



Cabinet

Agenda

Tuesday, 2nd February, 2021
at 3.30 pm

in a

**Remote Meeting on Zoom and available for
the public to view on [WestNorfolkBC on You
Tube](#)**



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 616200

CABINET AGENDA

DATE: CABINET - TUESDAY, 2ND FEBRUARY, 2021

VENUE: REMOTE MEETING ON ZOOM AND AVAILABLE FOR THE PUBLIC TO VIEW ON WESTNORFOLKBC ON YOU TUBE - ZOOM AND YOU TUBE

TIME: 3.30 pm

As required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 - Item 16 and appendices to items 11 and 14 below will be considered in private.

Should you wish to make any representations in relation to the meeting being held in private for the consideration of the above item, you should contact Democratic Services

1. MINUTES

To approve the Minutes of the Meeting held on 5 January 2021 (previously circulated).

2. APOLOGIES

To receive apologies for absence.

3. URGENT BUSINESS

To consider any business, which by reason of special circumstances, the Chair proposes to accept, under Section 100(b)(4)(b) of the Local Government Act 1972.

4. DECLARATIONS OF INTEREST

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not

already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

5. CHAIR'S CORRESPONDENCE

To receive any Chair's correspondence.

6. MEMBERS PRESENT UNDER STANDING ORDER 34

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

Members wishing to speak pursuant to Standing Order 34 should inform the Chair of their intention to do so and on what items they wish to be heard before a decision on that item is taken.

Please note that the Chair will accept questions on items, in addition to statements. To ensure responses can be provided at the meeting, please can you provide your question to Democratic services in advance of the meeting.

7. CALLED IN MATTERS

To report on any Cabinet Decisions called in.

8. FORWARD DECISIONS (Pages 6 - 9)

A copy of the Forward Decisions List is attached

9. MATTERS REFERRED TO CABINET FROM OTHER BODIES

To receive any comments and recommendations from other Council bodies which meet after the dispatch of this agenda.

10. FINANCIAL PLAN 2020-25 (Pages 10 - 124)

11. CAPITAL PROGRAMME 2020-25 (Pages 125 - 156)

12. CAPITAL STRATEGY 2020-21 (Pages 157 - 172)

13. TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICE STATEMENT AND ANNUAL INVESTMENT STRATEGY 2021-22 (Pages 173 - 213)

14. GARDEN WASTE COMPOSTING CONTRACT (Pages 214 - 220)

15. EXCLUSION OF THE PRESS AND PUBLIC

The Cabinet is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the item below and the appendices to items 11 and 14 on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PRIVATE ITEM

Details of any representations received about why the following reports should be considered in public will be reported at the meeting.

16. HUNSTANTON BUS STATION (Pages 221 - 238)

To: Members of the Cabinet

Councillors R Blunt, S Dark, P Gidney, P Kunes, A Lawrence, B Long
(Chair), G Middleton and E Nockolds

For Further information, please contact:

Sam Winter, Democratic Services Manager
Borough Council of King's Lynn & West Norfolk
King's Court, Chapel Street
King's Lynn PE30 1EX

FORWARD DECISIONS LIST

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
2 February 2021						
	Budget	Key	Council	Leader Asst Director Resources – M Drewery		Public
	Capital Programme	Key	Council	Leader Asst Dir Resources – M Drewery		Public
	Annual Treasury Management Strategy	Key	Council	Leader Asst Dir Resources – M Drewery		Public
	Capital Strategy	Key	Council	Leader Asst Dir Resources – M Drewery		Public
	Garden Waste Composting Procurement	Key	Cabinet	Environmental Services and Public Protection Asst Dir Commercial Services – M Chisholm		Part Public Part Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)-
	Hunstanton Bus Station	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
16 March 2021						
	Local Plan Review Documentation – Pre Submission	Key	Council	Development Exec Dir – G Hall		Public
	Norfolk Strategic Planning Framework – Green Infrastructure and Recreational Impact Avoidance and Mitigation Strategy (GI / RAMS)	Key	Cabinet	Development Exec Dir – G Hall		Public
	Norfolk Strategic Planning Framework document (v3 2020)	Key	Cabinet	Development Exec Dir – G Hall		Public
9	Salters Road, King's Lynn	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Food Waste Collection	Key	Council	Environmental Services and Public Protection Asst Dir Operations and Commercial – M Chisholm		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

	Southend Road, Hunstanton	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Pay Award 2021-22	Non	Cabinet	Leader Exec Dir – D Gates		Public
7	Town Fund	Key	Council	Business Development Chief Executive		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
May 2021 date to be confirmed						
	Update to the Major Project Board Terms of reference	Non	Cabinet	Leader Asst Dir Property & Projects – M Henry		Public
	Parkway	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of

						any person (including the authority)
	Lynnsport one	Key	Council	Project Delivery Asst Dir Companies & Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Fens Biosphere	Non	Cabinet	Climate Change and Commercial Services Asst Director – S Ashworth		Public
8	Strategic Property Acquisition	Key	Cabinet	Business Development Asst Dir Property & Projects – M Henry		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

The FINANCIAL PLAN 2020/2025

**As submitted to the
Cabinet**

02 February 2021

**Michelle Drewery
Assistant Director Resources (S151 Officer)**

The FINANCIAL PLAN 2020/2025

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The FINANCIAL PLAN - 2020/2025

1 Executive Summary

- 1.1 As part of the council tax setting process the Council updates its longer term Financial Plan to take account of any changes in financial settlements, inflation on service costs and revised priorities of the administration.
- 1.2 In February 2020 the Council set out a Financial Plan for 2019/2024. The Plan reflected the continued significant financial challenges faced by the Council.
- 1.3 The Spending Round 2019 announcements saw a delay to the implementation of a number of local government funding reforms which were due to be implemented in 2020/21. The aim of these reforms are to move councils to be more self-financing and reduce reliance on central government grants. Along with the phasing out of Revenue Support Grant (RSG), Rural Services Delivery Grant (RSDG) and changes to the distribution of New Homes Bonus, there were also plans for a full reset of the business rates system and an announcement on the outcome of the review into relative needs and resources, i.e. the Fair Funding Review. Instead, Local Government received a one year financial settlement.
- 1.4 The outbreak of the Coronavirus pandemic (Covid-19) has had a significant impact globally with this country going into lockdown on 23rd March 2020 in order to limit the spread of the virus. Since then, there have been further restrictions and further periods of lockdown whilst Government try to limit the transmission of the virus. This has posed an unprecedented challenge to the UK economy. Consequently, there have been a number of government announcements since March adding further delays to the planned reforms whilst the country remains focused on responding to the pandemic. A summary of these announcements is set out as follows:
 - Fair Funding Review and Business Rates Retention Scheme – in April 2020, the Secretary of State for MHCLG announced the Fair Funding Review and changes to the Business Rates Retention Scheme which were due to be implemented in April 2021 were to be postponed due to Covid 19. Whilst Central Government remain committed to review the funding framework to local government, no new date has been announced yet.
 - Business Rates Revaluation – in July 2020, Government confirmed that the 2021 revaluation would not take place and it is expected that this is now likely to be 2023 with valuations to be based on property values as of 1 April 2021 which would reflect the impact of Covid-19 more closely.
 - Spending Review 2020 – on 25 November 2020, the Chancellor of the Exchequer outlined plans for 2020/21 with a further one-year settlement

for Local Government. The spending review also outlined other funding streams to support Local Government such as continuation of the current Sales, Fees and Charges Scheme (which refunds 75% of eligible income losses beyond a 5% threshold) for the first three months of 2021/22, further unringfenced grant to continue reducing council tax bills for those struggling to pay, additional resource funding to support rough sleepers and homelessness and a levelling up fund to invest in local infrastructure and will support economic recovery. It is not yet known what allocations the council will receive from each of these funding streams for 2021/22.

- 1.5 The provisional local government finance settlement for 2021/2022 was published on 17 December 2020. It did not contain many surprises as the announcements around the local government finance settlement for 2021/2022 had been outlined by the Chancellor in his Spending Round 2020 speech in November. It has been confirmed that the one-year settlement with RSG and Rural Services Delivery Grant (RSDG) will be paid for one year (2021/2022). It has been assumed within the Financial Plan that neither grant will be paid beyond 2021/2022. As the Council Tax Support to parishes was being funded from RSG this has also been continued for one more year (at £21k) and then not included beyond 2021/22.
- 1.6 There were also provisional allocations for other key features of the provisional settlement which included new funding to help to alleviate some of the pressures faced by local authorities such as a new Lower Tier Services Grant, Covid emergency funding (continuation of the unringfenced grant the council has received in the current financial year) and Local Council Tax Support Grant. Details of these allocations are set out in Section 3 of this report.
- 1.7 The Council can present a funded budget for three years of the medium term financial plan (see Appendix 1). However, the General Fund Balance will be depleted to the minimum reserve level in 2024/2025 and there remains an estimated budget gap of £4,099,800 which will need to be addressed. **Alongside this, there is also significant uncertainty from 2022/2023 onwards.** This is due to a combination of financial impact of the pandemic on the local economy and how long it will take to recover from this as well as the decision by Government to add further delay to the implementation of the reforms to the business rates retention scheme and the Fair Funding Review. The council is placed in a difficult position in being unable to determine with any certainty the future funding position beyond 2021/2022, which is a considerable downside risk.
- 1.8 The Government's focus is on Councils' 'core spending power' inclusive of locally generated resources. The core spending power analysis tables published by the Government for each Council assumes that Councils in the lowest quartile of Council Tax levels (which includes the Borough Council) will introduce the full £5 per annum per Band D dwelling Council Tax increase now permitted under the Council Tax Referendum Principles.

- 1.9 Norfolk authorities collectively opted to be part of a 50% Business Rates Retention Pooling arrangement for 2020/21 in order to be able to retain an amount of income from growth in business rates locally. Due to the significant uncertainties around business rates as a result of the pandemic, Norfolk authorities have opted not to continue with the Business Rates Pool arrangement for 2021/2022 and will review the position to determine whether it will reconvene for the 2022/2023 financial year.
- 1.10 In preparing the Financial Plan 2020/2025 assumptions for growth in business rates for 2021/2022 have been removed. There can be no guarantee that business growth will materialise as developers/businesses recover from the pandemic and changing market conditions, and there is also the added uncertainty of the Brexit arrangements as they now begin to unfold. The council has been fortunate to recognise increased levels of growth in recent years which are included in the financial plan. Whilst the assumptions have been made using the most up to date information available there is a significant level of risk, because of the external factors which are out of our control.
- 1.11 The current business rates retention scheme allows the authority to retain 100% of rates in respect of renewable energy. This is another area of considerable risk if the council loses this income as part of the Government reforms to local authority funding.
- 1.12 In recent years, the Council adopted a policy of seeking efficiencies and different ways of delivering services which produced significant levels of savings. A robust process to identify proposals to address the continuing budget deficit has been underway since the autumn 2015. Up to 2020/2021, we had achieved actual ongoing annual savings of £1.4m.
- 1.13 Due to the focus on responding to the pandemic, work was halted on securing the cost reduction/income generating targets identified as part of the budget setting process in February 2020. The actual annual savings achieved of £1.4m are now incorporated into the council's budgets and yet there still remains a budget gap going forward which increases each year of the plan. The budget gap may be even higher depending on the impact of the reforms to the Business Rates Retention scheme and the Fair Funding Review which would accelerate drawdown from reserve balances to the current estimates within the Plan. The delivery of the major corporate capital projects to generate additional/new income is vital in achieving the required budget savings. Past experience shows that it is important to gain savings as soon as possible. Work will be undertaken during the next few months to prepare a refreshed cost reduction and income generating programme with the objective of securing sufficient savings and income to close the budget gaps estimated in the plan.
- 1.14 The costs for Council services have been updated. In terms of expenditure a number of service budgets continue to be held at 2018/2019 levels i.e. no

inflation has been applied in many budget areas and increases have been made only where known price increases have occurred. Growth items have only been included where there is a statutory requirement including minimum pay pledges.

- 1.15 With the outbreak of the pandemic, this has increased uncertainty in the current economic climate to estimate levels of income in certain services including planning, car parks and industrial estates which have all been significantly impacted during periods of lockdown and experiencing low levels of recovery in some areas. A cautious approach continues to be taken in projecting funding in future years.
- 1.16 Fees and charges have been reviewed as part of the estimates process and the general principle has previously been to increase charges in line with CPI projections. However, a pragmatic approach has been taken this year to review each charge individually and determine whether it is appropriate to apply an inflationary increase. Car parking charges were last increased in April 2018. The proposal is for no across-the-board inflationary increases in car park charges for the forthcoming year.
- 1.17 The Council has a planned approach for the use of the general fund balance. As in previous years the Council continues to make use of working balances and reserves to protect against volatile changes in the cost of services, receipt of income and more significantly funding levels from business rates growth. Whilst the plans holds working balances at the minimum level as stated in the Policy on Earmarked Reserves and General Fund Working Balance of the Council, there is a budget gap to address in 2024/2025.
- 1.18 The figures shown in the Financial Plan for 2020/2025 include a £4.50 per annum per Band D dwelling increase in council tax for each year of the plan. The overall £5 increase permitted under the Council Tax Referendum Principles includes the £4.50 per annum per Band D dwelling increase in council tax to cover the Borough expenditure and an increase of £0.50 per annum to cover the expenditure for special expenses.
- 1.19 The Financial Plan 2020/2025 (see Appendix 1) does show that the Council can present a funded budget for three years **but there is a budget gap in excess of £4m to address by 2024/2025**. The current general fund balances would be required to support the budget in the event that income levels are not achieved and/or delayed, whilst further cost reductions are made.
- 1.20 **There remains significant uncertainty and risk from 2022/2023.** As well as the impact from the pandemic on the council's finances, the council still awaits confirmation of the outcome of the reforms proposed by Government which include the Business Rates Retention Scheme and the Fair Funding Review which have also been delayed by a further year due to the pandemic. A business rates revaluation will now take place in 2023. There is concern that the re-set of the baseline may mean that the Council does not retain all the growth currently

included in the Financial Plan. The Fair Funding Review will determine the starting point for resource allocations under any new Business Rates Retention scheme. This Council will continue to make strong representations for fair and transparent funding arrangements for local government, which take account of the particular pressures of rural authorities, and in the case of West Norfolk, the funding arrangements to address the flood and drainage responsibilities met through the internal drainage boards. The impact of these could mean the general fund depletes earlier than 2024/2025.

1.21 A summary of the recommendations in the report is shown below:

Recommendation 1

It is recommended that Council approve the revision to the budget for 2020/2021 as set out in the report.

Recommendation 2

It is recommended that Council to reaffirm the Policy on Earmarked Reserves and General Fund Working Balance and the maximum balances set for the reserves as noted in the report.

Recommendation 3

It is recommended that Council :

- 1) Approves the budget of £21,731,380 for 2021/2022 and notes the projections for 2022/2023, 2023/2024 and 2024/2025.**
- 2) Approves the level of Special Expenses for the Town/Parish Councils as detailed in the report.**
- 3) Approves the Fees and Charges for 2021/2022 detailed in Appendix 3.**
- 4) Approves a Band D council tax of £134.87 for 2021/2022**

Recommendation 4

It is recommended that Council approves a minimum requirement of the General Fund balance for 2021/2022 of £1,086,569.

The REVENUE BUDGET 2020/2021

2 The Revenue Budget 2020/2021

- 2.1 The original budget 2020/2021 was approved by Council on the 27th February 2020. The S151 Officer has reviewed the budget during the year and sought approval for amendment to the budget provision as necessary in response to the financial impact of the pandemic outbreak.
- 2.2 Full details of the changes that have been made to the original budget were reported to Cabinet in September 2020. A further revision to the 2020/2021 budget is shown below and included in Appendix 1. The following table compares the position reported in September 2020 and the revised budget for the year 2020/2021, along with the variance which is explained in paragraph 2.4.

	Revised Budget 2020/2021 including July Budgetary Monitoring Report	October Budgetary Control Monitoring Report 2020/2021	Report Variance
	£	£	£
Central Services	2,929,170	2,859,970	(69,200)
Community & Partnerships	595,050	617,400	22,350
Companies & Housing Delivery	303,190	267,090	(36,100)
Environmental Planning	2,036,950	2,175,770	138,820
Operations & Commercial	3,991,330	2,678,090	(1,313,240)
Property & Projects	(1,199,340)	(1,410,510)	(211,170)
Regeneration Housing & Place	866,240	795,200	(71,040)
Resources	7,726,020	8,109,660	383,640
Chief Executive	303,350	303,350	0
Culture & Leisure	1,921,880	4,075,040	2,153,160
Financing Adjustment	1,691,090	1,762,980	71,890
Internal Drainage Boards	2,809,170	2,819,160	9,990
Council Tax Support to Parishes	20,970	20,970	0
Borough Spend	23,995,070	25,074,170	1,079,100
Contribution to balance from Emergency Covid Funding	(2,705,804)	(2,705,804)	0
Contribution to balance from sales, fees and charges (SFC) claim	(1,288,388)	(1,288,388)	0
Contribution to/(from) Balances	(663,158)	(1,742,258)	(1,079,100)

	Revised Budget 2020/2021 including July Budgetary Monitoring Report	October Budgetary Control Monitoring Report 2020/2021	Report Variance
Total Contribution to/(from) Balances	(4,657,350)	(5,736,450)	(1,079,100)
Borough Requirement	19,337,720	19,337,720	0

2.3 It should be noted that whilst borough requirement has increased to £21,432,950, there has been additional funding from Government to support the financial impact of the pandemic which results in a reduction in contribution from general fund balances of £1,016,130.

2.4 Since the report to Cabinet in September there have also been further adjustments to service provision costs and income. The table below gives details of the main changes.

	£
Estimate of financial support to Alive West Norfolk	2,000,000
HMRC VAT Reimbursement	153,370
Reduction in income from various services	133,710
Bank Charges budget amendment to reflect contract costs	125,430
Financing Adjustment	71,890
Increase in Audit Fees	29,260
Pollution Monitoring	25,310
Repair costs due to leaking roof on industrial unit	22,630
Medical cover for resorts (offset by saving in staffing costs)	16,110
Other Minor Variances	12,590
Additional storage costs (Elections)	12,500
Increase to Internal Drainage Board budget to reflect current levies	9,990
Revision to assumptions on car parking income against early assumptions around impact of Covid	(837,030)
Revision to assumptions for refuse and recycling income against early assumptions around impact of Covid	(461,090)
Increased rent from properties not previously included	(204,560)
Increased income from CCTV service provision	(18,020)

	£
Reduction in Service Level Agreements	(6,990)
Savings in Town Centre service delivery	(6,000)
Total	1,079,100

2.5 Any further variances between the revised budget and actual outturn for 2020/2021 will be shown in Monitoring Reports for the remainder of the financial year and in the Final Accounts Outturn Report in June 2021.

2.6 The net impact of the projected outturn 2020/2021, as detailed above, on the overall level of General Fund balance is as follows:

	£
Balance brought forward 1 April 2020 (subject to Audit of 2019/2020 Statement of Accounts)	9,998,740
Estimated Contribution from General Fund Balance (as per October 2020 budget monitoring report)	(3,641,220)
Projected General Fund Balance 31 March 2021	<u>6,357,520</u>

2.6 The Council is holding the General Fund balance at a high level to provide the Council a degree of protection in the current volatile environment. As in previous years the Council will make use of the balance in its Financial Plan over the next four years bringing it back to the minimum reserve level.

Recommendation 1

It is recommended that Council approve the revision to the Budget for 2020/2021 as set out in the report.

The Financial Plan 2020/2025

3 The Financial Plan 2020/2025 - Funding

3.1 Revenue Support Grant (RSG) and Rural Services Delivery Grant (RSDG)

3.1.1 The financial year 2020/2021 was announced as a one-year Local Government Finance Settlement and it was expected that the Council would not receive RSG, nor RSDG from 2021/2022 onwards. However, as Government continues to focus on recovery from the pandemic, it was announced in the Spending Review in November 2020 that there would be a further one-year settlement, with both RSG and RSDG being paid for a further year. The provisional local government finance settlement announced by Government on 17 December 2020 confirmed the indicative allocations for the council.

