REPORT TO CABINET

Borough Council of King's Lynn & West Norfolk

DATE OF MEETING	17 November 2026
REPORT TITLE	**BUDGET MONITORING QUARTER 2 2026/2027**
LEAD MEMBER	Councillor Chirs Morley – Portfolio Holder for Finance
LEAD OFFICER	Carl Holland – Assistant Director – Finance (Deputy Section 151 Officer)
CONSULTEES	All Cabinet, ELT and CLT
WARDS AFFECTED	All

KEY DECISION	YES
DECISION MAKER	Cabinet
IS THE REPORT OPEN OR EXEMPT	OPEN

FINANCIAL IMPLICATIONS	YES
HR IMPLICATIONS	NO
POLICY IMPLICATIONS	NO
STATUTORY IMPLICATIONS	YES
RISK MANAGEMENT IMPLICATIONS	YES
ENVIRONMENTAL IMPLICATIONS	NO
EQUALITY IMPACT ASSESSMENT COMPLETED	23 October 2026

SUMMARY OF REPORT

This report provides an update on the Council's financial performance against the approved 2026/2027 revenue and capital budgets, based on actual income and expenditure to 30 September 2026 and the latest forecast outturn.

The summary table below shows that the revenue position has improved since the budget was approved, with Borough Spend currently forecast to be £594k below budget, together with £187k of additional Government grant income. This improved position is forecast to result in a £1.971m contribution to the General Fund balance at year end. Further detail on the key movements, savings and efficiencies, and the resulting impact on the Council's financial position is set out in the main body of the report and at Appendix 1.

Revenue	**Approved Budget 2026/27 £**	**Forecast 2026/27 £**	**Forecast Variance £**
Borough Spend	27,655,079	27,060,611	(594,468)
Financing	(28,845,006)	(29,032,006)	(187,000)
Contributions to/(from) General Fund Balance	**1,189,927**	**1,971,395**	**781,468**

The revised capital programme for 2026/2027 is £62.836m, compared with £75.660m reported at Quarter 1, primarily reflecting updated delivery profiles and rephasing of expenditure. Further detail on the capital programme is provided within the report and Appendix 2.

Capital	Approved Budget adjusted for 2025/2026 rephasing £	Budget to Q1 Monitoring Report £	Budget to Q2 Monitoring Report £	Actuals to 30 September 2026 £
Tier 1: Major Projects	48,086,960	49,420,230	42,821,340	14,519,127
Tier 2: Operational Schemes	7,931,120	8,264,120	7,907,760	2,146,199
Tier 3: Operational Schemes	2,971,280	2,971,280	1,513,080	0
Exempt Items	14,929,800	15,004,800	10,593,570	146,827
Total	**73,919,160**	**75,660,430**	**62,835,750**	**16,812,153**

The report also provides updates on reserves, debt collection and recovery, and treasury management, together with the recommendations arising from the Quarter 2 review.

RECOMMENDATIONS

Cabinet resolves to:

1) Note the forecast revenue and revised capital position for 2026/2027.
2) Approve the proposed amendments to the capital programme, including the movement of projects between programme tiers, as set out in the report and appendix 2.
3) Approve the movements between reserves, as set out in the report
4) Notes the updated position on savings and efficiencies, debt recovery and treasury management.

REASON FOR DECISION

To keep Cabinet informed of performance against budget for Capital and Revenue in the current financial year based on the data in the reported period.

CORPORATE STRATEGY How does this proposal support our Corporate Priorities Our priorities | Corporate Strategy 2023 - 2027 | Borough Council of King's Lynn & West Norfolk	
Promote growth and prosperity to benefit West Norfolk	
Protect our Environment	
Efficient and effective delivery of our services	The report provides data to ensure monitoring of Council spend and income with the aim of providing Cabinet with opportunity to discuss and consider action as a result.
Support our communities	

REPORT DETAIL

1. Introduction

1.1. The Council set its budget for both Revenue and Capital at its meeting on 26 February 2026. This report provides an assessment of the council's financial performance against its 2026/2027 approved budget, incorporating key financial risks, issues, and opportunities since 1 April 2026 for revenue and capital items. The year-end forecasts, reported here, take into consideration emerging data from service managers along with actual income and expenditure for the period 1 April 2026 to 30 September 2026.

1.2. At the end of Quarter 2, the Bank of England base rate was at 3.75%, unchanged from June 2026. For the 12 months ending 30 September 2026, inflation is at 3.5%, an increase from 2.6% in June 2026. This is above the 2% target level set by Government. The lasting effect from inflation on individuals and businesses is being monitored by Council services in terms of impacts:

- from increasing revenue costs and demand for the Council's services
- risk to recovery of monies collected by the Council
- risk that could delay and/or increase the cost of capital projects
- slow sales from the housing development programme increases pressure on the Council's cashflows

1.3. The key sections of the report are laid out as follows:

- General Fund (Revenue) – Section 2. and Appendix 1
- Capital – Section 3, Appendix 2 and Exempt Report
- Reserves – Section 4

2. Revenue Budget Monitoring 2026/2027

2.1. Table 1 shows a summary of the forecast revenue position for the year with consideration to actual spend and income during the period 1 April 2026 to 30 September 2026. Notes to the below summary follow table 1 and further detail of the movements can be seen in Appendix 1.

