



Policy and Resources Committee

Date: Tuesday, 13 July 2021

Time: 18:00

Venue: Assembly Room

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.

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|-----------|--|----------------|
| 3 | <u>MINUTES</u> | 4 - 10 |
| | <p>To confirm the minutes of the meeting held on the 1 June 2021.</p> | |
| 4 | <u>FORWARD PLAN</u> | 11 - 11 |
| | <p>Report attached.</p> | |
| 5 | <u>POSITIONING THE BOROUGH AS A VISITOR DESTINATION</u> | 12 - 18 |
| | <p>Report attached.</p> | |
| 6 | <u>GYPT ANNUAL REVIEW</u> | 19 - 22 |
| | <p>Report attached.</p> | |
| 7 | <u>2020/21 TREASURY MANAGEMENT OUTTURN REPORT</u> | 23 - 34 |
| | <p>Report attached.</p> | |
| 8 | <u>GENERAL FUND OUTTURN 2020-21</u> | 35 - 68 |
| | <p>Report attached.</p> | |
| 9 | <u>TOWN DEAL HEADS OF TERMS, PRIORITISATION EXERCISE
AND MONITORING & EVALUATION UPDATE</u> | 69 - 73 |
| | <p>Report attached.</p> | |
| 10 | <u>ANY OTHER BUSINESS</u> | |
| | <p>To consider any other business as may be determined by the Chairman of the meeting as being of sufficient urgency to warrant consideration.</p> | |
| 11 | <u>EXCLUSION OF PUBLIC</u> | |
| | <p>In the event of the Committee wishing to exclude the public from the meeting, the following resolution will be moved:-</p> | |

"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."

12 CONFIDENTIAL - BUILDING PURCHASE - 37-39 MARKET
PLACE, GREAT YARMOUTH

Details



Policy and Resources Committee

Minutes

Tuesday, 01 June 2021 at 18:00

PRESENT:

Councillor Smith (in the Chair); Councillors P Carpenter, Flaxman-Taylor, Grant, P Hammond, Hanton, Plant, Wainwright, B Walker, Wells, Williamson & A Wright.

Ms S Oxtoby (Chief Executive Officer), Ms K Watts (Strategic Director), Mr N Fountain (Senior Strategic Manager), Ms L Robson (HAZ Project Officer), & Mrs S Wintle (Corporate Services Manager).

Mr L Banham (OPCC).

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Myers.

2 DECLARATIONS OF INTEREST

Councillor P Carpenter declared a personal interest in agenda item 6, as she was a member of the Norfolk Community Safety Partnership.

Councillors Wells and Williamson declared a personal interest in agenda item number 8, as they were members of the Great Yarmouth Preservation Trust.

However, in accordance with the Council's Constitution, they were allowed to both speak and vote on the items.

3 MINUTES

The minutes of the meeting held on 23 March 2021 were confirmed.

4 FORWARD PLAN

The Committee received and considered the Forward Plan.

Councillor Williamson requested that in relation to the item on Great Yarmouth Preservation Trust, the wording SLA should be deleted and replaced with the wording Partnership Agreement.

RESOLVED:-

That the Committee note the Forward Plan.

5 ANNUAL PERFORMANCE REPORT

The Committee received and considered the report from the Senior Performance and Data Protection Officer.

The Chief Executive Officer took the Committee through the salient areas of the report and highlighted areas of concern which were detailed in sections 3.3 and 3.5. The report gave an update on the Council's annual performance for

the financial year 2020/21. The report was broken down into three sections:

- Progress of key projects as at Quarter 4 2020/21 (Appendix 1)
- Annual report of Key Performance Measures 2020/21 (Appendix 2)
- Annual Action Plan 2020/21 progress summery (Appendix 3)

Councillor Wainwright asked for clarification in regard to PR15, Corporate Property Portfolio Arrears, page 47 of the report, and asked that the total amount of arrears in pounds be reported to Members. The Chief Executive Officer replied that she had requested that a more detailed report be prepared in line with the next performance reporting period to help Members understand the monetary value and the amount of in-year arrears and why the arrears had increased from 5% to 14.6%.

Councillor Wainwright asked for clarification in regard to EN04, Fly Tipping, page 51 of the report, and asked that Members be given the figures for fly tipping in each ward so they knew where these incidents were occurring. The Strategic Director reported that the increase in fly tipping might be attributed to the fact that the Recycling centres had been closed during the pandemic.

Councillor Plant asked if un-contained rubbish placed next to bins was still counted as fly tipping. The Strategic Director reported that this was classed as side waste as opposed to fly tipping.

Councillor Wells referred to page 21 of the report, Middlegate Estate Regeneration, and asked when the report would be coming to Housing & Neighbourhoods Committee for consideration. The Strategic Director reported that work was still ongoing around viability issues but it was hoped to bring the report to the July or September meeting at the latest.

RESOLVED:-

(i) That the Committee review and approve the 2020/21 Annual Performance report; and

(ii) 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.

6 NORFOLK COUNTY COMMUNITY SAFETY PARTNERSHIP (NCCSP) STRATEGY CONSULTATION

The Strategic Director introduced Liam Banham, OPCC, who would give a presentation to the Committee.

Liam Banham gave a presentation to the Committee. It was reported that the Council was a partner of the Norfolk County Community Safety Partnership (NCCSP), this partnership had recently developed a three-year community safety plan for Norfolk which was currently out for public

consultation. The plan was being presented to Members by the Office of the Police and Crime Commissioner (OPCC) as part of this consultation process.

Councillor Grant asked whether consultation had been undertaken with the Prison Authorities as part of the Prevent Agenda as he was concerned that the "hard to reach" would be overlooked to prevent future crime/re-offending. Liam Banham reported that consultation had been undertaken with the Probation Service and Magistrates Association. A public health approach via primary, secondary and tertiary tiers would be undertaken and the tertiary tier would encompass reaching the "hard to reach" groups.

The Chief Executive Officer reported that this was a refreshing beginning of a plan which would involve locality and preventative partnership working as opposed to a responsive approach.

Councillor Hanton asked whether rural crime would be included in the strategy to support the extensive farming community across Norfolk and whether CCTV could work in partnership across Norfolk to reduce fear of crime/prevent crime/identify those who committed crimes.

Councillor Williamson reported that he welcomed the report and the strategy read well but he was concerned that the allotted £500k funding would be insufficient to deliver the strategy. Seed funding was required to provide the interventions but direct funding was required at locality level to deliver them. Liam Banham reported that he appreciated Councillor Williamson's concerns but that the £500k funding would be maximised.

Councillor Wells reported that he felt that the strategy lacked "meat on the bones" and whether the strategy should be delayed until the new Police & Crime Commissioner produced his plan so that they both aligned/integrated with each other. Liam Banham reported that the consultation feedback for this strategy would feed into the formulation of the PCC plan resulting in a seamless synergy between the two to ensure that the two plans worked well together.

Councillor A Wright referred to paragraph 2.1.2 and the level of Hate Crime reported in the Borough and whether this was adequately addressed in the plan. Liam Banham reported that this was on the agenda for the Cohesion Group. The Strategic Director assured the Committee that Hate Crime had been fed into the development of the strategy and would be embedded going forward and she had held high level conversations and requested that resources be allocated to enable the Council to deliver services to tackle this at community level.

The Strategic Director & Liam Banham reported that the initial funding of £500k would be used to lever in additional funding pots such as Safe Streets (Round 1) and Youth Endowment fund.

The Chairman thanked Liam Banham for his informative presentation.

RESOLVED:-

That the Committee provide feedback as part of the presentation to assist with the finalisation of the plan.

7 LOCAL PLAN PART 2 UPDATE AND ADOPTION OF REVISED LOCAL DEVELOPMENT SCHEME

The Committee received and considered the report from the Strategic Planning Manager.

The Senior Strategic Planner advised that the report provided an update on progress of the Local Plan Part 2 (future development plan for the Borough to 2030) now that the examination hearings had concluded with the Planning Inspectorate. It provided a summary of the initial findings from the Planning Inspectorate and the likely modifications needed to the plan in order for it to be found sound.

The Senior Strategic Planner further reported that it also recommended the adoption of a revised Local Development Scheme which sets out the content of Local Plan documents and timescales for preparation. The Local Development Scheme required amending to reflect the latest timescales and content of the Local Plan Part 2. The timescales for the Local Plan review which was due to commence this year had also been revised to reflect the latest activity.

The Senior Strategic Planner reported that on submission of the Local Plan, the Council requested that the Inspector confirmed the Council's five-year supply of housing land on adoption. The Inspector would confirm his findings on this when he issued his final report. However, the Inspector had provided some initial conclusions in his letter regarding supply on some sites. However, the reductions in supply identified in the letter would still leave the Council with a robust five-year supply.

The Senior Strategic Planner reported that there had been an omission in the report; i.e. Ormesby St Margaret with Scratby had not been included in the Neighbourhood Plan update.

Councillor A Wright asked for clarification regarding whether the Council's five year housing land supply and whether it would be fixed for one year from the date of the Inspector's confirmation. The Senior Strategic Planner reported that it was hoped with the plan being adopted in the Autumn this would fix the 5 year housing supply by the housing inspectorate with a further option being that the Council can submit a 5 year supply to the Planning inspectorate or through a Local Plan.

RESOLVED:-

That the Committee notes progress on the Local Plan Part 2 and adopts the revised Local Development Scheme as detailed at Appendix 2 of the report.

8 GREAT YARMOUTH HERITAGE ACTION ZONE

The Committee received and considered the report from the HAZ Project Officer.

The HAZ Project Officer updated Members on the four-year Historic England part-funded Heritage Action Zone scheme for Great Yarmouth. The scheme comprised of a series of projects and workstreams which collectively tackled problems of empty, redundant and neglected buildings through repair and re-use, transforming dilapidated properties into new homes, shops and community spaces. Through capital projects, it would repair and restore the historic environment and public realm and encourage property owners to invest in conservation improvements to restore historic character through a scheme of small grants.

The project strategically aligned with the Future High Street Fund and Town Deal Investment Plan actions and objectives and would deliver a significant community benefit. Community engagement was embedded throughout the scheme. The major building projects included training and skills development in traditional construction methods. Other projects supported heritage protection, through better design and local listing, and would engage people in learning and contributing to the historic record of the area. A separate cultural activities programme, through a consortium run by OutThere Arts, together with the HAZ community engagement activities would attract residents, shoppers and visitors. The scheme would increase footfall and encourage a better understanding of the historic importance of the buildings, townscape and heritage of the HAZ.

Two third-party grant schemes for building owners and tenants in the HAZ area would be launched at the beginning of June. A total of £250,000 was available to fund grants of up to £10,000 to building owners, or tenants with the support of their landlord. The grants would cover a maximum of 75% of total costs for shopfront improvements and 80% for building repairs. All works must be directly related to conservation or improvements that protect the heritage value of the building and wider HAZ area.

Councillor P Carpenter questioned whether delegation should be made to a named Strategic Director in consultation with the Leader of the Council. The Chief Executive Officer explained that this was not necessary under the grant funding regulations and she assured the Committee that the relevant Member Working Group would have had sight of and agreed any funding expenditure before it was signed off by a Strategic Director.

Councillor Williamson thanked the HAZ Project Officer for the level of detail in her report which would have required a great deal of work on her part and that

he fully supported this report.

Councillor Flaxman-Taylor asked for clarification regarding whether the Town Deal and Great Yarmouth Town Centre Member Working Group referred to in the report was, in fact, the Great Yarmouth Town Centre Masterplan Member Working Group. The Chief Executive Officer confirmed that it was and Councillor Plant requested that, in future, reports contained the correct Member Working Group title to save any further confusion.

The Chief Executive Officer further reported that it was possible that an additional Member Working Group could be needed to oversee the development of the proposed learning Centre in the Market Place.

Councillor Flaxman-Taylor asked for confirmation as to whether there were any Members assigned to the Arts & Culture Liaison Board. The Corporate Services Manager informed the Committee that Councillors Plant & A Wright were appointed to this Board on behalf of the Council. Councillor Williamson reported that it consisted of 43 members from various organisations.

RESOLVED:-

- (i) That the Committee note the Heritage Action Zone progress update.
- (ii) That the Committee delegate authority to any Strategic Director to sign off HAZ Scheme grants to third-parties, including items B, C, D, E, F and N from the main HAZ projects list which appears at paragraph 1.6 of this report, subject to approval of an application by the Officer Working Group and compliance with all relevant scheme criteria, conditions and checks.
- (iii) That the Committee delegate authority to any Strategic Director to sign off HAZ Scheme expenditure on items A and G of paragraph 1.6, subject to approval of these items by the Officer Working Group and compliance with all relevant scheme criteria, conditions and checks.
- (iv) That the Committee approve expenditure of HAZ Scheme funds on items H, I, J, K, L and M of paragraph 1.6 as incidental project costs which meet the Scheme criteria and conditions.

9 ANY OTHER BUSINESS

The Chairman announced that the Strategic Director, Kate Watts, would be getting married on Saturday, 5 June 2021 and passed on the Committee's congratulations and wished her all the very best for the future.

The Chairman passed on his thanks to the Corporate Services Manager for the organisation of the evenings meeting.

The meeting ended at: 20:00

Forward Plan for Policy & Resources Committee

URN	Matter for Decision	Report by	Policy & Resources	Council
21-113	2020/21 Outturn Report (period 12 Budget Monitoring - General Fund)	Finance Director	13/07/2021	22/07/21
21-127	Town Deal Update	CEO	13/07/2021	22/07/21
21-125	2020/21 Treasury Management Outturn Report 2020/21	Finance Director	13/07/2021	22/07/21
21-063	GYPT Annual Review	Head of Inward Investment	13/07/2021	
21-132	Building Purchase - Market Place	Head of Property & Asset Management	13/07/2021	
21-054	Positioning the Borough as Visitor Destination	Head of Communications & Marketing	13/07/2021	
21-064	GYPT Governance Report	Monitoring Officer	27/07/2021	
21-033	GYBS Company Update	Director of Operational Services	27/07/2021	
21-067	Revenues Annual Debt Report	Head of Customer Services	27/07/2021	
21-068	Council Tax Support Scheme 22/23 – Permission to Consult	Head of Customer Services	27/07/2021	
21-103	Annual Action Plan 2021/22	Senior Performance and Data Protection Officer	27/07/2021	
21-125	Pathway to Recovery update	CEO	27/07/2021	
21-130	Equinox Companies' Update	Strategic Director (PB)	27/07/2021	

URN: 21-054

Subject: Positioning the Borough as a Visitor Destination

Report to: Policy and Resources 13th July 2021

Report by Clare Dyble, Head of Marketing and Communications



EXECUTIVE SUMMARY

This report sets out proposals to position the borough as an all-year round destination for visitors in the 21st century reflecting on the changing pattern of how visitors access resort information over the last three years.

RECOMMENDATIONS

That Committee resolves to:

- a) Note the content of this report and the proposed new operating model for the provision of visitor/tourism information.**
- b) Support the principles contained in this report to move to online and telephony visitor information services supplemented by COVID Marshals in the interim whilst in a pandemic, and longer term via a blend of seasonal 'Hosts', Heritage Guides and Street Wardens.**
- c) Confirm the continued closure of the Tourist Information Centre and request the Head of Property Services brings forward an options appraisal to re-purpose the building in a manner that will support the local leisure or hospitality sectors.**

1.0 CONTEXT

- 1.1 The borough of Great Yarmouth as a tourism destination remains hugely popular attracting over 1 million overnight trips and 6.8 million day trips in 2019. The industry was valued at almost £650 million in the same year and supported 37% of local jobs. In changing times, UK holiday destinations need to be able to continue to appeal to visitors looking to book holidays, weekends away and day trips out before they leave home. Visitors looking for something different or being attracted by the lure of a leisure experience, sun and sand or an out-of-season relaxing break tend to do their research online and book via Online Travel Agencies or by telephone directly with their chosen accommodation or attraction. Many holiday makers have been coming to their chosen resort and their preferred accommodation provider on numerous occasions in-year and each year. What sets an excellent visitor destination apart from a crowded market of destinations to choose from however, is looking after people once they've arrived in their chosen place.
- 1.2 This report sets out proposals to position the borough as an all-year round destination for visitors in the 21st century reflecting on the changing pattern of how visitors access resort information over the last three years. Before, during and post pandemic, the UK holiday destinations have had to adapt to a rapidly changing social, environmental and economic impacts on tourism. Whilst the hospitality sector in the borough continues to do well overall compared to other UK coastal destinations, there is no getting away from the fact that the sector and indeed the visitor market has changed.

- 1.3 The Great Yarmouth Town Centre Partnership (TCP) and the Greater Yarmouth Tourism and Business Improvement Area (GYTABIA), are not-for-profit Business Improvement District companies; the former looking after the interests of some 220 businesses located in Great Yarmouth town centre; the latter being the borough-wide Destination Management Organisation. Both BIDs have adapted their respective information advice and support services for their levy payers in the last eighteen months. Together working strategically with the council, the three entities continue to respond to the pandemic. Social distancing measures, COVID-safe messaging and ensuring visitors have access to up to date information both in person and digitally online as well as a warm and friendly welcome when staying, holidaying and taking days out in the borough's resort is more important than ever.

2.0 CONSUMER ACCESS TO VISITOR INFORMATION

- 2.1 The developments in both consumer access to and use of technology is having a transformative effect on the future of the domestic visitor economy and leisure tourism. Overall internet access continues to grow, and the impact of COVID-19 has accelerated digital adoption. The use of technology to work, play, and stay connected now shapes new digital habits and visitor experiences.
- 2.2 This unprecedented level of access to information has revolutionised the way consumers research, book and manage their holidays and wider leisure time. Perhaps the most significant change in the last five years has been the emergence of the mobile internet revolution (smart phones) which make on-the-go access to real-time immediate information part of everyday life and an enhancement to the actual tourism experience. The latter expectation depends on reliable access to the internet or use of mobile data bundles while on holiday or visiting a place. Hence one of the reasons for the recent investment made, via GoTrade, in a free Wi-Fi service in Great Yarmouth town centre and upgraded digital technology within the CCTV system which now provides additional data metrics to be captured.
- 2.3 Consumers are more and more ready and able to interact directly with businesses and brands and vice versa. Social media is driving another shift in consumer attitudes to leisure; namely the fear of missing out or 'FOMO'. The ease with which people can share their leisure activities both with people they know and with people they don't know increases exposure to different experiences and provides a route to promote the visitor economy. Overall, this positive trend for tourism can be used to increase the visitor's desire for different activities and broaden the awareness of things to do, places to visit overall.
- 2.4 During the decade there has been a reduction in the number of physical on-street Tourist Information Centres with Ipswich, Hunstanton and most recently Norwich, changing their visitor information offer and closing their Tourist Information Centres. One reason for the decline is the increase in digital engagement and availability of online booking platforms for accommodation, attractions and venues. This is evidenced through a sharp reduction in attraction ticket sales and commission income for the Great Yarmouth Tourist Information Centre in recent years (prior to the pandemic).
- 2.5 Whilst tourism is a non-statutory service, it is most certainly a key sector for local employment and underpins the resurgence of arts, culture, heritage together with positioning the borough as a destination for people wishing to access breath-taking beaches, parks and other natural landscapes.
- 2.6 Hence the Council working with both BID company partners, which together represent almost 1,000 businesses across the borough, is proposing to change the operating model by investing in visitor information services that are can provide access to local visitor information both online and face-to-

face going forward.