3.1.2 The Government has confirmed a further delay to the fair funding review. However, there has been no confirmation of when this will be resumed. The outcome of the review would have set out plans for long-term reform and provided the council with some certainty over finances going forward. In the absence of any clarification, it is assumed that both RSG and RSDG grant income will not be included within the Financial Plan beyond 2021/22.

3.1.3 The RSG and RSDG funding that BCKLWN will receive is set out in the table below.

Receipt of Funding	RSG £	RSDG £
2020/2021	(624,620)	(470,700)
2021/2022*	(627,667)	(493,940)
2022/2023	0	0
2023/2024	0	0
2024/2025	0	0

*RSDG 2021/2022 is an estimated increase as provisional allocations have not been published at this time

3.2 Other Government Funding

3.2.1 In addition to RSG and RSDG, Government also announced additional funding to support local authorities through the pandemic as it recognizes there will be an ongoing impact in 2021/2022. The indicative allocations which are for one year only are set out below and included in the Financial Plan for 2021/2022 only:

Funding	£
Emergency Covid Funding (unringfenced)	922,550
Local Council Tax Support Grant	152,760
Lower Tier Services Grant	233,860
Total	1,309,170

3.3 Cost Reduction Savings/Income Generation Plan

- 3.3.1 The four year funding settlement offer required the council to publish an efficiency plan which was approved by on 29 September 2016. The four year funding settlement has now ended, however, as can be seen in the context of the Financial Plan for 2020-2025, there is still work to be done in identifying cost efficiencies and further opportunities to generate income for the council to address the budget gap estimated in future years.
- 3.3.2 In recent years, the Council adopted a policy of seeking efficiencies and different ways of delivering services which produced significant levels of savings. A robust process to identify proposals to address the continuing budget deficit has been underway since the autumn 2015. Up to 2020/2021, we had achieved actual ongoing annual savings of £1.4m.
- 3.3.3 Work during the current financial year on securing the cost reduction/income generating targets was halted due to the pandemic as resources were diverted to provide critical support to the community and local businesses through this period. It has now become necessary to revisit the cost reduction and income generation plan to establish whether the plans are still achievable in the current economic climate and to identify new initiatives to support the council's budget in future years of the financial plan.
- 3.3.4 The actual annual savings achieved of £1.4m are now incorporated into the council's budgets and yet there still remains a budget gap going forward which increases each year of the plan until 2024/2025 when the council will have depleted the General Fund balance to the minimum required level of 5% of the budget. The budget gap may be even higher depending on the impact of the reforms to the Business Rates Retention scheme and the Fair Funding Review which places a further risk that the reserve balances could be depleted earlier than anticipated in the plan.
- 3.3.5 The delivery of the major corporate capital projects to generate additional/new income is vital in achieving the required budget savings. Past experience shows that it is important to gain savings as soon as possible. Work will be undertaken during the next few months to prepare a refreshed cost reduction and income generating programme with the objective of securing sufficient savings and income to close the budget gaps estimated in the plan. This will include an assessment of the income streams from key projects including income streams derived from the delivery of 'Affordable' and Private rental properties housing the Councils wholly owned companies.
- 3.3.6 The Financial Plan is reliant upon drawing sums from the general fund working

balance. The use of reserves is clearly a temporary measure which cannot be sustained. The Council will continue to work towards bringing spending in line with income in advance of 2024/2025 when general fund balance is estimated to be at the minimum required level of 5% of the budget.

3.4 Retained Business Rates

- 3.4.1 The baseline business rates funding allocation, announced on 17 December 2020 is below the amount that was anticipated in the current plan. The baseline business rates will usually increase annually in line with the increase in the business rates multiplier. However, Government have confirmed that they are applying a freeze on the business rates multiplier for 2021/2022. Instead, the council will receive compensation in lieu of this and is awaiting confirmation of the amount. It is therefore assumed that by taking this into account the allocation will be in line with expectations in the current plan.
- 3.4.2 Rateable Values (RVs) are reviewed and updated by the Valuation Office usually every 5 years, the last RVs came into effect on April 2017. The revaluation redistributes the rates burden and is nationally cost neutral. A transitional relief scheme spreads the cost (or benefit) of large increases and decreases in business rates bills at a revaluation.
- 3.4.3 Legislation had been introduced to bring forward the business rates revaluation to 2021/2022 and then every 3 years thereafter with the three-year revaluation system enabling a fairer reflection of rental values. However, in order to reduce uncertainty to businesses affected by the impacts of the pandemic, Government announced in May 2020 that the revaluation would be delayed until April 2023.
- 3.4.4 As part of the Coronavirus response in March 2020 the Chancellor announced several new and extended business rates reliefs for 2020/2021:
- A 100% discount for all eligible retail, hospitality and leisure businesses, regardless of their rateable value,
 - A 100% discount for Ofsted registered nursery settings,
 - The £1,500 continuation of the £1,500 discount for office space occupied by local newspapers to 31 March 2025.
- 3.4.5 The Council is part of the Norfolk business rates pool for 2020/21 which was forecast to deliver tangible benefits to the county as a whole. The financial benefit to Norfolk as a whole from the current 50% Business Rates retention was forecast to be around £6.8m representing the additional growth that would be retained locally and shared between the Districts and County Council. Due to the significant uncertainties around business rates as a result of the pandemic, Norfolk authorities have opted not to continue with the Business Rates Pool arrangement for 2021/2022 and will review the position to determine whether it will reconvene for the 2022/2023 financial year.
- 3.4.6 The Government was due to move to a 75% Business Rates Retention Scheme

from 2021/2022. The council has previously participated and benefitted from a pilot scheme with the other Norfolk authorities. The scheme had already been delayed due to Brexit and is now being delayed again due to the pandemic. The expectation is that Government will consult with local authorities in the Summer period on further proposals going forward.

- 3.4.7 The baseline funding for 2021/2022 is the amount that was published on 17 December 2020 as part of the Provisional Local Government Finance Settlement for 2021/2022. The future 3 years of the medium-term financial plan 2022–2025 are calculated on the baseline business rates figure for 2021/2022 with an uplift based on estimated CPI increases (see Appendix 1).
- 3.4.8 Business rate assumptions included in the Financial Plan 2020/2025 is detailed in Appendix 1.
- 3.4.9 The implementation of reforms to the Business Rates Retention Scheme mean existing grants will be incorporated into business rate retention including the RSG and RSDG. The revised arrangements for business rates retention will not provide this Council with funding to replace the reductions announced in RSG. The review into relative needs and resources, the Fair Funding Review, will redistribute business rates. It can be anticipated that there will be winners and losers as a result of the funding review.
- 3.4.10 In preparing the Financial Plan 2020/2025 assumptions for growth in business rates for 2021/2022 have been removed. There can be no guarantee that business growth will materialise as developers and businesses recover from the pandemic and changing market conditions, and there is also the added uncertainty of the Brexit arrangements as they now begin to unfold. The council has been fortunate to recognise increased levels of growth in recent years which are included in the financial plan. Whilst the assumptions have been made using the most up to date information available there is still a significant level of risk, because of the external factors which are out of our control.
- 3.4.11 The current business rates retention scheme allows the authority to retain 100% of rates in respect of renewable energy. This is included in the Financial Plan with a value of £2,500,000 in 2021/2022. This is another area of considerable risk if the council loses this income as part of the Government reforms to local authority funding and will place the authority in a very difficult position to address this shortfall in addition to that already set out in the plan.
- 3.4.12 The current focus for the Government is on dealing with the implications of the pandemic and also Brexit and collectively these are causing significant uncertainty to local government. The announcement of a further delay to the implementation of the reforms to the Business Rates Retention Scheme was therefore not unexpected in the circumstances followed by confirmation of a one-year Local Government Finance Settlement for 2021/2022.

3.4.13 We have taken a prudent approach to additional growth for the future years of the financial plan as the impact of the implementation of a new system for business rates is still unclear and an element of growth may be removed when the review of relative needs and resources has been completed and the baseline is reset.

3.4.14 Collection Fund Surplus – Retained Business Rates

The council's Business Rates income for the year is based on an estimate made in January of the preceding financial year. The actual income is then calculated at the end of the financial year. The difference between the estimated income and the actual income produces a surplus (if the estimate was too low) or deficit (if the estimate was too high) on the Collection Fund. Movements in the business rates base, such as new and deleted properties, successful appeals and refunds all affect the estimate and the final outturn position.

The surplus or deficit on the Collection Fund is distributed amongst the major preceptors and a proportion will come back to the Council. There is currently no surplus included in the Financial Plan for business rates. This will be reviewed each year as more information becomes available on business rates funding.

3.5 New Homes Bonus

3.5.1 The government announced, as part of the Provisional Finance Settlement for 2021/2022, that it will retain the amount of the top slice of RSG at £622m to fund the New Homes Bonus scheme in 2021/22.

3.5.2 In addition to funding legacy payments associated with previous years' allocations, the Government has proposed a new round of allocations for 2021/2022 referred to as Year 11 payments. It was confirmed that year 11 payments will not attract any legacy commitments in future years.

3.5.3 In setting the Financial Plan 2020-2025 it has been assumed that funding of existing previous years' legacy payments will be made but no new funding allocations have been included beyond 2021/22.

3.5.4 The financial plan 2020/2025 includes the following for New Homes Bonus:

New Homes Bonus	£
2020/2021	(898,180)
2021/2022	(837,670)
2022/2023	(321,440)
2023/2024	0
2024/2025	0

3.6 Collection Fund Surplus – Council Tax

- 3.6.1 In setting council tax each year there is an assumption made on the level of collection that will be achieved. In addition new properties come into the tax base during the year and increase the tax base above that used in the Financial Plan. The additional council tax income achieved during the year is then distributed in the following year as a surplus on the Collection Fund. BCKLWN has been holding and distributing high Collection Fund surpluses and this has had a particular impact on Norfolk County Council. As a result of this it was agreed with the County Council that the tax base would be calculated on 100% collection rate from 2019/2020.
- 3.6.2 This approach should result in a distribution in-year of Collection Fund income and a minimal level of surpluses being held in the Collection Fund. Where the Collection Fund falls into a deficit position, this will be recovered from the precepting authorities in the following year and the collection rate assumptions for future budget setting will be reviewed.
- 3.6.3 In 2021/2022 a one-off repayment of £310,162 is due for an overpaid Collection Fund surplus relating to 2019/2020 and paid in 2020/2021. A small deficit of £35,067 is estimated as the borough council's share of the Collection Fund surplus/deficit for 2020/2021. Government has recently amended the regulations to allow this to be repaid over three years instead of one year. Therefore this will be repaid at £11,689 per year from 2021/2022 to 2023/2024. In future years, it is estimated that the Council can draw sums as detailed below.

Council Tax surplus	£
2020/2021	0
2021/2022	0
2022/2023	(25,000)
2023/2024	(25,000)
2024/2025	(25,000)

- 3.6.4 It is anticipated that the surplus contained in the Collection Fund and available from distribution will be reduced in future as the growth in the tax base is more accurately reflected in the tax base estimate and the period of volatility caused by coronavirus comes to an end.

3.7 Council Tax

- 3.7.1 Council Tax was introduced in April 1993 and is essentially a property tax based on the broad value of domestic properties. The Valuation Office Agency (VOA) is responsible for the valuation of all domestic properties in England and Wales. The VOA attributes each domestic property to one of eight bands – A to H. The bands relate to the estimated property value as at 1991 prices:

Band	Value £	Weighting of band
A	Up to £40,000	6/9ths
B	£40,001 – £52,000	7/9ths
C	£52,001 – £68,000	8/9ths
D	£68,001 – £88,000	9/9ths
E	£88,001 – £120,000	11/9ths
F	£120,001 – £160,000	13/9ths
G	£160,001 – £320,000	15/9ths
H	Over £320,000	18/9ths

3.7.2 Although promised by past Governments there has not yet been a revaluation of the property bands. Council tax banding remains set at 1991 prices.

Council Tax Base

3.7.3 The Council Tax base is the estimated full-year equivalent number of liable dwellings in the Borough, expressed as an equivalent number of Band D dwellings with 2 or more liable adults. The calculation of the tax base is important in determining the overall level of Council Tax. The Council has a statutory duty to determine its tax base under the Local Government Finance Act 1992.

3.7.4 The calculation of the tax base for 2021/2022 takes into account changes resulting from the local council tax support scheme (which reduces the tax base). At the meeting on 21 January 2021 Council agreed the continuation of the existing scheme for 2021/2022 with the following minor changes to simplify administration and to keep it in line with other welfare reform amendments:

- Disregarding multiple changes in a customers' CTS entitlement and only change the CTS for an applicant on Universal Credit where the change is regarded as significant, and
- Reflect DWP changes to Housing Benefit to increase the additional earnings disregard to compensate for the emergency increase in Working Tax Credit and Universal Credit and prevent any potential reduction in entitlement.

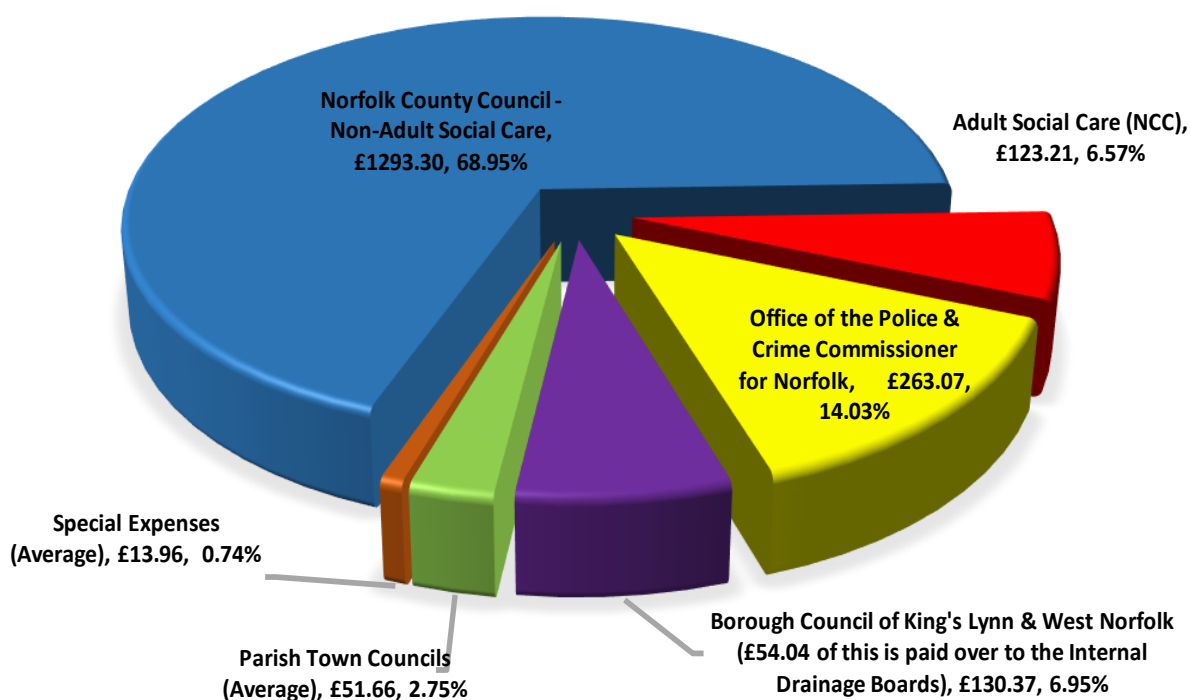
3.7.5 The full tax base for 2020/2021 is 51,980. For 2021/2022 the tax base is assumed to increase by 68 Band D equivalent properties (based on the actual figures) and then for the subsequent years the assumption is that the tax base will rise by the equivalent of 300 Band D properties per annum.

3.7.6 Council Tax 2020/2021

The Borough Council element of the full council tax bill in 2020/2021 for a Band D property is £130.37 out of a total of £1,875.58 (including the average parish and special expenses charge). The following graph shows the separate elements of the bill and it is clear that of a Band D charge in 2020/2021 the Borough

Council's charge forms a very small part of the bill (less than 7%) collected from every council tax payer.

**BREAKDOWN OF AN AVERAGE BAND D COUNCIL TAX BILL OF
£1875.58 FOR 2020/2021**



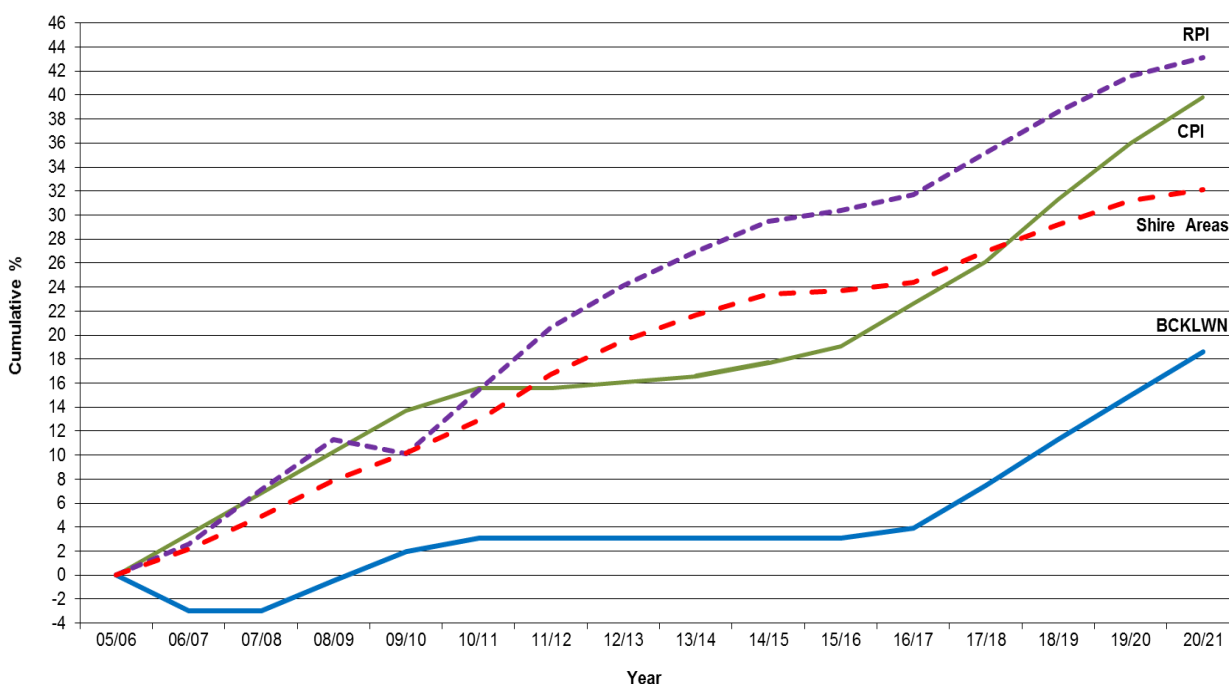
Council Tax Levels – Band D

3.7.7 The table below shows the elements of a council tax Band D charge of £1,875.58 for 2020/2021.

Charging Authority	2020/2021 £	2020/2021 %
Borough Council of Kings Lynn and West Norfolk	130.37	7.0
Parish and Special Expenses	65.63	3.5
Norfolk County Council	1,416.51	75.5
Norfolk Police Authority	263.07	14.0
Total	1,875.58	100.0

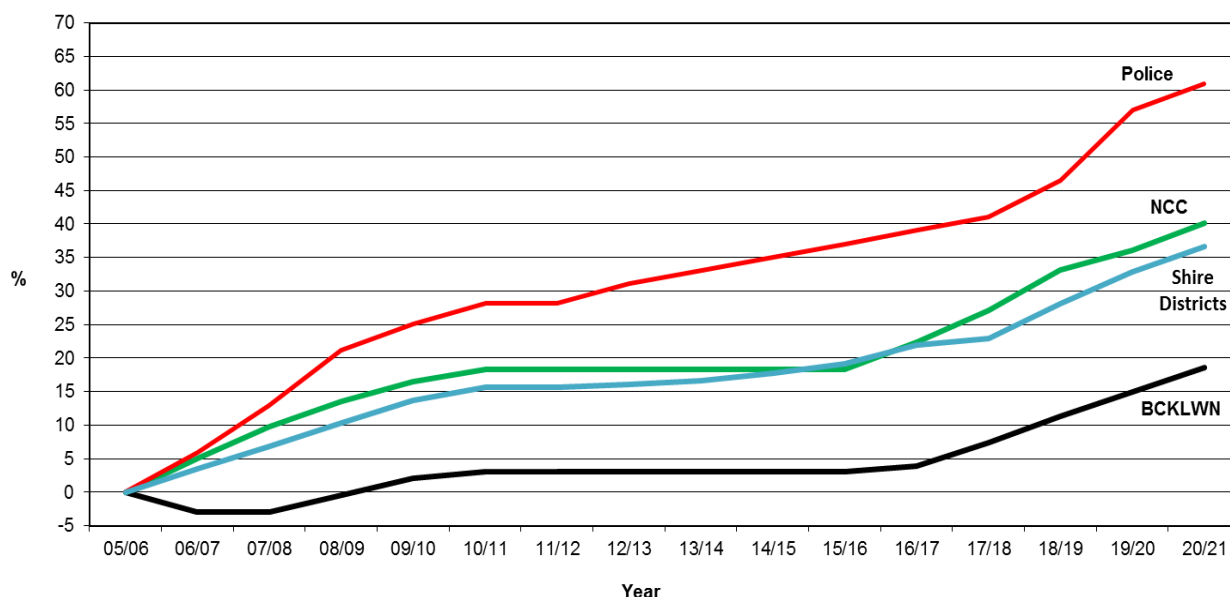
3.7.8 Over the period since April 2005 the Council has held council tax to a level where in 2020/2021 the cumulative increase in a Band D charge of £125.87 amounts to 18.6% above the 2005/2006 figure of £108.67. The average cumulative increase in council tax for shire areas in England over the same period 2005/2006 to 2020/2021 has been 39.8%. The Retail Price Index (RPI) has increased over that period (April 2005 to April 2020) by 43.1%. The Consumer Price Index (CPI) has increased by 32.1% over the same period. The Council's council tax increases have been lower than RPI, CPI and the average of shire districts throughout the whole period since 2005/2006.