Table 1 – Revenue Forecast Summary

Forecast Outturn Position	Approved Budget £	Budget to Date £	Actual to Date £	Variance to Date £	Forecast £	Forecast Variance £	Notes
Corporate Services	2,787,700	1,188,860	976,354	(212,506)	2,787,700	0	3.1
Chief Executive	2,534,900	1,319,620	1,169,823	(149,797)	2,534,900	0	3.2
Environment and Planning	1,884,998	2,199,980	1,896,989	(302,991)	1,631,525	(253,473)	3.3
Health, Wellbeing and Public Protection	556,480	(256,300)	(380,716)	(124,416)	556,480	0	3.4
Corporate Governance & Compliance	2,985,600	1,364,520	1,307,474	(57,046)	3,035,600	50,000	3.5
Leisure and Culture	1,850,970	698,130	1,158,387	460,257	2,095,290	244,320	3.6
Operations and Commercial	(225,640)	(703,940)	(1,138,145	(434,205)	(551,655)	(326,015)	3.7
Property Services	(1,516,150)	(799,310)	(297,822)	501,488	(1,418,820)	97,330	3.8
Regeneration Housing & Place	752,220	922,220	1,087,571	165,351	752,220	0	3.9
Finance	8,611,950	5,087,210	4,860,817	(226,393)	8,254,840	(357,110)	3.10
Cost of Services	**20,223,028**	**11,020,990**	**10,640,731**	**(380,259)**	**20,016,875**	**(206,153)**	
Financing Adjustment	3,561,460	0	0	0	3,561,460	0	3.11
Internal Drainage Boards	3,870,591	1,934,520	1,909,761	(24,760)	3,821,072	(49,519)	3.12
Borough Spend	**27,655,079**	**12,955,510**	**12,550,492**	**(405,018)**	**27,060,612**	**(594,467)**	
Contributions to /(from) Reserves	1,189,927	0	592,018	592,018	1,971,395	781,468	
Borough Requirement	**28,845,006**	**12,955,510**	**13,142,510**	**187,000**	**29,032,006**	**187,000**	
Revenue Support Grant	(16,983,200)	(8,568,608)	(8,568,608)	0	(16,983,200)	0	
Other Government Grants	(2,839,720)	(583,027)	(770,027)	(187,000)	(3,026,720)	(187,000)	3.12
Council Tax	(9,022,086)	(3,803,875)	(3,803,875)	0	(9,022,086)	0	
Grand Total	**(28,845,006)**	**(12,955,510)**	**(13,142,510)**	**(187,000)**	**(29,032,006)**	**(187,000)**	

2.1.1. Key points of note:

- Exceptionally dry conditions were impacting the work of the ground's maintenance services, for example reducing the need for grass cutting, increasing need for flower bed maintenance. Variations to these costs occurred throughout quarter 2 and resulted in a revised favourable forecast of (£142k). The weather may also have contributed to a favourable position on car parking income with an estimated favourable forecast of (£403k).

- Work to review property related budgets with a view to creating a Corporate Landlord model may result in variances to forecast and will be reported during the year. Spend on Business Rates for empty and Council occupied industrial units has been reported with an adverse variance of £97k.

- The discretionary element of Housing Benefit payments for provision of temporary and supported accommodation has been reduced as a result of proactive solutions to access property that better meets the needs of users whilst also being at a reduced cost compared to hotel accommodation. This has resulted in an estimated favourable variance of (£357k).

- The events team keep under review public safety measures, with consideration to Martyn's Law (2025) and reports additional costs associated with this but aims to contain these costs within overall events net spend.

- Government grant of (£537k) towards Internal Drainage Board levies was confirmed and received in Quarter 2, (£187k) above budget.

2.2. Progress against the savings and efficiencies identified in the Medium-Term Financial Strategy (MTFS) is monitored as part of the Council's overall financial position. The MTFS 2025–2030, approved on 26 February 2026, includes a savings and efficiency target of £2.279m for 2026/2027. At the end of Quarter 2, £2.186m of savings and efficiencies are forecast to be achieved. The table below provides a RAG assessment of the level of confidence in delivery of the forecast savings by the end of the financial year.

2026/27 status update at Q2					
Status	**Q1**	**Q2**	**Q3**	**Q4**	**Full Year**
	Actual	**Actual**	**Estimated**	**Estimated**	
G – Green	£422,206	£275,104	£204,470	£234,470	£1,136,250
A – Amber	£27,500	£402,894	£217,500	£227,500	£875,394
R – Red	£0	£0	£70,000	£105,000	£175,000
Grand Total	**£449,706**	**£677,998**	**£491,970**	**£566,970**	**£2,186,644**

2.3. The turnover savings target assumes brief vacancies after staff leave. Where critical posts need immediate cover to maintain services, savings are offset by temporary or agency staffing, overtime and recruitment costs.

2.4. The cost of living pay award for 2026/2027 were agreed at 3.3% and have been actioned during September 2026 and take effect from 1 April 2026. The following table indicates potential turnover savings above the budgeted target. Given that this remains an emerging position, the additional saving has not been incorporated into the Quarter 2 forecast outturn at this stage and will continue to be monitored.

	Estimated Outturn £
Salaries	29,270,898
Cost of recruitment, agency, and professional fees	1,585,251
Total estimated costs	**30,856,149**
2026/2027 Budget	33,154,000
Turnover Savings Target	(1,350,000)
Savings over Target	(947,851)
Total estimated savings	**(2,297,851)**

3. Capital Budget 2026/2027

3.1. A summary of the position as at 30 September 2026 for the capital programme is shown below in Table 2. A detailed breakdown of the capital programme is included at Appendix 2 and the Exempt Report.

