium Term Financial Strategy which considers issues of ongoing service delivery costs and issues in the context of the ever changing external environment to ensure resources are optimised and that efficiency plans are developed where appropriate. | • Team Plans<br>• Budget setting process<br>• Committee reports<br>• Medium Term Financial Strategy |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Ensuring the achievement of 'social value' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes" | The Council has committed, through its Procurement Strategy, to supporting social value.<br>The completed procurement for the waste contract helps to demonstrate this with some of the scoring being allocated to Social Value. | • Procurement Strategy<br>• Leisure tender documents<br>• Community Asset Transfer Policy<br>• Equality, Diversity and Inclusion Policy |

## E Developing the entity's capacity, including the capability of its leadership and the individuals within it

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfill its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Developing the entity's capacity** | | |
| Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness | All changes in staffing are subject to robust procedures to ensure that resources are right for the relevant service.<br>The Council has a defined Asset Management Plan supported by a number of other policy and supporting documents including; the Commercial Property Strategy, The Land and Property Acquisition Policy, The Land and Property Disposal Policy, Assets of Community Value procedure and guidance, Asset Proposal process and use of Council property assets for events. This suite of documents was reviewed, updated and agreed by Committee in March 2018. All of these policies and guidance documents combine to help ensure that property assets are effectively utilised while supporting the Council's developing financial sustainability and growth agenda which is a key theme within the Council's Corporate Plan. | • Asset Management Plan<br>• Land and Property Disposal Policy<br>• Commercial Property Investment Strategy,<br>• The Land and Property Acquisition Policy,<br>• Assets of Community Value procedure and guidance,<br>• Asset Proposal process<br>• Use of Council property assets for events<br>• Corporate Plan |
| Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that defined outcomes are achieved effectively and efficiently | The Council participates in peer reviews to support further improvements. Benchmarking using LG Inform data takes place on a regular basis. | • Peer reviews<br>• Benchmarking reports<br>• Business Planning Reviews |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Recognising the benefits of partnerships and collaborative working where added value can be achieved | Partnership agreements are subject to a robust review to ensure they deliver against Council priorities.<br>Services are required to identify within business planning processes the financial resources required to deliver through partnership means as opposed to internal service delivery. | • Partnership Framework and Principles Guidance<br>• Team Plans<br>• Budget protocols |
| **Developing the capability of the entity's leadership and other individuals** | | |
| Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained | The Corporate Plan 2023 – 2027 has been agreed and adopted, the Annual Action Plan 2024-25 is being implemented and the Annual Action Plan 2025-26 agreed. The Chief Executive has regular meetings with the Leader and also the Leaders of the two other Groups and continue to hold Business Planning meetings to discuss forthcoming issues and reports. These meetings help to clarify objectives and outcomes at an early stage and are supported by the various Cabinet and Portfolio Members. They are strongly empowered to support Portfolio Holders and Assistant Directors in developing their roles and relationships. | • Job descriptions<br>• Protocol on Member Officer relations<br>• Working Arrangements Protocols within the Constitution<br>• Member training<br>• LGA support<br>• Corporate Plan<br>• Annual Action Plans |
| Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body | The Council has a Scheme of Delegation which is periodically reviewed to ensure it remains current. A Constitution review is undertaken regularly. Standing Orders and Financial Regulations are also periodically reviewed. This process is undertaken by the Constitution Working Party. | • Constitution<br>• Constitution Working Party |
| Ensuring the Leader and the Chief Executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority | As outlined above, the relationship between the Chief Executive and Leader are clear as regards their respective roles and responsibilities are clearly defined. | • Job descriptions<br>• Member and Officer Protocols,<br>• Working Arrangements Protocols |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:<br><br>• ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged<br><br>• ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis<br><br>• ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external | The Council has been well recognised for developing the leadership of staff at all levels in the organisation. A robust performance programme is in place to encourage open and honest communication with staff, enable effective performance management discussions and identify future development needs. This is fully supported by the Appraisal Framework/ i.e.Check In process which is fully embedded within the Council's processes. Training requirements flowing from the appraisal/ i.e. Check In process feed into the corporate training needs assessment undertaken by the HR team. Members are provided induction training on commencing their roles at the Council and encouraged to identify training needs. Ongoing training is held on a knowledge and competency basis, enabling members to develop their skills at all levels. An annual member training programme is produced to support their development. | • Appraisal framework/ i.e. Check Ins<br>• Corporate Training programme<br>• Service specific training requirements<br>• Skillgate<br>• Training update courses/briefings<br>• Staff/Member induction protocols<br>• Briefings for Members |
| Ensuring that there are structures in place to encourage public participation | The Council welcomes members of the public to engage in decision making. Notice of Council meetings is published on our website with information about how a member of the public may participate, with meetings being held in public where possible and consultations undertaken on relevant decisions. | • Committee minutes<br>• Website consultations pages<br>• E democracy channels |
| Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections | The Council periodically has peer reviews and takes part in benchmarking and other relevant processes to evaluate leadership effectiveness. Feedback is welcomed and considered to ensure that it can be implemented. | • Peer review<br>• Appraisal framework/ i.e. Check Ins |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Holding staff to account through regular performance reviews which take account of training or development needs | The Council has a clearly defined performance and appraisal system which is now further supported by the Check In process which involves regular quarterly catch ups as part of an ongoing performance discussion. Objectives and personal development plans are established for staff at all levels. | • Appraisal framework/ i.e. Check Ins |
| Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing | The Council places strong emphasis on employee health and wellbeing. The Council's Staff Focus Group and the Health and Wellbeing Group help senior leadership implement health and wellbeing initiatives; such as active workplace events which staff are encouraged to take part in at all levels. There is a section dedicated to Health and Wellbeing on the Council's Intranet which staff and Members can access. | • Health and Wellbeing Group agendas and minutes<br>• Staff Focus Group<br>• Various HR policies and strategies<br>• Intranet |

## F Managing risks and performance through robust internal control and strong public financial management

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.

A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Managing risk** | | |
| Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making | The Council has an agreed Risk Management Policy & Framework and risk is managed by CLT along with the Governance, Risk and Audit Committee (GRAC). The Committee report templates which must be used for all Committee reports include a specific section on risk and staff and managers are encouraged to raise risks, and how these should be managed/ mitigated as part of key decision making processes. At an operational level, staff are encouraged to take personal accountability for risks. Risk reviews are held in each service at least twice a year with significant risks assessed for inclusion in the Corporate Risk Register. The Council has a Business Continuity Management Framework and Business Continuity Policy with Business Continuity Plans in place for key service areas which are subject to annual review. Specific risk training has been undertaken with Members including establishing the Council's risk appetite. The Corporate Delivery Unit (CDU) will also strengthen this area. In 2024 the Council set up three Oversight Boards, the Performance and Productivity Oversight Board, Major Projects Oversight Board and the Decarbonisation Oversight Board. The Performance and Productivity Oversight Board has responsibility for ensuring the Risk Management Policy and Framework is being implemented. | • GRAC reports/ minutes<br>• Committee report template<br>• Health and Safety Policy<br>• Risk assessments<br>• Business Continuity Policy<br>• Business Continuity Management Framework<br>• Business Continuity Plans<br>• CLT reports/ minutes<br>• Risk Management Policy & Framework<br>• Corporate Risk Registers<br>• Corporate Delivery Unit (CDU)<br>• Performance and Productivity Oversight Board agendas and notes |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Implementing robust and integrated risk management arrangements and ensuring that they are working effectively | The Risk Management Policy & Framework has been agreed through the relevant decision making processes and is subject to regular review and updating. On a quarterly basis, key risks are formally evaluated and monitored by the Governance, Risk and Audit Committee (GRAC), however services are expected to maintain a watching brief on all operational level risks on a daily basis. In addition, Risk reviews are held in each service at least twice a year with significant risks assessed for inclusion in the Corporate Risk Register. Health and Safety risks are also monitored. | • GRAC reports/minutes<br>• Health and Safety Policy<br>• Risk assessments<br>• Business Continuity Policy<br>• Business Continuity Management Framework<br>• Business Continuity Plans<br>• CLT reports/ minutes<br>• Corporate Risk Register<br>• Risk Management Policy & Framework<br>• Service risk template<br>• Corporate risk template<br>• Risk registers for major projects (The Reef / North Walsham HAZ) |
| Ensuring that responsibilities for managing individual risks are clearly allocated | Each risk within the Corporate Risk Register has been formally allocated to individual responsible owners. Service risks are owned by the relevant service manager. | • Corporate Risk Register<br>• Risk Management Policy & Framework<br>• Risk registers for major projects (The Reef / North Walsham HAZ)<br>• Service risk registers |
| **Managing performance** | | |
| Monitoring service delivery effectively including planning, specification, execution and independent post implementation review | The Annual Action Plan and Team Planning process identifies performance measures for services. Services are subject to periodic review to ensure delivery remains efficient and effective. CLT and the Cabinet Working Party, considers and monitors key corporate projects in terms of key project aims, targets/benefits, milestones, progress, risks, financial position etc. At the end of projects there is a formal review process to consider 'lessons learnt' that can be fed back into future projects. | • Annual Action Plans<br>• Quarterly performance reports to Cabinet and Overview & Scrutiny Committee<br>• Team Plans<br>• Performance Management Framework<br>• Project Management Framework<br>• Project Proposal Documents<br>• Project Initiation Documents (PIDs)<br>• Project review documents<br>• Risk Management Policy & Framework |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook | Quarterly reporting of risks at a strategic level highlights core risk factors that may influence the council's ability to deliver objectives over the longer term. Significant decisions are subject to robust challenge and clear processes to ensure that all relevant factors have been considered. | • CLT<br>• GRAC reports/minutes<br>• Committee report template<br>• Budget planning process<br>• Corporate Risk Register<br>• Risk Management Policy & Framework |
| Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible | The Council's Overview and Scrutiny Committee operates to scrutinise, challenge and debate policies and objectives. The Committee also has its own work programme and will often review previous initiatives to ensure that decisions have been implemented as intended and clear benefits have resulted. | • Overview and Scrutiny Committee reports and minutes<br>• Overview and Scrutiny Committee terms of reference<br>• Member training |
| Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement | Quarterly reports are presented to Cabinet containing updates on finance, performance and risks for the Council's agreed plans.<br>In 2024 the Council set up three Oversight Boards, the Performance and Productivity Oversight Board, Major Projects Oversight Board and the Decarbonisation Oversight Board. The Performance and Productivity Oversight Board has responsibility for ensuring the Performance Management Framework is being implemented. | • Cabinet reports and minutes<br>• Committee timetable<br>• Performance and Productivity Oversight Board agendas and notes |
| Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements) | The quarterly budget reports evaluate budgetary positions, seeking approval to significant variances and highlighting major changes to agreed programmes. The final quarter reports then seek to align financial reporting with the outturn position. | • Budget reports<br>• Outturn report<br>• Financial Statements<br>• Financial Standing Orders |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Robust internal control** | | |
| Aligning the risk management strategy and policies on internal control with achieving objectives | The Risk Management Policy & Framework seeks to establish how organisational risk is managed. Risks form the basis of internal control evaluation through the annual audit programme and will be subject to ongoing evaluation through each programmed internal audit. | • Risk Management Policy & Framework<br>• Internal Audit Plan<br>• Audit reports<br>• External review of effectiveness<br>• Annual Governance Statement<br>• Internal Audit Annual Report and Opinion<br>• Local Code of Corporate Governance |
| Evaluating and monitoring risk management and internal control on a regular basis | Corporate Risks are subject to quarterly reviews, and the Risk Management Policy & Framework is periodically reviewed to ensure it remains current.<br><br>The internal audit programme is subject to an annual review and formal review, with planning over the longer term, balancing the Council's priorities and risks. The GRAC undertake regular self- assessments of their performance, regular updates on progress towards the audit plan and implementation of recommendations are provided to the Committee on a quarterly basis along with an Annual Report and Opinion. The internal audit contract is also subject to an external quality control review. | • GRAC self-assessment<br>• Risk Management Policy & Framework<br>• Internal Audit Plan<br>• Audit reports<br>• External review of effectiveness<br>• Head of Internal Audit Statement of Compliance<br>• Annual Governance Statement<br>• Internal Audit Annual Report and Opinion<br>• Local Code of Corporate Governance |
| Ensuring effective counter fraud and anti-corruption arrangements are in place | The Council takes part in national initiatives to reduce the potential for fraud and to identify fraud that may have occurred. It has completed a counter fraud assessment and has identified areas at risk and considered appropriate steps and mitigation | • Counter Fraud, Corruption and Bribery Strategy<br>• National Fraud Initiatives |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor | The Council is part of the Norfolk Internal Audit Consortium. Internal Audit plans are developed and the Internal Audit Service is resourced according to these plans. | • External review of effectiveness<br>• Annual Governance Statement<br>• Internal Audit Annual Report and Opinion<br>• Head of Internal Audit Statement of Compliance<br>• Local Code of Corporate Governance |
| Ensuring an audit committee or equivalent group/ function which is independent of the executive and accountable to the governing body:<br>provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment<br>that its recommendations are listened to and acted upon | The Council has elected to develop the Governance, Risk and Audit Committee (GRAC) to have oversight of internal control while taking responsibility for good governance practice. The Committee has strong oversight and is empowered to hold the organisation to account. | • GRAC terms of reference<br>• GRAC reports and minutes<br>• Member training<br>• GRAC self-assessment |
| **Managing data** | | |
| Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data | The Council has a Data Protection Policy and a Data Quality Policy and is also Public Sector Network Code of Connection Compliant (PSN), to ensure the most sensitive data it holds is held securely. The Council also has a designated Data Protection Officer and a procedure for dealing with any personal data breaches. This is further supported by the Council's IT Security Policy. The Council has a Senior Information Risk Officer (SIRO) with the Director for Communities being assigned to this role. A SIRO role description identifies key responsibilities, further supported by the Information Risk Policy and the General Data Protection Regulations (GDPR) requirements. | • Data Protection Policy<br>• Data Quality Policy<br>• IT Security Policy<br>• PSN compliance<br>• SIRO role description<br>• Information Risk Policy<br>• Internal audit |
| Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies | Information sharing is subject to defined information sharing protocols. The legal department has specialist knowledge in information governance | • Data Protection Policy<br>• Data Quality Policy<br>• IT Security Policy<br>• PSN compliance |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring | The Council does not have formal data validation programmes, however data validity and quality is evaluated through internal audit assessment and during the BPR service review work. | • BPR protocols<br>• Data Quality Policy<br>• Audit reports |
| **Strong public financial management** | | |
| Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance | This is embedded into the Medium Term Financial Strategy, which has been developed alongside the Team Plans and budget planning processes. Financial reporting is strongly linked to performance and risk reporting to ensure it correlates to service delivery. | • Medium Term Financial Strategy<br>• Team Plans<br>• Budget monitoring reports and protocol |
| Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls | Management accounts are produced on a monthly basis for service analysis, and to ensure budgets remain on track to those established within business planning. Significant variances are reported to key decision making. | • Budget monitoring reports and protocol |

## G Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Implementing good practice in transparency** | | |
| Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate<br><br>Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand | Report templates have been designed to help highlight key information quickly and easily. Reports undertake review processes to ensure they remain succinct and effective in imparting their messages. All reports are available for the public to review from the Council directly or on the Council's website with contact details for key officers prominently placed. The Council's performance reports, published on the website, provide a high-level review of the Council's achievements during the year in an easy to understand high level format. | • Council website<br>• Corporate Plan progress reports are accessible from the Council's website<br>• Quarterly performance reports<br>• Committee template<br>• Committee reports |
| **Implementing good practices in reporting** | | |
| Reporting at least annually on performance, value for<br>money and stewardship of resources to stakeholders in<br>a timely and understandable way | The Council's statement of accounts includes a "narrative" report which outlines how the Council has delivered against its objectives and financial targets during the year. The report makes extensive use of charts to aid users to quickly understand the information. As part of the audit process the external auditor is also required to give a view on value for money. The Annual Governance Statement provides a key oversight of the Council's governance arrangements and how these can be developed. | • Statement of accounts<br>• Annual Governance Statement<br>• Quarterly Performance Reports<br>• Regular performance reporting to the public through the Council's website |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| Ensuring members and senior management own the results reported | On a quarterly basis, Cabinet receives performance and finance reports outlining how the Council has performed against corporate objectives. Significant areas of concern are highlighted with recommendations for corrective action where appropriate. All actions and targets in the Annual Action Plans and Team Plans have an identified lead officer. | • Performance reports/framework<br>• Quarterly performance report<br>• Budget monitoring reports<br>• Minutes highlighting appropriate approvals<br>• Outturn report |
| Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement) | The CIPFA Code of Corporate Governance principles have been benchmarked, and this will be subject to evaluation by both CLT and also the Governance, Risk and Audit Committee. Necessary actions will then be reviewed and incorporated into the Annual Governance Framework as required. | • Annual Governance Statement<br>• Local Code of Corporate Governance,<br>• GRAC minutes<br>• CLT reports/ minutes |
| Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate | The Council is not presently involved with any shared service arrangements. The Council is however part of Coastal Partnership East and this framework has been applied to the partnership. | • Annual Governance Statement<br>• Local Code of Corporate Governance<br>• Coastal Partnership East Terms of Reference |
| Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations | The Council's financial statements are prepared in accordance with best practice to help support comparison with similar organisations. The Council has accelerated timeframes for evaluated finance and performance outcomes, with the Outturn Report now being produced within 6 weeks of the year end to ensure decisions can be made on a timely basis with insight to the performance and so that this information can then support the production of the Statement of Accounts. | • Statement of accounts<br>• Outturn Report |

| Behaviours and actions that can demonstrate this | How we put this into practice | Source Documents |
|---|---|---|
| **Assurance and effective accountability** | | |
| Ensuring that recommendations for corrective action made by external audit are acted upon<br><br>Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon | Recommendations made by external and internal auditors are reported to the GRAC as part of the Statement of Accounts approval process. The Internal Audit Consortium Manager has access to report directly to the GRAC with outcomes from their work and any key concerns they may have.<br>In 2024 the Council set up three Oversight Boards, the Performance and Productivity Oversight Board, Major Projects Oversight Board and the Decarbonisation Oversight Board. The Performance and Productivity Oversight Board has responsibility for ensuring audit recommendations are managed to implementation. | • Statement of accounts<br>• External audit opinion<br>• GRAC reports/minutes<br>• Internal Audit Opinion<br>• Performance and Productivity Oversight Board agendas and notes |
| Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations | Peer challenge is undertaken periodically to evaluate how the Council is performing. Regulators will undertake periodic inspections and the outcomes of their reports escalated as appropriate. | • Peer Review<br>• Regulatory Review |
| Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement | The Annual Governance Statement includes a section on the “Review of Effectiveness” which includes consideration of governance arrangements for service delivery through third parties. | • Annual Governance Statement<br>• NNDC Self-assessment Assurance Statement |
| Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met | Partnerships are subject to relevant agreements to ensure the nature of the partnership and reporting frameworks / objectives are clear. | • Partnership Framework and Principles Guidance<br>• Terms of Reference<br>• Service Level Agreements (SLAs) |

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NORTH NORFOLK DISTRICT COUNCIL

# North Norfolk District Council

# Statement of Accounts 2024/2025

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## 1. Introduction

1.1 The Statement of Accounts for 2024/25 on the following pages sets out the Council's income and expenditure for the year, and its financial position at 31 March 2025. The format and content of the financial statements is prescribed by the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, which in turn is underpinned by International Financial Reporting Standards. It comprises core and supplementary statements.

1.2 This narrative statement aims to provide the reader with information about the Council, its main objectives, strategies and the principle risks it faces and to provide a commentary on how the Council has used its resources to the desired outcomes. It also helps to explain and highlight the linkages between the information contained within the narrative statement itself and the information presented within the financial statements. The accounting policies applied in production of the accounts can be found on Pages 21 – 37.

## 2. Statements included within the Accounts

2.1 The accounts consist of the following main statements:

- **Expenditure and Funding Analysis** – The Expenditure and Funding Analysis (EFA) is a note to the financial statements. However, it is positioned with the core statements as it provides a link from the portfolio-based analysis of the revenue outturn presented in the Narrative Report to the analysis within the Net Cost of Services in the Comprehensive Income and Expenditure Statement The EFA shows how the funding available to the Council for the year (i.e. Government grants, rents, Council Tax and Business Rates) has been used to provide services in comparison with those resources consumed or earned under generally accepted accounting practice (GAAP). The Expenditure and Funding analysis also shows how this expenditure is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under GAAP is presented more fully in the Comprehensive Income and Expenditure Statement.

- **Comprehensive Income and Expenditure Statement** – this statement shows the accounting cost of providing services in the year in accordance with generally accepted accounting practices, rather than the amount to be funded from local taxation. The top half of the statement provides an analysis by service area. The bottom half of the statement deals with corporate transactions and funding.

- **Movement in Reserves Statement** – this statement shows the movement in the year on the different reserves held by the Council analysed between:
  - 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and;
  - 'other reserves' which are maintained for accounting purposes.

- **Balance Sheet** – this statement shows the value, as at the balance sheet date, of the assets and liabilities recognised by the Council. It sets out the financial position of the Council at the year-end, showing its balances, resources and long-term indebtedness, the net current assets employed in its operations, together with summarised information on the fixed assets held. The Balance Sheet is fundamental to the understanding of the Council's year-end financial position.

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- **Cash Flow Statement** – this summarises all flows of cash from transactions with third parties for revenue and capital purposes. It shows the changes in cash and cash equivalents during the reporting period and how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

- **Collection Fund** – As a billing authority the Council is responsible for the billing, collection and distribution of council tax and National Non-Domestic Rates (NNDR). In accordance with the statutory requirement contained in Section 89 of the Local Government Finance Act 1988 (amended by Local Government Finance Act 1992 and the Local Government Finance Act 2012) billing authorities are required to establish and maintain a separate fund for the collection and distribution of amounts due in relation to council tax and NNDR. This statement, known as the Collection Fund, shows the total income collected by the Council from council tax and NNDR and how this has been distributed to Central Government; the major precepting bodies of Norfolk County Council (NCC), the Office of the Police and Crime Commissioner for Norfolk (OPCCN) and North Norfolk District Council (NNDC - which includes the local precepts for Parish and Town Councils). There will be a debtor or creditor position between the billing authority (NNDC), Central Government and the major preceptors (NCC & OPCCN) to be recognised at the end of each year. This is because the amounts paid out of the Collection Fund during the years will not exactly match the cash collected in council tax and NNDR.

- **Notes to the Accounts –** The accounts are supported by various notes to the main statements which provide additional information to that contained in the core statements themselves.

## 3. Organisational overview and external environment

***Our district***

3.2 North Norfolk District consists of 962 km$^2$ of beautiful countryside and 73km of coastline. The district is characterised by its strong environmental and cultural heritage. Key towns such as Cromer, Sheringham, Holt, Wells-next-the-Sea, North Walsham, and Fakenham act as economic and service hubs for the wider rural communities. Tourism plays a vital role in the local economy, drawn by the district's beaches, wildlife reserves, and attractive built heritage. The district's rural character is defined by its 121 parishes, numerous villages, and consistently low crime rate, making North Norfolk one of the most attractive and safe places to live in the UK.

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3.3 North Norfolk's population is estimated to have grown from 105,600 in 2019 to approximately 109,000 by 2025. The latest forecasting shows that North Norfolk's population is expected to grow to approximately 118,000 by 2043. A large proportion of residents live in one of the market towns, with the remainder residing in rural village homes. This trend underscores gradual demographic expansion, with implications for local service planning, housing demand, and transport infrastructure to meet the needs of a subtly growing community.

3.4 Residents work predominantly in the accommodation and food sector, retail, manufacturing, and health. The largest numbers of businesses are in the agriculture, forestry and fishing sector followed by retail, construction, accommodation and food services and the professional, scientific and technical sectors.

***Corporate Plan and priorities***

3.5 The Council's Corporate Plan covering 2023 – 2027, along with a supporting delivery plan. The Delivery Plan shows what the Council will do to meet the needs and aspirations of residents and businesses as established within the Corporate Plan.

The Corporate Plan can be located: north-norfolk.gov.uk/media/9394/corporate-plan-2023-to-2027.pdf

The 2023 – 2027 Plan sets out the Council's priorities which are:

- Our Greener Future
- Developing Our Communities
- Meeting Our Local Housing Need
- Investing In Our Local Economy and Infrastructure
- A Strong, Responsible and Accountable Council

## 4. Governance

4.1 The Annual Governance Statement (AGS) is a statutory document which explains the processes and procedures in place to enable the Council to carry out its functions effectively, this is supported by the Council's Local Code of Corporate Governance. There have been no significant changes or issues surrounding governance during the current financial year. A full copy of the Statements, AGS and the Code are available on the Council's website.

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## 5. Risks and opportunities

5.1 There is still considerable uncertainty around future years funding forecasts and this position will not improve until the outcome from the Fair Funding Review, which will set new baseline funding allocations and responding to spending pressures and changes in service demand, and the review of the Local Retention of Business Rates, are concluded. The Comprehensive Spending Review, which sets out the expenditure limits over the coming years has been delayed, which have also resulted in single year settlements in recent years. A multi-year settlement has been lobbied for by the sector to provide greater certainty over future funding streams.

5.2 Local Authority funding from business rates is open to risks around funding fluctuations due to increases and decreases in the rateable values of non-domestic properties and successful alterations of lists and appeals against the rateable values. The Valuation Office Agency, who hear the appeals, currently have a backlog and are slow to clear outstanding appeals increasing the risk of the Council needing to pay out large refunds.

5.3 The Council currently holds £16.9m in reserves, which is a decrease in reserves compared to the prior year, some of these reserves could be made available to support service budgets in the short to medium term. Use of reserves does not represent a sustainable funding mechanism for the longer term as these are one-off resources.

5.4 The Council's Corporate Risk Register, which details the significant risks the Council faces (including financial risks), is published on its website.



## 6. Financial Performance

6.1 The Council reports on its performance against its Corporate Objectives quarterly. The report covering the 2024-25 financial year can be found on the Council's website.

### *Revenue Activity*

6.2 The following chart provides an overview of the resources available to the Council during the year along with the outturn position compared to the budget. The tables below show how the revenue activity was financed during the year, highlighting that around 13% of the net funding is from external sources, i.e. New Homes Bonus and other non-ringfenced grants, the balance of 87% comes from council tax and locally retained business rates reflecting the continuing shift from central to local funding. This position is shown net of fees and charges service income and highlighted in the tables below.

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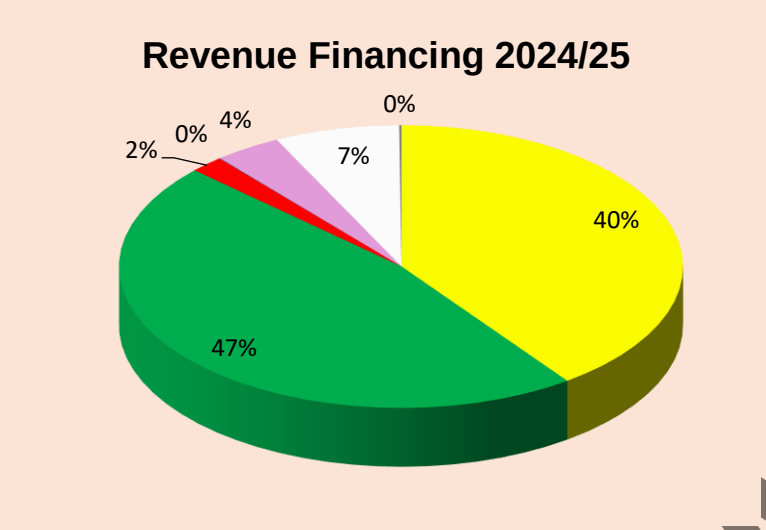


| | £000 | % |
|---|---|---|
| Council Tax | (6,875) | 40 |
| Retained Business Rates | (8,067) | 47 |
| New Homes Bonus | (6) | - |
| Rural Services Delivery Grant | (657) | 4 |
| Revenue Support Grant | (336) | 2 |
| 3% Funding Guarantee | (1,231) | 7 |
| Other Non-Ringfenced Grants | (23) | - |
| | **(17,194)** | **100** |

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6.3 The financial performance of the Council has been monitored throughout the year by officers and Members with regular reports being presented to Cabinet and Overview and Scrutiny Committee. The summary below provides an overview of the outturn position compared to the updated budget (i.e. updated for virements and approved in-year updates). The overall outturn position for the financial year against budget was reported to Cabinet on 7th July 2025.

| 2024/25 Subjective Analysis | 2024/25 Budget £000 | 2024/25 Outturn £000 | Variance £000 | % |
|---|---|---|---|---|
| Employee Costs | 16,618 | 14,969 | (1,649) | (10) |
| Premises | 4,064 | 3,924 | (139) | (3) |
| Transport Related Expenditure | 284 | 278 | (5) | (2) |
| Supplies & Services | 14,515 | 13,721 | (794) | (6) |
| Transfer Payments | 18,715 | 19,460 | 745 | 4 |
| Capital Financing Costs | 3,724 | 2,963 | (761) | (20) |
| Income | (34,247) | (36,358) | (2,111) | 6 |
| **Total cost of services** | **23,672** | **18,957** | **(4,715)** | **(22)** |

6.4 Transfers to and from reserves in the year are made in line with the Council's policy framework for earmarked reserves as approved as part of the annual budget setting process. In addition, some roll forward requests of budget underspends have been recommended for approval as part of the outturn report where there is no annual budget provision in 2025/26.

6.5 The 2024/25 outturn report covers the final budget monitoring position for the year and provides a detailed commentary covering the budget variances and the reasons behind some of these, a copy of which can be found on the September Cabinet agenda. The reasons for some of the more significant movements included in the summary above in percentage terms are as follows:

- **Employee Costs -** The majority of the variance in employee costs, totalling £1,649k, is attributed to savings arising from vacant posts alongside adjustments in current service costs for the Local Government Pension Scheme. This adjustment represents the difference between the Council's cash contributions to the Pension Fund during the year and the value of pensions accrued during the same period, as determined by the actuary. These additional costs are reversed out under net operating expenditure, resulting in no impact on the revenue outturn position. However, the increase is reflected in long-term liabilities on the Balance Sheet.

- **Premises** – The underspend in premises included an underspend of £211k relating to maintenance costs, offset by an overspend in Grounds & Maintenance of £28k, and an overspend in Premises Running Costs of £43k.

- **Transport** – Small underspend of £5k is due net differences between fewer mileage claim expenses than budgeted for, offset by additional expense in relation to the electric pooled vehicle fleet.

- **Supplies and Services** – The overall underspend is attributed to several key factors: a net underspend of £59k on Equipment Purchases & Materials; a £7k underspend on Clothing, Uniform & Laundry; a net overspend on Printing & Stationery of £154k; an increase income relating to Fees & Services of £1,026k. There was a net underspend of £86k relating to Communications & Computing; a net underspend of £17k relating to Subscriptions & Allowances; an overspend of £3k relating to Insurance; an overspend of £323k relating to Grants & Subscriptions; a net underspend of £80k relating to Other Supplies & Services.

- **Transfer Payments** - The overspend relates to the total of amount of housing benefits paid out in 2024/25 being higher than anticipated. However, this is offset by a reduction in Subsidy received from the Department for works and Pensions (DWP).

- **Capital Financing Costs** – The current General Fund position excludes the final capital adjustments; these do not have an impact on the Council's final outturn revenue position.

- **Income** – The favourable variance of £2,111k is primarily due to various underspends. Key contributors include: Other Grants & Reimbursements in which an additional £1,080k was received during the year. An additional £1,052k was received in relation to Customer & Client Receipts. The remaining movements are due to small offsetting movements in government grants £302k adverse variance, Interest which had a favourable variance of £10k, and internal charges which had a favourable variance of £270k.

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**Business Rates Retention**

6.6 The Collection Fund Account can be found, along with the associated notes, on pages 87 to 90.

6.7 The Council has been a member in a business rates pool for the 2024/25 financial year alongside other surrounding district councils and Norfolk County Council. Being in the Pool allows growth in the business rates collected in Norfolk to be retained locally, rather than being passed to central government. The retained growth amount is paid over in the form of a levy payment to Norfolk County Council as the lead Council for the Pool.

6.8 The Council can retain all the income it receives from renewable energy schemes, provided it granted planning permission for the scheme. When completing the NNDR1 each year the Council must include the amount it anticipates it will receive. Any variation will be carried forward to the following year.

6.9 The business rate income is paid into the Collection Fund and then distributed to Central Government, the County Council and NNDC in accordance with the proportionate shares set out in the Scheme. The distribution is based on the NNDR1 return and any variances at outturn will produce a surplus or deficit on the Collection Fund which is then distributed in the following year.

**7. Treasury Management and Economic Climate**

7.1 The amount of surplus cash available for investment during 2024/25 was continuously lower than anticipated in the original budget. The average interest rate earned on investments was also lower than forecasted. This was largely due to the Bank of England's Monetary Policy Committee (MPC) having reduced the base rate from its 2023 highs in response to signs of easing inflation and economic stagnation. As a result, the net returns from the Council's Money Market Fund investments, used to manage day-to-day cash flow, were below the anticipated levels.

7.2 The economic climate during 2024/25 continued to reflect uncertainty on whether rates would increase or fall. Rates were influenced by subdued domestic growth, persistent cost-of-living pressures, and ongoing global volatility, including geopolitical tensions and supply chain challenges. These factors contributed to downward pressure on investment yields. Overall, the Council achieved investment income of £1.387 million for the year, representing an adverse variance of £0.478 million against the set budget of £1.865 million.