Band D Council Tax and RPI percentage increases 2005 to 2020



3.7.9 The graph below shows how the various elements of the council tax bill in West Norfolk have increased over the period 2005/2006 to 2020/2021. The increase in the County Council precept for 2020/2021 includes the additional permitted increase for Adult Social Care. The increase in the Police Authority precept for 2020/2021 includes a 3.95% increase (£9.99) which was just below the maximum amount permitted of £10 for the year.

Band D Council Tax percentage increase 2005 to 2020



Council Tax 2021/2022 and Future Years

3.7.10 The Government focus is on Councils' 'core spending power' inclusive of locally generated resources. The core spending power analysis tables published by the Government for each Council assumes that Councils in the lowest quartile of Council Tax levels (which includes this Borough Council) will introduce the full £5 per annum per Band D dwelling Council Tax increase now permitted under the Council Tax Referendum Principles.

3.7.11 The 'Referendums Relating to Council Tax Increase (Principles) (England) Report 2021/2022' published on 17 December 2020 state that for the borough council the principles for 2021/2022 are:

The relevant basic amount of council tax of an authority is excessive if the authority's relevant basic amount of council tax for 2021/2022 is

- (a) 2%, or more than 2%, greater than its relevant basic amount of council tax for 2020/2021; and
- (b) more than £5 greater than its relevant basic amount of council tax for 2020/2021.

3.7.12 The figures shown in the Financial Plan for 2020/2025 include a £4.50 per annum per Band D dwelling increase in council tax for each year of the plan. The overall £5 increase permitted under the Council Tax Referendum Principles includes increases in special expenses and the Borough precept.

3.7.13 The proposed levels of council tax for 2021/2022 are:

Band	2021/2022
	£
A*	74.93
A	89.91
B	104.90
C	119.88
D	134.87
E	164.84
F	194.81
G	224.78
H	269.74

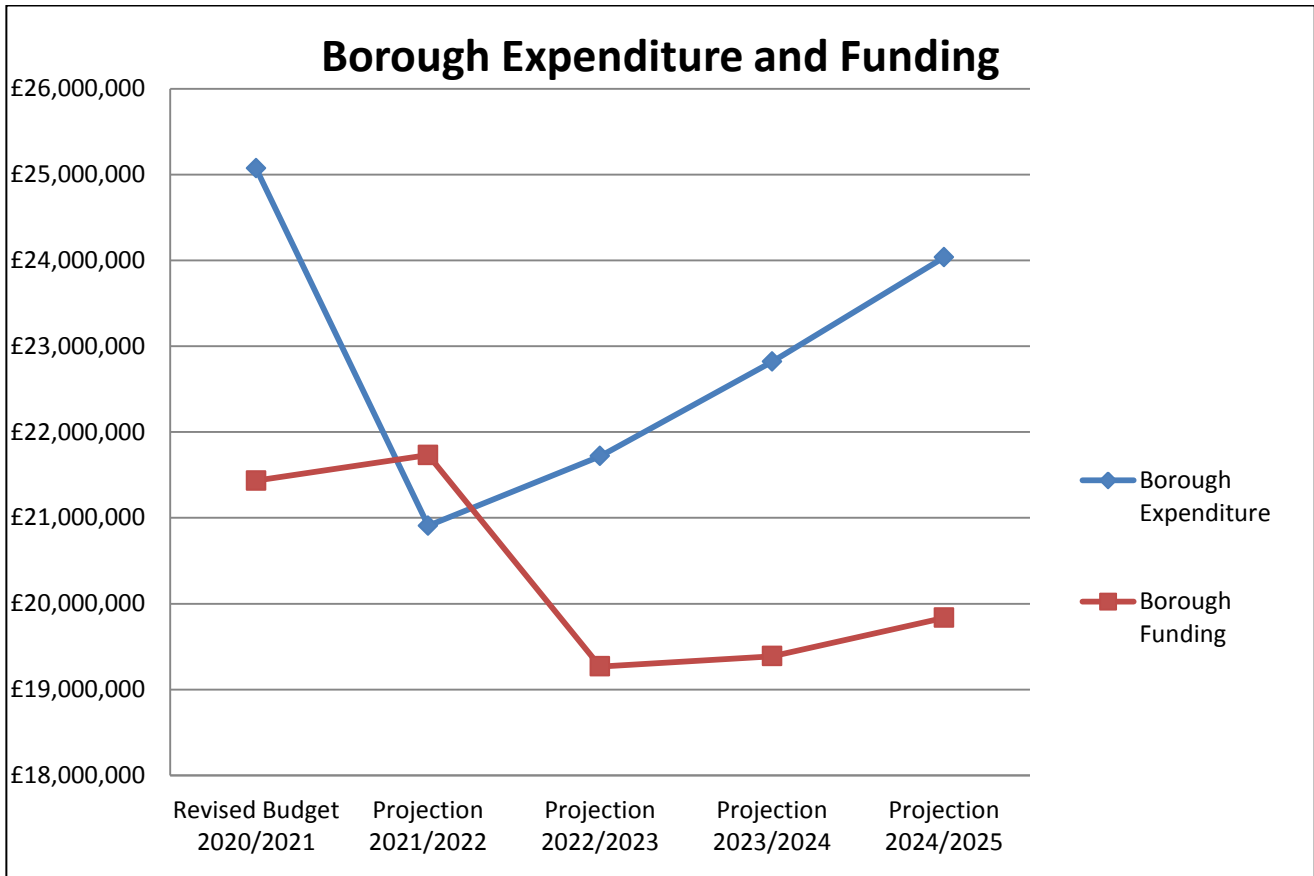
* The Council reduces the charge to a property classed as Band A to £74.93 per annum when it is eligible for Disabled relief.

3.8 Overall Funding Position

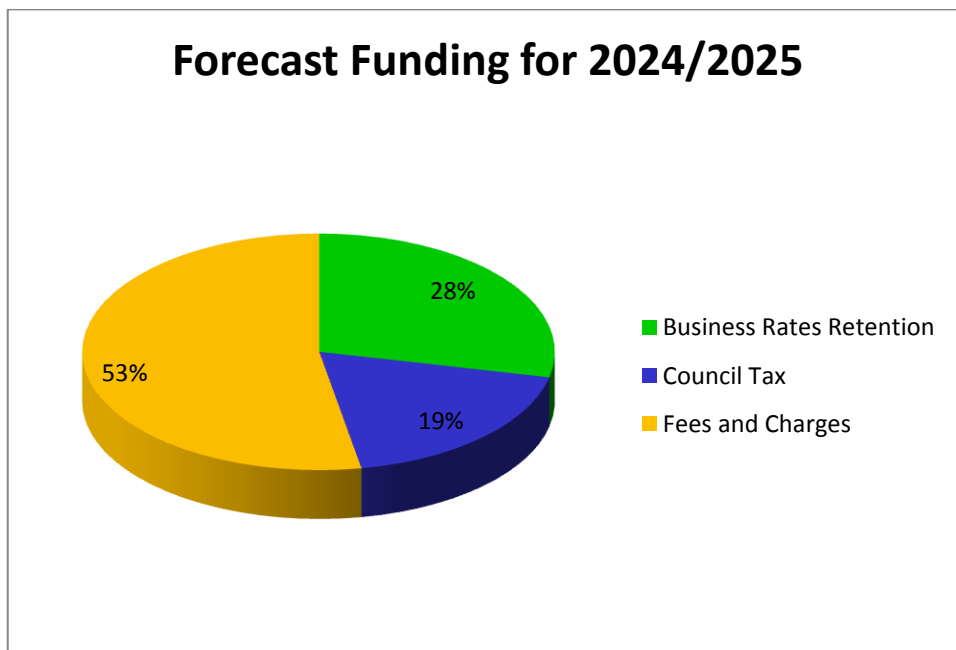
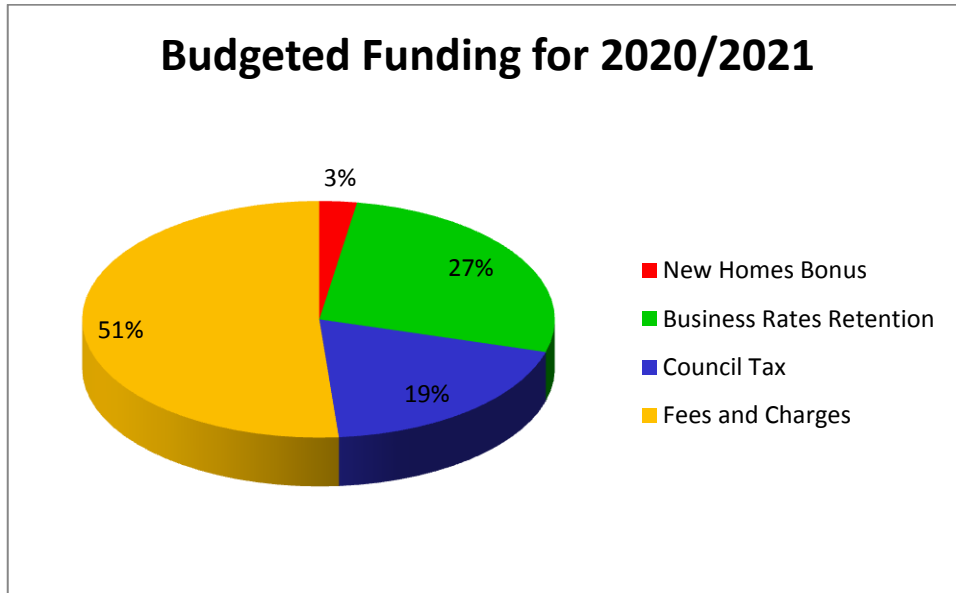
3.8.1 The RSG and RSDG funding for the period to 2021/2022 is presented with a degree of certainty as the Government announced as part of the Spending Review 2020 in November 2020 that there would be a one year settlement followed by Provisional Local Government Finance Settlement on 17 December 2020 with both RSG and RSDG being paid for a further year (2021/2022) at 2020/2021 levels plus a small increase. However, there is still concern over whether the forecast Business Rates growth levels included in the Plan will be held at those levels or not.

3.8.2 The significant risk is from 2022/2023. The reforms to the Business Rates Retention scheme have been delayed further due to the pandemic. These were to be introduced in 2021/2022 and a revised date is yet to be confirmed. Detailed arrangements for the implementation of the reforms are still unknown. Alongside this there was also to be a re-set of the business rates baseline where the implication is that the Council does not retain all the growth currently included within the Financial Plan. The Fair Funding Review will set a new funding baseline for the new Business Rates Retention scheme. It will be based on a redesigned needs assessment methodology.

3.8.3 The graph below shows how the gap between expenditure and funding is forecast to widen over the period of the Financial Plan.



3.8.4 A comparison of the overall funding streams is shown in the following diagrams:



4. Cost of Services

4.1 In order to set an annual budget and longer term financial plan it is necessary to make some assumptions at a certain date. The Retail Price Index (RPI) and Consumer Price Index (CPI) inflation rate for August 2021 were both at 0.5%.

These and future projections of inflation rates published at that date have been used as a guideline for budget purposes. Wherever possible, reduced levels or zero increases for inflation have been applied to expenditure budgets with an aim to reduce ongoing service costs. Where there are known increases in costs such as utilities and contracts fixed to price indices then the appropriate inflation factor has been applied. The following assumptions have been made with respect to the 2020/2025 budget projections.

Inflation Assumptions	2021/2022	2022/2023	2023/2024	2024/2025
	%	%	%	%
Salaries (cost of living)	2.5	2.5	2.5	2.5
General Inflation	0.0	0.0	0.0	0.0
Business rates	0.7	2.0	2.0	2.0
Electricity price	5.0	5.0	5.0	5.0
Gas	6.0	5.0	5.0	5.0
Water (unmeasured)	2.0	2.0	2.0	2.0

4.2 Changes to the Current Financial Plan

4.2.1 The projections for the years 2021/2022, 2022/2023 and 2023/2024 were revised as part of developing the new Financial Plan. The table below updates those projections and shows how the revision of service costs has impacted on the Financial Plan.

Financial Plan	2021/2022	2022/2023	2023/2024
	£	£	£
Budget Projection - Monitoring October 2020	18,319,260	19,021,020	21,766,660
Net adjustments as part of developing the 2020/21 to 2024/25 Financial Plan.	2,588,360	2,697,840	1,052,770
New Budget Projection	20,907,620	21,718,860	22,819,430

4.2.2 The detailed service budgets of the Financial Plan 2020/2025 are shown at Appendix 2.

4.2.3 The projection for 2024/2025 has now been prepared. The main movements are shown in the table below:

	2024/2025
	£
Borough Spend projection for 2023/2024	22,819,430
<u>The main changes to the Plan are:</u>	
Increase in Internal Drainage Board Levies	59,840
Inflation on salary costs	819,430
Reduction in interest on investments	104,480
Increase in rates on Council premises	49,000
Estimated increase in pension deficit recovery payment to Norfolk Pension Fund	60,340
Increase in Utility costs	67,280
Council Tax Support costs	19,060
Other net movements	37,210
New Budget Projection for 2024/2025	24,036,070

4.3 Fees and Charges 2021/2022

4.3.1 Income from charges for services supports Council expenditure. The Council agreed in January 2005 to delegate authority to the Executive Director of the appropriate service (in consultation with the S151 Officer), the relevant portfolio holder and the Leader) to vary charges having regard to market conditions and the Council's policy framework. This combined approach has been adopted in setting the charges for 2021/2022. (Appendix 3).

4.3.2 There have been no increases in car park charges since April 2018. In 2019 a 3-hours-for-the-price-of-2-hours promotion (first introduced in 2011) was withdrawn where those paying for 2 hours parking on the short-term, resort and multi-storey car parks were given an additional free hour. The pricing structure of up to 2 hours and up to 3 hours was reinstated. Long-term car parks were not affected. The proposal is for no across-the-board inflationary increases in car park charges for the forthcoming year.

4.3.3 In all other service areas the fees and charges have been increased on average by %, the projected inflation level by April 2021.

4.4 Corporate Business Plan, Service Plans and Investment

4.4.1 In January 2020 the Cabinet approved a refresh and update of the Corporate Business Plan 2020/2024 which sets out the priorities for the administration. The Financial Plan reflects the aims of the Council;

- Focusing on delivery
- Delivering growth in the economy and with local housing
- Protecting and enhancing the environment including tackling climate change
- Improving social mobility and inclusion
- Creating and maintaining good quality places that make a positive difference to people's lives
- Helping to improve the health and wellbeing of our communities

4.4.2 Service areas within the Council not only contribute toward the Business Plan but also have their own ambitions and targets which are reflected in the Financial Plan and budgets for 2020/2025.

4.4.3 Some of the key areas of investment included in the Financial Plan are as follows:

Focusing on delivery

The Council is actively seeking business with other local organisations to produce additional income or share costs of management/service provision. Arrangements currently include:

- Management of car parking, CCTV and care and repair services.
- The council is in the process of reviewing its existing SLA with Eastlaw in respect of legal services and will be reporting back to Cabinet later in 2021.
- The shared internal audit manager arrangement with Fenland District Council is also under review and will be report back to Cabinet later in 2021.
- Shared accommodation, the DWP Job Centre Plus and West Norfolk Clinical Commissioning Group are accommodated within King's Court, reducing costs for all organisations and encouraging support for town centre businesses.
- Provision of procurement support to Boston Borough Council.

The council will continue with plans to further enhance provision of digital services to customers, businesses and visitors to the Borough. We are committed to:

- Designing services that best meet the needs of citizens
- Ensure technology is an enabler, not a barrier to service improvements
- Challenge our software suppliers to offer flexibility and partnership working to achieve the best results
- Protect citizens privacy and security

- Deliver better value for money
- Eradicate duplication of effort across departments
- the MHCLG's 'Digital Declaration' which affirms our commitment to providing value for money and efficient services. Working with local authority partners to collaborate and develop common building blocks which can be utilised across local authorities. This is an ambitious project which requires both culture and technology shift. The council has made considerable progress in its digital journey over the last four years and will continue to work to improve our digital offer'. This is evidenced in the range of online application and payment processes available through our website.

The pandemic has resulted in a step-change in attitudes towards digital services. The council will need to understand those changes and how they can be harnessed and incorporated into a new strategy to further the expansion of our digital services and make accessing services easier to our customers. This will include a review in the use of technologies such as chat bots and virtual assistants which can provide services 24 hours a day and seven days a week.

Delivering growth in the economy and with local housing

This is a significant aspect of investment in our Financial Plan.

The regeneration programme is the prime objective of the Council and the level of investment in the capital programme remains high. Key schemes for the Council are the development of the Enterprise Zone at the Nar Ouse Regeneration Area, a scheme being undertaken in partnership with the New Anglia Local Enterprise Partnership (LEP); and the One Public Estate programme in Hunstanton.

Planning Permission for the Enterprise Zone has now been secured, and we have tendered contracts for the construction of some speculative build offices and light industrial units working with New Anglia Local Enterprise Partnership on funding. Design and construction for the secondary road infrastructure and drainage infrastructure is being developed by our consultant partners Norfolk County Council, and these works will be tendered through the Eastern Highways Alliance Framework Contract arrangement. Negotiations are on-going with potential occupiers of the speculative units and with local businesses that are keen to acquire sites for their own development and occupation

One Public Estate programme has contributed to the feasibility work and planning application for the Bus Station and Library site in Hunstanton which has now been approved. We continue to work with Norfolk County Council colleagues in the re-provision of the library function as part of this overall development.

In addition to the above, further design and feasibility work will be commissioned to look at other proposals for development identified within the Hunstanton Southern Seafront Master-planning exercise undertaken by Hemingway Design.

A comprehensive Town Investment Plan (TIP) has been produced with key stakeholders and a Town Deal Board (established under the process instigated by the Government Towns Fund initiative). This includes a 5-21 year vision for the town and identifies a number of key interventions that will help drive economic growth and help ensure that King's Lynn adapts to the changing role of the high street. The TIP and other key strategic studies that have/will flow from it including the Local Walking and Cycling Infrastructure Plan and the Public Realm Action Plan will help evidence and shape the case for public investment – including from Towns Fund, and potentially the Levelling up Fund, and UK Shared Prosperity Fund.