- 2.7 As part of the UK's recovery journey, now is the time to reset, pivot, and think differently to transform the borough's tourism and visitor information offer to match new digital expectations whilst still providing a personal on-the-go information service.

3.0 VISITOR INFORMATION SERVICES GOING FORWARD

- 3.1 As the tourism and hospitality sector reshapes its offer, the following markers form the basis of exemplar visitor information services:

Brand and Online Content - establish a clear brand and concentration on quality of information and on design of materials. In the context of the borough, GYTABIA has adopted the customer-facing name 'Visit Great Yarmouth' and in partnership with the Borough Council, a new-look website so-named is now in place: <https://www.visitgreatyarmouth.co.uk/>

On-street Information - Positioning the local knowledge of people at the heart of the offer, via on-street regular and seasonal staff acting as 'Wardens or 'Hosts', easily identifiable, approachable and trained to provide information and advice to visitors. In the case of Great Yarmouth, this would be provided by a combination of Tourist Assistants, Street Wardens, COVID Marshals, and Heritage Walk Guides.

Ambassadors of the Place - Being open to every opportunity to network and promote all that the borough has to offer. 'Ambassadors' for the local area. Locally the Council proposes to establish an advocate Ambassador Programme.

- 3.2 During the first national Lockdown, the staff from the Tourist Information Centre were redeployed to other areas of the council to assist with the Council's community response to the pandemic. This included making outbound telephone calls for residents self-isolating or shielding. They also provided a back-office telephony and email service for visitor enquiries from May 2020 onwards and this level of visitor information and advice has been maintained to date.
- 3.3 Data analytics and online tracking demonstrates that there is a high level of digital engagement for all Great Yarmouth has to offer to visitor audiences. Between 2017 and 2019 the number of people visiting the old tourism website increased by 50% (equating to over 600,000 more visitors). Mobile devices are the most common method used to access the website, accounting for 54% of users in 2019, and just under 57% of visitors to the site were in the Great Yarmouth locality and surrounding areas. This indicates people accessing online visitor information whilst in the geographic area.
- 3.4 This change in customer behaviour from physical engagement to digital interaction, signifies a need for the Council and BID partners to respond by ensuring the right skills and capacity are available to provide an excellent digital experience.
- 3.5 It is therefore proposed to move to this new operating model for the provision of visitor and tourist information as opposed to re-opening the traditional Tourist Information Centre. The new Visit Great Yarmouth website is now 'live' and will be further expanded and developed over time informed by GYTABIA and its Destination Marketing Organisation sub-group. Back office staff resources will continue to be deployed to respond to enquiries via social media, by email and via telephone calls. Additionally, the Council's reception in the Town Hall will be open to visitors and residents alike.

- 3.6 Up until March 2020, at the onset of the pandemic, Great Yarmouth's tourism information offer focused on a website, which required modernisation given the age of the software deployed, and a Tourist Information Centre located in Maritime House, a 3-story Grade II listed building on Marine Parade operated by a team of 4 council staff (2 full time and 2 part time seasonal staff) supported by the Tourism Manager. The building is under-utilised and is in a prime location for another hospitality-related retail, training or leisure venture. With the changing social norms described above, footfall had reduced over recent years with 18% less visitors between 2018 and 2019, and a decrease of 21% of people approaching the counter itself. Commission from ticket sales and stock sales has also dropped 52% between the 2017/18 season and 2019/20 season; meaning the net cost to operate a TIC was £92, 075 in 2019/20 (actual costs for 12-month operation).
- 3.7 Coupled with a growing demand for online content, many other local authorities have closed their physical provision and invested in broadening their online channels of communication and access to information.
- 3.8 The borough's Tourist Information Centre was closed in March 2020 due to the Covid-19 pandemic. Therefore, financial comparisons have been made with 2019/20 when the centre was open. In 2020/21 the centre was due to operate for seven months of the year (April to October) and remain closed during the winter season (November to March) in order to generate a saving of £44,141 on its annual net actual £92,075 operating cost in 2019/20. However, due to the lack of space to adequately social distance, the Centre has remained closed. As the staff were redeployed to assist with the COVID response, this saving was not realised in its entirety.

4.0 VISITOR INFORMATION - ON-STREET & BACK OFFICE

- 4.1 As part of Norfolk Public Health's response to the pandemic, funding was made available to districts to put in place a cohort of up to 10 FTE staff. In the borough of Great Yarmouth those staff are known as COVID Marshals and they work in pairs across the borough supplemented by the TCP BID's Street Wardens in Great Yarmouth town centre. The COVID Marshals have been extremely successful in providing a visible physical uniformed presence on-street throughout the borough to advise businesses and the public on social distancing and reinforcing the #StaySafe message. This has enabled an increased level of engagement with businesses who the Marshals advise and support in terms of reopening and trading safely. The Marshal team has enabled greater engagement with the general public - residents and visitors included. For example, Marshals are able to speak with people in towns and villages about simple and effective COVID safe measures. They have also supported health partners at Vaccination Centres and Lateral Flow Testing locations.
- 4.2 An extension of the current funding for COVID Marshals now means the Council can continue to deploy COVID Marshals for the remainder of 2021 which includes the traditional summer tourism season. Given the public information and advice role of the Marshals and their presence on-street, there is an opportunity to evolve that role to provide general advice and guidance to the public, including tourists and general visitor information.
- 4.3 This would link-in with the proposed Ambassadors Programme for Great Yarmouth, explained below, with Marshals becoming some of the first Ambassadors for the borough, enabling them to provide exciting information to residents and visitor about the cultural and tourism offerings available as well as the amazing future projects coming to Great Yarmouth.

- 4.4 Offering a physical, out and about presence including ‘pop up’ information points, through COVID Marshals as Ambassadors enables them to be not only more visible to visitors but also businesses, resulting in higher levels of engagement.

5.0 AMBASSADOR PROGRAMME

- 5.1 Members are aware that Great Yarmouth is a diverse, forward thinking, dynamic place, with the future development for its residents, economy and visitors at its heart. Great Yarmouth Borough Council and its key partners across the borough have worked tirelessly to shape the future of the borough, identifying and prioritising the key issues and how best to improve for the future. Through meaningful research and stakeholder engagement, the Council has created powerful strategies to transform the future of the borough and has secured significant funding to deliver these inspirational plans.
- 5.2 The proposed Ambassador Programme aims to take an active role in educating and inspiring the local business, industry, visitors and residents on the importance of the broader tourism/visitor economy for their town and borough. Building strong relationships and trust with the borough’s key stakeholder groups helps maintain resources, improves the visitor experience and can help activate opportunities in the value chain and hospitality-related businesses.
- 5.3 With over £220 million of public sector investment now allocated to regenerate the borough over the next three to four years, from Heritage Action Zone, Future High Streets Funding and Town Deal funding, there is a strong desire to ensure that engagement is consistent and far reaching through the delivery of key projects, maintaining the interest and excitement of key stakeholders, residents, visitors, businesses and communities all the way through to completion.
- 5.4 The setting-up of an active Ambassador Programme will support residents, businesses and visitors to be part of the exciting developments taking place and be proud of how the borough is shaping up for the future. There is already excellent engagement work taking place but there is also an opportunity to build on this engagement and enhance it through a new proposed Great Yarmouth Ambassador Programme. These advocates or ‘Ambassadors’ can be from a variety of industries, sectors, and communities representing the demographics of our community.

6.0 FINANCIAL AND LEGAL IMPLICATIONS

- 6.1 The overall budgeted cost of operating existing tourist information centre for 2021/22 is £47,630 for the staffing resource, within the council's marketing service. The council also provides online visitor information and responds to telephone enquiries. This broader support totals £107,053 (e.g. software and staffing).
- 6.2 The building's running costs for Maritime House totaling £48,196 per annum have not been included in the figures above. It is important to note that the council will need to continue to allow for the costs of the building pending further reviews of the use of the asset. These will continue to be incurred until an alternative commercial use can be identified and implemented. The full financial impact of options for the use of the building will be outlined in future reporting.
- 6.3 Should members support the direction of travel set out in this report, there will be an opportunity to re-purpose the existing building which houses the Tourist Information Centre within the Council's portfolio of assets. Whilst a full options appraisal would follow-on from the outcome of this report, there have been several approaches made to the Council commercially to acquire or lease parts of the building. Other options would also be explored including retention of Maritime House as a hospitality training facility and conference/gallery space.
- 6.4 Closure of a physical Tourist Information Centre and utilising a blend of staff resources will require a consultation with current members of the Tourist Information Centre. Changing to a different operating model will allow a review of the resources required to deliver the proposed new operating model for visitor and tourism information.

7.0 RISK IMPLICATIONS

- 7.1 The risks and mitigations of re-positioning the borough's access to visitor information are set out in the table below:

Risk	Mitigation
Position of the borough as a visitor/holiday destination diminishes.	The Council working with GYTABIA as the Destination Management Organisation will ensure investment is undertaken in online media content, as well as press and media relations to maintain the name of Great Yarmouth on the national and regional scene.
Not all visitors have access to online information.	It is estimated that 80% of visitors have some form of access to online information. For those unable to digitally interact, there remains the option of receiving tourist information via a telephone call, via the Town Hall reception or via an on-street 'Hosts' deployed seasonally.
Risk that visitors may not plan ahead and struggle when in Great Yarmouth to navigate their trip.	Enhanced online offer encouraging planning ahead. Telephony and email advice available. On-site advice and guidance available from the Town Hall.

8.0 CONCLUSION

- 8.1 The Council works closely with the Town Centre Partnership (TCP) and Greater Yarmouth Tourism and Business Improvement Area (GYTABIA) to promote and market the resorts in the borough as part of an all-year-round place to visit as 'destinations' with their own unique identities under the new Visit Great Yarmouth brand.
- 8.2 The landscape of tourist information is evolving, with digital trends emerging more heavily since the start of COVID-19. Closure of the building and redeploying establishment costs will ensure Great Yarmouth's digital presence is maximised. The current TIC offering comes at a substantial cost to the council, and a decrease in revenue has resulted in an increased deficit in recent years. Through working smarter and utilising a blend of staff resources, including COVID Marshals as Ambassadors, existing establishment costs can be redeployed to ensure digital presence is maximised, enabling existing marketing staff to concentrate on further commercial/revenue streams. There is a need to maintain a level of phone and email coverage, which can be managed through existing resources including weekend cover during the season.
- 8.3 Maritime House offers the opportunity for a new revenue stream through being re-purposed for commercial use. The options set-out in this report provide a realistic proposition to develop the council's strategic support to the tourism sector and aligns with the operational delivery of tourism destination marketing undertaken by GYTABIA.

9.0 BACKGROUND PAPERS

Area for consideration	Comment
Monitoring Officer Consultation:	Yes
Section 151 Officer Consultation:	Yes
Existing Policies:	Great Yarmouth Borough Council Corporate Plan 2020-2024 Culture, Heritage and Tourism Strategy July 2020 GYTABIA (Visit Great Yarmouth) Destination Management Plan 2021
Financial Implications:	Yes
Legal Implications (including human rights):	None
Risk Implications:	As set out in section 7.
Equality Issues/EQIA assessment:	Yes
Crime & Disorder:	N/A
Every Child Matters:	N/A

URN: 21-063

Subject: GYPT Annual Review

Report to: Policy and Resources Committee, 29th June 2021

Report by: Michelle Burdett, Head of Inward Investment

SUBJECT MATTER

This report provides an overview of the outcomes of the Great Yarmouth Preservation Trust Annual Review and provides highlights of key areas of interest.

A presentation of the Annual Review (annexed to this report) will be delivered at this Committee Meeting by Darren Barker, as Project Director of the Great Yarmouth Preservation Trust, where Members will have the opportunity to ask any questions and or seek clarification.

RECOMMENDATION

That Committee :

- 1) Note the contents of the report and receive the Annual Review of the Great Yarmouth Preservation Trust

1. Introduction

- 1.1. This paper presents an overview of the Annual Review (Annex A), and provides assurance to members that the Trust is delivering against its core aims and objectives in line with the deliverable laid out in the Trusts 'Vision' for 2018-22. As referred to in section 5.1 this report aligns with the revised partner agreement with proposals for any changes to this and the governance arrangements to be considered by Full Council and presented by the Councils monitoring officer.
- 1.2. Great Yarmouth Preservation Trust (GYPT) was established in 1979 as a response to the threat faced by many of the towns historic buildings. The Trust was created to acquire heritage assets at risk, fully restore them back to viable economic use and then ring-fence any income generated for their long-term management and maintenance. The Trust has been delivering both capital and revenue projects since its inception and is recognised as one of the most successful building preservation trusts in the UK.
- 1.3. GYPT delivers work under 4 core activities:
 - Properties – this core activity sees the Trust repair and preserve historic buildings. Vacant and neglected are adapted / repaired for sustainable and viable end use with income ringfenced for future investments

- Projects – these are both capital / tangible (such as the restoration of historic buildings) and revenue / intangible (such as image gathering and recording of historical data)
- Training and Engagement – this is one of the core foundations of the Trusts work and is credited for its impact on people and communities. This area of work also supports international learning and engagement with established partners in Taiwan, Estonia and Bulgaria.
- Norfolk Conservation Limited – in 2015 GYPT established this company (solely owned by GYPT). All profits go to GYPT to support its ongoing activities.

2. **Work to date**

2.1. Since 1979 the Trust has completed and achieved (the majority since 2010):

- 25 residential units created
- 31 projects completed
- 644 volunteers engaged
- 61,000 volunteer hours delivered
- £18.4M value of work generated for the local economy
- 11 buildings removed from the Heritage at Risk Register

2.2. The Trust has successfully applied for, drawn down and delivered repair and restoration with match funding from various sources. This has included (but is not limited to): 160 King street, Pinnacle Tower, the North West Tower, the Yare Gallery (former Nelson Museum), 14 King Street (Heritage Centre), St Johns Church, Iron Duke, Hemsby Barn and the Town Wall. The Annual Report provides further detail as to the interventions already completed, underway or due to commence.

2.3. The Trust has also sourced additional funds from the Architectural Heritage Fund to seek a consultant to undertake a comprehensive review of the GYPT policy framework and complete the work required in revising, updating and/or completing all required policies. More detail on this can be found in section 6 of the Annual Review.

2.4. Finally, the annual review presents the Vision for 2018-2022; which provides key aims including the target to:

- complete a further 13 projects,
- remove 9 buildings from the Heritage at Risk Register,
- create 14 residential units,
- deliver 40,000 training hours to 430 volunteers,
- create 10 jobs and
- bring back 10 currently vacant buildings into use.

3. **Financial Implications**

- 3.1. GYPT provides details around the funds they have successfully been awarded from external bodies over 2020. This comes to around £840k. This funding has been invested in various projects across the Borough and provides additional organisational resilience.
- 3.2. The Trust also has 5 loans with the Borough Council which are listed on page 24 of the Annual review, totalling £760,000. The finance team of the Council confirm that each of these are secured loans, with the Trust on track with the payments of these and as such presents low risk.
- 3.3. The finance team of the Council have also undertaken a review of the Trusts accounts, and confirm that whilst income has reduced (in year) from £677k to £469k (-£208k), expenditure has also reduced in year from £714k to £376k (£338k) and as a result, the Trust have generated a surplus of £93k overall.

4. Risk Implications

- 4.1. One of the most significant risks relates to the value of the loans the Trust has with the Council, this comes to £760,000, however as iterated in paragraph 3.3 this is low risk as all payments are being made promptly.
- 4.2. Further analysis also shows that the Trust has good liquidity ratio, or in other words, has more cash available than they have creditors / liabilities. In addition, the Trust has more assets than they do outstanding liabilities. Both of which mean they have good financial health overall.

5. Legal Implications

- 5.1. Legal implications – a number of changes are currently being proposed around the governance arrangements around the Trust and the partner agreement, which will be presented to members in a separate report to Full Council, by the Councils monitoring officer.

6. 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?

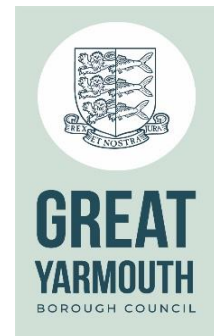
Area for consideration	Comment
Monitoring Officer Consultation:	Throughout the development of the paper and via ELT consultation
Section 151 Officer Consultation:	Via ELT consultation
Existing Council Policies:	Annual Action Plan,
Financial Implications (including VAT and tax):	As outlined in the report
Legal Implications (including human rights):	As outlined in the report – please refer to complementary governance paper drafted by the monitoring officer.
Risk Implications:	As outlined in the report
Equality Issues/EQIA assessment:	N/A
Crime & Disorder:	N/A

Every Child Matters:	N/A
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Subject: 2020/21 TREASURY MANAGEMENT OUTTURN REPORT

Report to: Policy and Resources 13 July 2021

Report by: Karen Sly, Finance Director



SUBJECT MATTER

This report presents the treasury management activity for the 2020/21 financial year and includes:

1. The overall treasury position for 2020/21
2. The borrowing requirement and debt for 2020/21
3. The borrowing outturn for 2020/21

RECOMMENDATIONS

It is recommended that Policy and Resources Committee recommend to Council the Treasury Management outturn report and indicators for 2020/21.

1. INTRODUCTION AND BACKGROUND

- 1.1 The Authority adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Authority to approve treasury management annual report after the end of each financial year. This report fulfils the Authority's legal obligation to have regard to the CIPFA Code.
- 1.2 The Authority's treasury management strategy for 2020/21 was approved at a meeting of the Council in February 2020. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.
- 1.3 The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 30th July 2020.

2. NATIONAL CONTEXT AND ECONOMIC COMMENTRY

- 2.1 Economic background: The coronavirus pandemic dominated 2020/21, leading to almost the entire planet being in some form of lockdown during the year. The start of the financial year saw many central banks cutting interest rates as lockdowns caused economic activity to grind to a halt. The Bank of England cut Bank Rate to 0.1% and the UK government provided a range of fiscal stimulus measures, the size of which has not been seen in peacetime.