Table 2 – Capital Forecast Summary

	2026/2027 Approved Budget	**Budget to Q1 Monitoring Report**	**Adjusted for Rephasing: Budget to Q2 Monitoring Report**	**Actuals to 30 September 2026**
	£	**£**	**£**	
Tier 1 Major Projects				
Programme and Place	25,141,630	25,141,630	22,592,050	12,246,766
Regeneration, Housing and Place	14,219,750	14,219,750	12,970,440	1,920,558
Health, Wellbeing & Public Protection	7,858,850	7,858,850	5,458,850	351,802
Leisure and Culture	866,730	2,200,000	1,800,000	0
Total Tier 1	***48,086,960***	***49,420,230***	***42,821,340***	***14,519,126***
Tier 2 Operational Schemes				
Corporate Services	1,845,000	1,845,000	1,845,000	385,756
Health Wellbeing and Public Protection	2,637,530	2,637,530	2,593,300	1,123,139
Leisure And Culture	442,000	442,000	442,000	10,869
Operations and Commercial	1,917,940	2,167,940	2,050,810	486,805
Property Services	1,088,650	1,171,650	976,650	139,631
Total Tier 2	**7,931,120**	**8,264,120**	**7,907,760**	**2,146,200**

	2026/2027 Approved Budget	Budget to Q1 Monitoring Report	Adjusted for Rephasing: Budget to Q2 Monitoring Report	Actuals to 30 September 2026
Tier 3 Operational Schemes				
Leisure And Culture	1,442,000	1,442,000	672,000	0
Operations and Commercial	867,720	867,720	449,520	0
Property Services	420,500	420,500	270,500	0
Regeneration, Housing and Place	241,060	241,060	121,060	0
Total Tier 3	**2,971,280**	**2,971,280**	**1,513,080**	**0**
Exempt Items	**14,929,800**	**15,004,800**	**10,593,570**	**146,827**
Total Capital Programme (Tiers 1 2 3)	**73,919,160**	**75,660,430**	**62,835,750**	**16,812,153**

3.2. The Quarter 2 review has resulted in a revised 2026/2027 capital programme of £62.836m, compared with £75.660m reported at Quarter 1. The movement principally reflects the latest delivery profiles for individual schemes and the rephasing of expenditure between financial years. The significant programme amendments are explained below, with the detailed programme set out at Appendix 2 and within the Exempt Report where appropriate.

3.3. The following are requested to move from tier three to tier two:

Project	Budget	Note
Depot car park Improvement	£60,000	3.3
Toilet roof – Seagate Road, Hunstanton	£30,000	3.4
Accommodation Refresh	£75,000	3.5
Hunstanton Public Realm	£35,000	3.6
Lynnsport Toilets	£50,000	3.7

3.4. Depot Car Park Improvement - work required to resurface car park and extend operations at the depot.

3.5. Toilet Roof, Seagate Road, Hunstanton - urgent works were required following a leak near an electrical unit.

3.6. Accommodation Refresh – Furniture replacement programme to support office optimisation and health and safety risk assessment.

3.7. Hunstanton Public Realm – Replacement and repair of railings in Esplanade Gardens.

3.8. Lynnsport Toilets - £50k is allocated to refurbish toilets in both facilities (Sports Barn and Kaset Skatepark). The project will provide compliant, accessible and inclusive

toilet facilities, reflecting current accessibility requirements, UK Active guidance and the EHRC Codes of Practice.

3.9. Notes to forecast and programme amendments

3.10. Coastal Defence Works; £7,858,850 is currently budgeted in tier 1 of the capital programme for the current year. The nature of this work is such that a number of consents and licences are required, which will also determine the timing of these works. As a result of these requirements the forecast for the current years is reprofiled to next year by £2.4m.

3.11. West Norfolk Racket and Community Sports Hub; is now reported at Tier 1 of the Capital Programme, following a report approved at Council on 29 July agreeing the scope of this project to three covered padel courts, weatherproofed tennis courts and a multi-use games area. The budget requirement for the works is £2,200,000, part funded with a grant of £1,000,000. The target date for these works is currently estimated to fall into the next financial year. The forecast for the current financial year has been reduced by £400k to reflect this.

3.12. South Lynn fire Safety Training Facility; £30,000 is removed from the Programme, following confirmation the funding award from Community Infrastructure Levy.

3.13. Town Deal - St George's Guildhall Project; The 2026/207 budget (per the appendix) is £8.7m, latest cashflow as at report date has expected costs for 2026/2027 of £8.0m, a £0.7m difference. The spend profile is weighted towards the last six months, (Quarter 1, £0.7m; Quarter 2, £1.5m; Quarters 3 and 4 are £3m each. Spend is on track with an expected carry over into 2027/2028.

3.14. Town Deal - Active Clean and Connectivity; The 2026/2027 budget (per the appendix) is £3.4m. Following the planning decision the project awaits retendered prices from the contractor. Budget updates and costs have resulted in a £308k budget reprofile to this year, which would fully utilise the project contingency if further savings are not identified*.*

3.15. Lynnsport Investment – Adaptive Sports Hub; This is added to the Capital Programme at Tier 3 to provide funding for feasibility at a cost of up to £30k. Working with the charitable trust on a purpose-built facility for an inclusive sport and physical activity destination for people with disability, additional support needs or long-term health conditions.

4. Reserves

4.1. The main reasons the Council holds reserves are to:

- manage known financial risks
- hold funding as one-off contributions to expenditure, allowing ongoing revenue budget reductions
- manage timing difference between the receipt of funding and actual spend
- hold ring-fenced funds such as specific grants

4.2. The Council approved budget for the 2026/2027 financial year included a contribution of £1,189,927 to the General Fund Reserve. Based on the quarter 2 forecast, the contribution is now estimated at £1,971,395, reflecting the improved forecast revenue position. The resulting forecast General Fund Reserve balance at 31 March 2027 is £11.877,897, as shown in Table 3 below.
Table 3

Projected Movements in General Fund Balances	**2026/2027**
	£
Opening Balance	9,906,502
Estimated contribution to / (from) GF Fund Budget	1,971,395
Closing Balance	11,877,897

4.3 The General Fund Reserve Balance is used to support the revenue budget as set out in the Medium-Term Financial Strategy. However, the council also holds a number of earmarked reserves which are held for specific purposes. Table 4 shows the budgeted movements to/(from) earmarked reserves and provides notes in respect of any in year movements against these reserves for the period 1 April 2026 to 30 September 2026

