



**GREAT YARMOUTH**  
BOROUGH COUNCIL

# Council

**Date:** Thursday, 21 July 2022

**Time:** 19:00

**Venue:** Council Chamber

**Address:** Town Hall, Hall Plain, Great Yarmouth, NR30 2QF

## AGENDA

Open to Public and Press

### 1 **APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

### 2 **DECLARATIONS OF INTEREST**

You have a Disclosable Pecuniary Interest in a matter to be discussed if it relates to something on your Register of Interests form. You must declare the interest and leave the room while the matter is dealt with.

You have a Personal Interest in a matter to be discussed if it affects

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater extent than others in your ward.

You must declare a personal interest but can speak and vote on the matter.

Whenever you declare an interest you must say why the interest arises, so that it can be included in the minutes.

<b>3</b>	<b><u>MAYORS ANNOUCEMENTS</u></b>	
	To receive any announcements from His Worship the Mayor.	
<b>4</b>	<b><u>ITEMS OF URGENT BUSINESS</u></b>	
	To consider any items of Urgent Business.	
<b>5</b>	<b><u>MINUTES</u></b>	<b>4 - 7</b>
	To confirm the minutes of the meeting held on the 23 June 2022.	
<b>6</b>	<b><u>SERVICE COMMITTEE DECISION LIST</u></b>	<b>8 - 10</b>
	Report attached.	
<b>7</b>	<b><u>FLEGGBURGH NEIGHBOURHOOD PLAN ADOPTION</u></b>	<b>11 - 59</b>
	Report attached.	
<b>8</b>	<b><u>WAR PENSIONS INCOME DISCRETIONARY DISREGARD</u></b>	<b>60 - 62</b>
	Report attached.	
<b>9</b>	<b><u>ADOPTION OF THE GREAT YARMOUTH SUSTAINABILITY STRATEGY ACTION PLAN</u></b>	<b>63 - 79</b>
	Report attached.	
	The Sustainability Strategy document can be found at the foot of the CMIS page.	
<b>10</b>	<b><u>LEVELLING UP FUND</u></b>	<b>80 - 85</b>
	Report attached.	
<b>11</b>	<b><u>EQUINOX ENTERPRISES LTD - FINANCING</u></b>	<b>86 - 98</b>

Report attached.

**12 GENERAL FUND OUTTURN 2021-22**

**99 - 152**

Report attached.

**13 FINAL HOUSING REVENUE ACCOUNT OUTTURN 2021-22**

**153 -  
166**

Report attached.

**14 ANY OTHER BUSINESS**

To consider any other business as may be determined by the Chairman of the meeting as being of sufficient urgency to warrant consideration.

**15 EXCLUSION OF PUBLIC**

In the event of the Committee wishing to exclude the public from the meeting, the following resolution will be moved:-

"That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 12(A) of the said Act."

**16 CONFIDENTIAL SERVICE COMMITTEE DECISION LIST**

Details

**17 CONFIDENTIAL MINUTES**

Details



**GREAT YARMOUTH**  
BOROUGH COUNCIL

# Council

## Minutes

Thursday, 23 June 2022 at 19:00

### PRESENT:-

His Worship, The Mayor, Councillor Plant; Councillors Annison, Bensly, Bird, Borg, Candon, Cameron, G Carpenter, P Carpenter, Cordiner-Achenbach, Flaxman-Taylor, Galer, Grant, Hacon, D Hammond, P Hammond, Hanton, Jeal, Lawn, Martin, Mogford, Myers, Price, Robinson-Payne, Smith, Smith-Clare, Stenhouse, Talbot, Thompson, Wainwright, B Walker, C M Walker, Waters-Bunn, Wells, Williamson, A Wright & B Wright.

Ms S Oxtoby (Chief Executive Officer), Ms C Whatling (Monitoring Officer), Mrs P Boyce (Strategic Director), Mr J Goffin (Media & Communications Manager), Mrs N Turner (Housing Director), Mrs S Wintle (Corporate Services Manager) and Mrs C Webb (Executive Services Officer).

### **1 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Freeman & Fairhead.

### **2 DECLARATIONS OF INTEREST**

Councillor Flaxman-Taylor declared a personal interest in item 8, as she was the owner of a property at Phase 1, Eastwood. However, in line with the Council's Constitution, she was allowed to both speak and vote on the item.

Councillor Wells declared a personal interest in item 12, as he was a Board member of GYBS and would leave the meeting during the determination of this item and would therefore not take part in the discussion or vote on the item.

### **3 MAYOR'S ANNOUCEMENTS**

His Worship, the Mayor, Councillor Plant, informed Council that he had no mayoral announcements to make this evening.

### **4 URGENT ITEMS OF BUSINESS**

His Worship, the Mayor, Councillor Plant informed Council that there were no urgent items of business for consideration.

### **5 MINUTES**

Council confirmed the minutes of the meeting held on 12 May 2022 with the following amendment regarding Item 18, Any Other Business, which should read County Deal and not County Orders.

Proposer: Councillor Smith

Secunder: Councillor Candon.

CARRIED.

### **6 AMENDMENTS TO APPOINTMENTS**

The Leader of the Council reported the following amendments to appointments to Committees, Working Groups and Outside Bodies:-

- (i) That Councillor Candon be appointed to Policy & Resources Committee,
- (ii) That Councillor Flaxman-Taylor be appointed to the Employment Panel,
- (iii) That Councillor Hanton be appointed to the Great Yarmouth Events Member Working Group,
- (iv) That Councillor Wells be appointed to the Norfolk Waste Partnership; and
- (v) That Councillor Wells replace Councillor P carpenter on Water Resources East.

Proposer: Councillor Smith

Secunder: Candon

CARRIED.

### **7 SERVICE COMMITTEE DECISION LIST 11 MARCH 2022 TO 12 MAY 2022**

Council received and considered the Service Committee Decision List for the period 11 March 2022 to 12 May 2022.

Proposer: Councillor Smith

Secunder: Councillor Candon

CARRIED.

## **8 EQUINOX PROPERTY HOLDINGS - FINANCING**

His Worship, the Mayor, Councillor Plant, left the meeting during the discussion of this item, as he was a Board Member and Chairman of Equinox Enterprises Ltd and Equinox Property Holdings.

Her Worship, Mrs Deputy Mayor, Councillor P Carpenter, assumed the chair for this item.

Council received and considered the report from the Finance Director & Section 151 Officer.

The Leader provided an update to Members on the current financing provided to the wholly owned company trading as Equinox Property Holdings Limited (EPH) and made recommendations for an increased level of loan financing for the company in order to fulfil EPH's Business Plan which was reported to Members separately on the agenda.

Proposer: Councillor Smith

Secunder: Councillor Candon

That Council:

(i) Approves the financing for Equinox Property Holdings of £4m, from a £3m loan facility and £1m initial share capital and that this be included in the updated capital programme; and

(ii) Delegate the draw down of the financing facility to the S151 Officer.

CARRIED.

## **9 TRANSITIONAL HOUSING SCHEME**

Council received and considered the report from the Housing Director.

Councillor Flaxman-Taylor, Chairman of Housing & Neighbourhoods Committee, reported that following consideration of this report at Housing & Neighbourhoods Committee, this report sought approval, subject to a successful bid for funding via the Rough Sleeping Accommodation programme for capital and revenue funding to deliver a Transitional Housing Scheme.

The Transitional Housing Scheme would provide a self-contained home and support package for up to 2 years. For rough sleepers, and those at risk of rough sleeping, who have low or medium support needs to help enable them into settled accommodation. This scheme provides an important part of the pathway approach to ensure that rough sleepers are able to move from the streets to being able to sustain

settled accommodation and to deliver a sustained reduction in rough sleeping across the Borough.

This scheme complimented the Housing First Scheme of five homes for rough sleepers with high support needs.

The scheme will be provided as a dispersed scheme on 2 sites through acquiring 6 homes providing a mix of 1 bedroom and 2 bedroom properties from a developer following their acceptance of the Council's conditional offer and the provision of 6 new homes on the Council's land, with a modular construction proposed for these homes.

Subject to a successful funding bid, the Council will seek to secure a third party to manage the homes which will be held in the General Fund and to provide the required support to our residents.

The confidential appendix provided further details on the 12 homes together with the costs of the scheme and details of the grant funding sought.

Councillor Jeal reported that he fully supported the scheme but hoped that the homeless would not have to pay the full rent payment as was the case in several hotels in his ward.

Councillor Myers requested assurance that a dedicated support worker would be put in place to assist the homeless with such issues as budgeting otherwise they would be set up to fail. Councillor Flaxman-Taylor assured Members that they would get the help they need.

Proposer : Councillor Flaxman-Taylor  
Secunder : Councillor Grant

That Council:

Approve, subject to a successful application for grant funding, the expenditure and the borrowing set out at paragraph 4.4 of the Confidential Appendix to deliver the Transitional Housing Scheme.

CARRIED.

## **10 ANY OTHER BUSINESS**

(i) The Leader of the Council gave a verbal update regarding County Deals.

## **11 EXCLUSION OF PUBLIC**

That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 12(A) of the said Act.

CARRIED.

Service Committee Decision List

	Details of Decision	Officer Lead
1	<p>Policy and Resources Committee 24 May 2022</p> <p><b>ANNUAL PERFORMANCE REPORT 2021/22</b></p> <p>RESOLVED :</p> <p>That the Committee review and approve the Annual Performance report for 2021/22; and agree that all key projects will continue to be monitored over the financial year with the aim of maintaining a green status (on target) and where possible attaining a green status for those key projects which are currently amber.</p>	Senior Performance & Data Protection Officer.
2	<p>Policy and Resources Committee 24 May 2022</p> <p><b>NEW LOCAL PLAN – REVISED LOCAL DEVELOPMENT SCHEME, STATEMENT OF COMMUNITY INVOLVEMENT AND ‘CALL FOR SITES’</b></p> <p>RESOLVED :</p> <p>That the Committee:-</p> <ul style="list-style-type: none"> <li>(i) Adopt the revised Local Development Scheme (Appendix 1)</li> <li>(ii) Adopt the revised Statement of Community Involvement (Appendix 2); and</li> <li>(iii) Approve commencement of a ‘call for sites’ to inform the new Local Plan.</li> </ul>	Strategic Planning Manager
3	<p>Policy and Resources Committee 24 May 2022</p> <p><b>TOWN DEAL INTERVENTION 5 - RESTORATION AND SUSTAINABLE REPURPOSING OF THREE VACANT HISTORIC BUILDINGS</b></p> <p>RESOLVED :</p> <p>That the Committee:-</p> <ul style="list-style-type: none"> <li>(i) Agree the release of £626,000 Town Deal funding subject to compliance with funding conditions and the parameters set out in this report.</li> <li>(ii) Resolve (subject to Council’s agreement to the release of funds) to grant the Great Yarmouth Preservation Trust £626,000 to re-purpose St. John’s Church, the North West Tower and 160 King Street into visitor accommodation as set out in the report and deliver the outcomes contained in the Strategic Business Case, subject to Government confirming their acceptance of the Full Business Case Summary Documents submitted for inspection on 24 March 2022; and</li> <li>(iii) Delegate authority to the Strategic Director to agree and sign the grant agreement on behalf of the Council with Great Yarmouth Preservation Trust.</li> </ul>	Project Manager



4	<p>Policy and Resources Committee 24 May 2022</p> <p><b>TOWN DEAL INTERVENTION 6 - RESTORATION AND ADAPTATION OF THE HISTORIC ICE HOUSE AS A NATIONAL CENTRE FOR ARTS AND CIRCUS</b></p> <p>RESOLVED :</p> <p>That the Committee:-</p> <p>(i) Agree the release of £500,000 comprising £450,000 Town Deal funding and £50,000 Great Yarmouth Borough Council’s Business Rates Pool allocation subject to compliance with funding conditions and the parameters set out in this Report.</p> <p>(ii) Resolve (subject to Council’s agreement to the release of funds) to grant Out There Arts(SeaChange Trust) £500,000 to re-purpose the Ice House as a performance venue and National Centre for Outdoor Arts &amp; Circus as set out in the Report and deliver the associated outcomes, subject to Government confirming their acceptance of the Full Business Case Summary Documents submitted for inspection on 24 March 2022; and</p> <p>(iii) Delegate authority to the Strategic Director to agree and sign the grant agreement on behalf of the Council with Out There Arts (SeaChange Trust).</p>	Project Manager
5	<p>Policy and Resources Committee 24 May 2022</p> <p>HERITAGE CENTRE PROJECT - GRANT FUNDING</p> <p>RESOLVED:</p> <p>That the Committee:-</p> <p>That the Committee grant fund Great Yarmouth Preservation Trust £232,229 to convert the Greenwoods building into a Heritage Centre and residential units from the Council’s Future High Streets Fund award, subject to the award funding conditions and other conditions referred to in this report.</p>	Strategic Director

6	<p>Policy &amp; Resources Committee – 24 May 2022</p> <p><b>EQUINOX PROPERTY HOLDINGS - FINANCING</b></p> <p>RESOLVED:</p> <p>That the Committee :-</p> <p>(i) Recommend to Council approval of the financing for Equinox Property Holdings of £4m, from a £3m loan facility and £1m initial share capital and that this be included in the updated capital programme; and</p> <p>(ii) Delegate the draw down of the financing facility to the S151 Officer</p>	Finance Director
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**URN:** 22-109  
**Subject:** Fleggburgh Neighbourhood Plan adoption  
**Report to:** Full Council – 21 July 2022  
**Report by:** Nick Fountain, Senior Strategic Planner

#### **SUBJECT MATTER**

Adoption of Fleggburgh Neighbourhood Plan

#### **RECOMMENDATION**

Council are asked to :-

- (1) Adopt the Fleggburgh Neighbourhood Plan

## **1. Introduction**

- 1.1. Following the Full Council decision to accept the Examiner's Recommendations for the Fleggburgh Neighbourhood Plan on the 20 April 2022, the Neighbourhood Referendum took place in the local village hall on Thursday 16 June 2022. The referendum was open for voting to those that lived within the parish area.
- 1.2. In summary, the plan passed successfully through referendum. In accordance with section 61E(4) of the Town & Country Planning Act 1990 (as amended), plans must be 'made' (adopted) by the Borough Council. The only exceptions are if the plan would breach, or would otherwise be incompatible with, any retained EU obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998) in accordance with section 61E(8) of the Town and Country Planning Act 1990 Act as amended. It is not considered that this plan is incompatible with any of these pieces of legislation. Therefore, the recommendation is to adopt the neighbourhood plan.
- 1.3. Upon adoption, the plan will formally become part of the Council's Development Plan. When determining planning applications, decisions must be made in accordance with the adopted policies of the Development Plan unless material considerations indicate otherwise. As the plan has successfully passed referendum, the plan effectively already has full planning weight in decision taking.
- 1.4. As the plan area also falls within the designated Broads Area, the plan also needs to be adopted by that authority.  
  
Local Plan Working Party
- 1.5. Throughout plan preparation and formal decision making, the progress of the neighbourhood plan has been presented to members of the Local Plan Working Party. Members have had

opportunities to feedback ideas to officers to shape consultation responses, and in providing advice and guidance to the parish council. The recommendation to proceed to Full Council to adopt the neighbourhood plan was considered and accepted by Local Plan Working Party on 28 June 2022.

## 2. Neighbourhood Plan Referendum Results

- 2.1. The Fleggburgh Neighbourhood Plan Referendum took place on Thursday 16 June 2022, in the local village hall. The referendum was advertised in accordance with the Regulations, ensuring that residents had every opportunity to be informed what the plan was, and when and where the referendum would take place.

Summary of Fleggburgh Neighbourhood Referendum Results:

- Total ballots 226 (representing a 26% turnout of the electorate)
- Total 'Yes' votes 198
- Total 'No' votes 28
- Plan passes with **88% majority**

## 3. Decision making

- 3.1. In accordance with the Regulations, the Council cannot make any other decision than to 'make' (adopt) the plan as part of the Development Plan unless it considers that the plan would breach any retained EU obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998) (under section 61E(8) of the Town and Country Planning Act 1990 Act as amended). There are no such reasons to prohibit the Fleggburgh Neighbourhood Plan from being formally adopted.
- 3.2. Upon adoption, the plan would need to be published and supported by a final decision statement setting out the reason(s) for the decision, where the decision and document can be inspected, and notifying those who have requested to be notified when the decision is made.

## 4. Financial Implications

- 4.1. The Borough Council has already received £5,000 for the adopted neighbourhood plan area (it has actually received 5 of these through the first 5 adopted areas). This funding will support the payments required to appoint independent examiners.
- 4.2. The Borough Council should receive a further Government grant of £20,000 having issued a decision statement to send the neighbourhood plan to referendum.
- 4.3. All costs associated with officer resources, the examination and referendum of the Neighbourhood Plans are expected to be covered by this Government funding.

## 5. Legal and Risk Implications

- 5.1. The Council has progressed the neighbourhood plan in line with the relevant legislation referred to above. The plan has been independently examined, with the Examiner's report finding that the plan meets the 'Basic Conditions' subject to modifications. The neighbourhood plan is supported by a screening report for Strategic Environmental Assessment and Habitat Regulations Assessment, screening out the need for full assessments to satisfy requirements under the Environmental Assessment of Plans and Programmes Regulations 2004 and the Conservation of Habitats and Species Regulations 2017. While this

was published in March 2020, the content and conclusions are considered to be appropriate to determine that no significant environmental effects will result from the plan.

- 5.2. Following adoption, a person aggrieved by the Neighbourhood Plan, may under Section 61N of the Town and Country Planning Act 1990, make an application to the court to challenge it. Such an application must be made within six weeks of adoption.

## 6. Conclusion

- 6.1. The recommendation is to adopt the Fleggburgh Neighbourhood Plan 2020-2030, having successfully passed its Neighbourhood Referendum.

## 7. Appendices

### Appendix 1 – Fleggburgh Neighbourhood Plan

*Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?*

Area for consideration	Comment
Monitoring Officer Consultation:	n/a
Section 151 Officer Consultation:	n/a
Existing Council Policies:	Local Plan Part 1: Core Strategy, Local Plan Part 2
Financial Implications (including VAT and tax):	See Section 4
Legal Implications (including human rights):	See Section 5
Risk Implications:	See Section 5
Equality Issues/EQIA assessment:	n/a
Crime & Disorder:	n/a
Every Child Matters:	n/a



Adoption by the Broads Authority xx  
2022, Adoption by Great Yarmouth  
Borough Council July 2022

# **FLEGGBURGH NEIGHBOURHOOD PLAN 2020-2030**

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# FLEGGBURGH NEIGHBOURHOOD PLAN

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1	Introduction
2	Neighbourhood Planning
5	Vision & Objectives
6	Housing
9	Natural Environment
26	Built Environment
30	Community Infrastructure
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37	Appendix 2: Key Viewpoints

## Section 1: Introduction

1. The parish sits in the middle of an area known as Flegg, an 'island' of higher ground between the Rivers Bure and Thurne. Flegg was historically separated into the two administrative units of East and West Flegg by the Muck Fleet Valley. Now Fleggburgh is a parish, close to Great Yarmouth and just 6 miles from Caister-on-Sea, and is made up of three amalgamated parishes; Burgh St Margaret, Billockby and Clippesby.
2. Fleggburgh (Burgh St Margaret) is the largest village in the parish, overlooking the Rollesby Broad Complex, whilst Clippesby and Billockby are small hamlets in the west and south. In policy terms, the Local Plan Part 2 for Great Yarmouth designates Clippesby and Billockby as 'tertiary villages' (the lowest tier in the settlement hierarchy), whilst Fleggburgh is a 'service village'. The parish has a strong community spirit but people would like to promote better connections, for example via footpaths, between the three settlements.
3. The settlement of Clippesby is very loosely gathered around the Grade II\* listed St Peter's round tower church and Clippesby Hall which provides holiday accommodation within a woodland setting but is otherwise distant from any major village facilities or amenities. The small v-shaped ribbon development at the junction of the A1064 and B1152 comprises Clippesby residences along the B1152 and Billockby residences on the A1064. This is adjacent to the Broads Authority area and is distant from any major village facilities or amenities.
4. Fleggburgh village is located close to Filby, along the busy A1064, and has a reasonable range of services and facilities. These include a primary school, village hall, church, GP surgery, sports club/gym, pub and restaurant. The village is adjacent to Filby Broad which is a tourist

destination with a number of holiday cottages, and a camping and caravan park. Indeed, to the east of



*Church of St Margaret, Fleggburgh*

Fleggburgh lies the Broads Authority executive area which is recognised both internationally and nationally as being critically important for wildlife, designated as the Broads Special Area of Conservation (SAC) and Broadland Special Protection Area (SPA). The Broads has status equivalent to a National Park.

5. The A1064 causes a number of concerns, especially around speeding and safety, and the junction with the B1152 is notorious locally. Despite the busy road, the village and the wider parish have a tranquil, rural quality owing to the Broads area, surrounding open countryside and its historic assets such as the Grade II\* Listed churches, St Margaret's and St Peter's.
6. The former Bygone Village has recently been redeveloped into a spacious residential development with generally large houses. A number of further residential developments have either been completed or received permission in recent years. The Great Yarmouth Local Plan Part 2 does not seek to allocate housing land in Fleggburgh, Billockby or Clippesby and sets a zero indicative housing requirement



for the neighbourhood plan. Additionally, the Local Plan for the Broads does not allocate housing land within the parish.

## Section 2: Neighbourhood Planning

### Overview of Neighbourhood Planning

7. Neighbourhood planning was introduced by the Localism Act 2011. Neighbourhood Planning legislation came into effect in April 2012 and gives communities the power to agree a Neighbourhood Development Plan. It is an important and powerful tool that gives communities such as Parish Councils statutory powers to develop a shared vision and shape how their communities develop and change over the years.
8. Fleggburgh is located within the Borough of Great Yarmouth. The strategic context is defined through the Great Yarmouth Local Plan and the Local Plan for the Broads adopted in May 2019. The Borough Council has an adopted Local Plan Part 1: Core Strategy (2015). More recently in December 2021, the Borough Council adopted its Local Plan Part 2, which contains updates to the Core Strategy, strategic policies, site allocations and non-strategic policies.
9. The neighbourhood plan sets out planning policies for the parish which, together with the Local Plans, carry significant weight in determining planning applications. It is a community document, written by local people who know and love the area.
10. The neighbourhood plan supports the delivery of the 'strategic policies' contained in the Great Yarmouth Local Plan, as well as those of the Local Plan for the Broads. It cannot promote less development than set out in local plans. The local plans set the overall strategic policies, such as the amount of new development and the distribution of that development across the Borough. Local Plan Part 2 allocates no market housing in Fleggburgh,

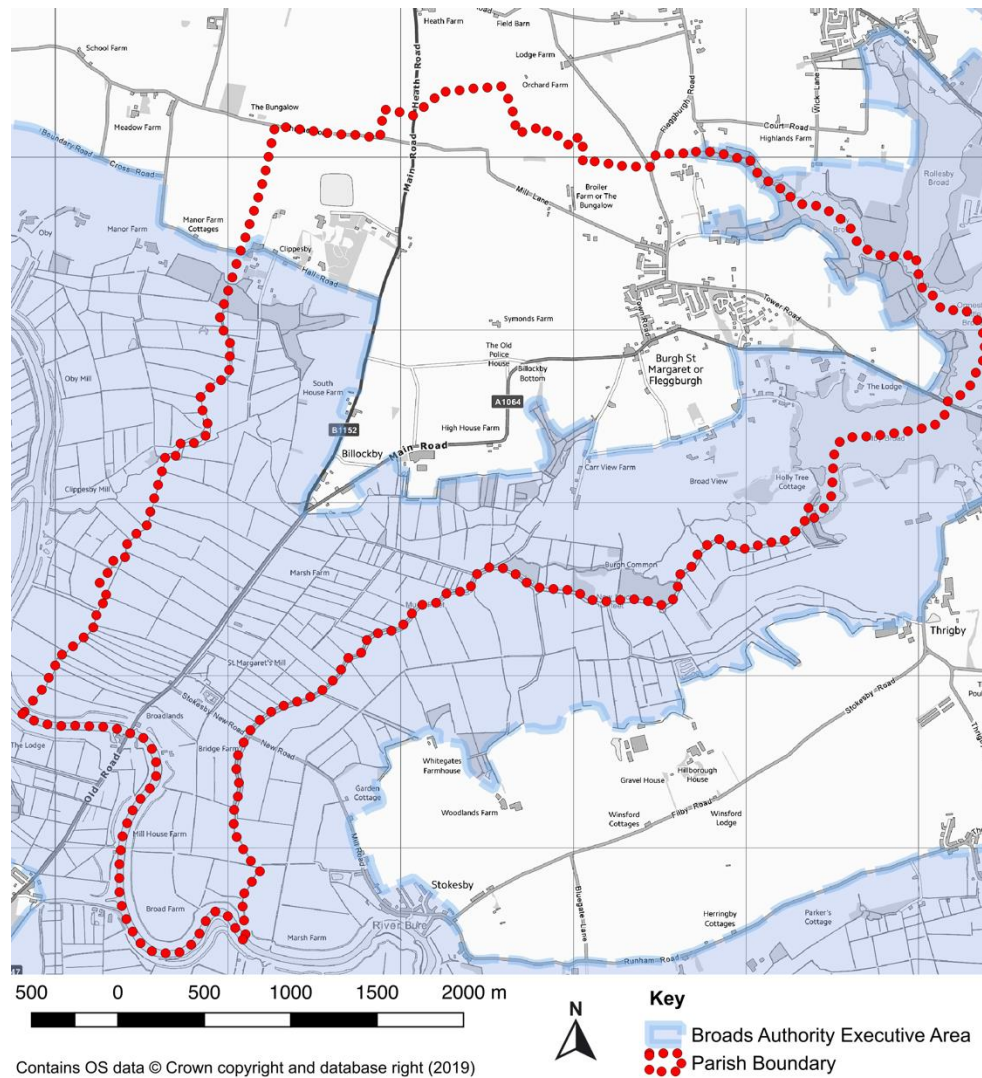
Billockby and Clippesby and notes that the indicative housing requirement for the Neighbourhood Area is zero. Additionally, the Local Plan for the Broads does not allocate any housing growth within the parish. There are separate policies in national and local plans allowing for exception schemes, whereby new homes can be provided for local communities for rent or sale under market values, affordable housing. The Flegg Community Land Trust exists to assist parishes or community groups to deliver such community assets.

11. The Neighbourhood Plan can include 'non-strategic policies', such as the mix of housing if any comes forward, design principles for new development, conserving and enhancing the natural and historic environment, protecting Local Green Spaces, and setting out other development management policies. Importantly, the neighbourhood plan will contribute to the achievement of sustainable development as described in the National Planning Policy Framework (NPPF).
12. Once a neighbourhood plan has been brought into force it becomes part of the statutory development plan for the parish and will be used by the Borough Council and Broads Authority in deciding on all planning applications in the parish.

### Process of Developing this Neighbourhood Plan

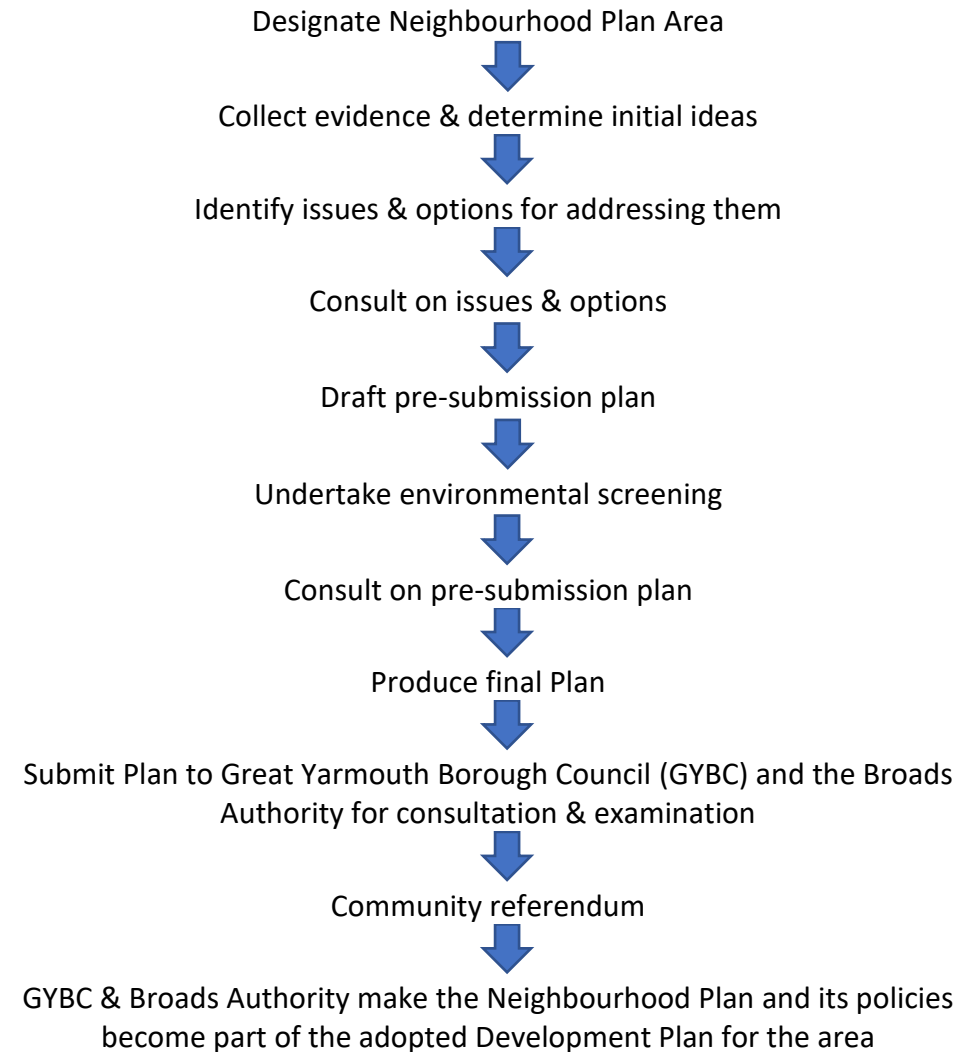
13. The parish area shown in **Figure 1** was designated as a Neighbourhood Area in April 2019.
14. A broad range of evidence has been reviewed to determine issues and develop policies for the plan. This includes evidence from the Census 2011, housing data, a review of environmental designations and historical records. Further assessment to gather new evidence has also been undertaken, including an assessment of key views, all supported by consultation activities with the community.

**Figure 1: Designated Neighbourhood Area**



*Neighbourhood Area designated April 2019*

**Figure 2: Neighbourhood Plan Process**



## Consultation with Residents

15. Fleggburgh Neighbourhood Plan has been developed by residents of the parish on behalf of the wider community. A working group, comprising a mix of residents and parish councillors, has overseen the process throughout on behalf of the Parish Council as the qualifying body. Engaging the wider community in the Neighbourhood Plan's development has been a key focus.
16. In March 2019 an initial consultation with residents on key planning related issues in Fleggburgh was undertaken. This was followed in September 2019 by engagement on specific issues and options for the plan which included Local Green Spaces and important viewpoints. The consultation included an event at Fleggburgh Village Hall attended by people who live in the parish. Significant consideration was given as to whether the plan would allocate sites for development, with a final decision taken by the Parish Council not to allocate in November 2019. In addition, a specific consultation was held in February 2020 on non-designated heritage assets.
17. This early engagement helped the working group to formulate a Regulation 14 pre-submission draft, which was consulted upon between August – October 2020. During the consultation many residents reviewed the draft plan and its policies and made representations. In addition seven stakeholders, including Great Yarmouth Borough Council, the Broads Authority and Natural England responded with their comments.
18. A full account of consultation activities, the key points and how these were considered by the working group is provided in the Consultation Statement which accompanies the Neighbourhood Plan.



*All Saint's Church, Billockby*

## Section 3: Vision and Objectives

A vision and objectives have been developed for the neighbourhood plan based on feedback received through consultation with the community in 2019. Each of the objectives aim to support delivery of the vision.

### Vision

The three settlements of Fleggburgh will have retained their own identity, but residents of Billockby and Clippesby will be better connected to the improving services and facilities in Fleggburgh. This will have helped build on the strong community spirit in the parish, which will have been further enhanced by the development of a village centre in Fleggburgh around the pub and village hall, where community activity and new facilities can be focused.

Residents and visitors can still enjoy the rural and tranquil character of the parish, achieved through protecting and enhancing the key assets that make up that character, including views of the wider open landscape, important green spaces, the many heritage assets, overall character of the buildings, and importantly the Broads. The impact on tranquillity and safety caused by the heavy traffic flows and speeds through the parish will have been reduced.

### Objectives

- A. Each of the parish villages will have retained their separate and distinct character;
- B. Safeguard the peacefulness, views and rural feel of the parish including its farming landscape;
- C. Protect & celebrate the rich wildlife and landscape of the Broads;
- D. Maintain & enhance sustainable access into the surrounding countryside;
- E. Improve infrastructure and attract key services;
- F. Support community spirit by improving connections to facilities and promoting a village centre in Fleggburgh;
- G. Have a stronger influence over development in the parish, ensuring a focus on sustainable and accessible housing for all ages, including affordable housing;
- H. Ensure future development blends well with the existing built environment;
- I. The integrity, character and appearance of the historic environment of the parish will be preserved and where possible enhanced;
- J. Reduce the adverse impact of traffic through the villages, ensuring that residents can cycle or walk safely along the road by their homes.