The Council's major housing scheme has moved forward according to schedule. Orchard Close (Marsh Lane) is now complete with all 130 units sold. Dewside (Lynnsport 4/5) is also complete again with all units disposed of. Cowper Place (Lynnsport 3) is currently in the construction phase and is due to complete by 31 March 2021. All 54 units have been reserved.

The joint venture with Norfolk County Council has progressed with phases 1 to 3 complete with only 1 unit remaining to complete.

The council's Registered Provider of Social Housing, West Norfolk Housing Company has now acquired 24 affordable homes with a further 6 due to be acquired by the end of 2020/21. These are made up of 24 rental homes which have been leased to Broadland Housing Association and 6 shared ownership homes.

Work to increase the supply of quality long term private rented sector accommodation in the borough is progressing via the council's wholly owned company, West Norfolk Property Limited (WNPL). A total of 26 homes on the council's Lynn sport sites will be acquired by WNPL before the end of March 2021. These homes will be let at market rents on long term (3 year) tenancies to meet a demand for good quality secure rented accommodation in King's Lynn.

Accelerated Construction Programme - The Council in conjunction with Homes England is progressing five sites that are within the Councils control under this programme. The grant has been secured on a per scheme basis. Each site has its own tailored funding package. In return for grant there are requirements around the pace of construction i.e. utilising Modern Methods of Construction (MMC) and delivery timescales. There will be 639 new homes delivered across the five sites.

The Council continues to develop and implement new policy and practice in relation to the requirements of the Self-build and Custom Housebuilding Act 2015. At the National Build It Awards, the Borough Council of King's Lynn & West Norfolk won the Best Council for Self or Custom Builders Award 2019. The next stage in delivering the strategy is delivering a council owned site, to create opportunities for people to commission their own home. A demand assessment and early community engagement was undertaken in 2019/2020. The task group identified a suitable site in Stoke Ferry – a decision will be made later this year.

Protecting and enhancing the environment including tackling climate change

The Council signed the Courtauld Agreement and is committed to the following:

- Work with others to identify and develop good practices in engaging with others.
- Engage with residents and colleagues to enable changes in consumption habits - for example deliver 'Love Food Hate Waste' messages.
- Report annually to WRAP on what has been done to engage with residents.

An annual carbon audit procedure has been developed to monitor the Council's carbon emissions. This will help inform a separate strategy and action plan to reduce the Council's carbon emissions to net zero by 2050. In October 2020, a Council Climate Change Policy was adopted, which sets out the Councils' approach to tackling climate change and therefore, informs future Council activities. The Council is following a broadly phased approach to its climate change work. Phase 1 focuses on reducing the Council's corporate emissions and then phase 2 looks at how the Council can help reduce District emissions. The Council will work on phase 2 simultaneous to phase 1, as and when opportunities arise.

A programme of work, known as Re:fit to reduce the Council's energy costs and carbon emissions from across its estate commenced in 2019. A second Re:fit is being investigated including the potential to access Government funding to further reduce the Council's carbon emissions.

The Council's chief executive chairs the Norfolk Climate Change Partnership, a Norfolk-wide partnership with the goal to encourage collaborative work to address climate change.

The Council continues to support work on the Coastal Management Plan which details what works are required to mitigate coastal erosion to Hunstanton Cliff and review what works are need to Hunstanton's Sea Defences going forward.

Improving social mobility and inclusion

The Council continues to deliver a programme of apprenticeships for staff across a range of disciplines and qualification levels. The introduction of the apprenticeship levy and apprenticeship targets from 2018 have been successfully met, and we are continuing to explore new opportunities to provide apprenticeships across all Council services.

Learning Catalysts continue to provide effective support and guidance to parents at a number of schools. The Council is engaged with Norfolk-wide activities on inclusive growth. This work aims to ensure all communities in Norfolk have opportunities to contribute to and benefit from economic growth and regeneration. This will enable every individual in Norfolk has access to education, skills and opportunities to help them to fulfil their potential and have productive, healthy, independent lives.

Creating and maintaining good quality places that make a positive difference to people's lives

Consultation took place on the Southern Seafront Masterplan options appraisal. Consultation feedback was collated and a draft options report produced by Hemingway Design. The wayfinding and signage project for the seafront, funded by the 'Coastal Revival Fund' was planned to commence in late Spring 2020. However, progress has been delayed whilst the effects of the Covid 19 pandemic were felt across the tourism sectors. The draft report will now be revisited and amended to reflect the environment in which the area now finds itself. Work on this will recommence in February 2021. The coastal revival funded project for Wayfinding and signage centred around a community led event which was unable and remains unable to take place. As such, the fund will now be used for its core aim of improving signage and seafront aesthetics along the promenade area. The Hunstanton Prosperity Coastal Community Team will be reviewing and progressing the project when practically possible.

Work on the development of the Sail the Wash offer fully funded by the Coastal Community fund has continued to progress despite the current climate. Capital works in King's Lynn and website development have taken place and it is hoped to launch both the facilities and marketing in March 2021 (restrictions permitting). Capital works remain to be completed at Sutton Bridge which is part of the wider project and are scheduled for completion in June 2021.

Helping to improve the health and wellbeing of our communities

The Council has taken an active role in the 'West Norfolk Early Help Hub' along with other partners, in order to identify and address issues with young people to prevent escalation to social care level.

The Council has used the flexibility within the enhanced Better Care Fund / Disabled Facilities Grant (BCF/DFG) allocation and the Integrated Housing Adaptations Team (IHAT) approach to support and assist vulnerable people in the borough.

Working with Norfolk County Council (NCC) the Council has helped facilitate new housing solutions for people currently being accommodated in expensive inappropriate residential care. This includes people with learning difficulties, enduring mental health problems, and Housing with Care for elderly people.

We are working with our partners, particularly the NHS to deal with Inequalities. Inequalities reduce life expectancy and have potentially led to increased Covid 19 death rates so we must look to tackle these.

4.5 Performance Indicators

4.5.1 The Council has adopted a number of local indicators that cover various service areas and are considered to be representative measures on the performance of the Council in the key areas. The indicators are reported regularly to all Panels.

4.6 Staffing Plan

4.6.1 A key issue in the Financial Plan remains the control of staffing levels. The Council has set its permanent establishment at a level which in effect acts as a 'cap' on the permanent staffing levels and approval for additional posts is only given if a compensating reduction in the establishment can be offered or if the posts are required to meet new commercially funded operations where there is a clear business benefit to the borough council. Control on staffing is also monitored through the level of the payroll.

4.6.2 The Council has maintained restraint over the payroll through the level of pay increases awarded over the past few years as can be demonstrated in the table below.

2009/2010	0%
2010/2011	1%
2011/2012	0%
2012/2013	0%
2013/2014	1%
2014/2015	1% and £7.00 per hour minimum
2015/2016	1% (1.5% for pay grade below £21,500) and £7.20 per hour minimum
2016/2017	1% and minimum pay £7.52 per hour
2017/2018	1% and minimum pay £7.78 per hour
2018/2019	2% and minimum pay £8.50 per hour
2019/2020	2% and minimum pay £9.00 per hour
2020/2021	2.5% and minimum pay £9.20 per hour

4.6.3 The Financial Plan 2020/2025 includes within each service area a contingency of 2.5% in each year to address any pay issues. The level of increase will be subject to separate reports to Council each year.

4.6.4 The Government has made pay pledges to increase the minimum hourly rate from £7.20 in April 2016 to £9.20. The National Employers pay deal for the period 1 April 2020 to 31 March 2021 included increases the minimum hourly rate from £9.00 in April 2019 to £9.20 from April 2020. The Council pay policy in previous years has been to increase its minimum hourly rate in line with the National Pay Award. This was continued for 2020/2021. The outcome of the National Employees pay request for 2020/2021 was an increase of 2.75% which was 0.25% above the increase approved by Council. However, for 2021/2022 Government have indicated a pay freeze for local government. Any national pay award decisions will be considered in setting future years' pay awards.

4.7 Financing Adjustment

4.7.1 The Financing Adjustment is an account used to budget for interest earned on investment and interest paid on debt. The account also contains charges for revenue expenditure funded from capital under statute (REFCUS) e.g. the cost of disabled facilities grants, although considered to be capital items are charged to revenue as part of the Cost of Services. These adjustments ensure that depreciation and REFCUS charges that are simply 'book entries' meant to properly show the 'true' cost of a service, are not passed on to the council taxpayer.

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	£	£	£	£	£
Unsupported Borrowing	(194,690)	(226,250)	(230,840)	(157,300)	(155,210)
External Interest Payments	410,500	392,000	392,000	392,000	392,000
External Interest Receipts	(397,710)	(434,780)	(442,530)	(326,690)	(222,210)
Minimum Revenue Provision	373,650	398,130	404,600	476,730	476,730
REFCUS	1,571,230	1,774,840	1,774,840	1,774,840	1,774,840
TOTAL	1,762,980	1,903,940	1,898,070	2,159,580	2,266,150

Interest rates are expected to remain at current low levels for some time. This has an impact on both interest paid on borrowing and our investment income. The future of the timing of increases in rates remains uncertain in the current economic climate. Any changes in rates that affect the financing adjustment will continue to be monitored and updated during the year in the monthly monitoring reports.

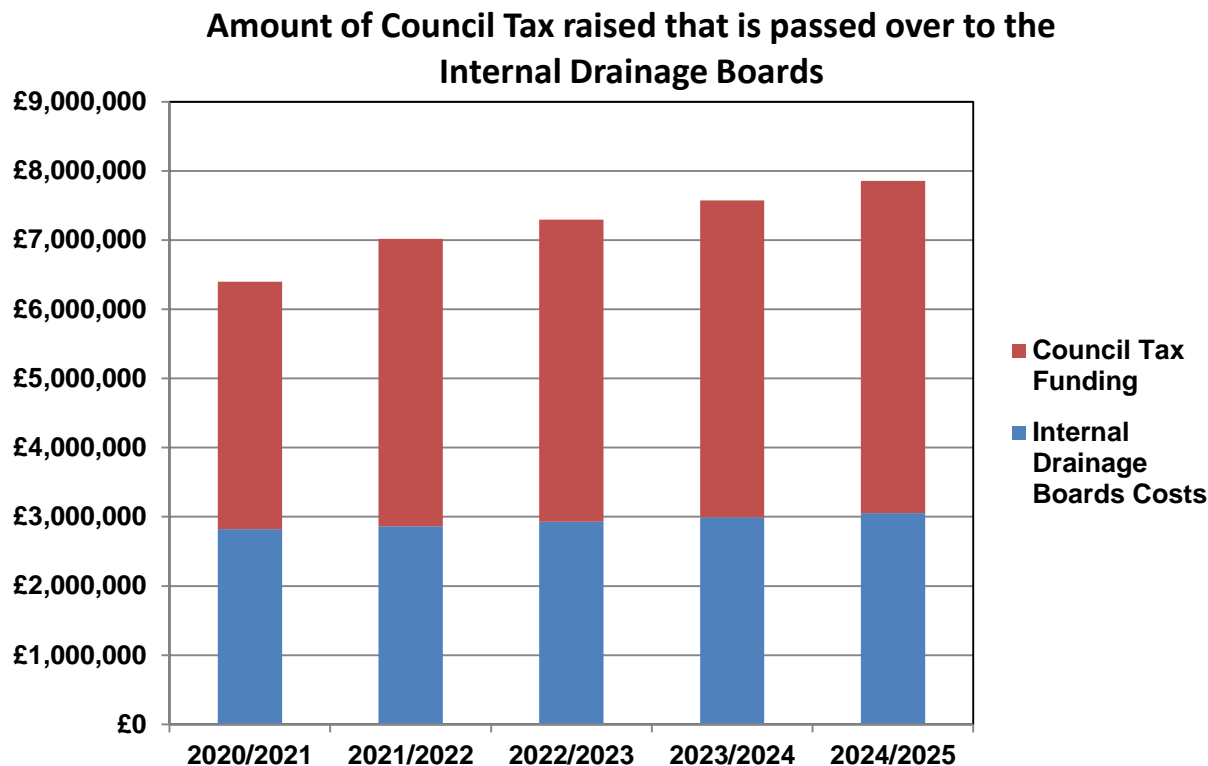
4.8 Internal Drainage Boards

4.8.1 Internal Drainage Boards (IDB) levies are paid by the Council to the various Boards. The levies count as spending of the Council, but no contribution is made by Government as part of the financial settlement. **Any increase in the levies does have an impact on the council tax payer who picks up the residual costs.** Clearly with the significant reductions in RSG any increase in IDB levies in future will have to be met from council tax or cost savings. The budget of £2,863,330 for 2021/2022 is based on estimated increases (as discussed with Drainage Boards) of between 0% to 2% for inflation (Drainage Boards have yet to confirm the precept to the Council for 2021/2022). These precepts are listed in Appendix 4.

4.8.2 The following shows how much of the council tax to be collected by the authority (based on Council Tax Band D charge) is estimated to be paid across to Internal Drainage Boards in 2021/2022:

	2021/2022	2021/2022
	£	%
Borough Council	79.86	59%
Internal Drainage Boards	55.01	41%
Total	134.87	100%

The chart below shows the Council Tax funding compared to Internal Drainage Boards costs.



4.9 Special Expenses / Council Tax Support to Parishes

4.9.1 The Local Government Finance Act 1992 stipulates that any expenses incurred by the authority in performing in a part of its area a function performed elsewhere by a parish council are the authority's special expenses, unless a resolution of the authority to the contrary effect is in force. Special expenses are charged across a number of towns and parishes for closed churchyards, footway lighting, community halls, emptying of dog bins, playing fields and open spaces.

4.9.2 In 2013 changes made by Government on the arrangements for the payment of benefit for local council tax support through the reduction in council tax base had an impact on the level of both parish/town precepts and special expenses charges that could be made on the council tax bill.

4.9.3 The impact of those new arrangements meant that for most parishes/towns the council tax bases were reduced. In the event that the level of spend on a precept or special expenses remained at the same level this would cause an increase in a Band D charge. The Government identified part of the formula funding paid to the Borough Council as assistance toward reducing the impact of such an

increase in council tax at parish level and expected the Council to distribute the funds to parish/town councils and by reducing the charges for special expenses.

4.9.4 Due to the announcement of the one year settlement, these arrangements will continue to apply in 2021/2022 where the council tax base of the parishes and town councils are affected by the reduction in tax base dependent upon the types and mix of claimants in each ward. The Borough Council has set aside a sum of £21,212 toward parishes to help to mitigate the impact on the level of council tax set by the local council. However, it should be noted that this will be the last year of grant and no funding will be provided from 2022/2023 onwards.

4.9.5 Details of the revised costs to be set for each parish/town currently subject to special expenses together with the grant awarded to offset the impact on a Band D charge are shown at Appendix 5.

4.10 General Fund Balance and Reserves

4.10.1 Over the past years the Council has held its general fund working balance higher than usual to provide for time to properly assess the impact of service reviews to offset the reductions in the formula grant. The use of balances to assist in a planned and measured response to the reduction in Government grants and poor economic environment has proved to be very effective.

4.10.2 The introduction of the new formula funding/business rates retention scheme in 2013/2014 transferred a significant risk from central Government to the Council. The scheme allowed the Council to benefit from the growth of business rates by retaining an element of the income; however it also introduced the risk of losing funding if there was any reduction in the business rates list. In the event of a major ratepayer closing its business or appealing for a reduction in rates payable then the Council will have to bear the loss of rates income, which it had not before.

4.10.3 The Plan requires a drawdown from balances from 2022/2023 in order to “balance the budget”. However, in 2024/2025, whilst the estimated balance will be reduced to £1,196,753 which is the minimum reserve requirement (i.e. 5% of the Council’s budget requirement), there remains an estimated budget gap of £4,099,790 which needs to be addressed.

	2020/2021 £	2021/2022 £	2022/2023 £	2023/2024 £	2024/2025 £
(Contribution)/Draw from Balances to balance the budget	3,641,220	(823,760)	2,451,650	3,431,870	101,020*

*Reduces balance to minimum reserve level but leaves budget gap as set out in the plan.

4.10.4 Whilst it is good working practice and part of risk management to hold reserves to cushion the impact of unforeseen events and as a means to building up funds

to meet known or predicted requirements, there are costs associated with holding levels of funds. Although these funds are used to deal with uneven cashflow, invested or used instead of borrowing and they therefore bring in income or avoid the cost of interest charges, they serve no other purpose if they remain unused over long periods of time. Council tax should not be set to establish significant sums of money that sit on a balance sheet and do not serve the public in any other way. This means that the levels of holdings should be properly justified.

4.10.5 The operation of the General Fund working balance does support the Financial Plan and the level of council tax throughout and is reduced at the end of that period to just above the minimum level required to be held.

4.10.6 For the other reserves, their use and demands on the accounts are regularly monitored. Any adjustments that could be made without raising a level of risk to the financial standing of the Council would be reported as necessary.

4.10.7 The Council's Policy on Earmarked Reserves and General Fund Balance is reviewed annually as part of the Budget report to Council and sets out why reserves are held and the minimum and maximum acceptable levels of the accounts.

4.10.8 Budget monitoring reports throughout the year include updates on budget variations, action to be taken and notes any movements on the general fund balances and earmarked reserves. The Policy on Earmarked Reserves and General Fund Balance is attached at Appendix 6.

Recommendation 2

Council is recommended to reaffirm the Policy on Earmarked Reserves and General Fund Balance and the maximum balances set for the reserves as noted in the report.

4.11 Budget Requirement 2021/2022

4.11.1 The Borough Requirement is a figure that comes from the total net costs of spending on services plus Internal Drainage Board levies less the credits for the Financing Adjustment and plus the costs of special expenses and council tax support to parish councils. The final part of the calculation is the addition for any transfer to or from reserves and the use of general fund balances.

4.11.2 In 2021/2022 the Budget Requirement for the Council is £21,731,380. This sum is to be met from Government Formula Funding, Business Rates growth retention,

New Homes Bonus, any Collection Fund surplus and Council Tax. This results in a contribution to reserves of £823,760.

5 Parish Precepts

- 5.1 Parish and Town Councils within the borough request the Council to collect Council Tax on their behalf and pay over the sums requested as a Parish Precept. The total of the precepts must be added to the Council's budget but it is shown separately on Council Tax bills.
- 5.2 In 2018 the government announced that they would defer the setting of referendum principles for town and parish councils for 3 years. This is subject to the sector taking all available steps to mitigate the need for Council Tax increases and the government seeing clear evidence of restraint in the increases set by the sector as a whole. In 2020/2021, the average Band D parish precept increased by 4% which is the lowest increase in parish precept since 2012/2013 but remains above the rate of inflation. The Government has proposed to continue with no referendum principle for 2021/2022 but will review the level of increase set by parishes in 2021/2022 when considering next year's settlement.

6 Full Council Tax 2021/2022

- 6.1 In order to calculate the full Council Tax for 2021/2022 it will be necessary to add the County Council, Police Authority and parish precept requirements to the Council's element as previously shown.