Table 4 – Earmarked Reserves Summary

Reserves	Opening balance April 2026	Budgeted movements To/(From) Revenue	Transfers between reserves	In year movements To/(From) Revenue	Note	Outturn Balance March 2027
Ring Fenced Reserves						
Amenity Areas	(61,594)	-	-	-		(61,594)
Capital Programme Resources	(784,339)	520	-	-		(783,819)
Collection Fund Adjustment Reserve	(7,479,022)	-	157,094	-		(7,321,928)
Grants Reserves	(3,112,016)	8,600	948,515	-		(2,154,901)
Holding Accounts	(74,296)	-	3,000	-		(71,296)
Other	(229,422)	(51,510)	-	-		(280,932)
Planning Reserves	(179,648)	459,800	-	-		280,152
Repairs and Renewal Reserves	(613,093)	(146,920)	(122,305)	-		(882,317)
Ring Fenced Reserves	(7,979,117)	(1,626,190)	(1,205,300)	12,500	1	(10,798,107)
Educational Skills Attainment	(187,902)	-	-	-		(187,902)
Sub Total	**(20,700,448)**	**(1,355,700)**	**(218,996)**	**12,500**		**(22,262,644)**
Risk Management						
Capital Programme	(64,413)	-	-	-		(64,413)
Holding Accounts	-	-	-	-		-
Insurance	(283,988)	(12,200)	-	-		(296,188)
Planning Reserves	(22,947)	-	-	-		(22,947)
Ring Fenced Reserves	(45,155)	-	-	-		(45,155)
Sub Total	**(416,503)**	**(12,200)**	**-**	**-**		**(428,703)**
Service Delivery						
Capital Programme Resources	(6,375,602)	(260,610)	1,328,754	7,238	2	(5,300,220)
Climate Change Strategy	(491,646)	48,760	-	-		(442,886)
Grants Reserves	(1,803,019)	(63,000)	-	18,140	3	(1,847,879)
Holding Accounts	(1,189,995)	(70,000)	(52,753)	2,495	4	(1,310,253)
Planning Reserves	(167,050)	-	-	167,050	5	-
Project Reserves	(675,910)	-	-	-		(675,910)
Change Management	(2,046,841)	416,240	(1,104,625)	500,000	6	(2,235,226)
Repairs and Renewal Reserves	(729,012)	5,380	47,619	-		(676,012)
Ring Fenced Reserves	(44,414)	(10,000)	-	-		(54,414)
Sub Total	**(13,523,488)**	**66,770**	**218,996**	**694,923**		**(12,542,800)**
Grand Total	**(34,640,439)**	**(1,301,130)**	**-**	**707,423**		**(35,234,146)**

4.4 Notes to Table 4

4.4.1 Budgeted Movements (to)/from reserves total (£1,301,130): Movements (to)/from reserves which were included within the approved budget.

4.4.2 **Transfers between reserves:** A review of all commitments against reserves has been undertaken. This has released £372,753 from various earmarked reserves. From this £250k has been transferred to the Cabinet Emergency fund as explained below. And the balance of £122,753 transferred to the Change Management Reserve.

£250k has been transferred from other reserves to establish a Cabinet Emergency Reserve. An evidence-led process is in place to assess funding requests on a

case-by-case basis, supported by assessment criteria and senior officer advice. The reserve has been created by repurposing funds previously held for Leader-led community support.

The fund total of £250,000 is intended to provide one-off capital or revenue funding to charities, voluntary organisations, community interest companies, parish councils, public sector bodies, and other not-for-profit organisations where either:

- An unforeseen financial need threatens the continuation of an important service or community asset; or

4.2.1. An opportunity arises to deliver projects that support the council's Corporate Plan objectives and priorities.

4.4.3 In year movements (to)/from revenue total £707,423: This balance accounts for other movements, that have been determined in-year, to and from reserves during the year of £707,423. See notes below.

Note 1: Ring Fenced Reserves: The in-year movement noted in table 4 relates to funding allocated from the Cabinet Emergency Reserve to the end of quarter 2 under the agreed delegated arrangements

Note 2: Capital Programme Resources: Careline Transfer to revenue. Total £7,238.

Note 3: Grants Reserves: To cover the cost of Revenues and Benefits software and collection fund suite. Total £18,140.

Note 4: Holding Accounts: Contribution to fund the Local Hero awards.Total £2,495.

Note 5: Planning Reserves: Release of funds to help support the cost of the Local Plan. Total £167,050.

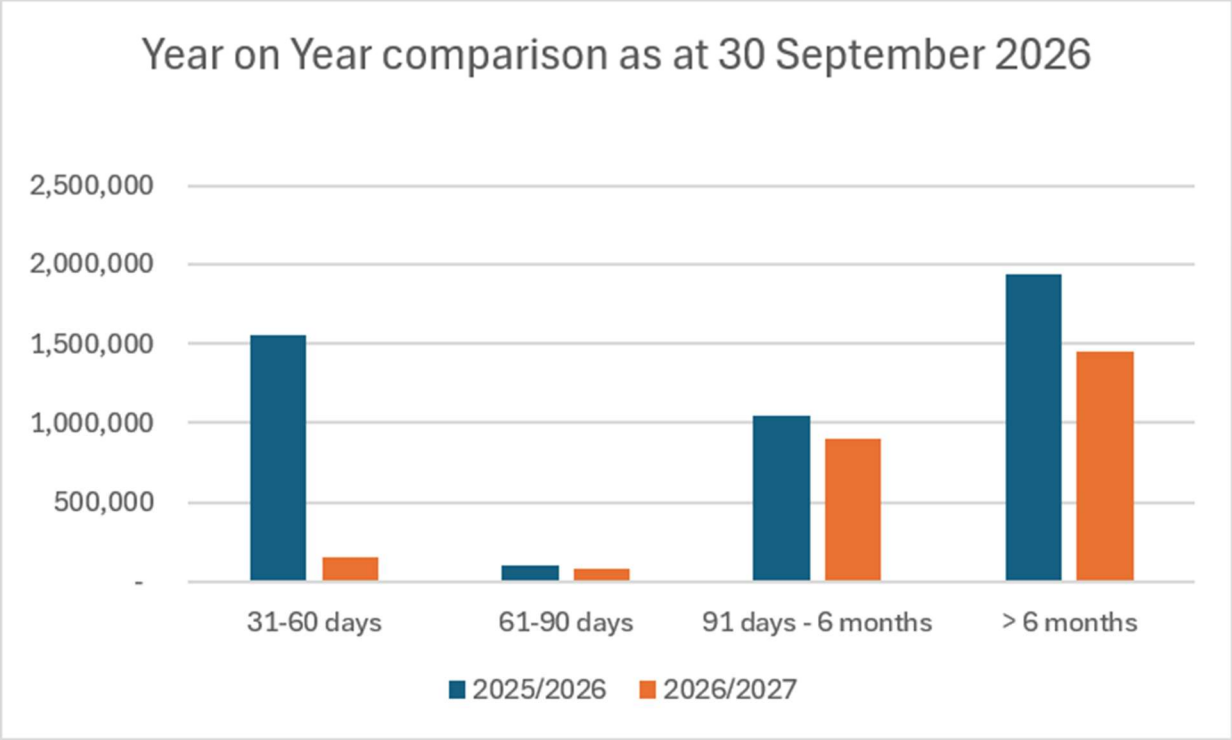
Note 6: Change Management: Agreed provision of £500,000 towards LGR costs pending further notification of need.