- 2.2 Some good news came in December 2020 as two COVID-19 vaccines were given approval by the UK Medicines and Healthcare products Regulatory Agency (MHRA). The UK vaccine rollout started in earnest; over 31 million people had received their first dose by 31st March 2021.
- 2.3 The Bank of England (BoE) held Bank Rate at 0.1% throughout the year but extended its Quantitative Easing programme by £150 billion to £895 billion at its November 2020 meeting. In its March 2021 interest rate announcement, the BoE noted that while GDP would remain low in the near-term due to COVID-19 lockdown restrictions, the easing of these measures means growth is expected to recover strongly later in the year. Inflation is forecast to increase in the near-term and while the economic outlook has improved there are downside risks to the forecast, including from unemployment which is still predicted to rise when the furlough scheme is eventually withdrawn.
- 2.4 Government initiatives supported the economy and the Chancellor announced in the 2021 Budget a further extension to the furlough (Coronavirus Job Retention) scheme until September 2021. Access to support grants was also widened, enabling more self-employed people to be eligible for government help.
- 2.5 Despite the furlough scheme, unemployment still rose. Labour market data showed that in the three months to January 2021 the unemployment rate was 5.0%, in contrast to 3.9% recorded for the same period 12 months ago. Wages rose 4.8% for total pay in nominal terms (4.2% for regular pay) and was up 3.9% in real terms (3.4% for regular pay). Unemployment is still expected to increase once the various government job support schemes come to an end.
- 2.6 Inflation has remained low over the 12 month period. Latest figures showed the annual headline rate of UK Consumer Price Inflation (CPI) fell to 0.4% year/year in February, below expectations (0.8%) and still well below the Bank of England's 2% target. The ONS' preferred measure of CPIH which includes owner-occupied housing was 0.7% year/year (1.0% expected). After contracting sharply in Q2 (Apr-Jun) 2020 by 19.8% q/q, growth in Q3 and Q4 bounced back by 15.5% and 1.3% respectively. The easing of some lockdown measures in the last quarter of the calendar year enabled construction output to continue, albeit at a much slower pace than the 41.7% rise in the prior quarter. When released, figures for Q1 (Jan-Mar) 2021 are expected to show a decline given the national lockdown.
- 2.7 Financial markets: Monetary and fiscal stimulus helped provide support for equity markets which rose over the period, with the Dow Jones beating its pre-crisis peak on the back of outperformance by a small number of technology stocks. The FTSE indices performed reasonably well during the period April to November, before being buoyed in December by both the vaccine approval and Brexit deal, which helped give a boost to both the more internationally focused FTSE 100 and the more UK-focused FTSE 250, however they remain lower than their pre-pandemic levels.
- 2.8 Ultra-low interest rates prevailed throughout most of the period, with yields generally falling between April and December 2020. From early in 2021 the improved economic outlook due to the new various stimulus packages (particularly in the US), together with the approval and successful rollout of vaccines, caused government bonds to sell off sharply on the back of expected higher inflation and increased uncertainty, pushing yields higher more quickly than had been anticipated.

- 2.9 The 5-year UK benchmark gilt yield began the financial year at 0.18% before declining to -0.03% at the end of 2020 and then rising strongly to 0.39% by the end of the financial year. Over the same period the 10-year gilt yield fell from 0.31% to 0.19% before rising to 0.84%. The 20-year declined slightly from 0.70% to 0.68% before increasing to 1.36%. 1-month, 3-month and 12-month SONIA bid rates averaged 0.01%, 0.10% and 0.23% respectively over the financial year. The yield on 2-year US treasuries was 0.16% at the end of the period, up from 0.12% at the beginning of January but down from 0.21% at the start of the financial year. For 10-year treasuries the end of period yield was 1.75%, up from both the beginning of 2021 (0.91%) and the start of the financial year (0.58%).
- 2.10 Credit review: After spiking in March 2020, credit default swap spreads declined over the remaining period of the year to broadly pre-pandemic levels. The gap in spreads between UK ringfenced and non-ringfenced entities remained, albeit Santander UK is still an outlier compared to the other ringfenced/retail banks. At the end of the period Santander UK was trading the highest at 57bps and Standard Chartered the lowest at 32bps. The other ringfenced banks were trading around 33 and 34bps while Nationwide Building Society was 43bps.
- 2.11 Credit rating actions to the period ending September 2020 have been covered in previous outturn reports. Subsequent credit developments include Moody's downgrading the UK sovereign rating to Aa3 with a stable outlook which then impacted a number of other UK institutions, banks and local government. In the last quarter of the financial year S&P upgraded Clydesdale Bank to A- and revised Barclay's outlook to stable (from negative) while Moody's downgraded HSBC's Baseline Credit Assessment to baa3 whilst affirming the long-term rating at A1.
- 2.12 The vaccine approval and subsequent rollout programme are both credit positive for the financial services sector in general, but there remains much uncertainty around the extent of the losses banks and building societies will suffer due to the economic slowdown which has resulted due to pandemic-related lockdowns and restrictions. The institutions and durations on the Authority's counterparty list recommended by treasury management advisors Arlingclose remain under constant review, but at the end of the period no changes had been made to the names on the list or the recommended maximum duration of 35 days.

3. LOCAL CONTEXT

- 3.1 At 31 March 2021, the Authority had net borrowing of £100.422m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary	31.3.21 Actual £m
General Fund CFR	£58.881
HRA CFR	£88.261
Total CFR	£147.142

Table 1: Balance Sheet Summary	31.3.21 Actual £m
Less: Other debt liabilities*	(£0.536)
Borrowing CFR	£146.606
Less: Long Term Investments	(£1.000)
Less: Usable reserves	(£38.400)
Less: Working capital	(£6.784)
Net borrowing	£100.422

* finance leases, PFI liabilities and transferred debt that form part of the Authority's total debt

3.2 The Authority's strategy was to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low. The treasury management position at 31 March 2021 and the change during the year is shown in Table 2 below.

Table 2: Treasury Management Summary	31.3.20 Balance £m	2020/21 Movement £m	31.3.21 Balance £m	31.3.21 Rate %
Long-term borrowing	£86.262	(£3.679)	£82.583	4.44% - 4.95%
Short-term borrowing	£32.500	£19.092	£51.592	0.11% - 1.45%
Total borrowing	£118.762	£15.413	£134.175	
Long-term investments	£9.433	(£8.433)	£1.000	0.41%
Cash and cash equivalents	£11.306	£21.447	£32.753	0.00-0.20%
Total investments	£20.739	£13.014	£33.753	
Net borrowing	£98.023	£2.399	£100.422	

Note: the figures in the table are from the balance sheet in the Authority's statement of accounts, but adjusted to exclude operational cash, accrued interest and other accounting adjustments. Long-term investments consist of Equinox Enterprises Ltd which repaid fully in year and CCLA Property Fund a mid-long-term strategic investment.

4. BORROWING UPDATE

4.1 In November 2020 the PWLB published its response to the consultation on 'Future Lending Terms'. From 26 November the margin on PWLB loans above gilt yields was reduced from 1.8% to 0.8% providing that the borrowing authority can confirm that it is not planning to purchase 'investment assets primarily for yield' in the current or next two financial years. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. As part of the borrowing process authorities will now be required to submit more detailed capital expenditure plans with confirmation of the purpose of capital expenditure from the Section 151 Officer. The PWLB can now also restrict local authorities from borrowing in unusual or large amounts.

4.2 Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management. Misuse of PWLB borrowing could

result in the PWLB requesting that Authority unwinds problematic transactions, suspending access to the PWLB and repayment of loans with penalties.

- 4.3 Competitive market alternatives may be available for authorities with or without access to the PWLB. However, the financial strength of the individual authority and borrowing purpose will be scrutinised by commercial lenders.
- 4.4 The Authority is not planning to purchase any investment assets primarily for yield within the next three years and so is able to take advantage of the reduction in the PWLB borrowing rate.
- 4.5 Municipal Bonds Agency (MBA): The MBA revised its standard loan terms and framework agreement. Guarantees for the debt of other borrowers are now proportional and limited and a requirement to make contribution loans in the event of a default by a borrower has been introduced. The agency has issued 5-year floating rate and 40-year fixed rate bonds in 2020, in both instances Lancashire County Council is the sole borrower and guarantor. A planned third bond issuance by Warrington Borough Council was withdrawn in early December after the reduction in PWLB borrowing rates. If the Authority intends future borrowing through the MBA, it will first ensure that it has thoroughly scrutinised the legal terms and conditions of the arrangement and is satisfied with them.
- 4.6 UK Infrastructure Bank: In his March 2021 budget the Chancellor confirmed that a UK Infrastructure Bank will be set up with £4bn in lending earmarked for local authorities from the summer of 2021. Loans will be available at gilt yield plus 0.60%, 0.20% lower than the PWLB certainty rate. A bidding process to access these loans is likely with a preference to projects likely to help the government meet its Net Zero emissions target. However other “high value and complex economic infrastructure projects” may also be considered.

5. BORROWING ACTIVITY

- 5.1 At 31 March 2021 the Authority held £134.174m of loans, an increase of £15.4m from 31 March 2020, as part of its strategy for funding previous and current years’ capital programmes. Outstanding loans on 31 March are summarised in Table 3 below.

Table 3: Borrowing Position	31.3.20 Balance £m	2020/21 Movement £m	31.3.21 Balance £m	31.3.21 Rate %	31.3.21 Maturity years
Public Works Loan Board	£71.387	£0	£71.387	3.15%-4.40%	10-40 years
Banks (LOBO)	£3.000	£0	£3.000	4.95%	1-2 years
Banks (fixed term)	£7.000	£0	£7.000	3.35%-3.98%	<1-60 years
Local authorities (long-term)	£4.888	(£3.592)	£1.196	4.44%	>1 year
Local authorities (short-term)	£32.588	£19.004	£51.592	0.11%-1.45%	<1 year
Total borrowing	£118.763	£15.412	£134.174		

- 5.2 The Authority’s chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority’s long-term plans change being a secondary objective.

- 5.3 In furtherance of these objectives, new loans totalling £61m were borrowed in 2020/21 to repay £45.5m existing short-term borrowing and create liquidity. This strategy enabled the Authority to reduce net borrowing costs by utilising the Local authority lending market.
- 5.4 New borrowing of £61m from Local Authorities in the year was for less than 1 year and at interest rates between 0.05% and 0.95%. Loans repaid to Local Authorities in the year of £45.5m were from between less than a month and 1 year at interest rates of between 0.05% and 1.30%.
- 5.5 The Authority's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short and long-term borrowing was maintained.
- 5.6 PWLB funding margins have lurched quite substantially and there remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields + 0.80%. The Authority will evaluate and pursue these lower cost solutions and opportunities with its advisor Arlingclose.
- 5.7 LOBO loans: The Authority continues to hold £3m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. The bank did not exercise its option to increase the rate during the year.

6. TREASURY INVESTMENT ACTIVITY

- 6.1 The Authority holds a level of invested funds, representing income received in advance of expenditure plus balances and reserves held and money borrowed in advance of need. During 2020/21, the Authority's investment balances ranged between £12m and £28m, averaging £21m due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position	31.3.20 Balance £m	2020/21 Movement £	31.3.21 Balance £m	31.3.21 Rate %
Banks & building societies (unsecured)	£9.469	(£8.114)	£1.355	0.00%
Government (Inc. local authorities)	£0.250	£19.040	£19.290	0.00% - 0.01%
Money Market Funds	£10.920	£1.080	£12.000	0.0% - 0.03%
Other Pooled Funds – Property Funds	£1.000	£0	£1.000	4.41%
Total investments	£21.639	£12.006	£33.645	

- 6.2 Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 6.3 Continued downward pressure on short-dated cash rate brought net returns on sterling low

volatility net asset value money market funds (LVNAV MMFs) close to zero even after some managers have temporarily lowered their fees. At this stage net negative returns are not the central case of most MMF managers over the short-term, and fee waivers should maintain positive net yields, but the possibility cannot be ruled out.

- 6.4 Deposit rates with the Debt Management Account Deposit Facility (DMADF) have continued to fall and are now largely around zero.
- 6.5 The net return on Money Market Funds net of fees, which had fallen after Bank Rate was cut to 0.1% in March, are now at or very close to zero; fund management companies have temporarily lowered or waived fees to avoid negative net returns.
- 6.6 The progression of credit risk and return metrics for the Authorities investments managed in-house are shown in the extracts from Arlingclose quarterly investment benchmarking in table 5 below.

Table 5: Investment Benchmarking – Treasury investments managed in-house	Average Credit Score - time weighted	Average Credit Rating - time weighted	Bail-in Exposure	Weighted Average Maturity (days)	Total Return %
31.03.2020	4.42	AA	98%	4.42	0.37%
31.03.2021	4.26	AA-	41%	4.26	0.04%
Similar Las	4.70	A+	65%	4.70	0.13%
All Las	4.53	A+	63%	4.53	0.15%
Treasury investments externally managed funds – Income Return					Total Return %
31.03.2020	N/A	N/A	N/A	N/A	4.42%
Similar Las	N/A	N/A	N/A	N/A	3.88%
All Las	N/A	N/A	N/A	N/A	3.85%

**The 2020/21 TMSS set the limit per institution at £3m with which the Authority complied. The above table does not include investments with the DMO £13.290m the total investments as at 31st March 2021 was £33.620m.*

*** £12m of the total £33.620m investments exposed to bail-in on 31/3/2021 was invested in Money Market Funds which are pooled funds which have a highly diversified portfolio of money market and other instruments. The Money Market Funds which are used by the Council to maintain high credit security and liquidity.*

- 6.7 In accordance with the strategy, £1m of the Authority's investments are held in CCLA Local Authority Property Fund an externally managed strategic pooled property fund where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. For this reason, the Council's investment in strategic pooled funds has only been made with funds it anticipates will remain available for investment over the medium to long-term (i.e. 3 to 5 years). This will minimise the risk from incurring any potential capital loss on selling the investment at an unfavourable point in time. As at the end of March 2021, the pooled fund investments had an unrealised loss of

£103,858.86 to point of purchase, any gains would only be realised when the holdings are sold. These funds generated an average total return of £39k (4.44%) to support services in year.

- 6.8 Similar to many other property funds, dealing (i.e. buying or selling units) in the CCLA Local Authorities' Property Fund was suspended by the fund in March 2020 and lifted in September. There was also a change to redemption terms for the CCLA Local Authorities Property Fund; from September 2020 investors are required to give at least 90 calendar days' notice for redemptions. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.
- 6.9 These unrealised capital losses will not have an impact on the General Fund as the Authority has elected to present changes in the funds' fair values in other comprehensive income (FVOCI).
- 6.10 Following the cut in Bank rate from 0.75% to 0.10% in March 2020, the Authority had expected to receive significantly lower income from its cash and short-dated money market investments, including money market funds in 2020/21, as rates on cash investments are close to zero percent. Income from most of the Authority's externally managed funds will also be lower than in 2019/20 and earlier years. Whilst the arrival and approval of vaccines against COVID-19 and the removal of Brexit uncertainty that had weighed on UK equities were encouraging developments, dividend and income distribution was dependent on company earnings in a very challenging and uncertain trading environment as well as enforced cuts or deferral required by regulatory authorities. The impact of low interest rates in 2020/21 when comparing 2020/21 to 2019/20 the Council received 42% less by way of income distribution on its average investment portfolio of £29m.

7. FINANCIAL IMPLICATIONS

- 7.1 **Other Non-Treasury Holdings and Activity** - Although not classed as treasury management activities the definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in MHCLG's Investment Guidance, in which the definition of investments is further broadened to also include all such assets held partially for financial return.
- 7.2 At the balance sheet date of 31st March 2021, the Authority also held £58.1m of investments in directly owned property, loans to homeowners and local bodies and investments in a trading subsidiary. There has been no significant change from last financial year.
- 7.3 These non-treasury investments generated £2.3m of investment income for the Authority after taking account of direct costs, representing a rate of return of 4.0%. This is higher than the return earned on treasury investments but reflects the additional risks to the Authority of holding such investments.

- 7.4 **Performance** Report - The Authority measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and is developing further performance measures on this.
- 7.5 **Compliance** Report – The Finance Director reports that all treasury management activities undertaken during 2020/21 complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy 2020/21. The Authority utilised the low-cost Local Authority lending market to increase its liquidity resilience and reduce costs by taking out low rate, short term loans.
- 7.6 Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 6 below, and compliance with the specific investment limits is demonstrated in table 7 below.

Table 6: Debt Limits	2020/21 Maximum £m	31.3.21 Actual £m	2020/21 Operational Boundary £m	2020/21 Authorised Limit £m	Complied? Yes/No
Borrowing	£137.197	£134.174	£174.00	£179.000	Yes
Long term liabilities, PFI & Finance Leases	(£0.664)	(£0.536)	£2.000	£2.000	Yes
Total debt	£136.533	£133.638	£176.000	£181.000	Yes

- 7.7 Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Total debt did not exceed the operational boundary during 2020/21.

Table 7: Investment Limits	2020/21 Maximum	31.3.21 Actual	2020/21 Limit	Complied? Yes/No
Any single organisation, except the UK Government	£2.6m	£1.330	£2m each	No
UK Central Government	Unlimited	£13.290	Unlimited	Yes
UK Central Government Local Authorities	£8m	£6m	£2m (2years)	Yes
Any group of organisations under the same ownership	Nil	Nil	£2m per group	Yes
Any group pooled funds under the same Management	£5m	£4m	£6m	Yes
Negotiable instruments held in a broker's nominee account	Nil	Nil	£4m per broker	Yes
Foreign countries	Nil	Nil	£1.5m per country	Yes
Registered providers and registered social landlords	Nil	Nil	£2m in total	Yes
Unsecured investments with building societies	£1.5	Nil	£1.5m in total	Yes
Loans to subsidiary trading company	£6.2m	Nil	Not set	N/A
Loans to unrated corporates	Nil	Nil	£1m in total	Yes

Money Market Funds	£18.485m	£12m	£3m per fund £12m in total	No
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7.8 The Council exceeded the investment limits in table 7 above during the first month of 2020/21 in Barclays FIBCA account where the maximum limit of £1.5m was breached the Council had invested at the highest £2.6m. The Money Market Fund maximum limit of £12m was also breached where the Council had invested at the highest £18.845, this was due to the Council having higher retained cash balances than anticipated due the timing of receipt of grant monies ahead of paying out. The Debt Management Office investment rate during part of the year was negative interest rates therefore the Council considered our strategic goals of security, liquidity and return and chose the Money Market Funds as the most appropriate to achieve the strategic goals.

7.9 **Treasury Management Indicators** - The Authority measures and manages its exposures to treasury management risks using the following indicators.