## Section 4: Housing

### Housing Type and Mix

19. Fleggburgh is a relatively small parish of just over 400 homes. There have been 34 new homes built in the parish (mainly in the village of Fleggburgh) over the last six years, and there are 52 more with planning permission, which represents a 30% increase in homes overall. Although Great Yarmouth Borough Council has not allocated further sites within Fleggburgh as part of their Local Plan Part 2, speculative development can still come forward, especially if at any point the Borough Council is unable to demonstrate a five-year supply of housing land.
20. A large proportion of residents feel that there should be no further housing development in the parish. Concerns raised include the scale of development and its impact on green spaces and the landscape. There is also concern about the impact development is having on the capacity of services, including the GP surgery which is considered to be close to capacity, and that most new development is out of character with existing dwellings in terms of design. The Neighbourhood Plan gives the residents an opportunity to influence any new development that does come forward, to ensure it meets community need.
21. The housing profile (Census 2011) is currently dominated by detached homes which make up around 50% of houses, there is also a high proportion of semi-detached dwellings in comparison to other neighbouring villages. Over a quarter of homes have four or more bedrooms, which is a high proportion compared to other villages, whilst around 30% are two bedrooms or fewer, which is low in comparison, and the proportion of one-bedroom properties is very low. The number of larger properties continues to increase, with the most recent permissions for residential dwellings (e.g. 06/19/0371/F) all for large homes. The profile means that homes are likely to be more expensive to buy, making them unaffordable to younger people. The 2014 Strategic Housing Market Assessment for Great Yarmouth provides further evidence of need for smaller dwellings. For market housing, dwellings of 1 or 2 bedrooms should be 50% of the total, whilst for shared ownership it should be 40%. For affordable rent it is 60%.
22. According to the 2011 Census data, 26% of homes in Fleggburgh parish were occupied by people aged 65+, with over a quarter of these older people living on their own in larger properties. The parish has an ageing population, with almost a quarter of current residents aged 65+ and this is increasing.
23. Consultation with the community to develop the Neighbourhood Plan indicated a need to help younger people onto the housing ladder and there is support for more affordable homes. Borough Council data also shows that the demand for affordable housing, particularly smaller affordable homes, within Fleggburgh currently outstrips supply. It is generally felt that if there is additional housing it should meet a local need, enabling people to stay in the parish. Rural Exception Sites for affordable housing that are adjacent to the development limits are allowed under national policy, but it is important to manage how these come forward as they should be integrated with the existing community.
24. A Neighbourhood Plan can influence the size and type of new homes that will be built in the future. When asked about preferences for new homes the community indicated a highly significant preference towards smaller homes and affordable homes and no real support for larger homes. Smaller homes are more likely to meet the needs of younger residents as well as older residents looking to downsize.

### Policy 1: Housing Type & Mix

Housing proposals should provide a mix of housing types and sizes that reflect local housing need, taking into account the best available and proportionate evidence. Housing proposals should provide for small (one or two bedroom) homes in line with the Table below, unless evidence is provided showing that a lower number is justified or that the scheme is made unviable. The provision of dwellings comprising five bedrooms or more will not be supported, unless this would clearly and demonstrably meet a local housing need.

Size of development	<b><i>Minimum</i></b> requirement for small homes (2 bed or fewer)
2-3 dwellings	1
4-6 dwellings	2
7-9 dwellings	3
10+	30% of dwellings, rounded to the nearest whole number (less than 0.5 rounded down, equal to or more than 0.5 rounded up)

The development of affordable housing within the development limits and proposals for Rural Exception Sites adjacent to development limits will be supported.

25. The Great Yarmouth Local Plan and the Local Plan for the Broads both have a policy around rural exception sites. Policy CS4 in the borough council's Core Strategy, for example, already has some criteria, such as size of the exception site needing to be proportionate to the size of the respective settlement.
26. The minimum requirement for 30% of new homes to be smaller will maintain the current proportion within the community (see para 19) which given the evidenced increase in smaller households and single

occupancy, is reasonable. It is recognised that with building conversions and self-build this may not be possible.

### Design

27. Design is another key area where the Neighbourhood Plan can have influence. The Government is raising the importance of good design with the development of national design guides, and encourages neighbourhood plans to have design policies. In this regard, the Government has recently published a National Design Code. During consultations, people felt that there was not a strong unifying character in Fleggburgh, but rather it was very mixed in terms of design and style. On the other hand, Clippesby was considered to be characterised by cottages of a traditional design built in vernacular materials such as flint and red brick, see photos on p10. Most people want new homes to relate well to their context, so that they blend in with their surroundings. However, design is about more than just appearance and also relates to layout, scale, density and how the building and area functions.

### Policy 2: Design

All new development within Fleggburgh must demonstrate high-quality design. New development should be well integrated into the landscape and maintain the quality of transition between the settled and agricultural landscape as well as protect the landscape setting of the Broads. All development must respect local character and development within the Broads must preserve or enhance cultural heritage.

Development within or adjacent the settlement of Clippesby must be sympathetic in scale, type and design to the existing traditional character, reflecting the prevalence of rural cottages and use of traditional materials such as flint and Norfolk red brick.

Buildings of innovative contemporary design will also be welcomed, as long as their scale, materials and design reflect the predominant building characteristics and enhance their surroundings.

Development should seek to achieve high energy efficient standards and new homes or commercial developments requiring car parking should provide electric car charging points.

Developments including both market and affordable housing should be designed to be tenure blind.



*Photos to illustrate the design of buildings in Clippesby*



## Section 5: Natural Environment

### Protecting the Natural Environment

28. This part of the Broads network in Fleggburgh is designated the Broads Special Area of Conservation (SAC), Trinity Broads Site of Special Scientific Interest (SSSI) and Burgh Common and Muckfleet Marshes SSSI, see **Figure 3**. This is extremely rich in wildlife which could be sensitive to impacts from future development.
29. The Trinity Broads are a tranquil and beautiful part of the Broadland landscape, known as a hidden gem, isolated from the main Broads river system. The three broads of Ormesby Broad, Rollesby Broad and Filby Broad are much quieter than others. Filby Broad is the deepest of the three. The Trinity Broads are extremely rich in wildlife with some species rarely found outside of the Broads fen habitats. Habitats include wide expanses of shallow open water, extensive tracts of broadshore reedbed and undisturbed areas of wet woodland. They support a wealth of wildlife, from the tiniest rare snail, to stands of bulrushes which have virtually disappeared from the rest of the Broads area, to the bittern. The ecological importance of the area is reflected in the variety of international, national and local nature conservation designations.
30. Trinity Broads make up 14% of the open water within the Broads National Park. They are a significant fresh water supply with approximately 5 million litres of water abstracted each day, supplying 80,000 homes in the surrounding villages and Great Yarmouth. They cover 162 hectares of open water in total, with 21km of broadshore habitat including fen meadow, tall herb fen, littoral reed bed and alluvial forest. It is important to ensure that the water quality is not impacted by future development.
31. Burgh Common and Muck fleet Marshes is a 121-hectare site of biological importance. The Muck Fleet, a tributary of the River Bure, runs through the wetland site, which is traditionally managed by

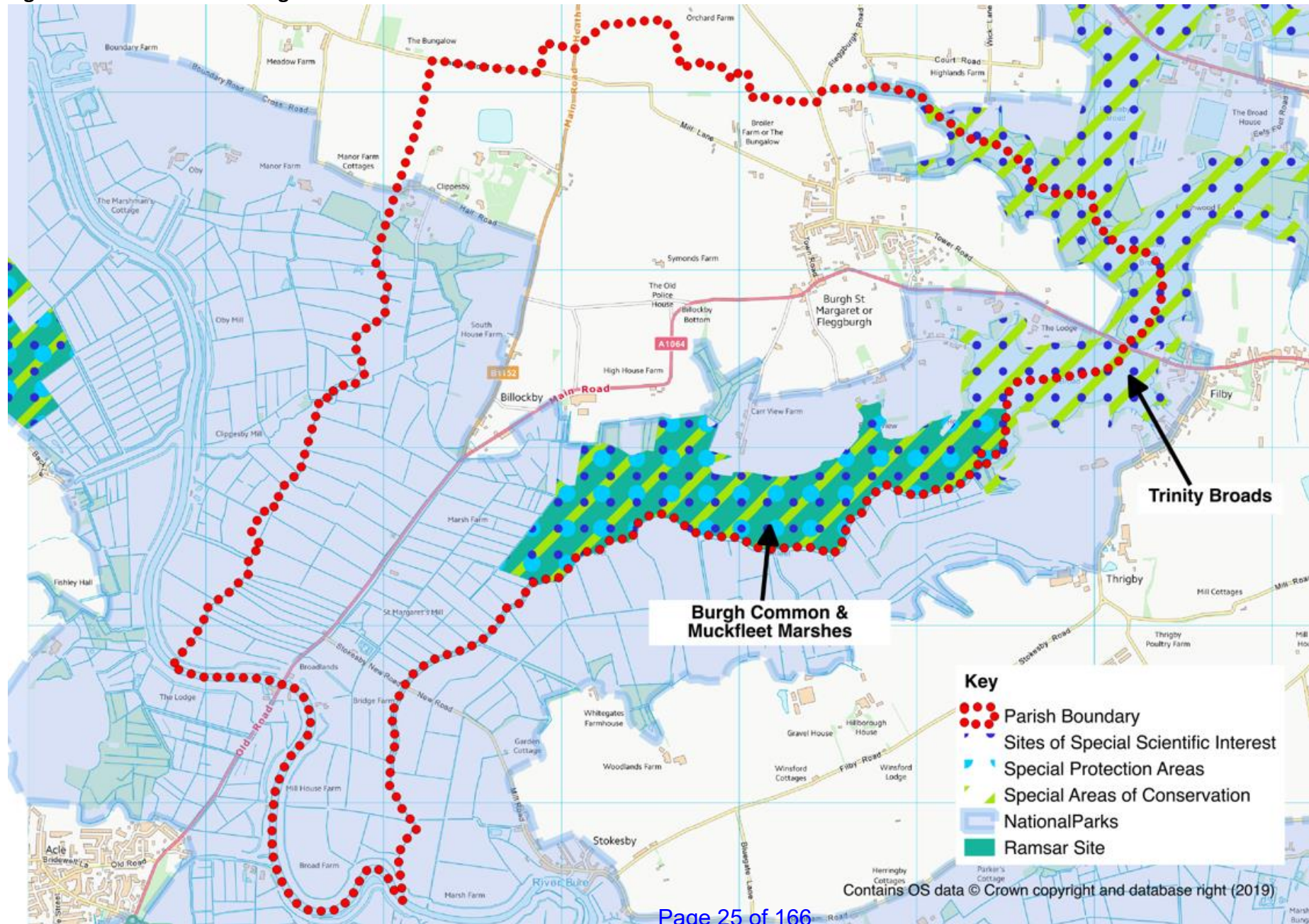
grazing and mowing. Habitats include tall fen, fen meadows and drainage dykes. There are rare plants and invertebrates, such as the swallowtail butterfly.



*Burgh Common & Muckfleet Marshes SSSI*



Figure 3: Environmental Designations



32. Residents would like to conserve the special qualities of Fleggburgh's natural environment and ensure that development supports the creation of more and better habitat for wildlife that is joined-up with that which already exists. New development should leave the natural environment in a measurably better state than beforehand, achieving a net gain in biodiversity. This will help to halt the declines in wildlife by conserving existing habitats and species, but also begin the task of restoring some of what has been lost.
33. In the absence of national legislation and guidance on measurement of biodiversity net gain, the calculation tool available from Defra should be used. This compares the current biodiversity value of habitats to be lost to development (excluding designated sites and ancient woodland) with the biodiversity value of the habitats forecast to be created following development, with the intention being to demonstrate an overall increase in biodiversity (minimum 10%). The use of assessment methods should be proportionate to the size of the site. Furthermore, the expected national legislation is likely to set out some exceptions to the requirement, such as some brownfield sites.
34. Positive examples of how to achieve a 10% net gain in biodiversity include:
- Supporting the Trinity Broads Partnership and Poor's Trust with conservation management of the Trinity Broads and Burgh Common land;
  - Creating and enhancing connections and corridors between nature-rich sites, such as appropriate hedgerow extension and management;
  - Buffering and protecting nature-rich sites from pollution, such as small sewerage treatment plants and surface water

runoff through SuDS and maintaining areas of appropriately managed rural land adjacent to these sites;

35. In addition, the Broads Authority has a biodiversity enhancement guide which can be referred to<sup>1</sup>.

### **Policy 3: Enhancing the Natural Environment**

All major development must enhance the natural environment and contribute to local wildlife habitats, demonstrating:

- a) at least a 10% net gain in biodiversity on site; and
- b) delivery of green infrastructure of high environmental quality.

Development should protect and enhance natural features, such as trees and hedgerows. In circumstances where replacement planting is found to be acceptable in accordance with statutory requirements, it must be with native species that are of an equal or greater ecological value.

<sup>1</sup> [https://www.broads-authority.gov.uk/\\_data/assets/pdf\\_file/0016/231055/Biodiversity-guide\\_18\\_11\\_2016.pdf](https://www.broads-authority.gov.uk/_data/assets/pdf_file/0016/231055/Biodiversity-guide_18_11_2016.pdf)

## Local Green Space

- 36 Green spaces within Fleggburgh contribute towards its sense of place. Residents value these green spaces for a variety of reasons, because they provide facilities for sports and physical activity; they provide habitat for wildlife; form part of the natural flood mitigation in Fleggburgh; and provide opportunity for growing local food.
- 37 The National Planning Policy Framework sets out that specific areas of land that are demonstrably special to the local community may be protected through designation as Local Green Space. These are often found within the built-up area and contribute to the character of a settlement. These can vary in size, shape, location, ownership and use, but such spaces will have some form of value to the community and help define what makes that specific settlement what it is.
- 38 The designation should only be used where:
- The green space is reasonably close to the community it serves;
  - The green area is demonstrably special to the community and holds a particular local significance, for example because of its beauty, historic significance, recreational value, tranquillity or richness of its wildlife;
  - The green area concerned is local in character and is not an extensive tract of land.
- 39 The community have identified 10 Local Green Spaces for designation in the Neighbourhood Plan. These were identified by the community and a broad range of evidence reviewed to justify their inclusion. **Appendix 1** sets out how each of the green spaces meets the criteria set in the National Planning Policy Framework.

### Policy 4: Local Green Space

The following green spaces in Fleggburgh, as shown on the plans below are designated as Local Green Space within this Neighbourhood Plan:

1. The allotments
2. St Margaret's Church and Cemetery
3. Rollesby Road pond / drainage ditch
4. The playing fields, children's play area and bowls green
5. The ruins of St Mary's Church
6. Broadland Sports Club
7. St Peter's Church
8. All Saint's Church
9. The Penny Loaves
10. The Plantation

The management of development within areas of Local Green Space will be consistent with that for development within Green Belts as set out in national policy.



*Fleggburgh Children's Play Area*

40. Fleggburgh Common was also considered by the community as an important green space for its wildlife and ecology value. This already has statutory designation as part of the Broads Special Area of Conservation, Broadland Special Protection Area and Burgh Common and Muckfleet Marshes Site of Special Scientific Interest, which affords it sufficient protection. Also, it might be worth pointing out that there are policies in the Local Plans that relate to some of these Local Green spaces. For example, the Broads local plan has a policy on Broadland Sports Club.



*Fleggburgh Playing Field*

Figure 4: Local Green Space



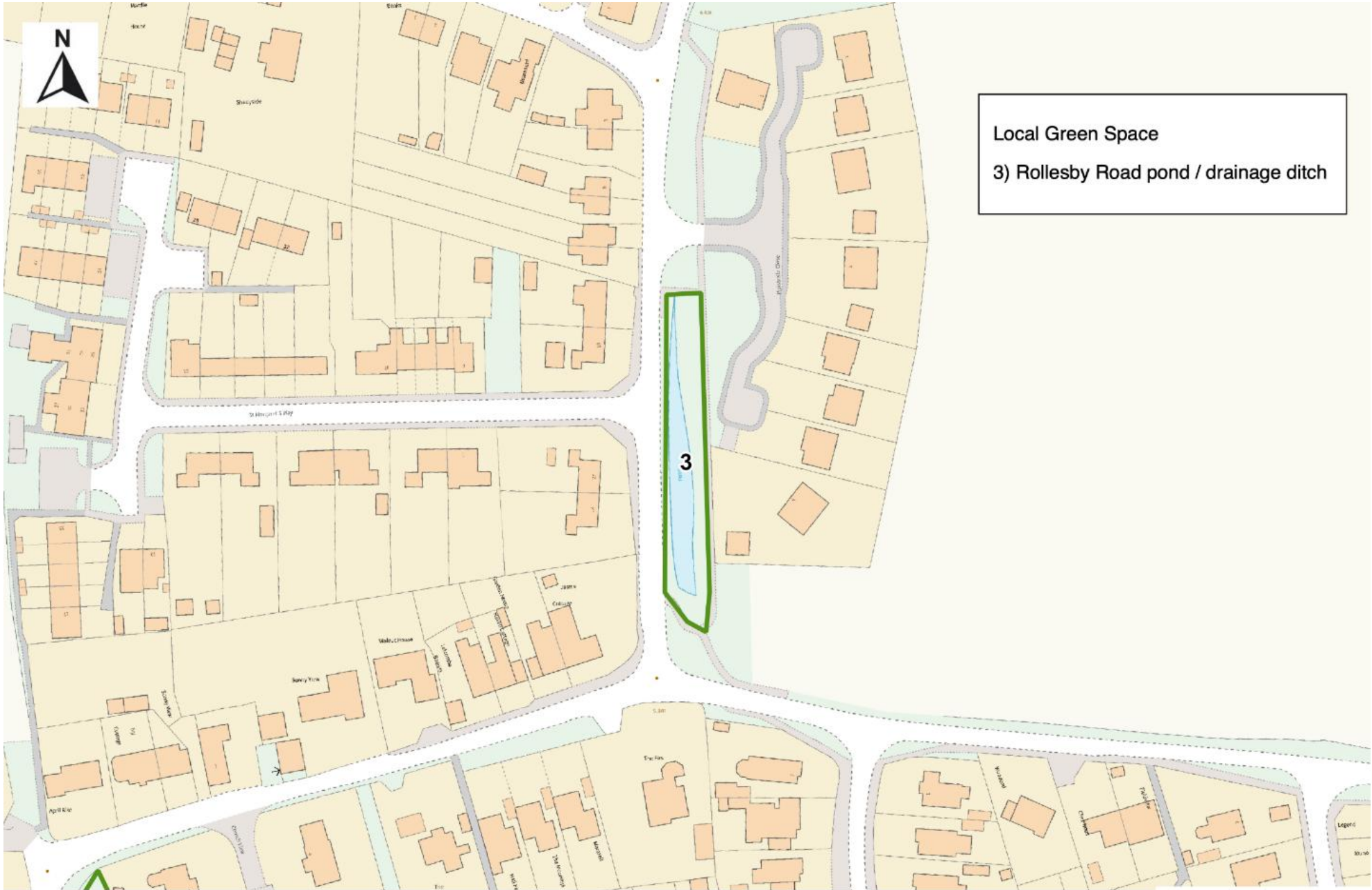
Local Green Space

- 1) The allotments
- 2) St Margaret's Church and Cemetery
- 4) The playing fields, children's play area and bowls green
- 9) The Penny Loaves

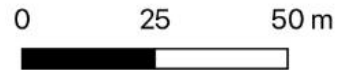
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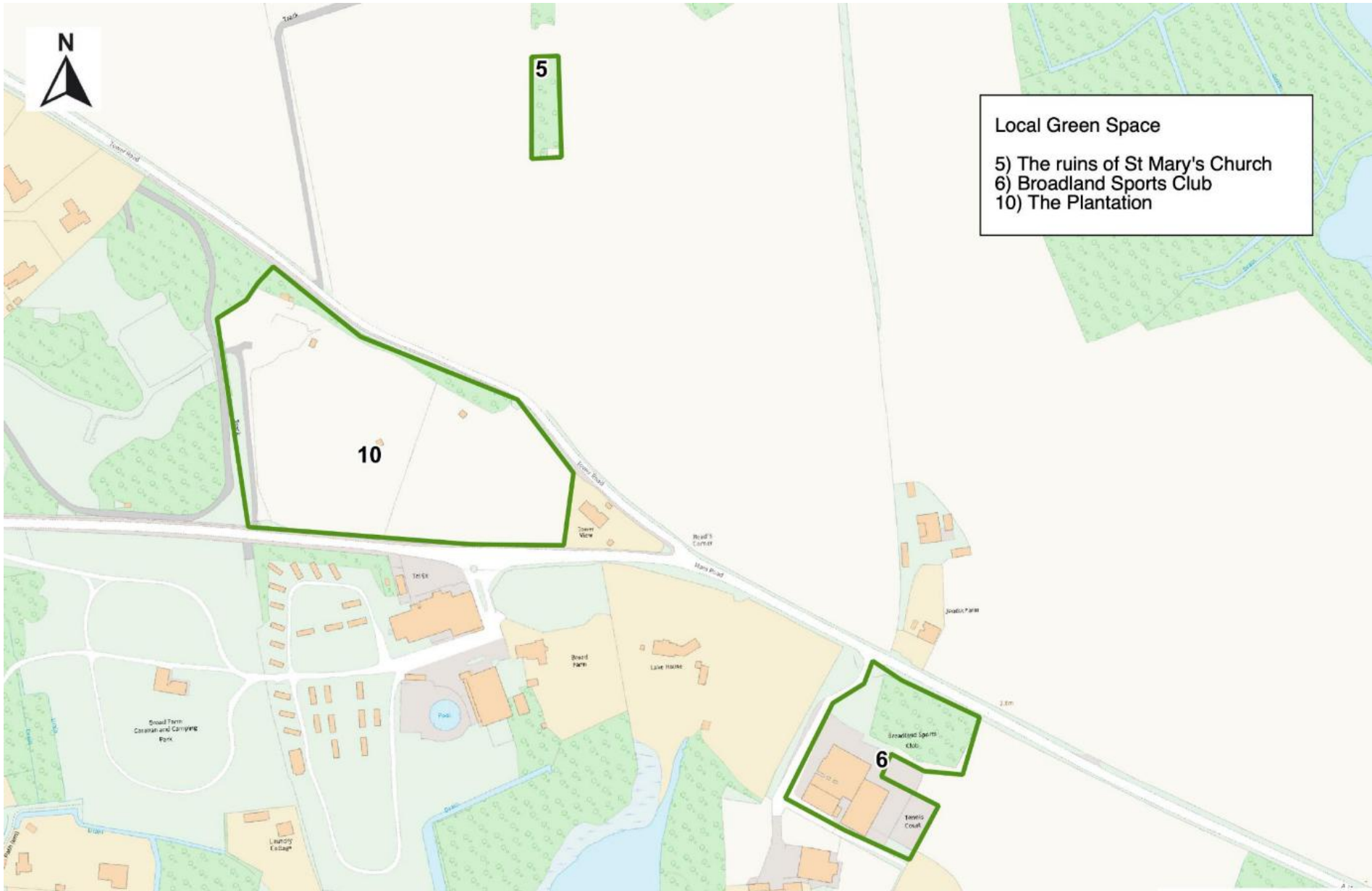
Local Green Space  
 3) Rollesby Road pond / drainage ditch



Scale: 1 to 1,250 at A4

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Key  
 Local Green Space



Scale: 1 to 3,000 at A4

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**Key**  
 Local Green Space



Local Green Space  
7) St Peter's Church, Billockby



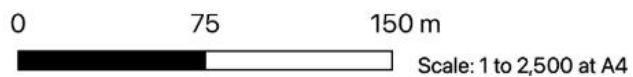
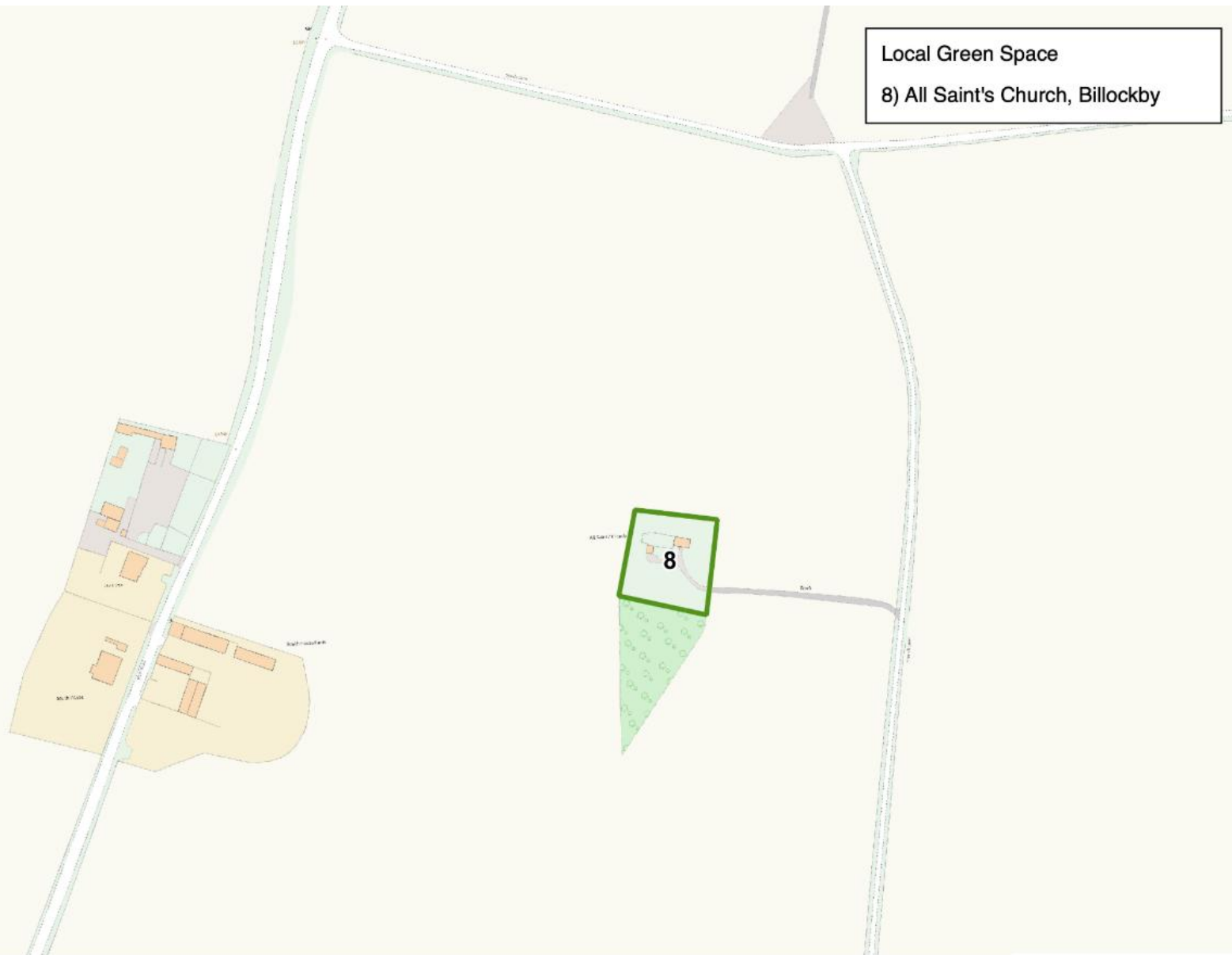
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Key  
Local Green Space





Local Green Space  
8) All Saint's Church, Billockby



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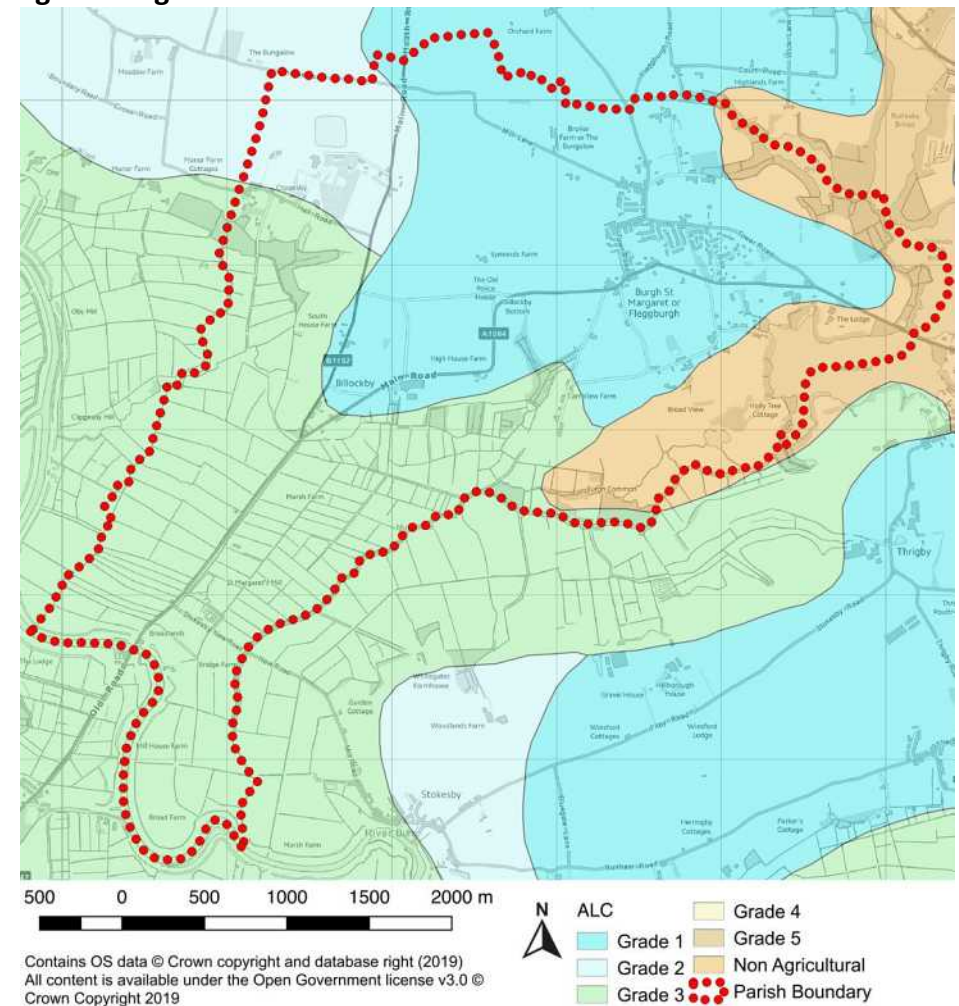
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## Landscape Setting

41. Much of the land surrounding the built-up areas of Fleggburgh, Clippesby and Billockby is arable farmland. The soils are deep and fertile, which have made this one of the most intensively farmed areas in Norfolk. Much of the land is identified as the best and most versatile agricultural land, with a significant area of this Grade 1 or excellent quality according to the Agricultural Land Classification Scale, see **Figure 5**.
42. The area is unique as arable farming now comes very close to the broads, often separated only by the woodland periphery. Residents recognise that traditional farming is changing and diversifying in this area too.
43. The plan seeks to protect valuable agricultural land classified as Excellent quality (Grade 1) through **Policy 5**, as this contributes to the sustainability of the area, given the importance of farming to the economy, and Fleggburgh's setting. This complements Policy SP4: Soils in the Local Plan for the Broads, which seeks to protect the best and most versatile agricultural land, defined as Grades 1, 2 and 3a, and which specifically covers the Broads Authority area.
44. The Great Yarmouth Character Assessment classifies the parish as being part of the West Flegg Settled Farmland area. Key characteristics include:
  - A rolling landscape coupled with wooded edges of the Broads;
  - Views often punctuated by features such as windpumps, turbines or round towered churches;
  - Predominantly arable with localised areas of rough grazing and improved pasture;
  - The field pattern is predominantly 20<sup>th</sup> century agriculture, with hedgerows and isolated trees important features;
  - It is a large-scale landscape, although more enclosed where small scale field patterns exist around villages;

- A network of small rural lanes across the area in addition to more significant roads of the A1064 and A149;
- It is a relatively tranquil landscape due to its distance from large settlements and proximity to and views across the lowland wetlands of the Broads.

**Figure 5: Agricultural Land Classification**



45. The Character Assessment identifies a principle objective of conserving the areas function as part of the landscape setting of the Broads, particularly the views of the Broadland landscape. This is also reflected in the Broads Authority Character Assessment of the Muck Fleet Valley – The Trinity Broads.
46. Views are expansive across the parish, with the skylines often wooded and mostly undeveloped. Drainage mills still survive on the horizon and are a landscape feature, particularly in Clippesby and Billockby. Residents of the parish would like to see that important views that characterise the Fleggburgh landscape are retained. These are identified in **Figure 6** and photos included within **Appendix 2**.

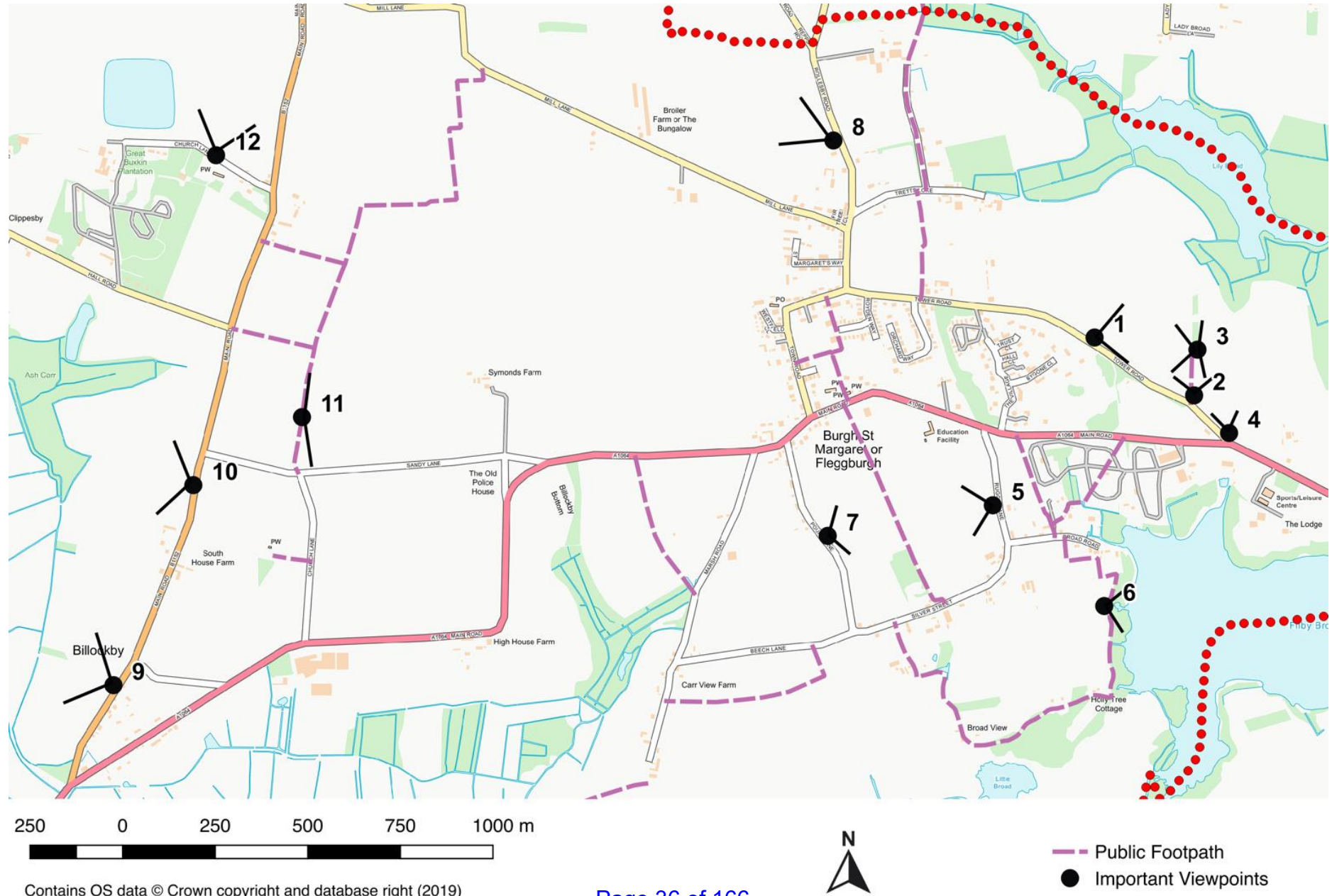
#### Policy 5: Landscape Setting

Development must respect the character of the landscape, including the key views identified in Figure 6.