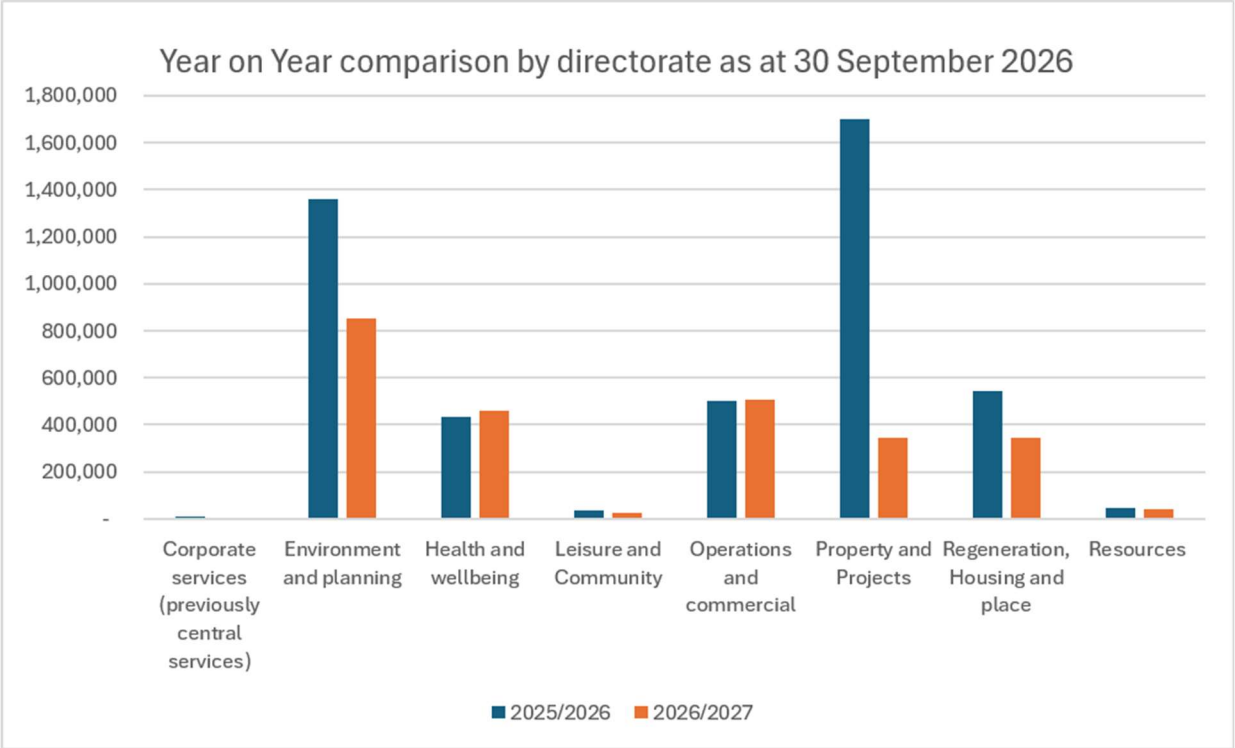
5. Age Debt Analysis

5.1. The effective management and collection of debt is an essential contributor to the councils' financial resources. Debt recovery levels can be volatile and at risk especially when there is economic financial instability.

5.2. *Sundry Debtors Arrears Monitoring*

5.2.1. Data for performance reporting continues ***to show improvement in year-on-year performance.*** The first table below shows the comparison of overdue debt between 2025-26 and 2026-27 as at 30 September in each year based on age. The second table shows the comparison at directorate level.



