

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

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

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

| Links to key documents: | |
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| Corporate Plan: | Financial Sustainability and Growth |
| Medium Term Financial Strategy (MTFS) | The outturn position will have an impact on the Reserve Balances, which will become the updated 2025/26 opening balances for the MTFS |
| Council Policies & Strategies | Corporate Plan 2024-2028 |

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

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

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

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

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

2. Summary Financial Position 2024/25

- 2.1 The General Fund position for the year shows a year-end Surplus of (£0.622m). This is after allowing for transfers to Earmarked Reserves for current and known commitments.
- 2.2 Appendix A The General Fund Summary, shows the overall revenue position including notional charges; however, to assist reporting and explaining 'real cash' variances, Table 1 below provides a summary of the General Fund position excluding these charges.
- 2.3 Accounting standards require several notional charges to be made to service accounts e.g., capital charges, revenue expenditure funded from capital under statute (REFCUS) and pension costs, and whilst they don't have an impact on the surplus or deficit for the year, they are included for reporting purposes.

2.4 Table 1

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

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

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

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

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

2.7 Government Grants and Taxation

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

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

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

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

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

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

3.4 A. Employee Costs

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

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

Direct Employee costs –

- An adjustment of (£0.690m) has been made in relation to the current service costs on the Local Government Pension Scheme. This is a technical adjustment that is made in the accounts to comply with Accounting Standards. It reflects the difference between the cash contributions the Council has made into the Pension Fund during the year and the value of pensions accumulated in the year calculated by the actuary. As these additional costs are reversed out under net operating

expenditure, they have no bottom-line impact on the revenue outturn position although the increase is reflected in long term liabilities on the Balance Sheet.

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

Indirect Employee Expenses –

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

3.5 B. Premises Costs

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

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

Repairs and Maintenance –

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

Grounds Maintenance –

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

Premises Running Costs –

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

3.6 C. Transport Related costs

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

3.7 D. Supplies and Services

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

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

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

Printing and Stationery –

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

Fees and Services –

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

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

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

Communications and Computing –

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

Grants and Subscriptions –

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

Other Supplies and services –

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

3.8 E. Transfer payments

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

3.9 F. Capital Financing Costs

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

3.10 G. Income

Table 2d provides further analysis on the Councils Income variances

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

Government Grants –

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

Other Grants and Reimbursement –

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

Customer and Client Receipts –

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

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

Internal Income –

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

Non-Service Income and Expenditure

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

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

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

Retained Business Rate Income

- 3.17 The Council is a member of the Norfolk Business Rates Pool which is beneficial for all authorities within the Pool.
- 3.18 Accounting for Business Rates collection is a complex area as it involves three financial years and contributions to and from other external organisations over this time too.
- 3.19 Since 2020/21 it has been difficult to calculate the budget for the Council's Retained Business Rates because of this. Because of the uncertainty around what the actual levels would be and the possibility of having to repay grants any surplus since 2020/21 has been transferred to the Business Rates Reserve to offset any future deficits.
- 3.20 The 2024/25 budget included Retained Business Rates Income was included at a prudent level because of uncertainty around the calculation. The actual outturn is compared to the budget. The actual income level for the year was £0.384m above the budget and this will be transferred to the Business Rates Reserve. It should be noted that as the accounts are audited.
- 3.21 The Council Tax surplus for the 2024/25 year is £0.192m.

4. Reserves

- 4.1 The Council holds a General Reserve for which the recommended balance for 2024/25 is £2.1 million. The purpose of holding a General Reserve is to provide a working balance to help cushion the impact of uneven cash flows and to provide a contingency to help cushion the impact of unexpected events or emergencies.
- 4.2 The outturn position for the year ending 31 March 2025 was a net (£0.622m) surplus before recommendations to reserves.
- 4.3 In addition to the General Reserve the Council holds several Earmarked Reserves that are held to meet known or predicted liabilities. The Earmarked Reserves also provides a means at the year-end for carrying funds forward to the new financial year to fund ongoing commitments and known liabilities for which no separate revenue budget exists.
- 4.4 There are several Earmarked Reserves that have balances, yet the timing of the use of the reserve is yet to be agreed. For example, the Business Rates reserve which is held to negate any negative impacts on the General fund resulting from business rates appeals awarded, s31 grant balances and year end deficits.
- 4.5 Section 3 of the report has highlighted the service areas where an underspend has occurred relating to budgets funded by earmarked reserves. As part of the outturn process transfer entries are input to reflect the actual reserve funding requirement ensuring that the unallocated balance is available to meet future commitments or fund future projects. This adjustment offsets some of the positive variances in the net cost of services. In addition, a number of grant funding streams are ringfenced meaning that there is a specific purpose outlined in the grant determination. Underspends on these grants need to be earmarked to be utilised in future years or repaid.
- 4.6 The transfers to and from reserves (general and earmarked) are included within the reserves statement as detailed at Appendix C. This appendix outlines the purpose of each reserve and shows the planned use over the current four-year budget period. The updated budget projections were forecasting transfers from earmarked reserves totaling £4.491m. The outturn position only required a transfer of £0.939m from reserves resulting in a variance of (£3.552m) the most significant movements are as follows.
 - Capital Projects Reserve - (£0.475m) Capital Project slippage outlined in section 5 below.
 - Asset Management Reserve – (£0.137m) Capital Project slippage outlined in section 5 below.
 - Coast Protection Reserve – (£0.244m) Switch of funding for Coastal Transition Accelerator Programme (CTAP) expenditure now funded from capital grant.
 - Delivery Plan Reserve – (£0.808m) – (£0.494m) Capital Slippage (£0.192m) fixed term staffing contracts, (£0.098m) Expenditure relating to environmental strategy project.