Outside the Broads Authority Area (where Local Plan for the Broads Policy SP4 applies), the loss of the best and most versatile agricultural land will not be supported other than where it can be demonstrated that significant community benefits demonstrably outweigh the harm arising from such loss.



Figure 6: Fleggburgh Important Views



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## Dark Skies

47. Fleggburgh is valued by residents for its tranquillity. Its proximity to the Broads and a lack of street lighting means there are dark expansive skies at night. The Campaign to Protect Rural England's Light Pollution and Dark Skies Mapping<sup>2</sup> identifies much of the parish to be within one of the darkest areas. The only exception is the main village centre of Fleggburgh, but even this remains in the lower light categories.
48. Recent evidence from the Broads Authority identifies the Broads, including Filby, Ormesby Little Broad and Lily Broad, as intrinsically dark landscapes which must be preserved. The Broads themselves often appear tranquil as they are cut off from the main Broads network.
49. Dark skies are a valuable asset that is important to wildlife and benefits the health and wellbeing of residents. Artificial light can be detrimental to wildlife. Around 60% of insects are nocturnal and it is estimated that a third of those attracted to artificial light are killed as a result.
50. Two thirds of respondents to a Neighbourhood Plan survey (which almost half of the parish responded to), indicated that they felt it was important that street lighting minimised light pollution.
51. The Local Plan for the Broads contains **Policy DM22: Light Pollution and Dark Skies** which seeks to conserve and enhance the tranquillity and dark sky experience of the Broads. This policy applies in the area of Fleggburgh parish covered by the Broads Authority executive

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<sup>2</sup>[https://www.nightblight.cpre.org.uk/maps/?\\_ga=2.217528022.1718306731.1573479253-820694389.1573479253](https://www.nightblight.cpre.org.uk/maps/?_ga=2.217528022.1718306731.1573479253-820694389.1573479253)

area, see **Figure 1**, the following **Policy 6** applies to the rest of the parish.

52. Standards and guidance such as The Institute of Lighting Professionals guidance<sup>3</sup> can be considered by developers in respect of good design related to dark skies.

### Policy 6: Dark Skies

Dark skies are a special and important feature of Fleggburgh. Development proposals should seek to minimise light spillage through good design and should not introduce lighting that results in the loss of night-time dark skies.

<sup>3</sup> For the purposes of the ILP lighting guidance (CIE 150:2003 Guide on the Limitation of the Effects of Obtrusive Light from Outdoor Lighting Installations <https://theilp.org.uk/publication/guidance-note-1-for-the-reduction-of-obtrusive-light-2020/>) the Broads Authority is included within Environment Zone 1 as a reflection of its protected status and its intrinsically dark skies.

## Flood and Water Management

53. Flooding can cause serious damage and have significant impacts for homeowners. By thinking about flood risk early, it may be possible to avoid it, manage it more efficiently or in a way that adds value to the natural environment.
54. Due to the proximity of the Broads, fluvial flooding is widespread across the parish. In the main, the existing built up areas are not constrained by fluvial flood risk, however, land to the north-east and north-west, on the periphery of Fleggburgh is within Flood Zones 2 and 3 (medium and high risk). This is confirmed through the Borough Council's Strategic Flood Risk Assessment.
55. There is risk from surface water flooding throughout Fleggburgh, and especially west of the settlement adjacent the former Bygone Village, parts of Rollesby Road and St Margarets Way. Environment Agency datasets indicate areas of surface water ponding and surface water flow paths. The Lead Local Flood Authority have one record of internal flooding in the parish from 2013 and one record of external flooding from 2012.
56. Surface water flooding was raised as a significant concern throughout development of this plan, both during the initial survey and at consultation events. Flooding affecting homes and gardens is frequent occurrence in particular areas of the parish, including Ruggs Lane, Broad Road, Rollesby Road, Tretts Lane, parts of the A1064 and Marsh Road. Various photos are included to support this.
57. There is concern from residents that future development will increase flood risk within the parish. Strategic policy in the National Planning Policy Framework and local plans seek to minimise development in areas at risk from flooding, and reduce the risk of flooding associated with development, both on the development site and elsewhere. The Neighbourhood Plan aims to strengthen this in recognition of local flood issues. The plan also seeks to ensure

Sustainable Drainage Systems (SuDS) are incorporated as both an effective way of reducing runoff rates and delivering wider biodiversity, water and public amenity benefits.



*Flooding, Rollesby Road, November 2019*



*Flooding, Marsh Road, January 2021*

## Policy 7: Surface Water Management

Development proposals should be designed so as to manage flood risk effectively and not increase, and wherever possible reduce, the overall level of flood risk both to the site and elsewhere. Proposals designed specifically to improve surface water drainage, such as works to reinstate an effective drainage scheme, will be supported.

The development of Sustainable Drainage Systems (SuDS), including the use of permeable materials to increase infiltration capacity, the incorporation of on-site water storage, the use of swales and green roofs and the use of other SuDS methods of conveying or storing surface water will be supported.

58. With regard to surface water flooding the expectation of the Lead Local Flood Authority is that development will:
- Show there is no increased risk of flooding from an existing flood source and mitigation measures are implemented to address surface water arising within the development site;
  - Any new development or significant alteration to an existing building within the Parish of Fleggburgh should be accompanied by an appropriate assessment which gives adequate and appropriate consideration to all sources of flooding and proposed surface water drainage.
  - Include appropriate measures to address any identified risk of flooding
  - Where appropriate undertake sequential and/or exception tests
  - Locate only compatible development in areas at risk of flooding, considering the proposed vulnerability of land use
  - Inclusion of appropriate allowances for climate change
  - Inclusion of Sustainable Drainage proposals with an appropriate discharge location

- Priority use of source control SuDS such as permeable surface, rainwater harvesting and storage or green roofs and walls. Other SuDS components which convey or store surface water can also be considered.
- To mitigate against the creation of additional impermeable surface, attenuation of greenfield surface water runoff rates and runoff volumes within the development site boundary
- Provide clear maintenance and management proposals of structure within the development, including SuDS elements, riparian ownership of ordinary watercourses or culverts, and their associated funding mechanisms.

59. The use of SuDS will help to reduce the risk of surface water and sewer flooding and have wider benefits. For example, SuDS can be used to create wetland habitats for wildlife in an attractive aquatic setting. The CIRIA<sup>4</sup> guidance provides useful information about integrating SuDS and biodiversity. In general, when seeking to implement SuDS schemes, developers should have regard to the guidance given in Anglian Water's publication *Towards Sustainable Water Stewardship – A Sustainable Drainage Systems Adoption Manual* and the LLFA's *Guidance for Developers*.
60. It should be noted that the local plans also have policies on flood risk and that the Broads Authority has a Supplementary Planning Document.

<sup>4</sup> <https://www.susdrain.org/resources/ciria-guidance.html>



*Flooding, Pound Lane, Silver Street & Beech Lane junction, January 2021*



*Flooding, A1064, Pound Lane and Marsh Road, January 2021*



*Flooding, Tretts Lane, November 2019*



## Section 6: Built Environment

### Village Centre

61. The settlements of Clippesby and Billockby are scattered in nature, but Fleggburgh is more defined and nucleated with a good range of services and facilities for a village of its size.
62. The centre, as defined in **Figure 7**, is a focal point for the community and residents of the parish as a whole. It contains key services including Fleggburgh CE Primary School, the village hall, playing field and bowls green and the church. **Policy 8** will encourage this function, as will **Policy 12**.
63. Being able to access the village centre on foot or by bike is important to residents as is seen to support participation in community activities, enable social interaction and encourage exercise. The community would like every section of the parish to have safe and convenient access to the village centre by foot or by bike.

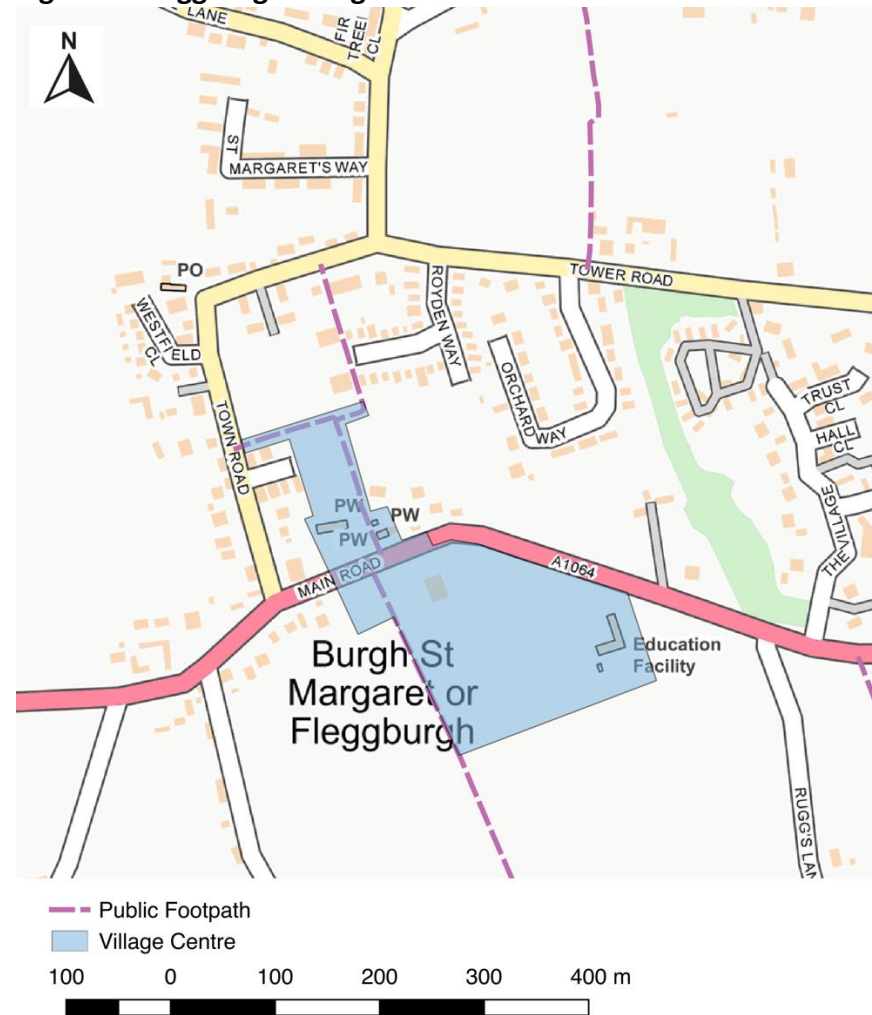
#### Policy 8: Village Centre

The development of new small scale community facilities and/or services within or adjacent to the village centre, as indicated on Figure 7, will be supported. Improvements to footpaths and/or the provision of cycle ways to the village centre will be supported.

#### Community Action 1: Village Centre

The Parish Council will seek opportunities to enhance the environment of the village centre. This could include tree planting.

Figure 7: Fleggburgh Village Centre



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## Historic Environment

64. Heritage plays an important part in shaping how we perceive and experience a place. Fleggburgh has a distinctive landscape which includes a number of important historical features and landmarks that help give it identity and a link to the past. These have a degree of significance which merit consideration in local planning decisions because of their heritage interest.
65. There are 13 listed buildings within the parish which are already designated heritage assets. This includes the Church of St Peter (Clippesby) and St Margaret (Fleggburgh) which are both Grade II\* which means they are identified as particularly important buildings of *more than* special interest. St Peter's Church may date back to the Late Saxon period, although the present building dates mainly from the 13th century. St Margaret's Church dates to the 12th century, with a 14th century west tower. The location of all listed buildings is shown on **Figure 8**.
66. As part of developing the Neighbourhood Plan the community considered other buildings, sites and monuments that would merit consideration as non-designated assets. They identified the following as having considerable significance locally:
1. Burgh Mill, Fleggburgh (also known as St Margarets)
  2. Hall Farm, Clippesby
  3. Clippesby House (Hall), Clippesby
  4. Rollesby Broad Complex
  5. The Cottage, Fleggburgh Common
67. The location of these non-designated assets is also shown on Figure 8. In accordance with national guidance, each of these has been assessed against criteria provided in Historic England's Advice Note 7 on Local Heritage Listing. This is provided as supplementary evidence to support the Neighbourhood Plan. It should be noted that these will
- not be the only non-designated heritage assets in Fleggburgh, just those considered of local importance when developing this plan.
68. The entire Rollesby Broad complex is recognised as a series of medieval peat cuttings which flooded in the late medieval and post medieval periods to form the Broads. The complex is shown on Saxton's Map of 1574 and the Broads has a special designation by Historic England as 'an area of exceptional waterlogged archaeology'.
69. The ruins of St Mary's Church, known as 'the tower', is also of particular note locally. St Marys was formerly its own parish that was united with St Margaret's in 1554. The standing remains consist of a round tower with octagonal belfry stage, portions of the north wall of the nave and a very short section of the west wall. The community are keen to restore the former church and are proactively seeking grant aid to do so.
70. It is not just heritage assets themselves that are important, but their setting, which in many cases makes a positive contribution to the significance of the asset, enabling people to appreciate it. For example, the Ruins of St Mary's Church is located in the middle of arable farmland, accessed only via a public footpath with the Broadland landscape in the background. This is also identified as an important view.
71. The Norfolk County Council Historic Environment Strategy and Advice Team provides archaeological advice. Other aspects of advice and consultation relating to heritage assets fall within the responsibilities of the Local Planning Authorities.

### **Policy 9: Designated and non-designated heritage assets**

All heritage assets will be conserved in a manner appropriate to their significance, including the following non-designated heritage assets:

- Burgh Mill, Fleggburgh (also known as St Margarets)
- Hall Farm, Clippesby
- Clippesby House (Hall), Clippesby
- Rollesby Broads Complex
- The Cottage, Fleggburgh Common

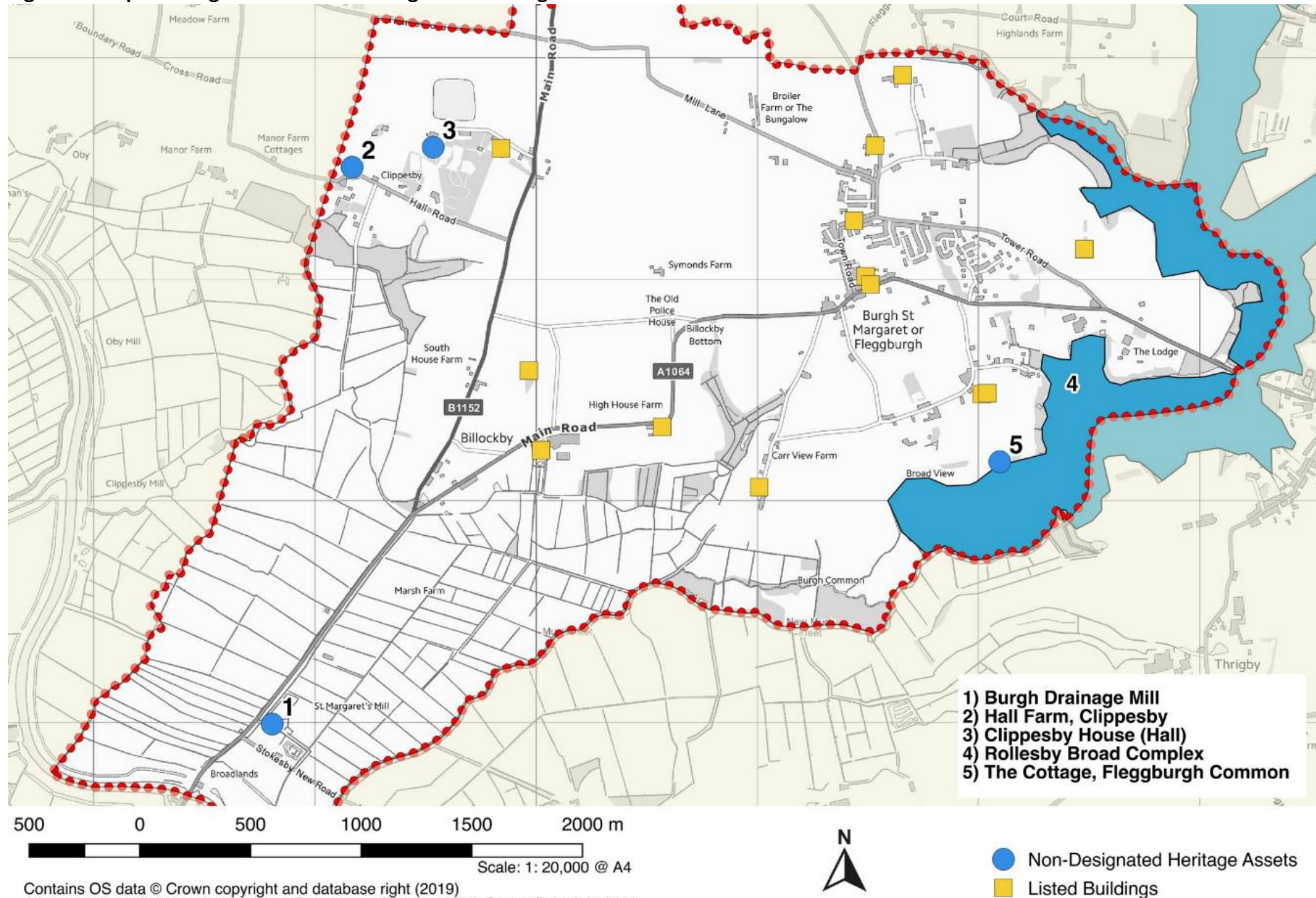
### **Community Action 2: Restoration of St Mary's Church**

The parish will work with other external bodies, for example Great Yarmouth Preservation Trust, Norfolk County Council or Historic England to take opportunities to promote the conservation and restoration of the former Church of St Marys.



*Church of St Peter, Clippesby*

**Figure 8: Map of Designated and Non-Designated Heritage Assets**



## Section 7: Community Infrastructure

### Access

72. Fleggburgh has a footway along the north side of Main Road and a section by the school on the south side. Elsewhere it is patchy and so people often walk in the carriageway. In places this is part of the character and new footways might not always be appropriate.
73. The parish has a number of Public Rights of Way that connect the villages, particularly Fleggburgh, with surrounding countryside. Many of these are alongside field boundaries or skirt the edges of waterways, see **Figure 9**. A number of circular walks along Public Rights of Way commence in Fleggburgh.
74. Consultation with the community identified a number of improvements that would support improved access, especially access to the services and facilities in Fleggburgh, including:
- Additional footpaths/footways to the school and village centre, including a footway adjacent to the road on Pound Lane and a footpath linking the school to Rugg's Lane;
  - Footpaths between St Peter's Church and the southern part of Clippesby, and between Clippesby and Fleggburgh.
75. Sustainable access, especially walking, is strongly supported in the National Planning Policy Framework and local plans. Walking improves both physical and mental wellbeing and health. It also reduces the need to use the car, which has environmental benefits. Within the village, walking appears to be a popular mode of transport for local trips, but only 7% walk to work. Being able to cross Main Road safely to access the footway on the north side, or to get to the primary school or playing field, is a concern.
76. At the time of the 2011 Census a relatively low proportion of households had no car. It does mean however that those

households or individuals will be very dependent on local services and public transport.

77. The parish has very limited public transport, with bus stops mainly along the A1064 in Fleggburgh and Billockby. An additional bus stop near to Broadland Sports Club in Fleggburgh to promote its use and physical activity would be supported. There are few bus services to Acle and Great Yarmouth. This is not sufficient to attract many people away from their cars with very few travelling to work by public transport.

#### **Policy 10: Sustainable Transport**

The provision of new and/or the improvement of existing public rights of way will be supported. Improvements to highway safety, notably around Main Road close to the school and playing field, will be supported. Major new development should take opportunities to promote the use of public transport.

#### **Community Action 3: Footpaths**

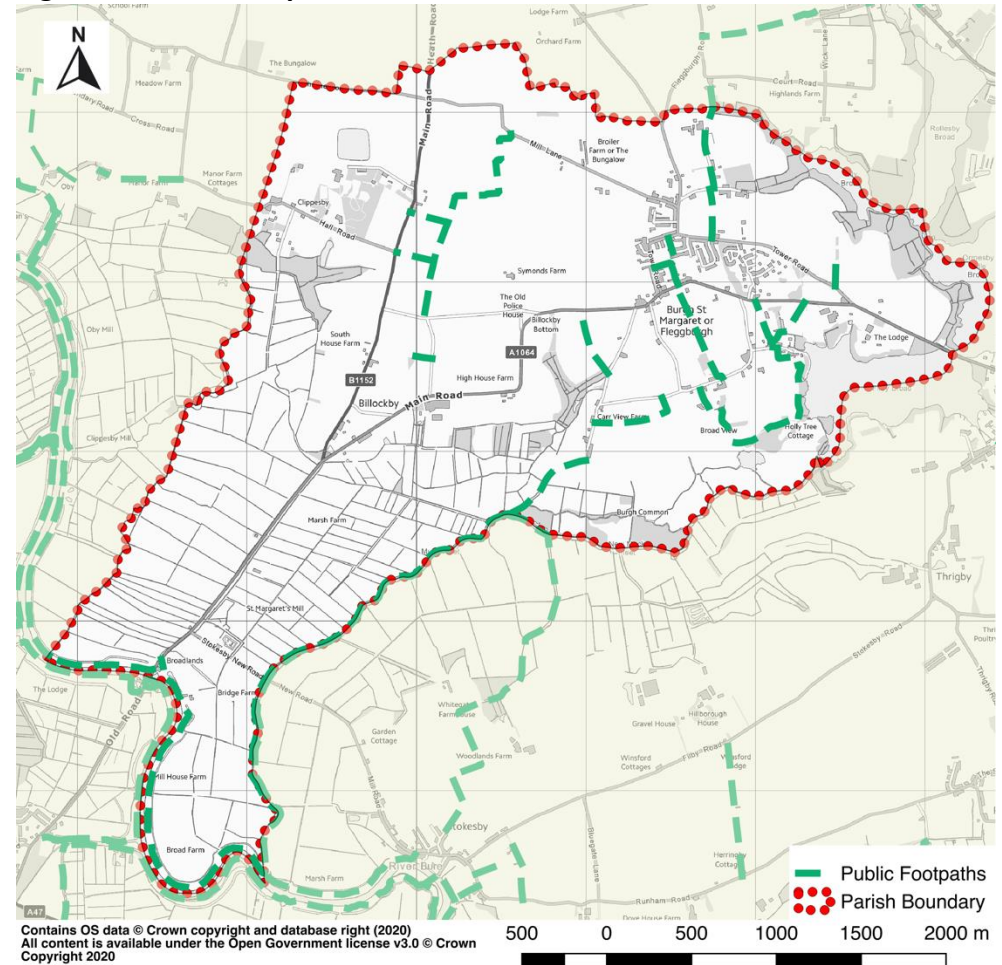
The parish will work with local landowners and Norfolk County Council to improve footpath connections to the services and facilities in Fleggburgh, especially the village centre and medical practice, and the village shop in Filby.

#### **Community Action 4: Local Bus Services**

The parish will work with local bus operators to enhance the provision of local bus services through the villages, especially Fleggburgh. Should additional services be secured the parish will encourage patronage locally to secure their future delivery.

78. Although using the car in rural areas such as Fleggburgh is often the only practical way to get around, these policies promote the use of more sustainable modes of transport, particularly for local journeys. The benefits vary from reduced air pollution, reduced CO<sub>2</sub> emissions contributing to climate change, better health and wellbeing, less congestion and less money spent on fuel. Developers can contribute by encouraging a modal shift, for example by providing infrastructure.

**Figure 9: Public Footpaths**



## Traffic and Safety

79. The neighbourhood plan area lies around 8.5 miles north west of Great Yarmouth. Around 12% of residents travel less than 5km to work, which is on the low side compared to the 43% of people who travel less than 5km across the Borough, but higher than for neighbouring Filby. The most likely reason is the limited jobs and services within the village which means people usually have to travel to access these and with a limited bus service, the private car will be the most common method of travel.
80. The A1064 runs through the centre of the parish and through the village of Fleggburgh and Billockby. This is a busy commuter route. Traffic can often be diverted along the A1064 through the villages if the A47 Acle Straight is closed, which can make it very busy. It is not just traffic volume however which causes concern. It has a relatively high number of injury accidents, such as at the junction of the A1064 and B1152. Traffic speed is a concern at this junction, although the roads through Fleggburgh are subject to a 30mph limit, speeding is also reported by residents as an issue here, especially for those trying to cross the A1064 in the village centre. There is community support for extending the 30mph limit from Fleggburgh village centre to Broadland Sports Club as although there is a footway along the route, this is inconsistent in suitability and quality.
81. Consultation has identified traffic as one of the most important areas of concern, with suggestions from the community including:
- Village gateway schemes to alert drivers to the change in speed limit;
  - Extending the 30mph speed limit;
  - The introduction of 'no right turn' signs on to the A1064 from Church Lane, Billockby, to prevent rat running at peak times; and
  - A crossing point in Fleggburgh in the village centre.

## Policy 11: Traffic and Safety

Development must not harm highway safety and improvements to highway safety, notably along the A1064, will be supported.

## Services and Facilities

82. Fleggburgh is designated a Secondary Village in the Great Yarmouth Local Plan. It has a fairly good level of local services, including outdoor recreation space, village hall, church, pub, primary school and a medical practice. There are concerns about the capacity of the medical practice and access to it.
83. A relatively high proportion of people work from home, so could be more likely to make use of local services and rely on good technological infrastructure. There are also a number of small businesses in the parish.
84. Improvements to telecommunications infrastructure, particularly Broadband speed, would be supported by the community and beneficial to the economy. However, it is recognised that its associated equipment has the potential to impact significantly on the landscape. As identified in **Section 5**, the landscape is low-lying often affording expansive views, and installations such as telecommunication masts could create a visual intrusion.
85. Consideration was given to including a policy on communications within the plan, but it was agreed that this was already adequately covered by national policy, building regulations and within the two local plans. A community action has been included below.

### **Community Action 6: Broadband**

The parish will work with providers to secure broadband enhancements to improve the opportunities in particular for those people and residents who work in Fleggburgh, including home working.

86. There is no local village shop within the parish, although a considerable desire for one exists locally, as indicated by residents as part of community consultation activities. A good number of residents also rely on the Post Office and Stores in Filby, with many suggesting that good walking links to this are important.

### **Policy 12: Village Shop**

The development of a small-scale local convenience store within or adjacent to the village centre, as identified in Figure 7, will be supported.





## Appendix 1: Local Green Spaces

The following green spaces have been identified by the community to be designated as Local Green Spaces in Fleggburgh Neighbourhood Plan. This table sets out how they meet the criteria set within the National Planning Policy Framework. Paragraph 100 of the National Planning Policy Framework sets out that:

*The Local Green Space designation should only be used where the green space is:*

*a) in reasonably close proximity to the community it serves;*

*b) demonstrably special to a local community and holds a particular local significance, for example because of its beauty, historic significance, recreational value (including as a playing field), tranquillity or richness of its wildlife; and*

*c) local in character and is not an extensive tract of land.*

*Policies for managing development within a Local Green Space should be consistent with those for Green Belts.*

#	LGS	Location	Ownership	Reasonably Close Proximity to the community	Demonstrably Special to the community and holds local significance	Local in Character not an extensive tract of land
1	Allotments	Town Road, Fleggburgh	The Poor's Trust	Close proximity to Fleggburgh village centre	Recreational value & wildlife habitat. Well used by residents as an opportunity to grow food locally. Identified by residents during consultation activities.	0.3ha
2	St Margaret's Church and Cemetery	Fleggburgh	The Benefice of Burgh St Margaret	Within Fleggburgh village centre	Heritage value & wildlife habitat. Medieval parish church. On the Norfolk Historic Environment Record #8618. Identified by residents during consultation activities.	0.7ha
3	Rollesby Road pond / drainage feature	Rollesby Road, Fleggburgh	Private ownership – Burgh Homes Ltd	Within close proximity of Fleggburgh village centre and adjacent the new Tower Road development	Wildlife habitat and recreational value. The pond supports a range of wildlife. Part of the village drainage network and recognised surface water feature by the Lead Local Flood Authority. Identified by residents during consultation activities.	0.005ha
4	Playing field & bowls green	Adjacent the Village Hall, Fleggburgh	Parish Council	Within Fleggburgh village centre	Recreational value as well used by the community, located adjacent the school so particularly used after school by families. Well maintained and used by residents and sports clubs. Identified by residents during consultation activities.	1.5ha

#	LGS	Location	Ownership	Reasonably Close Proximity to the community	Demonstrably Special to the community and holds local significance	Local in Character not an extensive tract of land
5	Ruins of St Mary's Church (the tower)	Tower Road, Fleggburgh	Benefice of Burgh St Margaret	Close proximity to the village centre and residents on Tower Road	Heritage value & wildlife habitat. Formerly the parish church of St Mary's which survives as ruins. Community policy in the plan to support restoration of the site, supported by Historic England during Regulation 14. Identified in the Norfolk Historic Environment Record #8647. Identified by residents during consultation activities.	0.1ha
6	Broadland Sports Club	Main Road, Fleggburgh	Broadland Sports Club	Within walking distance along an existing footway from many residents in Fleggburgh	Recreational value. Used for sporting activities by residents. Identified by residents during consultation activities.	0.7ha
7	St Peter's Church	Clippesby	The Benefice of Clippesby	Within close proximity to homes in Clippesby	Heritage value & wildlife habitat. Medieval parish church, Saxon beginnings, with a round tower and some early Saxon stonework as well as later medieval enhancements. Grade II* listed. On the Norfolk Historic Environment Record #8617. Identified by residents during consultation activities.	0.2ha
8	All Saint's Church	Billockby	Benefice of Billockby	Within walking distance of residences in Billockby	Heritage value & wildlife habitat. Medieval parish church which is mostly in ruins following a storm in 1767. On the Norfolk Historic Environment Record #8620. Identified by residents during consultation activities.	0.2ha
9	Penny Loaves	Main Road, Fleggburgh	The Poor's Trust.	Within close proximity of Fleggburgh village centre	Heritage value & wildlife habitat. The Penny Loaves has strong historical link with the primary school. Over 300 years ago a tradition was started of giving a loaf of bread to any children who slept in the village of Fleggburgh on the night of Plough Sunday. It was so popular that families would come from other villages just to spend that night in Fleggburgh. Identified by the working group which is made up of significant community representation.	1ha

#	LGS	Location	Ownership	Reasonably Close Proximity to the community	Demonstrably Special to the community and holds local significance	Local in Character not an extensive tract of land
10	The Plantation	Tower Road, Fleggburgh	Parish Council	Adjacent the built-up area of Fleggburgh	Wildlife habitat and recreation value. A field currently used as a paddock to graze horses. Identified by the working group which is made up of significant community representation.	2.8ha

## Appendix 2: Key Viewpoints

Viewpoint 1: Tower Road, Fleggburgh



Viewpoint 2: St Mary's Church, Fleggburgh



Viewpoint 3: From St Mary's Church, Fleggburgh





Viewpoint 4: St Mary's Church, Fleggburgh



Viewpoint 5: Rugg Lane, Fleggburgh



Viewpoint 6: Public Footpath, Filby Broad, Fleggburgh



Viewpoint 7: Pound Lane, Fleggburgh



Viewpoint 8: Rollesby Road, Fleggburgh





Viewpoint 9: Across the marshes, Clippesby



Viewpoint 10: From the B1152, Clippesby



Viewpoint 11: Public footpath, near All Saints Church, Billockby



Viewpoint 12: St Peters Church, Clippesby



**URN: 22-031**

**Subject: War Pensions Income Discretionary Disregard**

**Report to: Executive Leadership Team – 22<sup>nd</sup> June 2022**

**Policy and Resources Committee – 12<sup>th</sup> July 2022**

**Council – 21<sup>st</sup> July 2022**

**Report by: Miranda Lee, Head of Customer Services**

#### **SUBJECT MATTER**

This report seeks Council's approval to continue to award 25% discretionary income disregard in respect of persons in receipt of a War Pension or War Widow(er) Pension in the administration and calculation of entitlement to Housing Benefit & Council Tax Support.

#### **RECOMMENDATIONS**

That Council

(1) Endorse the recommendation to continue to apply a 25% income disregard in relation to War Pensions and War Widow(er) Pensions income in the administration and calculation of entitlement to Housing Benefit & Council Tax Support.

### **1. BACKGROUND**

1.1 Before the introduction of the Social Security Administration Act 1992, there was a statutory £10.00 per week disregard on War Disability and War Widow(er) pensions in means tested social security benefits including Housing and Council Tax benefit. Above the £10.00 per week disregard, the pensions were counted as income, reducing the amount of benefit received.

### **2. CURRENT SCHEME**

2.1 Section 134(8) of the Social Security Administration Act 1992 allowed councils to disregard up to 100% of war pensions above the £10.00 per week disregard laid down in the regulations.

2.2 For the calculation of Housing Benefit the £10.00 disregard is applied and the remaining income of war pension and War Widow(er) pension is then fully disregarded. This is known as Local Scheme.

2.3 From April 2004, the Government agreed to subsidise 75% of the discretionary disregard councils made if the amount did not exceed 0.2% of the total Housing Benefit subsidy received. This means that the councils now only pay for 25% of the discretionary disregard.

2.3 The £10.00 disregard also applied to Council Tax Benefit. Council Tax Benefit was abolished in 2013, replaced by local Council Tax Reduction schemes. Since the start of the Council's scheme, War Pensions and War Widow(er) Pensions have been fully disregarded for the calculation of Council Tax Support.

### 3. REQUIREMENTS

3.1 Last year, several councils were asked to provide evidence that they had passed up to date resolutions disregarding War Pensions and War Widow(er) Pensions by external auditors.

3.2 The discretionary disregard has been in place historically with most of the Local Authorities with responsibility of administering Housing Benefit & Council Tax Support continuing to award.

3.3 Subject to approval Members may wish to update the Armed Forces Covenant to reflect this continued support for recipients of War Pensions.