7.3 The Council holds one outstanding loan of £5 million from the Public Works Loan Board (PWLB) as at 31 March 2025. This loan was originally drawn down on 27 March 2024 for a 13 month term and matured on 28 April 2025. It was taken to support short-term cash flow requirements and to provide flexibility in the Council's capital financing arrangements. Aside from the PWLB loan, the Council utilised temporary short-term borrowing during the year to manage cash flow timing differences, all of which was repaid within the financial year.

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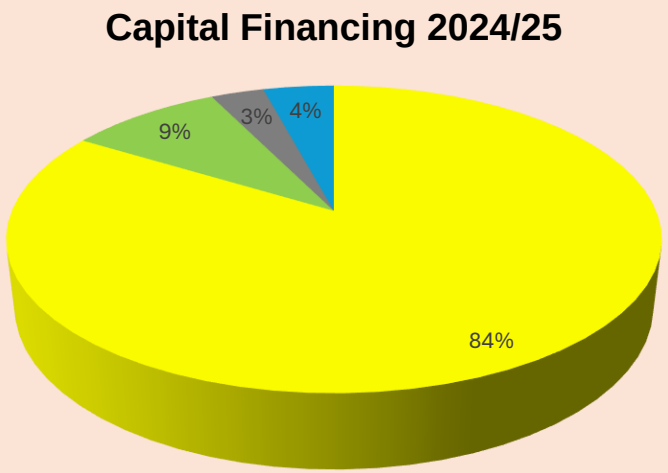
## 8. Capital

8.1 Capital expenditure in the year amounted to £25.7m (£13.6m in 2023/24). The areas where expenditure was incurred are shown in the table below. More detail can be found in the 2024/25 outturn report.

| Capital Activity Summary 2024/25 Outturn | 2024/25 Budget £000 | 2024/25 Outturn £000 | Variance £000 | % |
|---|---|---|---|---|
| Our Greener Future | 22,355 | 17,475 | (4,880) | (22) |
| Developing Our Communities | 6,285 | 1,606 | (4,679) | (74) |
| Meeting our Housing Need | 5,031 | 3,089 | (1,942) | (39) |
| Investing in Our Local Economy & Infrastructure | 5,544 | 3,308 | (2,236) | (40) |
| A Strong, Responsible & Accountable Council | 414 | 224 | (190) | (46) |
| | **39,629** | **25,702** | **(13,927)** | **(35)** |

8.2 The financing of the capital programme is shown in the chart below.




| | £000 | % |
|---|---|---|
| Grants | 21,507 | 84 |
| Other reserves | 2,319 | 9 |
| Internal Borrowing | 805 | 3 |
| Capital Receipts | 1,071 | 4 |
| | **25,702** | **100** |

## 9. Reserves and Balances

9.1 The Council has a General Fund which is the statutory fund into which all the Council's receipts are required to be paid and out of which all Council's liabilities are to be met, except where there are statutory rules that must be applied. The recommended minimum General Fund balance is currently £2.1m. The balance was £2.7m at 31 March 2025.

9.2 The purpose of holding a general reserve is to provide a working balance to help cushion the impact of uneven cash flows to avoid temporary borrowing and to provide a contingency to help cushion the impact of unexpected events or emergencies. Each year alongside approval of the budget Members approve the policy framework for the earmarked reserves and assess the optimum level of general reserve. This is informed by a risk assessment of the budget that considers the context within which the budget has been established along with the financial risks facing the Council. This will include factors such as, sensitivity of pay and price inflation and interest rates, levels of savings anticipated, demand led budgets (spend and income), future funding fluctuations and emergencies.

9.3 In addition to the general reserve the Council holds earmarked reserves held to meet known or predicted liabilities totaling £16.5m. The reserves also provide 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, more detail can be found in Note 9. There are earmarked reserves that have balances, yet the timing of the use of the reserve is yet to be agreed.

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## 10. Outlook

10.1 Looking ahead beyond 31 March 2025, the Council faces a complex mix of demographic shifts, economic dependencies, funding constraints, and government-driven structural change. Some of the more significant and current risks that continue to face the Council are as follows:

- Funding - Funding arrangements for district councils beyond 31 March 2025 remain subject to change. The Government has confirmed a one-year settlement for 2025/26, continuing the recent pattern of short-term financial planning horizons. However, significant reform is anticipated from 2026/27, with the expected implementation of the Fair Funding Review. This review aims to update the formulas used to assess local authority needs and resources, potentially redistributing funding across the sector. It is also expected to include a reset of business rates baselines and the consolidation of existing grants into a reformed core settlement. While these changes may bring greater clarity and multi-year certainty in future, they also present financial risk and potential volatility for district councils. The Council will continue to monitor developments closely and ensure that its medium-term financial strategy remains flexible and responsive.

- New Homes Bonus (NHB) – The Council continues to receive 'legacy' payments under the current NHB scheme, and funding has been included in the 2025/26 budget. However, the scheme is expected to be phased out from 2026/27, and no clear replacement funding mechanism has been announced by the Government to date. The Council will continue to monitor developments closely and reflect any confirmed changes in future financial planning.

- Savings/income – the delivery of savings built into budget projections and income from demand led services i.e. planning, parking fees;

- Economy – Looking beyond 31 March 2025, the UK economy is expected to remain in a period of subdued growth, with the effects of previous interest rate increases continuing to influence economic activity. Forecasts suggest only gradual improvement in GDP growth over the medium term, while inflation is anticipated to return closer to the Bank of England's target during 2025/26. However, uncertainties remain due to global economic pressures, geopolitical tensions, and potential volatility in energy markets. These factors may continue to affect local government funding, service demand, and investment plans. The Council will keep these developments under review to ensure financial resilience and adaptability in its medium-term planning.

- Inflation – The Consumer Price Index (CPI) has experienced a significant easing from its peak. It declined from 3.2% in March 2024, down to 2.6% in March 2025, before edging up to 3.5% in April 2025 and then falling back to 3.4% in May 2025. The consumer price environment is now notably closer to the Bank of England's 2% target, easing cost pressures. However, with the current rate still above target and showing month-to-month fluctuation, the financial outlook remains cautiously optimistic - a further gradual easing is anticipated, contingent on stable external conditions and prudent monetary policy.

- Investment returns – The elevated Bank of England base rate, which remained at 5.25% throughout much of 2024–25, has continued to support a favourable environment for investment income on the Council's cash balances. The Council maintains a prudent and risk-aware approach,

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guided by professional advice from its treasury management advisors. This ensures that investment decisions are grounded in sound principles, enabling a cautious but not complacent strategy aimed at protecting capital while maximising secure opportunities for return.

- Housing benefit subsidy – As a significant budget year on year this presents a risk in terms of the accuracy of the claims and subsidy recovered. This is mitigated by an earmarked reserve that the Council maintains;

- Pay – the budget has been updated to reflect the pay review undertaken by the National Joint Council (NJC) along with annual increments.

- Temporary accommodation – The Council is unable to fully recover from central government the costs relating to the housing benefit subsidy relating to temporary accommodation. The Council is currently acquiring local properties to use directly to help manage the cost of this provision. This cost is increasing year on year and placing a pressure on our budgets. we will continue to monitor the situation, however as a demand led service this is outside of the Council's control.

10.2 The Council does however have a number of work streams in place to help address these risks and also has a healthy reserve position to support in the short to medium term.

10.3 The disclosures required for the financial year ending 31 March 2025 in relation to the Council's pension scheme are detailed in Note 24 and show a Net Pension Asset of £12.4m as at 31 March 2025 (Net Liability of £3.4m at 31 March 2024). The liabilities show the underlying commitments that the Council has in the long run to pay retirement benefits. However, statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy. At present the deficit on the scheme would be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

## 11. Further Information

11.1 For further information about these accounts please contact the finance team at accountancy@north-norfolk.gov.uk.

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## Statement of Responsibilities

### The Council's Responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Chief Finance Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

### Certification



I confirm that this Statement of Accounts has been approved by myself, Councillor Sarah Bütikofer, Chair of the Governance, Risk and Audit Committee on **To Be Confirmed**. Delegated authority for the Chair of the Committee to sign the Accounts in consultation with the Section 151 Officer was given at its meeting on **To Be Confirmed.**

Signed on Behalf of North Norfolk District Council

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**The Chief Finance Officer's Responsibilities**

The Chief Finance Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code of Practice).

In preparing this Statement of Accounts, the Chief Finance Officer has:

- Selected suitable accounting policies and then applied them consistently.
- Made judgements and estimates that were reasonable and prudent.
- Complied with the Local Authority code.

The Chief Finance Officer has also:

- Kept proper accounting records which were up to date.
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.



Certificate by the Chief Finance Officer

I certify that this Statement of Accounts has been prepared in accordance with proper accounting practices and presents a true and fair view of the financial position of the Council at the reporting date and of its expenditure and income for the year ended 31 March 2025.

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Dated: 18 July 2025

Karen Sly CPFA, Interim Section 151 Officer

**Expenditure and Funding Analysis (EFA)**

The Expenditure and Funding Analysis (EFA) is a note to the Financial Statements, however, it is positioned here as it provides a link from the figures reported in the Comprehensive Income and Expenditure Statement (CIES) below, to the Council's management accounts. The EFA shows how annual expenditure is used and funded from resources (Government grants, rents, council tax and business rates) by Local Authorities in comparison with those resources consumed or earned by Authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's departments.

| | Net Expenditure Chargeable to the General Fund | Adjustments Between Funding & Accounting Basis | Net Expenditure in the CIES | Net Expenditure Chargeable to the General Fund | Adjustments Between Funding & Accounting Basis | Net Expenditure in the CIES |
|---|---|---|---|---|---|---|
| | | 2024/25 | | | 2023/24 | |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Corporate leadership/Executive support | 499 | (119) | 380 | 567 | (40) | 527 |
| Communities | 8,986 | (96) | 8,890 | 10,459 | 676 | 11,135 |
| Place and Climate Change | 4,111 | 1,054 | 5,165 | 5,741 | 890 | 6,631 |
| Resources | 5,084 | (118) | 4,966 | 5,141 | (86) | 5,055 |
| | **18,680** | **721** | **19,401** | **21,908** | **1,440** | **23,348** |
| Other Income and Expenditure | (17,712) | (20,530) | (38,242) | (18,500) | (4,814) | (23,314) |
| **(Surplus)/Deficit on Provision of Services** | **968** | **(19,809)** | **(18,841)** | **3,408** | **(3,374)** | **34** |
| **Opening General Fund Balances** | **17,843** | | | **21,251** | | |
| **Surplus/(Deficit) in year** | (968) | | | (3,408) | | |
| **Closing General Fund Balances** | **16,875** | | | **17,843** | | |

**Comprehensive Income and Expenditure Statement (CIES)**

This statement shows the accounting cost in the year of providing services, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

| | | Gross Expenditure | Gross Income | Net Expenditure | Gross Expenditure | Gross Income | Net Expenditure |
|---|---|---|---|---|---|---|---|
| | | | 2024/25 | | | 2023/24 | |
| | Note | £000 | £000 | £000 | £000 | £000 | £000 |
| Corporate Leadership/Executive Support | | 4,008 | (3,628) | **380** | 2,545 | (2,018) | **527** |
| Communities | | 19,995 | (11,105) | **8,890** | 22,174 | (11,039) | **11,135** |
| Place and Climate Change | | 9,374 | (4,209) | **5,165** | 9,623 | (2,991) | **6,631** |
| Resources | | 35,638 | (30,672) | **4,966** | 36,782 | (31,727) | **5,055** |
| **Cost of Services** | | **69,015** | **(49,613)** | **19,402** | **71,124** | **(47,775)** | **23,349** |
| Other Operating Expenditure | **10** | | | **2,928** | | | **2,237** |
| Financing and Investment Income and Expenditure | **11** | | | **(869)** | | | **(565)** |
| Taxation and Non-Specific Grant Income | **12** | | | **(40,302)** | | | **(24,985)** |
| **(Surplus)/Deficit on Provision of Services** | **7** | | | **(18,840)** | | | **35** |
| (Surplus)/Deficit on revaluation of PPE Assets | **14(a)** | | | **5,947** | | | **(12,773)** |
| Financial Assets | **14(b)** | | | **(139)** | | | **367** |
| Actuarial (Gains)/Losses on Pension Assets/Liabilities | **14(d)** | | | **(15,013)** | | | **(8,397)** |
| **Other Comprehensive Income and Expenditure** | | | | **(9,205)** | | | **(20,803)** |
| **Total Comprehensive Income and Expenditure** | | | | **(28,045)** | | | **(20,768)** |

**Movement in Reserves Statement (MIRS)**

| | Note | General Fund Balance | Earmarked GF Reserves | Capital Receipts Reserves | Capital Grants Unapplied Account | Total Usable Reserves | Unusable Reserves | Total Authority Reserves |
|---|---|---|---|---|---|---|---|---|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Balance at 1 April 2023** | | **3,114** | **18,136** | **5,301** | **-** | **26,553** | **49,921*** | **76,474*** |
| **Movement in Reserves during 2023/24** | | | | | | | | |
| Total Comprehensive Income and Expenditure | | (35) | - | | - | (35) | 20,803 | 20,768 |
| Adjustments from Income and Expenditure charged under the accounting basis to the funding basis | **8** | (3,375) | - | (2,489)* | - | (5,864) | 5,864 | - |
| Transfer (to)/from Earmarked Reserves | **9** | 2,519 | (2,519) | | - | - | - | - |
| Increase/(decrease) in 2023/24 | | (891) | (2,519) | (2,489)* | - | (5,899) | 26,667 | 20,768 |
| **Balance at 31 March 2024** | | **2,223** | **15,617*** | **2,812*** | **-** | **20,654** | **76,588*** | **97,242** |
| **Movement in Reserves during 2024/25** | | | | | | | | |
| Total Comprehensive Income and Expenditure | | 18,840 | - | - | - | 18,840 | 9,205 | 28,045 |
| Adjustments from Income and Expenditure charged under the accounting basis to the funding basis | **8** | (19,809) | - | (425) | - | (20,234) | 20,234 | - |
| Transfer (to)/from Earmarked Reserves | **9** | 1,574 | (1,574) | - | - | - | - | - |
| Increase/(decrease) in 2024/25 | | 606 | (1,574) | (425) | - | (1,393) | 29,438 | 28,045 |
| **Balance at 31 March 2025** | | **2,828** | **14,044** | **2,386** | **-** | **19,259** | **106,028** | **125,288** |

***These figures have been restated to correct a prior year casting errors.**

## Balance Sheet

| | Note | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|---|
| Property, Plant and Equipment | 30 | 96,088 | 93,659 |
| Investment Property | 27 | 1,138 | 1,196 |
| Intangible Assets | 28 | 635 | 788 |
| Long Term Investments | 39 | 19,180 | 19,039 |
| Long Term Debtors | 33/39 | 1,577 | 1,863 |
| Net Pension Asset | 24 | 12,376 | - |
| Right of Use Assets | 26 | 10,308 | - |
| **Total Long-Term Assets** | | **141,302** | **116,545** |
| | | | |
| Short Term Investments | 39 | - | - |
| Inventories | | 4 | 11 |
| Short Term Debtors | 33 | 11,963 | 14,237 |
| Cash and Cash Equivalents | 18 | 5,362 | 2,028 |
| Assets held for sale | 32 | 319 | 319 |
| **Total Current Assets** | | **17,648** | **16,595** |
| | | | |
| Bank Overdraft | 18 | (3,401) | (6,071) |
| Short-Term Borrowing | 39 | (7,117) | (6,791) |
| Short-Term Creditors | 34 | (14,830) | (10,275) |
| Capital Grants Receipts in Advance | 38 | (7,589) | (3,834) |
| Short-Term Provisions | 35 | (482) | (493) |
| Short-Term Lease Liabilities | | (62) | - |
| **Total Current Liabilities** | | **(33,481)** | **(27,464)** |
| | | | |
| Net Pension Liability | 24 | - | (3,430) |
| Long-Term Borrowing | 39 | - | (5,004) |
| Long-Term Lease Liabilities | | (185) | - |
| **Total Long-Term Liabilities** | | **(185)** | **(8,434)** |
| | | | |
| **Net Assets** | | **125,284** | **97,242** |

## Balance Sheet

| | Note | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|---|
| **Usable Reserves:** | | | |
| General Fund Balance | | 2,825 | 2,223 |
| Earmarked Reserves | **9** | 14,048 | 15,619 |
| Capital Receipt Reserve | | 2,386 | 2,812 |
| **Total Usable Reserves** | | **19,259** | **20,654** |
| | | | |
| **Unusable Reserves:** | **14** | | |
| Revaluation Reserves | **14(a)** | 34,294 | 40,057 |
| Pooled Fund Adjustment Account | **14(b)** | (105) | (244) |
| Capital Adjustment Account | **14(c)** | 61,450 | 43,728 |
| Pensions Reserve | **14(d)** | 12,376 | (3,430) |
| Collection Fund Adjustment Account | **14(e)** | (1,640) | (3,167) |
| Accumulated Compensated Absences Adjustment Account | **14(f)** | (349) | (356) |
| **Total Unusable Reserves** | | **106,025** | **76,588*** |
| | | | |
| **Total Reserves** | | **125,284** | **97,242** |

The Statement of Accounts presents a true and fair view of the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March 2025. The notes on pages 20 to 86 form part of the financial statements.

Dated: 18 July 2025

Karen Sly CPFA, Interim Section 151 Officer

***This figure has been restated to correct a prior year casting error**

**Cash Flow Statement**

| | Note | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|---|
| Net Surplus/(Deficit) on the provision of services | 7 | 18,840 | (35) |
| Adjustments to Net Surplus/(Deficit) on the provision of services for non-cash movements | 15 | 3,658 | 242 |
| Adjustments for items included in the Net Surplus/(Deficit) on the provision of services that are investing and financing activities | 15 | (23,353) | 2,550 |
| **Net Cash Flows generated from Operating activities** | | **(854)** | **2,757** |
| Investing Activities | 16 | 8,873 | (4,914) |
| Financing Activities | 17 | (2,015) | (3,306 |
| Net Increase/(Decrease) in Cash and Cash Equivalents | | **6,004** | **(5,463)** |
| Cash and Cash equivalents at the beginning of the reporting period | 18 | **(4,043)** | **1,420** |
| Cash and Cash equivalents at the end of the reporting period | 18 | **1,961** | **(4,043)** |

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## 1. Accounting Policies

### A. General Principles

The Statement of Accounts summarises the Council's transactions for the 2023/24 financial year and its position at the year-end of 31 March 2025.

The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015. These practices primarily comprise the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and the Service Reporting Code of Practice 2024/25 supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

A local authority's Statement of Accounts are prepared on a going concern basis, this is, the accounts should be prepared on the assumption that the Council will continue in operational existence for the foreseeable future. This means in particular that the income and expenditure accounts and balance sheet assume no intention to curtail significantly the scale of the operation.

The accounting policies detailed below have been consistently applied within the Financial Statements.

### B. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Council transfers the significant risks and rewards of ownership to the purchaser, and it is probable that economic benefits or service potential associated with the transaction will flow to the Council
- Revenue from the provision of services is recognised when the Council can measure reliably the percentage of completion of the transaction, and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.
- Supplies are recorded as expenditure when they are consumed - where there is a gap between the date supplies are received and their consumption; they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including those services provided by employees) are recorded as expenditure when the services are received, rather than when payments are made.
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a receivable or payable for the relevant amount is recorded in the Balance Sheet. Where there is evidence that debts are unlikely to be settled, the balance of receivables is written down and a charge made to revenue for the income that might not be collected.

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Where the Council is acting as an agent for another party (e.g. in the collection of NNDR and Council Tax), income and expenditure are recognised only to the extent that commission is receivable by the Council for the agency services rendered or the Council incurs expenses directly on its own behalf in rendering the services.

### C. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable on demand. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash on the Balance Sheet date, and which are subject to an insignificant risk of change in value.

### D. Changes in Accounting Policies and Estimates and Errors

Changes in accounting policies are made only when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events, and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

During the year, the Council adopted IFRS 16 Leases as part of its accounting policies, in line with the CIPFA Code of Practice on Local Authority Accounting. The new standard changes the way lessee leases are accounted for, requiring recognition of most leases on the Balance Sheet as right-of-use assets with corresponding lease liabilities. The change has been applied retrospectively, and relevant prior year figures have been restated where necessary.

Changes in accounting estimates are accounted for prospectively, i.e., in the current and future years affected by the change.

In addition, some prior year figures were restated to improve accuracy and correct casting errors. These restatements also included the reclassification of balances within the notes to enhance presentation and clarity.

### E. Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- Depreciation attributable to the assets used by the relevant service;
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off;
- Amortisation of intangible assets attributable to the service.

The Council is not required to raise Council Tax to cover depreciation, revaluation and impairment losses or amortisations.

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## F. Employee Benefits

Benefits Payable during Employment

Short-term employee benefits (those that fall due wholly within 12 months of the year-end), such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, are recognised as an expense in the year in which employees render services to the Council. An accrual is made against services in the Surplus or Deficit on the Provision of Services for the cost of holiday entitlements and other forms of leave earned by employees but not taken before the year-end and which employees can carry forward into the next financial year. The accrual is made at the remuneration rates applicable in the following financial year. Any accrual made is required under statute to be reversed out of the General Fund Balance by a credit to the Accumulating Compensated Absences Adjustment Account in the Movement in Reserves Statement.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement when the Council is demonstrably committed to either terminating the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for termination benefits related to pensions enhancements and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-employment Benefits

Employees of the Council are members of the Local Government Pensions Scheme (LGPS), administered by Norfolk County Council. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

The Local Government Scheme is accounted for as a defined benefits scheme in accordance with the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2011, the Local Government Pension Scheme (Administration) Regulations 2009 and the Local Government Pension Scheme (Transitional Provisions) Regulations 2014.

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- The liabilities of the Norfolk Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate of 5.80% (4.85% in 2023/24). This rate is based on a corporate yield curve based on the constituents of the iBoxx corporate bond index. In line with the adoption of IAS 19 – Employee Benefits, an individual discount rate is calculated for each employer, based on their own weighted average duration category. The weighted average duration is used to identify the appropriate category for each employer as shown in the table below:

| Weighted Average Duration | Discount Rate Category |
|---|---|
| Less than 17 years | Short |
| Between 17 and 23 years | Medium |
| More than 23 years | Long |

- The change in the net pensions liability is analysed into seven components:

  - Current service cost - The increase in the present value of the defined benefit obligation resulting from employee service in the current period.
  - Past service cost – The increase in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may either be positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).
  - Interest cost – The increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to payment.
  - Expected return on assets -The expected increase during a period in the value of assets, based on values and long term expected returns as at the start of the period.
  - Gains/losses on settlements and curtailments -the result of actions to relieve the Council of liabilities or events that reduce the expected future service or accrual of benefits of employees - debited/credited to the Surplus/Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs;
  - Actuarial gains and losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions - debited to the Pensions Reserve. These are recognised under 'other comprehensive income'.
  - Contributions paid to the Norfolk pension fund - cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

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In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact on the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

**G. Events after the Balance Sheet Date**

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events;
- Those that are indicative of conditions that arose after the reporting period - the Statement of Accounts are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes to the accounts of the nature of the events and their estimated financial effect.

**H. Exceptional Items**

When items of income and expense are material, their nature and amount is disclosed, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

**I. Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes, benefits and Government grants, do not give rise to financial instruments.

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## J. Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity which is potentially unfavourable to the Council.

The majority of the Council's financial liabilities held during the year are measured at amortised cost and comprised:

- Short term loans from other local authorities
- Overdrafts with Barclays bank
- Lease payables
- Trade payables for goods and services received

## K. Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash, equity instruments or a contractual right to receive cash or other financial assets or a right to exchange financial assets and liabilities with another entity that is potentially favourable to the Council. The financial assets held by the Council during the year are accounted for under the following three classifications:



Amortised Cost comprising:

- Cash in hand
- Bank current and deposit accounts with Barclays bank
- Loans to other local authorities
- Loans to small companies and housing associations
- Covered bonds issued by banks and building societies
- Trade receivables for goods and services provided

Fair value through profit and loss (all other financial assets) comprising:

- Money market funds
- Pooled bond, equity and property and multi-asset funds

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Where loans are advanced at below market rates, they are classed as 'Soft Loans' and specific accounting requirements apply to them. The Council has a very small number of car loans to employees and other loans to voluntary organisations to encourage leisure activities and economic development. The impact of accounting fully for the losses on these loans is considered to be immaterial and the special accounting requirements have not been applied.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

**L. Government Grants and Contributions**

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Account until conditions attached to the grant or contributions have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset received in the form of the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as payables. When conditions are satisfied, the grant or contribution is credited to the relevant service line (for attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Account are transferred to the Capital Adjustment Account once they have been applied.

Where general (non-ring fenced) revenue grants are allocated to the Council by Central Government these are credited to Taxation and Non-Specific Grant Income in the Comprehensive Income and Expenditure Statement.

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**M. Intangible Assets**

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council for more than one financial year.

Intangible assets are initially measured at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service lines in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired - any losses recognised are posted to the relevant service lines in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and for any sale with proceeds greater than £10,000 the Capital Receipts Reserve.

**N. Inventory and Work in Progress**

Inventories including bar stock are included in the Balance Sheet at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method.

**O. Investment Properties**

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's length. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and for any sale proceeds greater than £10,000 the Capital Receipts Reserve.

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## P. Leases

A lease is defined as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Authority recognises a right-of-use asset and a corresponding lease liability at the lease commencement date for all leases, except for those where the lease term is 12 months or less (short-term leases) or where the underlying asset is of low value.

The Council as Lessee

A right of use asset and corresponding lease liability are recognised at commencement of the lease.

The lease liability is measured at the present value of the lease payments, discounted at the rate implicit in the lease, or if that cannot be readily determined, at the lessee's incremental borrowing rate specific to the term and start date of the lease. Lease payments include: fixed payments; variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement; the exercise price under a purchase option if the Council is reasonably certain to exercise; penalties for early termination if the lease term reflects the Council exercising a break option; and payments in an optional renewal period if the Council is reasonably certain to exercise an extension option or not exercise a break option.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured, with a corresponding adjustment to the right of use asset, when there is a change in future lease payments resulting from a rent review, change in an index or rate such as inflation, or change in the Council's assessment of whether it is reasonably certain to exercise a purchase, extension or break option.

The right of use asset is initially measured at cost, comprising: the initial lease liability; any lease payments already made less any lease incentives received; initial direct costs; and any dilapidation or restoration costs. The right of use asset is subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The right of use asset is tested for impairment if there are any indicators of impairment.

Leases of low value assets (value when new less than £10,000) and short-term leases of 12 months or less are expensed to the Comprehensive Income and Expenditure Statement, as are variable payments dependent on performance or usage, 'out of contract' payments and non-lease service components.

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The Council as Lessor

Operating Leases – Where the Council grants an operating lease over a property, the asset is retained in the Balance Sheet. Rental income is credited to the relevant line in the Comprehensive Income and Expenditure Statement (i.e. Surplus/Deficit on trading undertakings). Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a rent-free period).

Finance leases – Where the Council grants a finance lease over a property, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the Council's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long term debtor) asset in the Balance Sheet. Expected residual values of finance leases are reviewed every 5 years.

Lease rentals receivable are apportioned between:

- A charge for the acquisition of the interest in the asset - applied to write down the lease debtor (together with any premiums received); and
- Finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written-off value of disposals is not a charge against Council Tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

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**Q. Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the Council's arrangements for accountability and financial performance.

**R. Property, Plant and Equipment**

Assets that have physical substance and are held for use in the production or supply of goods or services for rental to others or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

A de-minimis level of £10,000 is applied to expenditure on assets.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The cost of assets acquired other than by purchase is deemed to be its fair value unless the acquisition will not increase the cash flows of the Council. In the latter case, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Assets are then carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction - depreciated historical cost
- Surplus assets – fair value, determined by the measurement of the highest and best use value of the asset
- All other assets - fair value, determined by the amount that would be paid for the asset in its existing use (existing use value - EUV).

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Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of fair value.

Assets included in the Balance Sheet at fair value are re-valued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Valuations are carried out either by an internal or external qualified valuer.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a revaluation or impairment loss previously charged to a service.

Where decreases in value are identified, the revaluation loss is accounted for as follows:

- where there is a balance of revaluation gains for the asset in the revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

<u>Impairment</u>

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

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Disposals

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale.

Assets Held for Sale are:

- immediately available for sale;
- where the sale is highly probable;
- actively marketed;
- expected to be sold within 12 months.

The asset is re-valued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously recognised losses. Depreciation is not charged on Assets Held for Sale.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Properly, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are generally categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment. Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

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Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Deprecation is calculated on the following bases:

- Buildings - straight-line allocation over the useful life of the property as estimated by the valuer (typically 30 to 100 years);
- Vehicles, plant and equipment - a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer. The maximum useful life is 10 years and the minimum 4 years typically most assets have a useful life of 5 years;
- Infrastructure – straight line allocation over 20 years.
- Community and Surplus assets – The land element of these is not depreciated, any property is depreciated over its useful life.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Componentisation

Where an item of Property, Plant and Equipment asset has major components whose cost is significant (i.e. more than 30%) in relation to the total cost of the item, the components are depreciated separately. Componentisation is considered for all new valuations, enhancement expenditure and acquisition expenditure carried out on or after 1 April 2011. Where a component is replaced or restored (i.e. enhancement expenditure) the carrying amount of the old component shall be de-recognised before reflecting the enhancement.

The Council recognises the following levels of components:

- Substructure
- Superstructure
- Internal services
- External works

Componentisation is not applicable to land as land is non-depreciable and is considered to have an infinite life.

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## S. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation but where there is uncertainty around the timing.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, and measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. Where the obligation is expected to be settled within 12 months of the Balance Sheet date the provision is recognised as a Current Liability in the Balance Sheet. Other provisions are recognised as Long Term Liabilities.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year and where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made); the provision is reversed and credited back to the relevant service. Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation. Provisions for bad and doubtful debts are maintained in respect of possible losses from non-collection of amounts owing to the Council. This includes council tax, business rates and other income. The provisions are recalculated each year based on age and category of outstanding debt at the end of the financial year, reflecting historical collection patterns, and are included in the Balance Sheet as an adjustment to receivables.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

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**T. Reserves**

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service and included against the Surplus/Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against Council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement benefits and that do not represent usable resources for the Council - these Unusable Reserves are explained elsewhere within the Accounting Statements.

**U. Revenue Expenditure Fund from Capital under Statute**

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of Council tax.

**V. VAT**

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

**W. Council Tax and Non-domestic Rate Income**

Billing authorities in England are required by statute to maintain a separate fund for the collection and distribution of amounts due in respect of Council tax and Non-Domestic Rates (NDR). In its capacity as a Billing Authority, the Council acts as an agent collecting and distributing Council tax and NDR income on behalf of the major preceptors and itself. From 1 April 2009, the Council has been required to show Council tax income in the Comprehensive Income and Expenditure Account as accrued income. From 1 April 2013, the Council has been required to show Non-Domestic Rate income in the Comprehensive Income and Expenditure Account as accrued income.

The Council’s share of Collection Fund income and expenditure is recognised in the Comprehensive Income and Expenditure Statement in the Taxation and Non-Specific Grant Income and Expenditure section.

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**X. Fair Value Measurement**

The Council measures some of its non - financial assets such as surplus assets and investment properties and some of its financial instruments at fair value at the end of the reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either;

a) in the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Council uses a combination of internal and external Valuers to provide valuations for its assets and liabilities in line with the highest and best use definition within the accounting standard. They are therefore using the same assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. This would take into account the markets participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

The Valuers have used valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date,
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly,
- Level 3 – unobservable inputs for the asset or liability.

**2. Accounting Standards That Have Been Issued But Not Yet Been Adopted**

The Code of Practice on Local Authority Accounting in the UK 2024-25 ("the Code") has introduced the following changes in accounting policy, which will need to be adopted fully by the Council in the 2025-26 financial statements from 1 April 2025.

The Council is required to disclose information relating to the impact of the accounting changes on the financial statements as a result of the adoption by the Code of a new standard that has been issued but is not yet required to be adopted by the Council. The Council is required to make disclosure of the estimated effect of the new standard in these financial statements.

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The following accounting standards have changes next year, but these are either not relevant to the Council or the changes are expected to be minor and are not expected to make any change to the reported information in the accounts and will therefore not have a material effect:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) - issued in August 2023. The amendments to IAS 21 clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable
- IFRS 17 Insurance Contracts - issued in May 2017. IFRS 17 replaces IFRS 4 and sets out principles for recognition, measurement, presentation and disclosure of insurance contracts.

The following accounting standards have changes under the Code next year, and the impact of these will be assessed once the Code is issued and more details are available.

Changes to the measurement of non-investment assets within the 2025-26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach. These have the same effect as requiring a change in accounting policy due to an amendment to standards, which would normally be disclosed under IAS 8. However, the adaptations also include a relief from the requirements of IAS 8 following a change in accounting policy



## 3. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- There is a high degree of uncertainty about future levels of funding for Local Government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.
- Asset Categorisation - The Code classifies assets according to certain criteria. For example investment properties are classified as those assets that are held primarily to generate rental income or for capital appreciation, surplus assets are those assets that are surplus to service needs and do not meet the criteria for investment property or assets held for sale. Assets held for sale is usually restricted to property that is expected to be sold in 12 months.
- NNDR ratings list alterations- are estimates made for the expected loss of income as a result of alterations of ratings lists following the Check,

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Challenge, Appeal process. This based on currently outstanding checks, challenges and appeals and as well as expected further ones based on historical values.