7.10 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	31.3.21 Actual	2020/21 Target	Complied?
Portfolio average credit rating	AA-	A	Yes

7.11 **Liquidity:** The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount cash available to meet unexpected payments within a rolling three-month period, and the amount it can borrow each quarter without giving prior notice.

Liquidity	31.3.21 Actual	2020/21 Target	Complied?
Total cash available without notice	£13.580m	£11.250m	Yes
Total sum borrowed in past 3 months without prior notice	£0m	Not set	N/A

7.12 **Interest Rate Exposures:** This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

Interest rate risk indicator	31.3.21 Actual	20/21 Limit	Complied
Upper limit on one-year revenue impact of a 1% rise in interest rates	£0.089	£0.050	No
Upper limit on one-year revenue impact of a 1% fall in interest rates	£0.034	£0.094	Yes

7.13 The impact of a change in interest rates is calculated on the assumption that maturing loans

and investment will be replaced at current rates.

- 7.14 The impact of a 1% rise in interest rates limit was breached, this is because the limit was set based on a lower investment balance and higher loan balances which reflected the Councils portfolio as at 31/12/2019 when the Treasury Management Strategy was written. The Councils investment balances have increased by 25% and loan balances have decreased by 33% due to Government funding received to assist with the pressures relating to the pandemic.

- 7.15 **Maturity Structure of Borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

Maturity Structure of Borrowing	31.3.21 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	38%	50%	0%	Yes
12 months and within 24 months	0%	50%	0%	Yes
24 months and within 5 years	2%	60%	0%	Yes
5 years and within 10 years	4%	80%	0%	Yes
10 years and above	55%	100%	0%	Yes

- 7.16 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

- 7.17 **Principal Sums Invested for Periods Longer than a year:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Principal Sums Invested for Periods Longer than 365 days	2020/21 £m	2021/22 £m	2022/23 £m
Actual principal invested beyond year end	£1m	£1m	£1m
Limit on principal invested beyond year end	£12m	£12m	£12m
Complied	Yes	Yes	Yes

8. OTHER

- 8.1 CIPFA consultations: In February 2021 CIPFA launched two consultations on changes to its Prudential Code and Treasury Management Code of Practice. These follow the Public Accounts Committee's recommendation that the prudential framework should be further tightened following continued borrowing by some authorities for investment purposes. These are principles-based consultations and will be followed by more specific proposals later in the year.

- 8.2 In the Prudential Code the key area being addressed is the statement 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". Other proposed changes include the sustainability

of capital expenditure in accordance with an authority's corporate objectives, i.e. recognising climate, diversity and innovation, commercial investment being proportionate to budgets, expanding the capital strategy section on commercial activities, replacing the "gross debt and the CFR" with the liability benchmark as a graphical prudential indicator.

- 8.3 Proposed changes to the Treasury Management Code include requiring job specifications and "knowledge and skills" schedules for treasury management roles to be included in the Treasury Management Practices (TMP) document and formally reviewed, a specific treasury management committee for MiFID II professional clients and a new TMP 13 on Environmental, Social and Governance Risk Management.
- 8.4 IFRS 16: The implementation of the new IFRS 16 Leases accounting standard has been delayed for a further year until 2022/23.

Subject GENERAL FUND OUTTURN 2020/21

Report to Policy and Resources Committee – 13 July 2021

Report by: Finance Director



SUBJECT MATTER

This report presents for the general fund, the revenue and capital outturn position for the financial year 2020/21. The position as presented will be used for the production of the statutory accounts for the same financial period. The report also takes the opportunity to update the capital programme and presents a revised reserves statement.

The outturn position shows a favourable variance on the general fund net cost of services of £497,250, before the movement in reserves.

RECOMMENDATIONS:

In relation to the general fund outturn position, to agree and recommend to Council:

- 1) The outturn position for the general fund for 2020/21 as included in the report and appendices;
- 2) The transfers to and from reserves as detailed within the report and Appendix A along with an updated reserves statement (Appendix C);
- 3) Transfer the surplus to the earmarked reserves as detailed within the report;
- 4) The financing of the 2020/21 capital programme as detailed within the report and appendices;
- 5) The updated capital programme for 2021/22 as included in the report (section 5) and Appendix E.

1. INTRODUCTION AND BACKGROUND

- 1.1. This report presents the outturn position for the general fund revenue account and capital programme for the 2020/21 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 2021.
- 1.3. The budget for 2020/21 was set by Council in February 2020 and at the time assumed a transfer from general reserves of £189,458. Since then the budget has been updated to reflect in year budget virements and during the year 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 2021 at which time presented a forecast outturn position of a £130,898 surplus.
- 1.4. The detail within the report and appendices provides commentary on the more significant variances along with the impact of Covid-19 expenditure incurred and funding received to mitigate the impact to the Council.

- 1.5. The outturn position for the general fund after allowing for adjustments to and from reserves is an underspend of £497,250.
- 1.6. The report also includes a forecast position statement for the level of reserves along with the outturn and financing position for the 2020/21 capital programme. The capital programme for the period 2021/22 to 2022/23 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 is included in Appendices A and B. Unlike capital budgets unspent revenue budgets are not automatically carried forward at the year end where an annual budget provision exists. 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. For 2020/21 there have been a greater number of roll forward requests due to underspends occurring at the service level due to the impact of responding to the pandemic and also the timing of receipts of grant income. All underspends and roll forward requests have been reviewed in the context of the overarching financial position for the Council and the impact of Covid-19 and transfers to and from reserves made in line with the Council's policy framework for reserves. Further detail on the reserves for the year are provided at section 4 and Appendix C.
- 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
1) Net cost of service	13,026	8,865	(4,161)	2.3-2.5
2) Non-Service Expenditure /Income:				2.6
a) Recharges to the Housing Revenue Account	(1,727)	(1,730)	(3)	
b) Treasury Management Activity	982	317	(665)	2.7
c) Accounting Adjustments	(1,979)	(1,829)	150	2.8
d) Pension and employee adjustments	2,047	1,918	(129)	2.9
e) Parish Precepts & Concurrent Grants	504	504	0	
f) Capital Financing from Revenue	1,514	1,675	161	2.10
g) Contributions to/(from) reserves	(1,229)	12,841	14,070	2.11
3) Funding	(12,988)	(23,073)	(10,085)	2.14
Net (Surplus)/Deficit	150	(499)	(649)	

- 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. The variance includes the allocation of covid funds which have been received in 2020/21 but are allocated to spend commitments in 2021/22, most significantly the Contain Outbreak Management Fund (COMF) grant that was received towards the end of the financial year from Norfolk County Council. This has been carried forward in an earmarked reserve and is committed for spend associated the deployment of the Covid Marshalls and associated costs for the continuing pro-active work to contain outbreaks. In addition, new burdens funding was allocated for the 2020/21 financial year and has been carried forward to mitigate the ongoing costs for administering the various business grants in the 2021/22 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 2021/22 financial year and have been offset by a transfer to reserves. A number of the service variances have occurred due to the pandemic. For example there have been underspends across some of the employee establishment budgets where posts were vacant in the year, although some of this has been offset by the use of interim and agency staff, also underspends on the training budgets due to training not being undertaken as previously anticipated prior to the pandemic.
- 2.5. At the service level there has been a reduction in income from fees and charges received in the year largely due to the covid restrictions, for example car parking which has been mitigated by the covid funding received. Further commentary on the impact of covid and the funding received is included at section 3.
- 2.6. **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.
- 2.7. **Treasury Management Activity** – This includes the variances in relation to investment income and interest payable. The budget for 2020/21 anticipated loan interest payable totalling £1,278,393, the outturn position was £617,514 resulting in an underspend of £660,879, 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 the receipt of grant funds from the government ahead of these being paid. Interest receivable in the year has exceeded the budget by £3,748 resulting in a net favourable variance of £664,628 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.
- 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 £101,438 mainly due to slippage in the capital programme. However, an additional revenue contribution to capital has been allowed for in the year due to the additional costs to the capital programme from the impact of Covid on certain projects including the Marina build costs, £262,907 has therefore been allocated from the covid funding to mitigate these costs.
- 2.11. **Contributions to and from reserves** – The total variance of £13.691 million includes the adjustment required for the Business Rates Section 31 Grant of £10.1 million received in the year to compensate for the additional covid reliefs granted in 2020/21. The correct accounting treatment of this requires it to be allocated to the general fund in the year but will be utilised

in 2021/22 to fund the collection fund deficit. This means that the reserves for the Local Authority are significantly increased at 31 March 2021 but will then be reduced again by March 2022.

- 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 2021. This includes allocations of the Contain Outbreak Management Fund as mentioned previously and Covid New Burdens funding for the administration of business grants in 2021/22, totalling £1.03 million. 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 where either ongoing budgets are not included in the base budget and to allow greater capacity in 2021/22. Furthermore there has been a delay in the utilisation of some of the prior year carry forward requests (from 2019/20) and therefore these have remained in reserves as opposed to be utilised in the 2020/21 financial year. Overall this has resulted in a net transfer to reserves of £2.6 million (excluding the business rates adjustment for the collection fund) compared to the original budgeted figure of £824k to be transferred from earmarked reserves.
- 2.14. **Non-Service Funding** - This variance relates to the treatment of the Section 31 grants received for the business rate reliefs for covid. The Covid 19 pandemic has impacted on collection of council tax, council tax support and business rates reliefs provided and will all impact on the collection fund surplus or deficit. However due to accounting practice and regulations any impact in the current year will be reversed out from the General Fund and will impact in future years. Councils are required to spread the deficits arising from the collection fund over a three year period and due to the protections offered and the additional grant (section 31 grants for the additional business rate reliefs) received it is recommended that the funds be allocated to the collection fund reserve to fund the deficit balance and the impact in future financial years.

3. COVID

- 3.1. The outturn position reflects the funding received and financial impact of Covid in the year. There are a number of direct and indirect financial implications of the Covid pandemic on the Council's financial position and including reduction in income from sales, fees and charges, for example car parking income, additional spending pressures, including ICT solutions to facilitate home working and virtual meetings, re-directing staff resources at various stages of the pandemic to deliver support the residents and businesses alike including the administration of over £63 million in business grants from April 2020 which are still being administered to date.
- 3.2. The Council received the following funding directly allocated by central government in the year to fund the financial costs of the pandemic.

Financial Support (2020/21)	£000
Covid 19 Emergency funding (Tranches 2, 3 and 4)	2,118
Sales Fees and Charges Claims	931
New Burdens Funding	475
TOTAL	3,524

- 3.3. The Sales, Fees and Charges support scheme funds only 75% of the lost income (after a 5% allowance) compared to the 2020/21 base budget. There were a number of income losses that were outside of the scope of the scheme, namely commercial income, rental income,

compensation to third parties for their loss of income and income that could be recovered in a later year for example rental deferrals. This meant that any shortfall income outside the scope of the scheme along with the 25% not covered needed to be covered by the Council or from the covid emergency funding received. A further in direct impact of the pandemic has led to an increased provision required for bad debts, an additional provision of £613,000 has been included across a number of services in the year to allow for the increased risk of non recovery of income relating to 2020/21.

- 3.4. In addition, the Council has received in the region of £70million in grant funding for business grants. Any funding not utilised from the business grants is repaid to the MHCLG.

4. RESERVES

- 4.1. 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 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, for example Covid 19. 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 2021/22 for spending commitments.
- 4.2. 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 2020/21 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.
- 4.3. In summary, the outturn position for the year ending 31 March 2021 is a £497,250 surplus. This is after allowing for planned movements to and from reserves as detailed in the report and the earmarking of funds for ongoing commitments and to provide further mitigation in 2021/22 of the impact of Covid above that assumed in the budget.
- 4.4. It is recommended that the surplus be allocated to the following earmarked reserves:
- 4.4.1. Treasury Management Reserve - £100,000 to be allocated to provide funds to mitigate the smoothing of the impact of fluctuations in interest payable and receivable.
 - 4.4.2. Insurance Fund Reserve - £250,000 to be allocated to be held for assets that require self insurance due to risks not covered, to be reviewed annually.
 - 4.4.3. Special Projects Reserve - £147,250 to be allocated to be used for matched funding and to provide capacity for delivery of a number of significant projects that are planned and underway, for example supporting the future high streets and town deal projects.

5. GENERAL FUND CAPITAL PROGRAMME

- 5.1. This section of the report along with Appendix D presents the outturn and financing of the 2020/21 capital programme, along with an updated programme for 2021/22. The updated programme allows for slippage of capital schemes between financial years. The outturn position for the 2020/21 capital programme, at Appendix D, highlights where schemes have slipped 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.

- 5.2. The following table provides a summary of the 2020/21 capital programme for the general fund.

	Original Budget 2020/21 £000	Revised Budget 2020/21 £000	Outturn £000	Variances £000	Roll Forward to 2021/22 £000
Executive	533	214	214	0	0
Neighbourhood Management	200	200	96	(104)	101
Customer Services	574	614	31	(583)	575
Inward Investment	24,902	25,917	5,475	(20,442)	20,442
Housing (non HRA)	5180	7027	761	(6266)	6266
IT, Communications and Marketing	779	739	309	(430)	430
Property Asset and Management	11,078	11,777	900	(10,877)	10,779
Total	43,245	46,488	7,786	38,702	38,593

- 5.3. £38.6m of the 2021 capital programme is to be rolled forwarded into 2021/22 as reflected in Appendix E. Of this some of the more significant projects such as the Health and Leisure (Marina) Centre were originally intended to span a number of financial years (£19.6m rolled forward) however a significant number of the projects within the 2020/21 capital programme were delayed as a result of the COVID-19 pandemic and these are reflected in the updated capital programme.
- 5.4. **FUTURE HIGH STREETS FUND** - Members received an update report earlier in the year detailing the provisional allocation of £13,774,730 of Future High Street funding and requesting an update to the capital programme to reflect the provisional offer. The Council has received the confirmation of the £13.774m Future High Street Funding. To date £1.750m of this has been allocated to the market place redevelopment project that is currently underway and is reflected in the 2021/22 capital programme at Appendix E. Work is ongoing to allocate the funding in line with the funding agreement to other projects including the relocation of the library, development of the Conge, and other town centre redevelopments.
- 5.5. **TOWN DEAL** - Funding of £20.1m has been awarded and allocation of budgets for projects in line with the funding agreement are currently in development along with the full detailed business case. There is a further report included on the agenda on the Town Deal.
- 5.6. The following provides a summary of the requested updates to the Capital programme:
- 5.7. **BEACH HUTS** - The success of the Beach Hut project in Gorleston has seen the demand for both purchase, annual hire and weekly/monthly lets increase. Member agreed a project to deliver a maximum of 70 beach huts at the Gorleston Lower Prom location back in 2018 and through a number of phases there are now a total of 30 on site with a further 18 due for delivery. This fourth phase would see a total of 48 beach huts on site with 32 under private ownership and 16 available to rent, mostly secured on an annual basis. The demand for beach

huts has continued to rise over recent months and complete of this initial project is seen as a positive addition to the area.

- 5.8. The contract for provision of the beach huts has now expired and we are seeing costs for supply of the buildings continue to increase. It is anticipated within the planning approval area that a total of 58 beach huts could be provided, the reduced number is as a result of slightly wider gaps being left between each beach hut to aid servicing and repairs and maintenance. A request is now being made to deliver the remaining 28 as part of the final phase rather than the original 18 for this project. The increase in supply costs and the additional 10 beach huts to be delivered in this final phase would require an increase in budget provision of £130,000. It is therefore recommended that an additional capital budget of £130,000 be added to the 2021/22 capital programme to be funded from borrowing.
- 5.9. **WELLESLEY** - At the February 2021 budget Council, Members agreed to allocate £303,000 of capital funding in relation to a number of projects to enhance the Wellesley recreational ground, subject to a future business case being developed. As this request included a number of project areas Members are asked to note that the following capital sums, totalling less than £100,000 are being released under delegated authority as they relate to general improvement works on the site. These are:
- Stadium light improvement works, £25,000
 - Athletic track improvement works, £16,000
 - Project Management resource, £8,000 (required to develop the funding bid with Norfolk FA and to coordinate all works on site)
- 5.10. Members will however receive a business case in relation to the expenditure for the 3G football pitch as part of the funding request currently being developed for the football foundation, to release the match funding in relation to the 3G football pitch if the Borough Council is successful with its funding application.
- 5.11. **CREMATORIUM ROOF** – The 2021/22 budget included a budget bid of £100,000 for capital works required to the Crematorium Roof. This was subject to the details of the work to be drawn up and these have now come in under the original budget request and therefore the capital programme has been updated to include the £70,000 in the capital programme for 2021/22.
- 5.12. **MARINA** – The works on the new facility are progressing, as part of the update to the last Member Working Group the beach access was discussed and it was requested that works totalling up to £50,000 be considered to improve the access to the facility. Whilst these could be funded from contingency it was felt at this stage of the project it would be preferable to request funding from the special projects reserve as this would enhance the access to the facility from the beach side and create a formal and informal entertainment space. It is therefore being recommended that this be approved within the updated programme for 2021/22.
- 6. FINANCIAL IMPLICATIONS**
- 6.1. The financial implications are contained within the detail of the report and accompanying appendices.

7. RISKS

- 7.1. 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.
- 7.2. Covid 19 remains as a financial risk facing the authority in the current year in terms of the impact on the current service delivery and also for the longer term financial recovery for example of fees and charges to the levels pre covid and also the longer term impact of collection of council tax and business rate income.
- 7.3. 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. The report is recommending that the surplus for the year be allocated to earmarked reserves as outlined within the report.