### 4. FINANCIAL IMPLICATIONS

4.1 The total gross Housing Benefit subsidy claimed for war pensioners for 2021/22 (subject to the audit of the final subsidy claim) is £17,440. There were 9 claims which we received £13,080 in subsidy (75%) from Department for Works and Pensions and £4,360 (25%) from the council's contribution.

### 5. RECOMMENDATIONS

5.1 Council are asked to endorse the recommendation to continue to apply a 25% income disregard in relation to War Pensions & War Widow(er) Pensions income in the administration and calculation of entitlement to Housing Benefit & Council Tax Support.

Area for consideration	Comment
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	Yes
Existing Council Policies:	Yes, Council Tax Support Scheme
Financial Implications:	Yes as outlined
Legal Implications (including human rights):	Yes, Council Tax Support Scheme/Prescribed Requirements, Housing Benefit Regulations
Risk Implications:	Financial - marginal
Equality Issues/EQIA assessment:	

Crime & Disorder:	
Every Child Matters:	



**URN:** 22-058

**Subject:** Adoption of the Great Yarmouth Sustainability Strategy & Action Plan

**Report to:** Council - 21 July 2022

**Report by:** Paula Boyce, Strategic Director

### **SUBJECT MATTER**

The Environment Committee has led on the development of a Great Yarmouth Sustainability Strategy including a first 3-year Action Plan aimed at delivering the challenges set-out in the Strategy. The work is a culmination of members', council staff, specialist external advisors' and community representatives' input, and ideas to address climate change in its widest sense. The Strategy is now being recommended to Council for adoption.

### **RECOMMENDATION**

That the Council:

- a. **Adopts** the Great Yarmouth Sustainability Strategy and initial 3-year Action Plan as set out and attached in this report.

## **1 BACKGROUND**

- 1.1 On 16 March and 19 July 2022 the Environment Committee received the proposed Great Yarmouth Sustainability Strategy and Action Plan. The Strategy spans and crosses all areas of Borough Council's operations and its impact and support for the geographic area of the borough as a community leader.

## **2 SUSTAINABILITY STRATEGY DEVELOPMENT**

- 2.1 To deliver practical and sustainable change, members agreed that the council needs to work collaboratively and inclusively to embed sustainable practices in all that it does. To achieve this, it was proposed to embed sustainable principles across all council services, improve the co-ordination across all council services to ensure the actions deliver positive incremental changes that support the Sustainability Strategy's vision, establish new ways of working with the community to achieve wider change and establish accountability for delivery, improve

communication between Great Yarmouth Borough Council and residents on sustainability matters and engage actively in regional partnerships seeking to deliver regional responses to the sustainability challenges.

- 2.1 Members have recognised that whilst the Sustainability Strategy itself and target for Net Zero by 2035 for the council as an organisation provides a strong framework for action, it also requires a robust Action Plan to ensure the Sustainability Strategy is delivered, that progress can be monitored by this Committee through its forward plan mechanism.
- 2.2 Members have been very clear and are committed to delivering the proposals within the Action Plan working hand-in-hand with council officers. This includes input from ward councillors, resident engagement and public communications - communities working together to reduce our overall carbon impact supported by the Borough Council.

### **3 ACTION PLAN DEVELOPMENT**

- 3.1 Members of the Environment Committee took part in an action planning workshop held on 28 April 2022. Subsequently to that, a series of twelve sustainability workshops were held involving all council staff. This took place on 19 & 20 May 2022 as part of the council's staff conference.
- 3.2 Feedback received has informed the development of the Sustainability Strategy's Action Plan. This initial plan, for three years, is designed to help the council, its partners organisations, suppliers and communities to galvanise resource and efforts to support the borough to become more sustainable.
- 3.3 The action, projects and initiatives contained in the Action Plan have been prioritised across the three years of the Plan to ensure it is deliverable in a timely manner but is also realistic. Some of the inter-dependencies for example, impact its delivery including the wider work being undertaken by the Norfolk Climate Change Partnership, Norfolk County Council and New Anglia LEP.
- 3.4 The Action Plan will be kept as a 'live' document and updated as each project/action is progressed with monitoring undertaken by the Environment Committee on a 6-monthly basis.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 Environment Committee has agreed to the recruitment of a Climate Change Officer to co-ordinate and support delivery with recruitment is presently underway. The 3-year Action Plan indicates which actions/projects can be undertaken within existing resources, and which may be dependent upon other funding streams being made available. This includes opportunities to seek external funding.
- 4.2 Additionally, an underspend of £8,368 from Sustainability Strategy research and development work undertaken has been allocated to a small reserve to support sustainability initiatives. Officers will also look to secure external funding as and when opportunities arise.

### **5. LEGAL IMPLICATIONS**

- 5.1 In June 2019, the UK Government legislated the 2050 Net Zero target, following a recommendation from the Committee on Climate Change by amending the Climate Change



Act 2008. Whilst local authorities find themselves in an ambiguous position as to their role in tackling climate change and where they fit into a coherent national picture, as they do not have a specific duty to deliver Net Zero, nor to report emissions reductions, they clearly have a leading role under this agenda. In many cases councils are already delivering emission reductions or taking actions which affect how Net Zero might be achieved by other public bodies and businesses.

## 6. CONCLUSION

- 6.1 The Council recognised in its Corporate Plan 2020-2025, that the world is changing, and we must meet the challenge of global climate change by playing a positive local role leading by example. Great Yarmouth will be a place where sustainability is at the heart of our work and where people take pride in the clean and attractive environments found here.

## BACKGROUND PAPERS

Area for consideration	Comment
Monitoring Officer Consultation:	As part of ELT
Section 151 Officer Consultation:	As part of ELT
Existing Council Policies:	Sustainability Strategy Carbon Reduction Plan
Financial Implications (including VAT and tax):	As set out in the report
Legal Implications (including human rights):	As set out in the report
Equality Issues/EQIA assessment:	N/a
Crime & Disorder:	N/a
Every Child Matters:	N/a

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# GREAT YARMOUTH'S SUSTAINABILITY STRATEGY





## A 3-Year Plan of Action for the Borough (2022 to 2025)





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**Table 1: Icons used in Action Plan**

Icon	Area of Influence	Description
	<b>Built Environment</b>	Council owned buildings, residents' homes, business premises etc.
	<b>Natural Environment</b>	Green spaces, beaches, waterways, agricultural land etc. Horticulture & arboriculture management.
	<b>Waste and Recycling</b>	Waste related operations and recycling services.
	<b>Transport and Travel Infrastructure</b>	Transport infrastructure, support for alternative forms of travel etc. fuel use, mileage.
	<b>Council Operations</b>	Processes internal to the Council's ways of working.
	<b>Engagement and Collaboration</b>	Communication and collaboration both within the council, reaching the community and local businesses, and more widely in the region.




## Priority 1: The Climate Challenge

ACTION	AREA OF INFLUENCE	LEAD	YEAR	OUTCOME	PROGRESS
<b>1. Lead by example and reduce greenhouse gas emissions on our own estates and operations to achieve net zero by 2035.</b>					
1.1 Improve data collection systems to ensure that data can be easily collected and used to identify Greenhouse gas (GHG) reduction opportunities and monitor progress against the net zero target (e.g. data management systems for Council buildings, business travel data, front line services).		Climate Change Officer	Yr1 22/23	Date available and in use to measure impact	
1.2 Identify what percentage of the council's energy can be sourced from a true green tariff and develop a business case.		Climate Change Officer	Yr2 23/24	Lower carbon buildings	
1.3 Prepare Fleet Strategy and review the council's vehicle usage and as the opportunity arises, replace fleet vehicles with more fuel-efficient or alternative fuel/power options whilst ensuring household waste & recycling collection routes are optimised.		Head of Environmental Services & Sustainability Director of Operational Services	Yr1 22/23	Lower carbon fleet	
1.4 Seek funding opportunities to retrofit existing council buildings to be greener/low carbon i.e. solar panels, PV, insulation, alternative fuel heating/lighting systems, crematorium etc.		Climate Change Officer	Yr2 23/24	Lower carbon, more energy efficient buildings	



<p>1.5 Support sustainable travel options for council employees Including lease schemes for Electric Vehicles and Cycle to Work Scheme</p>		<p>Head of Environmental Services &amp; Sustainability Head of Organisational Development</p>	<p>Yr2 22/23</p>	<p>Lower impact on the environment</p>	
<p>1.6 Promote behaviour change to net zero that staff &amp; members can adopt in offices: switching off screens, lights, heaters and other electrical equipment. Lights on timers etc.</p>		<p>Climate Change Officer</p>	<p>Yr1 22/23</p>	<p>Lower impact on environment</p>	
<p><b>2. Influence businesses from whom we buy goods and services to reduce their emissions, thereby impacting upon the Borough's overall footprint.</b></p>					
<p>2.1 To contribute to the Local Plan review to continue to deliver sustainable development by encouraging low carbon development which enhances biodiversity and the natural environment, whilst still meeting housing needs and delivering economic growth.</p>		<p>Strategic Planning Manager Climate Change Officer</p>	<p>Yr1 22/23 onwards</p>	<p>Low carbon &amp; sustainability considered</p>	
<p>2.2 Evaluate sustainability outcomes delivered through our procurement activities.</p>		<p>Climate Change Officer</p>	<p>Yr1 22/23 onwards</p>	<p>Lower carbon purchases. Positive environmental influence on supply chains</p>	





<p>2.3 Play an active part in the Norfolk Climate Change Partnership to explore reducing GHG emissions on a regional level, share lessons learned, encourage joint procurement opportunities.</p>		<p>Strategic Director (PB)</p>	<p>Yr1 22/23 onwards</p>	<p>Low carbon &amp; sustainability considered</p>	
<p><b>3. Deliver carbon offsetting measures that not only ensures the council meets it net zero target, but further removes greenhouse gases from the atmosphere.</b></p>					
<p>3.1 Explore local opportunities for nature-based offsetting such as tree planting, tree management and re-wilding.</p>		<p>Head of Environmental Services &amp; Sustainability Climate Change Officer</p>	<p>Yr 2 23/24</p>	<p>Local open spaces being invested in and biodiversity increased.</p>	
<p>3.2 Support community schemes to promote biodiversity through schemes such as: wildflower areas, bird boxes, community take-over and growing projects.</p>		<p>Climate Change Officer</p>	<p>Yr 2 23/24</p>	<p>Local open spaces being invested in and biodiversity increased.</p>	



**4. Work to improve the sustainability of the borough's housing stock whilst supporting residents to make sustainable living choices and reduce their emissions.**

<p>4.1 Improve the energy efficiency of homes within the council's housing stock. E.g. Eco-homes where we build/develop, future new developments to include solar panels, retrofit insulation.</p>		<p>Director of Housing Assets</p>	<p>Yr1 22/23 onwards</p>	<p>Lower carbon, more energy efficient buildings</p>	
<p>4.2 Encourage and support private home owners to seek financial support towards making their homes energy efficient – see 6.2 Warm Homes Scheme.</p>		<p>Head of Environmental Services &amp; Sustainability</p>	<p>Yr1 22/23 onwards</p>	<p>Lower carbon, more energy efficient buildings, saving homeowners fuel bills.</p>	
<p>4.3 Promote community energy schemes signposting to lead partners for advice, information &amp; guidance.</p>		<p>Head of Environmental Services &amp; Sustainability Climate Change Officer</p>	<p>Yr3 24/25</p>	<p>Communities able to access information to support schemes</p>	

**5. Increase opportunities for the community to make sustainable travel choices.**






<p>5.1 Identify opportunities for multi-modal public transport hubs that will link up active travel options with public transport services. <i>Multi-modal transport is transport which enables people to use different modes of transport in a safe and reliable way, e.g. cycling to a station, storing the bike, and continuing the journey by train/bus</i></p>		<p>Development Director</p>	<p>Yr2 23/24</p>	<p>Low carbon &amp; sustainability considered</p>	
<p>5.2 Support the expansion of infrastructure that facilitates low carbon transport and active travel such as cycle paths, bike parking and e-bike charging points, car share scheme, bike rental through the development &amp; adoption of a Borough-wide Design Code to ensure</p>		<p>Development Director</p>	<p>Yr2 23/24 onwards</p>	<p>An increase in green travel</p>	





urban design of new developments supports active travel & health lifestyles.				options available locally.	
5.3 Proactively work with the private sector to increase the supply of EV (Electric Vehicle) charging points and other investments in infrastructure that facilitate the uptake of electric vehicles.		Head of Customer Services Strategic Director (KB)	Yr1 22/23 onwards	An increase in green travel options available locally.	
<b>6. Increase opportunities for the community to improve sustainability in their homes, make sustainable living choices and achieve emissions reductions.</b>					
6.1 Raise awareness of and signpost residents to available funding streams that support a transition to sustainable and low carbon practices to boost uptake of grants locally e.g. off-street EV charging points, retrofitting properties.		Climate Change Officer	Yr 2 23/24	An increase in green travel options available locally.  Residents supported to opt for EV vehicles	
6.2 Continue to implement the 'Warm Homes' Scheme working with other Norfolk councils.		Director of Housing Assets	Yr1 22/23 onwards	Lower carbon, more energy efficient buildings, saving homeowners fuel bills.	
6.3 Develop a communication & engagement plan to raise understanding of the climate challenge and encourage behaviour change to include working directly with our own tenants		Head of Communications & Marketing Climate Change Officer	Yr 1/ Yr2/ Y3  22/23 23/24 24/25	Increased awareness & practical behaviour	




				change taking place	
<b>7. Work with local businesses to reduce their carbon footprint &amp; encourage the growth of low carbon businesses in the Borough.</b>					
7.1 Support local businesses seeking to improve their sustainability through signposting to sources of expertise and funding working in partnership with New Anglia LEP, the Norfolk Climate Change Partnership and Norfolk CC.		Head of Inward Investment	Yr1 22/23 onwards	Increased awareness & practical behaviour change taking place Businesses adopting more Circular Economy solutions	
7.2 Encourage the sharing of low carbon/net zero good practice amongst businesses and local organisations through partnership structures.		Head of Inward Investment	Yr1 22/23 onwards	Businesses adopting more Circular Economy solutions	






## Priority 2: The Nature Challenge

ACTION	AREA OF INFLUENCE	LEAD	YEAR	OUTCOME	PROGRESS
<b>8. Preserve and manage the natural assets under the council's ownership and work with other landowners with the aim of enhancing biodiversity where possible.</b>					
8.1 Working with Norfolk County Council & advisors WRE (Water Resources East) as part of the Local Nature Recovery Strategy, to carry out an assets inventory of natural resources in the Borough area to quantify the ecosystem services that these can deliver.	 	Strategic Director (KB)	Yr2 23/24 Ongoing	Information available to support baseline data and inform biodiversity interventions	
8.2 Use assets inventory to identify opportunities for the council to access new funding mechanisms focused on the management of natural assets for ecosystem services delivery (e.g. Biodiversity Net Gain).	 	Strategic Director (KB)	Yr3 24/25	Information available to support baseline data and inform biodiversity interventions	
8.3 Assist in fulfilling regional targets of a 'Million Trees in Norfolk' by supporting tree planting initiatives in the Borough area.		Strategic Director (KB)	Yr 1 22/23 onwards	Increase in the number of trees in the borough	





<p>8.4 Maximise biodiversity where possible through planting schemes and changing open spaces, tree and park management where appropriate (e.g. trial no-mow areas on council open spaces).</p> <p>Consider maturity of biodiversity and enhance e.g. verges, gardens of remembrances with wildflowers, bee friendly roundabouts, install bee bricks, install vibrant signage to explain/promote : <i>'Excuse the weeds we're feeding the bees</i></p>		<p>Head of Property &amp; Asset Management Director of Operational Services</p>	<p>Yr 1 22/23 onwards</p>	<p>Increased awareness and practical biodiversity interventions made possible</p>	
<p><b>9. Help people improve their health and wellbeing by using outdoor natural spaces.</b></p>					
<p>9.1 Work together with partners such as Active Norfolk, Green Gym and Park Run to encourage people to use natural spaces.</p>		<p>Strategic Director (KB) Head of Environmental Services &amp; Sustainability</p>	<p>Yr 1 22/23</p>	<p>Increase in community pride, health &amp; wellbeing and activities that take care of local surroundings</p>	
<p><b>10. Build a sense of ownership among communities for their local natural areas.</b></p>					
<p>10.1 Establish and support a Great Yarmouth Sustainability Forum to involve and engage with community and interest groups.</p>		<p>Strategic Director (PB)</p>	<p>Yr 1 22/23</p>	<p>Improved awareness and ownership of sustainability in practice</p>	
<p>10.2 Develop a programme of community and schools involvement in the development and maintenance of outdoor natural spaces and explore demand for a community gardening scheme.</p>		<p>Climate Change Officer</p>	<p>Yr3 24/25</p>	<p>Increased awareness of sustainability, low carbon and net zero</p>	





<p>10.3 Continue to promote and support volunteer-led beach clean-ups, and town/village litter picks.</p>		<p>Head of Environmental Services &amp; Sustainability</p>	<p>Yr1 22/23 onwards</p>	<p>Reduction on litter. Increase in community pride and involvement</p>	
<p>10.4 Lead community awareness campaigns on the impact of inaction &amp; action. i.e. – frisbees, sky lanterns, balloon releases etc.</p>		<p>Climate Change Officer Head of Marketing &amp; Communications</p>	<p>Yr1 22/23 onwards</p>	<p>Reduction on litter. Increase in community pride and involvement</p>	
<p><b>11. Reduce risks from climate impacts where possible, including flooding and coastal erosion.</b></p>					
<p>11.1 Continue to provide support to communities at risk from coastal erosion &amp; flooding, linking up with regional action on this issue.</p>		<p>Head of Property &amp; Asset Management</p>	<p>Yr1 22/23 onwards</p>	<p>Communities engaged in agenda</p>	

## Priority 3: The Waste Challenge



ACTION	AREA OF INFLUENCE	LEAD	YEAR	OUTCOME	PROGRESS
<b>12. Further reduce the amount of waste generated through the council's own activities such as upcycling, reuse and recycling.</b>					
12.1 Work towards zero single use plastic in council operations by 2023/24.		Head of Environmental Services & Sustainability Climate Change Officer	Yr1 22/23 onwards	Reduction of single Use Plastics year on year	
12.2 Support and grow SEG Green Group and the running of staff awareness campaigns to reduce the amount of waste from council operations and to promote best practice waste management.		Head of Organisational Development Climate Change Officer	Yr1 22/23	Increase in awareness of sustainability issues and direct action	
12.3 Promote waste prevention and minimisation. Lead by example by supporting exemplary reuse and recycling schemes.		Head of Environmental Services & Sustainability Climate Change Officer	Yr1 22/23	Reduction in overall council (as an organisation) and household waste	

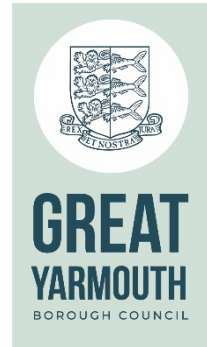
**13. Promote the efficient use of resources and waste minimisation in the residential and business communities, in particular by encouraging reuse.**

<p>13.1 Support the ongoing Circular Economy Project FACET by exploring ways to build on successes, provide continued support, and advice for businesses minimising their waste.</p>		<p>Strategic Director (PB)</p>	<p>Yr1 22/23</p>	<p>Increase in the number of businesses adopting Circular Economy solutions</p>	
<p>13.2 Investigate the set-up of 'Maker Spaces' including upcycling workshops for local people to learn how to recycle/reuse their household items.</p>		<p>Head of Inward Investment Climate Change Officer</p>	<p>Yr2 23/24</p>	<p>Feasibility Study undertaken. Maker Spaces identified with partners and funding secured</p>	
<p>13.3 Host local community events where residents can reuse and recycle unwanted items (Amnesty Days).</p>		<p>Head of Environmental Services &amp; Sustainability Director of Operational Services</p>	<p>Yr3 24/25</p>	<p>Communities sharing and avoiding waste Reduction in fly tipping</p>	
<p>13.4 Grow a sharing community through the establishment of a 'Library of Things' community borrowing service.</p>		<p>Climate Change Officer</p>	<p>Yr2 23/24</p>	<p>Increase in loaned &amp; shared equipment. New employment/skills &amp; training opportunities created</p>	

13.5 Complete a feasibility study on the development of an app for businesses to offer reduced priced food nearing end of life		Climate Change Officer	Yr2 23/24	Community pride increased. Awareness of refill/reuse, and less litter created	
<b>14. Improve waste collection services to maximise recycling and raise awareness of the benefits of good recycling practices.</b>					
14.1 Introduce a weekly food waste collection in line with Government requirements.		Head of Environmental Services & Sustainability Director of Operational Services	Yr3 24/25	To reduce organic/food waste requiring disposal To increase composting	
14.2 Continue to raise awareness through marketing campaigns focused on waste reduction, reuse and recycling appropriately.		Head of Communications & Marketing	Yr1 22/23	Increased recycling and quality of materials	
14.3 Analyse the impact of Deposit Return Scheme (DRS) and Extended Producer Responsibility (EPR) on services offered from 2023 onwards, including a review of how litter could be managed better if additional resources were available.		Head of Environmental Services & Sustainability Director of Operational services	Yr3 24/25	Develop a plan for investment via DRS and EPR	

**15. Reduce fly-tipping, littering and plastic pollution to waterways and the sea.**

<p>15.1 Tackle littering by encouraging the use of reusable or recyclable cups across the fast food and hospitality sector (building on FACET pilot studies).</p>		<p>Head of Environmental Services &amp; Sustainability Climate Change Officer</p>	<p>Yr1 22/23</p>	<p>Reduction in litter, and increase in use of disposable packaging (cups etc)</p>	
<p>15.1 Produce and promote a borough map of local drop-off and collection points for hard-to-recycle items.</p>		<p>Climate Change Officer</p>	<p>Yr2 23/24</p>	<p>Increased awareness of recycling drop-off places</p>	



**Subject:** Levelling Up Fund Programme: GY Riverside Gateway

**Report to:** Policy & Resources Committee, 12 July 2022

Council, 21<sup>st</sup> July 2022

**Report by:** Simon Best, Head of Inward Investment  
Karen Sly, Finance Director

## SUBJECT MATTER

This report provides a summary of the current position in respect of the emerging Levelling Up Fund (LUF) bid for up to £20 million to extend, amplify and build upon capital projects already developed through the Borough's Town Deal programme; enhancement of the Rail Station site as a key gateway and strategic regeneration of North Quay. In order to leverage LUF funding, there is an expectation of a 10% local contribution to overall costs.

## RECOMMENDATION

That Council:

- (1) review the Report's content
- (2) Approve the underwriting/co-investment of £2.2 million (to be included in the capital programme)– representing 10% local contribution to overall costs – on the basis of future return-on-investment in order to meet Government expectations and maximise the competitiveness of the bid.

## 1. Introduction

- 1.1 The competitive, capital-only Levelling Up Fund (LUF) was announced at the 2020 Spending Review, with an initial £4 billion committed for England up to 2024-25.
- 1.2 Applications to the first LUF funding round closed on the 18 June 2021, with the Government appraising 300+ submissions. The Government announced successful bids in 105 areas at the time of the Autumn Statement that year.
- 1.3 A March 2022 prospectus set out the approach for the second round of the Fund, for single bids and *package bids* (of up to 3 complementary projects representing a coherent set of interventions) for 'shovel-ready' capital projects with at least some LUF expenditure in 2022-23 and completing by the end of March 2025 (or, exceptionally, into 2025-26 for larger schemes) under three themes:
  - I. town centre and high street regeneration, including remediation and repurposing of vacant and brownfield sites;



- II. improving local transport connectivity and infrastructure, including upgrades to local bus, road and cycle infrastructure (including all £20m+ transport bids); and
  - III. maintaining and regenerating cultural, heritage and civic assets.
- 1.4 Whilst the Fund is open to every local area, it is intended to support investment in places ‘where it can make the biggest difference to everyday life’, including ex-industrial areas, deprived towns and – critically – coastal communities.
  - 1.5 District councils, unitary authorities and London boroughs can submit at least one bid worth up to £20 million with an intervention rate of up to 90% (i.e. bids must include a local financial contribution representing at least 10% of total costs; this funding cannot be in-kind and any co-investment must be in the form of an actual financial contribution).
  - 1.6 The Government also published an index of priority places for the Fund, assessed thematically by economic recovery and growth, improved transport connectivity and regeneration Great Yarmouth and King’s Lynn & West Norfolk are the only two Category 1 (highest priority) places in Norfolk.
  - 1.7 Like both Future High Streets and Town Deal programmes, bids must apply Treasury Green Book methodologies on the presentation and appraisal of policies, programmes and projects and use of monitoring and evaluation before, during and after implementation.
  - 1.8 The submission deadline was originally midday on Wednesday 6 July, via an online portal. Following legal and technical issues, the Government has since extended this deadline until two weeks from the point at which a functioning portal actually goes live.

## **2. Work to Date**

- 2.1. It is noted that the bidding and Treasury ‘Green Book’ timelines are very compressed in comparison to both the Future High Streets and Town Deals programmes. This means that project development, consultation, Treasury Green Book analyses and bid-writing must all happen concurrently.
- 2.2. There is also every expectation of significant competition for funding with a binary outcome – i.e. no post-award negotiation – with most local authorities not proposing to wait until Round 3.
- 2.3. *Package bids* are defined as thematically and spatially coherent proposals of up to three elements. Bids will, therefore, be only as ‘strong’ as their ‘weakest’ element in terms of deliverability, impact, value-for-money etc.
- 2.4. Given these timeframes, the need for relatively-well developed schemes, the associated evidence and intervention logic and the absolute requirement for spatial and strategic coherence within *package bids*, the focus has been on crafting a

compelling proposal around extending, amplifying and building upon capital projects already developed through the Borough's Town Deals programme:

- enhancement of the Rail Station site and environs as a key gateway
- strategic regeneration of North Quay

- 2.5. At its meeting at the Drill House on 1 June, the Great Yarmouth Town Board received a presentation on a proposed LUF *package bid* in Round 2 – *Great Yarmouth Riverside Gateway* – and endorsed this approach. Brandon Lewis MP has subsequently signalled his support for the proposals.
- 2.6. Since that meeting, a number of officer meetings have been held with the Project Sponsors, the appointed Treasury Green Book consultancy (AMION) and the various specialist consultants working to both them and for the Council – alongside intensive bid development work.
- 2.7. The prospectus states that *“a local contribution of 10% or higher of bid costs is encouraged”*. The Government has subsequently confirmed that *“the local financial contribution can come from another government grant as long as it is part of delivering the LUF project. Applicants are required to confirm the status of funding, when funding is expected to be secured, and any conditions that might be applied to the funding”* and *“land or building assets that can be monetised will be considered as part of [the minimum 10%] match”*.
- 2.8. A failure to provide this 10% match funding would not mean automatic rejection of the bid at Government gateway appraisal, but it would undoubtedly affect the bid's competitiveness relative to bids from other places.
- 2.9. In order to meet the local match funding expectation, a £20 million LUF ask would need to be accompanied by a local contribution of £2.2 million (i.e. £20,000,000 LUF + £2,200,000 match = 90%:10%).
- 2.10. A number of alternative co-investment options have been explored and discounted, including mechanisms by which the £2.5 million already committed by the Council to the regeneration of North Quay – already attached to the Town Deal-funded project could be utilised.
- 2.11. Abellio Greater Anglia is a key strategic stakeholder in the Rail Station but is unable to provide any specific financial commitments within the timeframe conferred by the submission deadline – or a clear timeline/routemap to potential Department for Transport (DfT) funding.
- 2.12. It is proposed that any subsequent investment in the site through Abellio/DfT monies could be focused on actual redevelopment of the actual Rail Station buildings, leveraging any funding secured by GYBC from LUF. That would be additional to any LUF-funded project.

### 3. Next Steps

3.1. The current proposal is to submit a *package bid* at the upper LUF threshold of around £20 million, comprising:

- £3 million LUF will be sought against £3 million expenditure allocated to enhance routes/spaces to, from and around the Rail Station, to provide a real *sense of arrival*, address wayfinding, amenity and connectivity to centres of population and employment, including the Town Centre.

Abellio Greater Anglia has invested in upgraded rolling stock and signalling between Great Yarmouth and Norwich. Recent enhancements have also been made to the Station forecourt and onward links to the Town Centre but there is a long-standing need for improvements to the station, itself, to improve accessibility, attractiveness and perceptions as set out in the Norfolk Strategic Infrastructure Delivery Plan (2019).

- £17 million LUF will be sought against £19.2 million expenditure allocated to unlock the further regeneration of North Quay as a vibrant new mixed-use waterfront quarter, capitalising on recent improvements to rail services to improve a key commuter/visitor point of arrival, enhance physical connectivity and green transport and unlock and de-risk private sector-led investment.

Land value is a persistent barrier to effecting change and the Council struggles to de-risk the development of both residential and commercial projects to create a context in which developers have sufficient confidence to invest. Market testing has found that sites require land assembly (acquisition, preparation, possible remediation, utilities upgrades) and intervention to de-risk investment by developers

3.1 In order to leverage £20m, it is proposed that GYBC underwrites or co-invests £2.2 million on the basis of future return-on-investment, realised through capital receipts and retained business rates in relation, specifically, to the North Quay element.

### 4. Financial Implications

4.1 The Council's match funding contribution would be a capital contribution to the wider capital project and would be funded from borrowing or capital receipts, if these were available. It is anticipated that the revenue costs of financing the Council's match funding would be mitigated by future revenue streams following redevelopment of the site, for example from business rates, rentals or council tax.

4.2 The overall deliverability of the project would be dependant upon the level of funding awarded, if successful and once the outcome of the bid is confirmed. Once this is confirmed, the overall project budget and financing will be reviewed. At this time, Council is being asked to approved the underwriting of the £2.2million match funding.

## 5. Risk Implications

- 5.1 There are clear deliverability risks in respect of the wider ambitions for North Quay in the event of an unsuccessful LUF bid. Submitting a bid with either a) no 10% local contribution or b) a residual funding gap would adversely affect its competitiveness during Government appraisal.
- 5.2 This facility would only be activated in the event of a successful LUF funding outcome. It is anticipated that the Government will announce successful bids from October 2022, possibly attached to a fiscal event such as the Autumn Statement.
- 5.3 Any LUF funding award resulting from a successful LUF bid would be presented to the Council as a formal offer or Heads of Terms – potentially including specific conditions – that the Council would need to formally agree to.

## 6. Legal Implications

- 6.1 None identified.

## 7. Conclusion

- 7.1 This report provides a summary of the current position in respect of the emerging Levelling Up Fund (LUF) bid for up to £20 million to extend, amplify and build upon capital projects already developed through the Borough's Town Deals programme; enhancement of the Rail Station site as a key gateway and strategic regeneration of North Quay.
- 7.2 In order to leverage LUF funding, there is an expectation of a 10% local contribution to overall costs.
- 7.3 Members are asked to approve the underwriting/co-investment of £2.2 million – representing 10% local contribution to overall costs – on the basis of future return-on-investment, realised through capital receipts and retained business rates in relation, specifically, to the North Quay element in order to meet Government expectations and maximise the competitiveness of the bid.

## 8. Background Papers

- 8.1 None.

*Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?*

Area for consideration	Comment
Monitoring Officer Consultation:	As part of the ELT process
Section 151 Officer Consultation:	As part of the ELT process
Existing Council Policies:	Not applicable

Financial Implications (including VAT and tax):	As outlined in the Report
Legal Implications (including human rights):	None
Risk Implications:	As identified in the Report
Equality Issues/EQIA assessment:	None
Crime & Disorder:	None
Every Child Matters:	Not applicable

**Subject:** Equinox Enterprises Ltd – Financing

**Report to:** ELT – 6 July 2022  
Policy and Resources Committee – 12 July 2022  
Council – 21 July 2022

**Report by:** Finance Director and S151 Officer



**Subject Matter/Recommendations:**

This report asks Members to recommend financing to the wholly owned company trading as Equinox Enterprise Limited (EEL) and makes recommendations for a financing facility of up to £10m to be available for the company, to fulfil the new build housing development of Eastwood Phase 2, which is reported to Members separately on the agenda.

**Recommendations:**

That Committee:

- (1) **Recommend to Council** approval of the financing for Equinox Enterprises Ltd of up to £10m (from a £7.5m revenue loan facility and £2.5m equity/share capital). The equity share capital £2.5m will need be added to the capital programme following this approval to be funded by borrowing.
- (2) **Recommend to Council** that the Investment Strategy 2022/23 (updated July 2022) at Appendix A be approved (updated in line with the financing requirements approval for this report).
- (3) Delegate the drawdown of the financing facility to the S151 Officer.

## 1. INTRODUCTION / BACKGROUND

- 1.1. Council approved the establishment of Equinox Enterprises Limited (EEL) in 2016 to enable the council to take a more commercial approach to developing new homes. EEL have completed Phase 1 Eastwood with a build of 50 market homes for private sale and 6 affordable rented homes purchased by Great Yarmouth borough Council.
- 1.2. The report included separately on the agenda provides details on Eastwood Phase 2. This report is recommending a medium-term loan facility (over 3 years) from the Council to enable EEL to deliver the development of Eastwood phase 2 (through a mixture of loan and equity in the company).

## 2. FINANCIAL IMPLICATIONS

- 2.1. As the shareholder for EEL, the Council has previously provided financing to the company in the form of debt (via a loan facility and equity at a debt-to-equity ratio of 75:25). EEL has identified

a total funding requirement for Eastwood phase 2 of up to £10 million, which in the current proposed ratio of debt to equity would equate to loans to EEL of £7.5 million and equity/share capital of £2.5 million.

