

CABINET MEMBERS REPORT TO COUNCIL

Council Meeting 29 January 2026

COUNCILLOR CHRIS MORLEY - CABINET MEMBER FOR FINANCE

For the period 27 November 2025 to 19th January 2026

CURRENT FINANCIAL POSITION (REVENUE)

We have yet to publish Q3 figures but current assessments indicate that we will improve upon the balanced budget with which we started the year by nearly £400k. This would deliver a General Fund balance of £10.5m, a significant benefit considering the Financial Plan 2022/27 forecast the Council's finance being sucked into a black hole during 26/27 rather than operating with a budget surplus.

The Cabinet had hoped to use some of this positive fund to deliver enhanced and new services to our communities; it was therefore more than disappointing to receive the Government's future funding dictat. The proposed settlement covers the next 3 years with the base funding progressively reducing each year to deliver a 25% reduction in year 3.

To make matters worse, previous grants are being assimilated into the core settlement, more business rates are being retained by the Treasury and the Ministry has not only overstated our Council Tax base but has swept up second home premiums.

Across the country, Shire Districts have funding settlements around 40% less and widening, when compared to Urban areas.

Our position is further compounded as there is no indication that the cross country IDB grant of £5m (our portion is £499K this year) will be perpetuated until a long term solution is (or maybe) on the table. And, IDB costs are such that we are expecting increases of 5-6% compared with our (capped) ability to raise Council Tax by 3%.

The draft budget for 26/27 has been socialized with the various Council Groupings and the calculations indicate that £2m will be needed from General Reserves to present a fully funded budget and even more if the £2m of efficiency savings and extra revenues that we have baked into the forecast, do not materialize.

For transparency, I have to report that our cash flow is not matching expenditure, predominantly due to delivering our aggressive housing

programme at a time when the retail market is weak. This will mean that we will again fund Parish and Town Parishes in 2 payments and we have taken out a £20m short term loan to ensure we meet our commercial commitments. To round off this report, I will assure all Members that we have made our disquiet known to the Ministry and have engaged our MPs. I doubt that this will have much effect for 26/27 but may help our cause for 2027- 2029.

CAPITAL PROGRAMME

All Members will know that we have an ambitious housing and Place programme. This was mostly initiated by the last Administration, mainly due to weaknesses in the commercial sector.

The 5 years 25/26 – 29/30 has commitments, aspirations and risk contingencies totaling £180m which will deliver our Corporate Strategy. This year to date we have spent nearly £25m but forecast this to rise to £40m by fiscal year end; particularly as the housing programme proceeds at pace and the Town Deal vision slowly emerges blinking into our world.

TOTAL BUDGETS

These will be crystalized alongside the future Capital and Treasury Strategy for submission to the February Council Meeting where the Council Tax must be settled.

ICT

As part of our digital transformation programme, ICT has been focusing on strengthening the Council's digital resilience and modernizing our core systems to support faster, more efficient and secure services.

This has included major improvements to our cybersecurity posture, such as enhanced threat-detection and monitoring.

A presentation on this was recently given to Audit committee.

We are also working on introducing a new backup and recovery platform to strengthen further our business continuity and disaster recovery capabilities. We have also delivered key network infrastructure upgrades, including the installation of a new core switch to improve capacity, reliability, and future-readiness across our sites.

In parallel, we have launched an AI customer facing service called Nova to improve responsiveness and streamline high volume enquiries. These changes form part of our wider programme of evolving the ICT service for external users and staff to have reliable, modern tools to benefit from quicker, more efficient, digital services.

PROCUREMENT and CONTRACTS MANAGEMENT

A “Meet the Buyer” event was held in the Town Hall on 4th December 2025 and was well attended. Our Procurement Team Leader gave short presentation for prospective suppliers on the Procurement Act 2023,

explaining how the Council must comply with legislation to meet our duty to obtain best value and ensure our tenders are run on the principals of free and fair competition.

The presentation included an explanation of the thresholds and how we use different procedures to ensure our approach is proportionate, and how we score tenders. There were also some hints and tips to help suppliers when completing tenders, including some basic but important advice such as ensuring a tender is submitted on time and not exceeding word limits. The final slide showed links of where suppliers can find our tenders being advertised.

It was encouraging to see that several suppliers took advantage of the opportunity to chat with the procurement and contracts management team throughout the day.

Our current major procurement projects include:

- Coastal Defence repairs to Hunstanton promenade. The sudden deterioration in condition of the site has meant a tender for sampling of the site condition has been withdrawn in favour of an urgent Exemption to allow sampling to go ahead sooner. This will then inform the detailed design for works needed.
The Environmental Health team have appointed Balfour Beatty, through a framework provided by SCAPE, to provide a feasibility study which is now completed. Balfour Beatty are now due to be signed up to complete the works.
- Custom House refurbishment, where the team are currently drafting the Invitation to Tender with a view to this being advertised the market very soon.
- A designer for an immersive visitor experience at the Guildhall. This tender attracted seven bids and these are currently being evaluated. Interviews of the leading bidders are planned for 9th February.
- Quay Dryside facilities contract enabling visiting sailors to shower, clothes washing etc. has been placed. Once the project is finished it will hopefully attract more maritime visitors.

2 Forthcoming Activities and Developments.

25-29 Financial Plan and all that it entails for the future.

3 Meetings Attended and Meetings Scheduled

I attend Portfolio meetings.
Cabinet briefing and sifting together with Cabinet itself.
CPP and Audit Panel and Oversight meetings.
IDB SIG meetings
As many Ward Parish meetings as I possibly can.
What is not on this pro forma, is the amount of analysis and reading work that is necessary to relate figures to activity. I try, to the best of my ability, to do just that.
As well as ad hoc discussions with many officers.