Recommendation 3

It is recommended that Council :

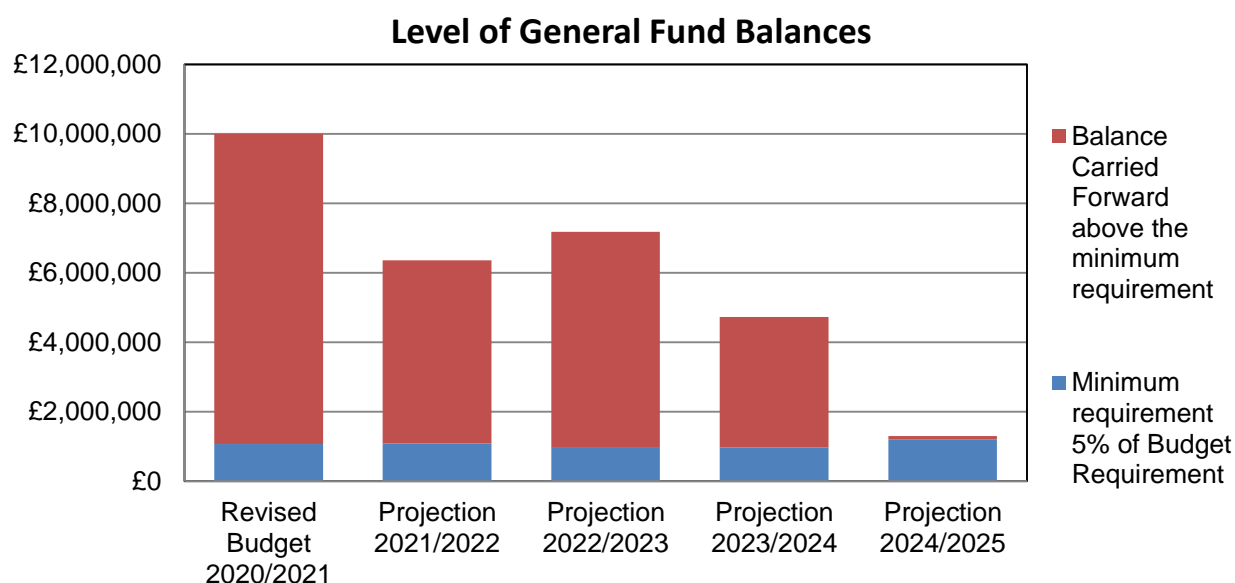
- 1) Approves the budget requirement of £21,731,380 for 2021/2022 and notes the projections for 2022/2023, 2023/2024 and 2024/2025.**
- 2) Approves the level of Special Expenses for the Town/Parish Councils as detailed in the report.**
- 3) Approves the Fees and Charges 2021/2022 detailed in Appendix 3.**
- 4) Approves a Band D council tax of £134.87 for 2021/2022**

7 General Fund Financial Overview

7.1 This part of the report deals with the Council's General Fund balance based on the proposed Financial Plan 2020/2025. The projected position for the period of the Financial Plan will be as follows:

	2020/2021 £	2021/2022 £	2022/2023 £	2023/2024 £	2024/2025 £
Balance brought forward	9,998,740	6,357,520	7,181,280	4,729,630	1,297,760
Adjustments (October Monitoring)	(3,641,220)				
Estimated Contribution To/(From) General Fund Balance		823,760	(2,451,650)	(3,431,870)	(101,010)
Balance carried forward	6,357,520	7,181,280	4,729,630	1,297,760	1,196,750
Minimum Requirement:					
5% of Budget Requirement (Balance Required)	1,071,648	1,086,569	963,361	969,378	1,196,753

7.2 The chart below shows how the General Fund Balances are used over the period of the Financial Plan with the balance held just above the minimum level required at the end of 2024/2025.



- 7.3 Section 25 of the Local Government Act 2003 requires the S151 Officer, as part of the Council Tax setting process, to comment as to the adequacy of the Council's Balances.
- 7.4 The General Fund balance remains above the minimum level required for all years in the Plan. The minimum requirement is calculated by taking 5% of the Budget Requirement.
- 7.5 The projected General Fund balances held by the Council are in the opinion of the S151 Officer adequate for the Council's operational needs until 2024/2025. Target savings will need to be identified and achieved prior to 2024/2025 to address the estimated budget gap and mitigate potential risk and uncertainty around levels of Government funding going forward.

Recommendation 4

Council is recommended to approve a minimum requirement of the General Fund balance for 2021/2022 of £1,086,569.

8 Capital Strategy

- 8.1 The CIPFA revised 2017 Prudential and Treasury Management Code now requires all local authorities to prepare a Capital Strategy which will provide the following;
- A high level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
 - An overview of how the associated risk is managed
 - The implications for future financial sustainability.
- 8.2 The Capital Strategy aims to complement other key documents such as the MTFS, the Asset Management Plan, the Council's Strategic Plan, and Treasury Management Strategy, etc. by defining the approach, structure and governance for the effective management of the Council's capital investment needs and ambitions.
- 8.3 The Strategy is presented separately to Cabinet on 2 February 2021. The core categories include:
- Governance process;
 - Knowledge, awareness and skills;
 - Strategy (asset management, service asset planning, commercial property investment);
 - Technical property (valuations, leases);
 - Technical finance (sensitivity analysis, risk assessment, borrowing,

depreciation and componentisation).

9 “Robustness” of Budget

- 9.1 Under Section 25 of the Local Government Act 2003 S151 Officer must report as to the robustness of the estimates included within the budget. There are within any projection of budgets over a five year period a number of assumptions that are made, some of which will have a level of risk against them, and the Financial Plan 2020/2025 is no exception.
- 9.2 The funding for 2021/2022 is presented with a degree of certainty in respect of RSG and RSDG funding as the Government has announced that it will continue to be paid for one further year i.e. 2021/2022. There are also some new one off grants that have been announced. However, there remains uncertainty that levels of business rates funding included in the Plan does not come to fruition.
- 9.3 There is significant risk from 2022/2023 onwards. The detailed arrangements for the implementation of the new Business Rates Retention scheme are not known and the re-set of the baseline may mean that the Council does not retain all the growth that has been achieved and is currently included in the Plan. The continuation of 100% retention of rates from renewable energy is also factored into the plan which may change. The Fair Funding Review will determine the starting point under the new Business Rates Retention scheme. The Plan does not include any additional growth in future years due to the level of uncertainty and risk around business rates funding but also because of increased uncertainty from the impacts of both the pandemic and Brexit on the economy.
- 9.4 The Council's delivery of target savings will be key in containing or reducing costs and generating additional income as the Council moves towards a position of funding based on locally generated resources rather than receiving RSG as it comes to an end.
- 9.5 The safety net of the level of working balances provides for a degree of comfort and robustness and in the opinion of the S151 Officer the level of General Fund balances held over the period are above minimum levels and adequate for the purposes of the Council for the period up to 2023/2024. From 2024/2025 there is a significant budget gap that needs to be addressed. As noted, there are a number of operational and financial risks facing the Council that could possibly impact on the level of General Fund balances held which result in balances depleting earlier than anticipated.
- 9.5 The main risks facing the Council are as follows:

Operational Risks – There will always be an element of risk in the robustness of estimates where many services are demand led. This level of risk is especially heightened during this period of uncertainty in the economy. This is particularly the case where large or volatile budgets exist – mainly the income driven

budgets e.g. planning, industrial rents and car parking fees. These services produce high levels of income and a 1% reduction in the car parks estimates can produce a variance of circa £50,000.

Past experience shows that the risk from these service areas, whilst significant in financial terms, can be dealt with through good budget management which quickly identifies any potential issues and enables prompt corrective action to be taken and where necessary the use of balances. However, in this period of the Plan there is a degree of uncertainty as to how easy it will be to compensate for lost income in the event that the projections are not met. The performance on budgets is included in monthly monitoring reports to management and members and in the event that action is necessary approval can be gained quickly.

General Economic Risks – Assumptions on inflation made within the budget are detailed in the report. Where inflation factors rise above the assumed levels there will be an impact on the budget. The risk can be reduced through strong budget monitoring of spend and corrective action being taken. In the event that costs cannot be contained then the working balances come into play.

There is a risk to the budget from the changes in interest rates, especially in the current economic climate. Any significant changes to interest rates by the Bank of England Monetary Policy Committee to control inflation would in turn influence the interest paid on the Council's investments and borrowings. There is a degree of offsetting on our temporary and daily cashflow borrowing and lending but there remains a risk that there could be an imbalance between rates of borrowing and investment and the Council could suffer a net increase in costs. The risk is reduced through good debt management practices and monitoring of the markets and budget position. Interest rates in the financial plan are low which reflect the forecasts in the current economic climate.

Brexit – The exit from the European Union took place on 31 January 2020 and a trade deal was finally agreed which took effect on 1 January 2021. There remains uncertainty on what the impact will be on the Council's budget. Updates on any emerging impacts will be reported as part of the budget monitoring process.

Capital Schemes, Partnerships and Contracts – The Council will always be subject to general financial risks inherent within large capital schemes, major outsourcing arrangements and partnership arrangements. The risks can be reduced through the existence of good governance arrangements, active participation in the schemes, sound project management and constant monitoring of the risks.

Business Continuity – In terms of risk management there are a number of issues that present a risk to the Council all of which are included in the Corporate Risk Register. A number of the most highly rated risks are concerned with finance – the impact of the current pandemic (see separate paragraph), slow

economic recovery and Brexit on income/service costs and capital receipts, the implementation of the new Business Rates Retention Scheme and the Fair Funding Review and the difficulties involved with achieving savings targets to deliver the efficiency plan. All of these issues have been considered and appropriate action taken to reduce the risk to the Council.

Pandemic (Covid-19) – The outbreak of the pandemic and lockdown late in March 2020 has had a significant impact on delivery of the council's services and finances as the council has prioritised on recovery and response to the pandemic. As the country continues in its efforts to control the outbreak, the risks and uncertainties around recovery continue into 2021/2022 and beyond. These risks will continue to be monitored and reported to management and members so that any decisions can be acted on quickly.

Business Rates Growth – The Financial Plan includes growth that has been achieved to date. There is no assumption for increased growth in the plan as this currently presents a significant level of risk. There is a risk that an element of the growth will be removed as part of the baseline re-set with the implementation of the new Business Rates Retention Scheme arrangements which have currently been delayed by Government. There is also concern that some of the business rates generated from renewable energy will also be withdrawn under the new scheme. These are currently retained at 100% so presents considerable risk if any or all of this is removed. These risks will continue to be monitored and reported to management and members as information on new arrangements for the scheme emerge.

Legislation – There are always risks associated with changes in legislation. For example, changes to VAT rules could have significant impact on the Financial Plan of the Council. There is little that can be done to mitigate legal risks other than to continue to be aware of the potential changes and act accordingly.

10 Consultation

- 10.1 The Council will meet with representatives of the business and voluntary sector community on 22 January 2021 to seek their opinions. Draft notes of the meeting will be made available to Cabinet on 2 February 2021.
- 10.2 Staff briefings will be held during February 2021. This report will be made available to staff and comments will be sought. Trade union representatives will also be sent a copy of the report. Any comments arising as a result of the consultation process will be reported to Council.
- 10.3 As part of the budget process a joint Panel Meeting will be held on 26 January 2021 and the draft minutes from the meeting will be presented to Cabinet on 2 February 2021.

Acknowledgement

The preparation of this budget has only been possible after considerable effort, research and co-operation of many officers from all sections of the Council.

Michelle Drewery
Assistant Director Resources (S151 Officer)

Access to Information

Cabinet Reports
Financial Plan 2019-2024
Capital Programme 2019-2024 and 2020-2025
Revised Estimate (July 2020) & Monitoring Reports 2020/2021

Finance Settlement
The suite of supporting documents for the provisional local government finance settlement 2021/2022 can be found by clicking on the following link:

[Provisional Local Government Finance Settlement 2021/2022 - GOV.UK](#)

Service Areas	Revised Budget 2020/21 (July Monitoring)	Revised Budget 2020/2021	Projection 2021/2022	Projection 2022/2023	Projection 2023/2024	Projection 2024/2025
	£					
Central Services	2,929,170	2,859,970	2,909,310	2,996,320	3,051,210	3,151,530
Community and Partnerships	595,050	617,400	329,710	448,170	545,510	663,490
Companies and Housing Delivery	303,190	267,090	285,880	298,640	312,810	327,070
Environment and Planning	2,036,950	2,175,770	2,117,340	2,222,740	2,334,340	2,462,360
Operations and Commercial	3,991,330	2,678,090	1,293,770	1,260,890	1,072,560	1,328,380
Property and Projects	(1,199,340)	(1,410,510)	(1,584,540)	(1,540,480)	(1,480,050)	(1,417,610)
Regeneration, Housing and Place	866,240	795,200	884,030	935,460	961,610	988,900
Resources	7,726,020	8,109,660	7,559,920	7,896,130	8,362,790	8,664,340
Chief Executive	303,350	303,350	304,860	306,350	309,410	311,070
Alive West Norfolk	1,921,880	4,075,040	2,018,860	2,066,430	2,197,980	2,238,870
Financing Requirement	1,691,090	1,762,980	1,903,940	1,898,070	2,159,580	2,266,150
Internal Drainage Boards	2,809,170	2,819,160	2,863,330	2,930,140	2,991,680	3,051,520
Council Tax Support to Parishes	20,970	20,970	21,210	0	0	0
Borough Spend	23,995,070	25,074,170	20,907,620	21,718,860	22,819,430	24,036,070
Contributions to/(from) General Fund Balance	(4,657,350)	(3,641,220)	823,760	(2,451,650)	(3,431,870)	(101,010)
Borough Requirement	19,337,720	21,432,950	21,731,380	19,267,210	19,387,560	23,935,060
Revenue Support Grant	(624,220)	(624,220)	(627,670)	0	0	0
Rural Service Delivery Grant	(470,700)	(470,700)	(493,940)	0	0	0
New Homes Bonus	(898,180)	(898,180)	(837,670)	(321,400)	0	0
Other Government Grants	(1,898,960)	(3,994,190)	(1,309,170)	0	0	0
Taxation						
Business Rates Retention Baseline Funding	(5,491,230)	(5,491,230)	(5,491,230)	(5,601,050)	(5,713,070)	(5,827,330)
Business Rates Retention Additional Funding			(2,350,120)	(2,350,120)	(2,350,120)	(2,350,120)
Business Rates Funding From Growth	(914,080)	(914,080)	(1,101,870)	(1,123,900)	(1,123,900)	(1,123,900)
Business Rates Renewable Energy	(2,640,260)	(2,640,260)	(2,500,000)	(2,550,000)	(2,601,000)	(2,653,020)
Council Tax Collection Fund Surplus	0	0	0	(25,000)	(25,000)	(25,000)
Council Tax Band D	130.37		134.87	139.37	143.87	148.37
Council Tax Base	51,980		52,048	52,348	52,648	52,948
Council Tax	(6,400,090)	(6,400,090)	(7,019,710)	(7,295,740)	(7,574,470)	(7,855,890)
Funding Position	0	0	0	0	0	4,099,800
Minimum Reserve Level (5% of Budget Requirement)	966,886	1,071,648	1,086,569	963,361	969,378	1,196,753

Central Services

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Communications	276,320	266,690	277,820	289,640	301,640
Councillors	573,810	588,230	599,430	613,470	622,040
Customer Info Centre	645,920	653,600	681,220	711,730	743,550
Democratic Process & Events	350,620	327,030	339,400	348,050	360,940
Elections	321,780	367,540	370,010	333,580	343,960
Improve, Eff & Perf	92,470	84,350	87,800	91,510	94,980
Mayoral Allow	34,120	35,630	36,700	38,520	39,560
Personnel Services	479,290	414,310	425,490	436,350	446,690
Policy & Partnership	73,810	107,620	111,860	116,360	120,720
Safety & Welfare	11,830	64,310	66,590	72,000	77,450
Total Service Cost	2,859,970	2,909,310	2,996,320	3,051,210	3,151,530

Central Services

	2020/2021 Revised £	2021/2022 Estimate £	2022/2023 Projection £	2023/2024 Projection £	2024/2025 Projection £
Communications					
This budget relates to the costs of the Corporate Communications Team.					
Employees	250,630	256,600	267,640	279,160	291,160
Premises	5,250	5,250	5,250	5,250	5,250
Supplies & Services	107,670	107,670	107,670	107,670	107,670
Total Expenditure	363,550	369,520	380,560	392,080	404,080
Customer & Client receipts	(60,900)	(76,660)	(76,670)	(76,660)	(76,660)
Total Income	(60,900)	(76,660)	(76,670)	(76,660)	(76,660)
Direct Service Cost	302,650	292,860	303,890	315,420	327,420
Central Support Services	11,510	11,670	11,820	12,060	12,060
Inter Service Recharges	(37,840)	(37,840)	(37,890)	(37,840)	(37,840)
Total Service Cost	276,320	266,690	277,820	289,640	301,640

Councillors

This budget deals with allowances and expenses for all 55 members. These costs also include members training, IT and officer support.

Employees	7,900	8,640	9,010	9,400	9,800
Premises	350	710	720	720	720
Transport	460	460	460	460	460
Supplies & Services	476,580	487,240	495,350	508,580	516,750
Total Expenditure	485,290	497,050	505,540	519,160	527,730
Direct Service Cost	485,290	497,050	505,540	519,160	527,730
Central Support Services	85,210	87,450	89,730	89,730	89,730
Inter Service Recharges	3,310	3,730	4,160	4,580	4,580
Total Service Cost	573,810	588,230	599,430	613,470	622,040

Central Services

	2020/2021 Revised £	2021/2022 Estimate £	2022/2023 Projection £	2023/2024 Projection £	2024/2025 Projection £
Customer Information Centre					
Customer contact and telephone contact service.					
Employees	671,600	680,250	709,480	740,000	771,820
Transport	1,000	2,000	2,000	2,000	2,000
Supplies & Services	2,650	2,650	3,070	2,650	2,650
Total Expenditure	675,250	684,900	714,550	744,650	776,470
Direct Service Cost	675,250	684,900	714,550	744,650	776,470
Central Support Services	(29,330)	(31,300)	(33,330)	(32,920)	(32,920)
Total Service Cost	645,920	653,600	681,220	711,730	743,550

Democratic Process & Events

These costs include the time spent by officers in dealing with Committees and other such activities that come about because the Council is an accountable public body.

Employees	299,820	275,820	287,670	300,030	312,920
Transport	840	940	940	950	950
Supplies & Services	20,450	20,350	20,450	16,110	16,110
Total Expenditure	321,110	297,110	309,060	317,090	329,980
Direct Service Cost	321,110	297,110	309,060	317,090	329,980
Central Support Services	25,940	26,350	26,770	27,390	27,390
Inter Service Recharges	3,570	3,570	3,570	3,570	3,570
Total Service Cost	350,620	327,030	339,400	348,050	360,940

Central Services

	2020/2021 Revised £	2021/2022 Estimate £	2022/2023 Projection £	2023/2024 Projection £	2024/2025 Projection £
Elections					
The election of Borough Councillors takes place every four years. This budget includes costs for the organisation and administration of elections and by-elections, including parishes.					
Employees	169,000	221,720	231,270	241,220	251,580
Premises	1,130	11,170	2,200	35,170	35,170
Transport	850	1,590	1,620	1,630	1,640
Supplies & Services	76,250	77,600	78,960	120,610	120,610
Total Expenditure	247,230	312,080	314,050	398,630	409,000
Grants & Contributions	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Customer & Client receipts	(4,760)	(4,850)	(4,850)	(15,860)	(15,850)
Total Income	(10,760)	(10,850)	(10,850)	(21,860)	(21,850)
Direct Service Cost	236,470	301,230	303,200	376,770	387,150
Central Support Services	10,600	10,600	10,600	10,600	10,600
Transfer to/(from) Reserves	40,000	20,000	20,000	(90,000)	(90,000)
Inter Service Recharges	34,710	35,710	36,210	36,210	36,210
Total Service Cost	321,780	367,540	370,010	333,580	343,960

Improvement, Efficiency & Performance Review

Improvement, Efficiency and Performance Review undertake monitoring and analysis of corporate performance, systems analysis and undertake in-house consultancy work dealing with service reviews.

Employees	82,490	74,120	77,310	80,640	84,110
Transport	150	150	150	150	150
Supplies & Services	90	90	90	90	90
Total Expenditure	82,730	74,360	77,550	80,880	84,350
Direct Service Cost	82,730	74,360	77,550	80,880	84,350
Central Support Services	9,740	9,990	10,250	10,630	10,630
Total Service Cost	92,470	84,350	87,800	91,510	94,980

Central Services

	2020/2021 Revised £	2021/2022 Estimate £	2022/2023 Projection £	2023/2024 Projection £	2024/2025 Projection £
Mayoral Allowances & Transport					
This budget deals with the allowances paid to the Mayor and Deputy Mayor to reimburse them for any out of pocket expenses incurred and the cost of running the official car which is used for Mayoral and other official duties.					
Employees	21,260	22,420	23,380	24,370	25,410
Transport	2,550	2,580	2,630	2,670	2,670
Supplies & Services	9,840	10,100	10,100	10,100	10,100
Total Expenditure	33,650	35,100	36,110	37,140	38,180
Direct Service Cost	33,650	35,100	36,110	37,140	38,180
Inter Service Recharges	470	530	590	1,380	1,380
Total Service Cost	34,120	35,630	36,700	38,520	39,560

Personnel Services

This service area provides a range of services including dealing with recruitment, disciplinary matters, payroll and research and development.