- 2.2. The report is therefore recommending the total financing of EEL be made up of £7.5 million loan facility and £2.5million equity/share capital, the timing of the drawdown of the loan and equity would be in consultation with the S151 Officer.
- 2.3. The Council do not need to account for the loan facility as a capital investment as it is only provided on a medium-term basis to finance the cashflow of the company. The equity/share capital in EEL is treated as a capital expenditure, The capital expenditure will be financed by borrowing.
- 2.4. Where local authorities finance capital expenditure by borrowing, they are required to make an annual charge to the revenue account for future repayment of the debt (minimum Revenue Provision). In 2021 the government consulted on changes to the application of MRP, following concern that local authorities have not been making prudent revenue provision specifically around the provision capital loans. The assumptions of the financial impact to the council of the provision of loans to EEL has taken a prudent approach and therefore does make an allowance for an MRP charge. Should there be any changes following the outcome of the consultation the impact will be considered as part of the wider capital programme planning.
- 2.5. The loan facility will be a medium-term facility and on a repayment of principal and interest basis for a period of up to 3 years. Over the lifetime of the loan the MRP charge within the Council's general fund will be mitigated by the interest received from EEL for the borrowing facility.
- 2.6. The investment strategy for 2022/23 approved by Council in February 2022 set approved limits for the Councils subsidiaries (EEL and Equinox Property Holdings, EPH) of loans of up to £5.5m and £4m for shares equity for both its subsidiaries. However, this is not sufficient to cover the increase in borrowing being requested as part of this report for EEL and following the approval of increased financing for EPH at Council on the 23<sup>rd</sup> June 2022. Therefore the 2022/23 investment strategy has been updated to account for the change in the financing requirements for EEL & EPH, including increasing the limits for 2022/23 to £10.5m for loans and £6m for share capital for the subsidiaries. The updated strategy for approval is provided at Appendix A of this report.
- 2.7. The Council, in providing this financing of the company, is setting EEL a target of at least 2% return on investment (RoI) from the delivery of the East Wood Phase 2 project in line with the EEL report provided as part of this committee agenda. The Council expects EEL to strive to achieve higher than the 2% RoI but is included to ensure that the overall performance of the company can be assessed on the project completion.

### **3. RISK IMPLICATIONS**

- 3.1. Risk of non-payment of interest and loan repayments. This is mitigated by the Council's equity within EEL, 100% owned by the Council.
- 3.2. Impact of changes to the MRP requirements – the outcome of the consultation will be monitored and if changes are required to the Council's MRP policy these will be updated

accordingly, in the meantime a prudent approach has been taken in respect of allowing for MRP.

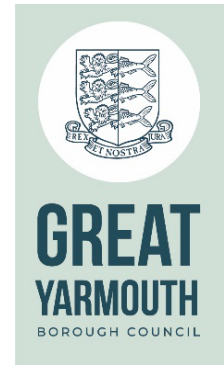
- 3.3. The financial stability of the company will continue to be monitored including the ability to repay the loan and proactive action will be taken as required to mitigate the financial implications to the Council.

#### **4. CONCLUSIONS**

- 4.1. To enable EEL to complete Eastwood Phase 2 a loan financing facility and share purchase is required. Approval from Council is therefore being sought for a total of £10m to be invested with EEL (loan facility of £7.5m and shares to be purchased of £2.5m). The drawdown of these funds by the company will be delegated to the s151 officer to administer and control. Following this the approved limits within the Investment Strategy will need to be updated.



<b>Area for consideration Comment</b>	<b>Comment</b>
<b>Monitoring Officer Consultation</b>	
<b>Section 151 Officer Consultation</b>	
<b>Existing Council Policies See background papers</b>	
<b>Financial Implications Within existing budgets</b>	
<b>Legal Implications (including human rights)</b>	
<b>Risk Implications</b>	
<b>Equality Issues/EQIA assessment</b>	
<b>Details contained in strategy</b>	
<b>Crime &amp; Disorder</b>	
<b>Every Child Matters</b>	



# Investment Strategy Statement 2022/23

(Updated July 2022)

<b>Author</b>	<b>Finance</b>
<b>Version No.</b>	<b>2022/23</b>
<b>Updated by</b>	<b>Financial Services Manager</b>
<b>Date of update</b>	<b>July 2022</b>
<b>Description of changes to this version</b>	<b>Updated for impact of increased share &amp; loan facilities for subsidiaries approved in June &amp; July 2022</b>
<b>Document Status</b>	<b>To be approved</b>

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## INVESTMENT STRATEGY 2022/23

### 1. INTRODUCTION

- 1.1 The Authority invests its money for three broad purposes:
- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as treasury management investments),
  - to support local public services by lending to or buying shares in other organisations (service investments), and
  - to earn investment income (known as commercial investments where this is the main purpose).
- 1.2 This investment strategy meets the requirements of statutory guidance issued by the government and focuses on the second and third of the above categories.

### 2. TREASURY MANAGEMENT INVESTMENTS

- 2.1 The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate during 2022/23, with an average investment of £12m anticipated for the financial year.
- 2.2 **Contribution:** The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.
- 2.3 **Further details:** Full details of the Authority's policies and its plan for 2022/23 for treasury management investments are covered in a separate document, the treasury management strategy, available here: <https://www.great-yarmouth.gov.uk/policies>

### 3. SERVICE INVESTMENT LOANS

- 3.1 **Contribution:** The Council lends money to its subsidiaries (Equinox Enterprises Limited and also once it is operational Equinox Property Holdings), local charities, local businesses, and local residents (in the form of home improvement loans), to support local public services and stimulate local economic growth.
- 3.2 The loans made to Equinox Enterprises Limited and when established Equinox Property Holdings, as the subsidiaries of the Council, form part of investment in the company to provide an initial cash injection to enable the company to become established. The purpose of Equinox Enterprises Limited is to develop housing for sale (including affordable homes) and the purpose of Equinox Property Holdings is to provide quality rental housing in the borough. This supports the Council's objective within the Corporate Plan 2020-2025 to provide a mix of attractive good quality housing for all sectors of the workforce and community that is fit for purpose for all and meet both the borough's existing and future needs.
- 3.3 Discretionary loans are granted to local charities and businesses, this will be following a decision by the Policy and Resources Committee and /or Council as applicable. In line with the Corporate Plan 2020-2025 these loans are granted to support the local charities and businesses that assist in improving the communities and facilities in the borough. The rates for service loans will be set at appropriate rates that reflect counterparty risks and duration.
- 3.4 The Council has a responsibility to address private sector housing that is in poor condition or needs adaptations to meet the needs of those with disabilities. The Council also has an

objective within the Corporate Plan 2020-2025 to provide help early, when people need public health and care, to prevent avoidable problems and to help more people to help themselves as well as tackling challenges within communities. Home improvement loans help residents to redress housing issues that impact on their health. The home improvement loans are made from a recycling pot following repayment of loans made as part of prior year capital programme allocations.

- 3.5 **Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

Category of borrower	31/3/21 Actuals			2022/23
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries: Equinox Enterprises Limited and Equinox Property Holdings	0.00	0.00	0.00	10.50
Local Charities	0.69	0.0	0.69	1.00
Local Businesses	0.00	0.00	0.00	1.00
Local Residents (Home Improvement Loans)	2.29	0.02	2.27	3.00
<b>TOTAL</b>	<b>2.98</b>	<b>0.02</b>	<b>2.96</b>	<b>15.50</b>

\*loans, except for those to local residents, granted in 2022/23 will be subject to Council/Committee approval during the year.

- 3.6 Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts are shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments. It should be noted that both the loans to local charities and local residents are equity loan agreements, so the Council obtains a share of the equity of the borrower's property as collateral. This reduces the risk of the Council not recovering the loan amount from the borrower and occasionally generates a small surplus depending on the agreement type used. On occasions where a loan to a local business would clearly meet the service objectives of the council, loans would be given on market terms. These loans will be made with due attention to the risk to the council, and the rate of interest charged on the loan will be commensurate with the security provided, the duration of the loan and the risk of default (i.e., non-repayment).
- 3.7 **Risk assessment:** The Authority assesses the risk of loss before entering, and whilst holding service loans by undertaking due diligence proportionate to the level of the loan being granted to mitigate as far as possible any risks of non-recovery. This will also include taking external advice as applicable, such as discussion with NP Law as part of the loan agreement process.

#### 4. SERVICE INVESTMENTS: SHARES

- 4.1 **Contribution:** The Council has shares in Equinox Enterprises Limited and will have shares in Equinox Property Holdings when it is established as its subsidiaries. The Council invests in its subsidiaries to enable them to develop affordable and quality housing within the borough and with the aim of them providing a return on the investment.
- 4.2 **Security:** One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Table 2: Shares held for service purposes in £ millions

Category of company	31/3/20		Actuals	2022/23
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Equinox Enterprises Limited (Subsidiary)	2.23	0.00	2.23	5.0
Equinox Property Holdings (Subsidiary)	0.00	0.00	0.00	1.0

- 4.3 **Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding shares by undertaking the appropriate due diligence. As further contracts and opportunities are considered, the company's performance will inform the risk assessment.
- 4.4 **Liquidity:** Any new investment proposal will be considered for approval via the appropriate decision-making route in line with the council's Constitution.
- 4.5 **Non-specified Investments:** Shares are the only investment type that the Authority has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Authority's upper limits on non-specified investments. The Authority has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

#### 5. COMMERCIAL INVESTMENTS: PROPERTY

- 5.1 **Contribution:** The council owns a varied portfolio of commercial properties including seafront concessions, warehouses, workshops, offices and industrial units across the borough. These form a significant element of the council's asset management plan which is available here: <https://www.great-yarmouth.gov.uk/article/3222/Plans-and-performance>

Table 3: Property held for investment purposes in £ millions

Property	31/3/21 Actual		31/3/22 Expected	
	Gains or (losses)	Value in accounts	Gains or (losses)	Value in accounts
Offices	0.00	5.70	0.20	5.90
Corporate Estates	(0.69)	39.01	0.20	39.21
Seafront Concessions	0.06	4.68	0.00	4.68
Market	(0.15)	0.42	0.00	4.68
<b>TOTAL</b>	<b>(0.78)</b>	<b>49.81</b>	<b>0.40</b>	<b>50.21</b>

- 5.2 **Security:** In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.
- 5.3 A fair value assessment of the Authority’s investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2021/22 year end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.
- 5.4 **Risk assessment:** The Council’s internal Property and Asset Management team includes members of the Royal Institution of Chartered Surveyors (MRICS) and they assess the risk of continuing to hold the current property investments. They do this in a number of ways including engaging external advisors, agents and reference to quality financial/property press when required. In doing this they assess the market that the investment is competing in, the nature and level of competition, along with expectations on how the market/customer needs will evolve over time, barriers to exit, and any ongoing investment requirements. The strategic objectives are designed to mitigate risk by:
- The Council’s fundamental aim of revenue income or a capital return;
  - Having a portfolio approach to avoid concentration of risk in any one property, tenant or risk type.

The Council has not invested in commercial properties outside of the borough and does not intend to make any further investment in additional commercial property with the primary purpose of generating a yield. Changes within the prudential code have imposed restrictions on the Council’s ability to borrow for capital expenditure on developing or purchasing investment properties (i.e. primarily for yield) which have influenced this decision.

- 5.5 **Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Authority do not rely on capital receipts to finance the capital programme. Any capital receipts received will be used to reduce the borrowing requirement within the financial year they are received.

## 6. LOAN COMMITMENTS AND FINANCIAL GUARANTEES

- 6.1 Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Authority and are included here for completeness.
- 6.2 The Authority has committed to make up to £1.5m of loans to its subsidiary, Equinox Property Holdings but further loans could be committed with in the year to the other subsidiary, Equinox Enterprises Limited if approval is granted by the Council. The Council does not have any financial guarantees, nor does it intend to make any.

## 7. PROPORTIONALITY

- 7.1 The Authority achieves a balanced revenue budget incorporating surpluses generated from investment activity. Table 4 below shows the extent to which the expenditure planned to meet the service delivery objectives and/or the level that the Authority is dependent on achieving

the expected net profit from investments over the lifecycle of the Medium-Term Financial Plan. Should it fail to achieve the expected net profit, the Authority's contingency plans for continuing to provide these services would be to undertake further review of the delivery and potential savings or to use reserves in the short-term.

Table 4: Proportionality of Investments

	2020/21 Actual	2021/22 Forecast	2022/23 Budget	2023/24 Budget	2024/25 Budget
Gross service expenditure	65.81	70.40	71.02	71.50	71.50
Investment income	2.69	2.48	2.77	2.08	2.08
Proportion	4.1%	3.5%	3.9%	2.9%	2.9%

## 8. BORROWING IN ADVANCE OF NEED

- 8.1 Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Authority would not follow this guidance if it was financial advantageous and only after undertaking due diligence to consider risks involved. Currently the Council has not borrowed in advance of need.

## 9. CAPACITY, SKILLS AND CULTURE

- 9.1 **Elected members:** Elected members are provided with annual training by our external advisors, Arlingclose. The Treasury Management Strategy and the Mid-year Treasury Management Strategy are presented to members during the financial year and should any queries arise these would be responded to by officers or advisors as applicable.
- 9.2 **Statutory officers:** Regular meetings are held throughout the year with our external advisors, Arlingclose. Officers working on a daily basis with investment decisions attend courses offered by both Arlingclose and CIPFA throughout the year. Arlingclose provide daily updates of changes in the market as well as providing staff with a contact for queries that arise.
- 9.3 **Commercial decisions:** Future decisions on historic commercial investments, including potential disposals, will be made following consideration of robust business cases for approval in line with the current decision-making governance arrangements. Future spend on historic commercial investments will be capital expenditure and will therefore also be approved as part of the capital programme. Where applicable the Council would seek to engage external professional advisors, for example financial, property and legal advice.
- 9.4 **Corporate governance:** The Asset Working Group is made up of both finance and, property and asset management officers, who initially consider the future of current investment commercial properties, such as disposals or additional spend required. Regular progress reports on decisions taken are also reviewed by the group.
- 9.5 After initial consideration business cases are completed for the disposal or improvements to property investments, including undertaking due diligence and considering risks, and these form the basis for reports presented to the Policy and Resources Committee for approval.
- 9.6 Other investment decisions are based on the Treasury Management Strategy, with any changes reported for approval as required to Policy and Resources Committee.

## 10. INVESTMENT INDICATORS



- 10.1 The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.
- 10.2 Total risk exposure: The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third-party loans.

Table 5: Total investment exposure in £millions

Total investment exposure	31.03.2021 Actual	31.03.2022 Forecast	31.03.2023 Forecast
Treasury management investments	33.65	13.00	13.00
Service investments: Loans	2.96	2.90	10.00
Service investments: Shares	2.23	2.46	5.00
Commercial investments: Property*	49.81	50.21	51.00
<b>TOTAL INVESTMENTS</b>	<b>88.65</b>	<b>68.57</b>	<b>79.00</b>
Commitments to lend	0.00	0.00	0.00
<b>TOTAL EXPOSURE</b>	<b>88.65</b>	<b>68.57</b>	<b>79.00</b>

\* Through its significant asset base, the Council has invested historically in commercial property for financial gain and to support regeneration.

- 10.3 **How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

Table 6: Investments funded by borrowing in £millions

Investments funded by borrowing	31.03.2021 Actual	31.03.2022 Forecast	31.03.2023 Forecast
Treasury management investments	0.00	0.00	0.00
Service investments: Loans	0.00	0.06	4.00
Service investments: Shares	2.23	2.46	5.00
Commercial investments: Property *	18.87	18.72	18.53
<b>TOTAL FUNDED BY BORROWING</b>	<b>21.10</b>	<b>21.24</b>	<b>27.53</b>

\* Commercial Investments – The portfolio of commercial investment properties are historic assets which the Council owns or has an interest in for which it is not possible to quantify the level of funding by borrowing. The figures quoted relate to the investments made since 2008/09.

- 10.4 **Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 7: Investment rate of return (net of all costs)

Investments net rate of return	2020/21 Actual	2021/22 Forecast	2022/23 Forecast
Treasury management investments	0.27%	0.35%	0.44%
Service investments: Loans	6.03%	0.6%	1.33%
Service investments: Shares	N/A	10.45%	N/A
Commercial investments: Property	4.08%	3.41%	4.39%
<b>ALL INVESTMENTS</b>	<b>10.38%</b>	<b>14.80%</b>	<b>6.16%</b>

10.5 The treasury management investments returns above reflect the current low interest rates that are expected to continue in the short to medium term. The fall seen in the loan return in the table reflects the repayment of the £6.2m loan to Equinox Enterprises Limited during 2020/21. Equinox Enterprises Limited are expected to pay the first dividend on the Authority's shares by the end of 2021/22.

Table 8: Other investment indicators

Indicator	2020/21 Actual	2021/22 Forecast	2022/23 Forecast
Debt to net service expenditure ratio	4.96%	8.36%	10.04%
Commercial income to net service expenditure ratio	35.53%	33.00%	31.81%

**Subject** GENERAL FUND OUTTURN 2021/22  
**Report to** Policy and Resources Committee – 13 July 2022  
**Report by:** Finance Director



#### **SUBJECT MATTER**

This report presents for the general fund, the revenue and capital outturn position for the financial year 2021/22. The position as presented will be used for the production of the draft statutory accounts for the same financial period ahead of the audit. The report also takes the opportunity to update the capital programme and presents a revised reserves statement.

The outturn position shows an underspend variance on the general fund net cost of services of £705,950 (net of recharges) although this is before the transfers to earmarked reserves for requested roll forwards of grants received in 2021/22 which have not yet been spent but have been committed along with service underspends for ongoing commitments in 2022/23. After allowing for these movements there is a requirement to use £184,850 of the general reserve in the year compared to the original budget of £111,077 a variance of £73,773.

#### **RECOMMENDATIONS: 19721**

##### **That Council :-**

- 1) Agree the outturn position for the general fund for 2021/22 as included in the report and appendices;
- 2) Agree the transfers to and from reserves as detailed within the report and Appendix A along with an updated reserves statement (Appendix D);
- 3) Agree the financing of the 2021/22 capital programme as detailed within the report and appendices;
- 4) Agree the updated capital programme for 2022/23 as included in the report (section 4) and Appendix E2.

## **1. Introduction and Background**

- 1.1. This report presents the outturn position for the general fund revenue account and capital programme for the 2021/22 financial year. The outturn position on the Housing Revenue Account will be reported to the Housing and Neighbourhoods Committee.
- 1.2. The reporting of the outturn position compared to the budget precedes the production of the draft statutory statement of accounts which are then subject to external audit review. The deadline for the publication of the draft (unaudited) accounts is 31 July 2022.
- 1.3. The budget for 2021/22 was set by Council in February 2021 and at the time assumed a total transfer from general reserves of £326k. During the year the budget has been updated to reflect in year budget virements and the budget monitoring reports have been presented to members. The last position (as at period 10) was reported to Policy and Resources Committee in March 2022 at which time presented a forecast outturn position of a £249k surplus,

although was before allowance was made of the roll forward of unspent budgets at the end of the year.

- 1.4. The detail within the report and appendices provides commentary on the more significant variances.
- 1.5. The outturn position for the general fund after allowing for adjustments to and from reserves is a deficit of £184,850 compared to an anticipated deficit of £111,077 (a variance of £73,773).
- 1.6. The report also includes a forecast position statement for the level of reserves along with the outturn and financing position for the 2021/22 capital programme. The capital programme for the period 2022/23 to 2023/24 has been updated to reflect the outturn position and where capital schemes have slipped between financial years. More details on the capital programme are included at section 5.

## 2. GENERAL FUND POSITION

- 2.1. Further details on the general fund position are included in Appendices A and B. Unlike capital budgets unspent revenue budgets are not automatically carried forward at the year-end. There will be circumstances however where it is appropriate to carry forward a revenue budget for example where an underspend relates to a grant received which has not yet been fully utilised or where there has been a delay in the planned use, with the funds being rolled forward within an earmarked reserve to match spend in a future year. In addition, where a budget has been provided as a one-off in the year and remains unspent due to a change the delivery timescale.
- 2.2. The table below provides a summary of service and non-service variances, further detail on the variances is included in the following paragraphs and within Appendix B.

Summary Table	Current Budget £000	Outturn £000	Variance	Note
<b>1) Net cost of service</b>	13,643	12,719	(924)	2.3-2.4
<b>2) Non-Service Expenditure /Income:</b>				2.5
a) Recharges to the Housing Revenue Account	(2,088)	(1,870)	218	2.6
b) Treasury Management Activity	1,171	471	(700)	2.7
c) Accounting Adjustments	(1,616)	(1,602)	15	2.8
d) Pension and employee adjustments	2,175	2,178	3	2.9
e) Parish Precepts & Concurrent Grants	540	545	5	
f) Capital Financing from Revenue	1639	1652	12	2.10
g) Contributions to/(from) reserves	(2,463)	(4,638)	(2,175)	2.11
<b>3) Funding</b>	(12,888)	(9,269)	3,619	2.14
<b>Net (Surplus)/Deficit</b>	<b>111</b>	<b>185</b>	<b>74</b>	

- 2.3. **Net Cost of Service**– This represents the net service under and overspends including where grants have been received but not matched by spend but do remain fully committed albeit in the following year and therefore will be carried forward to 2022/23. The net cost of services also include entries in relation to the bad debt provision which is made annually as part of the

outturn position. The provision is informed by the age and size of the debts outstanding and comments within the Appendix B will flag where there are more significant provisions being made in the year. Across all services the total provision that has been made in the year totals £813k this is larger than previous years due to the level and size of outstanding debt. During the coming year a review will be carried out on the levels of debt and processes for the raising of invoices and debt recovery along with the level of the provision held. Any adjustments to this will be reflected in the 2022/23 financial year.

- 2.4. Commentary on the direct costs and income variances within the individual services is provided at Appendix B. Some of the service underspends have been carried forward to the 2022/23 financial year and have been offset by a transfer to reserves.
- 2.5. **Non-Service Expenditure and Income** – This includes a number of accounting adjustments and non-service headings for which the more significant variances are explained below.
- 2.6. **Recharges to the Housing Revenue Account** – The general fund accounts for a number of support service charges for example, HR, Finance, Legal, HR, the Executive team, Office accommodation which are then recharges in part to the HRA to reflect the use of these functions in the provision of the HRA. Where there are over and underspends in these costs in the year, this in turn will impact on the outturn recharges made. As there has been an underspend across a number of these services this has resulted in a lower charge being made to the HRA.
- 2.7. **Treasury Management Activity** – This includes the variances in relation to investment income and interest payable. The budget for 2021/22 anticipated loan interest payable totalling £1,229,995, the outturn position was £552,607 resulting in an underspend of £677,388 mainly due to external borrowing not being undertaken at the levels anticipated partly due to slippage in the capital programme and a higher cash balance maintained during the year due to the receipt of grant funds from the government ahead of these being paid. Interest receivable in the year has exceeded the budget by £22,732, overall resulting in a net favourable variance of £700,119 from treasury management activity.
- 2.8. **Accounting Adjustments** – This reflects the reversal of recharges for depreciation included in the net cost of services and is offset by a corresponding entry in the service line.
- 2.9. **Pension and Employee Adjustments** – This includes pension costs that are not allocated to the services and accounted for centrally.
- 2.10. **Capital Financing from Revenue** – This includes the Minimum Revenue Provision (MRP) which represents the cost to the revenue account of decisions made in respect of the financing of capital expenditure in the current and prior years along with revenue contributions to capital to finance capital spend in the year. The outturn position in respect of MRP shows an underspend of £95,330 mainly due to slippage in the capital programme.
- 2.11. **Contributions to and from reserves** – The total variance of £2.222million includes the adjustment required for the Business Rates Section 31 Grant of £4.385 million which was received in 2020/21 and allocated to earmarked reserves to be used in 2021/22. This has been used to mitigate the shortfall on the funding line from business rates income. Other variances on the use of reserves in the year include a delay to the use of the asset management reserve to mitigate the impact of the borrowing costs of the construction of the new marina facility pending its opening.
- 2.12. Grants that have been received in the financial year which are still to be matched by spend have been carried forward in earmarked reserves at 31 March 2022. This includes allocations of the Contain Outbreak Management Fund and New Burdens funding. Other non-service grants for example future high street and other project funding will have been carried forward where they remain unspent.

- 2.13. There have been a number of carry forward requests of revenue budgets for example where there are no ongoing budgets in 2022/23, or there has been a delay in the utilisation of some of the prior year carry forward requests and therefore these have remained in reserves as opposed to be utilised in the year. Overall this has resulted in a net transfer from reserves of £25,923 (excluding the business rates adjustment for the collection fund).
- 2.14. **Non-Service Funding** - This variance relates to the impact of the collection fund accounting for business rates and the treatment of Section 31 grants received for the business rate reliefs for covid which were received in the 2021/22 financial year to be used to mitigate the impact in subsequent years. This has been mitigated by an allocation from the earmarked reserve established in 2021/22.

### 3. RESERVES

- 3.1. Appendix C provides the detail of the General Fund reserves including proposed movements allowing for the requested carry forwards. The Council holds a general reserve for which the recommended balance is currently £3.5 million. 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. In addition to the general reserve the Council holds a number of earmarked reserves to meet known or predicted liabilities and funds that are carried forward to the new financial year to fund ongoing commitments and known liabilities for which no separate revenue budget exists. There are a number of earmarked reserves that have balances, where the timing of the use of the reserve is yet to be agreed and/or where contributions from the reserves will be made during 2022/23 for spending commitments.
- 3.2. The transfers to and from reserves (general and earmarked) are included within the reserves statement as detailed at Appendix C. The appendix shows the planned use of reserves over the medium term to take account of where funding has been rolled forward from 2021/22 for use future years. All reserves will be reviewed as part of the upcoming work on the Medium-Term Financial Strategy which will be presented to Members later in the year.
- 3.3. In summary, after allowing for the outturn position of a £184,850 overspend the balance on the general reserve at 31 March 2022 will be £3,793,562. This is after allowing for planned movements to and from reserves as detailed in the report and the earmarking of funds for ongoing commitments.

### 4. GENERAL FUND CAPITAL PROGRAMME

- 4.1. This section of the report along with Appendix E presents the outturn and financing of the 2021/22 capital programme, along with an updated programme for 2022/23. The updated programme (Appendix E2) allows for slippage of capital schemes between financial years. The reasons for slippage include where schemes have not progressed as originally planned and the funding will be carried forward to the new financial year.
- 4.2. Total Capital expenditure of £25.499m was incurred during 2021/22, which was slightly higher than the forecast of £24.895m reported at period 10. The notable changes to the programme since the period 10 report are as follows:
- The budget for the Crematorium Tearooms was increased by £27k to cover professional fees, using a revenue contribution from underspends in the Customer Services area.
  - The budget was increased by £28k to include the Refurbishment of the Wellesley Recreation Ground Ticket Office. This cost had originally been accounted for as revenue expenditure,

but needed to be capitalised due to the nature of the works. Funding for these works was being held in an earmarked reserve and this was utilised as planned.

- Expenditure of £267k appears in the programme for the Phoenix Pool Gym Equipment. Please note this is a lease rather than actual purchase, but must be treated as capital expenditure in line with accounting guidance.
  - A total of £49k was spent on improvements to Gapton Hall Travellers Site (CCTV and Portacabin). Whilst not originally budgeted for, this was wholly funded by Community Champions funding.
- 4.3. During the year, the Council utilised £34k of Town Deal funding and £3.364m of Future High Streets funding on capital projects. These projects are ongoing and all remaining budgets have been rolled forward into 2022/23.
- 4.4. The budget for Investment to deliver the ICT Strategy was forecasted to be financed from borrowing, however, in order to finance the capital programme in the most financially efficient way and due to the shorter life of the assets purchased, spend of £461k has been funded from capital receipts in the year.
- 4.5. **Revised Capital Programme 2022/23** - A Capital Programme totalling £52.468m was approved by Council in February 2022. This programme included an estimate of £17.87m for unspent budgets that would require rolling over from 2021/22 into 2022/23. Following the 2021/22 outturn position, a further £5.193m was rolled forward. In addition to this, the following amendments have been made to the 2022/23 capital programme:
- The Budget for the purchase of shares in Equinox Property Holdings (EPH) has been increased by £500k to a total of £1m and a budget of £3m has been included for a loan facility to EPH (subject to draw down). These additions are to be financed by Capital receipts and borrowing respectively and were approved by Council on 23rd June 2022.
  - A contingency of £2.5m has been added into the programme, financed by capital receipts, as reported to Policy & Resources Committee on 24 May 2022. This was established to ensure the continued delivery of the capital programme and mitigate against continued inflationary pressures.
  - The budget for Disabled Facilities Grants (DFGs) has been adjusted by £47k to align it to funding remaining from 2021/22 and new funding received in 2022/23.
  - A budget of £2.577m has been included, financed wholly by funding received from the Department for Business, Energy and Industrial Strategy, to deliver works to improve the energy efficiency of the least efficient homes which are off the gas grid occupied by low-income households.
- 4.6. **Levelling Up Fund** – There is a separate report on the agenda outlining the current position in relation to the emerging Levelling Up Fund bid. As part of that report members are being asked to support the recommendation of approval of a funding match of £2.2million for a local contribution to the overall project. It is expected that the match would be funded by borrowing with the revenue costs of the borrowing being mitigated by improved revenue income for example from business rates and council tax. As the project progresses and once confirmation of the funding is confirmed, the detailed business case will be progressed.

## 5. FINANCIAL IMPLICATIONS

- 5.1. The financial implications are contained within the detail of the report and accompanying appendices.

## 6. RISKS

- 6.1. There are a number of risks that continue to face Local Government in terms of funding for the provision of local services in the short to medium term, including the future of business rates retention and fair funding review for which further announcements are still to be made. These will be considered in full as part of the medium term financial strategy and the financial planning process for 2022/23 onwards. Whilst there have been announcements of two year funding settlements next year, the detail of what this means for spending plans is not yet known. As announcements are made the detail of the financial projections for future financial years will need to be updated.
- 6.2. The revenue and capital budgets are facing increasing pressures of inflationary costs for example utility and contract costs, in addition to the pay claims for 2022/23 which are still to be finalised and interest rate rises. The 2022/23 annual budget for utility costs across the general fund and housing revenue account total £535,656, the outturn position for 2021/22 was £637,733, an additional £102,077. This is only one area where there is an increased budgetary pressure and therefore early work on the review of the 2022/23 budget will be carried out to update the financial forecasts.
- 6.3. In terms of the risks for the outturn report, the statutory accounts will be subject to external audit review and there is always a risk of adjustments to the accounts that are flagged as part of the audit work.

## 7. BACKGROUND PAPERS

- 7.1. Budget monitoring reports made during the year.

Area for consideration Comment	Comment
Monitoring Officer Consultation	
Section 151 Officer Consultation	
Existing Council Policies See background papers	
Financial Implications Within existing budgets	
Legal Implications (including human rights)	
Risk Implications	
Equality Issues/EQIA assessment	
Details contained in strategy	
Crime & Disorder	
Every Child Matters	



## Appendix A - General Fund Summary out turn 2021/2022

	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £	Comments
<b>Net Cost of Services</b>					
Executive	4,108,536	5,017,678	4,549,391	(468,287)	See Appendix B for details of significant variances.
Housing	1,158,059	1,122,592	819,052	(303,540)	
Inward Investment	1,205,607	1,472,310	1,019,872	(452,438)	
Planning and Growth	427,075	468,238	561,809	93,571	
Customer Services	(545,453)	(651,079)	(463,266)	187,813	
Property and Asset Management	167,560	347,493	640,069	292,576	
Communications, Marketing and Events	777,164	764,835	722,260	(42,575)	
Environmental Services	5,063,126	5,100,809	4,869,675	(231,134)	
	<b>12,361,674</b>	<b>13,642,876</b>	<b>12,718,862</b>	<b>(924,014)</b>	
<b>Non Service Expenditure/Income</b>					
Recharge to HRA	(1,923,233)	(2,088,433)	(1,870,369)	218,064	Recharges to the HRA budget reflect the actuals in the year which were underspent.
Loan Interest Payable	1,229,995	1,229,995	552,607	(677,388)	Interest payable is lower than anticipated due to capital programme slippage on projects funded by borrowing. Also advanced funding from business rate section 31 grants received in year has meant that borrowing to cover cashflow has not been required at the same levels as budget for.
Interest Receivable	(58,967)	(58,967)	(81,699)	(22,732)	Interest received greater than budgeted due to a higher level of cash balances for investment.
Capital Charges Reversal	(1,616,310)	(1,616,310)	(1,675,450)	(59,140)	This is offset by capital charges accounted for within the net cost of services. £60k relates to increased depreciation charges that are offset here.
Revenue Contribution to Capital	0	81,318	189,018	107,700	Additional has been funded from earmarked reserve transfers
Transfers to/(from) Earmarked Reserves	(946,958)	(2,248,250)	(25,923)	2,222,327	The year end outturn reflects the net impact of year end carry forwards from 2020/21 and 2021/22 which would not have been anticipated when the budget for 2021/22 was set.
Transfers to/(from) Collection fund compensation reserve (for impact between years)	0	0	(4,385,304)	(4,385,304)	This mitigates the shortfall in the business rates income and reflects a transfer from the collection fund compensation earmarked reserve established in 2020/21.
Transfers to/(from) General Reserve	0	(215,000)	(226,849)	(11,849)	
Pension Back Funding	2,126,769	2,126,769	2,133,157	6,388	
Contingency	0	0	0	0	
Parish Precepts & Concurrent Grants	539,586	539,586	544,510	4,924	
Provision for Loan Repayment (MRP)	1,558,000	1,558,000	1,462,670	(95,330)	MRP lower than anticipated due to prior year capital programme slippage.
Collection Fund Adjustments	0	0	0	0	
Accounting Adjustments - soft loans, acc absences	0	0	73,803	73,803	This is offset by a reduction in the provision required to fund employee leave and flex balances that are held at the yearend which has been recognised within the net costs of services. This balance offsets this as this provision is an accounting adjustment that should not impact on the General Fund position.
Vacancy Management & Apprenticeship Levy	(279,222)	47,751	44,847	(2,904)	
	<b>629,660</b>	<b>(643,541)</b>	<b>(3,264,981)</b>	<b>(2,621,440)</b>	
<b>Income</b>					
Council Tax - Parishes	(519,506)	(519,506)	(519,506)	0	
Council tax - Borough	(4,865,925)	(4,865,925)	(4,892,861)	(26,936)	£27k reflects the impact of the Collection Fund surplus released in 21/22 to the Council.
Business Rates	(4,507,153)	(4,507,153)	(1,121,849)	3,385,304	This is mitigated by a transfer from the collection fund compensation earmarked reserve established in 2020/21.
Revenue Support Grant	(2,073,588)	(2,073,588)	(2,073,588)	0	
New Homes Bonus	(38,766)	(38,766)	(38,766)	0	
Other Grants and contributions	(883,320)	(883,320)	(622,461)	260,859	The dividend due from Equinox Enterprises in 21/22 was based on anticipated sales in 2021. As sales in 2021 were lower than anticipated the dividend paid over was £206k lower than budget. Whilst all properties have now been sold the funds from these sales have been used by the company to fund ongoing costs rather than requesting further funding from the Council.
	<b>(12,888,258)</b>	<b>(12,888,258)</b>	<b>(9,269,031)</b>	<b>3,619,227</b>	
<b>(Surplus)/Deficit</b>	<b>103,076</b>	<b>111,077</b>	<b>184,850</b>	<b>73,773</b>	

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22****Note 1 Significant variances requiring commentary:**

Significant variances of +/- £20,000 full year variances require commentary. This is based on the total variance for the service line level for the services as Heads of Service are able to vire budgets within their areas as required.