## 4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

| Item | Uncertainties | Effect if actual results differ from assumptions |
|---|---|---|
| Property Plant and Equipment | Asset valuation in the current economic climate is subject to significant stress. Impairment reviews by the Council of its asset base have been undertaken in a robust way to reflect the changes in its asset values. Depreciation charges are related to the useful life of the assets and dependant on the level of repairs and maintenance that will be incurred in relation to individual assets. | It is important that the asset values in the Balance Sheet are kept under review. If the useful lives of the assets are reduced depreciation increases and the carrying value of the assets falls. Whilst there is a risk in any valuation exercise changes to useful lives and depreciation do not impact the Council's useable reserves as depreciation charges do not fall on the tax payer. |
| Fair Value Measurements | Where the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets (i.e. Level 1 inputs) their fair value is measured using valuation techniques (e.g. quoted prices for similar assets or liabilities in active markets or, the discounted cash flow). Where possible these inputs are based on observable data, but where this is not possible judgement is required in establishing fair values. This will typically include considerations such as uncertainty and risk. However, changes to the assumptions used could affect the fair value of the Council's assets and liabilities. Where Level 1 inputs are not available, the Council has used relevant experts to identify the most appropriate valuation technique to determine fair value. | The Council uses the discounted cash flow (DCF), and 'market approach' (as defined in paragraphs B5 to B7 of IFRS 13) to measure the fair value of its assets.<br><br>The inputs to this latter technique constitute Level 2 inputs, which are observable for the asset either directly or indirectly. If there were to be significant unobservable inputs, this could result in a significantly lower or higher fair value measurement for the investment properties and financial assets. |

| | | |
|---|---|---|
| Pensions Liability | Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Actuaries are employed by the pension schemes administrators to provide expert advice about the assumptions to be applied. | The effects on the net pension liability of changes in individual assumptions can be measured, for example a 0.1% decrease in the real discount rate assumption would result in an increase of 2% in the pension liability which is approximately £1,567k.<br><br>(i) A one year increase in member life expectancy would result in an increase of approximately 4% in the pension liability, the pension liability would increase by approximately £3,710k.<br>(ii) If salaries were to increase by 0.1% more than anticipated, the pension liability would increase by approximately £667k.<br>(iii) If pensions payable were to increase by 0.1% more than anticipated, the pension liability would increase by 2%, approximating to £1,543 |



## 5. Events After The Balance Sheet Date

The Statement of Accounts were authorised for issue by the interim Section 151 Officer on 18 July 2025. Events taking place after the accounts are authorised for issue are not reflected in the Financial Statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information. There were no subsequent events that required an adjustment to the financial statements and the notes.

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## 6. Note to the Expenditure and Funding Analysis

Adjustments between Funding and Accounting Basis 2024/25.

| | Adjustments for Capital Purposes | Net Change for the Pensions Adjustments | Other Differences | Total Adjustments | Adjustments for Capital Purposes | Net Change for the Pensions Adjustments | Other Differences | Total Adjustments |
|---|---|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| | 2024/25 | 2024/25 | 2024/25 | 2024/25 | 2023/24 | 2023/24 | 2023/24 | 2023/24 |
| CLT/Corporate | 22 | (112) | (29) | (119) | (22) | 44 | 18 | 40 |
| Communities | 100 | (216) | 20 | (96) | (808) | 137 | (5) | (676) |
| Place and Climate Change | 1,256 | (188) | (14) | 1,054 | (1,011) | 112 | 9 | (890) |
| Resources | 278 | (412) | 16 | (118) | (288) | 394 | (20) | 86 |
| **Net Cost of Services** | **1,656** | **(928)** | **(7)** | **721** | **(2,129)** | **687** | **2** | **(1,440)** |
| Other Income and Expenditure | (19,137) | 135 | (1,528) | (20,530) | 5,180 | (546) | 181 | 4,815 |
| **Difference between General Fund Surplus and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services** | **(17,481)** | **(793)** | **(1,535)** | **(19,809)** | **3,051** | **141** | **183** | **3,375** |

**Adjustments for capital purposes –** this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for;

Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for these assets;

Financing & Investment Income & Expenditure – the statutory charges for capital financing and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices;

Taxation and non-specific grant income and expenditure **–** capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with the capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

**Net Change in Pension Adjustments** – this column is the net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income. For services this represents the removal of the employer's pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs. For Financing and investment income and expenditure – the net interest on the defined benefit liability is charged to the CIES.

**Other Differences** – this column relates to other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute. Also included within this column is the charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for Council Tax and NNDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the code. This timing difference as any difference will be brought forward in future surpluses and deficits on the Collection Fund.

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## 7. Expenditure and Income Analysed by Nature

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Expenditure** | | |
| Employee Benefits Expenses | 15,106 | 15,875 |
| Other Service Expenses | 22,754 | 24,904 |
| Support Service Recharges | 13,255 | 12,879 |
| Depreciation, Amortisation, Impairment, DRF | 3,527 | 4,210 |
| Interest Payments | 316 | 424 |
| Precepts and Levies | 3,657 | 3,354 |
| Gain on disposal of assets | (201) | (639) |
| **Total Expenditure** | **58,414** | **61,007** |
| | | |
| **Income** | | |
| Fees, Charges and Other Service Income | (16,946) | (15,786) |
| Interest and Investment Income | (1,387) | (1,552) |
| Income from Council Tax, Non-Domestic Rates, District Rate Income | (38,050) | (22,992) |
| Government Grants and Contributions | (20,872) | (20,641) |
| **Total Income** | **(77,255)** | **(60,971)** |
| | | |
| **(Surplus)/Deficit on the Provision of Services** | **(18,841)** | **36** |

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## 8. Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations

| | General Fund Balance | Capital Receipts Reserve | Capital Grants Unapplied Account | Movement in unusable Reserves | General Fund Balance | Capital Receipts Reserve | Capital Grants Unapplied Account | Movement in unusable Reserves |
|---|---|---|---|---|---|---|---|---|
| | 2024/25 | | | | 2023/24 | | | |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Adjustments to Capital Adjustment Account** | | | | | | | | |
| Reversal of items debited or credited to the CIES | | | | | | | | |
| Depreciation & Impairment of Non-Current Assets | (2,838) | - | - | 2,838 | (2,579) | - | - | 2,579 |
| Revaluation gain/(loss) on PPE | (3,347) | - | - | 3,347 | (556) | - | - | 556 |
| Movement in Investment Property Market Value | (115) | - | - | 115 | - | - | - | - |
| Amortisation of intangible assets | (279) | - | - | 279 | (282) | - | - | 282 |
| Capital Grants & Contributions | 22,383 | - | - | (22,383) | 4,541 | - | - | (4,541) |
| Revenue Expenditure Fund from Capital Under Statute | (327) | - | - | 327 | (794) | - | - | 794 |
| Written off Non-Current Assets on sale or disposal | (422) | - | - | 422 | (2) | - | - | (2) |
| Insertion of items not debited or credited to the CIES | | | | | | | | |
| Statutory Provision for the Financing of Capital Investment | 570 | - | - | (570) | 475 | - | - | (475) |
| Capital Expenditure Charged Against the General Fund | 1,077 | - | - | (1,077) | 1,607 | - | - | (1,607) |
| **Adjustments to Capital Receipts Reserves** | | | | | | | | |
| Transfer of the disposal sales proceeds recorded in CIES | 644 | (644) | - | - | 641 | (641) | - | - |
| Use of Capital Receipts Reserve to finance capital expenditure | - | 1,069 | - | (1,069) | - | 3,130 | - | (3,130) |
| **Adjustments to Pooled Fund Adjustment Account** | | | | | | | | |
| Pool Fund fair value gain/loss debited or credited to CIES | - | - | - | - | - | - | - | - |
| **Adjustments to Pensions Reserve** | | | | | | | | |
| Pension Costs (transferred to/from the pensions reserve) | 793 | - | - | (793) | 140 | - | - | (140) |
| **Adjustments to Collection Fund Adjustment Account** | | | | | | | | |
| Council Tax & NNDR (transfers to/from the Collection fund) | 1,545 | - | - | (1,545) | 181 | - | - | (181) |
| **Adjustments to Accumulating Compensated Absences Adjustment Account** | | | | | | | | |
| Holiday pay | (7) | - | - | 7 | 2 | - | - | 2 |
| **Total Adjustments** | **19,677** | **425** | **-** | **(20,102)** | **3,374*** | **2,489*** | | **(5,863)*** |

***This figure has been restated to correct a prior year casting error.**

**General Fund Balance** - The General Fund is the statutory fund into which all the receipts of a Council are required to be paid and out of which all liabilities of the Council are to be met, except to the extent that statutory rules might provide otherwise.

**Capital Receipts Reserve** – The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes.

**Capital Grants Unapplied** – The Capital Grants Unapplied Account holds grants and contributions received towards capital projects from which the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

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## 9. Movement in Reserves Statement – Transfers to/from Earmarked Reserves

| | Balance at 1 April 2023 £000 | Transfers Out 2023/24 £000 | Transfers In 2023/24 £000 | Balance at 31 March 2024 £000 | Transfers Out 2024/25 £000 | Transfers In 2024/25 £000 | Balance at 31 March 2025 £000 |
|---|---|---|---|---|---|---|---|
| Asset Management | 847 | (245) | - | 602 | (175) | - | 427 |
| Benefits | 727 | - | - | 727 | - | - | 727 |
| Building Control | 224 | (78) | - | 146 | (41) | - | 105 |
| Business Rate Retention | 1,829 | (7) | 131 | 1,952 | (652) | 384 | 1,684 |
| Capital Project Reserve | 556 | (71) | - | 485 | (10) | - | 475 |
| Coast Protection | 467 | (225) | - | 242 | (22) | - | 220 |
| Communities | 406 | (106) | - | 300 | (132) | - | 168 |
| Delivery Plan Reserve | 3,124 | (903) | - | 2,221 | (1,104) | - | 1,117 |
| Economic Development & Regeneration | 233 | (54) | - | 179 | - | - | 179 |
| Election Reserve | 186 | (183) | 60 | 63 | - | 60 | 123 |
| Enforcement Board | 61 | (15) | - | 46 | (6) | - | 40 |
| Environmental Health | 494 | (35) | 83* | 543* | - | 126 | 669 |
| Environment | 150 | - | - | 150 | - | - | 150 |
| Grants | 2,620 | (17) | 84 | 2,687 | (19) | 51 | 2,719 |
| Grassed Area Deposits | 371 | - | - | 371 | - | - | 371 |
| Housing | 2,275 | (985) | 132 | 1,422 | (244) | 373 | 1,551 |
| Innovation Fund | - | (100) | 572* | 472* | (17) | 137 | 592 |
| Land Charges | 337 | - | - | 339 | (89) | - | 250 |
| Legal | 93 | (5) | - | 88 | (36) | - | 52 |
| Major Repairs Reserve | 588 | (130) | - | 458 | (2) | - | 456 |
| Net Zero Reserve | 500 | (28) | - | 472 | (88) | - | 384 |
| New Homes Bonus | 223 | (76) | - | 147 | (28) | - | 119 |
| Organisational Development | 155 | (43) | - | 111 | (13) | - | 98 |
| Pathfinder | 90 | - | - | 90 | - | - | 90 |
| Planning – Revenue | 417 | (179) | 50 | 288 | (87) | 77 | 278 |
| Restructuring and Invest to Save | 664 | - | 53 | 715 | (56) | 39 | 698 |
| Treasury Reserve | 500 | (200) | - | 300 | - | - | 300 |
| **Total** | **18,137** | **(3,685)** | **1,165** | **15,617** | **(2,821)** | **1,247** | **14,043** |
| **Total transfers out during the year** | | **(3,685)** | | | **(2,821)** | | |
| **Total transfers in during the year** | | **1,165** | | | **1,247** | | |
| **Net Movement in Earmarked Reserves** | | **(2,520)** | | | **(1,574)** | | |

The purpose of each earmarked reserves is explained below:

**Asset Management** - To support improvements to our existing assets as identified through the Asset Management Plan.

**Benefits** - To mitigate any claw back by the Department of Works and Pensions following final audited subsidy determination.

**Building Control** – Ring- fenced to cover any future deficits on the building control service.

**Business Rates Retention –** To be used to mitigate the impact of final claims and appeals in relation to business rates retention scheme.

**Capital Projects Reserve** - To provide funding for capital projects. This includes the VAT shelter income that is received in the year and not yet spent on projects.

**Coast Protection** - To support the on-going coast protection maintenance programme.

**Common Training** - To deliver the corporate training and development programme.

**Communities** – To support projects that communities identify where they will make a difference to the economic and social wellbeing of the area. This is funded from the return of the second homes funding from Norfolk County Council.

**Economic Development and Regeneration:** Service underspends rolled forward that relate to one off projects or expenditure not budgeted for in future years, including learning for everyone.

**Election Reserve** - Established to meet costs associated with district council elections, to smooth the impact between financial years.

**Environmental Health** - Earmarking of underspends and additional income to meet Environmental Health.

**Grants –** Earmarking of grants received in the year for which expenditure is yet to be incurred, for example due to the timing of the receipt.

**Grassed Area Deposits** - To finance ongoing commitments in relation to grounds maintenance contracts.

**Housing** – Includes Community Housing Fund grant received from the Ministry of Housing, Communities and Local Government (MHCLG) This is to support community led housing schemes and assisting in the delivery of affordable housing within the area.

**Land Charges** – To mitigate the impact of potential income reductions for the service.

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**Legal –** Includes funding for Compulsory Purchase Order (CPO) work and other one-off work.

**Local Strategic Partnership** – Ring fenced from the former Local Strategic Partnership, earmarked for ongoing liabilities.

**LSVT Reserve** – To meet the cost of successful warranty claims not covered by bonds and insurance following the housing stock transfer.

**New Homes Bonus (NHB)** – Established for supporting communities with future growth and development and Plan review.

**Organisational Development** - To provide funding for organisation development to create capacity within the organisation, including the support of apprenticeship and intern programmes.

**Pathfinder** - To help coastal communities adapt to coastal changes. The balance represents grant funding that has been received that has been fully allocated to projects to deliver the Pathfinder objectives but has not yet been spent.

**Planning** – Additional Planning Income earmarked for Planning Initiatives including Plan Business Process Review.

**Property Investment Fund** – To provide funding for the acquisition and development of new land and property assets

**Property Company** – To fund potential housing development and property related schemes

**Restructuring and Invest to Save** - To be used for restructuring costs including one-off redundancy and pension strain costs and invest to save projects that will deliver efficiency savings.

**Sports Hall Equipment and Sports Facilities -** To support renewals for sports hall equipment. Transfers in the year represents over or under achievement of income target.

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## 10. Comprehensive Income and Expenditure Statement – Other Operating Expenditure

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Parish Council Precepts | 3,129 | 2,876 |
| Gain on the Disposal of Non-Current Assets | (201) | (639) |
| **Total** | **2,928** | **2,237** |

## 11. Comprehensive Income and Expenditure Statement – Financing Investment Income and Expenditure

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Interest Expense | 334 | 441 |
| Pension Interest Cost and Expected Return on Pensions Assets | 144 | 546 |
| Interest Income | (1,387) | (1,552) |
| Fair Value changes of Investment Properties | 41 | - |
| **Total** | **868** | **(565)** |

## 12. Comprehensive Income and Expenditure Statement – Taxation and Non-Specific Grant Income

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Council Tax Income | (10,317) | (9,747) |
| Non-Domestic Rates | (8,596) | (8,691) |
| Other Non-Ringfenced Government Grant | (2,252) | (1,993) |
| Capital Grant and contributions | (19,137) | (4,554) |
| **Total** | **(40,302)** | **(24,985)** |

## 13. Balance Sheet – Usable Reserves

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement and Note 8 and Note 9.

## 14. Balance Sheet – Unusable Reserves

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Revaluation Reserve | 37,305 | 40,057 |
| Pooled Fund Adjustment Account | (105) | (243) |
| Capital Adjustment Account | 58,439 | 43,728 |
| Financial Instruments Adjustment Account | - | - |
| Pensions Reserve | 12,376 | (3,430) |
| Collection Fund Adjustment Account | (1,640) | (3,167) |
| Accumulated Compensated Absences Adjustment Account | (349) | (356) |
| **Total** | **106,026** | **(76,589)** |

### 14(a) Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment (and Intangible Assets). The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Balance at 1 April** | **(40,057)** | **(27,762)** |
| Upward revaluation of assets | (1,312) | (14,488) |
| Downward revaluation of assets and impairments losses not charged to the Surplus/Deficit on Provision of Services | 7,259 | 1,742 |
| Difference between Fair Value Depreciation and Historical Cost Depreciation | (184) | 451 |
| **Balance at 31 March** | **(34,294)** | **(40,057)** |

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### 14(b) Pooled Fund Adjustment Account

The Pooled Fund Adjustment Account contains the gains made by the Council arising from increases in the value of its investments in pooled funds and are therefore accounted for under IFRS 9 at fair value through profit and loss. A statutory override currently applies enabling gains or losses to be transferred to this unusable reserve, thereby protecting the Council Tax payer from changes in fair value on these investments. The balance is reduced when investments with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- disposed of and the gains are realised

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Balance at 1 April** | **243** | **124** |
| Upward/(Downward) Revaluation of Investments Charged to the Surplus/Deficit on the Provision of Services. | (139) | (367) |
| **Balance at 31 March** | **104** | **(243)** |

### 14(c) Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Council.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 8 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

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| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Balance at 1 April** | **43,728** | **37,564** |
| Reversal of items relating to capital expenditure posted to the CIES | | |
| Charges for Depreciation and Impairment on Non-Current Assets | (2,838) | (2,579) |
| Revaluation losses on Property, Plant and Equipment | (42) | (556) |
| Amortisation of Intangible Assets | (279) | (281) |
| Revenue expenditure funded from capital under statute | (327) | (793) |
| Non-Current Assets written off on disposal to the CIES | (422) | (2) |
| | **39,820** | **33,353** |
| Adjusting amounts written out of the revaluation reserve | (184) | 451 |
| Net written out amount of the cost of non-current assets consumed in the year | **39,636** | **33,804** |
| Capital Financial Applied in the year: | | |
| Use of capital receipts reserve to finance new capital expenditure | 1,069 | 3,130 |
| Capital Grants and contributions credited to the CIES that have been applied to capital financing | 19,137 | 4,712 |
| Statutory provision for the financing of capital investment charged against the General Fund balance | 570 | 475 |
| Capital Expenditure charged against the General Fund balance | 1,079 | 1,607 |
| | **61,491** | **43,728** |
| Movements in the market value of investment properties debited or credited to the CIES | (41) | - |
| **Balance at 31 March** | **61,450** | **43,728** |

The revenue expenditure funded from capital under statute (REFCUS) grant funding has been applied to the REFCUS line of the CAA note above. Please refer to Note 31 - Capital Expenditure and Capital Financing for the gross balances.

**14(d) Pensions Reserve**

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the

Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The deficit on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Balance at 1 April** | **(3,430)** | **(11,827)** |
| Actuarial gains/(losses) on pensions assets and liabilities | 15,013 | 8,265 |
| Reversal of Items relating to retirement benefits debited or credited to the surplus or deficit on the provision of services in the CIES | (2,241) | (2,901) |
| Employer's pension contributions and direct payment to pensioners payable in the year | 3,034 | 3,033 |
| **Balance at 31 March** | **12,376** | **(3,430)** |

### 14(e) Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of Council Tax and Business Rate income in the Comprehensive Income and Expenditure Statement as it falls due from Council Tax and Business Rate payers, compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Balance at 1 April** | **(3,167)** | **(2,978)** |
| Amount by which Council Tax and Business Rate Income credited to the CIES is different from Council Tax and Business Rate income calculated for the year in accordance with statutory requirements | 1,527 | (189) |
| **Balance at 31 March** | **(1,640)** | **(3,167)** |

### 14(f) Accumulating Compensated Absences Adjustment Account

The Accumulating Compensated Absences Adjustment Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences, e.g. annual leave, earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

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| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Balance at 1 April** | **(356)** | **(354)** |
| Settlement or cancellation of an accrual made at the end of the preceding year | 356 | 354 |
| Amounts accrued at the end current year | (356) | (354) |
| Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements | 7 | (2) |
| **Balance at 31 March** | **(349)** | **(356)** |

## 15. Cash Flow Statement – Arising from Operating Activities

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Interest received | 25 | 1,552 |
| Interest paid | 22 | (441) |
| **Net cash flows from operating activities** | **47** | **1,111** |
| **The surplus or deficit on the provision of services has been adjusted for the following** | | |
| Depreciation | 2,838 | 2,579 |
| Impairment and downward valuations | 83 | ,556 |
| Amortisation | 279 | 282 |
| Increase/(decrease) in creditors | 250 | (3,450) |
| Increase in Interest and Dividend Debtors | - | - |
| (Increase)/decrease in debtors | 521 | (484) |
| (Increase)/decrease in inventories | 7 | (4) |
| Movement in pension liability | (793) | 799 |
| Carrying amount of non-current assets, and non-current assets held for sale, sold or derecognised | 422 | 2 |
| Movement in Investment Property Values | 51 | (38) |
| | **3,658** | **242** |
| **Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities** | | |
| Capital grants credited to surplus or deficit on the provision of services | - | - |
| Net adjustment from the sale of short term and long term investments | - | 3,191 |
| Proceeds from the sale of property, plant and equipment, investment property, and intangible assets | - | - |
| Fair value pooled funds | (644) | (641) |
| Other items for which the cash effects are investing or cash flows | (22,709) | - |
| | **23,353** | **2,550** |

## 16. Cash Flow Statement – Investing Activities

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Purchase of property, plant and equipment, investment property and intangible assets | (18,031) | (13,622) |
| Purchase of short-term and long-term investment | - | - |
| Proceeds from sale of property, plant and equipment, investment property and intangible assets | 644 | (249) |
| Proceeds from short-term and long-term investments | - | - |
| Other receipts from investing activities | 26,260 | 8,957 |
| **Net cash flows from investing activities** | **8,873** | **(4,914)** |

## 17. Cash Flow Statement – Financing Activities

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Cash receipts of short-term and long-term borrowing | 14,900 | 18,700 |
| Other receipts from financing activities | 50 | - |
| Repayments of short-term and long-term borrowing | (19,600) | (21,000) |
| Other payments for financing activities | 2,636 | (1,006) |
| **Net cash flows from financing activities** | **(2,014)** | **(3,306)** |

## 18. Cash Flow Statement – Cash and cash equivalents

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Cash held by officers | 4 | 3 |
| Bank current accounts | (3,401) | (6,071) |
| Investments in liquidity money market funds | 5,358 | 2,024 |
| **Total cash and cash equivalents** | **1,962** | **(4,044)** |

## 19. Trading Operations

The Council currently operates three general produce markets on two car park sites in Sheringham and Cromer. They are provided to meet local demands and to promote tourism. The trading objective is to minimise the deficit relating to the service.

The Council lets a total of 20 industrial units and self-occupies 1 over 4 sites in Catfield, North Walsham and Fakenham. The Catfield and Cornish Way, North Walsham sites offer starter units which were developed jointly with EEDA, to provide opportunities for local business start-ups and developments. 3 larger brand-new units at Hornbeam Road, North Walsham were acquired in December 2020. The trading objective is to minimise the deficit relating to the service.

Trading operations are incorporated into the CIES. Some are an integral part of one of the Council's services to the public (e.g. refuse collection), whilst others are support services to the Council's services to the public. The expenditure of these operations is allocated or recharged to the relevant service area within the CIES Cost of Services.

The surplus is due to higher income from both market traders and rental income at the industrial units.

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| General Produce Markets | | |
| Turnover | (31) | (32) |
| Expenditure | 73 | 70 |
| Deficit/(Surplus) | 42 | 38 |
| Industrial Units | | |
| Turnover | (67) | (94) |
| Expenditure | 99 | 102 |
| Deficit/(Surplus) | 31 | 8 |
| **Total (Surplus)/Deficit on trading operations** | **73** | **46** |
| Services to the public including expenditure of continuing operations | 73 | 46 |
| Support Services recharged to expenditure of continuing operations | (2) | (2) |
| **Net (Surplus)/Deficit included within operating expenditure** | **71** | **44** |

## 20. External Audit Costs

The Council has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and to non-audit services provided by the Council's external auditors:

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Fees payable for external audit services carried out by the appointed auditor for the year | 164 | 150 |
| Fees payable for the certification of grant claims and returns for the year | 21 | 21 |
| Additional fees in respect of the prior year audit | - | 68 |
| **Total** | **185** | **239** |

## 21. Members Allowances

The Council paid the following amounts to Members of the Council during the year. Full details can be obtained by writing to:

Information Services, Holt Road, Cromer, Norfolk, NR27 9EN.

| | 2024/25 £ | 2023/24 £ |
|---|---|---|
| Allowances | 366,539 | 344,649 |
| Expenses | 9,828 | 11,056 |
| **Total** | **376,367** | **355,705** |

## 22. Officers' Remuneration

The following table sets out the remuneration paid to the Council's senior officers. A senior officer is defined as being a statutory chief officer as defined in the Local Government and Housing Act (LGHA) 1989 section 2(6); a non-statutory Chief officer as defined in the LGHA 1989 section 2(7); or someone with responsibility for the management of the Council, being able to direct or control its major activities, whether solely or collectively.

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**For the period 1 April 2023 to 31 March 2025:**

| Job Title | Year | Salary, Fees and Allowance | Bonuses | Expenses Allowances | Compensation for loss of office | Sub-Total | Pension Contribution | Total |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **1 April 2024 to 31 March 2025** | | | | | | | | |
| Chief Executive | 2024/25 | 121,541 | - | 963 | - | 122,504 | 16,616 | **139,120** |
| Director for Communities | 2024/25 | 97,266 | - | 963 | - | 98,229 | 14,104 | **112,333** |
| Director for Resources & Section 151 Officer | 2024/25 | 94,636 | - | 963 | - | 95,599 | 13,722 | **109,321** |
| Director for Place & Climate Change | 2024/25 | 97,266 | - | 963 | - | 98,229 | 13,173 | **111,402** |
| Monitoring Officer | 2024/25 | 72,348 | - | 963 | - | 73,311 | 10,491 | **83,801** |
| **1 April 2023 to 31 March 2024** | | | | | | | | |
| Chief Executive | 2023/24 | 118,576 | - | 963 | - | 119,539 | 15,991 | **135,530** |
| Director for Communities | 2023/24 | 94,893* | - | 963 | - | 95,826 | 13,759 | **109,615** |
| Director for Resources & Section 151 Officer | 2023/24 | 89,555 | - | 963 | - | 90,518 | 12,985 | **103,503** |
| Director for Place & Climate Change | 2023/24 | 94,893* | - | 963 | - | 95,826 | 13,203 | **109,059** |
| Monitoring Officer | 2023/24 | 69,127 | - | 963 | - | 70,090 | 10,023 | **80,113** |

The number of employees not falling into the category of senior officers shown above whose remuneration, excluding pension contributions was £50,000 or more in bands of £5,000 were:

| Renumeration Band | 2024/25 Number of Employees | 2023/24 Number of Employees |
|---|---|---|
| £50,000 - £54,499 | 7 | 11 |
| £55,000 - £59,999 | 10 | 6 |
| £60,000 - £64,499 | 3 | 1 |
| £65,000 - £69,999 | 4 | 3 |
| £70,000 - £74,499 | - | 1 |

***These figures have been restated to correct prior year typing errors**

## 23. Exit Packages

The number of exit packages agreed with the total cost per band and total cost of the compulsory and other are set out in the table below.

| | 2024/25 | | | | 2023/24 | | | |
|---|---|---|---|---|---|---|---|---|
| **Bandings** | **Compulsory Redundancies Number of Employees** | **Other Departures Number of Employees** | **Total Employees** | **Total Amount £** | **Compulsory Redundancies Number of Employees** | **Other Departures Number of Employees** | **Total Employees** | **Total Amount £** |
| **£0 - £20,000** | 1 | - | 1 | 14,231 | - | 1 | 1 | 11,055 |
| **£20,001 - £40,000** | - | - | - | - | - | 1 | 1 | 35,385 |
| **£40,001 - £60,000** | - | - | - | - | - | - | - | - |
| **£60,001 - £80,000** | - | - | - | - | - | - | - | - |
| **£80,000 - £100,000** | - | - | - | - | - | - | - | - |
| | **1** | **-** | **1** | **14,231** | **-** | **2** | **2** | **46,440** |

## 24. Defined Benefit Pension Schemes

### Participation in pension schemes

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments and this needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in two post- employment schemes:

- The Local Government Pension Scheme, administered locally by Norfolk County Council - this was a funded defined benefit final salary scheme up to 31/03/2014 then replaced with a Career Average Revalued Earnings (CARE) scheme from the 01/04/2014, The Council and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

- Arrangements for the award of discretionary post-retirement benefits upon early retirement - this is an unfunded defined benefit final arrangement; under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet the pension's liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

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**Transactions relating to post-employment benefits**

The Council recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against Council Tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

| **Comprehensive Income and Expenditure Statement** | **Local Government Pension Scheme 2024/25 £000** | **Local Government Pension Scheme 2023/24 £000** |
|---|---|---|
| Cost of Services | | |
| Current service cost | 2,080 | 2,355 |
| Past service costs loss | 17 | - |
| | | |
| Financing and Investment Income and Expenditure | | |
| Interest Cost | 5,122 | 5,009 |
| Expected return on scheme asset | (4,978) | (4,463) |
| **Total post-employment benefit charged to the surplus/deficit on the provision of services** | **2,241** | **2,901** |
| | | |
| Other post-employment benefit charged to the Comprehensive Income and Expenditure Statement | | |
| Actuarial gains/(losses) | 15,013 | 8,265 |
| Total post-employment benefit (credited)/charged to the CIES | (17,254) | (11,116) |
| | | |
| Movement in Reserves Statement: | | |
| Reversal of net charges made to the surplus/deficit for the provision of services for post-employment benefits in accordance with the code | (2,241) | (2,901) |
| | | |
| Actual amount charged against the general fund balance for pensions in the year | | |
| **Employers' contribution payable to the scheme** | **3,034** | **3,033** |

**Assets and liabilities in relation to post-employment benefits**

Reconciliation of present value of the scheme liabilities (defined benefit obligation):

| **Pension Scheme Funded Liabilities Local Government*** | **2024/25 £000** | **2023/24 £000** |
|---|---|---|
| Opening balance at 1 April | (106,458) | (106,095) |
| Current service cost | (2,080) | (2,355) |
| Interest cost | (5,122) | (5,009) |
| Contributions by scheme participants | (727) | (746) |
| Actuarial (gains)/losses | 17,237 | 3,334 |
| Benefits paid | 4,161 | 4,160 |
| Unfunded benefits paid | 253 | 253 |
| Past service costs | (17) | - |
| **Closing Balance at 31 March** | **(92,753)** | **(106,458)** |

Reconciliation of fair value of the scheme (plan) assets:

| **Local Government Pension Scheme** | **2024/25 £000** | **2023/24 £000** |
|---|---|---|
| Opening balance at 1 April | 103,028 | 94,268 |
| Expected rate of return | 4,978 | 4,463 |
| Actuarial gain/(loss) | (2,224) | 4,931 |
| Employers' contributions | 2,781 | 2,780 |
| Contributions by scheme participants | 727 | 746 |
| Contributions in respect of Unfunded Benefits | 253 | 253 |
| Benefits paid | (4,161) | (4,160) |
| Unfunded benefits paid | (253) | (253) |
| **Closing Balance at 31 March** | **105,129** | **103,028** |
| | | |
| **Net pension asset/(liability)** | **12,376** | **(3,340)** |

***To ensure consistency and improve comparability across reporting periods, prior year figures have been restated to present certain amounts as negatives in line with the current year's financial statement presentation. This adjustment aligns the presentation format of income, expenses, assets, and liabilities between periods. The restatement does not affect the previously reported net results or financial position.**

**Fair Value of Employer Assets**

| Asset Category | 2024/25 Quoted price in active markets £000 | 2024/25 Quoted price not in active markets £000 | 2024/25 Total £000 | 2024/25 Percentage of total assets £000 | 2023/24 Quoted price in active markets £000 | 2023/24 Quoted price not in active markets £000 | 2023/24 Total £000 | 2023/24 Percentage of total assets £000 |
|---|---|---|---|---|---|---|---|---|
| **Equity Securities:** | | | | | | | | |
| Consumer | - | - | - | 0% | - | - | - | 0% |
| Manufacturing | - | - | - | 0% | - | - | - | 0% |
| Energy & Utilities | - | - | - | 0% | - | - | - | 0% |
| Financial Institutions | - | - | - | 0% | - | - | - | 0% |
| Health & Care | - | - | - | 0% | - | - | - | 0% |
| Information Technology | - | - | - | 0% | - | - | - | 0% |
| Other | - | - | - | 0% | - | - | - | 0% |
| **Debt Securities:** | | | | | | | | |
| Corporate Bonds (Investment Grade) | - | - | - | 0% | - | - | - | 0% |
| Corporate Bonds - Non-Investment Grade | - | - | - | 0% | - | - | - | 0% |
| UK Government | 1,980 | - | 1,980 | 2% | 2,575 | - | 2,575 | 2% |
| Other | - | - | - | 0% | - | - | - | 0% |
| **Private Equity:** | | | | | | | | |
| All | - | 13,363 | 13,363 | 13% | - | 12,972 | 12,972 | 13% |
| **Real Estate** | | | | | | | | |
| UK Property | - | 6,658 | 6,658 | 6% | - | 7,709 | 7,709 | 7% |
| Overseas Property | - | 979 | 979 | 1% | - | 1,163 | 1,163 | 1% |
| **Investment & Unit Trusts** | | | | | | | | |
| Equities | 58,345 | - | 58,345 | 56% | 43,819 | - | 43,819 | 43% |
| Bonds | 7,884 | - | 7,884 | 8% | 19,641 | - | 19,641 | 19% |
| Infrastructure | | 11,672 | 11,672 | 11% | - | 11,748 | 11,748 | 11% |
| Other | - | - | - | 0% | - | - | - | 0% |

**Fair Value of Employer Assets (continued)**

| Asset Category | 2024/25 Quoted prices in active markets £000 | 2024/25 Quoted prices not in active markets £000 | 2024/25 Total £000 | 2024/25 Percentage of total assets £000 | 2023/24 Quoted prices in active markets £000 | 2023/24 Quoted prices not in active markets £000 | 2023/24 Total £000 | 2023/24 Percentage of total assets £000 |
|---|---|---|---|---|---|---|---|---|
| **Derivatives:** | | | | | | | | |
| Foreign Exchanges | 60 | - | 60 | 0% | 1,834 | - | 1,834 | 2% |
| Other | | | | | - | - | - | 0% |
| **Cash & Cash Equivalents:** | | | | | | | | |
| All | 3,511 | - | 3,511 | 3% | 1,567 | - | 1,567 | 2% |
| **Total** | **71,870** | **32,672** | **104,452** | **3,571** | **69,435** | **33,593** | **103,028** | **100%** |



**Basis for estimating assets and liabilities**

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries, estimates for the County Council Fund being based on the latest full valuation of the scheme as at 1 April 2022. In relation to the Commutation Adjustment, an allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

The principal assumptions used by the actuary have been:

| **Mortality Assumptions** | **Local Government Pension Scheme 2024/25** | **Local Government Pension Scheme 2023/24** |
|---|---|---|
| Longevity at 65 for Current Pensioners: | | |
| Men | 22.0 | 22.1 |
| Women | 24.4 | 24.5 |
| Longevity at 65 for Future Pensioners: | | |
| Men | 22.7 | 22.8 |
| Women | 26.0 | 26.0 |
| Pension Increase Rate (CPI) | 2.75% | 2.75% |
| Rate of Increase in Salaries | 3.45% | 3.45% |
| Rate of Discounting Scheme Liabilities | 5.80% | 4.85% |

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**History of experience gains and losses**

The actuarial gains identified as movements on the Pensions Reserve in 2024/25 can be analysed into the following categories, measured as a percentage of assets or liabilities at 31 March 2025.