8. BACKGROUND PAPERS

- 8.1. Period 12 budget monitoring report

Area for consideration	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 2020/2021

	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Net Cost of Services				
Executive	4,702,122	4,690,964	(132,651)	(4,823,615)
Housing	784,607	757,549	1,176,070	418,521
Inward Investment	2,566,498	2,636,575	2,090,795	(545,780)
Planning and Growth	473,767	447,826	362,964	(84,862)
Customer Services	(815,896)	(785,452)	529	785,981
Property and Asset Management	144,575	200,481	689,596	489,115
Communications, Marketing and Events	745,126	734,983	604,295	(130,688)
Environmental Services	4,337,382	4,343,368	4,073,394	(269,974)
	12,938,181	13,026,294	8,864,992	(4,161,302)
Non Service Expenditure/Income				
Recharge to HRA	(1,727,451)	(1,727,451)	(1,729,720)	(2,269)
Loan Interest Payable	1,278,393	1,278,393	617,518	(660,875)
Interest Receivable	(296,541)	(296,541)	(300,289)	(3,748)
Capital Charges Reversal	(1,979,258)	(1,979,258)	(1,828,940)	150,318
Revenue Contribution to Capital	0	0	262,907	262,907
Transfers to/(from) Earmarked Reserves	(823,984)	(1,229,134)	2,556,695	3,785,829
Transfers to Business Rates Reserve for Impact between years			10,284,716	10,284,716
Pension Back Funding	2,014,894	2,014,894	2,001,268	(13,626)
Parish Precepts & Concurrent Grants	504,131	504,131	504,140	9
Provision for Loan Repayment (MRP)	1,514,000	1,514,000	1,412,562	(101,438)
Accounting Adjustments - soft loans, acc absences	0	0	(118,018)	(118,018)
Vacancy Management & Apprenticeship Levy	(244,422)	32,551	34,946	2,395
	239,762	111,585	13,697,784	13,586,199
Income				
Council Tax - Parishes	(479,131)	(479,131)	(479,131)	0
Council tax - Borough	(4,835,911)	(4,835,911)	(4,810,482)	25,429
Business Rates	(5,238,750)	(5,238,750)	(15,298,128)	(10,059,378)
Revenue Support Grant	(2,062,184)	(2,062,184)	(2,062,184)	0
New Homes Bonus	(372,510)	(372,510)	(372,510)	0
Other Grants	0	0	(37,592)	(37,592)
	(12,988,486)	(12,988,486)	(23,060,027)	(10,071,541)
(Surplus)/Deficit	189,457	149,393	(497,250)	(646,643)

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21**Note 1 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.

Note 2 Significant variances requiring commentary:

Significant variances of +/- £20,000 year-to-date or +/- £10,000 full year forecast variances only require commentary. This is based on the total variance for the service line level for the services as Heads of Service are able to vary budgets within their areas as required.

Note 3 IAS19 Accounting Adjustment:

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 year end position as they are reversed under Appendix A as part of the Pension Back Funding line at year end

Executive

Executive Team	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	647,907	640,754	624,696	(16,058)
Non-pay	19,817	19,817	11,820	(7,997)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	667,724	660,571	636,516	(24,055)
Support Services Recharges	(667,750)	(667,750)	(636,520)	31,230
Capital Charges	0	0	0	0
Total:	(26)	(7,179)	(4)	7,175

Vacancy Saving achieved

See note 1 at the top of this appendix which covers explanation for change in recharges.

Legal	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	352,641	352,641	421,384	68,743
Gross Direct Income	(35,000)	(35,000)	(116,478)	(81,478)
Net Direct Expenditure/(Income) Total:	317,641	317,641	304,906	(12,735)
Support Services Recharges	(317,640)	(317,640)	(304,910)	12,730
Capital Charges	0	0	0	0
Total:	1	1	(4)	(5)

Additional charges over contract agreement £65k, this is offset by profit share income £62k. Secondment of Head of Legal Services £41k.

Court Recovery higher than budgeted plus the profit share allocation from 2020/21.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Town Centre Initiative	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	0	0	0	0
Gross Direct Income	0	0	(13,646)	(13,646)
Net Direct Expenditure/(Income) Total:	0	0	(13,646)	(13,646)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	(13,646)	(13,646)

No major variances

Equinox	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	39,862	39,862	8,765	(31,097)
Gross Direct Income	(39,862)	(39,862)	(79,994)	(40,132)
Net Direct Expenditure/(Income) Total:	0	0	(71,229)	(71,229)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	(71,229)	(71,229)

Expenditure is offset by income received in year.

Management Fee £64k received in year from EE Ltd. Remaining income offsets costs in year.

Corporate Costs	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	132,512	132,512	135,033	2,521
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	132,512	132,512	135,033	2,521
Support Services Recharges	(132,510)	(132,510)	(135,020)	(2,510)
Capital Charges	0	0	0	0
Total:	2	2	13	11

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

COVID-19 costs	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	175,240	175,240
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Non-pay	0	6,193	5,506,106	5,499,913
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Gross Direct Income	0	0	(9,845,615)	(9,845,615)
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Net Direct Expenditure/(Income) Total:	0	6,193	(4,164,269)	(4,170,462)
Support Services Recharges	0	0	461,070	461,070
Capital Charges	0	0	0	0
Total:	0	6,193	(3,703,199)	(3,709,392)

Additional costs allocated to Covid, including officer overtime and direct employees. This does not include any re-deployed staff. All employee positions funded in year from Covid funding.

Payments of the covid business grants schemes made to date and assumes repayment of unused grants to government. Also includes direct covid expenditure incurred to date and forecast for the full year, eg equipment, PPE, housing rough sleepers, postage etc.

Covid related funding received in the year, including retail, hospitality and leisure and discretionary grant funding which has been paid to eligible businesses. Also assumed level of sales, fees and charges income expected in line with the national support scheme.

Net position used to offset impact within services.

Finance	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	617,062	600,022	561,678	(38,344)
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Non-pay	323,954	323,954	269,558	(54,396)
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Gross Direct Income	(10,000)	(10,000)	(5,517)	4,483
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Net Direct Expenditure/(Income) Total:	931,016	913,976	825,720	(88,256)
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Support Services Recharges	(946,560)	(946,560)	(841,290)	105,270
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Capital Charges	15,561	15,561	15,562	1
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Total:	17	(17,023)	(8)	17,015
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Underspend as a result of staff vacancies

A number of variances including an underspend on Internal Audit due to the plan not being completed in the year, which is offset by additional computer contract costs and insurance costs.

Insurance fund income higher than budgeted

See note 1 at the top of this appendix which covers explanation for change in recharges.

North Quay/Conge Project	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	0	0
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Non-pay	0	0	17,244	17,244
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Gross Direct Income	0	0	0	0
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Net Direct Expenditure/(Income) Total:	0	0	17,244	17,244
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Support Services Recharges	0	0	0	0
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Capital Charges	0	0	0	0
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Total:	0	0	17,244	17,244
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No major variances

ICT	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	441,737	431,036	302,949	(128,087)
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Non-pay	825,845	825,845	724,457	(101,388)
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Gross Direct Income	0	0	(545)	(545)
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Net Direct Expenditure/(Income) Total:	1,267,582	1,256,881	1,026,861	(230,020)
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Support Services Recharges	(1,393,910)	(1,393,910)	(1,084,670)	309,240
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Capital Charges	126,329	126,329	57,806	(68,523)
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Total:	1	(10,700)	(3)	10,697
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Vacant posts within the department throughout the year.

Reduction in telephony costs as this is now through Teams software. Reallocation on software maintenance costs to other service areas. Shared service cost with NCC less than budget as some staff have moved back to GYBC.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Member Services	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	179,903	176,143	172,541	(3,602)
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Non-pay	337,151	337,151	315,120	(22,031)
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Gross Direct Income	0	0	(812)	(812)
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Net Direct Expenditure/(Income) Total:	517,054	513,294	486,849	(26,445)
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Support Services Recharges	(478,060)	(478,060)	(486,850)	(8,790)
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Capital Charges	0	0	0	0
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Total:	38,994	35,234	(1)	(35,235)
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Savings on Member allowances and areas in relation to restriction of movement due to COVID-19 including travel related costs

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Corporate Strategy	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	85,001	82,868	54,280	(28,588)
Non-pay	943	943	3,060	2,117
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	85,944	83,811	57,340	(26,471)
Support Services Recharges	(85,950)	(85,950)	(57,340)	28,610
Capital Charges	0	0	0	0
Total:	(6)	(2,139)	(0)	2,139

Underspend due to Corporate Policy & Performance Officer vacancy.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Elections	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	176,130	146,057	84,189	(61,868)
Non-pay	122,525	122,525	61,365	(61,160)
Gross Direct Income	(114,700)	(114,700)	(18,879)	95,821
Net Direct Expenditure/(Income) Total:	183,955	153,882	126,675	(27,207)
Support Services Recharges	40,700	40,700	30,830	(9,870)
Capital Charges	0	0	0	0
Total:	224,655	194,582	157,505	(37,077)

With elections postponed until May 2021 only individual electoral registration (IER) has occurred this year. The savings under pay and non pay largely reflect costs not incurred in relation to the originally planned elections which are then offset by not needing to recharge for the election.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Human Resources	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	406,564	424,574	384,787	(39,787)
Non-pay	50,239	85,739	41,374	(44,365)
Gross Direct Income	0	0	(179)	(179)
Net Direct Expenditure/(Income) Total:	456,803	510,313	425,981	(84,332)
Support Services Recharges	(456,810)	(456,810)	(425,990)	30,820
Capital Charges	0	0	0	0
Total:	(7)	53,503	(9)	(53,512)

Staff vacancies for part of the year resulting in underspend
Underspends on Corporate training and Specialist Services relating to Payroll
Software system upgrade which did not go-ahead as originally expected in the year. The underspends have been requested to be carried forward to reflect the slippage of these works.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Total Executive:	263,631	252,474	(3,613,341)	(3,865,815)
Total Executive excluding capital charges and recharges:	4,560,231	4,549,074	(206,019)	(4,755,093)
Total Executive excluding recharges:	4,702,121	4,690,964	(132,651)	(4,823,615)

Housing

Housing Needs	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	610,187	594,423	718,459	124,036
Non-pay	484,665	485,165	853,253	368,088
Gross Direct Income	(612,372)	(612,372)	(818,212)	(205,840)
Net Direct Expenditure/(Income) Total:	482,480	467,216	753,499	286,283
Support Services Recharges	370,350	370,350	273,380	(96,970)
Capital Charges	11,769	11,769	18,137	6,368
Total:	864,599	849,335	1,045,016	195,681

Increased temporary staffing levels in year to mitigate increased demand as a result of COVID-19. Additional pay costs are being supported from the Homelessness reserve.

Increased temporary accommodation in year resulted in a £103k overspend. Remaining overspend includes a bad debt provision of £260k.

Grant received in year is used to offset additional staffing costs. Grant income of £150k to be moved to reserves to support the service in future years.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Housing Strategy	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	174,821	172,146	169,123	(3,023)
Non-pay	43,685	43,685	38,100	(5,585)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	218,506	215,831	207,223	(8,608)
Support Services Recharges	84,700	84,700	67,670	(17,030)
Capital Charges	22,603	22,603	23,859	1,256
Total:	325,809	323,134	298,752	(24,382)

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Traveller's Site/Gapton Hall	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	8,539	8,539
Non-pay	62,306	62,306	98,561	36,255
Gross Direct Income	(100,331)	(100,331)	(52,960)	47,371
Net Direct Expenditure/(Income) Total:	(38,025)	(38,025)	54,140	92,165
Support Services Recharges	18,030	18,030	35,500	17,470
Capital Charges	0	0	0	0
Total:	(19,995)	(19,995)	89,640	109,635

Gapton Hall site was previously managed by Norfolk County Council. From 1 February 2021 management of the site was brought back to GYBC and there is an increased service cost as a result of the service handover.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Better Care Fund (NEW)	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	94,756	92,278	89,548	(2,730)
Non-pay	26,079	26,079	3,172	(22,907)
Gross Direct Income	(149,069)	(149,069)	(145,216)	3,853
Net Direct Expenditure/(Income) Total:	(28,234)	(30,712)	(52,495)	(21,783)
Support Services Recharges	65,760	65,760	22,980	(42,780)
Capital Charges	0	0	0	0
Total:	37,526	35,048	(29,515)	(64,563)

Reduced activity as a result of Covid-19 pandemic. Budget underspends to be carried forward to support the future service need and utilise 2020/21 partner contributions.

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Safe at Home	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	275,017	268,377	258,582	(9,795)
Non-pay	66,308	66,308	28,219	(38,089)
Gross Direct Income	(225,818)	(225,818)	(115,552)	110,266
Net Direct Expenditure/(Income) Total:	115,507	108,867	171,249	62,382
Support Services Recharges	108,950	108,950	26,960	(81,990)
Capital Charges	0	0	0	0
Total:	224,457	217,817	198,209	(19,608)

Due to COVID 19, a reduced number of adaptations were completed, resulting in reduced income received and costs incurred.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Total Housing:	1,432,396	1,405,339	1,602,560	197,221
Total Housing excluding capital charges and recharges:	750,234	723,177	1,134,074	410,897
Total Housing excluding recharges:	784,606	757,549	1,176,070	418,521

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21**Inward Investment**

Projects and Programmes	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	290,199	233,465	219,801	(13,664)
Non-pay	4,702	4,702	138,360	133,658
Gross Direct Income	(42,807)	(3)	(193,402)	(193,399)
Net Direct Expenditure/(Income) Total:	252,094	238,164	164,760	(73,404)
Support Services Recharges	221,100	221,100	251,650	30,550
Capital Charges	0	0	0	0
Total:	473,194	459,264	416,410	(42,854)

Staff vacancies given rise to savings in employee costs in year.

Project expenditure for LCWIP and Learning Hub off set by grant income below.

Grant income received to offset expenditure for LCWIP and Learning Hub projects.
Project recharge made in year also for employee costs on capital projects.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Future High Street Fund	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	0	61,687	68,067	6,380
Gross Direct Income	0	0	(5,000)	(5,000)
Net Direct Expenditure/(Income) Total:	0	61,687	63,067	1,380
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	61,687	63,067	1,380

No major variances

Offshore Wind Project	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	48,708	50,873	2,165
Non-pay	0	0	21,045	21,045
Gross Direct Income	0	(42,804)	(89,356)	(46,552)
Net Direct Expenditure/(Income) Total:	0	5,904	(17,438)	(23,342)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	5,904	(17,438)	(23,342)

Marketing and branding expenditure relating to Offshore wind project in 2021.

Grant Funding received to cover employee, marketing and branding expenditure in 2021. Grant carried forward to cover employee costs in 2122.

Inclusion Project (ESF)	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	61,624	60,286	30,022	(30,264)
Non-pay	75,694	75,694	27,378	(48,316)
Gross Direct Income	(93,469)	(93,469)	(53,243)	40,226
Net Direct Expenditure/(Income) Total:	43,849	42,511	4,156	(38,355)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	43,849	42,511	4,156	(38,355)

Staff vacancies giving rise to underspend.
Underspend on expected costs for project.

ESF Project grant claim 7 & 8 received for expenditure spent up to December 2019, which offsets expected income accrual made in 2019/20. Further ESF grant funding received for expenditure up to 31st March 2021. Reduction in funding in line with reduction in spend on direct costs to the project.

Towns Fund	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	0	12,250	65,747	53,497
Gross Direct Income	0	0	(40,000)	(40,000)
Net Direct Expenditure/(Income) Total:	0	12,250	25,747	13,497
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	12,250	25,747	13,497

Expenditure for Town Deal application funded by Grant income.
Grant funding received in year.

No major variances

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Parks and Outdoor spaces	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	193,205	193,205	195,453	2,248
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	193,205	193,205	195,453	2,248
Support Services Recharges	33,050	33,050	32,740	(310)
Capital Charges	3,522	3,522	3,522	(0)
Total:	229,777	229,777	231,715	1,938

No major variances

See note 1 at the top of this appendix which covers explanation for change in recharges.

Outdoor Sports	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	440,960	442,971	426,476	(16,495)
Gross Direct Income	(98,974)	(98,974)	(69,833)	29,141
Net Direct Expenditure/(Income) Total:	341,986	343,997	356,643	12,646
Support Services Recharges	26,110	26,110	27,700	1,590
Capital Charges	50,385	50,385	62,458	12,073
Total:	418,481	420,492	446,801	26,309

Managing outdoor sports facilities is now part of the GYBS contract, budget to be re-allocated.

Income was reduced due to COVID 19 closures and restrictions throughout the year.

See note 1 at the top of this appendix which covers explanation for change in recharges.

CCTV	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	146,800	146,800	143,040	(3,760)
Gross Direct Income	(4,000)	(4,000)	(24,000)	(20,000)
Net Direct Expenditure/(Income) Total:	142,800	142,800	119,040	(23,760)
Support Services Recharges	19,420	19,420	24,270	4,850
Capital Charges	0	0	0	0
Total:	162,220	162,220	143,310	(18,910)

NCC contribution to CCTV service for Great Yarmouth Borough Council 2019/2020, funded from Great Yarmouth Car Parking On-Street Pay & Display.

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Culture and Leisure	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	18,891	18,529	17,842	(687)
Non-pay	136,274	136,274	119,478	(16,796)
Gross Direct Income	(20,000)	(20,000)	15,571	35,571
Net Direct Expenditure/(Income) Total:	135,165	134,803	152,891	18,088
Support Services Recharges	36,490	36,490	33,520	(2,970)
Capital Charges	0	0	0	0
Total:	171,655	171,293	186,411	15,118

Reduction in costs in year for St Georges Theatre

Cash grant from Active Norfolk is replaced by matched in kind funding. Active Norfolk will invest in a full time Physical Locality Development Officer for the Borough. Correction to expected income accrual for 19/20.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Voluntary Sector Grants	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	54,500	54,500	67,292	12,792
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	54,500	54,500	67,292	12,792
Support Services Recharges	19,590	19,590	7,430	(12,160)
Capital Charges	0	0	0	0
Total:	74,090	74,090	74,722	632

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Indoor Leisure - Phoenix Pool & Marina Centre	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	266,499	266,499	211,771	(54,728)

Cost previously budgeted for as revenue now part of the wider capital project to be funded via a revenue contribution to capital.

Gross Direct Income	0	(40,064)	(121,613)	(81,549)
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Due to COVID 19 closure restrictions no profit income is expected in 2021. Covid grant income received in year and paid out in year with no impact to the Council.

Net Direct Expenditure/(Income) Total:	266,499	226,435	90,158	(136,277)
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Support Services Recharges	51,340	51,340	45,310	(6,030)
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See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges	379,843	379,843	208,884	(170,959)
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Total:	697,682	657,618	344,351	(313,267)
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Neighbourhood Management	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	289,118	281,948	247,607	(34,341)
Non-pay	663,753	663,753	370,190	(293,563)

Staff vacancy savings achieved in year

Gross Direct Income	(656,796)	(656,796)	(408,772)	248,024
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All projects have now come to an end, all that remains is the Early Help Hub and associated costs - Community Champions commenced just before year end

Net Direct Expenditure/(Income) Total:	296,075	288,905	209,026	(79,879)
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Support Services Recharges	(7,260)	(7,260)	(5,450)	1,810
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Capital Charges	0	0	0	0
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Total:	288,815	281,645	203,576	(78,069)
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Waterways	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	36,686	34,011	33,648	(363)

Non-pay	56,648	56,648	43,164	(13,484)
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The budgeted spend has largely not occurred in this financial year due to impact of COVID on the ability to plan & delivery events at the site. Any underspend on budget will be rolled forward into 2122 to be hopefully used in the following financial year for events etc.

Gross Direct Income	(31,725)	(31,725)	(49,144)	(17,419)
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Funding for this project is lower in line with the reduced spend highlighted above. The funding will be claimed in 2122 in line with the spend.