**Note 2 Support Services Recharges:**

Support Services Recharge variances are driven by the variances in direct costs and income identified under those services recharged across the Council at year end and therefore there will be variances reported during the year.

**Executive**

Executive Team	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	669,143	661,124	693,462	32,338
Non-pay	19,298	17,998	14,124	(3,874)
Gross Direct Income	0	0	(22,149)	(22,149)
Net Direct Expenditure/(Income) Total:	688,441	679,122	685,438	6,316
Support Services Recharges	(688,420)	(688,420)	(685,400)	3,020
Capital Charges	0	0	0	0
Total:	21	(9,298)	38	9,336

£10k of the overspend is being met from reserves as a one-off adjustment, the variance includes a one-off recruitment fee for the appointment of the Major Projects Director paid to agency.

Additional funding following Redmond Review for increased audit costs.

Legal	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	470,805	470,805	767,255	296,450
Gross Direct Income	(35,000)	(35,000)	(127,529)	(92,529)
Net Direct Expenditure/(Income) Total:	435,805	435,805	639,726	203,921
Support Services Recharges	(435,810)	(435,810)	(639,720)	(203,910)
Capital Charges	0	0	0	0
Total:	(5)	(5)	6	11

Additional legal charges from NP Law above contract value for works undertaken in year. This is partially offset by the profit share as seen below and also an element recharged to the HRA. £113k profit share from NP Law not anticipated in the budget due to uncertainty over the amount to be received year-on-year.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Town Centre Initiative	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	0	0	10	10
Net Direct Expenditure/(Income) Total:	0	0	10	10
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	10	10

No significant variances.

Equinox	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	38,000	38,289	289
Non-pay	92,620	54,620	49,921	(4,699)
Gross Direct Income	(92,620)	(92,620)	(132,415)	(39,795)
Net Direct Expenditure/(Income) Total:	0	0	(44,206)	(44,206)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	(44,206)	(44,206)

Budgets forecast revised to reflect expenditure in year relating to the company.

Budget only income to cover the direct costs above and not recognise the management fee covering costs elsewhere in the General Fund (e.g. finance officer costs).

GYBS company	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	0	0	7,461	7,461
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	0	0	7,461	7,461
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	7,461	7,461

No significant variances.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Corporate Costs	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	181,801	190,371	196,907	6,536
Gross Direct Income	0	0	(4,820)	(4,820)
Net Direct Expenditure/(Income) Total:	181,801	190,371	192,087	1,716
Support Services Recharges	(181,810)	(181,810)	(192,100)	(10,290)
Capital Charges	0	0	0	0
Total:	(9)	8,561	(13)	(8,574)

No significant variances.

COVID-19 costs	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	764,953	780,930	15,977
Non-pay	50,000	230,047	3,208,103	2,978,056
Gross Direct Income	(745,722)	(745,722)	(4,127,040)	(3,381,318)
Net Direct Expenditure/(Income) Total:	(695,722)	249,278	(138,007)	(387,285)
Support Services Recharges	0	0	257,580	257,580
Capital Charges	0	0	0	0
Total:	(695,722)	249,278	119,573	(129,705)

£30k of staff cost were funded via wider business support funding from additional restriction grant (ARG) that were not budgeted for as the ARG was not planned to occur in 2122 when the budget was set. Overtime £20k over budget as the continuation of the pandemic into 2122 was unknown at budget setting. However, increased costs incurred were offset by increased funding that was provided recognising the ongoing demand.

Actuals in year includes £2m of ARG that wasn't budgeted for as the continuation of the scheme wasn't planned for when the budget was set. This is offset by funding for the ARG scheme below. Remaining £1m costs were due to ongoing COVID projects not anticipated in 2122 when the budget was set which were covered by additional funding as per below.

Actuals in year includes £2.03m of funding for ARG that wasn't budgeted for as the continuation of the scheme wasn't planned for when the budget was set. This is offset in full by the costs within non-pay noted above. Balance of funding is to cover costs not directly attributed to this cost centre, such as funding for sale, fees and charges losses.

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Finance	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	652,895	631,700	602,189	(29,511)
Non-pay	370,816	370,816	247,150	(123,666)
Gross Direct Income	(5,000)	(5,000)	(15,260)	(10,260)
Net Direct Expenditure/(Income) Total:	<u>1,018,711</u>	<u>997,516</u>	<u>834,079</u>	<u>(163,437)</u>
Support Services Recharges	(1,018,710)	(1,018,710)	(834,080)	184,630
Capital Charges	0	0	0	0
Total:	<u><u>1</u></u>	<u><u>(21,194)</u></u>	<u><u>(1)</u></u>	<u><u>21,193</u></u>

Underspend due to vacancies within the department.

Underspend on Internal Audit costs partly due to re-profiling of audits and underspend on procurement costs. Some of this underspend will be carried forward within earmarked reserves to cover the re-profiling of Internal Audit work into the following financial year/s.

See note 2 at the top of this appendix which covers explanation for change in recharges.

North Quay/Conge Project	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	0	0	103,898	103,898
Gross Direct Income	0	0	(95,971)	(95,971)
Net Direct Expenditure/(Income) Total:	<u>0</u>	<u>0</u>	<u>7,927</u>	<u>7,927</u>
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>7,927</u></u>	<u><u>7,927</u></u>

Expenditure incurred on the North Quay & Conge projects preliminary works ahead of the major capital projects being funded by the Town Deal funding.

Funding secured and received from the Business Rates Pool in year for the North Quay & Conge projects for preliminary works as per above.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

ICT	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	417,018	405,926	321,865	(84,061)
Non-pay	778,791	778,791	816,598	37,807
Gross Direct Income	0	0	(545)	(545)
Net Direct Expenditure/(Income) Total:	1,195,809	1,184,717	1,137,917	(46,800)
Support Services Recharges	(1,238,710)	(1,238,710)	(1,267,710)	(29,000)
Capital Charges	42,896	42,896	129,795	86,899
Total:	(5)	(11,097)	2	11,099

Variance reflects vacancies within the department.  
Microsoft licenses have significantly increased in cost above the level budgeted for.

Member Services	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	185,480	180,803	173,030	(7,773)
Non-pay	329,397	342,397	322,354	(20,043)
Net Direct Expenditure/(Income) Total:	514,877	523,200	495,384	(27,816)
Support Services Recharges	(514,880)	(514,880)	(495,380)	19,500
Capital Charges	0	0	0	0
Total:	(3)	8,320	4	(8,316)

Underspends on members allowances and training in the year.

Corporate Strategy	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	89,656	87,003	46,768	(40,235)
Non-pay	4,420	4,420	4,189	(231)
Net Direct Expenditure/(Income) Total:	94,076	91,423	50,957	(40,466)
Support Services Recharges	(94,070)	(94,070)	(50,960)	43,110
Total:	6	(2,647)	(3)	2,644

A vacancy within the service throughout the year has resulted in the underspend.

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Elections	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	163,467	160,139	163,516	3,377
Non-pay	122,653	122,653	152,226	29,573
Gross Direct Income	(114,700)	(114,700)	(171,351)	(56,651)
Net Direct Expenditure/(Income) Total:	171,420	168,092	144,392	(23,700)
Support Services Recharges	30,960	30,960	100,300	69,340
Capital Charges	0	0	0	0
<b>Total:</b>	<b>202,380</b>	<b>199,052</b>	<b>244,692</b>	<b>45,640</b>

Increased costs on elections which are recovered by an increase in Cabinet Office funding to cover these.

See note 2 at the top of this appendix which covers explanation for change in recharges.

Human Resources	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	411,525	406,362	392,463	(13,899)
Non-pay	48,896	48,896	40,597	(8,299)
Gross Direct Income	0	0	(26,628)	(26,628)
Net Direct Expenditure/(Income) Total:	460,421	455,258	406,432	(48,826)
Support Services Recharges	(460,420)	(460,420)	(406,440)	53,980
Capital Charges	0	0	0	0
<b>Total:</b>	<b>1</b>	<b>(5,162)</b>	<b>(8)</b>	<b>5,154</b>

HR Manager vacancy for most of current year plus turnover in the team.

Increased Kickstart Scheme grant income which is offset by payroll costs. Funding not utilised in this financial year is being carried forward within earmarked reserves to cover costs in future years.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Total Executive:</b>	<b>(493,335)</b>	<b>415,808</b>	<b>335,481</b>	<b>(80,327)</b>
<b>Total Executive excluding capital charges and recharges:</b>	<b>4,065,639</b>	<b>4,974,782</b>	<b>4,419,596</b>	<b>(80,327)</b>
<b>Total Executive excluding recharges:</b>	<b>4,108,535</b>	<b>5,017,678</b>	<b>4,549,391</b>	<b>(80,327)</b>

## Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22

**Housing**

Housing Needs	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	666,648	646,577	883,877	237,300
Non-pay	339,114	339,114	1,180,107	840,993
Gross Direct Income	(258,410)	(258,410)	(1,573,883)	(1,315,473)
Net Direct Expenditure/(Income) Total:	<u>747,352</u>	<u>727,281</u>	<u>490,101</u>	<u>(237,180)</u>
Support Services Recharges	321,700	321,700	312,670	(9,030)
Capital Charges	19,013	19,013	18,138	(875)
Total:	<u>1,088,065</u>	<u>1,067,994</u>	<u>820,909</u>	<u>(247,085)</u>

Increased temporary staffing levels to reach the current service demand. Pay increased costs are supported from Homelessness grant funding as reflected in the increased income below.

Both Bed & Breakfast and Temporary Accommodation expenditure exceeded the budget provision for 2021/22, by a combined total of £403k. This was mitigated by an increase of income of £403k including £218k being covered by homelessness grant funding, as reflected in the income below. These are demand led services, which received increased requests throughout the year and were also subject to increased summer accommodation price rises. The service also incurred further external staffing fee's totalling £71k, required to support the service demand, which again has been mitigated by income received to cover the increased costs. Due to increase in demand the bad debt has also increased, resulting in a rise in the required bad debt provision of £290k.

Increased income recovery from B&B and temporary accommodation of £490k in line with increased service demand as per above. Increased grant monies received of £826k to aid expenditure relating to homelessness and to support increased staffing levels as shown above within the cost increases.



**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Housing Strategy	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	176,136	171,699	133,992	(37,707)
Non-pay	43,545	43,545	185,846	142,301
Gross Direct Income	0	0	(126,013)	(126,013)
Net Direct Expenditure/(Income) Total:	219,681	215,244	193,825	(21,419)
Support Services Recharges	88,170	88,170	78,260	(9,910)
Capital Charges	22,603	22,603	23,858	1,255
Total:	330,454	326,017	295,943	(30,074)

Reduced staff pay costs due to staff vacancies in year. There was an increased non-pay cost of £121k as a result of a housing capital scheme that was subsequently aborted. These costs are being supported by the homelessness grant funding as seen below. The abortive costs were as a result of a initial works undertaken on a project aiming to increase homelessness accommodation. However, these surveying works identified that the accommodation was not financially viable for further development. Costs from abortive capital projects need to be met from revenue so these costs had to be reflected within the General Fund service. Variance also includes an increase of £19k due of temporary agency staff being used to cover staff vacancies noted above. Homelessness grant funding used to fund costs in the service.

Traveller's Site/Gapton Hall	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	58,435	58,435	61,665	3,230
Non-pay	55,000	55,000	157,968	102,968
Gross Direct Income	(67,231)	(67,231)	(142,511)	(75,280)
Net Direct Expenditure/(Income) Total:	46,204	46,204	77,123	30,919
Support Services Recharges	37,140	37,140	56,680	19,540
Capital Charges	0	0	0	0
Total:	83,344	83,344	133,803	50,459

The site is now managed by the GYBC. Costs have exceeded original budget allocation due to increased maintenance and utility costs. Increased rental income collected of £25k. Communities Champions grant funding of £92k received to support the development of the site, including funding of site capital improvement works totalling £48k.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Better Care Fund (NEW)	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	101,077	97,869	91,131	(6,738)
Non-pay	26,235	26,235	3,034	(23,201)
Gross Direct Income	(145,216)	(145,216)	(150,214)	(4,998)
Net Direct Expenditure/(Income) Total:	(17,904)	(21,112)	(56,048)	(34,936)
Support Services Recharges	55,620	55,620	47,220	(8,400)
Capital Charges	0	0	0	0
Total:	37,716	34,508	(8,828)	(43,336)

Reduced costs due to fall in service demand as a result of COVID restrictions.

Safe at Home	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	279,548	271,798	227,740	(44,058)
Non-pay	67,638	67,638	38,410	(29,228)
Gross Direct Income	(226,077)	(226,077)	(194,095)	31,982
Net Direct Expenditure/(Income) Total:	121,109	113,359	72,055	(41,304)
Support Services Recharges	94,710	94,710	62,250	(32,460)
Capital Charges	0	0	0	0
Total:	215,819	208,069	134,305	(73,764)

Reduced staff pay cost due to staff vacancies in year.

Reduced costs as a result of reduced staffing levels and completed jobs as a result of COVID restrictions impacted on service demand. This is also reflected in reduced income received below.

Reduced income following COVID restrictions resulting in a fall in demand for services, contractor availability and delays in sourcing materials.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Total Housing:</b>	<b>1,755,398</b>	<b>1,719,932</b>	<b>1,376,132</b>	<b>(343,800)</b>
<b>Total Housing excluding capital charges and recharges:</b>	<b>1,116,442</b>	<b>1,080,976</b>	<b>777,056</b>	<b>(343,800)</b>
<b>Total Housing excluding recharges:</b>	<b>1,158,058</b>	<b>1,122,592</b>	<b>819,052</b>	<b>(343,800)</b>

## Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22

**Inward Investment**

Project Management Office	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	173,894	119,622	(54,272)
Non-pay	0	1,702	709	(993)
Gross Direct Income	0	0	(9,491)	(9,491)
Net Direct Expenditure/(Income) Total:	0	175,596	110,840	(64,756)
Support Services Recharges	0	89,551	60,630	(28,921)
Capital Charges	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>265,147</b>	<b>171,470</b>	<b>(93,677)</b>

A base budget carried forward from 2020/21 was not fully utilised in 2021/22 as expected, as external project manager costs were expensed on individual capital projects.

See note 2 at the top of this appendix which covers explanation for change in recharges.

Projects and Programmes	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	259,445	150,005	138,649	(11,356)
Non-pay	4,159	2,457	57,055	54,598
Gross Direct Income	0	0	(60,995)	(60,995)
Net Direct Expenditure/(Income) Total:	263,604	152,462	134,709	(17,753)
Support Services Recharges	218,850	129,299	272,370	143,071
Capital Charges	0	0	0	0
<b>Total:</b>	<b>482,454</b>	<b>281,761</b>	<b>407,079</b>	<b>125,318</b>

Reduced staff costs due to staff vacancies in the last quarter of the financial year.

Project expenditure for the Learning Hub, which was not within the original 2021/22 base budget, is fully recovered from grant funding as per below.

Project funding for the Learning Hub in 2122 was received which covers expenses noted above.

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Future High Street Fund	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	0	6,699	53,249	46,550
Gross Direct Income	0	0	(46,550)	(46,550)
Net Direct Expenditure/(Income) Total:	0	6,699	6,699	(0)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	6,699	6,699	(0)

Expenditure relating to feasibility works for Future High Street Fund projects, which is fully funded as noted below.

MHCLG feasibility grant funding for Future High Streets Fund project costs as per above.

Offshore Wind Project	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	50,069	50,069	49,803	(266)
Non-pay	0	0	97,733	97,733
Gross Direct Income	(50,069)	(50,069)	(120,775)	(70,706)
Net Direct Expenditure/(Income) Total:	0	0	26,760	26,760
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	26,760	26,760

Project marketing expenditure in year. All costs fully recovered as noted below and grant funding carried forward from 2021.

£20k of funding has been released from earmarked reserves carried forward from 2020/21. Also received funding for the Innovation project and Enterprise Zone Pot B funding for EEEZ marketing covering the increased costs noted above.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Inclusion Project (ESF)	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	4,481	3,926	(558)	(4,484)
Non-pay	0	0	40	40
Gross Direct Income	0	0	3,040	3,040
Net Direct Expenditure/(Income) Total:	4,481	3,926	2,523	(1,403)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	4,481	3,926	2,523	(1,403)

No significant variances.

Towns Fund	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	0	108,785	132,194	23,409
Gross Direct Income	0	0	(29,157)	(29,157)
Net Direct Expenditure/(Income) Total:	0	108,785	103,037	(5,748)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	108,785	103,037	(5,748)

Cost incurred on Town Deal projects offset by income below.  
£23k reimbursement of expenditure on Town Deal projects from Norfolk County Council. Remaining £6k to be carried forward within earmarked reserves to cover costs to be incurred for the committed Ambassador Programme.

Winter Programme - Different Light	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	0	196,068	189,906	(6,162)
Gross Direct Income	0	(196,068)	(192,902)	3,166
Net Direct Expenditure/(Income) Total:	0	0	(2,997)	(2,997)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	(2,997)	(2,997)

No significant variances.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Levelling Up	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Gross Direct Income	0	0	(125,000)	(125,000)
Net Direct Expenditure/(Income) Total:	0	0	(125,000)	(125,000)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	(125,000)	(125,000)

Grant income received in 2021/22 for capacity funding. This will be carried forward within earmarked reserves to be used in 2022/23.

CCTV	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	91,992	91,992	141,225	49,233
Gross Direct Income	(4,000)	(4,000)	(48,400)	(44,400)
Net Direct Expenditure/(Income) Total:	87,992	87,992	92,825	4,833
Support Services Recharges	20,030	20,030	18,170	(1,860)
Capital Charges	0	0	0	0
Total:	108,022	108,022	110,995	2,973

£44k of the variance is for cost incurred in relation to the Safer Streets 3 project. The project was developed in year so was not included in the budget for 2021/22. All expenditure is fully funded as per below. £44k of Safer Streets 3 grant funding received in 2122.

Culture and Leisure	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	(450)	884	1,334
Non-pay	133,944	133,944	119,648	(14,296)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	133,944	133,494	120,532	(12,962)
Support Services Recharges	38,390	38,390	42,470	4,080
Capital Charges	0	0	0	0
Total:	172,334	171,884	163,002	(8,882)

Underspend on budget for utility costs for St Georges Theatre, which have been identified as a budget saving in year.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Voluntary Sector Grants</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Non-pay	0	0	0	0
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	0	0	0	0
Support Services Recharges	7,700	7,700	0	(7,700)
Capital Charges	0	0	0	0
<b>Total:</b>	<b>7,700</b>	<b>7,700</b>	<b>0</b>	<b>(7,700)</b>

No significant variances.

<b>Indoor Leisure - Phoenix Pool &amp; Marina Centre</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	163,710	244,160	303,399	59,239
Gross Direct Income	0	0	(149,385)	(149,385)
Net Direct Expenditure/(Income) Total:	163,710	244,160	154,014	(90,146)
Support Services Recharges	76,890	76,890	87,920	11,030
Capital Charges	33,291	33,291	89,915	56,624
<b>Total:</b>	<b>273,891</b>	<b>354,341</b>	<b>331,849</b>	<b>(22,492)</b>

Within this non-pay budget line there has been additional expenditure in year, which related to COVID leisure grants, paid over in year to Great Yarmouth Borough Council's leisure provider. There is also an underspend in year on repairs and maintenance for the Phoenix Fitness leisure centre and works have not been completed at yet. This underspend is to be carried forward within earmarked reserves to complete the repairs in 2022/23 financial year.

COVID grant funding received in year and paid out in year with no impact to the Council.

Depreciation increased from budget in line with completed capital project spend in prior years.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Neighbourhood Management	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	262,853	256,198	220,452	(35,746)
Non-pay	206,848	206,848	476,427	269,579
Gross Direct Income	(113,000)	(113,000)	(512,972)	(399,972)
Net Direct Expenditure/(Income) Total:	<u>356,701</u>	<u>350,046</u>	<u>183,907</u>	<u>(166,139)</u>
Support Services Recharges	1,050	1,050	(18,430)	(19,480)
Capital Charges	0	0	0	0
Total:	<u><u>357,751</u></u>	<u><u>351,096</u></u>	<u><u>165,477</u></u>	<u><u>(185,619)</u></u>

Establishment underspend due to reduction in staff which is expected to remain whilst service delivery is under review.

Community Champions funding covers spending and as well as covering an element of the pay costs above. Some of this is to be carried forward within earmarked reserves to finance works in the following financial year/s.

Waterways	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	16,112	16,475	363
Non-pay	107,853	107,853	116,163	8,310
Gross Direct Income	(50,853)	(66,965)	(164,243)	(97,278)
Net Direct Expenditure/(Income) Total:	<u>57,000</u>	<u>57,000</u>	<u>(31,605)</u>	<u>(88,605)</u>
Support Services Recharges	12,870	12,870	16,970	4,100
Capital Charges	53,000	53,000	42,499	(10,501)
Total:	<u><u>122,870</u></u>	<u><u>122,870</u></u>	<u><u>27,864</u></u>	<u><u>(95,006)</u></u>

Full funding received from HLF for the Waterways project in line with funding agreement above claims made.



Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22

Conservation	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	151,017	147,210	139,928	(7,282)
Non-pay	95,054	115,054	231,196	116,142
Gross Direct Income	(66,667)	(66,667)	(200,727)	(134,060)
Net Direct Expenditure/(Income) Total:	179,404	195,597	170,397	(25,200)
Support Services Recharges	61,120	61,120	41,180	(19,940)
Capital Charges	25,408	25,408	25,408	0
Total:	265,932	282,125	236,985	(45,140)

£18k incurred for Wintergardens development stage works, £26k expenditure for Trees for Cities project, and £111k costs for the Heritage Action Zone (HAZ) projects which were not budgeted for but which are all fully funded as per below. (£40k) repairs and maintenance works were not undertaken in year but the works need to be completed so this is carried forward within earmarked reserves.

As above £18k Wintergardens development stage grant, £111k HAZ grant and £26k Trees for City grant funding has been received in year that was not budgeted for but fully offsets increased costs in year as noted above. A further £25k of HAZ funding was received in 2020/21 was utilised for cost in year that were originally going to be met from Councils budget. As the £25k funding is now not available to cover costs as anticipated in 2022/23 the £25k budget has been carried forward within earmarked reserves to cover this shortfall in 2022/23.

Economic Development	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	103,409	101,191	106,855	5,664
Non-pay	1,800	1,800	2,245	445
Gross Direct Income	(10,014)	(10,014)	(13,908)	(3,894)
Net Direct Expenditure/(Income) Total:	95,195	92,977	95,193	2,216
Support Services Recharges	154,410	154,410	127,480	(26,930)
Capital Charges	0	0	0	0
Total:	249,605	247,387	222,673	(24,714)

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Enterprise GY	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	1,877	1,877	593	(1,284)
Gross Direct Income	0	0	(375)	(375)
Net Direct Expenditure/(Income) Total:	1,877	1,877	218	(1,659)
Support Services Recharges	7,700	7,700	0	(7,700)
Capital Charges	0	0	0	0
<b>Total:</b>	<b>9,577</b>	<b>9,577</b>	<b>218</b>	<b>(9,359)</b>

No significant variances.

Enterprise Zone	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	1,350,000	1,350,000	791,172	(558,828)
Gross Direct Income	(1,600,000)	(1,600,000)	(971,176)	628,824
Net Direct Expenditure/(Income) Total:	(250,000)	(250,000)	(180,004)	69,996
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
<b>Total:</b>	<b>(250,000)</b>	<b>(250,000)</b>	<b>(180,004)</b>	<b>69,996</b>
<b>Total Inward Investment:</b>	<b>1,804,617</b>	<b>2,071,320</b>	<b>1,668,632</b>	<b>(402,688)</b>
<b>Total Inward Investment excluding capital charges and recharges:</b>	<b>1,093,908</b>	<b>1,360,611</b>	<b>862,050</b>	<b>(402,688)</b>
<b>Total Inward Investment excluding recharges:</b>	<b>1,205,607</b>	<b>1,472,310</b>	<b>1,019,872</b>	<b>(402,688)</b>

The costs incurred reflected costs incurred by the Council, Norfolk County Council & the Local Enterprise Partnership as part of the Enterprise Zone agreement. As noted below costs are restricted by the funds available for business rates received in year. As income was lower than anticipated so are the costs recognised.

This reflects business rates income from Enterprise Zones within the borough which are ringfenced. The income received is impact by fluctuations in the rateable values and reliefs granted to properties within the zones. The budget was set reflecting rates anticipated at the time of budget setting but these have not been achieved. Spend is restricted to the funds received therefore as noted above the costs incurred are also lower than budgeted for.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**Planning and Growth**

Building Control	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	254,661	252,701	276,544	23,843
Non-pay	30,236	30,236	49,173	18,937
Gross Direct Income	(302,976)	(302,976)	(234,981)	67,995
Net Direct Expenditure/(Income) Total:	<u>(18,079)</u>	<u>(20,039)</u>	<u>90,736</u>	<u>110,775</u>
Support Services Recharges	181,080	181,080	96,700	(84,380)
Capital Charges	0	0	0	0
Total:	<u>163,001</u>	<u>161,041</u>	<u>187,436</u>	<u>26,395</u>

Additional costs of casual workers incurred due to staff sickness, maternity cover and business need throughout the year. These costs were funded from pay savings in other areas of the planning & growth service.

Increase in bad debt provision.

Under recovery of income is due to lower than budgeted fee income £53k and reduced income generated from work on behalf of other authorities £10k. Also a further £4k has not been generated as fire risk assessments are no longer undertaken by this department.

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Development Control</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	654,693	648,363	595,082	(53,281)
Non-pay	34,201	34,201	44,448	10,247
Gross Direct Income	(565,292)	(565,292)	(471,585)	93,707
Net Direct Expenditure/(Income) Total:	<u>123,602</u>	<u>117,272</u>	<u>167,944</u>	<u>50,672</u>
Support Services Recharges	168,630	168,630	228,630	60,000
Capital Charges	0	0	0	0
Total:	<u><u>292,232</u></u>	<u><u>285,902</u></u>	<u><u>396,574</u></u>	<u><u>110,672</u></u>

Post savings achieved during the year were used to fund additional pay costs in this and other areas of the planning & growth service. Some of the underspend is carried forward within earmarked reserves to 2022-23 to fund continuing staff pressures in all Planning & Growth areas.

Under recovery of income due to lower than budgeted fee income including fall in pre-applications being received.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Land Charges</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	50,035	50,143	60,146	10,003
Non-pay	43,082	43,082	45,368	2,286
Gross Direct Income	(138,154)	(138,154)	(165,079)	(26,925)
Net Direct Expenditure/(Income) Total:	<u>(45,037)</u>	<u>(44,929)</u>	<u>(59,565)</u>	<u>(14,636)</u>
Support Services Recharges	47,760	47,760	56,730	8,970
Capital Charges	0	0	0	0
Total:	<u><u>2,723</u></u>	<u><u>2,831</u></u>	<u><u>(2,835)</u></u>	<u><u>(5,666)</u></u>

Land charge fee receipts are above budgeted levels which has been attributed to the increase demand before the end of stamp duty relief in early December.

## Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22

Strategic Planning	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	283,962	277,307	262,879	(14,428)
Non-pay	104,356	160,356	159,130	(1,226)
Gross Direct Income	(21,729)	(21,729)	(60,897)	(39,168)
Net Direct Expenditure/(Income) Total:	366,589	415,934	361,112	(54,822)
Support Services Recharges	116,690	116,690	46,380	(70,310)
Capital Charges	0	0	1,582	1,582
Total:	483,279	532,624	409,074	(123,550)
<b>Total Planning and Growth:</b>	<b>941,235</b>	<b>982,398</b>	<b>990,249</b>	<b>7,851</b>
<b>Total Planning and Growth excluding capital charges and recharges:</b>	<b>427,075</b>	<b>468,238</b>	<b>560,227</b>	<b>7,851</b>
<b>Total Planning and Growth excluding recharges:</b>	<b>427,075</b>	<b>468,238</b>	<b>561,809</b>	<b>7,851</b>

One vacancy held in early part of year contributed to funding of additional pay costs in other areas of the planning & growth service. This underspend is principally due to unused base budget which relates to the two year Local Plan examination programme (£16k) which was delayed by the Planning Inspectorate and expenditure relating to the Neighbourhood Plan £25k. The £25k increase is offset by income received as per below. The £16k underspend is carried forward within the earmarked reserves to 22/23 to fund the continued costs of the statutory work programme. This increased income position is due to a number of factors: (a) a contribution by an external organisation for the Local Housing Needs Assessment (£9k); (b) the recovery of Neighbourhood Plan costs (£25k) as noted above; and (c) the recovery of higher education fees from another local authority (£8.5k). The £8.5k has been carried forward within earmarked reserves for future training needs.

See note 2 at the top of this appendix which covers explanation for change in recharges.

## Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22

**Customer Services**

Benefits	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	593,279	574,407	601,004	26,597
Non-pay	22,538,189	22,538,189	20,406,041	(2,132,148)
Gross Direct Income	(23,223,212)	(23,223,212)	(20,985,555)	2,237,657
Net Direct Expenditure/(Income) Total:	(91,744)	(110,616)	21,490	132,106
Support Services Recharges	186,517	186,517	151,701	(34,816)
Capital Charges	0	0	0	0
Total:	94,773	75,901	173,191	97,290

£10k of the overspend is covered by funding from Verify Earnings and Pensions fund, included in income below. Overspend on training of £7k due to changes in regulations and schemes in the year requiring staff training.

Payments out are driven by demand from housing benefits claims in year. Costs are largely covered by housing subsidy received, as reflected in the income variance below.

Increased housing benefit subsidy for increased housing benefit claim payments as per above. Also includes £140k funding for new subsidy allocation for increase in demand due to COVID.

See note 2 at the top of this appendix which covers explanation for change in recharges.

Crematorium and Cemeteries	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	225,337	217,647	226,640	8,993
Non-pay	600,229	600,229	646,911	46,682
Gross Direct Income	(1,601,739)	(1,601,739)	(1,498,896)	102,843
Net Direct Expenditure/(Income) Total:	(776,173)	(783,863)	(625,345)	158,518
Support Services Recharges	185,040	185,040	160,220	(24,820)
Capital Charges	72,149	72,149	71,157	(992)
Total:	(518,984)	(526,674)	(393,968)	132,706

Funeral expense costs exceeded budget.

Demand led income was lower than anticipated when the budget was set.

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Customer Services</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	652,021	629,597	603,249	(26,348)
Non-pay	12,683	12,683	10,288	(2,395)
Gross Direct Income	0	0	(4,427)	(4,427)
Net Direct Expenditure/(Income) Total:	<u>664,704</u>	<u>642,280</u>	<u>609,111</u>	<u>(33,169)</u>
Support Services Recharges	(664,700)	(664,700)	(609,110)	55,590
Capital Charges	0	0	0	0
Total:	<u>4</u>	<u>(22,420)</u>	<u>1</u>	<u>22,421</u>

Underspend due to vacancies in first quarter of the financial year which were subsequently filled.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Support Services</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	163,601	155,956	152,147	(3,809)
Non-pay	35,682	35,682	35,850	168
Gross Direct Income	0	0	(545)	(545)
Net Direct Expenditure/(Income) Total:	<u>199,283</u>	<u>191,638</u>	<u>187,451</u>	<u>(4,187)</u>
Support Services Recharges	(202,550)	(202,550)	(190,300)	12,250
Capital Charges	3,267	3,267	2,856	(411)
Total:	<u>0</u>	<u>(7,645)</u>	<u>7</u>	<u>7,652</u>

No significant variance.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Car Parks</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	436,269	422,059	410,078	(11,981)
Non-pay	975,685	965,767	868,093	(97,674)
Gross Direct Income	(2,511,826)	(2,511,826)	(2,416,762)	95,064
Net Direct Expenditure/(Income) Total:	<u>(1,099,872)</u>	<u>(1,124,000)</u>	<u>(1,138,590)</u>	<u>(14,590)</u>
Support Services Recharges	404,590	404,590	262,150	(142,440)
Capital Charges	44,213	44,213	46,632	2,419
Total:	<u>(651,069)</u>	<u>(675,197)</u>	<u>(829,808)</u>	<u>(154,611)</u>

Reduced overtime costs following revised working schedules for permanent positions.

Reduced income in first quarter due to Covid-19 restrictions. Over the year gradual relaxing of the COVID restrictions resulted in levels in line with expectations by year end.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Revenues</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	730,541	705,674	729,267	23,593
Non-pay	310,104	310,104	250,415	(59,689)
Gross Direct Income	(601,925)	(601,925)	(617,709)	(15,784)
Net Direct Expenditure/(Income) Total:	<u>438,720</u>	<u>413,853</u>	<u>361,973</u>	<u>(51,880)</u>
Support Services Recharges	800,610	800,610	464,580	(336,030)
Capital Charges	0	0	0	0
Total:	<u>1,239,330</u>	<u>1,214,463</u>	<u>826,553</u>	<u>(387,910)</u>

Underspends on legal and recovery costs are due to an over accrual of costs for 2021 which were lower than anticipated.

Summons fees were lower than anticipated (£37k), due to reduction in costs incurred as reflected above. Also ad-hoc income included within the budget did not materialise (£22k).

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Total Customer Services:</b>	<b>164,054</b>	<b>58,428</b>	<b>(224,025)</b>	<b>(282,453)</b>
<b>Total Customer Services excluding capital charges and recharges:</b>	<b>(665,082)</b>	<b>(770,708)</b>	<b>(583,911)</b>	<b>(282,453)</b>
<b>Total Customer Services excluding recharges:</b>	<b>(545,453)</b>	<b>(651,079)</b>	<b>(463,266)</b>	<b>(282,453)</b>



## Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22

**Property and Asset Management**

Public Toilets	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	195,620	195,620	188,985	(6,635)
Gross Direct Income	(4,000)	(4,000)	(889)	3,111
Net Direct Expenditure/(Income) Total:	191,620	191,620	188,096	(3,524)
Support Services Recharges	42,980	42,980	43,640	660
Capital Charges	163,129	163,129	153,448	(9,681)
Total:	397,729	397,729	385,184	(12,545)

No significant variance.

Repairs and Maintenance	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	24,580	24,580	43,190	18,610
Gross Direct Income	(97,572)	(97,572)	(144,521)	(46,949)
Net Direct Expenditure/(Income) Total:	(72,992)	(72,992)	(101,331)	(28,339)
Support Services Recharges	52,180	52,180	61,170	8,990
Capital Charges	253,632	253,632	204,810	(48,822)
Total:	232,820	232,820	164,649	(68,171)

Increase in bad debt provision required.