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| | % | % | % | % | % |
| Difference between the expected and actual return on assets | (2.0) | 4.8 | (3.9) | 6.1 | 17.8 |
| Experience gains and losses on liabilities | (1.2) | 3.1 | 0.1 | 3.0 | (0.7) |

## 25. Related Parties

This disclosure note has been prepared using the Council's Register of Members' Declarations of interest in addition to a specific declaration obtained in respect of related party transactions from Members and Chief Officers.

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

**Central Government**

Central Government has effective control over the general operations of the Council - it is responsible for providing the statutory framework, within which the Council operates, provides most of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. Council tax bills, housing benefits). Grants received from Government departments are set out in the expenditure and income analysed by nature in Note 7. Grant receipts outstanding at 31 March 2025 are shown in Note 38.

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**Members & Officers**

Members of the Authority have direct control over the Authority's financial and operating policies. The total of members' allowances paid in 2024/25 is shown in Note 21. During 2024/25, works and services to the value of £5,279,249 were commissioned from companies in which 25 members had an interest. Contracts were entered into in full compliance with the Authority's standing orders.

The most significant total values for general expenditure were:

- £4,918,751 linked to Norfolk County Council in which five Members had an interest.
- £113,917 linked to the University of East Anglia in which one Member had an interest.
- £181,741 linked to Victory Leisure Centre in which one Member had an interest.

In addition, the Authority paid grants totalling £1,490,171 to voluntary organisations in which 10 members had declared an interest. In all instances, the grants were made with proper consideration of declarations of interest. There were no material expenditure transactions involving Chief Officers.

The most significant total values for grant expenditure were:

- £1,490,171 linked to Norfolk County Council

Income totalling £3,235,203 was received from entities in which 22 Members and 1 Director had an interest.

There was one significant value for general income:

£3,160,780 linked to Norfolk County Council in which 5 Members had an interest.

The relevant persons linked to the above transactions did not take part in any discussion or decision relating to the expenditure/income. Details of all these transactions are recorded in the Register of Members' Interest, open to public inspection at the Council Offices during office hours.

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## 26. Leases

### Council as Lessee

The table below shows the change in the value of right of use assets held under leases by the authority:

| Right of Use Assets | Other Land and Buildings | Vehicles, Plant and Equipment | Total |
|---|---|---|---|
| | £000 | £000 | £000 |
| **Balance at 1 April 2024** | **10,381** | **11** | **10,392** |
| Additions | 186 | 34 | 220 |
| Revaluations | (100) | - | (100) |
| Depreciation & Amortisation | (187) | (17) | (204) |
| Disposals | - | - | - |
| **Balance at 31 March 2025** | **10,280** | **28** | **10,308** |

Transactions under leases

The council incurred the following expenses and cash flows in relation to leases:

| Comprehensive Income and Expenditure Statement | 2024/25 |
|---|---|
| | £000 |
| Interest expense on lease liabilities | 9 |
| Expense relating to short term leases | 9 |
| Expense related to exempt leases of low-value items | 7 |
| Variable lease payments not included in the measurement of lease liabilities | - |
| Income from subletting right of use assets | - |
| **Total cash outflow for leases** | 25 |

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments):

| Lease Liabilities | 2024/25 |
|---|---|
| | £000 |
| Not Later than one year | (74) |
| Later than one year and not later than five years | (175) |
| Later than five years | (41) |
| **Total undiscounted liabilities** | **(290)** |

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**Council as Lessor**

*Operating Leases*

The Council leases out properties under operating leases for the following purposes:

- for the provision of community services, such as sports facilities, tourism services and community centres
- for economic development purposes to provide suitable affordable accommodation for local businesses

The future minimum lease payments receivable under non-cancellable leases in future years are:

| | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|
| Not Later than one year | (312) | (410) |
| Later than one year and not later than five years | (1,068) | (1,144) |
| Later than five years | (1,355) | (1,592) |
| | **(2,735)** | **(3,552)** |

The minimum lease payments receivable do not include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews.

## 27. Investment Properties

The following items of income and expense have been accounted for in the Comprehensive Income and Expenditure Statement:

| | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|
| Rental income from investment property | (150) | (149) |
| Direct operating expenses from investment property | 247 | 36 |
| Net (gain)/loss | **97** | **(112)** |

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

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The following table summarises the movement in the fair value of investment properties over the year:

| | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|
| **Opening Balance** | 1,195 | 1,195 |
| **Additions:** | | |
| Purchases | - | - |
| Disposals | - | - |
| Transfers | - | - |
| Net gains/(losses) from fair value adjustments | (57) | - |
| **Closing Balance** | **1,138** | **1,195** |

The changes identified in the table above are as a result of the properties being revalued in year. No further transfers, additions or disposals have taken place.

**Fair Value hierarchy**

The Council's investment properties have been value assessed as Level 2 on the fair value hierarchy for valuation purposes (see Accounting Policies for an explanation of the fair value levels).

**Valuation Techniques Used to Determine Level 2 Fair Values for Investment Properties**

The fair value of investment property has been measured using a market approach, which takes into account either direct or indirect observable inputs for the asset. These inputs took the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

These assets have been revalued as at 31 March 2025, by Wilks Head & Eve. There has been no change in the valuation techniques used during the year for investment properties.

## 28. Intangible Assets

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. Intangible assets would include both purchased licenses and internally generated software – the Council does not currently have any internally generated intangible assets.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The useful lives assigned to all software currently used by the Council is 5 years. The carrying amount of intangible assets is amortised on a straight-line basis. The movement on intangible asset balances during the year is as follows:

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| | 2024/25 | | | 2023/24 | | |
|---|---|---|---|---|---|---|
| | Internally Generated Assets | Other Assets | Total | Internally Generated Assets | Other Assets | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| **Opening Balance:** | | | | | | |
| Gross Carrying Amounts | - | 3,369 | 3,369 | - | 3,211 | 3,211 |
| Accumulated Amortisation | - | (2,581) | (2,581) | - | (2,299) | (2,299) |
| **Net Carrying amount at start of year** | **-** | **788** | **788** | **-** | **912** | **912** |
| **Additions:** | | | | | | |
| Purchases | - | 126 | 126 | - | 158 | 158 |
| Derecognition | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - |
| Amortisation for the period | - | (279) | (279) | - | (282) | (282) |
| **Closing Balance** | **-** | **635** | **635** | **-** | **788** | **788** |

No significant contracts have been entered into during the financial year 2024/25.

**29. Impairment Losses**

An impairment review was undertaken for the financial year 2024/25. The review identified that due to the type and use of properties and taking into consideration their location with Norfolk and the Eastern region, that any economic changes during the year would not result in any economic impairment of assets.

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## 30. Property, Plant and Equipment

| Movement in 2024/25: | Other Land and Buildings | Vehicles, Plant and Equipment | Infrastructure Assets | Community Assets | Surplus Assets | Assets Under Construction | Total Property Plant and Equipment |
|---|---|---|---|---|---|---|---|
| **Cost or Valuation:** | **£000** | **£000** | **£000** | **£000** | **£000** | **£000** | **£000** |
| **At 1 April 2024** | 73,481 | 21,930 | 18,718 | 3,007 | 1,266 | 7,944 | 126,346 |
| Additions | 2,148 | 364 | 1,936 | 228 | - | 16,798 | 21,474 |
| Donations | - | - | - | - | - | - | - |
| Revaluation increase/(decrease) recognised in the revaluation reserve | (3,790) | - | - | (14) | - | - | (3,804) |
| Revaluation increase/(decrease) recognised in the provision of services | (327) | - | - | (1,126) | - | - | (1,453) |
| Derecognition – disposals | (326) | - | - | - | - | (29) | (354) |
| Derecognition – other | (10,635) | - | - | - | - | - | (10,635) |
| Assets reclassified (to)/from held for sale | - | - | - | - | - | - | - |
| Other movements in cost or valuation | 166 | 3,323 | - | - | - | (3,490) | - |
| **At 31 March 2025** | **60,720** | **22,294** | **23,978** | **2,095** | **1,266** | **21,223** | **131,574** |
| | | | | | | | |
| **Accumulated Depreciation** | | | | | | | |
| **At 1 April 2024** | **2,717** | **16,299** | **13,334** | **305** | **31** | **-** | **32,686** |
| Depreciation charge | 509 | 1,566 | 558 | 1 | - | - | 2,634 |
| Depreciation written out to the revaluation reserve | - | - | - | - | - | - | - |
| Depreciation written out to the surplus/deficit on the provision of services | - | - | - | - | - | - | - |
| Impairment losses/(reversals) recognised in the revaluation reserve | - | - | - | - | - | - | - |
| Impairment losses/(reversals) recognised in the surplus/deficit on the provision of services | 166 | - | - | - | - | - | 166 |
| Derecognition | - | - | - | - | - | - | - |
| Eliminated on reclassification to assets held for sale | - | - | - | - | - | - | - |
| Other movements in depreciation and impairment | - | - | - | - | - | - | - |
| **At 31 March 2025** | **3,393** | **17,865** | **13,892** | **306** | **31** | **-** | **35,486** |
| | | | | | | | |
| **Net Book Value** | | | | | | | |
| **At 31 March 2025** | **57,327** | **4,429** | **10,085** | **1,790** | **1,235** | **21,223** | **96,088** |
| **At 31 March 2024** | **70,764** | **5,631** | **5,384** | **2,702** | **1,235** | **7,944** | **93,660** |

| Movement in 2023/24: | Other Land and Buildings | Vehicles, Plant and Equipment | Infrastructure Assets | Community Assets | Surplus Assets | Assets Under Construction | Total Property Plant and Equipment |
|---|---|---|---|---|---|---|---|
| **Cost or Valuation:** | **£000** | **£000** | **£000** | **£000** | **£000** | **£000** | **£000** |
| **At 1 April 2023** | 58,214 | 20,587 | 19,098 | 2,925 | 507 | 3,619 | 104,950 |
| Additions | 2,822 | 1,343 | 14 | 547 | - | 3,929 | 8,655 |
| Donations | - | - | - | - | - | - | - |
| Revaluation increase/(decrease) recognised in the revaluation reserve | 12,451 | - | - | (465) | 759 | - | 12,745 |
| Revaluation increase/(decrease) recognised in the provision of services | (556) | - | - | - | - | - | (556) |
| Derecognition – disposals | (2) | - | - | - | - | - | (2) |
| Derecognition – other | - | - | - | - | - | - | - |
| Assets reclassified (to)/from held for sale | 552 | - | - | - | - | - | 552 |
| Other movements in cost or valuation | - | - | (394) | - | - | 396 | 2 |
| **At 31 March 2024** | **73,481** | **21,930** | **18,718** | **3,007** | **1,266** | **7,944** | **126,346** |
| **Accumulated Depreciation** | | | | | | | |
| **At 1 April 2023** | 2,070 | 14,983 | 12,769 | 262 | 31 | - | 30,115 |
| Depreciation charge | 647 | 1,316 | 565 | 43 | - | - | 2,571 |
| Depreciation written out to the revaluation reserve | - | - | - | - | - | - | - |
| Depreciation written out to the surplus/deficit on the provision of services | - | - | - | - | - | - | - |
| Impairment losses/(reversals) recognised in the revaluation reserve | - | - | - | - | - | - | - |
| Impairment losses/(reversals) recognised in the surplus/deficit on the provision of services | - | - | - | - | - | - | - |
| Derecognition | - | - | - | - | - | - | - |
| Eliminated on reclassification to assets held for sale | - | - | - | - | - | - | - |
| Other movements in depreciation and impairment | - | - | - | - | - | - | - |
| **At 31 March 2024** | **2,717** | **16,299** | **13,334** | **305** | **31** | **-** | **32,686*** |
| **Net Book Value** | | | | | | | |
| **At 31 March 2024** | **70,764** | **5,631** | **5,384** | **2,702** | **1,235** | **7,944** | **93,660** |
| **At 31 March 2023** | **56,144** | **5,604** | **6,329** | **2,663** | **476** | **3,619** | **74,835** |

***This figure has been restated to correct a prior year casting error.**

**Capital Commitments**

The major commitments relate to the following Schemes:

| | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|
| Splash Reprovision | 253 | 263 |
| Fakenham Urban Extension | - | 1,581 |
| Cromer Coastal Defence Scheme | 846 | 10,371 |
| Mundesley Coastal Defence Scheme | 1,277 | 5,792 |
| Public Conveniences - Albert Street, Holt | 55 | - |
| Cromer 3G Football Facility | 979 | - |
| Backstage Refurbishment - Pier Pavillion Theatre | 17 | - |
| | **3,427** | **18,007** |

**Revaluations**

The Council carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years. During the intervening years reviews are undertaken to ensure the carrying value of assets are not materially different from their fair values. Impairment reviews are also carried out annually to ensure that the carrying value of assets is not overstated. For the 2024/25 accounts the programme of valuations were carried out by Wilks Head & Eve. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

Valuations of vehicles, plant and equipment are based on current prices where there is an active second-hand market or latest list prices adjusted for the asset condition. Further details regarding the valuations are provided within the Statement of Accounting Policies which starts on page 10.

All revaluations have been undertaken as at 31 March 2025.

| | Other Land and Buildings | Vehicles, Plant and Equipment | Infrastructure Assets | Community Assets | Surplus Assets | Assets Under Construction | Total Property Plant and Equipment |
|---|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Carried at historical cost** | - | 4,429 | 10,085 | 278 | 1,235 | 21,223 | 37,250 |
| Valued at fair value as at: | | | | | | | |
| 31 March 2025 | 26,037 | - | - | 1,512 | - | - | 27,549 |
| 31 March 2024 | 12,207 | - | - | - | - | - | 12,207 |
| 31 March 2023 | 19,083 | - | - | - | - | - | 19,083 |
| **Total** | **57,327** | **4,429** | **10,085** | **1,790** | **1,235** | **21,223** | **96,089** |

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## 31. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Opening Capital Financing Requirement | 15,137 | 15,162 |
| Capital Investment: | | |
| Property, plant and equipment | 21,367 | 8,837 |
| Intangible assets | 126 | 158 |
| Revenue expenditure funded from capital under statute | 3,898 | 746 |
| ROU Assets | 310 | - |
| Sources of finance: | | |
| Capital receipts | (1,070) | (3,130) |
| Government grants and other contributions | (22,709) | (4,554) |
| Direct revenue contributions | (1,079) | (1,607) |
| Minimum revenue provision | (570) | (475) |
| **Closing Capital Financing Requirements** | **15,411** | **15,137** |
| | | |
| ***Explanations of movements in the year:*** | | |
| Increase in underlying need to borrow (unsupported by government financial assistance) | 274 | (25) |
| Capital receipts applied in lieu of minimum | | |
| **Increase in Capital Financing Requirement** | **274** | **(25)** |

## 32. Assets Held for Sale

During the financial year, there have been no changes in classification within Assets Held for sale, and none have been sold.

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| **Balance brought forward** | **320** | **698** |
| Assets newly classified as Held for Sale: | | |
| Property Plant and Equipment | - | (552) |
| Assets sold | - | - |
| Other movements | - | 174 |
| **Balance carried forward** | **320** | **320** |

## 33. Receivables

Receivables represent the amounts owed to the Council at 31 March 2024 and are analysed below. This figure is split between long term -amounts not falling due within 1 year, and Short Term - amounts falling due within 1 year of the Balance Sheet date.

The Council makes an allowance for outstanding amounts for which recovery of receivables is not anticipated (bad debt provision). Receivables are shown net of the bad debt provision within the Balance Sheet.

| | Long Term | | Short Term | |
|---|---|---|---|---|
| | 31 March 2025 | 31 March 2024 | 31 March 2025 | 31 March 2024 |
| | £000 | £000 | £000 | £000 |
| Central government bodies | - | - | 2,597 | 4,538 |
| Other local authorities | - | - | 4,162 | 718 |
| NHS bodies | - | - | - | - |
| Other entities and individuals* | 1,576 | 1,863 | 6,163 | 10,142 |
| | **1,576** | **1,863** | **12,922** | **15,398** |
| Less: Bad debt provision | | | | |
| General Fund | - | - | (803) | (938) |
| Collection Fund | - | - | (156) | (223) |
| | **-** | **-** | **(959)** | **(1,161)** |
| | **1,576** | **1,863** | **11,963** | **14,237** |

*** Breakdown of Short-Term Receivables - significant entries within the other entities and individual's category are shown below**

| | 2024/25 | 2023/24 |
|---|---|---|
| | £000 | £000 |
| Council tax and NNDR | 1,016 | 1,006 |
| Housing benefit overpayments recoveries | 813 | 899 |
| Treasury Debtors – Principal Payments | 1,368 | 5,351 |
| Right to buy receipts | 620 | 383 |
| Loans falling due within 1 year | 293 | 287 |
| VAT invoices awarded | 152 | 160 |
| Capital Contributions not yet received | 316 | 54 |
| Recycling Credit Income | 178 | 183 |
| Other smaller receivables | 1,406 | 1,819 |
| | **6,163** | **10,142** |

## 34. Payables

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Central government bodies | (10,299) | (5,789) |
| Other local authorities | (4,480) | (2,423) |
| Other entities and individuals | (7,639) | (5,898) |
| | **(22,418)** | **(14,110)** |
| Less Capital Receipts in advance: | | |
| Central government bodies | 7,589 | 3,835 |
| Other local authorities | - | - |
| Other entities and individuals | - | - |
| | **7,589** | **3,835** |
| | **(14,829)** | **(10,275)** |

Breakdown of significant entries within the other entities and individuals category

| | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Waste and recycling contract payments | (352) | (554) |
| Rent allowance payments to benefit claimants | (341) | (13) |
| Council tax and NNDR | (846) | (641) |
| Planning developer contributions receipts in advance | (3,166) | (2,599) |
| NNDC employee accumulated absences provision | (349) | (356) |
| Capital creditors | (207) | (422) |
| Audit Accruals | (375) | (268) |
| Other smaller payables | (2,003) | (1,045) |
| | **(7,639)** | **(5,898)** |

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## 35. Provisions

The Council has set aside a provision for potential liabilities as a result of alternations to Business Rates rateable values. The total liability is shared in accordance the Business Rate Retention Scheme proportionate shares applicable for the Council, Central Government and Norfolk County Council. The Council has no other outstanding legal cases in progress or other potential liabilities that require provisions to be made.

| | 1 April 2024 | Provisions made in 2024/25 | Used in 2024/25 | 31 March 2025 |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| NNDC Rating List Changes – Total Collection Fund | (1,232) | 24 | - | (1,208) |
| Proportionate percentage | 40% | 40% | 40% | 40% |
| NNDC Share | **(493)** | **10** | **-** | **(483)** |

## 36. Contingent Liabilities

At 31 March 2025, the Council had the following material contingent liabilities:

(a) **Housing Stock Transfer** - As part of the legal agreements associated with the transfer of the housing stock to the Victory Housing Trust in 2006/07, the Council provided a number of environmental and non-environmental warranties, guarantees and indemnities to the Trust and its Lenders.

The risks associated with these warranties and indemnities have been assessed following professional advice and where appropriate the Council has, or is making, arrangements to transfer some of the potential risks. Specifically, insurance has been arranged in respect of the environmental warranties. To the extent that claims have to be met some time in the future beyond those covered by the environmental warranty insurance and the pension bond, the Council discloses a contingent liability.

(b) **Benefits** - There is a risk of potential claw back from the Department of Works and Pensions following the final audit and sign off the year end subsidy claim. To mitigate the impact of any claw back there is an earmarked reserve for which the balance stood at £727k at 31 March 2025.

## 37. Contingent Assets

In accordance with IAS 37 Provisions, Contingent Liabilities & Contingent Assets the Council has identified the following contingent assets:

(a) **Freehold Reversions for Shared Equity Dwellings –** The Council has acquired a share in the freehold reversions for shared equity dwellings. The Council does not benefit from any ongoing rental income in relation to these properties and will not realise the equity share unless the properties owners buy the Council out of the agreement. As the value of these properties to the Council is contingent upon this action the assets have not been recognised within the financial statements.

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## 38. Grant Income

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure accounts in 2024/25.

| | 2024/25 | 2023/24 |
|---|---|---|
| Credited to Taxation and Non Specific Grant Income: | £000 | £000 |
| Revenue Support Grant | (336) | (290) |
| Business Rates | (8,580) | (8,700)* |
| New Homes Bonus | (6) | (31) |
| Rural Services Delivery Grant | (679) | (698) |
| Capital Grants and Contributions | (19,137) | (4,554)* |
| 3% Funding Guarantee | (1,231) | (974) |
| **Total** | **(29,968)** | **(15,247)** |
| | | |
| Credited to Services: | | |
| DWP – New Burdens Funding | (73) | (79) |
| Dept for Business, Energy & Industrial Strategy | - | (27) |
| Dept. for Environment, Food & Rural Affairs (DEFRA) | (30) | (28) |
| East Suffolk Council | (72) | - |
| Environment Agency | (22) | - |
| Department for Levelling Up, Housing & Communities (DLUCH) | (2,670) | (3,388) |
| Ministry of Housing, Communities and Local Government (MHCLG) | (1,326) | - |
| Norfolk County Council | (2,400) | (646) |
| Sport England | - | (5) |
| Historic England | - | (14) |
| Rural England | (1,093) | (364) |
| Other Grants & Contributions | (580) | (1,015) |
| **Total** | **(8,266)** | **(5,566)** |
| | | |
| **Total Revenue Grants Received** | **(38,235)** | **(20,813)** |

***These figure has been restated to correct a prior year error relating to grant income**

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that will require the monies or property to be returned to the giver. The balances at the year-end are as follows:

| Capital Grant Receipts in Advance | 2024/25 £000 | 2023/24 £000 |
|---|---|---|
| Disabled Facilities Grant | (911) | (1,114) |
| Cromer West Prom | (50) | (50) |
| Mundesley cd refurbishment | (839) | (839) |
| Cromer CP scheme 982 | (200) | (87) |
| Coastwise Grant | (3,076) | (1,410) |
| Climate Change Coastal tool | (22) | (22) |
| Changing places toilets | - | - |
| DLUC - LAHF Fund | (312) | (312) |
| Waste Vehicles | (1,098) | - |
| Fakenham Leisure And Sports Hub | (1,081) | - |
| | **(7,589)** | **(3,834)** |

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## 39. Financial Instruments

The following categories of financial instruments are carried in the Balance Sheet:

| Financial Liabilities | 2024/25 | | 2023/24 | |
|---|---|---|---|---|
| | Long Term £000 | Current £000 | Long Term £000 | Current £000 |
| Loans – Principal sum borrowed | - | (7,000) | (5,000)* | (7,700)* |
| Loans – Accrued interest | - | (117) | (4)* | (91)* |
| **Total Borrowing** | **-** | **(7,117)** | **(5,004)*** | **(7,791)*** |
| Bank Overdraft | - | (3,401) | - | (6,071) |
| **Total Cash Overdrawn** | **-** | **(3,401)** | **-** | **(6,071)** |
| Trade payables | - | (4,010) | - | (3,840) |
| Finance leases | | - | - | - |
| **Included in Creditors** | **-** | **(4,010)** | **-** | **(3,840)** |
| **Total Financial Liabilities** | **-** | **(14,528)** | **(5,004)*** | **(17,702)*** |

The debtors and creditors lines on the Balance Sheet include £3,494k short term debtors and £6,395k short term creditors that do not meet the definition of a financial instrument as they are non-exchange transactions.

***These figures have been restated to correct a prior year classification error, and resulting casting changes**

| Financial Assets | 2024/25 | | 2023/24 | |
|---|---|---|---|---|
| | Long Term £000 | Current £000 | Long Term £000 | Current £000 |
| Investments at fair value through profit & loss: | | | | |
| Accrued interest | - | 26 | - | 23 |
| Fair value | 19,154 | - | 19,015 | - |
| **Total Investments** | **19,154** | **26** | **19,015** | **23** |
| | | | | |
| Fair value | 5,358 | - | - | 2,024 |
| **Total Cash & Cash Equivalents** | **5,358** | **-** | **-** | **2,024** |
| | | | | |
| Trade receivables | - | 9,084 | - | 10,105 |
| Loans made for service purposes | 2,150 | - | 2,322 | - |
| **Included in Debtors** | **2,150** | **9,084** | **2,322** | **10,105** |
| | | | | |
| **Total Financial Assets** | **27,328** | **9,110** | **21,337** | **12,152** |



**Offsetting Financial Assets and Liabilities**

Financial assets and liabilities are offset against each other where the Council has a legally enforceable right to offset and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The table below shows those instruments that have been offset on the balance sheet. The Council had no other financial assets or liabilities subject to an enforceable master netting arrangement or similar agreement.

| | 31 March 2025 | | | 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | Assets £000 | Liabilities £000 | Net balance sheet position £000 | Assets £000 | Liabilities £000 | Net balance sheet position £000 |
| **Financial Assets** | | | | | | |
| Bank accounts in hand | 51 | (51) | - | 109 | (109) | - |
| **Financial liabilities** | | | | | | |
| Bank overdrafts | 51 | (3,451) | (3,401) | 109 | (6,181) | (6,072) |

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**Income, Expense, Gains and Losses**

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments consist of the following:

| | 2024/25 | | | | 2023/24 |
|---|---|---|---|---|---|
| | Financial liabilities | Financial Assets | | | |
| | Amortised Cost | Amortised Cost | Fair Value through Profit & Loss | Total | Total |
| | £000 | £000 | £000 | £000 | £000 |
| Interest expense | 327 | - | - | 327 | 441 |
| **Interest payable and similar charges** | **327** | **-** | **-** | **327** | **441** |
| Interest income | - | (71) | (278) | (349) | (428) |
| Dividend income | - | - | (1,038) | (1,038) | (1,123) |
| Gains from changes in fair value | - | - | 105 | 105 | - |
| Losses from changes in fair value | - | - | - | - | 244 |
| **Interest and investment income** | **-** | **(71)** | **(1,211)** | **(1,282)** | **(1,307)** |
| **Net impact on surplus/deficit on provision of services** | **327** | **(71)** | **(1,211)** | **(955)** | **(866)** |
| **Impact on other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Net (gain)/loss for the year** | **327** | **(71)** | **(1,211)** | **(955)** | **(866)** |

**Fair values of Assets and Liabilities**

Financial instruments, except those classified at amortised cost, are carried in the Balance Sheet at fair value. For most assets, including bonds, shares in money market funds and other pooled funds, the fair value is taken from the market price.

Financial instruments classified at amortised cost are carried in the Balance Sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31 March 2025. The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount given the low and stable interest rate environment.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1 – fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g. bond prices
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g. interest rates or yields for similar instruments.
- Level 3 – fair value is determined using unobservable inputs, e.g. non-market data such as cash flow forecasts or estimated creditworthiness.

| | Balance Sheet 31 March 2025 £000 | Fair Value 31 March 2025 £000 | Balance Sheet 31 March 2025 £000 | Fair Value 31 March 2024 £000 |
|---|---|---|---|---|
| **Financial liabilities at amortised cost:** | | | | |
| Liabilities for which fair value is not disclosed | (21,397) | (17,867) | (21,397) | (17,867) |
| **Total Financial Liabilities** | **(21,397)** | **(17,867)** | **(21,397)** | **(17,867)** |
| **Recorded on the balance sheet as:** | | | | |
| Short-term borrowing | (11,795) | (11,795) | (11,795) | (11,795) |
| Short-term creditors | (3,530) | (3,530) | (3,530) | (3,530) |
| Bank Overdraft | (6,072) | (6,072) | (6,072) | (6,072) |
| **Total Financial Liabilities** | **(21,397)** | **(21,397)** | **(21,397)** | **(21,397)** |

| | Fair value level | Balance Sheet 31 March 2025 £000 | Fair Value 31 March 2025 £000 | Balance Sheet 31 March 2025 £000 | Fair Value 31 March 2024 £000 |
|---|---|---|---|---|---|
| **Financial assets held at fair value:** | | | | | |
| Money Market Funds | 1 | 2,010 | 2,010 | 2,010 | 2,010 |
| Pooled Fund | 1 | 19,017 | 19,017 | 19,017 | 19,017 |
| Total | | 21,027 | 21,027 | 21,027 | 21,027 |
| Assets for which fair value is not disclosed | | 12,464 | 12,464 | 12,464 | 12,464 |
| **Total financial assets** | | **33,491** | **33,491** | **33,491** | **33,491** |
| **Recorded on the balance sheet as:** | | | | | |
| Long-term investments | | 19,017 | 19,017 | 19,017 | 19,017 |
| Long-term debtors | | 2,322 | 2,322 | 2,322 | 2,322 |
| Short-term investments | | 23 | 23 | 23 | 23 |
| Short-term debtors | | 10,105 | 10,105 | 10,105 | 10,105 |
| Cash and Cash equivalents | | 2,024 | 2,024 | 2,024 | 2,024 |
| **Total Financial Assets** | | **33,491** | **33,491** | **33,491** | **33,491** |

## 40. Nature and Extent of Risks Arising From Financial Instruments

The Council complies with CIPFA's Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities, both revised in December 2017.

To comply with the Treasury Management Code, the Council approves a Treasury Management Strategy before the commencement of each financial year which sets out the parameters for the management of risks associated with Financial Instruments. The Council also produces Treasury Management Practices specifying the practical arrangements to be followed to manage those risks.

The Treasury Management Strategy includes an Investment Strategy in compliance with Central Government's Investment Guidance to Local Authorities. The guidance defines a prudent investment policy as having the two objectives of security (protecting the capital sum from loss) and then liquidity (keeping adequate funds readily available for expenditure when needed). The Council's Treasury Management Strategy and its Treasury Management Practices seek to achieve a suitable balance between risk and return or cost.

The Council's activities expose it to a variety of financial risks:

- credit risk - the possibility that other parties might fail to pay amounts due to the Council
- liquidity risk - the possibility that the Council might not have funds available to meet its commitments to make payments
- market risk - the possibility that unplanned financial loss might arise for the Council as a result of changes in such measures as interest rates, market process etc.



### Credit Risk - Treasury Investments

The Council manages this risk by ensuring that investments are placed with counterparties which have a high credit rating and for the maximum periods and amounts set out in the Treasury Management Strategy.

The security and liquidity of the funds invested are the primary objective of the Council's treasury management activities. The Council selects countries and the institutions within them as suitable counterparties for investment after analysis and careful monitoring of credit ratings and a range of economic indicators and financial information are taken into account.

The table below shows the credit criteria exposures of the Council's investment portfolio by credit rating.

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Financial Instruments – Balances by credit risk:

| Credit Rating | Long Term 31 March 2025 £000 | Short Term 31 March 2025 £000 | Long Term 31 March 2024 £000 | Short Term 31 March 2024 £000 |
|---|---|---|---|---|
| AAA | - | 5,317 | - | 2,010 |
| AA+ | - | - | - | - |
| AA | - | - | - | - |
| AA- | - | - | - | - |
| A+ | - | - | - | - |
| A | - | - | - | - |
| A- | - | - | - | - |
| Unrated | - | - | - | - |
| **Total** | **-** | **5,317** | **-** | **2,010** |
| **Credit Risk not applicable** | **20,000** | **-** | **20,000** | **-** |
| **Total Investments** | **20,000** | **5,317** | **20,000** | **2,010** |

Credit risk is not applicable to shareholdings and pooled funds where the Council has no contractual right to receive any sum of money.