Net Direct Expenditure/(Income) Total:	61,609	58,934	27,668	(31,266)
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Support Services Recharges	39,230	39,230	18,240	(20,990)
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See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges	8,000	8,000	0	(8,000)
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Total:	108,839	106,164	45,908	(60,256)
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Conservation	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	122,138	119,969	142,106	22,137

HAZ Officer costs to the financial year end offset by grant income received in year.

Non-pay	111,134	171,134	283,798	112,664
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Heritage Action Zone, Winter Garden expenditure both offset by grant income received in year. Planned works for the Town wall were not expected in 2021, however emergency works to the Town wall have occurred in year.

Gross Direct Income	(30,000)	(30,000)	(90,355)	(60,355)
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Grant income for Town wall funding in 2021 reduced due to advanced payment of funding being used in prior year and. Grant funding received for Winter Garden application works offsets expenditure in year. HAZ grant funding offsets in expenditure in 2021 financial year.

Net Direct Expenditure/(Income) Total:	203,272	261,103	335,549	74,446
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Support Services Recharges	24,400	24,400	37,010	12,610
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See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges	25,408	25,408	25,408	0
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Total:	253,080	310,911	397,967	87,056
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Economic Development	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	103,957	100,390	99,957	(433)
Non-pay	2,501	2,001	4,375	2,374

Gross Direct Income	0	0	(6,088)	(6,088)
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Net Direct Expenditure/(Income) Total:	106,458	102,391	98,244	(4,147)
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Support Services Recharges	200,010	200,010	103,440	(96,570)
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See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges	0	0	0	0
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Total:	306,468	302,401	201,684	(100,717)
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Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Enterprise GY	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	(25)	(25)
Non-pay	1,828	1,828	12,565	10,737
Gross Direct Income	0	0	3,208	3,208
Net Direct Expenditure/(Income) Total:	1,828	1,828	15,748	13,920
Support Services Recharges	8,060	8,060	9,290	1,230
Capital Charges	0	0	0	0
Total:	9,888	9,888	25,038	15,150

No major variances

Enterprise Zone	Original Budget 2019/20 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	1,085,143	1,085,143	1,154,950	69,807
Gross Direct Income	(1,085,143)	(1,085,143)	(1,272,428)	(187,285)
Net Direct Expenditure/(Income) Total:	0	0	(117,478)	(117,478)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	0	0	(117,478)	(117,478)

Actual position of business rates and impact of rates relief and allocations of income.

No major variances

Total Inward Investment:	3,238,038	3,308,115	2,675,945	(632,170)
Total Inward Investment excluding capital charges and recharges:	2,099,340	2,169,417	1,790,524	(378,893)
Total Inward Investment excluding recharges:	2,566,498	2,636,575	2,090,795	(545,780)

Planning and Growth

Building Control	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	247,905	242,530	215,322	(27,208)
Non-pay	37,939	37,939	28,588	(9,351)
Gross Direct Income	(295,500)	(295,500)	(224,669)	70,831
Net Direct Expenditure/(Income) Total:	(9,656)	(15,031)	19,241	34,272
Support Services Recharges	93,610	93,610	166,610	73,000
Capital Charges	0	0	0	0
Total:	83,954	78,579	185,851	107,272

Underspend reflects vacancies held during the year.

Lower than budgeted demand for services due to the COVID 19 pandemic.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Development Control	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	654,439	641,008	588,607	(52,401)
Non-pay	56,884	56,884	40,088	(16,796)
Gross Direct Income	(534,150)	(534,150)	(518,957)	15,193
Net Direct Expenditure/(Income) Total:	177,173	163,742	109,739	(54,003)
Support Services Recharges	159,970	159,970	111,710	(48,260)
Capital Charges	0	0	0	0
Total:	337,143	323,712	221,449	(102,263)

Vacancies held during the year (£124k) are off-set by agency costs of £62k for the same period. These vacancies have all now been filled and agency costs have finished. It has been requested to carry forward (£51.2k) for administration support due to both slippage caused by Covid and additional work required to implement the new Planning/IT system during 2021-22.

Various small underspends

Lower than budgeted demand for services due to the COVID 19 pandemic.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Land Charges	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	49,324	47,540	44,923	(2,617)
Non-pay	50,061	50,061	41,686	(8,375)
Gross Direct Income	(126,000)	(126,000)	(115,411)	10,589
Net Direct Expenditure/(Income) Total:	(26,615)	(28,399)	(28,802)	(403)
Support Services Recharges	50,940	50,940	48,880	(2,060)
Capital Charges	0	0	0	0
Total:	24,325	22,541	20,078	(2,463)

Lower than budgeted demand for services due to the COVID 19 pandemic

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Strategic Planning	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	270,995	265,644	251,222	(14,422)
Non-pay	83,165	83,165	34,689	(48,476)
Gross Direct Income	(21,295)	(21,295)	(24,706)	(3,411)
Net Direct Expenditure/(Income) Total:	332,865	327,514	261,205	(66,309)
Support Services Recharges	133,880	133,880	81,700	(52,180)
Capital Charges	0	0	1,582	1,582
Total:	466,745	461,394	344,487	(116,907)

This underspend is due to an unfilled vacancy.

Due to Covid and the Planning Inspectorate the work for the Local Plan examination programme has slipped and resulted in an underspend of (£56k). This has been requested to be carried forward to the next financial year.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Total Planning and Growth:	912,167	886,226	771,864	(114,362)
Total Planning and Growth excluding capital charges and recharges:	473,767	447,826	361,382	(86,444)
Total Planning and Growth excluding recharges:	473,767	447,826	362,964	(84,862)

Customer Services

Benefits	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	569,645	552,328	598,649	46,321
Non-pay	23,087,037	23,087,037	21,542,213	(1,544,824)
Gross Direct Income	(23,810,053)	(23,810,053)	(22,312,894)	1,497,159
Net Direct Expenditure/(Income) Total:	(153,371)	(170,688)	(172,032)	(1,344)
Support Services Recharges	322,346	322,346	189,240	(133,106)
Capital Charges	0	0	0	0
Total:	168,975	151,658	17,208	(134,450)

reported overspend due to a restructure along with the revenues department and this has resulted in a combined underspend across the two departments

Benefits payments lower than budgeted therefore income also lower, as income is from Government subsidy to cover the housing benefit claims paid out.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Crematorium and Cemeteries	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	213,757	207,720	216,736	9,016
Non-pay	611,614	611,614	632,285	20,671
Gross Direct Income	(1,602,487)	(1,602,487)	(1,659,344)	(56,857)
Net Direct Expenditure/(Income) Total:	(777,116)	(783,153)	(810,324)	(27,171)
Support Services Recharges	188,550	188,550	172,830	(15,720)
Capital Charges	71,394	71,394	70,543	(851)
Total:	(517,172)	(523,209)	(566,951)	(43,742)

Funeral expenses linked to income and burden sharing costs higher than budgeted

Overall income in excess of budget despite loss of pall bearing and rental income

See note 1 at the top of this appendix which covers explanation for change in recharges.

Customer Services	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	651,716	633,724	620,328	(13,396)
Non-pay	12,790	12,790	4,793	(7,997)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	664,506	646,514	625,121	(21,393)
Support Services Recharges	(700,810)	(700,810)	(625,120)	75,690
Capital Charges	0	0	0	0
Total:	(36,304)	(54,296)	1	54,297

Staff vacancies for part of the year giving rise to underspend.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Support Services	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	187,687	181,421	155,732	(25,689)
Non-pay	21,268	21,268	35,179	13,911
Gross Direct Income	0	0	(545)	(545)
Net Direct Expenditure/(Income) Total:	208,955	202,689	190,366	(12,323)
Support Services Recharges	(210,940)	(210,940)	(193,350)	17,590
Capital Charges	1,977	1,977	1,985	8
Total:	(8)	(6,274)	1	6,275

Staff vacancies for part of the year giving rise to underspend.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Car Parks	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	454,689	442,620	380,595	(62,025)
Non-pay	1,054,011	1,054,011	814,059	(239,953)
Gross Direct Income	(2,748,917)	(2,748,917)	(1,608,677)	1,140,240
Net Direct Expenditure/(Income) Total:	(1,240,217)	(1,252,286)	(414,023)	838,263
Support Services Recharges	375,360	375,360	290,450	(84,910)
Capital Charges	47,873	47,873	46,827	(1,046)
Total:	(816,984)	(829,053)	(76,746)	752,307

Staff vacancies giving rise to underspend.

Car Park income has suffered significantly due to COVID 19 resulting in income being lower than expected. Furthermore, impact on the profit shares to managed car parks and on-street are also reduced resulting in a cost saving which is offset by less income. Some of this is mitigated by the COVID Sales, Fees and Charges funding support which has been received in the year which covers 75% of lost income net of cost reductions compared to the budget.

Overall impact - some of this will be mitigated by the sales, fees and charges income which is being claimed through the governments support scheme. See note 1 at the top of this appendix which covers explanation for change in recharges.

Revenues	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	713,157	695,282	648,354	(46,928)
Non-pay	274,144	382,144	294,036	(88,108)
Gross Direct Income	(627,198)	(627,198)	(481,324)	145,874
Net Direct Expenditure/(Income) Total:	360,103	450,228	461,065	10,837
Support Services Recharges	486,400	486,400	277,190	(209,210)
Capital Charges	0	0	0	0
Total:	846,503	936,628	738,255	(198,373)

Reported underspend due to a restructure with the benefits service resulting in a combined underspend across the two services
Computer contract costs are shared with benefits (CCBE) elements of which are COVID specific £52k which have been funded from the new burdens funding. Due to courts only returning in November 2020 Legal and Recovery costs are significantly lower than budgeted

Due to COVID 19, enforcement, debt collection and court proceedings were not undertaken. Courts returned in November 2020 and catch up has begun.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Total Customer Services:	(354,990)	(324,546)	111,769	436,315
Total Customer Services excluding capital charges and recharges:	(937,140)	(906,696)	(119,826)	786,870
Total Customer Services excluding recharges:	(815,896)	(785,452)	529	785,981

Property and Asset Management

Public Toilets	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	227,069	212,069	197,620	(14,449)
Gross Direct Income	(4,000)	(4,000)	(450)	3,550
Net Direct Expenditure/(Income) Total:	223,069	208,069	197,170	(10,899)
Support Services Recharges	40,530	40,530	46,650	6,120
Capital Charges	158,788	158,788	153,447	(5,341)
Total:	422,387	407,387	397,267	(10,120)

Underspend of (£18k) is due to lower than expected charges for water and sewerage against budget.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Repairs and Maintenance	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	22,261	22,261	38,869	16,608
Gross Direct Income	(209,000)	(209,000)	(146,185)	62,816
Net Direct Expenditure/(Income) Total:	(186,739)	(186,739)	(107,316)	79,423
Support Services Recharges	55,630	55,630	52,180	(3,450)
Capital Charges	267,594	267,594	256,933	(10,661)
Total:	136,485	136,485	201,797	65,312

This overspend includes a bad debt provision of £14.4k

Due to the COVID 19 pandemic the profit share income for 20/21 is less than the budgeted level.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Footway Lighting	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	0	0
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Non-pay	189,599	209,283	261,385	52,102
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Gross Direct Income	0	0	0	0
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Net Direct Expenditure/(Income) Total:	189,599	209,283	261,385	52,102
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Support Services Recharges	54,120	54,120	56,060	1,940
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Capital Charges	68,187	68,187	66,762	(1,425)
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Total:	311,906	331,590	384,207	52,617
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This overspend relates to (a) electricity £37.2k where expected savings have been reduced due to the delayed replacement programme of old energy inefficient light bulbs as a result of COVID and (b) R&M £13.5k where costs include the replacement of decorative lighting.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Coastal Protection	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	55,166	54,274	55,850	1,576
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Non-pay	101,237	141,962	136,883	(5,079)
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Gross Direct Income	(550)	(550)	175	725
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Net Direct Expenditure/(Income) Total:	155,853	195,686	192,908	(2,778)
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Support Services Recharges	42,870	42,870	42,940	70
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Capital Charges	362,692	362,692	362,693	1
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Total:	561,415	601,248	598,541	(2,707)
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No major variances.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Community Centres	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	0	0
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Non-pay	13,374	11,626	8,180	(3,446)
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Gross Direct Income	(2,632)	(2,632)	(1,465)	1,167
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Net Direct Expenditure/(Income) Total:	10,742	8,994	6,715	(2,279)
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Support Services Recharges	14,650	14,650	12,180	(2,470)
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Capital Charges	27,142	27,142	25,213	(1,929)
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Total:	52,534	50,786	44,108	(6,678)
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No major variances.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Council Offices - Town Hall	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	0	0
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Non-pay	160,376	158,376	130,356	(28,020)
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Gross Direct Income	0	0	0	0
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Net Direct Expenditure/(Income) Total:	160,376	158,376	130,356	(28,020)
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Support Services Recharges	(203,290)	(203,290)	(241,940)	(38,650)
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Capital Charges	42,910	42,910	111,575	68,665
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Total:	(4)	(2,004)	(10)	1,994
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This underspend is due to lower than expected charges for both R&M (£13.9k) and utilities (£11k) but £13.5k of the R&M will be carried forward to fund modifications to Novus House in 21-22.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Council Offices - Greyfriars	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	0	0
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Non-pay	120,529	120,029	80,001	(40,028)
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Gross Direct Income	0	0	0	0
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Net Direct Expenditure/(Income) Total:	120,529	120,029	80,001	(40,028)
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Support Services Recharges	(128,230)	(128,230)	(87,710)	40,520
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Capital Charges	7,710	7,710	7,710	0
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Total:	9	(491)	1	492
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This underspend is due to lower than expected charges for both R&M (£16.3k) and utilities (£20.5k) but £13.5k of the R&M will be carried forward to fund modifications to Novus House in 21-22.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Council Offices - Maritime House	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	52,026	64,876	37,643	(27,233)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	52,026	64,876	37,643	(27,233)
Support Services Recharges	(56,590)	(56,590)	42,400	98,990
Capital Charges	4,560	4,560	4,560	0
Total:	(4)	12,846	84,603	71,757

This underspend is principally due to lower than expected charges for utilities of (£17.1k) against budget.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Council Offices - Catalyst Centre	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	46,109	45,609	34,966	(10,643)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	46,109	45,609	34,966	(10,643)
Support Services Recharges	(50,800)	(50,800)	(38,760)	12,040
Capital Charges	4,684	4,684	3,797	(887)
Total:	(7)	(507)	3	510

The underspend is due to utility expenditure being (£16.9k) lower than budget.

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Beach Huts	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	36,000	36,000	198	(35,802)
Non-pay	2,000	2,000	17,642	15,642
Gross Direct Income	(60,500)	(60,500)	(77,885)	(17,385)
Net Direct Expenditure/(Income) Total:	(22,500)	(22,500)	(60,045)	(37,545)
Support Services Recharges	16,080	16,080	19,040	2,960
Capital Charges	0	0	0	0
Total:	(6,420)	(6,420)	(41,005)	(34,585)

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

Sales of seven beach huts in March (total £56k) has contributed significantly to the overall income, the individual amounts for the ten year leases were all below the £10k capital deminimus.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Easter Fayre	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	2,000	2,000	0	(2,000)
Non-pay	20,000	20,000	0	(20,000)
Gross Direct Income	(15,265)	(15,265)	0	15,265
Net Direct Expenditure/(Income) Total:	6,735	6,735	0	(6,735)
Support Services Recharges	7,120	7,120	2,060	(5,060)
Capital Charges	0	0	0	0
Total:	13,855	13,855	2,060	(11,795)

The Easter Fayre was not held this year due to the COVID-19 pandemic so no costs were incurred or income generated from the event.

Markets	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	69,926	68,142	68,045	(97)
Non-pay	296,267	295,267	289,829	(5,438)
Gross Direct Income	(259,759)	(259,759)	(208,010)	51,749
Net Direct Expenditure/(Income) Total:	106,434	103,650	149,864	46,214
Support Services Recharges	75,220	75,220	51,220	(24,000)
Capital Charges	4,820	4,820	4,820	0
Total:	186,474	183,690	205,904	22,214

Lower than budgeted demand for rentals due to the COVID-19 pandemic £64.4k less the recovery of costs from insurance claims (£11k)

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Go Trade	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	17,550	17,550	21,559	4,009
Non-pay	17,464	17,464	18,378	914
Gross Direct Income	(24,160)	(24,160)	(74,645)	(50,485)
Net Direct Expenditure/(Income) Total:	10,854	10,854	(34,708)	(45,562)
Support Services Recharges	0	0	0	0
Capital Charges	0	0	0	0
Total:	10,854	10,854	(34,708)	(45,562)

Income for the reimbursement of costs was paid in full for four claims rather than the expected percentage specified in the agreement. This will be carried forward to support the final year extension of the project.

No major variances

Bretts	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	28,884	28,884	41,080	12,196
Gross Direct Income	(43,732)	(43,732)	(50,960)	(7,228)
Net Direct Expenditure/(Income) Total:	(14,848)	(14,848)	(9,880)	4,968
Support Services Recharges	11,690	11,690	11,150	(540)
Capital Charges	0	0	0	0
Total:	(3,158)	(3,158)	1,270	4,428

Costs for utilities and R&M exceeded the allocated base budgets but part of these overspends are recovered from the lease holder.

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Courts	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	7,544	7,544	5,975	(1,569)
Gross Direct Income	(21,569)	(21,569)	(18,497)	3,072
Net Direct Expenditure/(Income) Total:	(14,025)	(14,025)	(12,521)	1,504
Support Services Recharges	12,580	12,580	11,260	(1,320)
Capital Charges	0	0	0	0
Total:	(1,445)	(1,445)	(1,261)	184

No major variances.

See note 1 at the top of this appendix which covers explanation for change in recharges.

South Denes Energy Park	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	7,397	9,512	6,878	(2,634)
Gross Direct Income	(8,004)	(8,004)	(8,004)	0
Net Direct Expenditure/(Income) Total:	(607)	1,508	(1,126)	(2,634)
Support Services Recharges	82,900	82,900	23,880	(59,020)
Capital Charges	0	0	0	0
Total:	82,293	84,408	22,754	(61,654)

No major variances.

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Factory Units	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	43,573	43,373	175,756	132,383
Gross Direct Income	(136,866)	(136,866)	(138,415)	(1,549)
Net Direct Expenditure/(Income) Total:	(93,293)	(93,493)	37,342	130,835
Support Services Recharges	24,880	24,880	35,450	10,570
Capital Charges	0	0	0	0
Total:	(68,413)	(68,613)	72,792	141,405

This overspend is due to a bad debt provision of £129.9k

See note 1 at the top of this appendix which covers explanation for change in recharges.