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

5. Capital Programme 2024/25

- 5.1 This section of the report presents the capital outturn position for the 2024/25 year and the financing for this, together with the updated programme for the financial years 2025/26 to 2030/31. Appendix D provides the detail of the outturn for the 2024/25 capital programme and variances prior to any adjustments to the original year budgets. The updated capital programme for 2025/26 to 2030/31, is attached at Appendix E.
- 5.2 The capital programme expenditure for 2024/25 was £25.702m compared to an updated 2024/25 budget of £39.629m giving an underspend of £13.927m.
- 5.3 This significant underspend is attributable to multiple factors. Some high value projects have not progressed as far as originally planned due to project delays, or project timelines have been reconsidered to reflect changes to programmed delivery. This report requests if some budgets that are still required could be rolled forward into the 2025/26 capital programme. These are detailed further down in this report.
- 5.4 The total Capital Expenditure of £25.702m was funded by:
- £21.507m of grants
 - £1.240m of external contributions
 - £1.079m of reserve allocations
 - £0.00m of revenue contributions
 - £1.071m of capital receipts
 - £0.805m funded from borrowing
- 5.5 Details of the Capital Expenditure covered by the 2024/25 Financing can be found in Appendix D alongside projects with roll-forward requests (reprofiling to 2025/26 budget).
- 5.6 The table below shows the schemes completed in 2024/25 along with the value of unspent budget given up. Explanations of the major unspent budgets are detailed in paragraphs (a) to (j).

Capital Projects completed in 2024/25 and removed from the 2025/26 capital programme:

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

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

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

- (d). As part of the yearly final accounting checks, it was identified that solar panels were purchased to fit six SERCO waste vehicles, these were to replace diesel lifting mechanisms with solar powered lifting mechanisms. The costs of £16,750 for these panels were capitalised as they are improving a current asset of the Council. This project has been completed in 2024/25, and the costs have been put into the Council's capital programme – funded from the Innovation reserve
- (e). The Public Conveniences (Fakenham & Wells) project was completed in 2024/25 with final expenditure of £968,471 against the schemes approved budget of £986,963. This is a total saving during delivery achieved of £18,492 which will be uncommitted from capital receipts funding.
- (f). The Countryside Machinery project was completed in 2024/25 with final expenditure of £38,229 against the schemes approved budget of £38,465. This is a total saving during delivery achieved of £236 which will be uncommitted from capital receipts funding.
- (g). The Local Authority Housing Fund project was completed in 2024/25 with final expenditure of £1,040,000 against the schemes approved budget of £1,040,000. However, this scheme is specifically relating to the LAHF funding from central government which was used to administer grants from NNDC to housing developer to build affordable accommodation in the district. The Council has been awarded additional LAHF grant of £588k in 2025/26 which will be put towards the authorities Council Owned Temporary Accommodation project, instead of administering further grants.
- (h). The refurbishment of IT Training room and replacement of desktop PCs no longer needs doing as staff now have laptops which they can take along to any training sessions.
- (i). The Recruitment Software budget is a residual budget that is no longer required.
- (j). The Fakenham Connect/Crinkle Crankle Wall project was completed in 2024/25 with final expenditure of £293,389 against the schemes approved budget of £297,337. This is a total saving during delivery achieved of £3,948 which will be uncommitted from the Major Projects Reserve.
- (k). The User IT Hardware Refresh project was completed in 2024/25 with final expenditure of £75,586 against the schemes approved budget of £82,138 This is a total saving during delivery achieved of £6,552 which will be uncommitted from capital receipts funding. This underspend does not request a roll-forward as there is a new approved budget of £60,000 for the scheme in 2025/26.
- (l). The Financial Management System project was completed in 2024/25 with final expenditure of £291,966 against the schemes approved budget of £295,000. This is a total saving during delivery achieved of £3,034 which will be uncommitted from capital receipts funding.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

| Budget Manager | Ref: | New Capital Programme | Additional Budget Requested £ | Funding Source |
|----------------|------|-----------------------|-------------------------------|----------------|
|----------------|------|-----------------------|-------------------------------|----------------|

| | | Requests | | requested |
|---|-------|--|----------------|------------------|
| Assets & Property Programme Manager | (aaf) | Cromer Offices LED Lighting Programme | 6,081 | Capital Receipts |
| Assets & Property Programme Manager | (aag) | Public Conveniences (Sheringham & North Walsham) | 20,000 | Capital Receipts |
| Leisure & Locality Services Manager | (aah) | Holt Eco Learning Space | 100,000 | Contributions |
| Total additional funding approvals | | | 126,081 | |

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

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

6. Capital Programme 2025/26 Update

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

7. Medium Term Financial Strategy

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

8. Proposals and Options

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

9. Corporate Priorities

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

10. Financial and Resource Implications

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

11. Legal Implications

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

12. Risks

- 12.1 Financial risks are identified within the report content.

13. Net ZeroTarget

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

14. Equality, Diversity & Inclusion

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

15. Community Safety issues

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

16. Conclusion and Recommendations

- 16.1 Members are asked to consider the report and recommend the following to full Council:

- a) **The provisional outturn position for the General Fund revenue account for 2024/25 (See Appendix A);**
- b) **The transfers to and from reserves as detailed within the report (and Appendix C) along with the corresponding updates to the 2025/26 budget;**
- c) **The surplus of £0.622m be transferred to the General reserve to fund future funding shortfalls;**

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

S151 Officer

The draft outturn position as presented in this report shows that there is a surplus for the year of £0.622m for the year. The Council can meet this through the use of Reserves however future years' position will need to be closely managed and monitored to ensure that the Council can remain financially sustainable.

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

Monitoring Officer

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