The Council has no historical experience of counterparty default, and the Council does not anticipate any losses from default in relation to any of its current investments. No credit limits were exceeded in the financial year.

None of the above were identified as past due during the year.

Loss allowances on treasury investments have been calculated by reference to historic default data. A delay in cash flows is assumed to arise in the event of a default. Investments are determined to have suffered a significant increase in credit risk where they have been downgraded by three or more credit rating notches or equivalent since initial recognition, unless they retain an investment grade credit rating. They are determined to be credit impaired when awarded a “D” credit rating or equivalent. At 31 March 2025, £0 (2024: £0) of loss allowances related to treasury investments.

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**Credit Risk – Loans**

The Council's has an exposure to credit risk through a loan to a housing association. This is collateralised by charges secured on residential property which are owned by the housing association. The value of the collateral is greater than 110% of the carrying value of the loan. The Council assessed the credit quality of the housing association prior to advancing the loan and it was satisfactory. The Council managed the credit risk inherent in its loans for service purposes in line with its published Investment Strategy.

Loss allowances on loans for service purposes have been calculated by reference to indicative interest rates adjusted for current economic conditions. They are determined to have suffered a significant increase in credit risk where the counterparty has dropped by two or more rating notches, and the new rating is below investment grade. They are determined to be credit impaired when receiving a "D" indicative rating.

**Financial Instruments – Loans:**

| Loan No. | Description | Exposure Type | Balance Sheet 31 March 2025 £000 | Risk Exposure 31 March 2025 £000 | Balance Sheet 31 March 2024 £000 | Risk Exposure 31 March 2024 £000 |
|---|---|---|---|---|---|---|
| LN0001 | Broadland Housing Association | Loan at market rates | 1,625 | 1,624 | 1,750 | 1,750 |
| LN0002-4 | Home for Wells | Loan at market rates | 239 | 239 | 254 | 254 |
| | | | **2,004** | **2,004** | **2,004** | **2,004** |

**Credit Risk - Receivables**

In addition to treasury investments, the Council is exposed to credit risk from its customers. However, the Council has put in place appropriate debt recovery procedures to manage this risk and minimise any loss.

The age analysis of trade receivables which are past due date but are not impaired is shown below.

| | 31 March 2025 £000 | 31 March 2024 £000 |
|---|---|---|
| Less than three months | 13 | 159 |
| Three months to one year | 44 | 136 |
| More than one year | 57 | 47 |
| | **114** | **342** |

The Council has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. The Council has ready access to borrowing at favourable rates from the Public Works Loan Board and other local authorities, and at higher rates from banks and building societies.

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There is no perceived risk that the Council will be unable to raise finance to meet its commitments. The Council does not currently have any long-term debt and therefore does not have any maturing liabilities for which funds would be required.

| Time to Maturity Years | Liabilities 31 March 2025 | Assets 31 March 2025 | Net Assets 31 March 2025 | Liabilities 31 March 2024 | Assets 31 March 2024 | Net Assets 31 March 2024 |
|---|---|---|---|---|---|---|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Less than 10 years | (3,451) | 5,317 | 1,886 | (6,181) | 2,010 | (4,171) |
| Over 10 years | - | 51 | 51 | - | 109 | 109 |
| No fixed maturity | - | 19,819 | 19,819 | - | 19,016 | 19,016 |
| | **(3,451)** | **25,187** | **21,736** | **(6,181)** | **21,135** | **14,954** |

***Market risk***

**Interest rate risk**

The Council is exposed to risk in terms of its exposure to interest rate movements on its investments and borrowing. Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effect:

- Investments at variable rates – the interest income will rise.
- Investments at fixed rates – the fair value of the assets will fall.
- Borrowings at fixed rates – the fair value of the liabilities will fall
- Borrowings at variable rates – the interest expense will rise.

Investments measured at amortised cost and loans borrowed are not carried at fair value, so changes in their fair value will have no impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services. Movements in fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income or the Surplus or Deficit on the Provision of Services as appropriate.

The Treasury Management Strategy aims to mitigate these risks by setting upper limits on its net exposures to fixed and variable interest rates. The money markets and interest rate forecasts are monitored to adjust exposures to fixed and variable rates appropriately. For example, during periods of falling interest rates fixed rate investments may be made for longer periods to secure better returns.

If interest rates had been 1% higher (with all other variables held constant) the financial effect would be £272k (£317k in 2023-24).

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**Price risk**

The market prices of the Council's bond investments and its units in pooled funds are governed by prevailing interest rates and the price risk associated with these instruments is managed alongside interest rate risk. The Council invests in funds with underlying assets in property, equity and bonds. A 1% rise in interest rise will reduce the fair value of pooled funds that invest in bonds by £137k; a 5% fall in the price of equity would result in a £273k fall in fair value and a 5% fall in the price of property would result in a £401k fall. These changes would result in a charge to Profit and Loss but would currently be reversed out to the Pooled Fund Adjustment Account due to the Statutory Override in place. This is a time limited adjustment.

**Foreign Exchange Risk**

The Council has no financial assets or liabilities denominated in foreign currencies and therefore there is no exposure to loss arising from movements in exchange rates.

## 41. Going Concern

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 (the Code), which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector. The accounts have been prepared on the going concern basis.

In carrying out its assessment that this basis is appropriate, made for the going concern period to 31st July 2026 management of the Council have undertaken forecasting of both income and expenditure, the expected impact on reserves, and cashflow forecasting.

Our most recent year-end balances, as reported in these statements are as follows:

| Date | General Fund | Earmarked reserves |
|---|---|---|
| 31/03/25 | £2.84m | £14.04m |

Our cash flow forecasting and assessment of the adequacy of our liquidity position demonstrates positive cash balances throughout the going concern period, and no expectation of external borrowing (other than to support the capital programme or for short periods for cashflow purposes which are both consistent with our plans and normal practice).

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The key assumptions within this forecast included;

- Assumptions around spending levels for both revenue and capital purposes;
- Assumptions around internally and locally driven income levels, such as car parking, planning fees and investment returns;
- A council tax increase of £4.95 for a Band D property for both the financial years 2023/24 and 2024/25 and council tax income included at the level calculated for the budget for each year.
- Business Rates income included at the level determined in the NNDR1 for both years.
- All known grant income included at the level notified to the Council.

The final Financial Settlement figures for 2025/26 were announced in good time to include in the final Budget reports to full Council each year. So all central government funding figures are now known.

Financial risk management is also routinely considered which is documented within the 2025/26 Cabinet budget papers for the Cabinet meeting on 3 February 2025.

Our cash flow forecasting and assessment of the adequacy of our liquidity position demonstrates positive cash balances for the Council and its subsidiaries throughout the going concern period, and no expectation of any additional external borrowing to fund day to day operations.

Additionally, the general reserves are projected to remain above the minimum level of £2.1 million required in the short-term.

On this basis, the Council is satisfied that it can continue to operate without any financial difficulties, and it has a reasonable expectation that it will have adequate resources to continue in operational existence throughout the going concern period will be able to maintain the provision of its services. For this reason, alongside the statutory guidance, the Council continues to adopt the going concern basis in preparing these financial statements.

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## Collection Fund

| | Notes | 2024/25 Council Tax £000 | 2024/25 Business Rates £000 | 2024/25 Total £000 | 2023/24 Council Tax £000 | 2023/24 Business Rates £000 | 2023/24 Total £000 |
|---|---|---|---|---|---|---|---|
| **Opening Balance (Surplus)/Deficit** | | **(2,105)** | **8,991** | **6,886** | **(840)** | **8,667** | **7,827** |
| **Income:** | | | | | | | |
| Council Tax | **4 & 5** | (94,715) | - | (94,715) | (89,079) | - | (89,079) |
| Business Rates | **2** | - | (26,453) | (26,453) | - | (27,076) | (27,076) |
| Contributions to Previous Year Estimated Deficit: | | | | | | | |
| - North Norfolk District Council | | - | (2,389) | (2,389) | - | (123) | (123) |
| - Norfolk County Council | | - | (1,912) | (1,912) | - | (31) | (31) |
| - Central Government | | - | (478) | (478) | - | (154) | (154) |
| - Norfolk Police and Crime Commissioner | | - | - | - | - | - | - |
| **Total Income** | | **(94,715)** | **(31,232)** | **(125,947)** | **(89,079)** | **(27,384)** | **(116,463)** |
| **Expenditure** | | | | | | | |
| Precepts and Demands: | **3** | | | | | | |
| - North Norfolk District Council | | 10,125 | - | 10,125 | 9,598 | - | 9,598 |
| - Norfolk County Council | | 69,396 | - | 69,396 | 65,435 | - | 65,435 |
| - Norfolk Police and Crime Commissioner | | 13,110 | - | 13,110 | 12,446 | - | 12,446 |
| Proportionate Shares: | | | | | | | |
| - North Norfolk District Council | | - | 10,241 | 10,241 | - | 10,391 | 10,391 |
| - Norfolk County Council | | - | 2,560 | 2,560 | - | 2,597 | 2,597 |
| - Central Government | | - | 12,802 | 12,802 | - | 12,989 | 12,989 |
| Disregarded Amounts: | | | | | | | |
| - Designated Area Growth | | - | 399 | 399 | - | - | - |
| - Enterprise Zone Growth | | - | - | - | - | 345 | 345 |
| - Renewable Energy | | - | 1,658 | 1,658 | - | 1,259 | 1,259 |
| Distribution of Prior Year Estimated Surplus: | **3** | | | | | | |
| - North Norfolk District Council | | 108 | - | 108 | 16 | - | 16 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| - Norfolk County Council | | 739 | - | 739 | 73 | - | 73 |
| - Central Government | | 141 | - | 141 | - | - | - |
| - Norfolk Police and Crime Commissioner | | - | - | - | 21 | - | 21 |
| Change in allowance for impairment | 7 | 340 | (107) | 233 | 225 | (54) | 171 |
| Allowance for cost of collection | | - | 275 | 275 | - | 278 | 278 |
| Appeals Charge to Collection Fund | | - | (1,293) | (1,293) | - | (326) | (326) |
| Change in Provision for appeals | | - | 1,267 | 1,267 | - | 229 | 229 |
| **Total Expenditure** | | **93,959** | **27,802** | **121,761** | **87,814** | **27,708** | **115,522** |
| **Movement in Collection Fund Balance** | | **(756)** | **(3,430)** | **(4,186)** | **(1,265)** | **324** | **(941)** |
| **Closing (Surplus)/Deficit** | **6** | **(2,861)** | **5,561** | **2,700** | **(2,105)** | **8,991** | **6,886** |



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## 1. General

The Collection Fund is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the Billing Authority in relation to the collection from taxpayers of Council tax and National Non-Domestic Rates (NNDR) and its distribution to Local Government bodies and Central Government. The Collection Fund is consolidated with the other accounts of the billing authority for Balance Sheet purposes.

## 2. Income from Business Ratepayers

The Council collects NNDR from ratepayers based on local rateable values provided by the Valuation Office Agency, multiplied by a uniform Business Rate in the £ set nationally by Central Government. The total rateable value for the District was £90,859,629 on 31 March 2025 (£90,911,468 on 31 March 2024). The national multipliers for 2024/25 were 49.9p for qualifying Small Businesses (49.9p in 2023/24), and the standard multiplier was set at 54.6p for all other businesses (51.2p in 2023/24).

The net income from Business Rate payers was £25.131m (£24.105m in 2023/24) after £1.36m of transitional protection payments due from Central Government (£2.972m in 2023/24). The transitional protection scheme provided protection to ratepayers from large changes in their bills following revaluations of their business by phasing in changes gradually. This meant that a billing authority collected more or less rates than would otherwise be the case, and Government Regulations make provision for adjusting payments to be made to or from billing authorities.

## 3. Precepts and Demands

| | Precept/ Demand 2024/25 £000 | Collection fund Surplus 2024/25 £000 | Net Payment 2024/25 £000 | Precept/ Demand 2023/24 £000 | Collection fund Surplus 2023/24 £000 | Net Payment 2023/24 £000 |
|---|---|---|---|---|---|---|
| North Norfolk District Council | 10,125 | 108 | 10,233 | 9,597 | 16 | 9,613 |
| Norfolk County Council | 69,395 | 739 | 70,134 | 65,435 | 73 | 65,508 |
| Norfolk Police & Crime Commissioner | 13,110 | 141 | 13,251 | 12,446 | 21 | 12,467 |
| | **92,631** | **988** | **93,618** | **87,478** | **110** | **87,588** |

## 4. The Council Tax Base for 2024/25

Therefore each £1 of Council Tax set was calculated to produce income of £41,501 (£41,356 in 2023/24).

| Valuation Band | Number of Chargeable Dwellings Adjusted for Discounts | | Equivalent Number of Band D dwellings | | Equivalent Number of Band D Dwellings adjusted for Non-Collection allowance | |
|---|---|---|---|---|---|---|
| | 2024/25 | 2023/24 | 2024/25 | 2023/24 | 2024/25 | 2023/24 |
| A | 5,404 | 5,371 | 5,388 | 5,298 | 5,291 | 5,156 |
| B | 8,804 | 8,793 | 8,873 | 8,837 | 8,714 | 8,638 |
| C | 9,007 | 9,018 | 9,077 | 9,083 | 8,914 | 8,870 |
| D | 8,096 | 8,095 | 8,151 | 8,171 | 8,004 | 7,977 |
| E | 5,627 | 5,593 | 5,682 | 5,646 | 5,580 | 5,486 |
| F | 3,265 | 3,236 | 3,283 | 3,271 | 3,224 | 3,165 |
| G | 1,651 | 1,636 | 1,658 | 1,660 | 1,628 | 1,599 |
| H | 146 | 144 | 149 | 148 | 146 | 140 |
| **Total Tax Base** | **42,000** | **41,885** | **42,262** | **42,114** | **41,501** | **41,031** |

## 5. Band D Tax Rate

For 2023/24, the Council set a Council tax rate of £2,231.98 for a band D dwelling (£2,129.18 in 2023/24). This consisted of; £1,672.11 (£1,592.64 in 2023/24) for Norfolk County Council, £315.90 (£302.94 in 2023/24) for the Office of the Police & Crime Commissioner for Norfolk and £168.57 (£163.62 in 2023/24) for the District's requirements as the District Council Tax was frozen. The average amount of Parish Council Tax was £75.40

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(£69.98 in 2023/24). The actual sums for Parish Council ranged from £nil to £159.32 (£nil to £149.45 in 2023/24) were charged for parish and town council requirements.

The calculation of the District's Council tax is made by dividing its demand on the Collection Fund by the equivalent number of Band D dwellings in the area (the Tax Base). An adjustment is made to the Tax Base to take into account the anticipated non-collection of amounts due.

Discounts are given for empty and other properties, in respect of students, disabled people, single occupiers and those in receipt of support under the Local Council Tax Support Scheme. Since 2004/05 the Council has implemented the provisions of the Local Government Act 2003 and exercised its discretionary powers to reduce or eliminate discounts on certain empty properties and second homes. Further reforms in the Local Government Finance Act 2012 gave the Council new flexibilities to vary Council tax on second homes and empty dwellings, and to apply a premium on empty properties.

## 6. Balances

The total balance is attributed as follows:

| | 31 March 2025 | | | 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | Council Tax £000 | Business Rates £000 | Total £000 | Council Tax £000 | Business Rates £000 | Total £000 |
| North Norfolk District Council | *(198)* | 419 | 221 | (151) | 2,891 | 2,740 |
| Norfolk County Council | (1,715) | 132 | (1,583) | (642) | 883 | 241 |
| Norfolk Police & Crime Commissioner | (323) | - | (323) | (120) | - | (120) |
| Central Government | - | 1,393 | 1,393 | - | 3,466 | 3,466 |
| | **(2,236)** | **1,944** | **(292)** | **(913)** | **7,240** | **6,327** |

## 7. Bad Debt Provision

The Collection Fund account provides for bad debts on arrears based on historical experience of non-payment and the age of debt.

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## Glossary of Terms

**Accruals**
The accounting treatment that requires expenditure and income to be recognised in the period it is incurred or earned, not when the money is actually paid or received.

**Amortisation**
The process of spreading a cost to revenue over a number of years. For example Intangible Assets are amortised to revenue over their useful life.

**Bad Debts**
Amounts owed to the Council which are considered unlikely to be recovered. An allowance is made in the accounts for this possibility.

**Balance Sheet**
The Council's financial position at the year end. It summarises what the respective assets and liabilities are.

**Business Rates**
Business or National Non-Domestic Rates are collected from occupiers of business properties based upon a rateable value and a nationally set rate. They are collected by each authority and nationally determined proportionate shares are paid to the Government and Norfolk County Council with a share retained by the authority.

**Capital Adjustment Account**
An account which reflects the difference between the cost of fixed assets consumed and the capital financing set aside to pay for them. The balance represents the balance of capital resources set aside to finance capital expenditure (e.g. capital receipts, revenue contributions) awaiting consumption of resources e.g. from depreciation and impairment.

**Capital Expenditure**
Spending on the purchase or enhancement of significant assets which have an expected life of over a year - for example major improvements to the Council's housing or construction of a car park.

**Capital Financing Requirement (CFR)**
The Capital Financing Requirement represents the Council's underlying need to borrow for capital purposes.

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**Capital Receipts**
Money received from the sale of assets. This can be used to finance capital expenditure or repay debt.

**Collection Fund**
The account which contains all the transactions relating to community charge, council tax and business rates together with the payments to this Council, Norfolk County Council and Norfolk Police Authority to meet their requirements.

**Contingent Assets**
A Contingent Assets is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Council's control.

**Corporate and Democratic Core**
Costs relating to the Council's status as a multi-functional, democratic organisation.

**Contingent Liabilities**
A Contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Council's control.

**Deferred Capital Receipts**
Representing the amounts that are not available as cash. They arise from Council house sales on mortgage to the Council, and where repayments of principal sums due are received over a number of years.

**Depreciation**
A measure of the financial effect of wearing out, consumption or other reduction in the useful life of a fixed asset.

**Earmarked Reserve**
Amounts set aside for a specific purpose to meet future commitments or potential liabilities, for which it is not appropriate to establish provisions.

**Financial Instruments**
Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term covers both financial assets and financial liabilities. Examples of financial assets include bank deposits, equity instrument of another entity, e.g. shares, contractual right to receive cash or another financial asset from another entity, such as a trade receivable. Financial liabilities include for example, contractual obligations to deliver cash or another financial asset.

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**Fixed Assets**
Representing, as fixed assets, the value of what the Council owns in terms of property, land etc. and what is owed to the Council in respect of debt.

**General Fund**
The account which summarises the revenue costs of providing services, which are met by the Council's demand on the Collection Fund.

**Impairment**
Reduction in the value of a fixed asset below its amount included in the Balance Sheet.

**Infrastructure**
A classification of fixed assets which have no market value and which exist primarily to facilitate transportation and communication requirements (e.g. roads, street lighting).

**Intangible Assets**
Intangible Assets are non-financial fixed assets that do not have a physical substance and include for example software licences.

**International Accounting Standard 19 (IAS 19)**
The requirement for Local Authorities to include the forecast cost of future pensions in the accounts on a notional basis.

**International Financial Reporting Standards (IFRS)**
A set of international accounting standards stating how particular types of transactions and other events should be reported in Financial Statements. IFRS are issued by the International Accounting Standards Board.

**Large Scale Voluntary Transfer (LSVT)**
The process of transferring Council House stock from a local Council to a Registered Social Landlord. North Norfolk District Council transferred its housing stock to North Norfolk Housing Trust in February 2006.

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**Leasing**
A method of acquiring items such as vehicles and computer equipment by payment of a lease charge over a period of years. There are two types of lease.

A finance lease is where the Council effectively pays for the cost of an asset (it counts as Capital expenditure for control purposes and is included on our Balance Sheet). A primary lease period is that period for which the lease is originally taken out and a secondary period relates to any extension.

An operating lease (a long-term hire) is subject to strict criteria and the cost can be charged as a running expense. The item leased must be worth at least 10% of its original value at the end of the lease and does not appear on the Balance Sheet.

**Liabilities**
This shows what the Council owes for borrowing, payables etc. at the Balance Sheet date.

**Minimum Revenue Provision**
The minimum amount which must be charged to the revenue account each year and set aside as a provision to meet the rest of credit liabilities for example borrowing

**National Non-Domestic Rate (NNDR)**
NNDR is set by the Government and collected by each authority and nationally determined proportionate shares are paid to the Government and Norfolk County Council with a share retained by the Council.

**Non Distributed Costs**
The cost of discretionary benefits awarded to employees retiring early and any depreciation and impairment losses chargeable on non-operational properties.

**Payables**
Amounts which the Council owes to others for goods and services received before the year end of 31 March but which were not paid until after 1 April.

**Precepts**
The amount which the Norfolk County Council and Norfolk Police Authority require us to collect, as part of the Council tax, to pay for their services is called a precept. Town and Parish Councils also precept on the District Council to pay for their expenses.

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**Provisions**
An amount set aside for potential liabilities which may arise or will be incurred, where there is uncertainty as to the amounts concerned or the dates on which these liabilities may arise.

**Prudential Code**
Professional code of practice developed by CIPFA which came into effect from the 1 April 2004 to ensure Local Authorities Capital investment plans are affordable, prudent and sustainable. 'The code allows authorities to undertake borrowing to finance capital expenditure as long as they can demonstrate affordability.'

**Receivables**
Sums which at the 31 March are owing to the Council.

**Reserves**
Accumulated balances built up from excess of income over expenditure or sums that have been specifically identified for a particular purpose which are known as earmarked reserves.

**Revaluation Reserve**
Net unrealised gains from the revaluation of fixed assets recognised in the balance sheet. Introduced in the 2007 SORP from 1 April 2007.

**Revenue Contribution to Capital (or Direct Revenue Financing)**
Use of revenue resources to finance capital expenditure.

**Revenue Expenditure**
The day to day running expenses on the services provided.
Revenue Expenditure Funded from Capital Under Statute
Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of a fixed asset has been charged as expenditure to the relevant service revenue account in the year.

**Revenue Income**
Amounts receivable for such items as rents and charges for services and facilities.

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**Revenue Support Grant (RSG)**
Grant paid by central government to aid Local Council services in general as opposed to specific grants which may only be used for a specific purpose.

**Soft Loans**
Loans which are made at less than market rates or interest free. A Council will sometimes make soft loans to achieve a policy or service objective. For example an interest free loan to a voluntary organisation to provide upfront funding or car loans to employees.

**Support Services**
Activities of a professional, technical and administrative nature which are not Local Authority services in their own right, but support main front-line services.

**Temporary Loan**
Money borrowed on a short-term basis as part of the overall borrowing strategy.

**VAT Shelter**
A procedure agreed by the MHCLG and HM Revenues and Customs to ensure that following a housing stock transfer there is no impact on taxation. Had the Council retained the housing stock and carried out the necessary works on the properties the VAT would have been reclaimed by the Council, however the Housing Trust are unable to recover the VAT and the VAT shelter arrangement allows the VAT to be recovered and shared between the Council and Victory Housing Trust.

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## Glossary of Acronyms

| | |
|---|---|
| CFR | Capital Financing Requirement |
| CIPFA | Chartered Institute of Public Finance and Accountancy |
| IAS | International Accounting Standards |
| ICT | Information Communication Technology |
| IFRS | International Financial Reporting Standard |
| LSVT | Large Scale Voluntary Transfer |
| MRP | Minimum Revenue Provision |
| NNDC | North Norfolk District Council |
| REFCUS | Revenue Expenditure Funded from Capital Under Statute |
| RSG | Revenue Support Grant |
| SERCOP | Service Reporting Code of Practice |
| SORP | Statement of Recommended Practice |
| TIC | Tourist Information Centre |
| UK GAAP | United Kingdom - Generally Accepted Accounting Principles |

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# Monitoring Officer
# Annual Report
# 2024/2025

## Section Contents

1 Introduction

2 The Monitoring Officer's Work 1 April 2024– 31 March 2025

3 Key Messages

4 Looking Forward

5 Overall opinion on the adequacy and effectiveness of the Governance framework

# Monitoring Officer Annual Report 2024/2025

## 1. Introduction

1.1 The Monitoring Officer's Annual Report summarises the more important matters arising from the Monitoring Officer's work for the Council from 1 April 2024 to 31 March 2025 and comments on other current issues.

1.2 Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. It is founded on the fundamental principles of openness, integrity and accountability together with the overarching concept of leadership. In this respect, North Norfolk District Council recognises the need for sound corporate governance arrangements and has put in place policies, systems and procedures designed to achieve this.

1.3 The Monitoring Officer is appointed under Section 5 of the Local Government and Housing Act 1989 and has a number of statutory functions in addition to those conferred under the Local Government Act 2000 and subsequent regulations governing local investigations into Member conduct. These are outlined in the next section of the report.

## 2. The Monitoring Officer's Work April 2024 – March 2025

| Duties | Work undertaken |
|---|---|
| (a) Maintaining a lawful position for the Council and reporting on contraventions or likely contraventions of any enactment or rule of law including fraud. | The Monitoring Officer, during the period 1 April 2024 to 31 March 2025, was a member of the Management Team and from 01 January 2025 also joined CLT meetings. Management Team and the Corporate Leadership Team met separately and together. The Monitoring Officer has had and continues to have regular bi-weekly 'Statutory Officer meetings' with the Council's Chief Executive and the Chief Finance Officer.<br><br>The Council's in house legal team, Eastlaw, provides advice and assistance to officers throughout the Council and reports to the Monitoring Officer on any areas of concern in relation to lawfulness and compliance with the Council's protocols and processes. The Monitoring Officer has appointed a deputy.<br><br>The Monitoring Officer and her staff have attended meetings and provided advice to officers and Members at an early stage, including seeing relevant reports to committee. The Monitoring Officer also requires appropriate recording of delegated authority to evidence compliance with the Constitution.<br><br>In the year 2024/2025, North Norfolk District Council received and processed 733 requests for information under the Freedom of Information Act 2000 and Environmental Information Regulations 2004 access regimes. See **Appendix A**. This represents a small decrease from the previous year (755) but the number of these requests do fluctuate year on year. The Freedom of Information Act 2000 details the Monitoring Officer as a 'qualified person' to give a reasonable opinion under section 36 of the Act. That section provides an exemption from providing information where there is a likelihood that doing so would be likely to prejudice the effective conduct of public affairs. No such opinion was sought or provided during this period.<br>Of the 733 requests processed, five requests were received for an internal review of either the handling |

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| | of the request or refusal to disclose particular information. There were no requests where the applicant complained to the Information Commissioner's Office. Under the UK GDPR and Data Protection Act 2018, individuals have various rights in respect of their data, one of which is to make a Subject Access Request ["SAR"]. In 2024/25, North Norfolk District Council received and processed 62 SARs.<br><br>The Council has a well-established process for dealing with any reported or alleged data breaches. Whilst there were some minor breaches during this period, there were no serious or significant breaches requiring formal reporting to the Information Commissioner's Office. Information Governance training had been made available to Members in 2023 and to key staff through an in-person workshop in October 2023. Mandatory training via the Skillgate training platform was provided for all staff in April 2024. The Monitoring Officer and her team were consulted with by officers, during the reporting year, to provide specialist information governance advice on an ad hoc basis.<br><br>Under the Regulation of Investigatory Powers Act 2000 ("RIPA"), the Council has powers to undertake directed surveillance and use Covert Human Intelligence Sources in line with the requirements of that legislation. In the year 2023/24, the Council has not had to use these powers. The Monitoring Officer is the Council's 'gatekeeper' under the Council's policy relating to these powers and provides advice to officers as requested.<br><br>The Monitoring Officer has a key role as a 'responsible officer' to whom disclosures may be made, concerning the public interest, under the Whistleblowing Policy, relating to any concerns as to impropriety or unlawful activity within the Council. The Whistleblowing Policy was updated in 2024. No disclosures made during this year to the Monitoring Officer under this policy.<br><br>There has been no occasion where the Monitoring Officer had reason to believe that there was a likelihood that there had been or was likely to be a decision that was unlawful or would give rise to maladministration requiring reporting under section 5(2) of the Local Government and Housing Act 1989. Accordingly, no such reports have been issued this year. |

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| | In addition to the Counter Fraud Policy, the Council has an Anti Money Laundering Policy which sets out procedures as to how persons can make disclosures about money laundering activities. No such disclosures have been reported in this year. |
| (b) Report any findings of maladministration causing injustice where the Ombudsman has carried out an investigation. | The Monitoring Officer reviews any complaints where the Ombudsman has upheld the complaint. **Appendix B** shows complaints made to the Ombudsman during this period and the outcome.<br>The Ombudsman upheld 3 of the complaints made in the financial year 2024/2025. In one of those upheld complaints an apology and a small symbolic payment (£200) was required by way of outcome. |
| (c) Establish and maintain the Register of Member's interests and gifts and hospitality. | This Council holds the Register of Interests for the District Council and also for Town and Parish Councils within the district. There is an electronic register which enables Members to update their interests as necessary. The Council is able to provide access to the Register at the Council's offices. The Register of Members' Interests is published on the Council's website along with any dispensations granted. Applications for dispensations are considered and determined by the Standards Committee or by the Monitoring Officer after consultation with that committee. A dispensations procedure guide and application process which has been published on the Council's "ModernGov" site.<br><br>Members of the District and Parish Councils are required to provide a Register of Interests and keep such up to date. This is the responsibility of each individual Member, but Members are reminded about this requirement regularly, as are clerks of parish councils, by the Monitoring Officer and her staff.<br><br>The Code of Conduct and guidance sets out the requirements for Members regarding gifts and hospitality.<br><br>There are eighteen entries relating to gifts/hospitality reported for this period, listed at **Appendix C**. |

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| (d) Maintain Register of Employees gifts and hospitality. | The Register is updated regularly. The Constitution contains information with regard to accepting, declining and recording gifts and hospitality. The requirement to register gifts and hospitality is regularly shared with officers, including the uploading of a guidance note on to the intranet prior to the Christmas holiday period, publishing the requirement and process. This financial year shows 29 entries. A copy appears at **Appendix D.** |
| (e) Investigate misconduct in respect of District, Parish and Town Councillors under the Code of Conduct. | The Code of Conduct is designed to protect the democratic role, promote good conduct and safeguard the public's trust in local government and is based upon the Nolan Principles.<br>The Council's Protocol on Member/Officer Relations details that the Protocol is relevant in judging compliance with the Code of Conduct. The Monitoring Officer received complaints relating to District and Parish Councillors and assessed whether any action was necessary.<br><br>Between April 2024 and March 2025, a total of 19 Code of Conduct complaints were received. The majority of complaints related to parish/town councils. There were fewer complaints than the previous year. The amount of complaints fluctuates from year to year.<br>On receipt of a complaint about Member Conduct, the Monitoring Officer or her deputy, conducted an initial assessment to determine if the matter warranted any further action, such as a formal investigation. The Monitoring Officer generally liaises with the Council's Independent Persons in this process.<br><br>The most common reason for complaints continues to be alleged disrespectful behaviour and most were assessed as requiring no further action, sometimes accompanied by some informal recommendations or guidance to improve governance. No matter was referred for investigation during the year 2024/2025, but one matter from the previous year proceeded to investigation and consideration by the Standards Committee.<br>The Localism Act 2011 places significant importance on registering interests, especially disclosable pecuniary interests and Members are regularly reminded of the need to keep their register of interests up to date. An electronic process is in place and Registers of Interest are published on the Council's website along with any dispensation granted. Each committee meeting agenda contains an agenda item for declaration of interests, where there is included a flowchart and guidance note, |

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| | to assist Members by providing information as to when they may need to declare an interest. |

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| (f) Investigate breaches of the Council's own protocols. | There have been no reported alleged breaches of the Council's own protocols in the year 2024/2025. |
| (g) Provide advice to Town and Parish Councils on the interpretation of the Code of Conduct. | The Monitoring Officer, and her staff, have provided advice to Parish Councils, particularly via their clerks, on the Standards and Code of Conduct Arrangements during 2024/25, principally via telephone and email.<br><br>The Monitoring Officer (and her staff) have provided advice and assistance to a number of parishes through interventions to raise standards and deal with complaints. On occasion, informal advice and recommendations have been given to parish and town councils following Code of Conduct complaints. |
| (h) Promote and support high standards of conduct through support to the Standards Committee. | The Monitoring Officer supports the Standards Committee, providing training to Members this year on Code of Conduct 'hearings'. The Council has an Independent Person to give an external and independent view where complaints are made against Members under the Member Code of Conduct, providing resilience and availability to the Monitoring Officer and any Member subject of a complaint, providing valued independent input into the Code of Conduct procedures. |
| (i) Compensation for maladministration. | There have been no reported cases of compensation for this reason. |

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| (j) Maintenance and review of the Constitution. | The Constitution has been revised and updated during the year with the input of the Constitution Working Party. This included a significant update to meet the requirements of the new Procurement Act. During the year 2024/25 a complete review of the Constitution continued with the final amendments due for completion in the year 2025/26. |
| (k) Responsibility for complaints made under the Council's Whistleblowing and Anti-Fraud policies. | The Council's Whistleblowing Policy provides a confidential procedure for employees to report concerns which impact upon the public interest. The Monitoring Officer has not received any complaint under the Whistleblowing Policy in this period.<br><br>The Council's Counter Fraud Corruption and Bribery Strategy aims to increase staff and Member awareness and to minimise likelihood of losses to the public purse through fraud and corruption. As with the Whistleblowing Policy, it recognises that staff and Members are important in tackling any wrongdoing and respects confidentiality where concerns are raised. Further internal controls include a requirement that the Council, when dealing with outside organisations, manages its transactions in accordance with the Council's Contract Procedure Rules set out in the Constitution, and in line with the requirements of the Member and Employee Codes of Conduct. Where there are exemptions to the usual procurement procedures there is a requirement to keep a proper record of this. Employees are made aware of the anti-fraud policies and their ability to report through the Council's intranet and team briefings. |

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|---|---|
| (l) Breaches of the Employee Code of Conduct. | Employees are reminded through the Council's internal communications regarding business practice and ethical behaviour. The Constitution sets out the Employee Code of Conduct and provides links to associated policies and procedures, setting out the standards of behaviour expected by the Council. These policies and disciplinary procedures are managed by the Council's HR team. |

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| (m) Advice on vires issues, maladministration, financial impropriety, probity and policy framework. | The Monitoring Officer has been consulted on matters, which have potentially significant legal implications.<br><br>The Monitoring Officer met regularly with the Chief Financial Officer and the Chief Executive.<br><br>The financial statements are subject to a robust governance process through the Committee cycle.<br><br>The Monitoring Officer and her staff have attended Council and other Committees as necessary.<br><br>Officers consult the Monitoring Officer regularly on vires and probity issues.<br><br>The Monitoring Officer works closely with the Chief Executive, the Chief Financial Officer, the Management Team and the Corporate Leadership Team to ensure probity in the organisation.<br><br>The Monitoring Officer regularly advises on the legality and/or appropriateness of administrative procedures, in conjunction with the Democratic Services Team. |
| (n) Exemptions to contract standing orders | 10 exemptions (**Appendix E**) have been recorded and allowed this year, mainly in relation to specialist services where there is only one supplier/no acceptable alternative: an identified and permitted exemption under the Constitution. The list of exemptions is reported to the Council's Governance Risk and Audit Committee on a rolling basis. |
| (o) actual or potential litigation or claims that would have a significant effect on the entity or a material impact on the financial statements | None identified for the year 2024/25 |

## 3. Key Messages

3.1 The key messages to note from the year are:

(i) **Lawfulness and governance assurance**: There are no reported unlawful decisions, maladministration, or serious data breaches during 2024/25, and no reports were required under Section 5(2) of the Local Government and Housing Act 1989.