No major variances

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Corporate Estates	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:
Pay 19 19 241 222

Non-pay 415,279 391,630 638,218 246,588

The overspend is mainly due to an increase in the bad debt provision of £150.3k, further variances include higher than expected charges for rates £10k, R&M £15k (including £9k which was reimbursed by an insurance claim), water & sewerage £30.7k and electricity £37k. Part of the electricity and water costs will however be recharged to third parties, and these are reflected in the income below.

Gross Direct Income (2,478,510) (2,478,510) (2,314,680) 163,830

This overall position is due to the combination of (a) changes in existing leases due to new and periodic increases and terminations £135.3k, (b) insurance reimbursements (£20.2k), (c) loss of advertising & events income and beach concessions due to the COVID-19 pandemic £95.3k and (d) the recharge of electricity & water (£37k) as noted above.

Net Direct Expenditure/(Income) Total: (2,063,212) (2,086,861) (1,676,220) 410,641

Support Services Recharges 590,850 590,850 549,410 (41,440)

See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges 14,030 14,030 14,920 890

Total: (1,458,332) (1,481,981) (1,111,890) 370,091

Minerva House	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:
Pay 0 0 0 0

Non-pay 75,146 75,146 6,967 (68,179)

A change in tenancy since budgets were calculated has resulted in these costs being charged direct to the new occupant of the premises. This has resulted in large under spends for rates (£35.5k), utilities (£15.7k), R&M, cleaning and security (£15.1k).

Gross Direct Income (36,600) (36,600) (42,615) (6,015)

Net Direct Expenditure/(Income) Total: 38,546 38,546 (35,648) (74,194)

Support Services Recharges 16,870 16,870 8,720 (8,150)

See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges 0 0 0 0

Total: 55,416 55,416 (26,928) (82,344)

Onians	Original Budget 2020/21 £	Current Budget 2020/21 £	P10 YTD actual 2020/21 £	P10 YTD actual Variance £
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Gross Direct Expenditure:
Pay 0 0 0 0

Non-pay 3,346 3,346 2,214 (1,132)

Gross Direct Income (13,310) (13,310) (10,971) 2,339

Net Direct Expenditure/(Income) Total: (9,964) (9,964) (8,757) 1,207

No major variances.

Support Services Recharges 9,420 9,420 10,330 910

See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges 0 0 0 0

Total: (544) (544) 1,573 2,117

No major variances

Property Services	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:
Pay 983,062 963,666 775,550 (188,116)

Non-pay 41,907 41,907 53,081 11,174

Four vacancies have been held throughout the year and although this has created an under spend in pay costs this together with COVID-19 has resulted in less work being undertaken for planned HRA and capital projects resulting in reduced rechargeable income. The overspend for non-pay is due to consultancy costs less numerous small underspends such as equipment and special works.

Gross Direct Income (287,449) (287,449) (39,276) 248,173

Net Direct Expenditure/(Income) Total: 737,520 718,124 789,355 71,231

Support Services Recharges (737,527) (737,527) (789,370) (51,843)

See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges 0 0 0 0

Total: (7) (19,403) (15) 19,388

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Beacon Park	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:
Pay 0 0 0 0

Non-pay 229,613 229,613 204,399 (25,214)

This is due to a combination of (a) overspends: costs relating to landscape gardening for 2019/20 which were not accrued or budgeted £63.9k, consultancy £24.9k and a bad debt provision of £23k less (b) underspends: utilities (£35.1k), scheme promotion & legal costs (£41.4k), rates (£18.9k) and R&M (£43.2k) i.e. costs which are mostly now charged direct to the tenants of the units .

Gross Direct Income (1,060,514) (1,060,514) (1,096,391) (35,877)

The over recovery of income is due to: (a) recovery of costs for vacant premises from the Pot B (LEP) (£16.8k), recovery of costs (£12.6k) from external organisations and step cost increases in rental leases (£12k).

Net Direct Expenditure/(Income) Total: (830,901) (830,901) (891,991) (61,090)

Support Services Recharges 72,000 72,000 62,440 (9,560)

See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges 139,220 139,220 167,469 28,249

Total: (619,681) (619,681) (662,082) (42,401)

Property Building Services	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:
Pay 0 0 0 0

Non-pay 419,936 467,136 427,051 (40,085)

Underspend is due to lower than expected charges for repairs & maintenance against budget.

Gross Direct Income 0 0 0 0

Net Direct Expenditure/(Income) Total: 419,936 467,136 427,051 (40,085)

Support Services Recharges 0 0 0 0

Capital Charges 0 0 0 0

Total: 419,936 467,136 427,051 (40,085)

Housing Asset Team	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:
Pay 0 0 0 0

Non-pay 0 0 3,153 3,153

Gross Direct Income 0 0 0 0

Net Direct Expenditure/(Income) Total: 0 0 3,153 3,153

No major variances.

Support Services Recharges 0 0 0 0

Capital Charges 0 0 0 0

Total: 0 0 3,153 3,153

Total Property and Asset Management:	95,549	151,454	569,186	417,732
Total Property and Asset Management excluding capital charges and recharges:	(957,761)	(901,856)	(490,302)	411,554
Total Property and Asset Management excluding recharges:	144,576	200,481	689,596	489,115

Communications, Marketing and Events

Communications	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:
Pay 251,828 183,615 204,780 21,165

Delay in implementing a revised structure, offset by underspends elsewhere within the service.

Non-pay 10,632 10,632 10,410 (222)

Gross Direct Income (10,000) (10,000) (4,464) 5,536

Net Direct Expenditure/(Income) Total: 252,460 184,247 210,726 26,479

Support Services Recharges (232,460) (232,460) (210,740) 21,720

See note 1 at the top of this appendix which covers explanation for change in recharges.

Capital Charges 0 0 0 0

Total: 20,000 (48,213) (14) 48,199

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Print and Design	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	105,892	152,797	82,235	(70,562)
Non-pay	55,492	55,492	37,568	(17,924)
Gross Direct Income	(17,500)	(17,500)	(5,655)	11,845
Net Direct Expenditure/(Income) Total:	143,884	190,789	114,147	(76,642)
Support Services Recharges	(143,880)	(143,880)	(114,140)	29,740
Capital Charges	0	0	0	0
Total:	4	46,909	7	(46,902)

Delay in implementing a revised structure and vacant posts.
Printing, photocopier and stationery costs lower than budgeted due to the majority of staff working from home throughout the year and reduced need for printing.

Advertising of printing services externally has been put on hold due to COVID-19.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Tourism	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	90,686	75,860	71,719	(4,141)
Non-pay	236,319	238,819	64,652	(174,167)
Gross Direct Income	(170,060)	(170,060)	(82)	169,979
Net Direct Expenditure/(Income) Total:	156,945	144,619	136,289	(8,330)
Support Services Recharges	334,690	334,690	180,250	(154,440)
Capital Charges	0	0	0	0
Total:	491,635	479,309	316,539	(162,770)

Delay in implementing the revised structure and vacant posts.
Events had to be cancelled due to COVID-19, including the Wheels Festival. The Tourist Information Centre was closed for the year so no costs from tickets purchased to be resold. These have been offset by reduced income received in the year.

Events had to be cancelled due to COVID-19, including the Wheels Festival. The Tourist Information Centre was closed for the year so no income from ticket sales. Offset by a reduction in the budgeted spend in the year.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Civic and Portering	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	155,086	175,506	126,005	(49,501)
Non-pay	34,332	34,332	6,436	(27,896)
Gross Direct Income	(7,000)	(7,000)	(1,220)	5,780
Net Direct Expenditure/(Income) Total:	182,418	202,838	131,222	(71,616)
Support Services Recharges	(182,420)	(182,420)	(131,220)	51,200
Capital Charges	0	0	0	0
Total:	(2)	20,418	2	(20,416)

Delay in implementing revised structure and vacant posts.
No events held this year due to COVID-19 restrictions.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Mayor	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	9,453	9,453	7,029	(2,424)
Gross Direct Income	0	0	0	0
Net Direct Expenditure/(Income) Total:	9,453	9,453	7,029	(2,424)
Support Services Recharges	15,110	15,110	14,790	(320)
Capital Charges	0	0	0	0
Total:	24,563	24,563	21,819	(2,744)

No major variances.
See note 1 at the top of this appendix which covers explanation for change in recharges.

Events	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	0	0	0	0
Non-pay	6,064	9,137	5,146	(3,991)
Gross Direct Income	(6,100)	(6,100)	(265)	5,835
Net Direct Expenditure/(Income) Total:	(36)	3,037	4,881	1,844
Support Services Recharges	85,310	85,310	78,490	(6,820)
Capital Charges	0	0	0	0
Total:	85,274	88,347	83,371	(4,976)

No major variances.
See note 1 at the top of this appendix which covers explanation for change in recharges.

Total Communications, Marketing and Events:	621,474	611,333	421,725	(189,608)
Total Communications, Marketing and Events excluding capital charges and recharges:	638,967	628,826	493,091	(135,735)
Total Communications, Marketing and Events excluding recharges:	745,124	734,983	610,251	(130,688)

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Environmental Services

Environmental Health	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	1,167,035	1,072,873	966,331	(106,542)
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Non-pay	808,002	813,002	753,166	(59,836)
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Gross Direct Income	(121,175)	(121,175)	(195,959)	(74,784)
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Net Direct Expenditure/(Income) Total:	1,853,862	1,764,700	1,523,538	(241,162)
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Support Services Recharges	337,460	337,460	224,620	(112,840)
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Capital Charges	9,340	9,340	9,340	0
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Total:	2,200,662	2,111,500	1,757,499	(354,001)
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Underspend due to staff vacancies. £45k has been transferred to earmarked reserves to cover fixed term contracts in future years, following a delay in the positions being filled.

Reduction of beach patrols due to COVID-19 restrictions at the start of the season (£15k). Reduction in dog warden fees of (£13k) but is offset by a reduction in income. IT software licensing costs reduced by (£8k). Funeral costs did not increase as estimated due to Covid giving (£20k) variance.

Inspections and premises searches stopped due to COVID-19 restrictions and only limited service resumed during non-lockdown periods, resulting in a reduction in income of £21k. (£86k) grant funding received for Port Health after leaving EU will be utilised in 21/22

See note 1 at the top of this appendix which covers explanation for change in recharges.

Selective Licensing	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	73,453	71,669	88,418	16,749
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Non-pay	1,746	1,746	1,913	167
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Gross Direct Income	(50,000)	(50,000)	(36,007)	13,993
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Net Direct Expenditure/(Income) Total:	25,199	23,415	54,324	30,909
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Support Services Recharges	52,460	52,460	29,490	(22,970)
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Capital Charges	0	0	0	0
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Total:	77,659	75,875	83,814	7,939
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Scheme is self funded by prior year's fee income.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Grounds Maintenance	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	0	0
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Non-pay	571,645	571,645	511,036	(60,609)
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Gross Direct Income	(44,950)	(44,950)	(60,986)	(16,036)
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Net Direct Expenditure/(Income) Total:	526,695	526,695	450,050	(76,645)
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Support Services Recharges	24,240	24,240	22,220	(2,020)
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Capital Charges	84,906	84,906	82,079	(2,827)
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Total:	635,841	635,841	554,349	(81,492)
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(£71k) rebate for fuloughed GYBS staff during initial 2020 lockdown. £16k additional verge cutting recharged to NCC. Additional verge cutting recharged.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Street Cleansing	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
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Gross Direct Expenditure:

Pay	0	0	0	0
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Non-pay	651,499	651,499	651,764	265
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Gross Direct Income	0	0	0	0
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Net Direct Expenditure/(Income) Total:	651,499	651,499	651,764	265
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Support Services Recharges	19,580	19,580	17,190	(2,390)
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Capital Charges	0	0	0	0
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Total:	671,079	671,079	668,954	(2,125)
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No major variances.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Appendix B - General Fund Services - Budget monitoring and commentary Out turn 2020/21

Waste Management	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	97,030	96,138	69,127	(27,011)
Non-pay	2,719,473	2,791,463	2,863,740	72,277
Gross Direct Income	(1,479,388)	(1,479,388)	(1,510,901)	(31,513)
Net Direct Expenditure/(Income) Total:	1,337,115	1,408,213	1,421,966	13,753
Support Services Recharges	169,300	169,300	120,310	(48,990)
Capital Charges	18,011	18,011	20,050	2,039
Total:	1,524,426	1,595,524	1,562,326	(33,198)

GYBS Operations Director commenced August 2020, offset by an extension to the contract management fee payable to GYBS.

The total variance reflects the GYBS management contract which was extended to October 2020 to allow for vacancy cover and a handover period, along with one-off costs from a restructure. There is also an underspend due to litter and recycling campaigns being delayed due to Covid, so will run in 2021/22 instead with the budget carried forward. £22k additional gate fees for higher volume of waste disposal, which is offset by income.

£70k loss from garden and bulky waste collection suspended for 6 weeks during first 2020 lockdown. Recycling higher than previous years due to the volume being generated due to more people staying at home giving (£86k) additional income, partially off-set by increased gate fees. (£20k) from new wheeled bins issued.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Licensing	Original Budget 2020/21 £	Current Budget 2020/21 £	Out turn 2020/21 £	Variance £
Gross Direct Expenditure:				
Pay	68,794	94,625	95,725	1,100
Non-pay	39,077	39,077	23,881	(15,196)
Gross Direct Income	(277,113)	(277,113)	(259,325)	17,788
Net Direct Expenditure/(Income) Total:	(169,242)	(143,411)	(139,718)	3,693
Support Services Recharges	62,040	62,040	108,340	46,300
Capital Charges	0	0	0	0
Total:	(107,202)	(81,371)	(31,378)	49,993

Reduction in IT software maintenance costs of (£10k) as the budget was estimated too high.

Reduction in license fee income due to COVID-19, predominately premises licenses of £12k.

See note 1 at the top of this appendix which covers explanation for change in recharges.

Total Environmental Services:	5,002,465	5,008,448	4,595,564	(412,884)
Total Environmental Services excluding capital charges and recharges:	4,225,128	4,231,111	3,961,925	(269,186)
Total Environmental Services excluding recharges:	4,337,385	4,343,368	4,073,394	(269,974)

Total for Services:	11,210,730	11,298,843	7,135,272	(4,163,571)
Total for Services excluding capital charges and recharges:	10,852,766	10,940,879	6,924,848	(4,016,031)
Total for Services excluding recharges:	12,938,181	13,026,294	8,864,992	(4,161,302)

GENERAL FUND RESERVES STATEMENT - 2020/21 OUTTURN		Closing Balance 31/03/20	Actual Movement (inc forecast) 2020/21	Closing Balance 31/03/21	Budgeted Movement 2021/22	Budgeted Closing Balance 31/03/22	Budgeted Movement 2022/23	Budgeted Closing Balance 31/03/23
Summary and Purpose of Reserve		£	£	£	£	£	£	£
Planning Delivery Grant	The reserve is planned to be used to provide service improvements in Planning, and deliver the Local Development Framework.	62,360	0	62,360	0	62,360	0	62,360
Insurance Fund	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.	311,719	12,571	324,290	0	324,290	0	324,290
DFG top-up capital loans & grant fund	The Council will utilise this funding for capital expenditure incurred in the Wellesley Rd, Sandown Rd, Euston Rd & Paget Rd areas.	350,270	49,730	400,000	0	400,000	0	400,000
Restricted use grant	This reserve holds unspent grants received for specific purposes for which the spend has not yet been incurred.	934,621	(128,828)	805,793	(3,946)	801,847	(41,115)	760,732
Invest to Save	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
Specific budget	This reserve is utilised as expenditure is incurred.	192,363	(53,036)	139,327	1,563	140,890	(22,012)	118,878
LEGI	As costs are incurred, these are offset by the reserve.	123,671	(49,730)	73,941	0	73,941	0	73,941
Repairs and Maintenance	This reserve is utilised as expenditure is incurred.	302,350	0	302,350	0	302,350	0	302,350
Waste Management	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
Collection Fund (Business Rates)	Earmarked to mitigate the fluctuations in business rate income between years.	1,883,945	92,865	1,976,810	(100,000)	1,876,810	0	1,876,810
Community Housing Fund	This represents grants previously received to assist with the delivery of Community Housing.	543,187	(27,500)	515,687	(30,000)	485,687	(30,000)	455,687
Enforcement	Earmarked for enforcement related works to address issues and bring properties back into use.	41,570	0	41,570	0	41,570	0	41,570
Special Projects	Earmarked for projects and for use as matched funding as appropriate to access external funding. Includes capital and revenue projects.	553,982	134,893	688,874	(118,316)	570,558	(79,035)	491,523
Treasury Management	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

GENERAL FUND RESERVES STATEMENT - 2020/21 OUTTURN		Closing Balance 31/03/20	Actual Movement (inc forecast) 2020/21	Closing Balance 31/03/21	Budgeted Movement 2021/22	Budgeted Closing Balance 31/03/22	Budgeted Movement 2022/23	Budgeted Closing Balance 31/03/23
Summary and Purpose of Reserve		£	£	£	£	£	£	£
Asset Management	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	0	1,798,257	(257,300)	1,540,957	(204,753)	1,336,204
Benefits and Revenues	Earmarking of grants and underspends to be used for the service and mitigation of subsidy impacts.	144,621	418,815	563,436	(418,815)	144,621	0	144,621
Homelessness	To be utilised for service expenditure for the reduction in homelessness.	280,821	150,138	430,958	(164,963)	265,995	(13,905)	252,090
Coast Protection	Established as part of the 2019/20 budget process for match funding and mitigate one-off costs in relation to coast protection.	115,000	(40,725)	74,275	0	74,275	0	74,275
Empty Business Property Incentive Fund	Earmarking of funds to be used for incentivising bringing properties back into use.	100,000	0	100,000	0	100,000	0	100,000
Covid	This reserve is utilised as expenditure is incurred and represents the covid funding received in the final quarter of 2020/21 for which spend has not been incurred but is committed.	0	1,030,222	1,030,222	(1,030,222)	0	0	0
Collection fund income compensation	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.	0	10,297,273	10,297,273	(10,054,473)	242,800	0	242,800
Other Reserves	These Reserves are budget carry forwards to be used in future years	1,330,746	954,723	2,285,470	(47,621)	2,237,849	(10,000)	2,227,849
Total GF Earmarked Reserves		10,847,990	12,841,411	23,689,401	(12,235,468)	11,453,933	(412,195)	11,041,738
General Fund Reserve	Current recommended balance of £3 million (as at Feb 2021)	3,490,287	0	3,490,287	(326,916)	3,163,371	0	3,163,371
Total General Fund Reserves		14,338,276	12,841,411	27,179,688	(12,562,384)	14,617,304	(412,195)	14,205,109