Employees	506,120	440,200	449,710	460,630	470,970
Premises	5,000	5,000	5,000	5,000	5,000
Transport	2,150	2,150	2,150	2,150	2,150
Supplies & Services	65,800	67,320	69,070	69,070	69,070
Total Expenditure	579,070	514,670	525,930	536,850	547,190
Customer & Client receipts	(7,100)	(7,100)	(7,100)	(7,100)	(7,100)
Total Income	(7,100)	(7,100)	(7,100)	(7,100)	(7,100)
Direct Service Cost	571,970	507,570	518,830	529,750	540,090
Central Support Services	9,920	9,340	8,720	9,200	9,200
Inter Service Recharges	(102,600)	(102,600)	(102,060)	(102,600)	(102,600)
Total Service Cost	479,290	414,310	425,490	436,350	446,690

Central Services

	2020/2021 Revised £	2021/2022 Estimate £	2022/2023 Projection £	2023/2024 Projection £	2024/2025 Projection £
Policy & Partnership					
The West Norfolk Partnership is a group of key public, private and voluntary sector organisations who work together to improve services and the quality of life in West Norfolk. As well as local people, members of the partnership include representatives of the Borough and County Councils, the Health and Education services, housing providers, the Police and voluntary sector.					
Employees	59,550	93,150	97,160	101,330	105,690
Transport	1,000	1,000	1,000	1,000	1,000
Supplies & Services	232,210	232,210	4,710	4,710	4,710
Total Expenditure	292,760	326,360	102,870	107,040	111,400
Direct Service Cost	292,760	326,360	102,870	107,040	111,400
Central Support Services	8,400	8,610	8,840	9,170	9,170
Transfer (from) Reserves	(227,500)	(227,500)	0	0	0
Inter Service Recharges	150	150	150	150	150
Total Service Cost	73,810	107,620	111,860	116,360	120,720

Safety & Welfare

Budget for implementing the corporate Healthy and Safety policy.

Employees	14,730	67,170	69,420	71,770	74,220
Premises	0	0	0	3,000	3,000
Transport	610	610	610	610	610
Supplies & Services	8,340	8,340	8,340	8,340	11,340
Total Expenditure	23,680	76,120	78,370	83,720	89,170
Customer & Client receipts	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)
Total Income	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)
Direct Service Cost	19,520	71,960	74,210	79,560	85,010
Central Support Services	1,360	1,400	1,430	1,490	1,490
Inter Service Recharges	(9,050)	(9,050)	(9,050)	(9,050)	(9,050)
Total Service Cost	11,830	64,310	66,590	72,000	77,450

Community and Partnerships

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Care & Repair and Careline					
This budget provides for the Home Improvement Agency Service, Careline, Handy Person Scheme and other projects which help the elderly, people with disabilities and those on low incomes to stay in their own homes and live as independently as possible. The service includes agency agreements with Fenland District Council and Breckland District Council.					
Employees	933,480	966,600	1,006,110	1,047,290	1,090,210
Premises	20,000	20,000	20,000	20,000	20,000
Transport	48,660	62,210	62,540	64,480	64,480
Supplies & Services	303,680	303,680	303,680	303,680	303,680
Agency & Benefit Payments	94,110	94,210	94,210	95,770	95,770
Financing Costs	45,830	57,580	64,150	70,660	76,100
Total Expenditure	1,445,760	1,504,280	1,550,690	1,601,880	1,650,240
Grants & Contributions	(1,927,120)	(2,033,400)	(2,033,400)	(2,033,400)	(2,033,400)
Total Income	(1,927,120)	(2,033,400)	(2,033,400)	(2,033,400)	(2,033,400)
Direct Service Cost	(481,360)	(529,120)	(482,710)	(431,520)	(383,160)
Customer & Client Receipts	(779,190)	(811,610)	(833,470)	(849,380)	(849,370)
Central Support Services	600	600	600	600	600
Transfer to Reserves	48,950	48,950	48,950	48,950	48,950
Inter Service Recharges	(329,670)	(329,240)	(324,760)	(328,400)	(328,400)
Total Service cost	(1,540,670)	(1,620,420)	(1,591,390)	(1,559,750)	(1,511,380)

Comm Safety & Nuisance

This budget relates to Community Safety, Community Development and Noise Monitoring.

Employees	647,180	534,630	557,620	581,610	606,630
Transport	24,270	29,310	29,310	29,310	29,310
Supplies & Services	27,880	34,490	34,490	34,490	34,490
Customer & Client Receipts	2,080	2,080	2,080	2,080	2,080
Total Expenditure	701,410	600,510	623,500	647,490	672,510
Direct Service Cost	701,410	600,510	623,500	647,490	672,510
Central Support Services	18,770	19,250	19,760	20,490	20,490
Transfer to Reserves	10,000	10,000	10,000	10,000	10,000
Inter Service Recharges	65,060	69,850	71,690	69,850	69,850
Total Service Cost	795,240	699,610	724,950	747,830	772,850

Community and Partnerships

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Community Transport					
This budget includes the costs of supporting community transport projects					
Supplies & Services	115,890	115,890	115,890	115,890	115,890
Total Service Cost	115,890	115,890	115,890	115,890	115,890

Financial Assistance

This budget covers funding for 14 service level agreements that the Council holds with local voluntary and community groups to provide services for the people of West Norfolk. There is also a budget for Small Grants Scheme, a scheme by which local, constituted groups and organisations can apply for either revenue and capital funding for projects or general running costs. The Small Grants Scheme is administered by Norfolk Community Foundation.

Supplies & Services	360,780	372,980	365,480	362,680	362,680
Customer & Client Receipts	(96,000)	(96,000)	(96,000)	(96,000)	(96,000)
Total Expenditure	264,780	276,980	269,480	266,680	266,680
Direct Service Cost	264,780	276,980	269,480	266,680	266,680
Transfer from Reserves	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Inter Service Recharges	0	0	400	120	120
Total Service Cost	254,780	266,980	259,880	256,800	256,800

Community and Partnerships

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Housing					
within the Borough. The Council operates the Choice Based Lettings Scheme on behalf of our 15 registered landlord partners, including Freebridge Community Housing. Housing Standards staff time deal with the inspection of housing standards in the private sector.					
Employees	659,870	395,170	412,140	429,870	448,350
Transport	11,630	11,520	11,630	11,630	11,630
Supplies & Services	15,240	15,240	15,240	15,240	15,240
Total Expenditure	686,740	421,930	439,010	456,740	475,220
Grants & Contributions	(52,500)	(70,000)	(70,000)	(70,000)	(70,000)
Customer & Client Receipts	(21,080)	(21,460)	(21,460)	(21,460)	(21,460)
Total Income	(73,580)	(91,460)	(91,460)	(91,460)	(91,460)
Direct Service Cost	613,160	330,470	347,550	365,280	383,760
Central Support Services	12,920	13,110	12,550	12,750	12,750
Inter Service Recharges	7,600	7,920	8,040	7,860	7,860
Total Service Cost	633,680	351,500	368,140	385,890	404,370

Housing Options

The budget includes costs incurred in carrying out the Council's statutory duties towards homeless persons and in providing housing options and advice service. The cost of initiatives to prevent homelessness including advice

Employees	395,940	558,010	582,010	607,030	633,140
Transport	12,370	12,370	12,370	12,370	12,370
Supplies & Services	111,400	111,400	111,400	111,400	111,400
Agency & Benefit Payments	151,200	1,200	1,200	1,200	1,200
Total Expenditure	670,910	682,980	706,980	732,000	758,110
Grants & Contributions	(190,040)	(77,180)	(45,510)	(42,450)	(42,450)
Customer & Client Receipts	(66,700)	(67,900)	(67,900)	(66,880)	(66,880)
Total Income	(256,740)	(145,080)	(113,410)	(109,330)	(109,330)
Direct Service Cost	414,170	537,900	593,570	622,670	648,780
Central Support Services	19,590	20,100	20,620	21,380	21,380
Transfer from Reserves	(71,540)	(38,110)	(39,750)	(41,460)	(41,460)
Inter Service Recharges	(3,740)	(3,740)	(3,740)	(3,740)	(3,740)
Total Service Cost	358,480	516,150	570,700	598,850	624,960

Community and Partnerships

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Revised	Estimate	Projection	Projection	Projection
	£	£	£	£	£
Care & Repair and Careline	(1,540,670)	(1,620,420)	(1,591,390)	(1,559,750)	(1,511,380)
Comm Safety & Nuisance	795,240	699,610	724,950	747,830	772,850
Community Transport	115,890	115,890	115,890	115,890	115,890
Financial Assistance	254,780	266,980	259,880	256,800	256,800
Housing	633,680	351,500	368,140	385,890	404,370
Housing Options	358,480	516,150	570,700	598,850	624,960
Total for Service	617,400	329,710	448,170	545,510	663,490

Companies and Housing Delivery

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Corporate Projects					
This budget covers the costs of the team working on the Council's major projects, including new housing in the borough					
Employees	285,340	299,740	312,630	326,070	340,090
Premises	0	150	150	150	150
Transport	1,070	5,960	6,180	6,400	6,640
Supplies & Services	9,860	10,360	10,360	10,360	10,360
Total Expenditure	296,270	316,210	329,320	342,980	357,240
Direct Service Cost	296,270	316,210	329,320	342,980	357,240
Central Support Services	4,240	4,340	4,450	4,600	4,600
Inter Service Recharges	7,480	7,830	9,030	9,390	9,390
Interest	(40,900)	(42,500)	(44,160)	(44,160)	(44,160)
Total Service Cost	267,090	285,880	298,640	312,810	327,070

Companies and Housing Delivery

	2020/2021 Revised £	2021/2022 Estimate £	2022/2023 Projection £	2023/2024 Projection £	2024/2025 Projection £
Corporate Projects	267,090	285,880	298,640	312,810	327,070
Total Service Cost	267,090	285,880	298,640	312,810	327,070

Environment and Planning

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£

Back office

These are the costs of the corporate digital scanning team and post room functions

Employees	185,530	288,500	300,920	313,860	327,340
Premises	5,500	12,000	5,500	5,500	5,500
Supplies & Services	103,770	103,770	103,770	103,770	103,770
Total Expenditure	294,800	404,270	410,190	423,130	436,610
Direct Service Cost	294,800	404,270	410,190	423,130	436,610
Central Support Services	8,880	9,100	9,320	9,680	9,680
Inter Service Recharges	(109,330)	(109,330)	(108,430)	(109,330)	(109,330)
Total Service Cost	194,350	304,040	311,080	323,480	336,960

Development Control

This service deals with planning and related applications from developers/members of the public and any subsequent appeals arising from previous decisions. It enforces planning and related controls and takes action if necessary.

Employees	901,170	954,570	995,600	1,038,410	1,083,050
Transport	27,570	41,190	42,930	42,840	43,860
Supplies & Services	58,640	52,320	52,320	52,320	52,320
Agency & Benefit Payments	62,410	62,410	62,410	62,410	62,410
Total Expenditure	1,049,790	1,110,490	1,153,260	1,195,980	1,241,640
Customer & client receipts	(897,710)	(942,660)	(942,660)	(943,760)	(943,760)
Total Income	(897,710)	(942,660)	(942,660)	(943,760)	(943,760)
Direct Service Cost	152,080	167,830	210,600	252,220	297,880
Central Support Services	101,620	102,560	103,520	104,800	104,800
Transfer from Reserves	(12,250)	0	0	(5,290)	(14,550)
Inter Service Recharges	7,890	8,040	10,480	8,040	8,040
Total Service Cost	249,340	278,430	324,600	359,770	396,170

Environment and Planning

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£

Emergency Planning

This budget contains the costs for Emergency Planning and radio phones.

Employees	46,670	63,180	65,900	68,730	71,690
Premises	4,840	4,840	4,840	4,840	4,840
Transport	5,830	3,980	3,980	3,980	3,980
Supplies & Services	18,100	17,330	17,330	17,330	17,330
Total Expenditure	75,440	89,330	92,050	94,880	97,840
Direct Service Cost	75,440	89,330	92,050	94,880	97,840
Central Support Services	5,430	5,570	5,720	5,920	5,920
Inter Service Recharges	4,210	4,210	6,090	4,210	4,210
Total Service Cost	85,080	99,110	103,860	105,010	107,970

Flood Defence

This budget covers the Council's responsibilities for protecting the borough and its coastline from severe weather.

Employees	0	39,630	41,340	43,110	44,960
Premises	107,400	107,400	107,400	107,400	107,400
Transport	90	90	90	0	0
Supplies & Services	17,000	17,000	17,000	17,000	17,000
Total Expenditure	124,490	164,120	165,830	167,510	169,360
Customer & client receipts	(26,400)	(26,400)	(26,400)	(26,400)	(26,400)
Total Income	(26,400)	(26,400)	(26,400)	(26,400)	(26,400)
Direct Service Cost	98,090	137,720	139,430	141,110	142,960
Inter Service Recharges	0	0	1,340	1,340	1,340
Total Service Cost	98,090	137,720	140,770	142,450	144,300

Environment and Planning

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Food Hygiene					
The Council offers Food Hygiene courses, export certificates and Health & Safety advice.					
Employees	448,570	492,010	513,160	535,230	558,250
Transport	32,890	35,580	35,580	35,580	35,580
Supplies & Services	39,780	20,290	21,080	21,080	21,080
Total Expenditure	521,240	547,880	569,820	591,890	614,910
Customer & client receipts	(8,600)	(24,000)	(23,500)	(23,500)	(23,500)
Total Income	(8,600)	(24,000)	(23,500)	(23,500)	(23,500)
Direct Service Cost	512,640	523,880	546,320	568,390	591,410
Central Support Services	12,890	13,220	13,570	14,070	14,070
Inter Service Recharges	4,010	4,010	6,550	4,010	4,010
Total Service Cost	529,540	541,110	566,440	586,470	609,490
Licenses					
This is a general heading covering all licences from Hackney Carriage to Riding Establishments which are issued by the Borough Council.					
Employees	194,060	200,490	209,110	218,100	227,470
Transport	6,720	7,120	7,120	7,120	7,120
Supplies & Services	5,980	10,510	10,510	10,510	10,510
Total Expenditure	206,760	218,120	226,740	235,730	245,100
Grants & Contributions	0	0	0	0	0
Customer & client receipts	(180,350)	(254,620)	(255,530)	(255,530)	(255,530)
Total Income	(180,350)	(254,620)	(255,530)	(255,530)	(255,530)
Direct Service Cost	26,410	(36,500)	(28,790)	(19,800)	(10,430)
Central Support Services	13,200	13,860	14,560	1,020	1,020
Inter Service Recharges	960	960	960	0	0
Total Service Cost	40,570	(21,680)	(13,270)	(18,780)	(9,410)

Environment and Planning

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Local Land Charges					
Expenditure and income associated with the local land charges service is included within the heading. A register is maintained of properties within the Borough and details are supplied when requested by solicitors and members of the public, for a fee.					
Employees	54,970	66,560	69,430	72,410	75,520
Supplies & Services	2,350	350	350	350	350
Agency & Benefit Payments	78,190	78,190	78,190	78,190	78,190
Total Expenditure	135,510	145,100	147,970	150,950	154,060
Customer & client receipts	(140,000)	(140,000)	(160,000)	(160,000)	(160,000)
Total Income	(140,000)	(140,000)	(160,000)	(160,000)	(160,000)
Direct Service Cost	(4,490)	5,100	(12,030)	(9,050)	(5,940)
Central Support Services	14,850	15,390	15,860	16,520	16,520
Transfer from Reserves	(15,520)	(10,000)	0	0	0
Inter Service Recharges	5,160	5,820	6,480	7,140	7,140
Total Service Cost	0	16,310	10,310	14,610	17,720

Planning Policy

This budget ensures that necessary development is delivered in the most sustainable way possible. It produces the Council's Local Development Framework and all associated documents.

Employees	572,680	408,810	426,380	444,730	463,870
Premises	600	600	600	600	600
Transport	18,980	17,640	18,330	18,470	18,600
Supplies & Services	296,000	172,720	236,620	233,250	233,470
Total Expenditure	888,260	599,770	681,930	697,050	716,540
Grants & Contributions	(90,000)	(80,000)	(40,000)	(40,000)	(40,000)
Customer & client receipts	(1,385,000)	(1,321,260)	(1,395,000)	(1,395,000)	(1,395,000)
Total Income	(1,475,000)	(1,401,260)	(1,435,000)	(1,435,000)	(1,435,000)
Direct Service Cost	(586,740)	(801,490)	(753,070)	(737,950)	(718,460)
Central Support Services	27,480	28,370	29,290	29,830	29,830
Transfer to Reserves	1,040,100	1,001,040	965,960	965,120	963,420
Inter Service Recharges	2,680	2,680	2,860	2,680	2,680
Total Service Cost	483,520	230,600	245,040	259,680	277,470

Environment and Planning

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Pollution Monitoring					
Responsibility for the regular monitoring of air, water, noise and contaminated land. Additional monitoring is also carried out following public complaints.					
Employees	256,470	288,680	301,090	314,030	327,520
Premises	17,000	2,550	2,680	2,810	2,950
Transport	6,150	8,020	7,590	9,100	9,260
Supplies & Services	56,920	52,560	51,760	51,760	51,760
Total Expenditure	336,540	351,810	363,120	377,700	391,490
Customer & client receipts	(40,100)	(41,550)	(41,550)	(41,550)	(41,550)
Total Income	(40,100)	(41,550)	(41,550)	(41,550)	(41,550)
Direct Service Cost	296,440	310,260	321,570	336,150	349,940
Central Support Services	0	5,320	5,320	5,320	5,320
Transfer from Reserves	(7,160)	(7,160)	(7,160)	0	0
Inter Service Recharges	0	10	10	10	10
Total Service Cost	289,280	308,430	319,740	341,480	355,270

Street Lighting

This covers the costs of replacing and maintaining the street lights in the borough.