(ii) **Constitution Review**: A review of the Constitution progressed during 2024/25, including updates required by the new Procurement Act. The Constitution has been and will continue to be maintained and updated and is at the final stages of its review.

(iii) **Whistleblowing, fraud and surveillance:** No whistleblowing disclosures, money laundering reports, or use of surveillance powers occurred during the year, and the Monitoring Officer continues to act as a key advisor and gatekeeper for these areas.

(iv) **Member Registers and Transparency**: The Council maintained registers for Members' and employees' interests, gifts, and hospitality, with regular reminders. Accessible electronic systems allow Members to update their registers of interests, enabling transparency and compliance.

(v) **Complaints and Conduct oversight**: Three Ombudsman complaints were upheld, with one resulting in a symbolic payment. 19 Code of Conduct complaints were received—mostly involving parish/town councillors—with none requiring formal investigation.

## 4. Looking Forward

4.1 The **key issues** for 2025/2026 are as follows;

- Local Government Reorganisation: Norfolk Councils are developing and submitting proposals for new unitary structures, with final business cases due in September 2025.
- The completion of the Constitution review which is currently in progress.

**4.2 Code of Conduct**

4.2.2 The Member Code of Conduct and the Protocol on Member/ Officer Relations are accessible on the Council's website. Members will continue to receive regular reminders to keep their register of interests up to date and are able to upload their interests electronically.

**4.3 Corporate Governance Framework**

4.3.1 The Monitoring Officer will continue to provide an assurance in respect of the Code and the Annual Governance Statement by way of this Annual Report.

4.3.2 It will be appropriate to continue to remind Members and staff of the importance of compliance with the Council's regulations, as set out in the Constitution and other policy framework documents, and the Monitoring Officer and other staff will provide advice accordingly.

## 5. Overall opinion on the adequacy and effectiveness of the Governance framework

**The Monitoring Officer confirms that this report is to the best of her knowledge and belief, and that she is not aware of:**

- Any breaches of, or deficiencies in, internal control during 2024/2025 in respect of fraud or compliance with relevant legal provisions that could have a significant effect on the entity or a material impact on the financial statements;
- Any actual, suspected or alleged frauds or breaches of legislative requirements during 2024/2025 of significance (save those of any minor nature as may be detailed in this report);
- Any excessive or undue pressure to meet financial or operating targets that may unduly influence the actions of either those charged with governance or Management;
- Any actual or potential litigation or claims that would have a significant effect on the entity or a material impact on the financial statements;
- Any circumstances that would call into question the preparation of the financial statements on an ongoing basis.

Subject to the information and areas outlined above, the systems of internal control administered by the Monitoring Officer including the Code of Conduct and the Council's Constitution, appear adequate during the year between April 2024 and March 2025.

Cara Jordan
Monitoring Officer

**APPENDIX A**

**Information Rights Requests**

| **Request** | **Total** |
|---|---|
| | |
| Number of Requests (Freedom of Information Act 2000/ Environmental Information Regulations [“FOI” & “EIR”]) | 733 |
| Number of Internal reviews (FOI & EIR) | 5 |
| Number of appeals to the Information Commissioner’s Office (FOI) | 0 |
| Number of FOI requests where the exemption under S.36 FOI was applied (reasonable opinion of qualified opinion) | 0 |
| Number of Subject Access Requests under the UK-GDPR & Data Protection Act 2018 | 62 |

**APPENDIX B**

Complaints to the Ombudsman (1 April 2024- 31 March 2025)

| Category | Decided | Decision | Decision Reason | Remedy |
|---|---|---|---|---|
| Environmental Services & Public Protection & Regulation | 23/08/2024 | Upheld | Injustice remedied during organisations complaint processes | |
| Planning & Development | 10/06/2024 | Closed after initial enquiries | 26B(2) not made in 12 months | |
| Benefits & Tax | 08/04/2024 | Closed after initial enquiries | 26(6)(a) tribunal HB | |
| Corporate & Other Services | 10/05/2024 | Upheld | Injustice remedied during organisations complaint processes | |
| Highways & Transport | 17/05/2024 | Closed after initial enquiries | 26(6)(c) Court remedy | |
| Benefits & Tax | 16/05/2024 | Closed after initial enquiries | Sch 5.1 court proceedings | |
| Environmental Services & Public Protection & Regulation | 08/10/2024 | Upheld | fault & injustice | Apology, Financial Redress: Quantifiable Loss, Financial redress: Avoidable distress/time and trouble |
| Planning & Development | 03/07/2024 | Closed after initial enquiries | Not warranted by alleged fault | |
| Planning & Development | 26/07/2024 | Closed after initial enquiries | No worthwhile outcome achievable by investigation | |
| Planning & Development | 19/12/2024 | Closed after initial enquiries | Not warranted by alleged fault | |
| Planning & Development | 18/12/2024 | Closed after initial enquiries | Not warranted by alleged fault | |
| Housing | 20/11/2024 | Incomplete/Invalid | Insufficient information to proceed and PA advised | |
| Highways & Transport | 15/01/2025 | Closed after initial enquiries | Not warranted by alleged fault | |
| Environmental Services & Public Protection & Regulation | 12/02/2025 | Closed after initial enquiries | Not warranted by alleged fault | |
| Benefits & Tax | 09/12/2024 | Incomplete/Invalid | Insufficient information to proceed and PA advised | |

**APPENDIX C**

**Gifts and Hospitality Notifications – Year 1.4.2024 to 31.3.2025 (Member Notifications)**

| Date | Name of Member | Name of person or organisation offering the gift or hospitality | Description of gift or hospitality | Accepted or Declined? |
|---|---|---|---|---|
| | | | | |
| June 2024 | Cllr Jill Boyle | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| June 2024 | Cllr Nigel Dixon | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| June 2024 | Cllr Tim Adams | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| June 2024 | Cllr Victoria Holliday | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| June 2024 | Cllr Pauline Porter | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| June 2024 | Cllr Peter Neatherway | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Callum Ringer | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Sarah Butikofer | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Jill Boyle | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |

| | | | | |
|---|---|---|---|---|
| November 2024 | Cllr Mike Hankins | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Philip Bailey | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllrs John and Kim Toye | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Peter Neatherway | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Pauline Porter | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Lucy Shires | Openwide Coastal | Invitation to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Angie Fitch-Tillett | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| November 2024 | Cllr Tom Fitz-Patrick | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Declined |
| November 2024 | Cllr Nigel Dixon | Openwide Coastal | Invitation (+ Guest) to The Cromer Pier Show | Accepted |

**APPENDIX D**

**Gifts and Hospitality 1 April 2024 – 31 March 2025 (Officer Notifications)**

| Date | Name and Department | Name of person or organisation offering the gift or hospitality | Description of gift or hospitality | Accepted or Declined |
|---|---|---|---|---|
| 18/06/2024 | Monitoring Officer | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Declined |
| 01/07/2024 | PA to Corporate Leadership Team | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| 01/07/2024 | PA to Corporate Leadership Team | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Declined |
| 01/07/2024 | Steve Blatch Chief Executive | Openwide Coastal Ltd | Invitation to The Cromer Pier Show | Accepted |
| 02/07/2024 | AD Environment and Leisure | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| 17/07/2024 | Tina Stankley, Director of Resources | Link Assets Services | Dinner | Declined |
| 17/07/2024 | Tina Stankley Director of Resources | Sellick Partnership | Bottle of wine (est. value £6-£8) at a conference | Accepted |
| 03/09/2024 | AD Planning | Holkham Estate | Breakfast (est. value £17.50) | Accepted |
| 17/09/2024 | Steve Hems, Director for Communities | Serco | Evening Meal at The Botanist, Birmingham – Wednesday 11 September 2024 | Accepted |
| 26/09/2024 | Revenues Manager | Marston Holdings | Six x IRRV award tickets at £150 per person = £900 for award night on 9 October 2024 | Accepted |

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|---|---|---|---|---|
| 26/09/2024 | Revenues Manager | CFH Ltd | Two x Public Sector Finance Award Night tickets for 26 November 2024 at £250 per person = £500 | Accepted |
| 16/11/24 | AD for Environment and Leisure Services | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| 16/11/24 | PA to Corporate Leadership Team | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| 16/11/24 | PA to Corporate Leadership Team | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| 16/11/24 | Leisure and Locality Manager | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Accepted |
| 31/10/24 | AD Sustainable Growth | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Declined |
| 14/11/24 | AD Sustainable Growth | Visit North Norfolk networking event | Two complementary tickets to a race meeting at Fakenham Race Course on 22nd December (within a delegate pack with minor token gifts) | Delegate pack accepted. Tickets were amidst token value items within– whilst delegate pack had been accepted, intention not to redeem tickets) |
| 31/10/24 | Martyn Fulcher – Director for Place | Openwide Coastal Ltd | Invitation (+ Guest) to The Cromer Pier Show | Declined |
| 22/11/24 | Coastal Management | 41 Club | Dinner | Accepted |
| 22/11/24 | Coastal Management | 41 Club | Dinner | Accepted |
| 19/12/24 | Coastwise officer (on behalf of team) | Coastsense | Poster of tides received via post at Christmas | Accepted |
| 09/10/24 | Coastwise officer (on behalf of team) | Dutch Consulate | Dutch Liquorice and biscuits – Received from the Dutch Consulate (as a thank you for hosting a visit). | Accepted |

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|---|---|---|---|---|
| 21/10/24 | Coastwise officer (on behalf of team) | Peter Stibbons (member of public and friend of Cromer Museum) | 6x local coastal history DVDs - to assist with teams coastal historic knowledge | Accepted |
| 04/06/24 | Coastwise officer | Van Oord | Offer of dinner at Flood and Coast Conference Dinner | Declined |
| 19/12/24 | Housing Options Officer | Judith Lynes | Mini Hamper – prosecco, wax melts, chocolates etc | Accepted |
| 18/12/24 | Environmental health Officer | JF Temple | 1 small block of cheese | Accepted |
| 14/11/2024 | Coastwise | Fakenham Racecourse via Visit North Norfolk conference | 2x tickets to Fakenham Racecourse race day on 22nd December 2024 | Accepted via goody bag at event |
| December 2024 | Steve Blatch – Chief Executive | Thursford Show | Invitation (+ Guest) to Thursford Christmas Show | Accepted |
| 06/02/2025 | Environmental Services . | Taxi Driver of HK Taxis | Box of Celebrations chocolates | Accepted |

**APPENDIX E**

**Contract Procedure Rules Exemptions granted from 1 April 2024 to 31 March 2025**

| Date | Contractor | Type of Work | Amount | Exemption Applied<br>(Chapter 9, Paragraph 11, Constitution) |
|---|---|---|---|---|
| 12/04/24 | Anglian Demolition & Asbestos Ltd | Demolition, clearance and disposal of buildings and ancillary structures at cliff top property in Trimingham | £14,100 | K) A waiver is necessary because of unforeseen emergency involving immediate risk to persons, property or serious disruption to Council services. In extreme circumstances it is accepted that prior written approval may not be possible |
| 23/04/24 | Modern Gov | Software integrated to our website to provide access and details of council meetings | £80,100 (Plus VAT, over 5 years) | E) involve the provision of highly specialised professional legal or other services; |
| 03/06/24 | Policy In Practice | Council Tax Support re-modelling work | £11,000 | G) for the supply of goods or services where there is only one supplier and no acceptable alternative |
| 10/06/24 | Hemley Orrell Partnership | Structural survey relating to the pier and to identify a 5- year plan for structural works | £80,000 | G) for the supply of goods or services where there is only one supplier and no acceptable alternative |
| 26/06/24 | BIP Solutions | Delta e-sourcing tendering solution and 20 tender boxes | £29,500 (plus VAT) | I) The contract is an extension to an existing contract and a change of supplier would cause disproportionate technical difficulties, diseconomies of scale or significant disruption to Council services (such as software procurement). |
| 30/07/24 | Fisheries Liaison Officer for the Cromer and Mundesley Coastal Management Schemes | To fulfil a requirement of the MMO licence to ensure we are compliant for the Mundesley Coastal Management Scheme. To ensure there is an independent person to certify the local fishermen and our contractor stay within the agreed corridors | £20,000 | G) Are for the supply of goods or services where there is only one supplier and no acceptable alternative; and<br>(E) involve the provision of highly specialised professional legal or other services; |

| | | | | |
|---|---|---|---|---|
| 18/10/24 | Stopsexualmis conduct.co.uk | Specialist training provider that delivers e-learning and face to face training that specifically related to the meeting the legislative requirements of preventing sexual harassment | £8,400 including VAT | C) are of a proprietary type only available from a single supplier |
| 24/10/24 | Exacom | 3 year contract for software product to collate, use and manage effectively the i large quantities of information/data obtained regarding Biodiversity Net Gain | £13,000 | C) are of a proprietary type only available from a single supplier |
| 10/12/24 | LG Futures | Model and support on how to complete council tax and business rates accounting in local government. Package includes 25/26 modules alongside access to 24/25 modules for the remainder of the financial year | £7,995 | C) are of a proprietary type only available from a single supplier, and (e) involve the provision of highly specialised professional legal or other services; |
| 27/01/25 | Thompson Reuters | Legal research library renewal. Practical Law is now combined with Westlaw and is now all part of the Thomson Reuters Group. There is only one provider of Practical law and Westlaw therefore an exemption is requested to proceed with renewing this subscription on a 1 year basis | 1 year £29,999 | G) are for the supply of goods or services where there is only one supplier and no acceptable alternative |
| 14/02/25 | Future Street Smart Waste Ltd | Refurbishment of existing big belly bins | £11,177.79 | G) are for the supply of goods or services where there is only one supplier and no acceptable alternative |

**Monitoring Officer Report - Code of Conduct Complaints** **APPENDIX F**

**1 April 2024 to 31 March 2025**

Key

| | |
|---|---|
| Cllr | Councillor |
| MoP | Member of the public |
| NNDC | District Council |
| TC | Town Council |
| PC | Parish Council |
| DN | Initial Assessment – Decision Notice |

| Complaint Date | Complaint Reference | Complaint information -type of complainant -Number of Members complained of. | Authority | Allegation | Progress/ DN sent | Assessment Outcome | Hearing | Outcome of Hearing |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| April 2024 | 23902 | - Complainant (Cllr)<br>- 1 Subject Member | NNDC | Capacity under which attended a parish council meeting and non-declaration/registration of interests | Sent | No Further Action | No | N/A |
| May 2024 | 23962 | - Complainant (Cllr)<br>- 1 Subject Member | NNDC | Disrespect | Sent | No Further Action | No | N/A |
| June 2024 | 24065 | - Complainant (MoP)<br>- 3 Subject Members | Mundesley PC | Dishonesty | Sent | No Further Action | No | N/A |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| June 2024 | 24089 | - Complainant (MoP)<br>- 2 Subject Members | Bacton PC | Disrespectful and aggressive behaviour (SM1) and failing to report Disrespectful behaviour (SM2) | Sent | No Further Action | No | N/A |
| March 2024 (complaint)<br><br>December 2024 (hearing) | 23785<br><br>24170 | - Complainant (other)<br>- 1 Subject Member | Fakenham TC | Disrespectful conduct | Yes | Investigation | Yes | Breach found. |
| June 2024 | 24236 | - Complainant (MoP)<br>- 8 Subject Members | Briston PC | Disrespectful behaviour (and other matters, a lot of which fell outside the scope of the Code) | Yes | No Further Action | No | No |
| August 2024 | 24259 | - Complainant (MoP)<br>- Parish Council Members | Hoveton PC | Following clarification, the complaint appeared to fall outside the scope of the Code being about the parish council as a whole | No | Discontinued – outside scope | No | No |
| August 2024 | 24301 | - Complainant (MoP)<br>- 1 Subject Member | Brinington PC | Improper use of position | Sent | No Further Action | No | No |
| August 2024 | 24336 | - Complainant (MoP)<br>- 1 Subject Member | Holt TC | Disrespectful behaviour | Sent | No Further Action | No | No |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Oct 2024 | 24541 | - Complainant (MoP)<br>- 3 Subject Members | 2 Members of NNDC and 1 of Holt TC | Failing to be impartial, open and truthful | Sent | No Further Action | No | No |
| November 2024 | 24576 | - Complainant (MoP)<br>- 2 Subject Members | Knapton PC | Failing to be truthful and disrespectful language and behaviour | Sent | No Further Action | No | No |
| October 2024 | 24577 | - Complainant (other)<br>- 3 Subject Members | North Walsham TC | Disrespectful and bullying behaviour | Sent<br><br>No | SM1 – No Further Action<br><br>SM2 and SM3 Matter stayed | No | No |
| November 2024 | 24604 | - Complainant (as MoP and Cllr)<br>- 1 Subject Member | NNDC | Disrespect and disrepute | Sent | No Further Action | No | No |
| November 2024 | 24630 | - Complainant (MoP)<br>- 4 potential Subject Members | Knapton PC | Failing to be truthful and disrespectful language | No | Two of those complained of were not within scope of the Code. The other two were considered under complaint 24576 | No | No |
| January 2025 | 24757 | - Complainant (other)<br>- 2 Subject Members | Suffield PC | Failure to disclose interest; bias and bringing office into disrepute | Sent | No further Action | No | No |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| January 2025 | 24811 | - Complainant (MoP)<br>- 1 Subject member | Scottow PC | Disrespectful behaviour by a Member with reference to parish council procedures | No | Pending DN | | |
| January 2025 | 24861 | - Complainant (MoP)<br>- 6 Subject Members | Suffield PC | In progress – not yet finalised | No | Not yet finalised | | |
| February 2025 | 24950 | - Complainant (other)<br>- 1 Subject Member | North Walsham TC | Additional complaint connected to complaint reference 24577 | No | Connected to complaint 24576 - matter stayed | No | No |
| February 2025 | 24952 | - Complainant (MoP)<br>- 2 Subject Members | Cromer TC | Disrespectful behaviour and misuse of confidential information | Yes | No Further Action | No | No |
| March 2025 | 25114 | 2 Members | Fakenham TC | In progress – not yet finalised | No | Pending DN | | |

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# Cyber Risk Management Policy

| VERSION NUMBER | DATE |
|---|---|
| 1.1 | 25.04.2025 |

NORTH NORFOLK DISTRICT COUNCIL

# Cyber Risk Management Policy

## PUBLICATION DATE

| VERSION NUMBER | DATE |
|---|---|
| 1.1 | 25.04.2025 |

## Foreword

Digital services are integral to delivering modern, effective public services. With increasing cyber threats, it is essential that North Norfolk District Council takes a proactive and structured approach to managing cyber risks. This policy sets out our commitment to safeguarding the authority's digital infrastructure, data and service continuity.

## Contents

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## Executive Summary

This policy outlines the framework for identifying, assessing, and mitigating cyber risks to ensure the security and resilience of North Norfolk District Council against evolving cyber threats. It defines responsibilities for cyber risk management, ensures compliance with legal and regulatory requirements and supports our goal of maintaining public trust and operational resilience.

The Council recognises that regular cyber risk assessments are essential for establishing a risk baseline, maintaining compliance, and safeguarding critical data and infrastructure.

## Scope

This policy applies to all employees, elected members, contractors, and third-party vendors who access IT infrastructure, data, or digital assets owned or managed by North Norfolk District Council. It encompasses all forms of cyber risk, including but not limited to ransomware, phishing, denial-of-service attacks, insider threats, and data breaches.

## Policy Statement

North Norfolk District Council is committed to proactive and robust cyber risk management. This includes:

- Protecting information, systems, and services from evolving cyber threats.
- Integrating cyber risk management into the Council's broader corporate risk governance and service delivery.
- Complying with relevant UK legislation and standards, including the Data Protection Act 2018, UK GDPR, and PSN compliance.
- Promoting a culture of cyber awareness and resilience across all services.

**Cyber Risk Management Framework**

Cyber risks will be managed through a structured process involving:

1. Risk Identification

- Continuous monitoring of ICT infrastructure using internal and external tools.
- Proactive use of system alerts directed to a monitored security mailbox (7 days/week, 8am–5pm).
- Maximising in-built security features (e.g. Microsoft Enterprise E5).
- Regular vulnerability scanning and threat intelligence updates.
- Routine patching and adherence to the Patching Policy.

2. Risk Assessment

- Risks are assessed based on impact and likelihood using established methodologies.
- Strategic risks are recorded on the Corporate Risk Register, while operational and ICT-specific risks are tracked on the Departmental Risk Register and a dedicated Cyber Security Risk Register, reviewed quarterly by the ICT service.
- The Council prioritises risks that could affect service delivery, data integrity, or public trust.

3. Risk Mitigation

- Access Control & Authentication: Enforce strong password policies, multi-factor authentication (MFA), and role-based access controls.
- Data Protection: Encryption of sensitive data in transit, at rest, and on mobile devices; alignment with the Backup Policy and Business Continuity Plan.
- Network Security: Network traffic monitoring and protection against unauthorised access (as detailed in the Logging and Protective Monitoring Policy).
- Incident Recovery: Proven backup regimes and tested recovery procedures ensure rapid restoration following a cyber event.

## Roles & Responsibilities

Cyber risk management is a shared responsibility across the whole authority:

**Chief Executive**

- Provides strategic oversight and ensures cyber resilience is prioritised across the Council.

**Senior information Risk Owner (SIRO)**

- Leads cyber governance and integrates cyber risk into the wider risk management framework.

**Corporate Leadership Team**

- Allocates resources and supports effective cyber risk management across departments.

**Strategic ICT Manager**

- Oversees technical controls, incident response planning, and delivery of risk assessments.

**ICT Team**

- Implements updates and upgrades to mitigate risks.
- Manages cyber risks from external suppliers, including during procurement.
- Oversees system patching, monitoring, and threat intelligence.
- Maintains the Cyber Threat Register.
- Represents the Council at the Norfolk Cyber Delivery Group and Cybershare East, ensuring awareness of emerging threats.
- Maintain awareness of Norfolk Resilience Forum (NRF) Cyber Resilience Plan and take part in any exercises organised.

**Service Managers**

- Identify service-specific cyber risks and ensure appropriate local controls are applied.

**All staff and councillors**

- Comply with all security policies, including IT Security and Information Incident Management procedures.
- Complete mandatory cyber awareness training within required timeframes.
- Respond appropriately to simulations that have been designed to educate users of phishing risks.
- Report suspicious activity promptly.

## Equality Impact Analysis

This policy aims to achieve effective management of Cyber Risk while ensuring that it does not create any unnecessary barriers for individuals with protected characteristics. No adverse impacts on protected groups have been identified. Reasonable adjustments will made as required to ensure digital and training accessibility for all service users. The policy will be subject to ongoing monitoring and evaluation, with any findings used to inform future policy development and implementation.

## Review Process

This policy will be reviewed annually, or sooner if triggered by:

- Significant changes to the threat landscape.
- Legislative or regulatory developments.
- Major changes in Council infrastructure or services.
- Findings from internal or external audits.

Ongoing monitoring is embedded in ICT operations. All high-priority alerts will be directed to a designated mailbox monitored during working hours and weekends.

## Distribution & Amendment

This policy will be made available through:

- The Council's intranet.
- Induction and training materials.
- Email communication to managers and stakeholders.

All changes will be documented in the Version Control section and communicated following approval by the appropriate governance group.

## Document Information & Version Control

| | |
|---|---|
| **Document Name** | Cyber Risk Management Policy |
| **Document Description** | Cyber Risk Management Policy |
| **Document Status** | Current |
| **Lead Officer** | Kate Wilson |
| **Sponsor** | Dan King |
| **Produced by (service name)** | IT |
| **Relevant to the services listed or all NNDC** | All NNDC |
| **Approved by** | CLT |
| **Approval date** | |
| **Type of document** | Policy |
| **Equality Impact Assessment Details** | Current |
| **Review Interval** | 2 years |
| **Next Review Date** | 01/04/2027 |

| **Version** | **Originator** | **Description including reason for changes** | **Date** |
|---|---|---|---|
| 1.0 | KW/HC | Draft policy submitted | 25/04/2025 |
| 1.1 | KW | Changes to reflect change of AD & TS leaving | 09/06/25 |
| | | | |

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## Overview

The 2025/26 Local Government Finance Settlement remained a one-year arrangement, with the government reaffirming its intention to introduce multi-year settlements from 2026/27. While the government has reiterated its commitment to implementing multi-year settlements beginning in 2026/27, the government launched a consultation on local authority funding reform, aiming to implement a new funding methodology from 2026/27. This reform seeks to update the outdated funding formulas, which have not been revised since 2013/14, to better reflect current service demands and resource distribution. However, no legislative framework has yet been published to provide assurance or clarity on future funding models.

For local authorities like North Norfolk District Council, the absence of a multi-year financial framework hampers medium to long-term financial planning, investment in services, and strategic workforce management.

In February 2025, the government announced that Norfolk and Suffolk would be part of the devolution priority programme, aiming to reorganise the existing two-tier local government structure into unitary authorities. This restructuring could lead to the abolition of district councils, including NNDC, and the establishment of new governance arrangements

The highest risks are all ones where, among other factors, having sufficient funding in place is critical to reducing the level of risk. These include delivery of Net Zero targets, and the delivery of the Domestic Food Waste Collection.

The Corporate Leadership Team propose the inclusion CR043 - Introduction of Domestic Food Waste Collection. The introduction of mandatory weekly food waste collections, as required under the amended Environment Act 2021 and aligned with the Simpler Recycling reforms, presents a corporate risk to North Norfolk District Council. The primary risk stems from the potential non-delivery of this statutory service by the government-mandated deadline of April 2026. This risk is heightened by external pressures on national supply chains, including potential delays in the procurement of specialist collection vehicles and food waste receptacles, as well as ongoing uncertainties regarding depot capacity and infrastructure readiness. If the Council's waste collection contractor, is unable to implement the new service in time, NNDC would face non-compliance with legal obligations, exposing the authority to regulatory consequences and public criticism.

**Recommendations**

**Corporate risks to be removed from the register**

CR 032 – Fakenham Roundabout

**Corporate risks recommended for addition to the register**

CR 043 - Introduction of Domestic Food Waste Collection

## Risk Matrix

| | | | | | |
|---|---|---|---|---|---|
| **5** | | | | | |
| **4** | | CR 035 | CR 008<br>CR 042 | CR 015<br>CR 034<br>CR 043 | |
| **3** | | CR 009<br>CR 037 | CR 001<br>CR 002<br>CR 013<br>CR 025<br>CR 028<br>CR 036<br>CR 039 | | CR 010 |
| **2** | CR 038 | CR 029<br>CR 030<br>CR 040 | CR 024<br>CR 026 | CR 041 | |
| **1** | | | | | |
| **Impact**<br>**Likelihood** | **1** | **2** | **3** | **4** | **5** |

**Risk Name:** **CR 001 Deteriorating/ underused property assets**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Opportunity: 3 Increasing the rates of occupation on all council's commercial properties | Deteriorating/ underused property assets.<br><br>Lack of funding to repair and maintain assets and increased maintenance costs.<br>Loss of revenue / legal liability/ not achieving value for money /reputational risk/ capital commitment.<br><br>Primary - A Financial, Secondary - H Reputational | 4 x 3 = 12 | Business cases for commercialisation of assets to deliver future income and efficiencies.<br>Adequate budget provision both from revenue and capital to support R&M works and capital investment.<br><br>Asset Condition Surveys.<br><br>Compliance policies in place and up to date.<br><br>Compliance works undertaken in a timely fashion.<br>Adequate staff or appropriately qualified external contractor support | 3 x 3 = 9 | Production, approval and implementation of the Asset Management Plan | 2 x 2 = 4 | The Asset Management Plan is going through an internal consultation process – this is hoped to be concluded within the next Month.<br><br>An internal audit was completed in May 2025 on Commercial Estates with the audit opinion being reasonable assurance | Daniel King |

**Risk Name:** **CR 002 Flooding, erosion and loss of assets and delivery of services**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Greener: Coast: 3 Continuing our programme of investment in coastal and resort infrastructure and amenities, building on the progress made in recent years | Lack of ability to maintain coast defences and / or to support local coastal adaption needs.<br><br>Lack of Government funding<br><br>Inability to adapt to climate change - increased coastal erosion and flooding<br><br>Primary – E Strategic, Secondary - F Environmental and Social | 5 x 5 = 25 | Corporate Planning / Service Planning.<br><br>Net Zero 2030 Strategy and Climate Action Plan.<br><br>Shoreline Management Plan (SMP).<br><br>Repairs & Maintenance Programme.<br><br>Procurement practices.<br><br>Health & Safety checking and monitoring.<br><br>DEFRA funding of capital schemes.<br><br>Coastal Monitoring including the use of drones.<br><br>Control of coastal management schemes through procurement and regular checking.<br><br>Coastal Partnership East set up.<br><br>Environment Forum.<br><br>Health and Safety repairs as needed | 3 x 3 = 9 | 10-year capital programme | 3 x 3 = 9 | The main constructions works Balfour Beatty have been completed however Timber Groyne repairs still to be completed.<br>Urgent health and safety repairs to assets are being undertaken. Non urgent repairs are being included in the ongoing repairs and maintenance programme.<br>Ongoing cliff slips and asset deterioration is being investigated and assessed and plans of action being considered. | Tamzen Pope |

**Risk Name:** **CR 008 Loss of Information**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do | Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do<br><br>Loss of information assets.<br><br>Operational disruption, impact on customers.<br><br>Primary – A Financial, Secondary – H Reputational | 4 x 5 = 20 | PSN Code of Connection compliance.<br><br>ICT Strategy.<br><br>IT Security Policies.<br><br>Implement data security protocols.<br><br>IT Monitoring.<br><br>Data Protection training.<br>Regular audits of IT security arrangements.<br>Regular 3rd party data protection and integrity testing.<br><br>Information Risk Policy and Role Description.<br>GDPR compliance Framework.<br>Certificated Security Professional Training<br>Cyber security training | 3 x 4 = 12<br><br>→ | Self-Assessment as part of cyber assessment framework (CAF)is being undertaken by the IT manager | 3 x 3 = 9 | Cyber security training provided for all staff.<br>The risk is now deemed moderate and is well managed by the IT team and the Data Protection Team, taking reasonable steps to guard against and mitigate this risk.<br>IT Security Policy recently updated, and all staff required to sign that they have read and understood it.<br>The Council has recently obtained an external IT service review which considers governance issues and recommendations which has been reviewed by CLT and recommendation within that review have been actioned where appropriate, including the appointment of a strategic IT Manager. | Cara Jordan |

**Risk Name:** **CR 009 Poor Procurement**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do | Inadequate procurements<br><br>Procurement policies and procedures not followed or not fit for purpose.<br><br>Poor Procurement - poor value for money, poor strategic and operational outcomes, legal challenge, loss of public confidence, lack of transparency<br><br>Primary – A Financial, Secondary – H Reputational | 4 x 3 = 12 | Procurement Strategy.<br><br>Procurement Framework.<br><br>Joint procurement protocol and opportunities for joint/ shared procurement with other authorities.<br><br>Advice for external suppliers.<br>Procurement responsibility assigned.<br><br>Publish updated and complete contracts register. | 2 x 3 = 6<br><br>→ | Implement new Procurement Act 2023 – implementation date 24 February 2025.<br><br>Ensure compliant and effective procurement service | 2 x 2 = 4 | An audit of procurement has been carried out and recommendations implemented.<br>New procurement act 2023 went live on 24/02/2025. The new act has not yet been fully implemented at NNDC. Due to additional workload and resource required to fully implement the new act NNDC is actively exploring alternative ways the procurement service can be delivered. Currently additional support is being provided by neighbouring authorities to ensure compliance with the new act. | Daniel King |