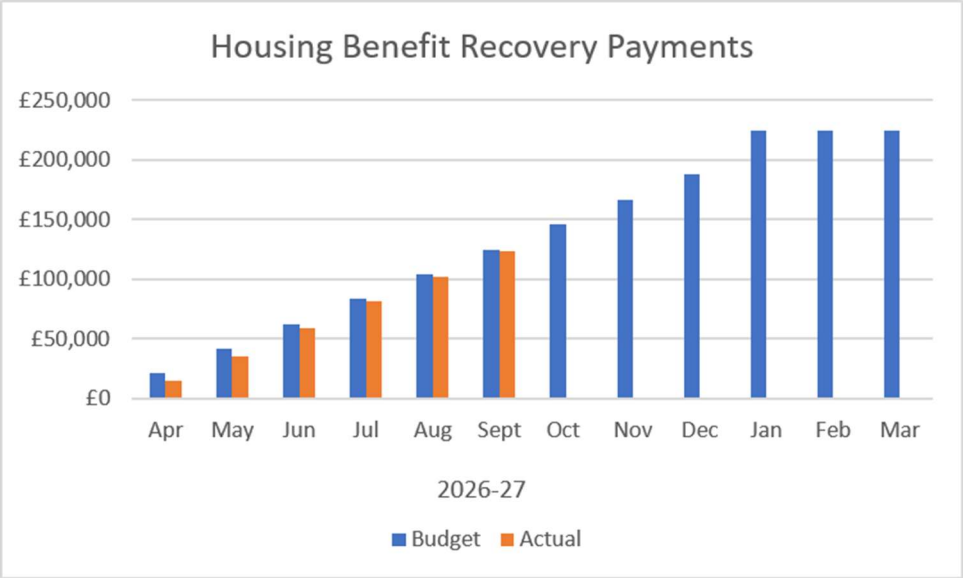


5.2.2. In summary, robust reminder, service cessation and targeted recovery processes are maintained. At the same time the Council operates a commitment to fair and proportionate recovery of money owed to the council.

5.3. Housing Benefit Overpayment Recovery Monitoring

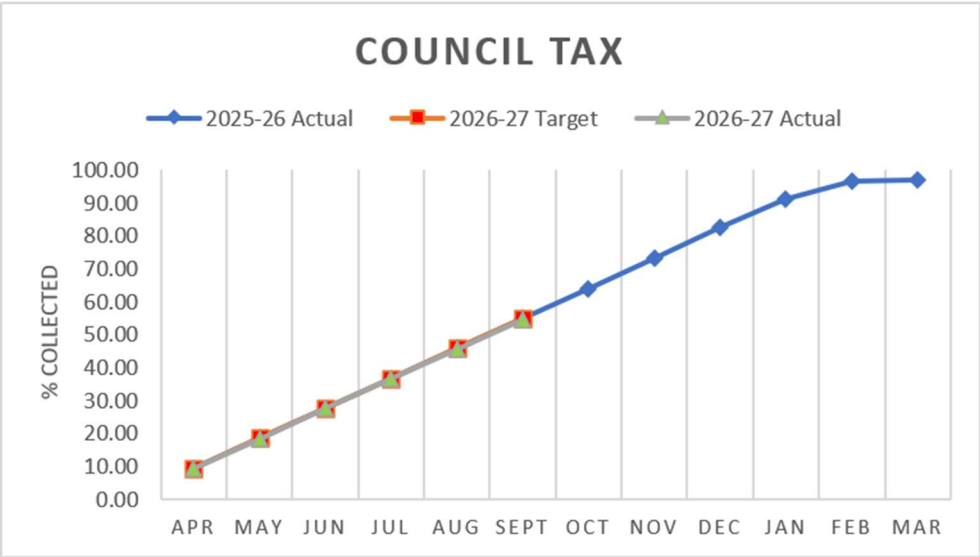
5.3.1. In relation to Housing benefits overpayment recovery, the target as of 30 September 2026 is £124,980 and £122,982 has been raised in invoices. See table

below showing monthly performance against budget for 2026/2027.

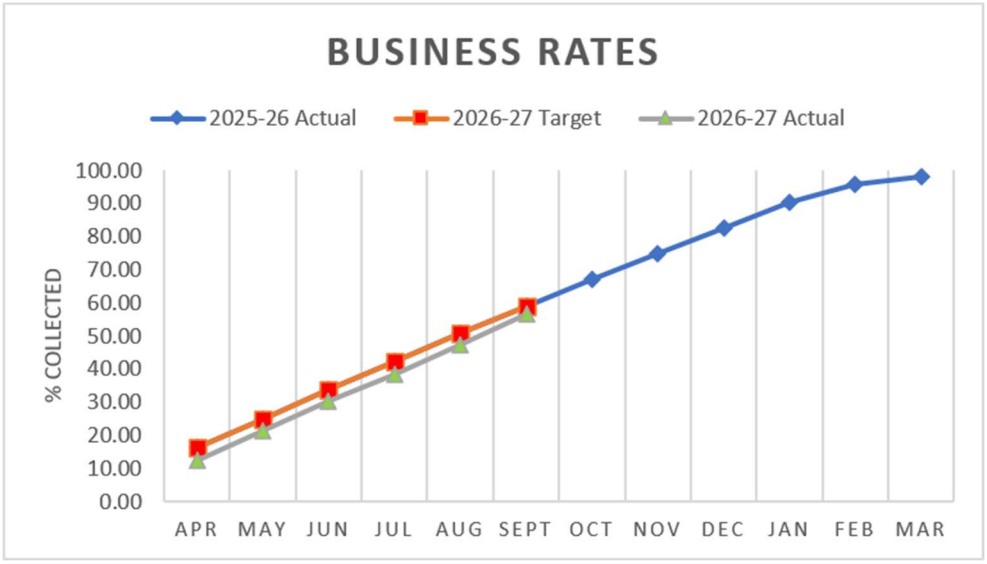


5.4. *Council Tax and Business Rates*

5.4.1. As of 30 September 2026, 54.65% of council tax has been collected against the target of 55.06% which is 0.41% less than the same period last year and therefore on track with target collection rate. See chart below with comparison.