Premises	72,900	76,150	79,560	83,130	86,890
Supplies & Services	10,200	26,200	11,200	11,200	11,200
Financing Costs	65,090	65,090	65,090	65,090	65,090
Total Expenditure	148,190	167,440	155,850	159,420	163,180
Direct Service Cost	148,190	167,440	155,850	159,420	163,180
Transfer to Reserves	6,000	6,000	6,000	6,000	6,000
Total Service Cost	154,190	173,440	161,850	165,420	169,180

Environment and Planning

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Street Naming & Numbering					
This budget deals with the allocation of street names and house numbers to new and existing housing developments.					
Employees	56,170	53,520	55,840	58,240	60,730
Premises	4,000	4,500	4,500	4,500	4,500
Transport	90	90	90	120	120
Supplies & Services	0	0	0	0	0
Total Expenditure	60,260	58,110	60,430	62,860	65,350
Grants & Contributions	0	0	0	0	0
Customer & client receipts	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Total Income	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Direct Service Cost	45,260	43,110	45,430	47,860	50,350
Central Support Services	6,550	6,720	6,890	6,890	6,890
Total Service Cost	51,810	49,830	52,320	54,750	57,240

Environment and Planning

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Revised	Estimate	Projection	Projection	Projection
	£	£	£	£	£
Back office	194,350	304,040	311,080	323,480	336,960
Development Control	249,340	278,430	324,600	359,770	396,170
Emergency Planning	85,080	99,110	103,860	105,010	107,970
Flood Defence	98,090	137,720	140,770	142,450	144,300
Food Hygiene	529,540	541,110	566,440	586,470	609,490
Licenses	40,570	(21,680)	(13,270)	(18,780)	(9,410)
Local Land Charges	0	16,310	10,310	14,610	17,720
Planning Policy	483,520	230,600	245,040	259,680	277,470
Pollution Monitoring	289,280	308,430	319,740	341,480	355,270
Street Lighting	154,190	173,440	161,850	165,420	169,180
Street Naming & Numbering	51,810	49,830	52,320	54,750	57,240
Total for Service	2,175,770	2,117,340	2,222,740	2,334,340	2,462,360

Operations and Commercial

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Parking Operations					
This budget covers 10 short term car parks (1,134 spaces), 5 long term car parks (812 spaces) and the multi-storey car park, St James' (701 spaces), the Seafront car parks at Hunstanton and Heacham, North Norfolk Car Parks and Parking Enforcement.					
Employees	779,390	954,420	995,450	1,038,190	1,082,760
Premises	930,080	972,610	1,002,280	1,033,180	1,065,350
Transport	32,870	37,810	38,450	55,170	55,350
Supplies & Services	289,410	279,330	279,330	279,330	322,180
Agency & Benefit Payments	439,010	866,000	866,000	866,000	866,000
Financing Costs	6,190	6,040	6,040	2,800	2,800
Total Expenditure	2,476,950	3,116,210	3,187,550	3,274,670	3,394,440
Customer & client receipts	(3,913,780)	(6,660,770)	(6,666,760)	(6,771,440)	(6,833,450)
Total Income	(3,913,780)	(6,660,770)	(6,666,760)	(6,771,440)	(6,833,450)
Direct Service Cost	(1,436,830)	(3,544,560)	(3,479,210)	(3,496,770)	(3,439,010)
Central Support Services	8,620	8,840	9,070	9,410	9,410
Transfer to Reserves	116,070	119,070	119,070	119,070	119,070
Inter Service Recharges	375,840	380,750	385,630	383,240	383,240
Total Service Cost	(936,300)	(3,035,900)	(2,965,440)	(2,985,050)	(2,927,290)

CCTV

The CCTV system operates from Kings Court and covers areas such as car parks, housing estates, council offices, the Walks, Lynnsport, North Lynn, Hardwick Industrial Estates and Breckland CCTV.

Employees	407,850	382,420	387,350	404,000	421,370
Premises	118,140	118,260	118,330	118,410	118,490
Transport	5,470	5,900	5,970	6,040	6,060
Supplies & Services	162,650	162,650	162,650	162,650	162,650
Financing Costs	78,290	75,630	75,810	66,980	56,990
Total Expenditure	772,400	744,860	750,110	758,080	765,560
Customer & client receipts	(301,140)	(306,160)	(309,070)	(313,790)	(313,900)
Total Income	(301,140)	(306,160)	(309,070)	(313,790)	(313,900)
Direct Service Cost	471,260	438,700	441,040	444,290	451,660
Central Support Services	14,490	14,870	15,260	15,830	15,830
Inter Service Recharges	(566,090)	(560,510)	(558,640)	(558,450)	(558,450)
Total Service Cost	(80,340)	(106,940)	(102,340)	(98,330)	(90,960)

Operations and Commercial

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Cleansing & Street Sweeping					
The Public Cleansing Service is responsible for the cleansing of public space, beaches, pavements and streets, lighting, according to the standards laid down by the 1990 Environmental Protection Act. Also included are Footway Lighting, the cost of Dog Warden Service, disposal of abandoned vehicles and the Neighbourhood Teams.					
Employees	1,326,130	1,602,670	1,671,410	1,743,030	1,817,760
Premises	57,160	58,300	58,650	59,020	59,400
Transport	172,600	191,640	194,460	187,080	187,200
Supplies & Services	76,200	78,000	78,000	78,000	78,000
Agency & Benefit Payments	27,420	28,880	28,880	28,880	28,880
Financing Costs	250,420	270,690	235,340	224,780	222,150
Total Expenditure	1,909,930	2,230,180	2,266,740	2,320,790	2,393,390
Customer & client receipts	(126,750)	(151,090)	(152,480)	(152,820)	(153,170)
Total Income	(126,750)	(151,090)	(152,480)	(152,820)	(153,170)
Direct Service Cost	1,783,180	2,079,090	2,114,260	2,167,970	2,240,220
Central Support Services	30,880	31,530	32,190	32,700	32,700
Transfer to/(from) Reserves	(3,800)	5,000	5,000	5,000	5,000
Inter Service Recharges	(400,130)	(411,310)	(408,290)	(405,360)	(405,360)
Total Service Cost	1,410,130	1,704,310	1,743,160	1,800,310	1,872,560
Crematorium & Cemeteries					
The Council funds the running costs of the Crematorium, including the maintenance of the gardens and woods, from this budget. Approximately, 2,160 cremations are carried out each year. This budget also funds the following cemeteries. There are approximately 200 burials each year in Council run cemeteries:					
Hunstanton					
Gayton Road, King's Lynn					
Hardwick Road, King's Lynn					
			Walpole St Andrew		
			Marshland Smeeth		
			Upwell		
Employees	289,450	297,040	309,810	323,130	337,030
Premises	298,450	303,530	312,440	321,750	331,480
Transport	5,480	6,040	6,080	6,110	6,140
Supplies & Services	68,200	63,200	63,200	61,530	61,530
Financing Costs	328,800	330,790	188,400	98,390	98,350
Total Expenditure	990,380	1,000,600	879,930	810,910	834,530
Grants & Contributions	(2,850)	(2,850)	(2,850)	(2,850)	(2,850)
Customer & client receipts	(1,971,170)	(2,008,290)	(2,044,440)	(2,087,210)	(2,087,760)
Total Income	(1,974,020)	(2,011,140)	(2,047,290)	(2,090,060)	(2,090,610)
Direct Service Cost	(983,640)	(1,010,540)	(1,167,360)	(1,279,150)	(1,256,080)
Central Support Services	17,140	18,240	19,280	19,280	19,280
Inter Service Recharges	288,110	251,460	254,590	253,350	253,350
Total Service Cost	(678,390)	(740,840)	(893,490)	(1,006,520)	(983,450)

Operations and Commercial

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Depots					
These costs are in respect of the two main council depots based at Heacham and King's Lynn.					
Premises	77,920	81,360	83,620	85,890	88,350
Supplies & Services	980	980	980	980	980
Total Expenditure	78,900	82,340	84,600	86,870	89,330
Direct Service Cost	78,900	82,340	84,600	86,870	89,330
Inter Service Recharges	(78,680)	(79,950)	(81,250)	(82,660)	(82,660)
Total Service Cost	220	2,390	3,350	4,210	6,670

Events

These budgets include subscriptions and promotional activities, including the Heritage Week and tour of Britain.

Premises	3,220	3,230	1,980	1,990	2,000
Transport	1,500	750	750	750	790
Supplies & Services	70,040	68,240	68,240	68,240	68,240
Total Expenditure	74,760	72,220	70,970	70,980	71,030
Customer & client receipts	(31,110)	(31,110)	(31,110)	(31,110)	(31,110)
Total Income	(31,110)	(31,110)	(31,110)	(31,110)	(31,110)
Direct Service Cost	43,650	41,110	39,860	39,870	39,920
Inter Service Recharges	0	0	320	0	0
Total Service Cost	43,650	41,110	40,180	39,870	39,920

General Markets

The Council is responsible for the King's Lynn markets on Tuesday, Friday and Saturday and the Wednesday and Sunday markets at Hunstanton. The Mart is also included in this budget.

Premises	130	130	130	130	130
Transport	360	360	360	360	360
Supplies & Services	410	410	410	410	410
Total Expenditure	900	900	900	900	900
Customer & client receipts	(17,590)	(24,090)	(24,090)	(24,090)	(24,090)
Total Income	(17,590)	(24,090)	(24,090)	(24,090)	(24,090)
Direct Service Cost	(16,690)	(23,190)	(23,190)	(23,190)	(23,190)
Inter Service Recharges	7,270	4,990	4,990	4,990	4,990
Total Service Cost	(9,420)	(18,200)	(18,200)	(18,200)	(18,200)

Operations and Commercial

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Parks, Sport Grounds & Open Spaces					
This budget deals with the maintenance of all the Council Parks, Sports Grounds and Open Spaces, including amenity areas on private housing estates, for which the Council has responsibility.					
Employees	1,050,000	976,600	1,017,330	1,059,840	1,105,180
Premises	103,960	102,440	103,130	103,970	108,060
Transport	129,220	130,130	132,430	134,810	135,240
Supplies & Services	161,330	161,710	161,710	161,710	161,710
Financing Costs	132,890	112,430	122,060	112,590	112,790
Total Expenditure	1,577,400	1,483,310	1,536,660	1,572,920	1,622,980
Customer & client receipts	(559,720)	(579,050)	(597,190)	(616,020)	(616,020)
Total Income	(559,720)	(579,050)	(597,190)	(616,020)	(616,020)
Direct Service Cost	1,017,680	904,260	939,470	956,900	1,006,960
Central Support Services	32,580	33,370	34,160	34,670	34,670
Transfer to Reserves	15,000	15,000	15,000	15,000	15,000
Inter Service Recharges	(353,960)	(321,380)	(317,540)	(315,120)	(315,120)
Total Service Cost	711,300	631,250	671,090	691,440	741,510

Play Areas

This budget deals with the repairs and maintenance of all the Council Play Areas.

Premises	13,890	29,520	29,590	29,670	29,750
Total Expenditure	13,890	29,520	29,590	29,670	29,750
Customer & client receipts	(49,530)	(51,020)	(52,550)	(54,130)	(55,750)
Total Income	(49,530)	(51,020)	(52,550)	(54,130)	(55,750)
Direct Service Cost	(35,640)	(21,500)	(22,960)	(24,460)	(26,000)
Inter Service Recharges	13,520	14,460	14,460	14,460	14,460
Total Service Cost	(22,120)	(7,040)	(8,500)	(10,000)	(11,540)

Operations and Commercial

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Public Conveniences					
The Council is responsible for the management of 20 toilet blocks across the Borough.					
Premises	129,730	137,340	142,010	146,880	151,960
Supplies & Services	11,340	1,340	1,340	1,340	1,340
Total Expenditure	141,070	138,680	143,350	148,220	153,300
Customer & client receipts	(11,000)	(31,500)	(32,020)	(32,550)	(33,090)
Total Income	(11,000)	(31,500)	(32,020)	(32,550)	(33,090)
Direct Service Cost	130,070	107,180	111,330	115,670	120,210
Inter Service Recharges	230,030	237,950	238,200	238,450	238,450
Total Service Cost	360,100	345,130	349,530	354,120	358,660

Refuse & Recycling

The Council operates a fortnightly domestic household collection service to an estimated 71,500 properties and also deals with trade customers through an external contractor. Recycling initiatives include glass, green waste, textiles white goods, dry box collection scheme and food waste.

Employees	352,130	352,850	367,030	381,830	397,280
Premises	6,000	14,250	14,250	14,250	14,250
Transport	11,220	8,400	8,530	8,660	8,810
Supplies & Services	(1,664,530)	(1,718,670)	(1,718,670)	(1,718,670)	(1,718,670)
Agency & Benefit Payments	5,179,290	5,264,520	5,264,520	5,264,520	5,264,520
Financing Costs	234,720	936,730	938,650	777,700	788,710
Total Expenditure	4,118,830	4,858,080	4,874,310	4,728,290	4,754,900
Customer & client receipts	(2,296,090)	(2,432,640)	(2,492,640)	(2,492,640)	(2,492,640)
Total Income	(2,296,090)	(2,432,640)	(2,492,640)	(2,492,640)	(2,492,640)
Direct Service Cost	1,822,740	2,425,440	2,381,670	2,235,650	2,262,260
Central Support Services	62,600	64,310	65,620	66,490	66,490
Inter Service Recharges	(72,960)	(72,710)	(70,880)	(72,210)	(72,210)
Total Service Cost	1,812,380	2,417,040	2,376,410	2,229,930	2,256,540

Operations and Commercial

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Resort					
The Sea Front budget includes maintenance and servicing of beach safety, cliffs and beach, promenade and foreshore, Heacham beach, weather station and seafront facilities such as pitch and putt, putting green, crazy golf and chalets.					
Employees	191,020	222,070	231,600	241,530	251,880
Premises	79,690	84,270	85,410	86,600	87,840
Transport	6,660	6,740	6,830	9,830	9,830
Supplies & Services	45,500	27,000	27,000	27,000	27,000
Financing Costs	2,190	2,790	2,790	2,790	2,800
Total Expenditure	325,060	342,870	353,630	367,750	379,350
Customer & client receipts	(460,900)	(470,140)	(479,550)	(489,140)	(489,140)
Total Income	(460,900)	(470,140)	(479,550)	(489,140)	(489,140)
Direct Service Cost	(135,840)	(127,270)	(125,920)	(121,390)	(109,790)
Inter Service Recharges	122,310	125,740	126,120	126,110	126,110
Total Service Cost	(13,530)	(1,530)	200	4,720	16,320

Town Centre Manager

This budget deals with the costs and contributions associated with the Town Centre Manager. This is a full time post and the responsibilities include King's Lynn Town Centre, Gaywood, Downham Market and Hunstanton.

Employees	47,210	33,750	35,200	36,710	38,290
Transport	2,770	2,770	2,770	2,770	2,770
Supplies & Services	30,130	30,130	30,130	30,130	30,130
Total Expenditure	80,110	66,650	68,100	69,610	71,190
Customer & client receipts	(6,000)	(10,000)	(10,000)	(10,000)	(10,000)
Total Income	(6,000)	(10,000)	(10,000)	(10,000)	(10,000)
Direct Service Cost	74,110	56,650	58,100	59,610	61,190
Central Support Services	1,720	1,760	1,810	1,870	1,870
Inter Service Recharges	4,580	4,580	5,020	4,580	4,580
Total Service Cost	80,410	62,990	64,930	66,060	67,640

Operations and Commercial

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Parking Operations	(936,300)	(3,035,900)	(2,965,440)	(2,985,050)	(2,927,290)
CCTV	(80,340)	(106,940)	(102,340)	(98,330)	(90,960)
Cleansing & Street Sweeping	1,410,130	1,704,310	1,743,160	1,800,310	1,872,560
Crematorium & Cemeteries	(678,390)	(740,840)	(893,490)	(1,006,520)	(983,450)
Depots	220	2,390	3,350	4,210	6,670
Events	43,650	41,110	40,180	39,870	39,920
General Markets	(9,420)	(18,200)	(18,200)	(18,200)	(18,200)
Parks, Sport Grounds & Open Spaces	711,300	631,250	671,090	691,440	741,510
Play Areas	(22,120)	(7,040)	(8,500)	(10,000)	(11,540)
Public Conveniences	360,100	345,130	349,530	354,120	358,660
Refuse & Recycling	1,812,380	2,417,040	2,376,410	2,229,930	2,256,540
Resort	(13,530)	(1,530)	200	4,720	16,320
Town Centre Manager	80,410	62,990	64,930	66,060	67,640
Total Service Cost	2,678,090	1,293,770	1,260,880	1,072,560	1,328,380

Property and Projects

	2020/2021 Revised £	Estimate 2021/2022 £	Projection 2022/2023 £	Projection 2023/2024 £	Projection 2024/2025 £
General Properties					
The General Properties budget deals with the general management and maintenance of assets such as South Gates, Princess Theatre, Marriott's Warehouse and Saddlebow Waste Disposal Site. The budget also deals with sewerage and bridge maintenance.					
Employees	0	28,720	29,950	31,240	32,580
Premises	161,960	165,530	167,910	170,400	173,010
Supplies & Services	153,050	153,690	153,700	153,700	153,700
Total Expenditure	315,010	347,940	351,560	355,340	359,290
Customer & Client Receipts	(761,930)	(774,980)	(776,840)	(780,000)	(783,220)
Total Income	(761,930)	(774,980)	(776,840)	(780,000)	(783,220)
Direct Service Cost	(446,920)	(427,040)	(425,280)	(424,660)	(423,930)
Recharge to Services	93,980	87,230	89,200	91,180	91,060
Total Service Cost	(352,940)	(339,810)	(336,080)	(333,480)	(332,870)

Industrial Units

This budget relates to the Council's industrial estates at King's Lynn, Downham Market and other parts of the Borough. The estates are:

Hardwick Industrial Estate
Austin Fields Industrial Estate
Lower Canada Industrial Estate
Enterprise Works (North Lynn)

Saddlebow Industrial Estate
Horsley Fields Industrial Estate
Heacham Workshops
Downham Market Workshops

North Lynn Industrial Estate
The Narrows Industrial Estate
Flitcham Workshops
St Johns Business Park

Employees	15,760	19,150	19,980	20,840	21,730
Premises	233,690	214,610	221,660	227,280	239,010
Supplies & Services	3,920	3,420	3,420	3,430	3,430
Total Expenditure	253,370	237,180	245,060	251,550	264,170
Customer & Client Receipts	(1,401,510)	(1,533,010)	(1,533,010)	(1,533,010)	(1,533,010)
Total Income	(1,401,510)	(1,533,010)	(1,533,010)	(1,533,010)	(1,533,010)
Direct Service Cost	(1,148,140)	(1,295,830)	(1,287,950)	(1,281,460)	(1,268,840)
Recharge to Services	19,510	23,680	26,950	48,800	46,130
Total Service Cost	(1,128,630)	(1,272,150)	(1,261,000)	(1,232,660)	(1,222,710)

Property and Projects

	2020/2021 Revised £	Estimate 2021/2022 £	Projection 2022/2023 £	Projection 2023/2024 £	Projection 2024/2025 £
Council Accomodation					
This budget deals with the office costs for King's Court, including postages and vending services.					
Employees	161,990	242,800	253,270	264,180	275,540
Premises	451,400	474,150	487,440	502,960	516,180
Transport	2,120	2,250	2,290	2,320	2,320
Supplies & Services	171,010	173,010	176,940	182,520	182,520
Total Expenditure	786,520	892,210	919,940	951,980	976,560
Customer & Client Receipts	(543,870)	(561,820)	(570,140)	(578,690)	(578,690)
Total Income	(543,870)	(561,820)	(570,140)	(578,690)	(578,690)
Direct Service Cost	242,650	330,390	349,800	373,290	397,870
Recharge to Services	(576,700)	(591,850)	(607,550)	(630,900)	(630,900)
Total Service Cost	(334,050)	(261,460)	(257,750)	(257,610)	(233,030)

Property Services

This budget covers costs involved in property and land management, including: properties to let, industrial land for sale, industrial estates, garages and residential development land owned by the Borough.

Employees	606,310	576,880	601,710	627,580	654,570
Transport	11,270	16,100	16,260	18,780	18,780
Supplies & Services	40,550	41,070	41,600	42,370	42,370
Total Expenditure	658,130	634,050	659,570	688,730	715,720
Customer & Client Receipts	(38,160)	(39,140)	(40,160)	(41,330)	(41,330)
Total Income	(38,160)	(39,140)	(40,160)	(41,330)	(41,330)
Direct Service Cost	619,970	594,910	619,410	647,400	674,390
Recharge to Services	9,510	9,640	9,790	9,900	9,900
Total Service Cost	629,480	604,550	629,200	657,300	684,290

Property and Projects

	2020/2021 Revised £	Estimate 2021/2022 £	Projection 2022/2023 £	Projection 2023/2024 £	Projection 2024/2025 £
Shops And Offices					
This budget contains estimates on income receivable from the leaseholders of the New Conduit Street and Broad Street areas of Town.					
Premises	7,650	7,930	8,000	8,500	8,810
Total Expenditure	7,650	7,930	8,000	8,500	8,810
Customer & Client Receipts	(321,340)	(413,670)	(413,670)	(413,670)	(413,670)
Total Income	(321,340)	(413,670)	(413,670)	(413,670)	(413,670)
Direct Service Cost	(313,690)	(405,740)	(405,670)	(405,170)	(404,860)
Recharge to Services	89,320	90,070	90,820	91,570	91,570
Total Service Cost	(224,370)	(315,670)	(314,850)	(313,600)	(313,290)

Property and Projects

	2020/2021 Revised	Estimate 2021/2022	Projection 2022/2023	Projection 2023/2024	Projection 2024/2025
	£	£	£	£	£
General Properties	(352,940)	(339,810)	(336,080)	(333,480)	(332,870)
Industrial Units	(1,128,630)	(1,272,150)	(1,261,000)	(1,232,660)	(1,222,710)
Offices	(334,050)	(261,460)	(257,750)	(257,610)	(233,030)
Property Services	629,480	604,550	629,200	657,300	684,290
Shops And Offices	(224,370)	(315,670)	(314,850)	(313,600)	(313,290)
Total Service Cost	(1,410,510)	(1,584,540)	(1,540,480)	(1,480,050)	(1,417,610)

Regeneration, Housing and Place

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Conservation & Heritage					
This budget aims to conserve environmental assets - protecting the heritage of our towns and villages and natural beauty of the countryside which gives this area its particular character.					
Employees	74,220	79,790	83,220	86,800	90,530
Premises	14,540	14,590	14,620	14,660	14,690
Transport	2,650	2,730	2,730	2,730	2,730
Supplies & Services	0	0	0	0	0
Total Expenditure	91,410	97,110	100,570	104,190	107,950
Direct Service Cost	91,410	97,110	100,570	104,190	107,950
Transfer to/from Reserves	7,080	7,080	7,080	7,080	7,080
Inter Service Recharges	9,310	9,610	9,610	9,610	9,610
Total Service Cost	107,800	113,800	117,260	120,880	124,640

Economic Regeneration

This budget contains provision for expenditure relating to the promotion of development initiatives, advertising land and industrial units for sale or to let, the Business Support Scheme and other initiatives.