**Risk Name:** **CR 013 Emergency Event**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Statutory obligation | These events could include those that affect the Council and its resources or an event that affects the wider district.<br>Any Internal or external event that has a significant impact on the Council.<br>The ability of the Council to deliver services is reduced.<br>Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety), H Reputational | 3 x 4 = 12 | Corporate Planning / Service Planning.<br>Budget Process / Budget Monitoring.<br>Project management framework.<br>Emergency Response & Recovery Planning.<br>Business Continuity Planning.<br>Services' Business Continuity Plans (BCP).<br>Corporate Business Continuity key role training.<br>Corporate Policies and Procedures.<br>Employment Policies.<br>Forward adverse weather guidance.<br>Emergency Response Plan<br>EH out of hours duty officer | 3 x 3 = 9<br>→ | Review of strategic level response guidance, training and exercises.- review due to be completed spring 2025 | 3 x 2 = 6 | Service managers have completed the business impact analysis and updated all business continuity plans during 2024.<br>The Environment Agency and the Met Office have indicated that there is the potential for fires in the open and drought Spring to Summer 2025. Multi-Agency planning for this has taken place. | Alison Sayer |

**Risk Name:** **CR 015 Medium Term Financial Plan**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 1 Managing our finances and contracts robustly to ensure best value for money | Reduced funding to fund current service levels and produce a balanced budget. Use of reserves is not sustainable strategy to bridge income/ expenditure.<br>Forecast funding reductions and shift to local financing from business rates, council tax and hew homes bonus.<br>Funding gaps in the medium to long term.<br>Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety). | 4 x 5 = 20 | Reporting - New legislation and consultation.<br>Policy Work.<br>Lobbying Central Government.<br>Medium Term Financial Strategy.<br>Corporate Planning / Service Planning.<br>Budget Process / Budget Monitoring.<br>Monitoring impact of the business rates retention.<br>Annual review of the Council's reserves.<br>Timely agreement of the annual Localised Council Tax Support Scheme.<br>Balanced budget agreed.<br>Growth forecasting models.<br>Business cases for commercialisation of assets to deliver future income and efficiencies.<br>Annual review of fees and charges.<br>Monitoring of savings and additional income. | 4 x 4 = 16<br>→ | | 3 x 3 = 9 | Balanced budget was approved in full council February 2025. Proposed savings were also approved and will be subject to in year monitoring. Finance team are actively monitoring the upcoming changes in funding for 2026/2027. There will be likely additional savings/income generating ideas needed for 2026/2027 to balance the budget, discussions are underway regarding this. | Daniel King |

**Risk Name:** **CR 024 People Resources**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 5 Creating a culture that empowers and fosters an ambitious, motivated workforce | Failure to retain and recruit adequately trained and experienced staff<br><br>Employment market conditions.<br><br>Negative impact on corporate plan, business transformation, performance and delivery.<br><br>Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety) | 3 x 4 = 12 | Corporate Planning / Service Planning.<br><br>Review Pay Policy.<br><br>Review relocation policy.<br><br>Employee Referral Scheme.<br><br>Market Pay Review report.<br><br>Apprenticeship programme.<br><br>Check-in process.<br><br>HR 006 New Ways of Working - Policy Creation.<br>Updated Recruitment Guidelines for Hiring Managers and Employees.<br>Additional information and guidance to support employees when applying for roles at NNDC. | 3 x 2 = 6<br><br>→ | Workforce and Development People Strategy has been drafted and will be approved in early 2025. A Learning and Development Strategy is being developed alongside. The aim of this strategy will be to retain current employees.<br><br>Agile Working Policy | 2 x 2 = 4 | People and Workforce Development Strategy is current at final draft stage to be submitted through the committee process in the next couple of months.<br>New Ways of Working (Agile Working Policy Policy) has been updated but yet to be approved and launched.<br>Impacts may be felt moving forward following the announcement pre Christmas 2024 of Local Government Reorganisation and Devolution, further information maybe available in respect of this from September onwards. | Susan Sidell |

**Risk Name:** **CR 025 Contract Failure**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 1 Managing our finances and contracts robustly to ensure best value for money | The Council has a number of contracts for service delivery. | 4 x 4 = 16 | Procurement Strategy. | 3 x 3 = 9 | | 2 x 2 = 4 | Contract Management structures are in place and regular contract management meetings and processes take place to ensure that contracts are running effectively and identify any issues which may give rise to concern. No areas of concern have been identified at this time. | Steve Hems |
| | Failure of a contractor | | Procurement Framework. | | | | | |
| | Increased costs and operational disruption. | | Joint procurement protocol and opportunities for joint/shared procurement with other authorities. | → | | | | |
| | Primary – D Operational (including capacity/ delivery/ resources/ health & safety), Secondary – H Reputational | | Advice for external suppliers.<br>Procurement Officer post established. | | | | | |

**Risk Name:** **CR 026 Impact of Economic fluctuations on the North Norfolk economy**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Economy: Thriving Business: 2 Providing support to allow rural businesses to thrive, recognising that many of our larger employers operate outside of our main towns | Inability of the local economy to adapt to the fluctuations.<br><br>Fluctuations in the Local, National and Global economies.<br><br>Local Economic position- impact on NNDR, revenue streams, higher demand for services, business failure, increased unemployment, and deprivation. National Economic position - central government funding challenges. Global Economic position - potential negative impact on council investments resulting in reduced income.<br><br>4. Primary – C Credit and counterparty, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety) | 3 x 2 = 6 | HS 003 - Monitor the need for temporary accommodation and ensure suitable provision.<br><br>Medium Term Financial Strategy.<br><br>Corporate Planning / Service Planning.<br><br>Treasury Management Strategy.<br><br>Fund Management advice from Arlingclose.<br><br>Business Survey.<br><br>Operation of the Council Tax Hardship Fund.<br>Economic Growth Team maintain contact with key businesses to monitor issues and provide support.<br><br>Economic Growth Strategy – adopted early 2024. | 3 x 2 = 6<br><br>→ | | 2 x 2 = 4 | We completed UKSPF and REPF programmes, which brought significant opportunities for local growth. Our programme for the transitional year of UKSPF and REPF has been agreed and a new approach to business engagement has been established, which enables us to better understand business sentiment. There appears to be considerable local resilience, investment potential and optimism, however the national and global context is uncertain. | Robert Young |

**Risk Name:** **CR 028 Governance failures**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do | Lack of governance, inadequate implementation and enforcement of governance.<br><br>Ignorance or non-observance of the Council's agreed governance protocols<br><br>Poor or illegal decision making<br><br>Primary – F Environmental and Social, Secondary - H Reputational | 3 x 4 = 12 | Corporate Planning / Service Planning.<br><br>Clear robust corporate governance framework.<br><br>Monitoring Officer actions to ensure governance risk is minimised.<br><br>Section 151 Officer actions to ensure governance risk is minimised.<br><br>Constitution/Standing Orders/Scheme of Delegations.<br><br>Committee report templates.<br><br>Member/ Officer Protocol.<br><br>Operation of Overview and Scrutiny Committee.<br><br>Annual Governance Statement supported by assurance framework.<br><br>Operation of Standards Committee.<br><br>Annual Monitoring Officer Report.<br><br>Head of Internal Audit assurance.<br><br>Audit programme.<br><br>Operation of Constitution Working Party.<br><br>Annual Assurance Statements.<br><br>Annual Audit Report. | 3 x 3 = 9<br><br>↑ | Evaluate Improvement and assurance framework self-assessment from the LGA as a potential replacement for the Self-assessment assurance statements process.<br><br>Ensuring there are sufficient staff for S151 Officer and Monitoring Officer<br><br>Recruitment of new Director for Resources and S151 Officer | 2 x 2 = 4 | See associated risk actions for more detail. | Cara Jordan |

**Risk Name:** **CR 029 Poor reputation of the Council in the Community**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient | The Council is perceived as inefficient, unresponsive to local need and/ or not transparent.<br>Related to the Council's dealings, interests and performance, and the impact of adverse outcomes.<br>The Council's reputation is adversely affected, and public confidence reduced.<br><br>Primary – H Reputational, Secondary - E Strategic. | 4 x 3 = 12 | Develop and Implement a Communications Strategy.<br><br>Clear robust corporate governance framework.<br><br>3.1.2 Review and refine our Customer Strategy.<br><br>Training including FOI training.<br><br>Dedicated PR & Communications Team<br><br>Local Code of Corporate Governance<br><br>Updating complaint handling process to match the Local Government Ombudsman code of practice. – completed this quarter and due to be implemented shortly.<br><br>Performance and Productivity Oversight Board is reviewing complaint response performance - completed this quarter | 2 x 2 = 4<br><br>↓ | Review the Customer Service Strategy<br><br>Revise the Constitution.<br><br>Complaint handling guide<br><br>Complaint response letters templates guide and templates developed and being shared with managers before implementation.<br><br>Further training activity in relevant areas.<br><br>A new complaint handling software solution is being developed through C3. | 2 x 2 = 4 | The Council undertakes regular activity to highlight the work it does to support individuals and communities. Performance Management is in place against the Corporate Plan and Annual Action Plan and this is reported quarterly to Cabinet and Overview and Scrutiny. The Performance and Productivity Oversight Board meets regularly to monitor the compliance across a range of performance areas. A robust compliments and complaints procedure is in place and monitoring is in place. The Council has a risk management framework and corporate risks are reviewed by CLT or a regular basis. There is a comprehensive programme of internal audit with the implementation of recommendations monitored by the Performance and Productivity Oversight Board and the Governance Risk and Audit Committee. | Steve Hems |

**Risk Name:** **CR 030 Sheringham Leisure Centre**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Communities: Culture: 1 Championing North Norfolk as a place where residents and visitors can enjoy inclusive cultural opportunities and healthy leisure and sports activities | Failure of contractor or issue with the construction sector, consents not given.<br><br>Building facility did not go ahead.<br><br>Facility not delivered.<br><br>Primary – A Financial, Secondary - H Reputational | 2 x 2 = 4 | Operation of Overview and Scrutiny Committee.<br><br>Project management & reporting procedures - Sheringham Leisure Centre. | 2 x 2 = 4<br><br>→ | | 2 x 2 = 4 | This Risk has been closed and the ongoing snagging list of work continues to be worked on by the council | Steve Hems |

**Risk Name:** **CR 032 Fakenham new roundabout - Delivery of highway infrastructure (roundabout) on A148**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Housing: Housing Need: 1 Supporting the delivery of more affordable housing, utilising partnership and external funding wherever possible | Funding not available / timing of works.<br><br>Rising construction and materials costs.<br><br>Failure to deliver a new roundabout at Fakenham, necessary to unlock housing growth.<br><br>Primary – I Projects, Secondary - H Reputational | 3 x 3 = 9 | Emerging Local Plan. | 2 x 2 = 4<br>↓ | | 2 x 2 = 4 | This project was previously with Martyn Fulcher as lead officer and now has Rob Young's name against it, but I think this should probably be Russell Williams as a "planning Infrastructure project" – either way the project is complete as of this week – ie the roundabout has been constructed and opened to traffic this week (before the Late Spring Bank Holiday and main tourist season) and therefore should probably be shown in this edition of the Corporate Risk Register as Complete and therefore removed from future versions of the Register.<br><br>I will pick up with Kathryn Brown whether it is necessary for the District Council to make any payments to or grant claims from the County Council and prepare any project completion paperwork for the project which secured grant funding from the Norfolk Business Rates Pool and Norfolk Infrastructure Fund programmes – but believe this to be an administrative issue rather than something which needs to be recorded as a project or corporate risk. | Steve Blatch |

**Risk Name:** **CR 034 Not achieving the Net Zero 2030 target**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Greener: Net Zero: 1 Continuing our own annual emissions reductions to reach Net Zero by 2030 | Not delivering the Climate Action Plan or parts of it. Current Climate Action Plan will not achieve net zero target. Contractors unable to deliver services with net zero carbon.. All Council input not achieved. Failing to secure contracts that do not result in net zero.<br><br>Inaction/ inability to reduce<br>Not achieving net zero by 2030. Impact on the reputation of the Council. Financial impact - needing to offset emissions.<br><br>Primary – E Strategic, Secondary – F Environmental and Social and H Reputational | 5 x 4 = 20 | Delivering NZSAP and considering the formation of a decarbonisation board.<br>Formal review of NZSAP every two years. Update and adapt the plan to meet the net zero target.<br>Continual monitoring of the delivery of the NZSAP as a major project through the project board.<br><br>Quarterly monitoring delivery through the Performance Management Framework.<br>Opportunities to offset from general operations and developments.<br>Ensure net zero considerations are at the forefront of all Council decision making.<br><br>Decarbonisation board meeting regularly.<br><br>Ensure all staff and Members are carbon aware - training programme delivered. | 4 x 4 = 16<br><br>↑ | Additional investment in renewable generation and or other offsetting initiatives.<br>Introduce climate impact assessment tool.<br>Embed staff climate emergency group. | 3 x 4 = 12 | Solar panels have been installed at Victory Leisure Centre using external grant funding. The trial of EV pool cars took place from May to December 2024 and the carbon saving impact will be evaluated.<br>Climate emergency staff forum group set up, with the aim of effecting behaviour change.<br>A grant has been awarded towards decarbonising Fakenham Sports Centre as part of the FLASH (Fakenham Leisure and Sports Hub) project.<br><br>Monitoring of the Carbon footprint continues in an increasingly accurate manner and the Net Zero Strategy and Action Plan is being revised, however new sources of emissions are likely to arise (e.g. food waste collection) which will impact upon the ability to reach the 2030 target. | Robert Young |

**Risk Name:** **CR 035 Failure to achieve adoption of the current draft Local Plan**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Statutory obligation | Loss of key staff, changes in legislation and political expectations<br><br>Local Plan process being delayed.<br><br>Failure to deliver corporate objectives for all themes.<br><br>Primary – D Operational (including capacity/ delivery/ resources/ health & safety), Secondary – E Strategic and H Reputational | 5 x 4 = 20 | Effective project management.<br>Ensuring there is a pool of suitably skilled and knowledgeable Planning staff that can be called on to contribute to the Local Plan process.<br><br>Member Training.<br><br>Following the departure of the Planning Policy Manager transitional arrangements have been put in place (Spring 2024)<br><br>Responded to the Planning Inspectors letter. | 2 x 4 = 8<br>↓ | Work through process to get local plan adopted. | 2 x 2 = 4 | This risk has been completely reviewed and updated including the name, description, the cause and consequence of the risk.<br>Impact has increased as if plan not adopted we would need to restart the plan process to include the 932 housing target.<br>The likelihood has reduced due to recent communication from inspector that makes it clear the plan is on a path to being found 'sound'. | Russell Williams |

**Risk Name:** **CR 036 Cromer and Mundesley Coastal Management Schemes**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Greener: Coast: 2 Implementing the Cromer and Mundesley Coast Protection Schemes | Additional application made for Cromer. This may not be approved. Costs will increase as a result of delays. Difficulties and delays in receiving consents will have an impact on timescales and costs.<br><br>Funding, consents<br>Funding – rescope the project, Consents – increased costs and programme delays and subsequent cost revisions leading to funding issues<br>Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety), H - Reputational, I – Project | 4 x 5 = 20 | Project risk register and management of risks monitored monthly.<br><br>Monthly project meetings with contractor.<br><br>Regular risk reduction meetings.<br><br>The risk overseen by the project board.<br><br>Retaining the design consultant during the project -implemented in the previous quarter.<br><br>Close liaison with the contractor to identify engineering options has been agreed and is ongoing.<br>A Fisheries Liaison Officer acting as a liaison between the contractor and the local fishermen for rock deliveries which is already showing benefits for the scheme and the fishermen– put in place last quarter. | 3 x 3 = 9 | #CALC! | 3 x 3 = 9 | The main constructions works Balfour Beatty have been completed however Timber Groyne repairs still to be completed. Submitted a business case to the Regional Flood and Coastal Committee requesting additional funding. A decision was received 25 April 2025 confirming approval. Paper being submitted to obtain these funds. | Tamzen Pope |

**Risk Name:** **CR 037 High cost and resource issues from prosecutions, enforcement action and litigation**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Corporate Plan and statutory duties | Statutory obligation to investigate and apply enforcement action including health and safety, food safety, licensing, environmental protection, planning. Public suing NNDC, Equality Act. | 3 x 4 = 12 | Case decision making process. | 2 x 3 = 6 | Require resource within the relevant departments to carry out routine visits regarding health and safety and food hygiene so as to have a preventative impact and potentially reduce the need for prosecution at an early stage. | 2 x 2 = 4 | The likelihood score has stayed the same after reviewing known and likely cases that may arise in the next quarter. The Monitoring Officer provided some detail regarding this risk to the Governance Risk and Audit Committee. | Cara Jordan |
| | Requirement to take costly action in financial and other resource terms 2.<br>Potential overspends not budgeted for. Not being able to carry out statutory and non-statutory functions due to the large call on staff resources. Also a risk if decide not to take enforcement action – risk of Judicial Review and to reputation<br>Primary=A Financial, Secondary=D Operational (including capacity/delivery/resources/health & safety) E Strategic F Environmental and Social G Governance H Reputational | | Apply two stage evidential and public interest tests<br>Enforcement Policy<br>Apply HSE enforcement matrix<br>Liaise with relevant Portfolio Holder<br>Refer to constitution for procedures<br>EH reserve<br>Staff training in understanding and interpreting legislation<br>Regular inspections<br>General reserve maintained at recommended levels.<br>Qualified lawyers and officers under their supervision conduct legal case. | → | | | | |

**Risk Name:** **CR 038 Fakenham Leisure and Sports Hub (FLASH) – threat to building within funding window**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Developing our communities - Promote Health, Wellbeing and Independence for all - Working with partners to promote healthy lifestyles and address the health inequalities faced by our communities. | This is a complex project, with a large number of stakeholders and contractors involved<br>Timeline for building the facility is tight. Completion to draw down funding has to be before the end of March 2026.<br>If the project cannot be delivered on time this could lead to reduced funding being drawn down and not all outcomes being achieved.<br>Primary - A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety) and H - Reputational | 5 x 5 = 25 | Project Management processes<br>Liaison with the Ministry of Housing and Local Government (MHCLG)<br>Timeline prepared.<br>Procurement process for consultants, architects, engineers in place.<br>NNDC project team established.<br>External steering group established and monthly meetings taking place. Members of the steering group include NNDC, Everyone Active, local councillors, Fakenham Town Council, MP, Football Foundation, Fakenham Academy.<br>Ensuring decision making follows NNDC protocols.<br>Follow NNDC Procurement Guidance.<br>Procurement Officer support.<br>Risk Management Policy and Framework<br>Project Risk Register – reviewed monthly<br>Review with Director for Resources the NNDC appetite for | 1 x 2 = 2<br>↓ | | 2 x 2 = 4 | Confirmation received from MHCLG that the deadline for completion of the grant funded works has been extended to March 2027. Contractor estimates remain for completion by October 2026 with high confidence. | Steve Hems |

financial risk relating to this project – risk appetite established.

Reporting regularly to MHCLG.

**Risk Name:** **CR 040 Management Information System – failure to complete development and maintain when in use**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Strong and responsible - Effective and Efficient - Continuing a service improvement programme to ensure our services are delivered efficiently And ensuring that strong governance is at the heart of all we do | Development of the MIS system is not complete or once complete is unable to be supported and maintained.<br><br>MS Office not maintaining tools used to build the system. Charging system changes to make MS Office use uneconomic. Project not being properly managed to the required timescales.<br><br>NNDC is without a system to monitor and present performance, action plan and risk reports<br><br>Primary - G Governance, Secondary – E Strategic | 3 x 4 = 12 | Project Management process including regular project team meetings<br><br>Project risk register<br><br>Documentation of functionality<br><br>Training for users<br><br>Training for development and support staff for the system<br><br>Business cases for commercialisation of assets to deliver future income and efficiencies. | 2 x 2 = 4<br><br>↓ | Training of IT staff to maintain the system<br><br>Senior management support<br><br>Thorough testing before implementation | 2 x 2 = 4 | Platform has been rolled out to 75% of required users ahead of 2nd Quarter when full go live is expected with further training booked in. Training on the backend workings of the platform is also taking place to ensure that there are contingency plans for the system if main admin is away. No plans to reduce Microsoft Licences that enable technology. | David Kingfisher |

**Risk Name:** **CR 041 - Local Government Reorganisation – threat to organisational capacity**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Strong and responsible - Effective and Efficient | Capacity issues generated by Devolution and Local Government Reorganisation (LGR)<br>Whether there is sufficient capacity to address the work that will be involved in preparing for LGR including the necessary governance, the structures and finance alongside other emerging issues e.g. the implementation of a separate food waste collection by March 2026.<br><br>Work will not be able to be progressed with sufficient speed to meet the tight timescales and may impact on the delivery of other work.<br><br>Primary: D Operational (including capacity/ delivery/ resources/ health & safety) Secondary: E Strategic G | 4 x 3 = 12 | Work is being done collaboratively across the seven district councils, easing the burden on individual councils.<br><br>Consultants appointed to deliver options based on common evidence base.<br><br>Member briefings and regular committee reports<br>Agreement to increase project management support to other projects such as the introduction of food waste.<br><br>Performance Management Framework compliance. | 4 x 2 = 8 | Continuation of joint working with other districts.<br><br>Member updates<br><br>Identifying other corporate projects which may need further project management support. | 4 x 2 = 8 | Six of the seven Norfolk districts (Breckland, Broadland, Great Yarmouth, Kings Lynn and West Norfolk, North Norfolk and Norwich City) are working together to develop a Full Business Case for three new unitary authorities for submission to Government by 26th September – sharing knowledge and resources to progress this important piece of work. Detailed project plan agreed for period June to end September.<br><br>Internally, proposals for a modest restructure of the Council's management structure have been approved creating an additional Assistant Director post, deleting a Director post and freeing up some capacity for the Chief Executive to focus on LGR and Devolution through having fewer direct reports and more distributive leadership through new reporting structures for Management Team and the additional AD post. | Steve Blatch |

**Risk Name:** **CR 042 - Coastwise – delivery within Government financial timeframes**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Greener: Coast: 1 Realising the opportunities of external funding to secure a sustainable future for our coastal communities through transition and adaptation responses | Inability to deliver well considered coastal transition activities within the limited timeframe offered by Government funding windows | 4 x 4 = 16 | Ongoing and timely discussions and updates with the Environment Agency | 3 x 4 = 12 | Approaching Government to extend programme timelines | 3 x 3 = 9 | If the action of approaching the Government of amendment to timelines is successful, the target score could be achieved. | Rob Goodliffe |
| | Urgent need from the government to progress but limited by national funding allocation time frames which don't fit community timeframes, the complexities of the project and development of completely new approaches. | | Ongoing monitoring of financial forecast and programme | | | | | |
| | Government do not roll forward funding into future years and north Norfolk misses out on the opportunities this funding is enabling | | Ongoing reporting to Environment Agency and DEFRA | | | | | |
| | Primary – Financial, Secondaries – Strategic, Environmental and Social, Reputational, Projects | | Utilisation of Local Adaptation Fund<br><br>Reprofiling of forecast spend where necessary and possible | | | | | |

**Risk Name:** **CR 043 - Introduction of Domestic Food Waste Collection**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Our Greener Future: Tackle Environmental Waste and Pollution & Statutory Obligation | Non-Delivery of domestic weekly food waste collections in line with the statutory obligation as part of the amended Environment Act 2021 and the introduction of Simpler Recycling.<br><br>Our contractor Serco not being ready to deliver on the deadline of April 2026, as a result of high demand on national supply lines of equipment such as vehicles and receptacles. Issues relating to depo capacity.<br><br>Non-compliance of statutory obligations. Potential reputational risk. Financial impact from the inclusion of food waste in the general loads.<br><br>Primary – G Governance, Secondary - F Environmental and Social, H Reputational | 4 x 4 = 16 | Risk Management Policy and Framework<br><br>Project Management Framework<br><br>Adequate staff or appropriately qualified external contractor support<br><br>DEFRA funding of capital schemes.<br><br>Procurement responsibility assigned.<br><br>Budget Process / Budget Monitoring.<br><br>The risk overseen by the project board.<br><br>Regular stakeholder meetings – meetings taking place weekly – completed in the last quarter<br><br>Keeping ward Members informed.<br><br>Regular dialogue with Norfolk County Council.<br><br>Monthly project meetings with contractor.<br><br>Timeline prepared | 4 x 4 = 16 | Working closely with contractors to address issues around depo capacity<br><br>Looking for suitable alternatives and options<br><br>Following project plan and meeting deadlines contained within. | 1 x 1 = 1 | Vehicles procurement added to capital programme at Full Council in April 2025. Order to be placed May 2025.<br>Scoping of alternative sites for vehicle storage. | Emily Capps |

# KEY

*Impact*

| Corporate Risk | | | | | |
|---|---|---|---|---|---|
| **Impact Type** | **Catastrophic**<br>**5** | **Critical**<br>**4** | **Moderate**<br>**3** | **Marginal**<br>**2** | **Negligible**<br>**1** |
| **Objectives** | The key objectives in the Corporate Plan will not be achieved. | One or more Key Objectives in the Corporate Plan will not be achieved. | Significant impact on the success of the Corporate Plan. | Some impact on more than one Service. | Insignificant impact on more than one Service. |
| **Financial Impact (Loss)** | Over £1.5m | £500K - £1.5m | £300K - £500K | £20K - £300K | £0-20K |

*Likelihood ratings and dimensions*

| Grade | Likelihood | Probability | Timing |
|---|---|---|---|
| 5 | Very High | Over 90% | Within six months |
| 4 | High | 60 - 90% | Within a year |
| 3 | Moderate | 40 - 60% | Within 1 to 2 years |
| 2 | Low | 10 - 40% | Probably within 15 years |
| 1 | Very Low | below 10% | Probably over 15 years |

*Risk Scoring*

Inherent risk score - Impact x Likelihood = Total rating. Risk score if no controls were in place.

Residual Risk Score - Impact x Likelihood = Total Rating. Risk score after current controls are taken into account.

Target Score – Impact x Likelihood = Total Rating. Risk score needed to ensure the risk score matches the risk appetite.

Rating score of 1 to 6 = Green, 8 to 12 = Amber, 15 to 25 = Red.

*Change of direction*

Rating score the same as the previous quarter →

Rating score higher than the previous quarter ↑

Rating score lower than the previous quarter ↓

*Categories of risk*

A Financial

B Macroeconomic

C Credit and counterparty

D Operational (including capacity/ delivery/ resources/ health & safety)

E Strategic

F Environmental and Social

G Governance

H Reputational

I Projects

**Overview**

The 2025/26 Local Government Finance Settlement continues to operate as a one-year arrangement, with no confirmation yet of the legislative framework required to implement multi-year settlements from 2026/27. The government has consulted on funding reform as part of the Fair Funding Review, alongside proposals for a national business rates reset, both of which could significantly alter the distribution of resources from 2026/27 onwards. However, the pace of change remains high and the absence of certainty on future funding models continues to constrain medium to long-term financial planning, investment decisions, and workforce strategy.

At a local level, in-year monitoring at Period 4 of the 2025/26 budget shows a modest surplus of £138k, with savings and mitigations broadly on track. The Medium-Term Financial Plan (MTFP) has been updated several times this financial year to reflect emerging information from government, underlining the fluidity of the financial environment. Additional savings and income-generation proposals will be required to balance the 2026/27 budget, and early engagement is underway.

In February 2025, the government announced that Norfolk and Suffolk would be part of the devolution priority programme, aiming to reorganise the existing two-tier local government structure into unitary authorities. This restructuring could lead to the abolition of district councils, including NNDC, and the establishment of new governance arrangements The highest risks are all ones where, among other factors, having sufficient funding in place is critical to reducing the level of risk.

The Corporate Leadership Team propose the inclusion CR044 - Cyber risk. This reflects the increasing threats posed by cyber-attacks, data breaches, and system outages across the local government sector. Councils hold and process large volumes of sensitive personal and financial data and rely heavily on digital systems to deliver critical services. A successful cyber incident could result in service disruption, financial loss, reputational damage, regulatory penalties, and harm to residents. The constantly evolving nature of cyber threats, combined with the sector's increasing dependence on technology, makes this a significant and enduring strategic risk that requires proactive management, investment in resilience, and ongoing staff awareness.



**Recommendations**

**Corporate risks to be removed from the register**

CR 030 Sheringham Leisure Centre

CR 036 Cromer and Mundesley Coastal Management Schemes

**Corporate risks recommended for addition to the register**

CR 044 - Cyber Risk

**Risk Matrix**

| | | | | | |
|---|---|---|---|---|---|
| **5** | | | | | |
| **4** | | CR 035 | CR 008<br>CR 042 | CR 015<br>CR 034 | |
| **3** | | CR 009<br>CR 037 | CR 001<br>CR 002<br>CR 013<br>CR 025<br>CR 028<br>CR 039<br>CR 043<br>CR 044 | | CR 010 |
| **2** | CR 038<br>CR 040 | CR 029 | CR 024<br>CR 026 | CR 041 | |
| **1** | | | | | |
| **Impact**<br>**Likelihood** | **1** | **2** | **3** | **4** | **5** |

**Risk Name:** **CR 001 Deteriorating/ underused property assets** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Opportunity: 3 Increasing the rates of occupation on all council's commercial properties | Deteriorating/ underused property assets.<br><br>Lack of funding to repair and maintain assets and increased maintenance costs.<br><br>Loss of revenue / legal liability/ not achieving value for money /reputational risk/ capital commitment.<br><br>Primary - A Financial, Secondary - H Reputational | 4 x 3 = 12 | Business cases for commercialisation of assets to deliver future income and efficiencies.<br><br>Adequate budget provision both from revenue and capital to support R&M works and capital investment.<br><br>Asset Condition Surveys.<br><br>Compliance policies in place and up to date.<br><br>Compliance works undertaken in a timely fashion.<br><br>Adequate staff or appropriately qualified external contractor support | 3 x 3 = 9<br><br>→ | Production, approval and implementation of the Asset Management Plan | 2 x 2 = 4 | A number of projects are currently underway to address the deteriorating condition of assets. While the Asset Management Plan is in the process of being updated, progress is being made through these initiatives. A recent recruitment exercise did not result in a successful appointment; therefore, external contractors have been engaged to provide support, which is helping to alleviate resource pressures. | Daniel King |

**Risk Name:** **CR 002 Flooding, erosion and loss of assets and delivery of services**

**Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Greener: Coast: 3 Continuing our programme of investment in coastal and resort infrastructure and amenities, building on the progress made in recent years | Lack of ability to maintain coast defences and / or to support local coastal adaption needs.<br><br>Lack of Government funding<br>Inability to adapt to climate change - increased coastal erosion and flooding<br><br>Primary – E Strategic, Secondary - F Environmental and Social | 5 x 5 = 25 | Corporate Planning / Service Planning.<br><br>Net Zero 2030 Strategy and Climate Action Plan.<br><br>Shoreline Management Plan (SMP).<br><br>Repairs & Maintenance Programme.<br><br>Procurement practices.<br>Health & Safety checking and monitoring.<br>DEFRA funding of capital schemes.<br><br>Coastal Monitoring including the use of drones.<br><br>Control of coastal management schemes through procurement and regular checking.<br><br>Coastal Partnership East set up.<br><br>Environment Forum.<br>Health and Safety repairs as needed<br>Adequate budget provision both from revenue and capital to support R&M works and capital investment.<br><br>Asset Condition Surveys.<br>Adequate staff or appropriately qualified external contractor support<br>Budget Process / Budget Monitoring.<br>Forward adverse weather guidance. | 3 x 3 = 9<br><br>→ | 10-year capital programme | 3 x 3 = 9 | The main constructions works Balfour Beatty have been completed however Timber Groyne repairs still to be completed. Ongoing engagement with EA to claim the funding.<br>Urgent health and safety repairs to assets are being undertaken. Non urgent repairs are being included in the ongoing repairs and maintenance programme.<br>Ongoing cliff slips and asset deterioration is being investigated and assessed and plans of action being considered. | Tamzen Pope |

**Risk Name:** **CR 008 Loss of Information** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do | Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do<br><br>Loss of information assets.<br><br>Operational disruption, impact on customers.<br><br>Primary – A Financial, Secondary – H Reputational | 4 x 5 = 20 | PSN Code of Connection compliance.<br><br>ICT Strategy.<br><br>IT Security Policies.<br><br>Implement data security protocols.<br><br>IT Monitoring.<br><br>Data Protection training.<br><br>Regular audits of IT security arrangements.<br><br>Regular 3rd party data protection and integrity testing.<br><br>Information Risk Policy and Role Description.<br><br>GDPR compliance Framework.<br><br>Certificated Security Professional Training<br><br>Cyber security training | 3 x 4 = 12<br><br>→ | Self-Assessment as part of cyber assessment framework (CAF)is being undertaken by the IT manager | 3 x 3 = 9 | A strategic IT manager has now been appointed.<br>The Cyber Security policy has been taken to CLT for onward consideration by GRAC.<br>The Legal team continue to receive and advise on data breaches and provide general data protection advice. | Cara Jordan |

**Risk Name:** **CR 009 Poor Procurement** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do | Inadequate procurements<br>Procurement policies and procedures not followed or not fit for purpose.<br>Poor Procurement - poor value for money, poor strategic and operational outcomes, legal challenge, loss of public confidence, lack of transparency<br>Primary – A Financial, Secondary – H Reputational | 4 x 3 = 12 | Procurement Strategy.<br>Procurement Framework.<br>Joint procurement protocol and opportunities for joint/ shared procurement with other authorities.<br>Advice for external suppliers.<br>Procurement responsibility assigned.<br>Publish updated and complete contracts register. | 2 x 3 = 6<br>→ | Implement new Procurement Act 2023 – implementation date 24 February 2025.<br>Ensure compliant and effective procurement service | 2 x 2 = 4 | Work is ongoing to ensure that the new act is implemented at NNDC. The constitution has been updated in line with the new procurement act. NNDC are still actively exploring alternative ways the procurement service could be delivered. Currently additional support is being provided by neighbouring authorities to ensure compliance with the new act. | Daniel King |

**Risk Name:** **CR 10 Housing Delivery not meeting targets** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Housing: Housing Need: 1 Supporting the delivery of more affordable housing, utilising partnership and external funding wherever possible | The draft local plan housing target is 557 new homes per annum. The revised nation government framework (dec 2024) increases the target further to 932 new homes per annum (approximately 70% increase). Every year the council reports on how many new homes have been delivered in North Norfolk. | 5 x 4 = 20 | Housing Strategy. | 5 x 3 = 15 | Work to produce a new Local Plan. | 4 x 2 = 8 | Work on Local Plan continues. A number of larger residential planning applications have been received by the Council but build rates remain behind current target. | Russell Williams |
| | Insufficient units coming forward via the planning system. Lack of interest from house building market. Lack of funding - especially for affordable house provision. | | Support and assist affordable housing providers. | → | Delivery of the Planning Service Improvement Plan. | | | |
| | Fewer homes for people to live in.<br>Increase in homelessness<br>Lower income levels for the council e.g. via council tax. | | Use of capital. | | Work with partners on Nutrient Neutrality matters. | | | |
| | Primary – E Strategic, Secondary - F Environmental and Social | | Local Plan.<br>Development Management.<br>Responded to NPPF consultation.<br>Annual Local Plan monitoring report<br>Annual estimate of increase council tax receipts | | | | | |

**Risk Name:** **CR 013 Emergency Event** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Statutory obligation | These events could include those that affect the Council and its resources or an event that affects the wider district.<br><br>Any Internal or external event that has a significant impact on the Council.<br><br>The ability of the Council to deliver services is reduced.<br><br>Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety), H Reputational | 3 x 4 = 12 | Corporate Planning / Service Planning.<br><br>Budget Process / Budget Monitoring.<br><br>Project management framework.<br><br>Emergency Response & Recovery Planning.<br><br>Business Continuity Planning.<br><br>Services' Business Continuity Plans (BCP).<br><br>Corporate Business Continuity key role training.<br><br>Corporate Policies and Procedures.<br><br>Employment Policies.<br>Forward adverse weather guidance.<br><br>Emergency Response Plan<br><br>EH out of hours duty officer | 3 x 3 = 9<br><br>→ | Review of strategic level response guidance, training and exercises.- review due to be completed spring 2025 | 3 x 2 = 6 | Multi-agency planning for summer risks took place in April, with the anticipated issues this summer (fires in the open and prolonged dry weather) proven to be accurate. The winter preparedness workshop is in September. Several multi-agency exercises have taken place in or are upcoming in Quarter 2. Business continuity plans are being updated. | Alison Sayer |

**Risk Name:** **CR 015 Medium Term Financial Plan** **Updated:** May-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 1 Managing our finances and contracts robustly to ensure best value for money | Reduced funding to fund current service levels and produce a balanced budget. Use of reserves is not sustainable strategy to bridge income/ expenditure.<br>Forecast funding reductions and shift to local financing from business rates, council tax and hew homes bonus.<br>Funding gaps in the medium to long term.<br>Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety). | 4 x 5 = 20 | Reporting - New legislation and consultation.<br>Policy Work.<br>Lobbying Central Government.<br>Medium Term Financial Strategy.<br>Corporate Planning / Service Planning.<br>Budget Process / Budget Monitoring.<br>Monitoring impact of the business rates retention.<br>Annual review of the Council's reserves.<br>Timely agreement of the annual Localised Council Tax Support Scheme.<br>Balanced budget agreed.<br>Growth forecasting models.<br>Business cases for commercialisation of assets to deliver future income and efficiencies. | 4 x 4 = 16<br>→ | | 3 x 3 = 9 | In-year monitoring of the 2025/26 budget at Period 4 is showing a forecasted year end surplus of £138k. Work is progressing on planning for 2026/27, including the development of further savings proposals and income-generation opportunities. The finance team is actively monitoring the Medium-Term Financial Plan (MTFP) modelling, which has been updated nine times since April 2025 - reflecting the fast-paced changes arising from the Fair Funding Review and the proposed Business Rates Reset. Current indications are that NNDC are financial worse as a result of these changes - this is not unexpected as has been communicated previously through the organisation. Engagement with services and Members continues to ensure early consideration of options and to support delivery of a sustainable balanced budget without undue reliance on reserves. | Daniel King |

Annual review of fees and charges.