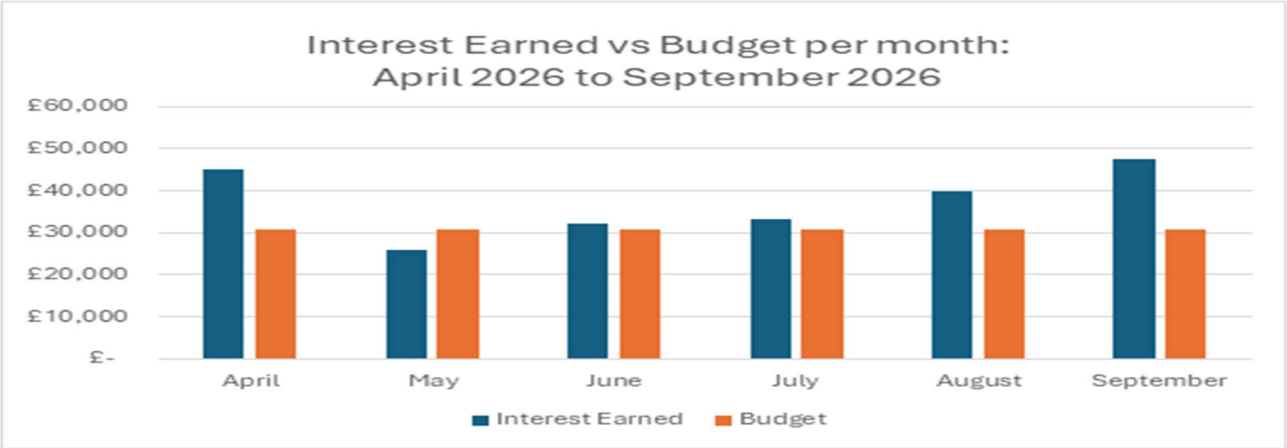


5.4.2. As of 30 September 2026, 56.74% of business rates has been collected against the target of 59.07%, which is 2.33% less than the same period last year, itself an improvement of 1% from quarter 1. The Government undertook a Business Rates reset for 2026/2027 and therefore given significant changes to discounts and liability thresholds, councils can expect a reduction in collection rates. Enquiries from liable parties increased for the early part of the year, but existing processes are expected to return collection to projected levels within year. See chart below with comparison.



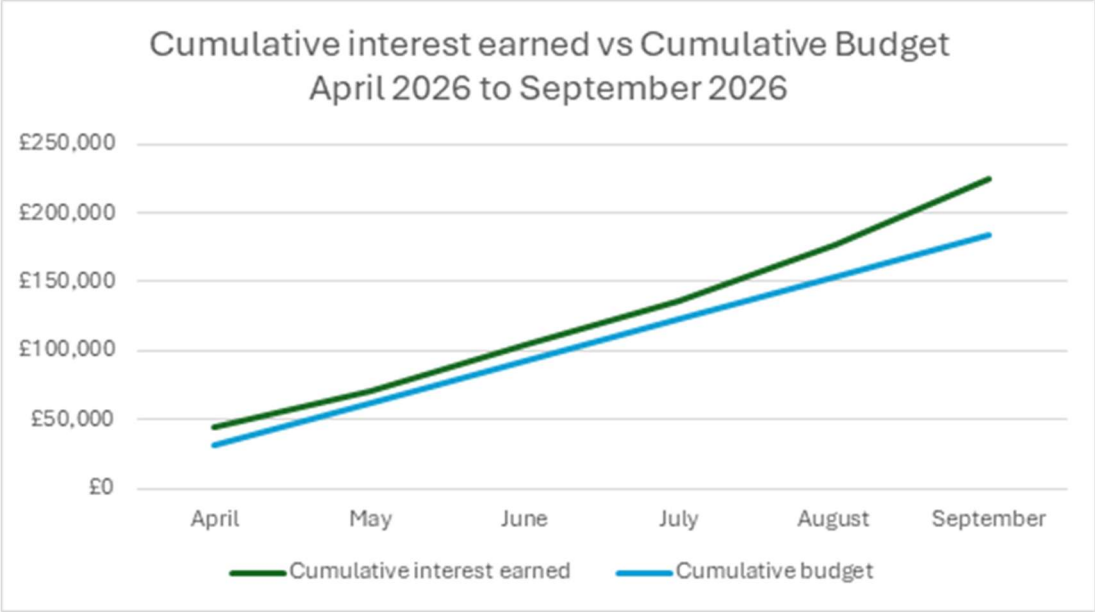
6. Treasury Management

6.1. The "Treasury Management Strategy Statement and Annual Investment Strategy 2026/2027 was approved by Council on 3 February 2026. The Council's Treasury Management Strategy will be updated as appropriate for any changes made to the CIPFA code of practice. The graph below compares the interest earned each month to the forecast budget.

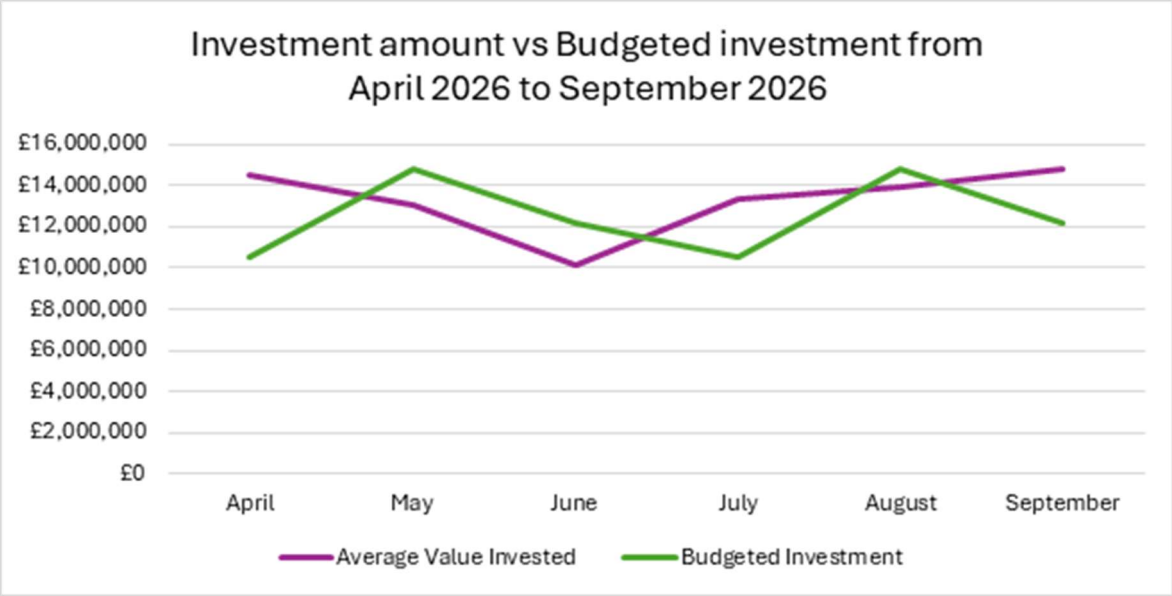


6.2. The Bank of England base rate has remained above where economists predicted it to be, the council builds its investment income estimate around this core data. In the period banking institutes are paying a higher rate of return than originally estimated, quarter 2 income generated from investments is slightly higher than

originally expected. The graph below compares the cumulative interest earned and forecast budget.