Profit share income received for 20-21 was higher than year-end accrual which was based on the GYN financial estimates provided at for the 20-21 financial yearend.

Depreciation increased from budget in line with completed capital project spend in prior years.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Footway Lighting</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Non-pay	193,273	193,273	168,028	(25,245)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	193,273	193,273	168,028	(25,245)
Support Services Recharges	55,150	55,150	63,070	7,920
Capital Charges	74,179	74,179	69,976	(4,203)
<b>Total:</b>	<b>322,602</b>	<b>322,602</b>	<b>301,074</b>	<b>(21,528)</b>

Overspend of electricity costs £17k mitigated by an underspend for repairs and maintenance of (£41k).

<b>Coastal Protection</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Pay	56,620	55,511	38,972	(16,539)
Non-pay	101,445	101,445	106,030	4,585
Gross Direct Income	(550)	(550)	(32,818)	(32,268)
Net Direct Expenditure/(Income) Total:	157,515	156,406	112,184	(44,222)
Support Services Recharges	51,220	51,220	52,410	1,190
Capital Charges	362,692	362,692	362,692	0
<b>Total:</b>	<b>571,427</b>	<b>570,318</b>	<b>527,286</b>	<b>(43,032)</b>

This underspend is due to a vacancy during the year. This post has now been filled.

Grant income received in relation to costs incurred in prior years for which no accrual has been made. £30k of this income is carried forward within the coastal protection earmarked reserve.

<b>Community Centres</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Non-pay	10,799	9,960	13,713	3,753
Gross Direct Income	(8,274)	(8,274)	(10,075)	(1,801)
Net Direct Expenditure/(Income) Total:	2,525	1,686	3,638	1,952
Support Services Recharges	9,580	9,580	7,810	(1,770)
Capital Charges	27,142	27,142	11,989	(15,153)
<b>Total:</b>	<b>39,247</b>	<b>38,408</b>	<b>23,437</b>	<b>(14,971)</b>

No significant variances.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Council Offices - Town Hall</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	165,529	168,565	181,845	13,280
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	165,529	168,565	181,845	13,280
Support Services Recharges	(214,540)	(214,540)	(207,580)	6,960
Capital Charges	49,010	49,010	25,744	(23,266)
<b>Total:</b>	<b>(1)</b>	<b>3,035</b>	<b>9</b>	<b>(3,026)</b>

Costs for repairs and maintenance higher than budgeted.

Depreciation increased from budget in line with completed capital project spend in prior years.

<b>Council Offices - Greyfriars</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Non-pay	110,112	110,112	72,737	(37,375)
Net Direct Expenditure/(Income) Total:	110,112	110,112	72,737	(37,375)
Support Services Recharges	(117,820)	(117,820)	(80,450)	37,370
Capital Charges	7,710	7,710	7,710	0
<b>Total:</b>	<b>2</b>	<b>2</b>	<b>(3)</b>	<b>(5)</b>

A number of costs were lower than anticipated when the budget was set, namely electricity & gas costs by (£12k, repairs and maintenance by (£19k) and water & sewerage by (£8k), which have resulted in this underspend.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Council Offices - Maritime House</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Non-pay	43,636	43,636	41,134	(2,502)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	43,636	43,636	41,134	(2,502)
Support Services Recharges	(48,190)	(48,190)	11,080	59,270
Capital Charges	4,560	4,560	4,560	0
<b>Total:</b>	<b>6</b>	<b>6</b>	<b>56,774</b>	<b>56,768</b>

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Council Offices - Catalyst Centre</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	48,443	48,443	51,011	2,568
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	48,443	48,443	51,011	2,568
Support Services Recharges	(52,400)	(52,400)	(54,810)	(2,410)
Capital Charges	3,958	3,958	3,797	(161)
<b>Total:</b>	<b>1</b>	<b>1</b>	<b>(2)</b>	<b>(3)</b>

No significant variances.

<b>Beach Huts</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Pay	0	0	474	474
Non-pay	45,919	45,919	17,595	(28,324)
Gross Direct Income	(61,940)	(61,940)	(156,041)	(94,101)
Net Direct Expenditure/(Income) Total:	(16,021)	(16,021)	(137,972)	(121,951)
Support Services Recharges	21,950	21,950	25,130	3,180
Capital Charges	0	0	0	0
<b>Total:</b>	<b>5,929</b>	<b>5,929</b>	<b>(112,842)</b>	<b>(118,771)</b>

Lower than expected costs for the Handyman has resulted in a budget saving for the year.

This over recovery of income is due to the proceeds from sales of beach huts (under the capital threshold of £10k) and rental &amp; ground rents.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Easter Fayre</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Non-pay	0	0	0	0
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	0	0	0	0
Support Services Recharges	0	0	5,450	5,450
Capital Charges	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>5,450</b>	<b>5,450</b>

<b>Markets</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	72,445	70,227	69,658	(569)
Non-pay	256,154	256,154	211,511	(44,643)
Gross Direct Income	(259,759)	(259,759)	(124,214)	135,545
Net Direct Expenditure/(Income) Total:	68,840	66,622	156,956	90,334
Support Services Recharges	57,540	57,540	62,450	4,910
Capital Charges	4,820	4,820	4,820	0
<b>Total:</b>	<b>131,200</b>	<b>128,982</b>	<b>224,226</b>	<b>95,244</b>

Savings in refuse collections (£16k), services general (£13k) and repairs and maintenance (£16k) have created this underspend. Income received is lower than budget due to COVID and the redevelopment of the market site.

<b>Go Trade</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	20,161	20,161	12,473	(7,688)
Non-pay	36,588	36,588	34,052	(2,536)
Gross Direct Income	(39,154)	(39,154)	(42,522)	(3,368)
Net Direct Expenditure/(Income) Total:	17,595	17,595	4,003	(13,592)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
<b>Total:</b>	<b>17,595</b>	<b>17,595</b>	<b>4,003</b>	<b>(13,592)</b>

No significant variances.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Bretts</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Non-pay	44,443	44,443	31,623	(12,820)
Gross Direct Income	(56,209)	(56,209)	(43,649)	12,560
Net Direct Expenditure/(Income) Total:	<u>(11,766)</u>	<u>(11,766)</u>	<u>(12,027)</u>	<u>(261)</u>
Support Services Recharges	7,160	7,160	10,050	2,890
Total:	<u>(4,606)</u>	<u>(4,606)</u>	<u>(1,977)</u>	<u>2,629</u>

These variances relate to the 20-21 actual charges which were lower than the year-end accruals but in turn resulted in lower than expected recovery of income.

<b>Courts</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Non-pay	7,290	7,290	29,144	21,854
Gross Direct Income	(14,670)	(14,670)	(15,186)	(516)
Net Direct Expenditure/(Income) Total:	<u>(7,380)</u>	<u>(7,380)</u>	<u>13,957</u>	<u>21,337</u>
Support Services Recharges	7,880	7,880	11,440	3,560
Capital Charges	0	0	0	0
Total:	<u>500</u>	<u>500</u>	<u>25,397</u>	<u>24,897</u>

This overspend is due to increased cost on utilities of £14k (these are offset by service recharges below in income) and business rate charges of £4k as the premises were unoccupied for part of the year.

Actual includes £10k increased service charges recovering the increased costs incurred as per above. This is offsetting the lost rental income on the properties due to voids in year.

<b>South Denes Energy Park</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Non-pay	2,869	9,981	7,757	(2,224)
Gross Direct Income	(8,004)	(8,004)	(8,004)	0
Net Direct Expenditure/(Income) Total:	<u>(5,135)</u>	<u>1,977</u>	<u>(247)</u>	<u>(2,224)</u>
Support Services Recharges	54,050	54,050	10,590	(43,460)
Capital Charges	0	0	0	0
Total:	<u>48,915</u>	<u>56,027</u>	<u>10,343</u>	<u>(45,684)</u>

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Factory Units	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	42,207	42,207	236,749	194,542
Gross Direct Income	(134,451)	(134,451)	(106,329)	28,122
Net Direct Expenditure/(Income) Total:	<u>(92,244)</u>	<u>(92,244)</u>	<u>130,419</u>	<u>222,663</u>
Support Services Recharges	17,930	17,930	23,120	5,190
Capital Charges	0	0	0	0
Total:	<u><u>(74,314)</u></u>	<u><u>(74,314)</u></u>	<u><u>153,539</u></u>	<u><u>227,853</u></u>

Savings gained by the end of the rental of Sinclair Court (£18k) have been off-set by dilapidation costs of £75k which are anticipated due to the surrender of this site. Increase in bad debt provision required included.

Rental income has reduced due to the end of the rental of Sinclair Court £21k and other income reduced due to void factory units £4k.

Minerva House	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	8,400	8,400	6,393	(2,007)
Gross Direct Income	(65,575)	(65,575)	(66,144)	(569)
Net Direct Expenditure/(Income) Total:	<u>(57,175)</u>	<u>(57,175)</u>	<u>(59,751)</u>	<u>(2,576)</u>
Support Services Recharges	8,840	8,840	7,840	(1,000)
Capital Charges	0	0	0	0
Total:	<u><u>(48,335)</u></u>	<u><u>(48,335)</u></u>	<u><u>(51,911)</u></u>	<u><u>(3,576)</u></u>

No significant variances.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Corporate Estates	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	20	20	10	(10)
Non-pay	432,695	435,999	840,831	404,832
Gross Direct Income	(2,302,177)	(2,302,177)	(2,432,276)	(130,099)
Net Direct Expenditure/(Income) Total:	<u>(1,869,462)</u>	<u>(1,866,158)</u>	<u>(1,591,435)</u>	<u>274,723</u>
Support Services Recharges	505,180	505,180	687,240	182,060
Capital Charges	13,869	13,869	34,804	20,935
Total:	<u><u>(1,350,413)</u></u>	<u><u>(1,347,109)</u></u>	<u><u>(869,391)</u></u>	<u><u>477,718</u></u>

This overspend is due to electricity costs £36k, business rate charges £90k and water cost £21k being higher than budgeted for due to properties being empty so the Council has to cover the standing costs. Cost have increased on repairs and maintenance £26k and rents payable of £23k, which is recovered below in income. This figure is also increased by £216k for a bad debts provision based on the yearend debt position.

New leases and increased charges on existing leases improved the income position by (£215k) as well as increased recharging of costs being recovered of (£57k). However, £98k income lost from properties being void in year and income incentives not being achieved from advertising, events and beach concessions totalling £47k. Finally, there is replacement tree grant for (£20k) which is being carried forward with earmarked reserves.

See note 2 at the top of this appendix which covers explanation for change in recharges.

Depreciation increased from budget in line with completed capital project spend in prior years.

Onians	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	1,492	1,492	3,612	2,120
Gross Direct Income	(10,800)	(10,800)	(9,444)	1,356
Net Direct Expenditure/(Income) Total:	<u>(9,308)</u>	<u>(9,308)</u>	<u>(5,832)</u>	<u>3,476</u>
Support Services Recharges	7,880	7,880	9,410	1,530
Capital Charges	0	0	0	0
Total:	<u><u>(1,428)</u></u>	<u><u>(1,428)</u></u>	<u><u>3,578</u></u>	<u><u>5,006</u></u>

No significant variances.



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Property Services	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	1,011,788	998,742	759,163	(239,579)
Non-pay	40,407	37,371	50,142	12,771
Gross Direct Income	(293,281)	(293,281)	(64,151)	229,130
Net Direct Expenditure/(Income) Total:	758,914	742,832	745,155	2,323
Support Services Recharges	(758,910)	(758,910)	(745,150)	13,760
Capital Charges	0	0	0	0
Total:	4	(16,078)	5	16,083

Vacancies held during the year have resulted in pay underspends but these have been mitigated by an under recovery of income, as per below, from the Housing Revenue Account & capital projects.

As noted above.

Beacon Park	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Non-pay	236,458	236,458	301,085	64,627
Gross Direct Income	(1,143,589)	(1,143,589)	(1,230,547)	(86,958)
Net Direct Expenditure/(Income) Total:	(907,131)	(907,131)	(929,463)	(22,332)
Support Services Recharges	70,010	70,010	61,050	(8,960)
Capital Charges	167,536	167,536	167,469	(67)
Total:	(669,585)	(669,585)	(700,944)	(31,359)

The sale of the remaining unit contributed to savings in electricity (£22k), water (£11k) and business rate charge (£32k) but incurred agency costs of £14k. Professional fee costs of £86k have also been incurred above budget which have been recharged and are reflected below. The bad debt provision increased by £33k.

The over recovery of income is principally due to the recovery of costs for vacant premises from the Pot B (LEP) of (£17k) and recovery of costs (£83k) from external organisations as mentioned above. This is offset by a loss of rent due to void properties of £17k and service charges not being recovered of £10k.

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<b>Property Building Services</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	467,136	461,736	501,368	39,632
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	467,136	461,736	501,368	39,632
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
<b>Total:</b>	<b>467,136</b>	<b>461,736</b>	<b>501,368</b>	<b>39,632</b>

The overspend is due to increased charges for the Public Works Team of £47k, sand management costs of £17k. An underspend for street furniture of (£25k) offsets this overspend.

<b>Housing Asset Team</b>	<b>Original Budget 2021/22</b>	<b>Current Budget 2021/22</b>	<b>Out turn 2021/22</b>	<b>Full Year Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Direct Expenditure:				
Pay	674,914	674,914	428,301	(246,613)
Non-pay	104,000	122,088	66,596	(55,492)
Gross Direct Income	(920,114)	(754,914)	(446,962)	307,952
Net Direct Expenditure/(Income) Total:	(141,200)	42,088	47,935	5,847
Support Services Recharges	0	(165,200)	0	165,200
Capital Charges	0	0	0	0
<b>Total:</b>	<b>(141,200)</b>	<b>(123,112)</b>	<b>47,935</b>	<b>171,047</b>

Savings have been achieved due to vacancies and lower than budgeted non-pay expenditure but these in turn have reduced the income from the recharge of these works to the Housing Revenue Account.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Total Property and Asset Management:</b>	<b>(54,769)</b>	<b>(48,877)</b>	<b>697,189</b>	<b>746,066</b>
<b>Total Property and Asset Management excluding capital charges and recharges:</b>	<b>(964,676)</b>	<b>(793,584)</b>	<b>(419,589)</b>	<b>746,066</b>
<b>Total Property and Asset Management excluding recharges:</b>	<b>167,561</b>	<b>338,653</b>	<b>632,229</b>	<b>746,066</b>

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**Communications, Marketing and Events**

Communications	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	195,145	195,817	188,723	(7,094)
Non-pay	11,924	11,924	17,332	5,408
Gross Direct Income	(5,000)	(5,000)	(510)	4,491
Net Direct Expenditure/(Income) Total:	202,069	202,741	205,545	2,804
Support Services Recharges	(202,070)	(202,070)	(205,540)	(3,470)
Capital Charges	0	0	0	0
Total:	(1)	671	5	(666)

No significant variances.

Print and Design	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	164,100	159,064	161,754	2,690
Non-pay	56,774	63,774	47,699	(16,075)
Gross Direct Income	(23,500)	(23,500)	(14,155)	9,345
Net Direct Expenditure/(Income) Total:	197,374	199,338	195,297	(4,041)
Support Services Recharges	(197,370)	(197,370)	(195,290)	2,080
Capital Charges	0	0	0	0
Total:	4	1,968	7	(1,961)

New plotter lease agreement was delayed reducing costs in 2021/22 than those anticipated when the budget was set (the lease started in 2022/23).

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<b>Tourism</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	90,116	85,139	94,351	9,212
Non-pay	235,527	231,527	90,096	(141,431)
Gross Direct Income	(170,960)	(170,960)	(41,319)	129,641
Net Direct Expenditure/(Income) Total:	154,683	145,706	143,128	(2,578)
Support Services Recharges	247,120	247,120	197,270	(49,850)
Capital Charges	0	0	0	0
Total:	401,803	392,826	340,398	(52,428)

Events had to be cancelled due to COVID, including the Wheels Festival. The Tourist Information Centre will remain closed for the year so no costs from tickets purchased to be resold, offset by reduced income.

As above, no income from the events that had to be cancelled due to COVID. The Tourist Information Centre will remain closed for the year so no income from ticket sales.

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Civic and Portering</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	186,464	180,078	181,522	1,444
Non-pay	37,098	37,498	30,581	(6,917)
Gross Direct Income	(7,000)	(7,000)	(30,682)	(23,682)
Net Direct Expenditure/(Income) Total:	216,562	210,576	181,421	(29,155)
Support Services Recharges	(216,560)	(216,560)	(181,420)	35,140
Capital Charges	0	0	0	0
Total:	2	(5,984)	1	5,985

Porters welfare and support COVID grant that was not anticipated when the budget was set.

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Mayor	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	7,299	7,299	10,444	3,145
Gross Direct Income	0	0	(50)	(50)
Net Direct Expenditure/(Income) Total:	7,299	7,299	10,394	3,095
Support Services Recharges	15,470	15,470	16,230	760
Capital Charges	0	0	0	0
Total:	22,769	22,769	26,624	3,855

No significant variances.

Events	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	1,229	1,229
Non-pay	5,875	5,875	12,778	6,903
Gross Direct Income	(6,700)	(6,700)	(27,534)	(20,834)
Net Direct Expenditure/(Income) Total:	(825)	(825)	(13,527)	(12,702)
Support Services Recharges	122,110	122,110	113,040	(9,070)
Capital Charges	0	0	0	0
Total:	121,285	121,285	99,513	(21,772)

The budget assumed that COVID may continue to impact on events in 2021/22 and so a prudent budget was set. However, there has been an increase in weddings and room hire bookings since the end of restrictions.

<b>Total Communications, Marketing and Events:</b>	<b>545,862</b>	<b>533,535</b>	<b>466,550</b>	<b>(66,985)</b>
<b>Total Communications, Marketing and Events excluding capital charges and recharges:</b>	<b>1,033,994</b>	<b>991,239</b>	<b>942,706</b>	<b>(66,985)</b>
<b>Total Communications, Marketing and Events excluding recharges:</b>	<b>777,162</b>	<b>764,835</b>	<b>722,260</b>	<b>(66,985)</b>

## Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22

**Environmental Services**

Environmental Health	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	1,157,853	1,153,898	1,128,174	(25,724)
Non-pay	842,104	886,235	862,345	(23,890)
Gross Direct Income	(120,034)	(120,034)	(117,461)	2,573
Net Direct Expenditure/(Income) Total:	1,879,923	1,920,099	1,873,059	(47,040)
Support Services Recharges	303,460	303,460	250,700	(52,760)
Capital Charges	9,340	9,340	10,167	827
Total:	2,192,723	2,232,899	2,133,926	(98,973)

Variance reflects vacancies within the department.  
Internal drainage board levy cost £20k less than estimated. Health and safety advice now provided in-house saving £8k.

See note 2 at the top of this appendix which covers explanation for change in recharges.

Selective Licensing	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	45,474	44,365	22,020	(22,345)
Non-pay	3,010	3,010	4,598	1,588
Gross Direct Income	(50,000)	(50,000)	(153,483)	(103,483)
Net Direct Expenditure/(Income) Total:	(1,516)	(2,625)	(126,865)	(124,240)
Support Services Recharges	32,780	32,780	2,540	(30,240)
Capital Charges	0	0	0	0
Total:	31,264	30,155	(124,325)	(154,480)

Variance reflects vacancies within the department.

The surplus income from this service is transferred to earmarked reserves to fund the scheme in future financial years.

See note 2 at the top of this appendix which covers explanation for change in recharges.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Grounds Maintenance	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	589,384	589,384	605,365	15,981
Gross Direct Income	(39,950)	(39,950)	(72,963)	(33,013)
Net Direct Expenditure/(Income) Total:	549,434	549,434	532,401	(17,033)
Support Services Recharges	23,200	23,200	17,410	(5,790)
Capital Charges	82,075	82,075	75,485	(6,590)
Total:	654,709	654,709	625,296	(29,413)

Additional tree works costs of £27k fully recharged to NCC. Partially offset by an £8k reduction in insurance costs.

Additional tree works fully recharged to NCC increasing income by £27k.

Street Cleansing	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	664,521	664,521	664,459	(62)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	664,521	664,521	664,459	(62)
Support Services Recharges	18,890	18,890	15,390	(3,500)
Capital Charges	0	0	0	0
Total:	683,411	683,411	679,849	(3,562)

No significant variances.

**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

<b>Waste Management</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	176,239	98,345	100,439	2,094
Non-pay	2,866,915	2,866,915	3,054,780	187,865
Gross Direct Income	(1,629,750)	(1,554,974)	(1,787,500)	(232,526)
Net Direct Expenditure/(Income) Total:	1,413,404	1,410,286	1,367,719	(42,567)
Support Services Recharges	141,620	141,620	134,720	(6,900)
Capital Charges	18,011	18,011	20,051	2,040
Total:	1,573,035	1,569,917	1,522,490	(47,427)

A cost of £141k from GYBS for the Council's share of their financial loss incurred in 2020/21 and 2021/22. An additional £27k for COVID recovery payment made to NEWS. £69k additional income from recycling credits due to an increase in value of materials. Garden bin subscriptions have increased by £67k due to an increase in uptake of the service. Also £100k profit share was received from NEWS for 2020/21 that had not been anticipated.

<b>Parks and Outdoor spaces</b>	<b>Original Budget 2021/22 £</b>	<b>Current Budget 2021/22 £</b>	<b>Out turn 2021/22 £</b>	<b>Full Year Variance £</b>
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	197,411	197,411	192,939	(4,472)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	197,411	197,411	192,939	(4,472)
Support Services Recharges	35,860	35,860	33,430	(2,430)
Capital Charges	3,522	3,522	3,412	(110)
Total:	236,793	236,793	229,781	(7,012)

No significant variances.



**Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2021/22**

Outdoor Sports	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	410,059	414,173	420,746	6,573
Gross Direct Income	(89,684)	(89,684)	(85,652)	4,032
Net Direct Expenditure/(Income) Total:	320,375	324,489	335,094	10,605
Support Services Recharges	44,860	44,860	39,990	(4,870)
Capital Charges	55,285	55,285	62,676	7,391
Total:	420,520	424,634	437,760	13,126

No significant variances.

Licensing	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Full Year Variance £
Gross Direct Expenditure:				
Pay	111,385	109,002	103,758	(5,244)
Non-pay	29,833	29,833	26,798	(3,035)
Gross Direct Income	(269,874)	(269,874)	(271,478)	(1,604)
Net Direct Expenditure/(Income) Total:	(128,656)	(131,039)	(140,923)	(9,884)
Support Services Recharges	120,420	120,420	174,430	54,010
Capital Charges	0	0	0	0
Total:	(8,236)	(10,619)	33,507	44,126

See note 2 at the top of this appendix which covers explanation for change in recharges.

<b>Total Environmental Services:</b>	<b>5,784,219</b>	<b>5,821,899</b>	<b>5,538,285</b>	<b>(283,614)</b>
<b>Total Environmental Services excluding capital charges and recharges:</b>	<b>4,894,896</b>	<b>4,932,576</b>	<b>4,697,884</b>	<b>(283,614)</b>
<b>Total Environmental Services excluding recharges:</b>	<b>5,063,129</b>	<b>5,100,809</b>	<b>4,869,675</b>	<b>(283,614)</b>

<b>Total for Services:</b>	<b>10,447,281</b>	<b>11,554,443</b>	<b>10,848,493</b>	<b>(705,950)</b>
<b>Total for Services excluding capital charges and recharges:</b>	<b>11,002,196</b>	<b>12,244,130</b>	<b>11,256,018</b>	<b>(705,950)</b>
<b>Total for Services excluding recharges:</b>	<b>12,361,674</b>	<b>13,634,036</b>	<b>12,711,022</b>	<b>(705,950)</b>

**Appendix C - Summary of General Fund Services Income & Expenditure (detail within Appendix B) for Out turn 2021/22**

	Original Budget 2021/22 £	Current Budget 2021/22 £	Out turn 2021/22 £	Variance £
Employee	12,709,425	13,221,680	12,611,084	(610,596)
Premises	5,244,049	5,357,854	5,982,866	625,012
Transport	140,032	140,032	139,771	(261)
Supplies & Services	6,136,567	30,292,362	10,401,452	(19,890,910)
Third Party Payments	3,370,226	3,370,226	3,816,284	446,058
Transfer Payments	23,411,668	23,411,668	21,502,555	(1,909,113)
Support Services	117,400	117,400	128,044	10,644
Capital Charges	1,616,310	1,616,310	1,675,450	59,140
Support Services - Recharges Out	(11,440,153)	(11,605,353)	(10,478,199)	1,127,154
Support Services - Recharges In	9,525,760	9,525,760	8,615,670	(910,090)
Income	(40,384,003)	(63,865,496)	(43,546,572)	20,318,924
	<b>10,447,281</b>	<b>11,582,443</b>	<b>10,848,406</b>	<b>(734,037)</b>

GENERAL FUND RESERVES STATEMENT - 2021/22 OUTTURN		Closing Balance 31/03/21	2020/21 Adjustments after Outturn	Opening Balance 01/04/21	Movement 2021/22	Closing Balance 31/03/22	Budgeted Movement 2022/23	Budgeted Closing Balance 31/03/23	Budgeted Movement 2023/24	Budgeted Closing Balance 31/03/24
Summary and Purpose of Reserve		£	£	£	£	£	£	£	£	£
<b>Planning Delivery Grant</b>	The reserve is planned to be used to provide service improvements in Planning, and deliver the Local Development Framework.	62,360	74,029	136,389	0	136,389	0	136,389	0	136,389
<b>Insurance Fund</b>	The Council budgets for a level of excess being charged to the Service Accounts annually. Any under provision is met from the Insurance Fund, and any surplus is transferred to the fund.	324,290	0	324,290	58,700	382,990	0	382,990	0	382,990
<b>DFG top-up capital loans &amp; grant fund</b>	The Council will utilise this funding for capital expenditure incurred in the Wellesley Rd, Sandown Rd, Euston Rd & Paget Rd areas.	400,000	0	400,000	0	400,000	0	400,000	0	400,000
<b>Restricted use grant</b>	This reserve holds unspent grants received for specific purposes for which the spend has not yet been incurred.	805,793	(197,361)	608,432	(43,451)	564,981	(54,000)	510,981	(40,515)	470,466
<b>Invest to Save</b>	To be used to fund one-off costs associated with projects that will deliver future efficiencies and savings including costs associated with restructures.	1,553,339	0	1,553,339	0	1,553,339	0	1,553,339	0	1,553,339
<b>Specific budget</b>	This reserve is utilised as expenditure is incurred.	139,327	0	139,327	125,395	264,722	(59,142)	205,580	(47,590)	157,990
<b>LEGI</b>	As costs are incurred, these are offset by the reserve.	73,941	(73,941)	(0)	0	0	0	0	0	0
<b>Repairs and Maintenance</b>	This reserve is utilised as expenditure is incurred.	302,350	38,438	340,788	(23,150)	317,638	0	317,638	0	317,638
<b>Waste Management</b>	This reserve is utilised as expenditure is incurred in relation to the service.	25,170	0	25,170	(11,375)	13,795	(11,375)	2,420	(2,420)	(0)
<b>Collection Fund (Business Rates)</b>	Earmarked to mitigate the fluctuations in business rate income between years.	1,976,810	0	1,976,810	0	1,976,810	(93,000)	1,883,810	0	1,883,810
<b>Community Housing Fund</b>	This represents grants previously received to assist with the delivery of Community Housing.	515,687	49,305	564,992	(13,750)	551,242	(10,000)	541,242	(30,000)	511,242
<b>Enforcement</b>	Earmarked for enforcement related works to address issues and bring properties back into use.	41,570	0	41,570	(8,268)	33,302	0	33,302	0	33,302
<b>Special Projects</b>	Earmarked for projects and for use as matched funding as appropriate to access external funding, Includes capital and revenue projects.	688,874	0	688,874	(259,832)	429,043	(182,978)	246,065	(25,900)	220,165
<b>Treasury Management</b>	This reserve is held to mitigate year on year fluctuations of investment income received.	200,000	0	200,000	0	200,000	0	200,000	0	200,000
<b>Asset Management</b>	This reserve is held to mitigate the impact of fluctuations between financial years from income received from Council assets and properties, in addition it includes re-allocation from other reserves to be used for investments in Council assets including current and future asset enhancements.	1,798,257	73,941	1,872,198	(0)	1,872,198	(230,825)	1,641,373	(204,753)	1,436,620

GENERAL FUND RESERVES STATEMENT - 2021/22 OUTTURN		Closing Balance 31/03/21	2020/21 Adjustments after Outturn	Opening Balance 01/04/21	Movement 2021/22	Closing Balance 31/03/22	Budgeted Movement 2022/23	Budgeted Closing Balance 31/03/23	Budgeted Movement 2023/24	Budgeted Closing Balance 31/03/24
Summary and Purpose of Reserve		£	£	£	£	£	£	£	£	£
<b>Benefits and Revenues</b>	Earmarking of grants and underspends to be used for the service and mitigation of subsidy impacts.	563,436	35,589	599,025	0	599,025	0	599,025	0	599,025
<b>Homelessness</b>	To be utilised for service expenditure for the reduction in homelessness.	430,958	0	430,958	411,492	842,451	(95,000)	747,451	0	747,451
<b>Coast Protection</b>	Established as part of the 2019/20 budget process for match funding and mitigate one-off costs in relation to coast protection.	74,275	0	74,275	0	74,275	0	74,275	0	74,275
<b>Empty Business Property Incentive Fund</b>	Earmarking of funds to be used for incentivising bringing properties back into use.	100,000	0	100,000	0	100,000	0	100,000	0	100,000
<b>COVID</b>	This reserve is utilised as expenditure is incurred and represents the COVID funding received for which spend has not been incurred but is committed.	1,030,222	0	1,030,222	(487,004)	543,218	0	543,218	0	543,218
<b>Collection fund income compensation</b>	To be utilised to fund deficit in collection fund. Significant movement in 2020/21 reflects the collection fund adjustment account in respect of Covid to be utilised in 2021/22 and future years.	10,297,273	0	10,297,273	(4,385,304)	5,911,969	0	5,911,969	0	5,911,969
<b>Other Reserves</b>	These Reserves are budget carry forwards to be used in future years	2,285,470	0	2,285,470	226,884	2,512,354	(24,742)	2,487,612	(28,917)	2,458,695
<b>Total GF Earmarked Reserves</b>		<b>23,689,401</b>	<b>0</b>	<b>23,689,401</b>	<b>(4,409,662)</b>	<b>19,279,739</b>	<b>(761,062)</b>	<b>18,518,677</b>	<b>(380,095)</b>	<b>18,138,582</b>
<b>General Fund Reserve</b>	Current recommended balance of £3 million (as at Feb 2021)	<b>4,205,261</b>	<b>0</b>	<b>4,205,261</b>	<b>(226,849)</b>	<b>3,978,412</b>	<b>0</b>	<b>3,978,412</b>	<b>0</b>	<b>3,978,412</b>
<b>Total General Fund Reserves</b>		<b>27,894,662</b>	<b>0</b>	<b>27,894,662</b>	<b>(4,636,511)</b>	<b>23,258,151</b>	<b>(761,062)</b>	<b>22,497,089</b>	<b>(380,095)</b>	<b>22,116,994</b>

## Appendix E - General Fund Capital Programme - Detail - 2021/22

Services & Projects	Budget Expenditure £000				2021/22	21/22 Actual Financing - £000			
	Rolled Forward 20/21 Budget	Approved 21/22 Budget	Original 21/22 Budget	Updated 21/22 Budget	Expenditure £000 Actuals to 31-03- 22	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts
Equinox Property Holdings	-	-	-	500	-	-	-	-	-
CCTV Upgrade - Town Centre	-	76	76	76	76	76	-	-	-
Safer Streets Round 2	-	-	-	111	111	15	96	-	-
Safer Streets Round 3	-	-	-	210	143	-	117	26	-
Human Resources Job Evaluation system	-	21	21	21	16	16	-	-	-
<b>Total: Executive</b>	<b>-</b>	<b>97</b>	<b>97</b>	<b>918</b>	<b>346</b>	<b>107</b>	<b>213</b>	<b>26</b>	<b>-</b>
Childrens Playground Refurbishment	86	-	86	86	97	32	64	-	-
Wellesley CCTV	15	-	15	-	-	-	-	-	-
Wellesley Track	-	-	-	59	48	48	-	-	-
<b>Total: Communities</b>	<b>101</b>	<b>-</b>	<b>101</b>	<b>146</b>	<b>145</b>	<b>80</b>	<b>64</b>	<b>-</b>	<b>-</b>
St Nicholas Minster West Boundary Wall	95	-	95	85	0	0	-	-	-
St Nicholas car park north Boundary Wall	25	-	25	25	-	-	-	-	-
Crematorium Office Roof Works	22	-	22	32	33	33	-	-	-
Crematorium Main Roof Works	-	-	-	60	-	-	-	-	-
Crematorium Tearooms	433	-	433	480	263	236	-	27	-
<b>Total: Customer Services</b>	<b>575</b>	<b>-</b>	<b>575</b>	<b>682</b>	<b>296</b>	<b>269</b>	<b>-</b>	<b>27</b>	<b>-</b>
Health and Leisure (Marina) Centre	19,649	-	19,649	20,311	16,532	13,467	1,820	50	1,195
The Waterways	4	-	4	4	-	-	-	-	-
Phoenix Pool & Gym car park extension	130	-	130	94	-	-	-	-	-
Town Deal	-	-	-	1,070	50	-	50	-	-
Future High Street Fund	-	-	-	3,737	1,614	-	1,614	-	-
Heritage Action Zone (HAZ)	25	-	25	432	659	-	641	18	-
Different Light	635	-	635	635	518	-	518	-	-
<b>Total: Inward Investment</b>	<b>20,442</b>	<b>-</b>	<b>20,442</b>	<b>26,284</b>	<b>19,373</b>	<b>13,467</b>	<b>4,643</b>	<b>68</b>	<b>1,195</b>
Disabled Facilities Grants	849	1,200	2,049	2,257	953	-	953	-	-
Better Care Fund Projects	7	-	7	8	4	-	4	-	-
Empty Homes	510	-	510	510	-	-	-	-	-
DFG Top-up Grants	250	-	250	250	-	-	-	-	-
DFG Top-up Loans	150	-	150	150	-	-	-	-	-
Norfolk & Waveney Equity Loan Scheme	36	-	36	164	-	-	-	-	-
Equity Home Improvement Loans	545	-	545	631	11	-	-	-	11
HMOs /Guesthouse Purchase & Repair Scheme	1,739	-	1,739	1,239	46	46	-	-	-