Monitoring of savings and additional income.

**Risk Name:** **CR 024 People Resources** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 5 Creating a culture that empowers and fosters an ambitious, motivated workforce | Failure to retain and recruit adequately trained and experienced staff<br><br>Employment market conditions.<br><br>Negative impact on corporate plan, business transformation, performance and delivery.<br><br>Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety) | 3 x 4 = 12 | Corporate Planning / Service Planning.<br><br>Review Pay Policy.<br><br>Review relocation policy.<br><br>Employee Referral Scheme.<br><br>Market Pay Review report.<br><br>Apprenticeship programme.<br><br>Check-in process.<br><br>HR 006 New Ways of Working - Policy Creation.<br>Updated Recruitment Guidelines for Hiring Managers and Employees. | 3 x 2 = 6 → | Workforce and Development People Strategy has been drafted and will be approved in early 2025. A Learning and Development Strategy is being developed alongside. The aim of this strategy will be to retain current employees.<br>Agile Working Policy | 2 x 2 = 4 | Workforce Development and People Strategy is currently in the final update stages to be presented as necessary in October.<br>Learning and Development Strategy will be launched in conjunction with the above. | Susan Sidell |

Additional information and guidance to support employees when applying for roles at NNDC.

**Risk Name:** **CR 025 Contract Failure** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 1 Managing our finances and contracts robustly to ensure best value for money | The Council has a number of contracts for service delivery.<br><br>Failure of a contractor<br><br>Increased costs and operational disruption.<br><br>Primary – D Operational (including capacity/ delivery/ resources/ health & safety), Secondary – H Reputational | 4 x 4 = 16 | Procurement Strategy.<br><br>Procurement Framework.<br><br>Joint procurement protocol and opportunities for joint/shared procurement with other authorities.<br><br>Advice for external suppliers.<br><br>Procurement Officer post established. | 3 x 3 = 9<br><br>→ | | 2 x 2 = 4 | There has been no significant change since the last review of this risk. Contract Management structures are in place and regular contract management meetings and processes take place to ensure that contracts are running effectively and identify any issues which may give rise to concern. No areas of concern have been identified at this time. | Steve Hems |

**Risk Name:** **CR 026 Impact of Economic fluctuations on the North Norfolk economy**

**Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Economy: Thriving Business: 2 Providing support to allow rural businesses to thrive, recognising that many of our larger employers operate outside of our main towns | Inability of the local economy to adapt to the fluctuations.<br>Fluctuations in the Local, National and Global economies.<br>Local Economic position- impact on NNDR, revenue streams, higher demand for services, business failure, increased unemployment, and deprivation. National Economic position - central government funding challenges. Global Economic position - potential negative impact on council investments resulting in reduced income.<br>4. Primary – C Credit and counterparty, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety) | 3 x 2 = 6 | HS 003 - Monitor the need for temporary accommodation and ensure suitable provision.<br>Medium Term Financial Strategy.<br>Corporate Planning / Service Planning.<br>Treasury Management Strategy.<br>Fund Management advice from Arlingclose.<br>Business Survey.<br>Operation of the Council Tax Hardship Fund. | 3 x 2 = 6<br>→ | | 2 x 2 = 4 | Our programme for the transitional year of UKSPF and REPF is underway and the new approach to business engagement is well established, which enables us to better understand business sentiment. There appears to be considerable local resilience, investment potential and optimism, however the national and global context remains uncertain. | Robert Young |

Economic Growth Team maintain contact with key businesses to monitor issues and provide support.

Economic Growth Strategy – adopted early 2024.

**Risk Name:** **CR 028 Governance failures** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do | Lack of governance, inadequate implementation and enforcement of governance.<br><br>Ignorance or non-observance of the Council's agreed governance protocols<br><br>Poor or illegal decision making<br><br>Primary – F Environmental and Social, Secondary - H Reputational | 3 x 4 = 12 | Corporate Planning / Service Planning.<br><br>Clear robust corporate governance framework.<br>Monitoring Officer actions to ensure governance risk is minimised.<br>Section 151 Officer actions to ensure governance risk is minimised.<br>Constitution/Standing Orders/Scheme of Delegations.<br><br>Committee report templates.<br><br>Member/ Officer Protocol.<br><br>Operation of Overview and Scrutiny Committee. | 3 x 3 = 9<br>↑ | Evaluate Improvement and assurance framework self-assessment from the LGA as a potential replacement for the Self-assessment assurance statements process.<br>Ensuring there are sufficient staff for S151 Officer and Monitoring Officer<br><br>Recruitment of new Director for Resources and S151 Officer | 2 x 2 = 4 | Regular internal audits on governance take place with further audit listed for November 2025.<br>We have had an interim Section 151 Officer since the previous postholder left and have recruited a permanent Chief Finance Officer who is due to commence in September 2025. | Cara Jordan |

Annual Governance Statement supported by assurance framework.
Operation of Standards Committee.

Annual Monitoring Officer Report.

Head of Internal Audit assurance.

Audit programme.
Operation of Constitution Working Party.

Annual Assurance Statements.

Annual Audit Report.

**Risk Name:** **CR 029 Poor reputation of the Council in the Community** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Effective & Efficient | The Council is perceived as inefficient, unresponsive to local need and/ or not transparent.<br><br>Related to the Council's dealings, interests and performance, and the impact of adverse outcomes.<br>The Council's reputation is adversely affected, and public confidence reduced.<br><br>Primary – H Reputational, Secondary - E Strategic. | 4 x 3 = 12 | Develop and Implement a Communications Strategy.<br><br>Clear robust corporate governance framework.<br><br>3.1.2 Review and refine our Customer Strategy.<br><br>Training including FOI training.<br><br>Dedicated PR & Communications Team<br><br>Local Code of Corporate Governance | 2 x 2 = 4<br><br>→ | Review the Customer Service Strategy<br><br>Revise the Constitution.<br><br>Complaint handling guide<br><br>Complaint response letters templates guide and templates developed and being shared with managers before implementation.<br><br>Further training activity in relevant areas.<br><br>A new complaint handling software solution is being developed through C3. | 2 x 2 = 4 | The Council undertakes regular activity to highlight the work it does to support individuals and communities. Performance Management is in place against the Corporate Plan and Annual Action Plan and this is reported quarterly to Cabinet and Overview and Scrutiny. The Performance and Productivity Oversight Board meets regularly to monitor the compliance across a range of performance areas. A robust compliments and complaints procedure is in place and monitoring is in place. The Council has a risk management framework and corporate risks are reviewed by | Steve Hems |

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| | | | Updating complaint handling process to match the Local Government Ombudsman code of practice. – completed this quarter<br>Performance and Productivity Oversight Board is reviewing complaint response performance - completed this quarter | | | | CLT or a regular basis. There is a comprehensive programme of internal audit with the implementation of recommendations monitored by the Performance and Productivity Oversight Board and the Governance Risk and Audit Committee. |

**Risk Name:** **CR 034 Not achieving the Net Zero 2030 target** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Greener: Net Zero: 1 Continuing our own annual emissions reductions to reach Net Zero by 2030 | Not delivering the Climate Action Plan or parts of it. Current Climate Action Plan will not achieve net zero target. Contractors unable to deliver services with net zero carbon.. All Council input not achieved. Failing to secure contracts that do not result in net zero.<br><br>Inaction/ inability to reduce<br>Not achieving net zero by 2030. Impact on the reputation of the Council. Financial impact - needing to offset emissions.<br><br>Primary – E Strategic, Secondary – F Environmental and Social and H Reputational | 5 x 4 = 20 | Delivering NZSAP and considering the formation of a decarbonisation board.<br><br>Formal review of NZSAP every two years. Update and adapt the plan to meet the net zero target.<br><br>Continual monitoring of the delivery of the NZSAP as a major project through the project board.<br><br>Quarterly monitoring delivery through the Performance Management Framework.<br>Opportunities to offset from general operations and developments. | 4 x 4 = 16<br>→ | Additional investment in renewable generation and or other offsetting initiatives.<br><br>Introduce climate impact assessment tool.<br><br>Embed staff climate emergency group. | 3 x 4 = 12 | The installed solar panels at the Reef and Victory Leisure Centres have been operating well.<br>The trial of EV pool cars took place concluded, with beneficial carbon saving results, and the scheme has been expanded with two further vehicles.<br><br>The design of Fakenham Sports Centre as part of the FLASH (Fakenham Leisure and Sports Hub) project is taking account of the features to be funded from the grant | Robert Young |

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| | | | | Ensure net zero considerations are at the forefront of all Council decision making.<br><br>Decarbonisation board meeting regularly.<br><br>Ensure all staff and Members are carbon aware - training programme delivered. | | | | awarded towards decarbonising the facility.<br><br>Monitoring of the Carbon footprint continues in an increasingly accurate manner and the Net Zero Strategy and Action Plan is being revised, however new sources of emissions are likely to arise (e.g. food waste collection) which will impact upon the ability to reach the 2030 target. |

**Risk Name:** **CR 035 Failure to achieve adoption of the current draft Local Plan** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Statutory obligation | Loss of key staff, changes in legislation and political expectations<br><br>Local Plan process being delayed.<br><br>Failure to deliver corporate objectives for all themes. | 5 x 4 = 20 | Effective project management.<br>Ensuring there is a pool of suitably skilled and knowledgeable Planning staff that can be called on to contribute to the Local Plan process.<br><br>Member Training. | 2 x 4 = 8<br><br>→ | Work through process to get local plan adopted. | 2 x 2 = 4 | The publication of the Main Modifications for the Local Plan in August 2025 is a step forward. It remains likely that the Plan will be found 'Sound' and adopted - hopefully before the end of the year. | Russell Williams |

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|---|---|---|---|---|---|---|---|---|
| | Primary – D Operational (including capacity/ delivery/ resources/ health & safety), Secondary – E Strategic and H Reputational | | Following the departure of the Planning Policy Manager transitional arrangements have been put in place (Spring 2024)<br><br>Responded to the Planning Inspectors letter. | | | | | |



**Risk Name:** **CR 037 High cost and resource issues from prosecutions, enforcement action and litigation** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Corporate Plan and statutory duties | Statutory obligation to investigate and apply enforcement action including health and safety, food safety, licensing, environmental protection, planning. Public suing NNDC, Equality Act.<br><br>Requirement to take costly action in financial and other resource terms 2. | 3 x 4 = 12 | Case decision making process.<br><br>Apply two stage evidential and public interest tests | 2 x 3 = 6<br><br>→ | Require resource within the relevant departments to carry out routine visits regarding health and safety and food hygiene so as to have a preventative impact and potentially reduce the need for prosecution at an early stage. | 2 x 2 = 4 | Legal Officers and those with potential enforcement files. The Environmental Health department, which had been carrying vacancies, being a department which can be involved in high level legal actions is now fully resourced. This may assist with carrying | Cara Jordan |

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|---|---|---|---|---|---|---|---|---|
| | Potential overspends not budgeted for. Not being able to carry out statutory and non-statutory functions due to the large call on staff resources. Also a risk if decide not to take enforcement action – risk of Judicial Review and to reputation<br>Primary=A Financial, Secondary=D Operational (including capacity/delivery/resources/health & safety) E Strategic F Environmental and Social G Governance H Reputational | | Enforcement Policy<br>Apply HSE enforcement matrix<br>Liaise with relevant Portfolio Holder<br>Refer to constitution for procedures<br>EH reserve<br>Staff training in understanding and interpreting legislation<br>Regular inspections<br>General reserve maintained at recommended levels.<br>Qualified lawyers and officers under their supervision conduct legal case. | | | | | out preventative and advisory work to address risks at an early stage, and which may avoid legal action. |



**Risk Name:** **CR 038 Fakenham Leisure and Sports Hub (FLASH) – threat to building within funding window** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Developing our communities - Promote Health, Wellbeing and Independence for all - Working with partners to promote healthy lifestyles and address the health inequalities | This is a complex project, with a large number of stakeholders and contractors involved<br>Timeline for building the facility is tight. Completion to draw down funding has to be before the end of March 2026.<br>If the project cannot be delivered on time this could lead to reduced funding being drawn down and not all outcomes being achieved. | 5 x 5 = 25 | Project Management processes<br>Liaison with the Ministry of Housing and Local Government (MHCLG)<br>Timeline prepared. | 1 x 2 = 2<br>→ | | 2 x 2 = 4 | The project is progressing with the planning permission obtained and work to resolve the pre commencement conditions progressing well. RIBA stage 3 is nearing completion and work is progressing on Stage 4 process. The | Steve Hems |

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|---|---|---|---|---|---|---|---|---|
| faced by our communities. | Primary - A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety) and H - Reputational | | Procurement process for consultants, architects, engineers in place.<br>NNDC project team established.<br>External steering group established and monthly meetings taking place. Members of the steering group include NNDC, Everyone Active, local councillors, Fakenham Town Council, MP, Football Foundation, Fakenham Academy.<br>Ensuring decision making follows NNDC protocols.<br>Follow NNDC Procurement Guidance.<br>Procurement Officer support.<br>Risk Management Policy and Framework<br>Project Risk Register – reviewed monthly<br>Review with Director for Resources the NNDC appetite for financial risk relating to this project – risk appetite established. | | | | initial cost plan work has been completed and the Council is awaiting the final cost figures in order to submit a report to Cabinet on the 8th September in order to get sign off for the award of contract and the commencement of the build phase of the work. Work is currently on schedule for the revised project timetable. |



Reporting regularly to MHCLG.

**Risk Name:** **CR 039 Rocket House building repair and energy improvement works** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Strong and Responsible – Maximising Opportunity - Increasing the rates of occupation on all council's | Exceeds capital budget allocated. Works might not be successful in dealing with damp and increasing EPC rating.<br><br>Building needs repair and energy performance works to be fully lettable. | 4 x 4 = 16 | Independent surveys (3) of the building.<br><br>Budgeted repair costs prepared by independent quantity surveyor. | 3 x 3 = 9<br>→ | Reletting of the ground floor vacant area of the building once repairs complete.<br>EPC rating assessment. | 2 x 2 = 4 | Some initial data has been provided regarding the damp monitoring and further monitoring will continue. Public toilet works have completed. Lease discussions continue, however these | Renata Garfoot |

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| commercial properties. | Repairs could not be made as planned. Scaled back action may be necessary. Additional funds may have to be requested. This could cause delays. Unknown additional repair issues arise. Damage due to weather events may occur after any repairs are made.<br>Primary - A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety), H Reputational | | Indicative timeline prepared.<br>Capital budget of £1m approved.<br>Agreement made with a tenant vacating to enable the works to go ahead.<br>Procurement of contractors to do works.<br>Agree and implement contract management process.<br>Valuation advice is being sought regarding the long term lease.<br>Technical advice on waterproofing. | | Cabinet approval planned for new lease agreements during 2025.<br>Damp monitoring. | | will not be finalised until works to the whole building are completed. The former tenant has confirm their maintained intention to return to the building. |

**Risk Name:** **CR 040 Management Information System – failure to complete development and maintain when in use**

**Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Strong and responsible - Effective and Efficient - | Development of the MIS system is not complete or once complete is unable to be supported and maintained. | 3 x 4 = 12 | Project Management process including regular project team meetings | 1 x 2 = 2 | Training of IT staff to maintain the system | 2 x 2 = 4 | Platform is now being used to capture Corporate Risks and Actions as well as | David Kingfisher |

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| Continuing a service improvement programme to ensure our services are delivered efficiently<br>And ensuring that strong governance is at the heart of all we do | MS Office not maintaining tools used to build the system. Charging system changes to make MS Office use uneconomic. Project not being properly managed to the required timescales.<br><br>NNDC is without a system to monitor and present performance, action plan and risk reports<br><br>Primary - G Governance, Secondary – E Strategic | Project risk register<br><br>Documentation of functionality<br><br>Training for users<br><br>Training for development and support staff for the system<br>Business cases for commercialisation of assets to deliver future income and efficiencies. | ↓ | Senior management support<br><br>Thorough testing before implementation | | Service Risks. There are still some uptake issues that will be further addressed with more training and 1 on 1 sessions. Further improvements have been made from user feedback to help with adoption and ease of use. Reports remain manual but templated. No licencing issues. |



**Risk Name:** **CR 041 - Local Government Reorganisation – threat to organisational capacity**

**Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|
| Council: Strong and responsible - Effective and Efficient | Capacity issues generated by Devolution and Local Government Reorganisation (LGR) | 4 x 3 = 12 | Work is being done collaboratively across the seven district councils, easing the burden on individual councils. | 4 x 2 = 8 | Continuation of joint working with other districts. | 4 x 2 = 8 | Six of the seven Norfolk districts (Breckland, Broadland, Great Yarmouth, Kings Lynn | Steve Blatch |

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| | Whether there is sufficient capacity to address the work that will be involved in preparing for LGR including the necessary governance, the structures and finance alongside other emerging issues e.g. the implementation of a separate food waste collection by March 2026.<br><br>Work will not be able to be progressed with sufficient speed to meet the tight timescales and may impact on the delivery of other work.<br><br>Primary: D Operational (including capacity/ delivery/ resources/ health & safety) Secondary: E Strategic G | | Consultants appointed to deliver options based on common evidence base.<br><br>Member briefings and regular committee reports<br>Agreement to increase project management support to other projects such as the introduction of food waste.<br><br>Performance Management Framework compliance. | → | Member updates | | | and West Norfolk, North Norfolk and Norwich City) are working together to develop a Full Business Case for three new unitary authorities for submission to Government by 26th September being advised by consultants Inner Circle.<br>Final draft business case to be issued to partners on 5 September with internal briefings scheduled for the week of 8 September and a special Full Council arranged for 17 September. |



**Risk Name:** **CR 042 - Coastwise – delivery within Government financial timeframes**

**Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br><br>Likelihood x Impact | Existing Controls | Residual Risk Score<br><br>Likelihood x Impact | Action (to achieve target score) | Target Score<br><br>Likelihood x Impact | Progress update | Lead Officer |
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| Greener: Coast: 1 Realising the opportunities of external funding to secure a sustainable future for our coastal communities through transition and adaptation responses | Inability to deliver well considered coastal transition activities within the limited timeframe offered by Government funding windows<br><br>Urgent need from the government to progress but limited by national funding allocation time frames which don't fit community timeframes, the complexities of the project and development of completely new approaches.<br><br>Government do not roll forward funding into future years and north Norfolk misses out on the opportunities this funding is enabling<br><br>Primary – Financial, Secondaries – Strategic, Environmental and Social, Reputational, Projects | 4 x 4 = 16 | Ongoing and timely discussions and updates with the Environment Agency<br><br>Ongoing monitoring of financial forecast and programme<br><br>Ongoing reporting to Environment Agency and DEFRA<br><br>Utilisation of Local Adaptation Fund<br><br>Reprofiling of forecast spend where necessary and possible | 3 x 4 = 12 | → | Approaching Government to extend programme timelines | 3 x 3 = 9 | Continued liaison with EA and DEFRA regarding timeframes | Rob Goodliffe |

**Risk Name:** **CR 043 - Introduction of Domestic Food Waste Collection** **Updated:** August-2025

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
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| Our Greener Future: Tackle Environmental Waste and Pollution & Statutory Obligation | Non-Delivery of domestic weekly food waste collections in line with the statutory obligation as part of the amended Environment Act 2021 and the introduction of Simpler Recycling.<br><br>Our contractor Serco not being ready to deliver on the deadline of April 2026, as a result of high demand on national supply lines of equipment such as vehicles and receptacles. Issues relating to depo capacity.<br><br>Non-compliance of statutory obligations. Potential reputational risk. Financial impact from the inclusion of food waste in the general loads.<br>Primary – G Governance, Secondary - F Environmental and Social, H Reputational | 4 x 4 = 16 | Risk Management Policy and Framework<br><br>Project Management Framework<br><br>Adequate staff or appropriately qualified external contractor support<br><br>DEFRA funding of capital schemes.<br>Procurement responsibility assigned.<br>Budget Process / Budget Monitoring.<br>The risk overseen by the project board.<br><br>Regular stakeholder meetings – meetings taking place weekly – completed in the last quarter<br><br>Keeping ward Members informed.<br><br>Regular dialogue with Norfolk County Council.<br>Monthly project meetings with contractor.<br><br>Timeline prepared | 3 x 3 = 9 | Working closely with contractors to address issues around depo capacity<br><br>Looking for suitable alternatives and options<br><br>Following project plan and meeting deadlines contained within.<br><br>Set up Project Board | 1 x 1 = 1 | The delivery of the collection vehicles has been confirmed for late summer 2026, however we are still waiting for the draft contract Change Notice from Serco. Conversations continue regarding the depo suitability and the required works although this is being progressed. | Emily Capps |

→

**Risk Name:** **CR 044 - Cyber Risk** **Updated:** August-2025 **NEW**

| Corporate Objective | 1. Description of Risk or potential event<br>2. Cause of risk<br>3. Consequence of risk happening<br>4. Risk category<br>5. Risk appetite | Inherent risk score<br>Likelihood x Impact | Existing Controls | Residual Risk Score<br>Likelihood x Impact | Action (to achieve target score) | Target Score<br>Likelihood x Impact | Progress update | Lead Officer |
|---|---|---|---|---|---|---|---|---|

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|---|---|---|---|---|---|---|---|---|
| Council: Strong and responsible - Effective and Efficient | Cyber risk refers to the potential for loss or damage resulting from a failure or breach in digital systems, often caused by malicious actors, system vulnerabilities, or human error. It's a key concern for businesses, governments, and individuals in our increasingly connected world.<br><br>• Threats: Includes malware, ransomware, phishing, insider threats, and denial-of-service attacks.<br>• Vulnerabilities: Weaknesses in software, hardware, or human behaviour that can be exploited.<br>• Breaches through third-party vendors or partners.<br>• The Cyber risk is increased as the postholder who was overseeing Cyber Security now has been promoted and has additional priorities and the post hasn't been back filled.<br>• Financial Loss: From theft, fines, or downtime.<br>• Reputational Damage: Loss of customer trust and brand value.<br>• Legal Consequences: Violations of data protection laws like GDPR or CCPA.<br>• Operational Disruption: Interruptions in service or production.<br><br>Primary - D Operational (including capacity/ delivery/ resources/ health & safety) Secondary - A Financial, H Reputational | 4 x 4 = 16 | Policies, procedures, and training(e.g. Security awareness training, incident response plans, access management policies).<br><br>Technical Controls: Firewalls, antivirus software, encryption, intrusion detection systems (IDS), MFA, patch management, data Backup & Recovery, Access Control, Audit Logging & protective monitoring | 3 x 3 = 9 | Monitoring (SOC)<br><br>Testing Recovery after a ransomware attack.<br><br>Purchase software that detects Data Loss.<br><br>Policies, procedures, and training(e.g. Security awareness training, incident response plans, access management policies).<br><br>Technical Controls: Firewalls, antivirus software, encryption, intrusion detection systems (IDS), MFA, patch management, data Backup & Recovery, Access Control, Audit Logging & protective monitoring | 2 x 3 = 6 | We had a promising report from MHCLG regarding our Cyber Assessment Framework submission which concluded that NNDC "demonstrated significant areas of good practice". We also commissioned our annual external Health Check which found 8 critical vulnerabilities and 15 high. This wasn't as good as last year but most vulnerabilities related to a specific piece of software that was out of date and if you take that out of the equation very little weaknesses were found. There is a mixed response to the Cyber Awareness training with an overall 77.4% of people completing the courses. Though this is lower than normal due to the August course just being released. 12 people haven't completed any courses. There are less resources available to focus on Cyber due to no back filling of IT Infrastructure Manager's post and it remains to be seen whether this increases the gap between the threat landscape and our existing capabilities. The Actions proposed have not been carried out as they need to be budgeted for. | Kate Wilson |

KEY

*Impact*

| Corporate Risk | | | | | |
|---|---|---|---|---|---|
| **Impact Type** | **Catastrophic** | **Critical** | **Moderate** | **Marginal** | **Negligible** |
| | **5** | **4** | **3** | **2** | **1** |
| **Objectives** | The key objectives in the Corporate Plan will not be achieved. | One or more Key Objectives in the Corporate Plan will not be achieved. | Significant impact on the success of the Corporate Plan. | Some impact on more than one Service. | Insignificant impact on more than one Service. |
| **Financial Impact (Loss)** | Over £1.5m | £500K - £1.5m | £300K - £500K | £20K - £300K | £0-20K |

*Likelihood ratings and dimensions*

| Grade | Likelihood | Probability | Timing |
|---|---|---|---|
| **5** | Very High | Over 90% | Within six months |
| **4** | High | 60 - 90% | Within a year |
| **3** | Moderate | 40 - 60% | Within 1 to 2 years |
| **2** | Low | 10 - 40% | Probably within 15 years |
| **1** | Very Low | below 10% | Probably over 15 years |

*Risk Scoring*

Inherent risk score - Impact x Likelihood = Total rating. Risk score if no controls were in place.

Residual Risk Score - Impact x Likelihood = Total Rating. Risk score after current controls are taken into account.

Target Score – Impact x Likelihood = Total Rating. Risk score needed to ensure the risk score matches the risk appetite.

Rating score of 1 to 6 = Green, 8 to 12 = Amber, 15 to 25 = Red.

*Change of direction*

Rating score the same as the previous quarter →

Rating score higher than the previous quarter ↑

Rating score lower than the previous quarter ↓

*Categories of risk*

A Financial

B Macroeconomic

C Credit and counterparty

D Operational (including capacity/ delivery/ resources/ health & safety)

E Strategic

F Environmental and Social

G Governance

H Reputational

I Projects

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# Exemptions granted from 20 May 2025 to 22 August 2025

No exemptions were granted during this period.

Notes

- The previous period reported to GRAC was for the period 12 March 2025 to 20 May 2025
- In that period 4 exemptions were reported to the Committee.
- The next reporting period to GRAC will follow on from the last reporting period.

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# GOVERNANCE, RISK & AUDIT COMMITTEE – ANNUAL WORK PROGRAMME 2025/2026

| Topic | Lead Officer | Comments | Cycle |
|---|---|---|---|
| **December 2025** | | | |
| Risk Management Framework | Director for Resources | To review and comment on the Risk Management Framework | Annual |
| Corporate Risk Register | Director for Resources | To review the register | Quarterly |
| Internal Audit Progress & Follow-up Report | Internal Audit | To review progress on internal audit recommendations | Quarterly |
| Civil Contingencies Update | Resilience Manager | To receive the Civil Contingencies Update | Annual |
| Business Continuity Framework | Resilience Manager | To review the Business Continuity Framework | Bi-Annual |
| Procurement Exemptions Register | Monitoring Officer | To review Procurement Exemptions | Quarterly |
| Committee Self-Assessment Action Plan | Monitoring Officer | To complete the action plan | Annual |
| Treasury Management Strategy | Director for Resources | To review the Annual TMS and recommend to Full Council for approval | Annual |
| External Audit Plan (Letter) | External Audit | | Annual |
| 2024/25 External audit of the financial statements | External Audit | | Annual |
| **March 2026** | | | |
| Internal audit plan 2026/27 – Charter & Mandate | Internal Audit – Teresa Sharman | | Annual |
| *GRAC self-assessment* | Internal Audit – Teresa Sharman | May slip | Annual |
| Internal Audit Progress & Follow-up Report | Internal Audit – Teresa Sharman | To review progress on internal audit recommendations | Quarterly |
| Corporate Risk Register | Director for Resources | To review the corporate risk register | Quarterly |

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|---|---|---|---|
| Procurement Exemptions Register | Monitoring Officer | To review Procurement Exemptions | Quarterly |
| **June 2026** | | | |
| Internal Audit Progress & Follow up report | Internal Audit | To review progress on internal audit recommendations | Quarterly |
| Annual Report/Opinion & Review of the Effectiveness of Internal Audit | Internal Audit | | Annual |
| External Audit Plan for 2025/26 | External Auditor | | Annual |
| Corporate Risk Register | AD for Resources | To review the corporate risk register | Quarterly |
| Procurement Exemptions Register | Monitoring Officer | To review Procurement Exemptions | Quarterly |
| Treasury Management Half-Yearly report | AD for Resources | To review and recommend to Full Council | Annual |
| **July 2026** | | | |
| Annual Accounts sign-off | External Audit | *may take place later in the year*. | Annual |
| **September 2026** | | | |
| External Audit Results report 2024/2025 | External Audit | *May slip to December* | Annual |
| Internal Audit Progress & Follow up report | Internal Audit | To review progress on internal audit recommendations | Quarterly |
| GRAC Annual report | Committee Officer | To review the Committee's work over the previous year (tbc if Committee want to continue with this) | Annual |
| AGS 2025/2026 & Local Code of Corporate | Director for Resources | To approve the AGS | Annual |

| | | | |
|---|---|---|---|
| Governance | | | |
| Monitoring Officer's Annual Report | Monitoring Officer | To review the MO Annual report | Annual |
| Corporate Risk Register | Director for Resources | To review the register | Quarterly |
| Procurement Exemptions Register | Monitoring Officer | To receive the procurement exemptions register | Quarterly |

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