6.3. The graph below compares the average value invested each month to the forecast budget.



6.4. The tables below show the closing values in borrowing and investments.

Borrowings

Institution	Principal £	Rate %
PWLB	28,000,000	4.70%
West Midlands Combined Authority	5,000,000	5.15%
Short Term Loans	**32,000,000**	
Long Term Loans	0	
Total Borrowings	**32,000,000**	

Investments

Institution	Principal £	Rate %
LGIM - MMF	905,000	3.90%
Total Money Market Fund Investment	**905,000**	
Barclays FIBCA	50,000	2.95%
Total Other Investments	**50,000**	
Overall Investments	**955,000**	

8. Financial Implications

8.1 The report summarises the risks to and potential for variances against budgeted spend and income. For this period variances against revenue budget are unchanged and Capital spend amendments are reported in accordance with delegated powers where not contained within the programme reported to Council in February 2026.

7. HR Implications

7.1. National negotiations over the cost of living pay award for 2026/2027 were agreed at 3.3% and have been actioned during September 2026 and take effect from 1 April 2026.

8. Policy Implications

8.1. There are no policy implications arising from this report.

9. Climate Change and Environmental Implications and considerations

9.1. The Capital Programme includes projects within the approved budget that support reduction of Carbon footprint, cost effective energy use from sustainable sources and coastal defence investment.

10. Statutory and Legal Implications

10.1. Local Government Act 2003 (Section 28) requires local authorities to monitor income and expenditure against the budget during the financial year. It also

imposes a duty to take action in the event of a significant projected shortfall in income or overspend.

10.2. Section 151 of the Local Government Act 1972 requires the chief finance officer to ensure the proper administration of the Council's finances. S114 of the Local Government Finance Act provides further reporting requirements if expenditure is likely to exceed available resources.

11. Local Government Reorganisation Implications

11.1. A number of preparatory workstreams took place during quarter 1 and quarter 2 across Norfolk Authorities to ensure readiness for meeting Government requirements. On the 7 September 2026 Central Government took the decision to pause LGR activity pending a further announcement later in the year, following reconsideration of its decisions. The forecast has not yet been amended to reflect this, whist the Council awaits further clarification of its duties under the LGR activity.

12. Health and Safety Implications

The Capital Programme includes a spend in accordance with am equipment replacement programme to replace equipment that no longer meets safety standards.

13. Consultees

Assistant Directors and Service Managers are consulted on their forecast spend and income.

14. Equality Impact Assessment

See attached.

15. Risk Management Implications

The Corporate Risk Register includes Financial Sustainability, of which this report forms part of the mitigating actions.

16. Conclusion

16.1. The primary objective of this report is to monitor service area performance against allocated budgets and to consider variances to the budget figure in the light of current circumstances.

16.2. Careful budgetary control throughout the year ensures that resources are applied as planned, fulfilling the goal to secure the long-term economic future of the borough. Budgetary control is applied in a consistent manner across all budgets, and individual decisions to be taken during the financial year are reviewed for

impact on a case-by-case basis before they are taken, so that any identified impact can be considered and taken into account at the appropriate time.

16.3. The content of this budget monitoring report is designed to enable councillors and senior officers to see the financial position of the Council as a whole, as required by the Local Government Act.

LIST OF APPENDICES
• Appendix 1 – Revenue forecast • Appendix 2 – Capital Programme

LIST OF BACKGROUND PAPERS
• Medium Term Financial Strategy – Council 26 February 2026

Stage 1 - Pre-Screening Equality Impact Assessment

For equalities profile information please visit Norfolk Insight - Demographics and Statistics - Data Observatory

Name of policy/service/function	Quarterly Budget Monitoring reports to Cabinet			
Is this a new or existing policy/ service/function? *(tick as appropriate)*	New		Existing	Y
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations and identify relevant legislation.	The report provides a forecast of spend and income against budget for Revenue and Capital.			
Who has been consulted as part of the development of the policy/service/function? – new only *(identify stakeholders consulted with)*	The Corporate Leadership Team, Portfolio Holders.			

Question	**Answer**				
1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service? Please tick the relevant box for each group. NB. Equality neutral means no negative impact on any group. ***If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.*** **For more information on health inequalities please visit The King's Fund*		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Sex			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Armed forces community			√	
	Care leavers			√	
	Health inequalities*			√	
	Other (eg low income, caring responsibilities)			√	

Please provide a brief explanation of the answers above: The report states factual data based on actual spend and income of the Borough Council, it is not a policy.		
Question	**Answer**	**Comments**
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	~~Yes~~ / No	It reports estimated data for spend and income without prejudice
3. Could this policy/service be perceived as impacting on communities differently?	~~Yes~~ / No	It reports estimated data for spend and income without prejudice
4. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	~~Yes /~~ No	**Actions: No impacts identified.** **Actions agreed by EWG member:** **…….**
If 'yes' to questions 2 - 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary: **Decision agreed by EWG member: ……..**		
5. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	~~Yes~~ / No	**Please provide brief summary:**
Assessment completed by:		

Name	**Carl Holland**		
Job title	**Assistant Director - Finance**		
Date completed	**23 October 2026**		
Reviewed by EWG member	**Louise Gayton**	**Date**	**XX/XX/2026**