## Appendix E - General Fund Capital Programme - Detail - 2021/22

Services & Projects	Budget Expenditure £000				2021/22	21/22 Actual Financing - £000			
	Rolled Forward 20/21 Budget	Approved 21/22 Budget	Original 21/22 Budget	Updated 21/22 Budget	Expenditure £000 Actuals to 31-03- 22	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts
Housing First Scheme	-	-	-	655	371	132	239	-	-
Acquisition of property for transitional housing	1,640	-	1,640	847	29	29	-	-	-
Community Housing Fund Loans	540	-	540	540	-	-	-	-	-
<b>Total: Housing</b>	<b>6,266</b>	<b>1,200</b>	<b>7,466</b>	<b>7,251</b>	<b>1,413</b>	<b>206</b>	<b>1,196</b>	<b>-</b>	<b>11</b>
ICT Investment to deliver GYBC ICT Strategy	430	1,000	1,430	1,430	461	-	-	-	461
<b>Total: IT, Communications &amp; Marketing</b>	<b>430</b>	<b>1,000</b>	<b>1,430</b>	<b>1,430</b>	<b>461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>461</b>
Public Toilet Refurbishment Programme	45	-	45	100	100	100	-	-	-
Footway Lighting	211	300	511	511	96	96	-	-	-
External Redecoration & Repair of the Wellesley Grandstand	-	74	74	74	0	0	-	-	-
Wellesley Ticket Office	-	-	-	28	28	-	-	28	-
Esplande Resurfacing	246	-	246	246	-	-	-	-	-
Phoenix Pool car park soakaway	-	40	40	36	35	35	-	-	-
Phoenix Pool Gym Equipment	-	-	-	-	267	267	-	-	-
Gapton Hall Equipment/Improvements - Grant Funded	-	-	-	-	49	-	49	-	-
Beach Huts	79	-	79	209	186	-	-	-	186
Council Chamber relocation	153	-	153	153	93	93	-	-	-
Claydon Pavilion	383	-	383	393	104	-	84	20	-
Replacement Lighting in the Assembly Rooms	-	45	45	-	-	-	-	-	-
Beacon Park Projects	500	-	500	500	-	-	-	-	-
Market Place Redevelopment	4,102	-	4,102	4,132	2,496	150	2,326	20	-
North Quay Redevelopment	2,351	-	2,351	2,351	-	-	-	-	-
Winter Gardens	864	-	864	1,080	-	-	-	-	-
Energy Park - South Denes	1,845	-	1,845	1,845	-	-	-	-	-
<b>Total: Property &amp; Asset Management</b>	<b>10,779</b>	<b>459</b>	<b>11,238</b>	<b>11,656</b>	<b>3,455</b>	<b>741</b>	<b>2,459</b>	<b>68</b>	<b>186</b>
Noise Meter Replacement	-	11	11	11	10	10	-	-	-
Mobile CCTV	-	15	15	15	-	-	-	-	-
<b>Total: Environmental Health</b>	<b>-</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>10</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Overall Total</b>	<b>38,593</b>	<b>2,782</b>	<b>41,375</b>	<b>48,393</b>	<b>25,499</b>	<b>14,880</b>	<b>8,576</b>	<b>189</b>	<b>1,854</b>

## Appendix E2 - General Fund Capital Programme - Detail - 2022/23

Services & Projects	Budget Expenditure £000				22/23 Financing - £000			
	Approved 22/23 Budget	Additional Rolled Forward 21/22 Budget	Further amendments/ additions	Revised 22/23 Budget	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts
Equinox Property Holdings - Financing	275	225	3,500	4,000	3,500	-	-	500
<b>Total: Executive</b>	<b>275</b>	<b>225</b>	<b>3,500</b>	<b>4,000</b>	<b>3,500</b>	<b>-</b>	<b>-</b>	<b>500</b>
Wellesley 3G Pitch & Tennis Pavilion	939	3	-	942	255	687	-	-
<b>Total: Communities</b>	<b>939</b>	<b>3</b>	<b>-</b>	<b>942</b>	<b>255</b>	<b>687</b>	<b>-</b>	<b>-</b>
St Nicholas Minster West Boundary Wall	95	10	-	85	85	-	-	-
St Nicholas car park north Boundary Wall	25	-	-	25	25	-	-	-
Crematorium Main Roof Works	60	-	-	60	60	-	-	-
Crematorium Tearooms	-	217	-	217	217	-	-	-
<b>Total: Customer Services</b>	<b>180</b>	<b>207</b>	<b>-</b>	<b>387</b>	<b>387</b>	<b>-</b>	<b>-</b>	<b>-</b>
Health and Leisure (Marina) Centre	5,311	1,532	-	3,779	2,921	858	-	-
Health and Fitness Centre - South Car Park	290	-	-	290	290	-	-	-
The Waterways	-	4	-	4	-	4	-	-
Phoenix Pool & Gym car park extension	130	36	-	94	94	-	-	-
Town Deal - North Quay	2,651	800	-	3,451	2,351	1,100	-	-
Town Deal - Wintergardens	1,138	-	-	1,138	864	58	215	-
Town Deal - Other Projects*	11,917	720	-	12,638	1,421	11,197	20	-
Future High Street Fund - Market Place - 6 Day	332	1,304	-	1,636	1,119	516	-	-
Future High Street Fund - Market Place - Realm	2,551	614	-	3,165	-	3,165	-	-
Future High Street Fund - Other Projects*	11,986	1,508	-	13,494	6,703	6,791	-	-
Heritage Action Zone (HAZ)	323	227	-	96	-	96	-	-
Different Light	-	43	-	43	-	43	-	-
<b>Total: Inward Investment</b>	<b>36,629</b>	<b>3,200</b>	<b>-</b>	<b>39,829</b>	<b>15,763</b>	<b>23,831</b>	<b>235</b>	<b>-</b>
Disabled Facilities Grants	2,757	152	47	2,652	-	2,569	-	82
Better Care Fund Projects	-	4	-	4	-	4	-	-
Empty Homes	510	-	-	510	482	-	-	28
DFG Top-up Grants	250	-	-	250	-	-	250	-
DFG Top-up Loans	150	-	-	150	-	-	150	-
Norfolk & Waveney Equity Loan Scheme	164	-	-	164	-	-	-	164
Equity Home Improvement Loans	616	3	-	619	-	-	-	619

## Appendix E2 - General Fund Capital Programme - Detail - 2022/23

Services & Projects	Budget Expenditure £000				22/23 Financing - £000			
	Approved 22/23 Budget	Additional Rolled Forward 21/22 Budget	Further amendments/ additions	Revised 22/23 Budget	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts
HMOs /Guesthouse Purchase & Repair Scheme	1,139	54	-	1,193	1,193	-	-	-
Housing First Scheme	-	284	-	284	209	76	-	-
Acquisition of property for transitional housing	247	572	-	819	753	-	-	65
Sustainable Warmth - LAD funding	1,655	-	-	1,655	-	1,655	-	-
Homes Upgrade Grants (HUG)	-	-	2,577	2,577	-	2,577	-	-
Community Housing Fund Loans	540	-	-	540	-	-	540	-
<b>Total: Housing</b>	<b>8,028</b>	<b>765</b>	<b>2,624</b>	<b>11,416</b>	<b>2,637</b>	<b>6,880</b>	<b>940</b>	<b>959</b>
ICT Investment to deliver GYBC ICT Strategy	680	288	-	968	938	-	30	-
<b>Total: IT, Communications &amp; Marketing</b>	<b>680</b>	<b>288</b>	<b>-</b>	<b>968</b>	<b>938</b>	<b>-</b>	<b>30</b>	<b>-</b>
Euston Rd Public Toilet Refurbishment	88	-	-	88	88	-	-	-
Footway Lighting	381	134	-	515	515	-	-	-
External Redecoration & Repair of the Wellesley Grandstand	74	0	-	74	74	-	-	-
Esplande Resurfacing	246	-	-	246	246	-	-	-
Gorleston Beach Huts	150	22	-	172	150	-	-	22
Council Chamber relocation	-	60	-	60	60	-	-	-
Claydon Pavilion	-	289	-	289	10	279	-	-
Aspire Building & Mkt Row Boiler Replacement	46	-	-	46	12	34	-	-
Peggotty Rd Community Centre Flooring	34	-	-	34	34	-	-	-
Seafront Shelters Landau Station & Britannia Bowls refurb	44	-	-	44	44	-	-	-
Replacement Lighting in the Assembly Rooms	15	15	-	-	-	-	-	-
Beacon Park Projects	800	-	-	800	680	120	-	-
Energy Park - South Denes	1,845	-	-	1,845	1,845	-	-	-
<b>Total: Property &amp; Asset Management</b>	<b>3,723</b>	<b>490</b>	<b>-</b>	<b>4,213</b>	<b>3,757</b>	<b>433</b>	<b>-</b>	<b>22</b>
Mobile CCTV	-	15	-	15	15	-	-	-
<b>Total: Environmental Health</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>15</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Contingency</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500</b>
<b>Projects requiring further approval before commencement</b>	<b>2,015</b>	<b>-</b>	<b>-</b>	<b>2,015</b>	<b>1,565</b>	<b>-</b>	<b>-</b>	<b>450</b>
<b>Overall Total</b>	<b>52,468</b>	<b>5,193</b>	<b>8,624</b>	<b>66,285</b>	<b>28,818</b>	<b>31,832</b>	<b>1,205</b>	<b>4,431</b>

\*Budgets have been included for all Town Deal & Future High Street Projects, but some of these are still in development. Projects will therefore be listed separately on commencement.



**URN:** 22-083

**Subject:** Housing Revenue Account Outturn 2021/22

**Report to:** Housing and Neighbourhoods Committee - 14 July 2022  
Council - 21 July 2022

**Report by:** HRA Service Accountant

#### **SUBJECT MATTER**

This report presents the following:

- The draft outturn position for the Housing Revenue Account for the 2021/22 financial year, which has been used to inform the production of the statutory account for audit and subsequent approval
- Details of the more significant year-end variances compared to the current budget for 2021/22
- Details of 2021/22 budget underspends requested to be carried forward to 2022/23.

#### **RECOMMENDATIONS**

That Council :

1. Approve the outturn position for the Housing Revenue Account for 2021/22 as included in the report and appendices
2. Approve the updated 2022/23 HRA revenue and expenditure budget as detailed at Appendix C
3. Approve the updated 2022/23 HRA capital programme and associated financing of the as detailed within the report and at Appendix D.

## **1. Introduction**

- 1.1. There is a statutory requirement to maintain a Housing Revenue Account (HRA) and that account must not show a deficit. The HRA is a separate (ring fenced) account of the Council covering income and expenditure relating to its role as landlord. Under the self-financing arrangements for local authorities, the HRA records the costs of management and maintenance of the Council's dwellings and the related income from rents and other charges. The Government provides guidance on what should be included in the HRA to protect Council tenants.

1.2. Although there is not a requirement for a similar separation of capital expenditure, the capital programme as it relates to the HRA is separately monitored. This report outlines the full 2021/22 financial year's outturn.

1.3. The position as reported has been used to inform the publication of the draft statement of account which are subject to external audit review ahead of approval by the Audit and Risk Committee by the statutory deadline.

## 2. HRA Outturn 2021/22

2.1. The Housing Revenue Accounts annual outturn reflects a surplus of £824k, against a budget deficit of £2.784m, resulting in a variance of £3.408m.

2.2. The 2021/22 £3.408m outturn variance is largely due to the reduced requirement of revenue to fund capital, following project slippages, cost efficiencies and a reduced Affordable housing receipt requirement following the revision on the Right to Buy retention agreement. This has also resulted in reduced borrowing and therefore reduced interest payable.

2.3. The 2021/22 financial year has also reflected significant increases in rent income, this is largely due to reduced Right to Buy sales in the current and prior year, as well as increased additions being introduced into the HRA's affordable housing stock.

2.4. A summary of the outturn position for the HRA is included at Appendix A, table 1 below provides details of the year end variances of the income & expenditure account.

**Table 1 – HRA Income and Expenditure Outturn Variances 2021/22**

Table 1	Budget £000	Outturn £000	Variance £000	Comments
Dwelling Rents	(21,495)	(22,398)	(903)	Increased dwelling rental income due to reduced Right to Buy sales in year, along with increased Affordable stock.
Charges for services and facilities	(1,366)	(1,201)	165	Income received from services and facilities have continued to be impacted by COVID. Enhanced tenancy management charge revised to reflect reduction in staff costs.
<b>Income Total</b>	<b>(22,861)</b>	<b>(23,599)</b>	<b>(738)</b>	
Repairs & Maintenance	9,257	8,541	(716)	Revenue void budgets such as standard void repairs and cleaning & clearance have reflected an underspend of £137k. Asset team costs have also reflected an underspend in year of £318k. This is following part of the Asset team returning to the Council, along with vacancies internally. Asbestos testing is underspent by £114k. This is partly due to asbestos works being included

<b>Table 1</b>	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>	<b>Comments</b>
				<p>within other capital programmes, such as kitchen and bathroom completions. Major and minor adaptations are underspend £119k, this budget has been requested to be carried forward to allow for backlogged works to be completed in 2022/23.</p> <p>Revenue heating repair costs are underspent by £242k. This is due to reduced demand, following increased completion of capital heating works within the stock.</p> <p>Planned large repairs are overspent by £430k. This area experienced high demand in 2021/22, with all jobs being reviewed to ensure value for money is being achieved.</p>
Supervision and Management	2,729	2,782	53	<p>Increased utility and energy bills reflecting the current market (55k).</p> <p>Savings in year relating to staff car allowance charges (£23k).</p> <p>Overspend includes abortive costs relating to an Affordable Housing scheme, which was unsuccessful during the planning stage (£100k).</p>
Supervision and Management (Direct Employee)	2,807	3,118	311	<p>Overspend as a result of the IAS19 adjustment (£320k).</p> <p>IAS19 requires services to recognise pension costs for employees as provided by the Council's Actuary. These IAS19 addition pension charges do not impact on the yearend position as they are reversed as part of the Pension contribution line at below.</p>
Rents Rates & Taxes - e.g. Council tax, utility charges	284	355	71	<p>Budget overspend as a result of increased empty dwelling rate charges (£25k), along with increased insurance charges following additional perils being added to the Council's policy (£55k).</p>
Depreciation	3,738	3,965	227	<p>Deprecation increased following increased additions in prior years.</p>
HRA revenue contribution to capital expenditure	3,561	2,138	(1,423)	<p>Reduced requirement of revenue to fund capital in year. This is due to capital project slippages, cost efficiencies and a reduced Affordable housing receipt requirement following the revision on the Right to Buy retention agreement.</p>
HRA Interest Payable on Loans	2,945	2,584	(361)	<p>Underspend due to reduced borrowing in year following the reprofiling of the Affordable Housing programme.</p>
Contribution to Pension Reserves	513	(359)	(872)	<p>Budget based on estimates provided in year. Credit reflects IAS19 pension adjustment.</p>

<b>Table 1</b>	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>	<b>Comments</b>
Earmarked Reserves (Middlegate)	(30)	(79)	(49)	Earmarked reserve to support Middlegate regeneration review spend.
Provision for bad and doubtful debts	150	101	(49)	The bad debt provision has increase by £101k in year, but has reflected a reduced provision increase than budgeted.
<b>Expenditure Total</b>	<b>25,954</b>	<b>23,146</b>	<b>(2,808)</b>	

### 3. Capital Programme Financing 2021/22

3.1. Appendix B provides details of the outturn on the HRA capital programme 2021/22 along with the explanations for the variances. Table 2 below provides a summary of the outturn position, along with the corresponding impact on the 2021/22 capital financing within the HRA.

**Table 2 – Current HRA Capital Programme Financing 2021/22**

<b>Table 2</b>	<b>Forecast £000</b>	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>
Kitchens & Bathrooms	2,869	2,869	2,403	(466)
Windows & Doors	647	647	184	(463)
Planned Maintenance	642	642	559	(83)
Energy Efficiency Improvements	973	1,173	926	(247)
Specific Planned Projects	756	756	394	(362)
Empty Properties	1,035	785	1,367	582
New Affordable Housing - Right to Buy receipts	1,800	3,648	950	(2,698)
Additional Housing	125	500	15	(485)
Neighbourhood Plans	91	91	4	(87)
Housing Transformation Budget	207	607	169	(438)
Keysafe Installation	60	0	29	29
De-carbonisation	828	1,978	782	(1,196)
Non Dwelling Improvements	0	0	13	13
<b>Total Expenditure</b>	<b>10,033</b>	<b>13,696</b>	<b>7,795</b>	<b>(5,901)</b>
<b>Financing:</b>				
Borrowing	1,925	4,148	950	3,198
Capital Receipts	1,338	2,227	729	1,498
Revenue	3,012	3,563	2,030	1,533

<b>Table 2</b>	<b>Forecast £000</b>	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>
Depreciation	3,738	3,738	3,965	(227)
Capital Grant Contribution	0	0	85	(85)
Capital Contribution	20	20	36	(16)
<b>Total Financing</b>	<b>10,033</b>	<b>13,696</b>	<b>7,795</b>	<b>5,901</b>

- 3.2. Capital improvements have continued to be impacted by the currently COVID pandemic, delaying some programmes due to access restrictions and reduced resource, along with enduring the impact of material prices rises as a result of current market conditions. Although many programmes have completed successfully completed programmed works in year, some budgets are requested to be carried forward to support 2022/23 programmes. Capital underspends identified to be carried forward into 2022/23, total £2,851k. A summary of the changes can be found in the table 3 below. An updated programme is included at Appendix D, whilst the underspends have been carried forward into 2022/23, the programme for affordable housing will be reviewed in year and the profiles updated accordingly.
- 3.3. In addition to the above, the HRA has also been subject to further changes in year, resulting in changes to programme timetables, along with changes of resource available going forward in order to undertake some exciting new developments throughout the Borough.
- 3.4. Earlier in the financial year the Council was successful in bidding and securing £1.6m of grant funding under the Social Housing Decarbonisation fund (SHDF). As a result of this, External Wall Installation programmes had been postponed within 2021/22, in order to profile for a wider programme to be developed in 2022/23. The grant, along with a contribution from GYBC, will be used to support a project targeting a total of 85 properties, 74 Social Housing dwellings and 11 Privately owned homes, across a number of terraced streets in the Borough. Works aim to provide the needed fabric improvements, improving the energy performance of the buildings, as well as improving the quality of life for the tenants. A further carry forward request of £1.015m is requested to support the Councils contribution.
- 3.5. Within the 2021/22 financial year, the Council also submitted a bid to the Department of Levelling Up, Housing and Communities for part of £10m of funding, to support estate regeneration. The Council bid and was awarded £858k. This funding is budgeted to support works to improve leisure and recreation facilities on the Middlegate estate. Works have begun on site, with site completion planned within 2022/23.
- 3.6. Furthermore, The Council was also successful in securing both Homes England and Brownfield land release grant funding, to support the development of 18 new one-bedroom affordable homes at Jubilee Court, Great Yarmouth. This project is budgeted at £3.4m and is being delivered using both the grant and Right to Buy receipts providing some valuable additions to the Great Yarmouth's affordable housing stock.

- 3.7. With effect from 1 April 2021, the regulations around the use of Retained Right to Buy receipts have changed, allowing 1-4-1 receipts to be used to fund 40% of the cost of building/acquiring new Council homes. Prior to this, it has been restricted to 30%. The time frame of which receipts must be spent has also been revised. Receipts are now required to be spent within five years from the sale of the dwelling, not three years.
- 3.8. The above changes have impacted the profile spend of receipts, therefore adjusting the budget requirement for 2021/22 onwards. The Council is currently ahead of its minimum required receipt spend, with the Affordable housing programme currently budgeted to utilise its receipts until 2024/25.
- 3.9. The 2021/22 financial year has reflected lower Right to Buy completions in comparison to market conditions pre-pandemic. This decline appears to be an ongoing result of the pandemic.
- 3.10. Reduced Right to Buy sales impacts on the availability of capital receipts to fund the capital programme each year. As a result of reduced receipts in year, the HRA is reliant on revenue contributions to fund the remaining capital programme and has increased its proportion of revenue contribution.
- 3.11. Total receipts from Right to Buy sales in year equaled £729k, with £351k financing the 40% contribution to new Affordable Housing and the remaining £378k being utilised to fund the capital programme.

#### **4. 2021/22 Budget to be carried forward into 2022/23**

- 4.1. Appendix C and D provide the revised position of both the revenue and capital 2022/23 programmes incorporating the 2021/22 carried forward budgets detailed below. Table 3 provides a summary of the 2021/22 budgets required to be carried forward to 2022/23.
- 4.2. As part of approving the updated capital programme for 2022/23, it is recommended that an addition of £125k be added to the Housing transformation project budget to ensure that there is sufficient capacity to deliver the project. Whilst the original project budget did make an allowance for the project implementation resource, during the planning stage of the project it has become evident that the expectation to deliver the project by existing officer resource will not be sufficient given the scope of the review. Without the adequate resource and capacity there is a risk that there would be a detrimental impact on the projected delivery timescales and the ability to deliver innovative and fresh solutions to the project and delivery of the service. The updated capital programme at Appendix D reflects the additional resource required.

**Table 3 - Forecasted Requests to Carry forward capital budgets**

<b>Project</b>	<b>Budget 2021/22</b>	<b>C/Fwd Budget Amendment</b>	<b>Reason for change:</b>	<b>Financing from:</b>
Housing Transformation Budget	607	438	Capital Budget carried forward to support the implementation and	HRA Revenue

Project	Budget 2021/22	C/Fwd Budget Amendment	Reason for change:	Financing from:
			development of the Housing IT system.	
Additional Housing	500	485	Programmed expenditure reprofiled due to staff capacity being diverted to other projects including 18 new homes at Jubilee Court	HRA Borrowing
De-Carbonisation	1,032	1,015	Capital Budget to support decarbonisation strategy following the successful SHDF bid within 2022/23.	HRA Revenue
Improvement windows & doors	647	467	Capital Budget to support the replacement of aged, glazed screens within communal areas.	HRA Revenue
Neighbourhood Planned works – Stair Enclosures	91	86	Capital Budget to support the improvement of communal doors.	HRA Revenue
Specific Planned Projects – Whole Housing Improvements	756	360	Capital Budget required to support improvements to single skinned dwellings.	HRA Revenue
Revenue Adaptions	378	119	Programme delays due to the pandemic. Carry forward request to address back log of outstanding works.	HRA Revenue
	<b>4,011</b>	<b>2,970</b>		

## 5. Right To Buy (RTB) Summary 2021/22

- 5.1. Right to Buy sale completions in 2021/22 have reflected a slight increase from the prior year, with a total of 18 completions, but continue to remain lower than the pre 2020/21 numbers (2018/29 – 50, 2019/20 – 27).
- 5.2. The Council have successfully added 7 properties into its available stock, purchased from the open market in 2021/22, along with introducing a six bed dwelling as a result of the conversion of two three bed properties, into the single unit.
- 5.3. The Council is responsible for managing stock of 5,776 dwellings as at the 31 March 2022 (5,787 in 2020/21). Table 4 shows a summary on the movement and breakdown of the Housing Stock during 2021/22.

**Table 4 – HRA Housing Stock summary 2021/22**

	2020/21	2021/22
<b>Stock as at 1 April</b>	<b>5,774</b>	<b>5,787</b>
<b>Less:</b>		
Sales	-9	-18

	2020/21	2021/22
Conversions	0	-1
Demolished	0	0
<b>Add</b>		
New dwellings	0	0
Repurchase/Purchase	22	8
<b>Stock as at 31 March</b>	<b>5,787</b>	<b>5,776</b>

<b>Summary of Housing Stock</b>		
Houses	2,249	2,237
Flats and Maisonettes	2,639	2,637
Bungalows	899	902
	<b>5,787</b>	<b>5,776</b>

## 6. HRA Reserve balances

6.1. As a result of the 2021/22 reduced deficit in year, the HRA is holding a higher balance moving into 2022/23 than originally anticipated, as shown in Table 5.

**Table 5 – HRA Reserves Summary 2021/22**

<b>Housing Revenue Account Balances – Movement 2021/22</b>	<b>£000</b>
Opening Balance - 1 April 2021	8,563
Add Expected forecast Surplus/ (Deficit)	(2,205)
<b>Forecast Balance</b>	<b>6,358</b>
Actual Surplus/ (Deficit)	(824)
<b>Balance Carried forward – 1 April 2022 (subject to Audit)</b>	<b>9,387</b>

## 7. Conclusion

7.1. The Housing Revenue Accounts annual outturn reflects a surplus of £824k, against a budget deficit of £2.784m, resulting in a variance of £3.408m. The impact of the 2021/22 surplus, means that the HRA will carry forward £9.387m of reserves into 2022/23.

7.2. Right to Buy sale completions in 2021/22 have reflected a slight increase from the prior year, with a total of 18 completions, but continue to remain lower than the pre 2020/21 numbers. Overall the HRA's lettable stock totals 5,776 as at 31<sup>st</sup> March 2022.

7.3. Due to the some capital programme slippage, capital budget totalling £2.851m and revenue budgets of £119k are requested to be carried forward to support 2022/23 programmes.

## 8. Financial Implications and Risks

8.1. The detail within the report highlights the significant variances for the 2021/22 financial year, including a full year review of the HRA revenue and capital budgets



8.2. The position as reported, has been used to inform the publication of the draft statement of account, which are subject to external audit review ahead of approval by the Audit and Risk Committee by the statutory deadline.

**9. Background Papers**

*Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?*

Area for consideration	Comment
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	
Existing Council Policies:	
Financial Implications (including VAT and tax):	
Legal Implications (including human rights):	
Risk Implications:	
Equality Issues/EQIA assessment:	
Crime & Disorder:	
Every Child Matters:	

## Appendix A - HRA Income and Expenditure 2021/22

	Forecast	Budget £000	Outturn £000	Variance £000
Dwellings Rents	(21,665)	(21,495)	(22,398)	(903)
Non Dwelling rents	(275)	(275)	(251)	24
Interest & Investment income	(15)	(15)	(0)	15
Charges for services and facilities	(1,366)	(1,366)	(1,201)	165
<b>Total Income</b>	<b>(23,321)</b>	<b>(23,151)</b>	<b>(23,850)</b>	<b>(699)</b>
Repairs & Maintenance	9,021	9,257	8,541	(716)
Supervision and Management (Direct Employee)	2,684	2,807	3,118	311
Supervision and Management	2,873	2,729	2,782	53
Rents Rates & Taxes	397	284	355	71
Depreciation	3,738	3,738	3,965	227
<b>Total Expenditure</b>	<b>18,713</b>	<b>18,815</b>	<b>18,761</b>	<b>(54)</b>
HRA Interest Payable	2,790	2,946	2,584	(362)
Capital Grants & Contributions receivable	(20)	(20)	(120)	(100)
<b>Operating income and expenditure</b>	<b>2,770</b>	<b>2,926</b>	<b>2,464</b>	<b>(262)</b>
Capital expenditure funded by the HRA	3,410	3,561	2,138	(1,423)
Provision for bad and doubtful debts	150	150	101	(49)
Transfers (from)/to Earmarked Reserves	(30)	(30)	(79)	(49)
Contribution to Pension Reserves	513	513	(359)	(872)
<b>Total Movement on the HRA</b>	<b>4,043</b>	<b>4,194</b>	<b>1,801</b>	<b>(2,393)</b>
<b>Deficit/(Surplus) for the year</b>	<b>2,205</b>	<b>2,784</b>	<b>(824)</b>	<b>(3,408)</b>
<b>Bfwd HRA Reserves Balance (01 Apr)</b>	<b>8,563</b>	<b>8,563</b>	<b>8,563</b>	<b>0</b>
<b>Deficit/(Surplus) for the year</b>	<b>(2,205)</b>	<b>(2,784)</b>	<b>824</b>	<b>(3,408)</b>
<b>Cfwd HRA Reserves Balance (31 Mar)</b>	<b>6,358</b>	<b>5,779</b>	<b>9,387</b>	<b>3,408</b>

## **Appendix B - HRA Capital Programme Outturn Variances 2021/22**

	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>	<b>Reason</b>
Kitchens & Bathrooms	2,869	2,403	(466)	Void Kitchen and bathroom improvement spend has exceeded its budget provision for 2021/22 by £244k. Planned kitchen and bathroom spend reflected an underspend in year of £710k. Following pandemic restrictions, the Council experienced increased requirements of kitchen and bathrooms, identified once receiving the dwellings through the void process. The planned kitchen and bathroom programme was reduced in year in order to mitigate the overspend.
Improvement Programme Windows and Doors	647	184	(463)	Programmed Window and Doors have experience delays due programme slippage and resource restrictions. Budget underspend requested to be carried forward to support outstanding communal stairwell screen replacements, alongside further ancillary works to various estates within the Borough.
Planned Maintenance	642	559	(83)	Rewires programme is reflecting a £172k underspend. Planned rewiring works continue to suffer from restricted access availability but are continuing to address the dwellings in need. Capital adaptations works have resulted in a £61k overspend, with the programme aiming to deliver its backlog of work from prior years.
Energy Efficiency Improvements	1,173	926	(247)	Heating works have reflected an underspend of £247k in year, with the 3 <sup>rd</sup> party contractor delivering the works required below the budget provided. The budget saving is being utilised to support areas of overspend.
Specific Planned Projects	756	394	(362)	Whole house and empty property programmes have experienced delays due to additional time being required to individually prepare and tender each project. Approximately 11 dwellings have been completed in year, with the remaining budget underspend being requested to carry forward into 2022/23, to support improvements to dwellings built using single skinned construction.
Empty Properties	785	1,367	582	Following pandemic restrictions, the Council experienced increased dwellings requiring refurbishment, identified once receiving the dwellings through the void

	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>	<b>Reason</b>
				process. Overspend in year is being mitigated by savings delivered in other capital programmes such as capital heating budgets.
Additional Housing	500	15	(485)	Schemes are currently still undergoing the project planning process. Budget underspend of £485k is requested to be carried forward into 2022/23.
New Affordable Housing - Right to Buy receipts	3,648	950	(2,698)	Three properties have been purchased off the open market in 2021/22, as part of the planned scheme using Right to Buy retained receipts. Following the revision of the 1-4-1 receipt retention agreement, spend reflects the reduced budget requirement. The Council continues to be ahead of its receipt requirements for 2021/22 & 2022/23.
Decarbonisation	1,978	782	(1,196)	External wall insulation (EWI) and roofing budget allocations are underspent by £1,196k collectively. The external wall installation budget was postponed in year to support the works programmed to be delivered within 2022/23, alongside the SHDF grant funding. Roofing underspend of £194k, as a result of cost efficiencies delivered by the Asset team and the Council being conscious of ongoing material price rises. Overall budget of £1,015k has been requested to be carried forward.
Neighbourhood Plans	91	4	(87)	Underspend of £87k in year, due to the reprofiling of the programme to deliver electronic door systems to communal areas going forward, ensuring they are effective for all tenants. Budget requested to be carried forward into 2022/23.
Housing Transformation Budget	607	169	(438)	Delay to programme has resulted in reprofile of spend. Remaining budget is requested to be carried forward.
Key safe Installation	0	29	29	Spend supported additional works to replace key safes within Housing.
Non Dwelling Improvements	0	13	13	Spend incurred on completion of the ongoing grant funded Middlegate Plays areas project.
	<b>13,696</b>	<b>7,795</b>	<b>(5,901)</b>	

### Appendix C – Revised 2022/23 HRA Income and Expenditure

	Original Budget £000	Revised Budget £000	Variance £000
Dwellings Rents	(22,983)	(22,983)	0
Non Dwelling rents	(276)	(276)	0
Interest & Investment income	(16)	(16)	0
Charges for services and facilities	(1,284)	(1,284)	0
<b>Total Income</b>	<b>(24,559)</b>	<b>(24,559)</b>	<b>0</b>
Repairs & Maintenance	9,615	9,734	119
Supervision and Management (Direct Employee)	3,080	3,080	0
Supervision and Management	2,842	2,842	0
Rents Rates & Taxes	330	330	0
Depreciation	3,849	3,849	0
<b>Total Expenditure</b>	<b>19,716</b>	<b>19,716</b>	<b>119</b>
HRA Interest Payable	2,846	2,856	10
Capital Grants & Contributions receivable	(20)	(3,184)	(3,164)
<b>Operating income and expenditure</b>	<b>2,826</b>	<b>(328)</b>	<b>(3,154)</b>
Capital expenditure funded by the HRA	3,031	8,329	5,298
Provision for bad and doubtful debts	150	150	0
Transfers (from)/to Earmarked Reserves	(60)	(60)	0
Contribution to Pension Reserves	571	(200)	(771)
<b>Total Movement on the HRA</b>	<b>3,692</b>	<b>8,219</b>	<b>4,527</b>
<b>Deficit/(Surplus) for the year</b>	<b>1,675</b>	<b>3,048</b>	<b>1,492</b>
<b>Bfwd HRA Reserves Balance (01 Apr)</b>	<b>9,387</b>	<b>9,387</b>	<b>0</b>
<b>Deficit/(Surplus) for the year</b>	<b>(1,675)</b>	<b>(3,048)</b>	<b>1,492</b>
<b>Cfwd HRA Reserves Balance (31 Mar)</b>	<b>7,712</b>	<b>6,339</b>	<b>(1,492)</b>

## Appendix D - Revised 2022/23 HRA Capital programme

Capital programme	Original budget £000	Revised budget £000	Variance £000
Kitchens & Bathrooms	2,161	2,161	0
Windows & Doors	455	922	467
Planned Maintenance	595	595	0
Energy Efficiency Improvements	1,173	1,173	0
Specific Planned Projects	846	1,206	360
Empty Properties	800	800	0
New Affordable Housing - Right to Buy receipts	600	2,725	2,125
New Affordable Housing – Additional Non 1-4-1 Provision	500	985	485
Decarbonisation	1,675	2,690	1,015
Neighbourhood Plans	91	177	86
Housing Transformation Budget	0	563*	563
Non Dwelling Improvements *(1)	0	846	846
<b>Total Expenditure</b>	<b>8,896</b>	<b>14,843</b>	<b>5,947</b>
<b>Financing:</b>			
Borrowing	1,100	1,769	669
Capital Receipts	896	896	0
Revenue	3,031	5,145	2,114
Depreciation	3,849	3,849	0
Capital Grant Contribution *(2)	0	3,164	3,164
Capital Contribution	20	20	0
<b>Total Financing</b>	<b>8,896</b>	<b>14,843</b>	<b>5,947</b>

\*Additional recommended as outlined in the report.

(1) Middlegate Play area project

(2) Grant breakdown includes:

- Middlegate play areas grant funding £858k
- 18 Affordable units, Homes England grant
- 18 Affordable units, Brownfield grant
- SHDF External Wall Installation Grant £1.6m