Appendix D - General Fund Capital Programme - Detail - 2020/21

Services & Projects	Budget Expenditure £000				2020/21 Expenditure £000	2020/21 Actual Financing - £000				2021/22 Onwards
	Rolled Forward 19/20 Budget	Approved 20/21 Budget	Original 20/21 Budget	Updated 20/21 Budget	Outturn	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts	(Roll forward from 20/21)
COVID Equipment				34	34	-	34	-	-	-
CCTV Upgrade - Town Centre	533	-	533	180	180	40	140	-	-	-
Total: Executive	533	-	533	214	214	40	174	-	-	-
Childrens Playground Refurbishment	87	-	87	87	0	0	-	-	-	86
Cobholm Skate Park	99	-	99	99	96	71	25	-	-	-
Wellesley CCTV	15	-	15	15	-	-	-	-	-	15
Total: Neighbourhood Management	200	-	200	200	96	71	25	-	-	101
St Nicholas Minster West Boundary Wall	95	-	95	95	-	-	-	-	-	95
St Nicholas car park North Boundary Wall	25	-	25	25	-	-	-	-	-	25
Rebuilding sections of Great Yarmouth Cemetry Wall - East Road	9	-	9	28	20	20	-	-	-	-
Crematorium Roof Works	-	-	-	22	-	-	-	-	-	22
Crematorium Tearooms	444	-	444	444	11	11	-	-	-	433
Total: Customer Services	574	-	574	614	31	31	-	-	-	575
Health and Leisure (Marina) Centre	24,509	-	24,509	24,509	4,860	1,621	2,174	260	805	19,649
The Waterways	33	-	33	33	29	-	29	-	-	4
Phoenix Pool & Gym car park extension	130	-	130	130	-	-	-	-	-	130
Winter Programme	-	-	-	835	200	-	200	-	-	635

Appendix D - General Fund Capital Programme - Detail - 2020/21

Services & Projects	Budget Expenditure £000				2020/21 Expenditure £000	2020/21 Actual Financing - £000				2021/22 Onwards
	Rolled Forward 19/20 Budget	Approved 20/21 Budget	Original 20/21 Budget	Updated 20/21 Budget	Outttturn	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts	(Roll forward from 20/21)
Heritage Action Zone				70	45	-	43	3	-	25
Great Yarmouth Preservation Trust Loans	230	-	230	340	340	340	-	-	-	-
Total: Inward Investment	24,902	-	24,902	25,917	5,475	1,961	2,445	263	805	20,442
Disabled Facilities Grants	61	1,188	1,249	1,385	534	-	534	-	-	851
Better Care Fund Projects	6	-	6	53	47	-	47	-	-	5
Empty Homes	511	-	511	511	0	0	-	-	-	510
DFG Top-up Grants	250	-	250	250	-	-	-	-	-	250
DFG Top-up Loans	150	-	150	150	-	-	-	-	-	150
Norfolk & Waveney Equity Loan Scheme	32	-	32	36	-	-	-	-	-	36
Equity Home Improvement Loans	531	-	531	545	-	-	-	-	-	545
HMOs /Guesthouse Purchase & Repair Scheme	1,912	-	1,912	1,912	173	173	-	-	-	1,739
Acquisition of property for transitional housing	-	-	-	1,646	6	6	-	-	-	1,640
Community Housing Fund Loans	540	-	540	540	-	-	-	-	-	540
Total: Housing	3,992	1,188	5,180	7,027	761	180	581	-	-	6,266
ICT Investment to deliver GYBC ICT Strategy	384	395	779	739	309	309	-	-	-	430
Total: IT, Communications & Marketing	384	395	779	739	309	309	-	-	-	430

Appendix D - General Fund Capital Programme - Detail - 2020/21

Services & Projects	Budget Expenditure £000				2020/21 Expenditure £000	2020/21 Actual Financing - £000				2021/22 Onwards
	Rolled Forward 19/20 Budget	Approved 20/21 Budget	Original 20/21 Budget	Updated 20/21 Budget	Outturn	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts	(Roll forward from 20/21)
Public Toilet Refurbishment Programme	45	-	45	45	-	-	-	-	-	45
Footway Lighting	82	300	382	382	172	172	-	-	-	211
Gorleston High Street car park resurfacing	6	-	6	6	-	-	-	-	-	-
Esplande Resurfacing	331	-	331	246	-	-	-	-	-	246
GY Flood Defence Scheme Epoch 2	50	-	50	50	50	50	-	-	-	-
Beach Huts	51	-	51	146	68	-	-	-	68	79
Council Chamber relocation	122	-	122	157	4	4	-	-	-	153
Claydon Pavilion				404	21	-	21	-	-	383
Beacon Park Projects	500	-	500	500	(93)	(93)	-	-	-	500
Market Place Redevelopment	4,477	-	4,477	4,727	625	625	-	-	-	4,102
North Quay Redevelopment	2,361	-	2,361	2,361	10	10	-	-	-	2,351
Winter Gardens	7	900	907	907	43	43	-	-	-	864
Hopton Section 106 funded playground works	-	-	-	-	-	-	-	-	-	-
Energy Park - South Denes	1,845	-	1,845	1,845	-	-	-	-	-	1,845
Total: Property & Asset Management	9,878	1,200	11,078	11,777	900	812	21	-	68	10,779
Overall Total	40,462	2,783	43,245	46,488	7,786	3,404	3,246	263	873	38,593

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

Services & Projects	Budget Expenditure £000				21/22 Financing - £000				2022/23 Onwards
	Rolled Forward 20/21 Budget	Approved 21/22 Budget	Original 21/22 Budget	Updated 21/22 Budget	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts	
CCTV Upgrade - Town Centre	-	76	76	76	76	-	-	-	0
Human Resources Job Evaluation system	-	21	21	21	21	-	-	-	0
Total: Executive	-	97	97	97	97	-	-	-	0
Childrens Playground Refurbishment	86	-	86	86	86	-	-	-	0
Wellesley CCTV	15	-	15	15	15	-	-	-	-
Wellesley Track	-	-	-	-	-	-	-	-	-
Total: Communities	101	-	101	101	101	-	-	-	0
St Nicholas Minster West Boundary Wall	95	-	95	95	95	-	-	-	0
St Nicholas car park north Boundary Wall	25	-	25	25	25	-	-	-	-
Crematorium Office Roof Works	22	-	22	22	22	-	-	-	0
Crematorium Main Roof Works	-	-	-	70	70	-	-	-	-
Crematorium Tearooms	433	-	433	433	433	-	-	-	0
Total: Customer Services	575	-	575	645	645	-	-	-	0
Health and Leisure (Marina) Centre	19,649	-	19,649	19,649	16,027	2,426	-	1,195	4,649
The Waterways	4	-	4	4	-	4	-	-	0
Phoenix Pool & Gym car park extension	130	-	130	130	130	-	-	-	-
Winter Programme	635	-	635	635	-	635	-	-	0
Heritage Action Zone	25	-	25	25	-	25	-	-	0
Total: Inward Investment	20,442	-	20,442	20,442	16,157	3,090	-	1,195	4,648
Disabled Facilities Grants	851	1,200	2,051	2,199	-	2,177	-	22	599
Better Care Fund Projects	5	-	5	5	-	5	-	-	-
Empty Homes	510	-	510	510	482	-	-	28	260
DFG Top-up Grants	250	-	250	250	-	-	250	-	230
DFG Top-up Loans	150	-	150	150	-	-	150	-	130
Norfolk & Waveney Equity Loan Scheme	36	-	36	36	-	-	-	36	0
Equity Home Improvement Loans	545	-	545	545	-	-	-	545	495
HMOs /Guesthouse Purchase & Repair Scheme	1,739	-	1,739	1,739	1,739	-	-	-	739
Acquisition of property for transitional housing	1,640	-	1,640	1,640	782	793	-	65	640
Community Housing Fund Loans	540	-	540	540	-	-	540	-	440
Total: Housing	6,266	1,200	7,466	7,614	3,003	2,974	940	697	3,533
ICT Investment to deliver GYBC ICT Strategy	430	1,000	1,430	1,430	1,400	-	30	-	680
Total: IT, Communications & Marketing	430	1,000	1,430	1,430	1,400	-	30	-	680

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

Services & Projects	Budget Expenditure £000				21/22 Financing - £000				2022/23 Onwards
	Rolled Forward 20/21 Budget	Approved 21/22 Budget	Original 21/22 Budget	Updated 21/22 Budget	Borrowing	Grants & Contributions	Revenue/ Earmarked Reserves	Capital Receipts	
Public Toilet Refurbishment Programme	45	-	45	45	45	-	-	-	0
Footway Lighting	211	300	511	511	511	-	-	-	131
External Redecoration & Repair of the Wellesley Grandstand	-	74	74	74	74	-	-	-	-
Esplanade Resurfacing	246	-	246	246	246	-	-	-	96
Phoenix Pool car park soakaway	-	40	40	40	40	-	-	-	-
Beach Huts	79	-	79	79	10	-	-	69	0
Council Chamber relocation	153	-	153	153	153	-	-	-	0
Claydon Pavilion	383	-	383	383	-	363	20	-	0
Replacement Lighting in the Assembly Rooms	-	45	45	45	45	-	-	-	-
Beacon Park Projects	500	-	500	500	380	120	-	-	400
Market Place Redevelopment	4,102	-	4,102	4,102	1,252	2,850	-	-	302
North Quay Redevelopment	2,351	-	2,351	2,351	2,351	-	-	-	1,851
Winter Gardens	864	-	864	864	649	-	215	-	614
Energy Park - South Denes	1,845	-	1,845	1,845	1,845	-	-	-	1,745
Total: Property & Asset Management	10,779	459	11,238	11,238	7,601	3,333	235	69	5,139
Noise Meter Replacement	-	11	11	11	11	-	-	-	0
Mobile CCTV	-	15	15	15	15	-	-	-	-
Total: Environmental Health	-	26	26	26	26	-	-	-	0
Overall Total	38,593	2,782	41,375	41,593	29,030	9,397	1,205	1,961	14,000

URN: 21-127

Subject: Town Deal Heads of Terms, Prioritisation exercise and Monitoring
& Evaluation update

Report to: Policy and Resources Committee – 13 July 2021
Council – 22 July 2021

Report by: Sheila Oxtoby, Chief Executive

SUBJECT MATTER

At the Town Deal Board on the 16 March 2021, the Heads of Terms, (HoT), for a Town Deal of up to £20.1 million to deliver ten Immediate Investment Priorities set out in the Town Investment Plan was agreed. The HoT offered for a Town Deal of up to £20,100,000 against an original ask of £24,780,390.

This report confirms the Board prioritised interventions that were made in line with the value of the funding award and provides an update regarding the subsequent monitoring & evaluation, (M&E), that has taken place.

This report will also document the M&E schedule associated with the Town Deal HoT.

RECOMMENDATION

That Policy and Resources Committee recommend to Council the following:

- 1) Acknowledge MHCLG receipt of the said agreed interventions.
- 2) Note that the subsequent Monitoring and Evaluation (M&E) submission for addressing key conditions by 24 May have been addressed, including financial information.
- 3) Acknowledge that preparatory work on the delivery of Stage 2 Business case is underway.
- 4) Note the M&E reporting schedule for the Town Deal as per agreed Heads of Terms.

1. Introduction

- 1.1. In September 2019, the Government announced the initial 101 places invited to develop Town Deal proposals as part of the £3.6 billion Towns Fund. A stakeholder-led Town Investment Plan was submitted to the Ministry of Housing, Communities & Local Government (MHCLG) on 11 December 2020, outlining a total 'ask' of £24,780,390 to co-fund ten interventions as Immediate Investment Priorities.

- 1.2. On 3 March 2021, MHCLG informed the Chair of the Town Board and the Council that MHCLG was offering Great Yarmouth Heads of Terms (HoT) for a Town Deal of up to £20.1 million. The HoT were not contractually binding, and the offer was subject to various conditions being met including the provision of regular reporting or monitoring and evaluation.
- 1.3. There were a number of key milestones listed in the HoT:
- In order to proceed, the Board sign the Head of Terms by 24 March 2021;
 - By 24 May 2021, at the latest, the Board must submit a draft Monitoring and Evaluation plan addressing key conditions and providing updated intervention capital/revenue splits;
 - By 24 March 2022, at the latest, Phase 2 (detailed business cases) must be complete and a formal Summary Document submitted to Government

2. KEY MILESTONES PROGRESS

- 2.1. The Great Yarmouth Town Board unanimously recommended agreeing to the Heads of Terms at its meeting on 16 March 2021
- 2.2. In order to reduce the Towns Fund ask from £24.8m to £20.1m, individual interventions were examined and prioritised to either a) reduce the scale/costs/scope of individual interventions or b) reduce the value of Towns Fund sought for specific interventions and identify alternative funding sources. The final agreed list of nine interventions are detailed in Table 1 below:

Table 1. List agreed interventions

Intervention	Project Value	Town Deal ask:
1. New operations and maintenance (O&M) campus and incubator on the Great Yarmouth Enterprise Zone and Energy Park	£20,016,019	£3,950,000
2. Land assembly for the strategic regeneration of North Quay as a vibrant new mixed-use waterfront quarter	£7,600,000	£2,600,000
3. New Great Yarmouth University Learning Centre (GYULC) providing an enhanced route to economic activity and growth	£10,465,543	£7,463,947
4. Restoration and commercial repurposing of the iconic Winter Gardens as a year-round seafront attraction	£16,052,151	£4,075,000
5. Restoration and sustainable repurposing of vacant historic buildings	£1,401,900	£626,000
6. Restoration and adaptation of the historic Ice House as a	£1,440,000	£450,000

Intervention	Project Value	Town Deal ask:
National Centre for Arts and Circus		
7. Public wayfinding and sustainable connectivity	£1,100,000	£594,953
8. Physical enhancements to the rail station gateway as a key point of entry for residents, visitors and commuters	£202,180	£150,000
9. Smart Deployment of Enhanced Digital and Connectivity Infrastructure	£205,130	£190,100

- 2.3. The intervention details and other key conditions in the draft M&E plan was sent and acknowledged as received by the Town Deal Fund on 20 May 2021.
- 2.4. As such, Great Yarmouth has confirmed, in writing, details of interventions being taken forward and a plan for addressing key conditions relating to those and the overall Town Investment Plan, alongside capital/revenue splits and financial profiles as requested by MHCLG.
- 2.5. Phase 2 of the process includes detailed project development and business case assurance at local level to demonstrate the feasibility, viability and value for money. A Town Deal Summary Document must be submitted to Government within 12 months of accepting the offer (i.e. 24 March 2022 at the latest). The Summary document will be the final M&E stage.
- 2.6. Preparatory work on the development of the Town Deal Summary document has begun, and any business cases for projects will be taken through Great Yarmouth Borough Council, in line with local assurance and decision making processes.

3. MONITORING & EVALUATION SCHEDULE:

- 3.1. It will be our responsibility as the Local Authority to formally report quarterly on inputs and activities, outputs and expenditure.

What we are required to provide updates on:	When
<ul style="list-style-type: none"> Inputs and activities Outputs Project Expenditure: Expenditure on project activities by local authorities or, in the case where a partner is implementing the project, their expenditure on project activities to date. This will also include forecasted spend. Project Progress: A brief narrative to explain the below progress you are reporting on. Project Changes: Any material changes to project designs or plans should be disclosed and described, including any timing delays. Risks: Updates should be made to the project risk schedule using a RAG rating, as well as an explanation of the risks and required mitigation steps. 	Semi-annually through the monitoring form

What we are required to provide updates on:	When
The RAG rating will be used to flag any issues that require action or amendments. This will also allow changes in risk to be tracked over time.	
<ul style="list-style-type: none"> Feedback on local engagements and how your overall investment strategy is progressing. Questions to aid the qualitative feedback will be provided in the monitoring forms. 	Annually through the monitoring form

- 3.2. GYBC will be required to submit our monitoring forms through DELTA.6. (MHCLG reporting portal). These returns will need to be scrutinised and signed off by the Section 151 Officer. The M&E reporting schedule is outlined below:

M&E required	Deadline	Payment
<ul style="list-style-type: none"> Project Summary Document (Annex C) Initial draft M&E plan per project including theme specific deliverables 	by 29 July 2021	For September payment
	by 28 October 2021	For December payment
	by 28 January 2022	For March 2022 payment
<ul style="list-style-type: none"> Business case Final M&E plan per project 	24 March 2022	Payment as per quarters above

- 3.3. Please note for all towns: the payments timings are indicative and are assuming MHCLG is satisfied with the Summary Documents and project M&E plans.
- 3.4. Projects Summary Document (Annex C) and an initial draft M&E Plan were submitted to MHCLG on 20 May (deadline was 24 May). A review and approval of the draft M&E plan by MHCLG is due to take place within 1 month of submission.
- 3.5. GYBC will need to submit the Business Case and the final M&E Plan by 24 March 2022.

4. FINANCIAL AND LEGAL IMPLICATIONS

- 4.1. In order to reduce the Towns Fund ask from £24.8m to £20.1m, individual interventions were examined and prioritised as noted above.
- 4.2. With the success of the Future High Streets Fund application and the Town Deal, it is likely that the Council's officer structure will need to be supplemented, once budget has been confirmed, to ensure that GYBC has the requisite capacity and skills to deliver all of the projects.
- 4.3. It is noted that the M&E plan is required before any payment can be made.

5. RISK IMPLICATIONS

- 5.1. This prioritisation process may affect the scale/costs/scope and, therefore, impact of individual interventions and the overall Town Deal programme or require alternative funding to be identified and secured.

- 5.2. Not adhering to the Town Deal HoT and reporting schedule could be reputationally damaging to GYBC and put at risk of the funding being withdrawn.

6. CONCLUSION

- 6.1. Great Yarmouth have met the Heads of Terms for a Town Deal of up to £20.1 million to deliver the nine of the original ten Immediate Investment Priorities set out in the Town Investment Plan:
- Interventions were prioritised in line with the value of the funding award as agreed by MHCLG
 - GYBC submitted a M&E plan, as requested by MHCLG, addressing key conditions and providing updated intervention capital/revenue splits by the deadline of 24 May 2021.
 - Preparatory work on the development of the Town Deal Summary document has begun.
 - GYBC have documented the monitoring and evaluation schedule associated with the Town Deal HoT

7. BACKGROUND PAPERS

Towns Fund & Future High Streets Fund Monitoring and Evaluation Local Authority FAQs

Towns Fund M&E plan V1

Towns Fund Indicator Guidance

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:	Great Yarmouth Town Investment Plan (2020)
Financial Implications (including VAT and tax):	As outlined in the Report
Legal Implications (including human rights):	None
Risk Implications:	As outlined in report
Equality Issues/EQIA assessment:	None
Crime & Disorder:	None
Every Child Matters:	None
Details contained in strategy:	None