Employees	121,170	195,510	203,920	212,700	221,840
Premises	5,500	5,780	5,970	6,160	6,370
Transport	5,040	5,040	5,040	5,040	5,040
Supplies & Services	83,850	83,850	83,850	83,850	83,850
Total Expenditure	215,560	290,180	298,780	307,750	317,100
Grants & Contributions	(25,430)	(26,420)	0	0	0
Customer & client receipts	(2,700)	(2,760)	(2,760)	(2,760)	(2,760)
Total Income	(28,130)	(29,180)	(2,760)	(2,760)	(2,760)
Direct Service Cost	187,430	261,000	296,020	304,990	314,340
Central Support Services	3,240	3,320	3,410	3,530	3,530
Inter Service Recharges	3,250	3,270	2,680	3,290	3,290
Total Service Cost	193,920	267,590	302,110	311,810	321,160

Regeneration, Housing and Place

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Guildhall & Arts					
The Centre has 350 seats, associated art galleries and a full education and outreach programme of activities. This also includes provision for Arts Development.					
Premises	140	160	170	180	190
Supplies & Services	26,440	26,440	26,440	26,440	26,440
Total Expenditure	26,580	26,600	26,610	26,620	26,630
Direct Service Cost	26,580	26,600	26,610	26,620	26,630
Total Service Cost	26,580	26,600	26,610	26,620	26,630

Housing Strategy

This budget includes the Housing Management Team, who oversee the general housing functions.

Employees	96,210	145,570	151,830	158,350	165,160
Transport	5,810	6,840	6,840	6,840	6,840
Supplies & Services	6,000	0	0	0	0
Total Expenditure	108,020	152,410	158,670	165,190	172,000
Direct Service Cost	108,020	152,410	158,670	165,190	172,000
Inter Service Recharges	860	860	860	860	860
Total Service Cost	108,880	153,270	159,530	166,050	172,860

Museums

This budget covers the cost of supporting the Lynn Museum.

Supplies & Services	60,560	30,560	30,560	30,560	30,560
Inter Service Recharges	860	980	1,070	1,190	1,190
Total Expenditure	61,420	31,540	31,630	31,750	31,750
Direct Service Cost	61,420	31,540	31,630	31,750	31,750
Total Service Cost	61,420	31,540	31,630	31,750	31,750

Regeneration, Housing and Place

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Regeneration Projects					
This budget relates to the co-ordination and management of King's Lynn Urban Development Strategy, including the Waterfront and Nar Ouse Regeneration Area (NORA.)					
Employees	89,180	93,230	97,240	101,420	105,780
Premises	13,390	13,710	13,940	14,180	14,420
Transport	2,170	2,210	2,210	2,210	2,220
Supplies & Services	160	160	160	160	160
Total Expenditure	104,900	109,310	113,550	117,970	122,580
Direct Service Cost	104,900	109,310	113,550	117,970	122,580
Central Support Services	3,240	3,320	3,410	2,830	2,830
Total Service Cost	108,140	112,630	116,960	120,800	125,410

Tourism

This budget deals with the promotion of tourism within the Borough.

Employees	73,010	58,810	61,340	63,980	66,730
Premises	29,680	29,680	29,680	29,680	29,680
Transport	1,220	2,440	2,440	1,450	1,450
Supplies & Services	76,460	119,540	119,540	119,540	119,540
Total Expenditure	180,370	210,470	213,000	214,650	217,400
Customer & client receipts	0	(36,850)	(36,850)	(36,850)	(36,850)
Total Income	0	(36,850)	(36,850)	(36,850)	(36,850)
Direct Service Cost	180,370	173,620	176,150	177,800	180,550
Central Support Services	3,230	3,310	3,400	3,520	3,520
Inter Service Recharges	4,860	1,670	1,810	2,380	2,380
Total Service Cost	188,460	178,600	181,360	183,700	186,450

Regeneration, Housing and Place

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Revised	Estimate	Projection	Projection	Projection
	£	£	£	£	£
Conservation & Heritage	107,800	113,800	117,260	120,880	124,640
Economic Regeneration	193,920	267,590	302,110	311,810	321,160
Guildhall & Arts	26,580	26,600	26,610	26,620	26,630
Housing Strategy	108,880	153,270	159,530	166,050	172,860
Museums	61,420	31,540	31,630	31,750	31,750
Regeneration Projects	108,140	112,630	116,960	120,800	125,410
Tourism	188,460	178,600	181,360	183,700	186,450
Total Service Cost	795,200	884,030	935,460	961,610	988,900

Resources

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Business Rates Renewable Energy					
Transfer to Reserves	1,100,000	1,214,750	1,232,040	1,260,890	1,260,890
Total Service Cost	1,100,000	1,214,750	1,232,040	1,260,890	1,260,890

Corporate Costs & Provisions

Corporate costs and provisions are those that are incurred for the benefit of the Council as a whole and do not relate specifically to one service function. This budget includes costs incurred for bank charges, external audit fees, insurance and pension deficit payments pension deficit payments.

Employees	2,623,020	2,291,700	2,387,940	2,523,530	2,566,660
Transport	4,500	4,500	4,500	4,500	4,500
Supplies & Services	331,010	331,010	331,010	331,010	331,010
Total Expenditure	2,958,530	2,627,210	2,723,450	2,859,040	2,902,170
Customer & Client Receipts	(75,730)	(83,000)	(87,430)	(91,780)	(91,780)
Total Income	(75,730)	(83,000)	(87,430)	(91,780)	(91,780)
Direct Service Cost	2,882,800	2,544,210	2,636,020	2,767,260	2,810,390
Central Support Services	298,630	297,750	288,360	289,280	289,280
Transfer to Reserves	486,000	10,000	10,000	10,000	10,000
Inter Service Recharges	(241,770)	(263,920)	(301,780)	(318,700)	(318,700)
Total Service Cost	3,425,660	2,588,040	2,632,600	2,747,840	2,790,970

Corporate Initiatives

Corporate initiatives and projects such as the One Vu project and the Cost Reduction programme.

Supplies & Services	(157,610)	(156,640)	(156,640)	(156,640)	(156,640)
Total Expenditure	(157,610)	(156,640)	(156,640)	(156,640)	(156,640)
Direct Service Cost	(157,610)	(156,640)	(156,640)	(156,640)	(156,640)
Central Support Services	45,000	45,000	45,000	45,000	45,000
Total Service Cost	(112,610)	(111,640)	(111,640)	(111,640)	(111,640)

Resources

	2020/2021 Revised £	2021/2022 Estimate £	2022/2023 Projection £	2023/2024 Projection £	2024/2025 Projection £
Corporate Management Team					
This budget includes the Chief Executive and Secretary, Executive Directors and Assistant Directors.					
Employees	1,229,320	1,334,240	1,391,300	1,450,770	1,512,750
Transport	25,870	25,060	26,190	27,400	28,650
Supplies & Services	3,110	3,110	3,130	3,150	3,150
Total Expenditure	1,258,300	1,362,410	1,420,620	1,481,320	1,544,550
Direct Service Cost	1,258,300	1,362,410	1,420,620	1,481,320	1,544,550
Central Support Services	20,770	21,300	21,840	22,680	22,680
Inter Service Recharges	230	230	510	230	230
Total Service Cost	1,279,300	1,383,940	1,442,970	1,504,230	1,567,460
Financial Services					
This service provides the financial information and advice to the Council's service areas and committees.					
Employees	680,420	695,560	725,470	756,690	789,240
Transport	3,440	4,100	3,900	3,900	3,900
Supplies & Services	51,380	53,720	53,970	54,220	54,470
Total Expenditure	735,240	753,380	783,340	814,810	847,610
Customer & Client Receipts	(18,600)	(19,000)	(19,000)	(19,000)	(19,000)
Interest	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Total Income	(43,600)	(44,000)	(44,000)	(44,000)	(44,000)
Direct Service Cost	691,640	709,380	739,340	770,810	803,610
Central Support Services	46,290	44,040	42,250	43,220	43,220
Transfer to/from Reserves	10,000	10,000	10,000	10,000	10,000
Inter Service Recharges	(85,040)	(85,040)	(82,540)	(85,040)	(85,040)
Total Service Cost	662,890	678,380	709,050	738,990	771,790

Resources

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
ICT					
This services provides technical Information and Communication Technology support.					
Employees	768,670	787,010	820,830	856,110	892,940
Transport	2,570	2,570	2,570	2,570	2,570
Supplies & Services	206,050	208,580	211,170	213,850	216,610
Total Expenditure	977,290	998,160	1,034,570	1,072,530	1,112,120
Customer & Client Receipts	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)
Total Income	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)
Direct Service Cost	935,290	956,160	992,570	1,030,530	1,070,120
Central Support Services	730,200	701,360	696,200	765,860	769,080
Transfer from Reserves	(5,130)	0	0	0	0
Inter Service Recharges	(755,450)	(756,980)	(749,110)	(748,660)	(748,660)
Total Service Cost	904,910	900,540	939,660	1,047,730	1,090,540

Internal Audit & Fraud

This budget covers the cost of the Internal Audit service.

Employees	120,520	99,440	103,710	108,170	112,820
Transport	600	600	600	600	600
Supplies & Services	3,310	4,310	4,310	4,310	4,310
Agency & Benefit Payments	26,200	28,920	30,160	31,610	31,610
Total Expenditure	150,630	133,270	138,780	144,690	149,340
Customer & Client Receipts	(8,080)	(1,780)	(1,780)	(1,780)	(1,780)
Total Income	(8,080)	(1,780)	(1,780)	(1,780)	(1,780)
Direct Service Cost	142,550	131,490	137,000	142,910	147,560
Central Support Services	12,870	13,210	13,550	14,050	14,050
Inter Service Recharges	(1,570)	(1,570)	(1,570)	(1,570)	(1,570)
Total Service Cost	153,850	143,130	148,980	155,390	160,040

Resources

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Revenues & Benefits					
This budget includes the cost of administration of rent allowances and council tax support, together with the cost of benefits paid and government grant received.					
Employees	1,639,370	1,637,620	1,708,080	1,781,530	1,858,150
Transport	12,830	25,230	25,230	25,230	25,230
Supplies & Services	176,830	142,750	142,750	142,750	142,750
Agency & Benefit Payments	30,870,180	30,870,180	30,870,180	30,870,180	30,870,180
Total Expenditure	32,699,210	32,675,780	32,746,240	32,819,690	32,896,310
Grants & Contributions	(31,341,730)	(31,249,300)	(31,200,020)	(31,157,940)	(31,119,630)
Customer & Client Receipts	(1,022,330)	(1,022,330)	(1,022,330)	(1,022,330)	(1,022,330)
Total Income	(32,364,060)	(32,271,630)	(32,222,350)	(32,180,270)	(32,141,960)
Direct Service Cost	335,150	404,150	523,890	639,420	754,350
Central Support Services	157,280	162,250	167,150	169,730	169,730
Transfer from Reserves	(4,680)	(11,530)	0	0	0
Inter Service Recharges	207,910	207,910	211,430	210,210	210,210
Total Service Cost	695,660	762,780	902,470	1,019,360	1,134,290

Resources

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Business Rates Renewable Energy	1,100,000	1,214,750	1,232,040	1,260,890	1,260,890
Corporate Costs & Provisions	3,425,660	2,588,040	2,632,600	2,747,840	2,790,970
Corporate Initiatives	(112,610)	(111,640)	(111,640)	(111,640)	(111,640)
Corporate Management Team	1,279,300	1,383,940	1,442,970	1,504,230	1,567,460
Financial Services	662,890	678,380	709,050	738,990	771,790
ICT	904,910	900,540	939,660	1,047,730	1,090,540
Internal Audit & Fraud	153,850	143,130	148,980	155,390	160,040
Revenues & Benefits	695,660	762,780	902,470	1,019,360	1,134,290
Total for Service	8,109,660	7,559,920	7,896,130	8,362,790	8,664,340

Chief Executive

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Legal Services					
The legal service commissions legal advice and support for the Council.					
Employees	34,090	35,490	37,020	38,610	40,270
Supplies & Services	95,670	95,670	95,670	95,670	95,670
Agency & Benefit Payments	175,000	175,000	175,000	175,000	175,000
Total Expenditure	304,760	306,160	307,690	309,280	310,940
Customer & client receipts	(25,910)	(26,380)	(26,650)	(26,380)	(26,380)
Total Income	(25,910)	(26,380)	(26,650)	(26,380)	(26,380)
Direct Service Cost	278,850	279,780	281,040	282,900	284,560
Central Support Services	24,140	24,720	25,310	26,150	26,150
Inter Service Recharges	360	360	0	360	360
Total Service Cost	303,350	304,860	306,350	309,410	311,070

Chief Executive

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Legal Services	303,350	304,860	306,350	309,410	311,070
Total Service Cost	303,350	304,860	306,350	309,410	311,070

Alive West Norfolk

	2020/2021 Revised	2021/2022 Estimate	2022/2023 Projection	2023/2024 Projection	2024/2025 Projection
	£	£	£	£	£
Community Centres					
This budget includes the costs and income associated with community centre situated at Fairstead, South Lynn, Highgate, St Augustine's in King's Lynn. The costs, except for depreciation, are funded by Special Expenses.					
Employees	20,410	4,490	4,680	4,880	5,090
Premises	35,980	46,350	47,650	51,960	53,380
Supplies & Services	1,770	3,920	3,920	3,920	3,920
Total Expenditure	58,160	54,760	56,250	60,760	62,390
Customer & client receipts	(64,490)	(113,750)	(115,470)	(117,250)	(119,100)
Total Income	(64,490)	(113,750)	(115,470)	(117,250)	(119,100)
Direct Service Cost	(6,330)	(58,990)	(59,220)	(56,490)	(56,710)
Central Support Services	9,490	9,520	9,560	9,560	9,560
Inter Service Recharges	17,820	31,370	34,980	32,780	32,780
Total Service Cost	20,980	(18,100)	(14,680)	(14,150)	(14,370)

Leisure

The management and operation of the leisure facilities and the Corn Exchange transferred from Alive Leisure and Alive Management Ltd to Alive West Norfolk from 1 July 2019. The Council remains responsible for the maintenance and utility costs of the Leisure facilities buildings; Corn Exchange, Lynnsport, Oasis, St James and Downham Market Sports Centre.

Premises	540,120	585,270	613,520	643,140	674,210
Supplies & Services	2,157,370	21,420	21,420	21,420	21,420
Financing Costs	127,820	140,310	129,110	129,100	129,400
Total Expenditure	2,825,310	747,000	764,050	793,660	825,030
Grants & Contributions	(35,360)	(35,360)	(35,360)	(35,360)	(35,360)
Customer & client receipts	(55,690)	(59,690)	(59,690)	(59,690)	(59,690)
Total Income	(91,050)	(95,050)	(95,050)	(95,050)	(95,050)
Direct Service Cost	2,734,260	651,950	669,000	698,610	729,980
Central Support Services	560	580	590	590	590
Transfer to Reserves	78,990	78,990	78,990	78,990	78,990
Inter Service Recharges	581,900	628,350	633,610	688,240	688,240
Total Service Cost	3,395,710	1,359,870	1,382,190	1,466,430	1,497,800

Pavillions & Grounds

This budget deals with the maintenance of all the Council Parks, Sports Grounds and Open Spaces including amenity areas on private housing estates for which the Council has responsibility.

Employees	1,110	1,180	1,230	1,280	1,340
Premises	40,060	42,720	44,120	45,580	47,090
Supplies & Services	1,000	1,000	1,000	1,000	1,000
Total Expenditure	42,170	44,900	46,350	47,860	49,430
Customer & client receipts	(73,310)	(83,370)	(85,630)	(87,990)	(90,440)
Total Income	(73,310)	(83,370)	(85,630)	(87,990)	(90,440)
Direct Service Cost	(31,140)	(38,470)	(39,280)	(40,130)	(41,010)
Central Support Services	0	430	470	470	470
Inter Service Recharges	166,820	172,020	172,220	172,410	172,410
Total Service Cost	135,680	133,980	133,410	132,750	131,870

Town Hall & Gaol House

The Town Hall is used for civic functions and is also available for private hire. The Stories of Lynn is part of the Town Hall complex, these budget covers both the operations of the Stories of Lynn and the Regalia Rooms.

Employees	228,150	36,620	38,130	39,710	41,350
Premises	218,100	233,890	242,090	250,660	259,640
Transport	160	160	160	160	160
Supplies & Services	162,290	216,750	216,750	216,750	216,750
Total Expenditure	608,700	487,420	497,130	507,280	517,900
Customer & client receipts	(145,840)	(200,650)	(200,650)	(200,650)	(200,650)
Total Income	(145,840)	(200,650)	(200,650)	(200,650)	(200,650)
Direct Service Cost	462,860	286,770	296,480	306,630	317,250
Central Support Services	4,780	4,780	4,780	4,780	4,780
Transfer to Reserves	5,000	5,000	5,000	5,000	5,000
Inter Service Recharges	50,030	246,560	259,250	296,540	296,540
Total Service Cost	522,670	543,110	565,510	612,950	623,570

Alive West Norfolk

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Revised	Estimate	Projection	Projection	Projection
	£	£	£	£	£
Community Centres	20,980	(18,100)	(14,680)	(14,150)	(14,370)
Leisure	3,395,710	1,359,870	1,382,190	1,466,430	1,497,800
Pavillions & Grounds	135,680	133,980	133,410	132,750	131,870
Town Hall & Gaol House	522,670	543,110	565,510	612,950	623,570
Total Service Cost	4,075,040	2,018,860	2,066,430	2,197,980	2,238,870

FEES & CHARGES

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In January 2005 the Council delegated authority to the Executive Director of the appropriate service to vary charges, having regard to market conditions and the Council's policy framework. This being the case the charges shown in this booklet may change during the year. You may wish to check with the service provider before using the service.

The Council publishes its latest fees and charges on the Council website:

www.west-norfolk.gov.uk

Fees and Charges (inclusive of VAT where applicable) effective from 1st April 2021.

Arts and Entertainment

	CHARGE 2020/21	PROPOSED CHARGE 2021/22
	£	£
GUILDHALL- 01553 765565		
Posting Tickets	1.00	1.00
Hirings		
Access from 14:00 hrs – clearance by 24:00 hrs		
Commercial		
Monday - Thursday	749.50	765.00
Friday - Sunday	862.40	880.00
Earlier access / rehearsal (per hour)	74.25	76.00
Base hire charge plus 10% of gross box office takings		
Local Arts Organisations		
Monday - Thursday	457.65	466.00
Friday - Sunday	496.30	506.00
Get in / rehearsal rate / excess hours (per hour)	58.00	60.00
Base rate plus 5% of gross box office takings		
The above hire charges include Box Office facilities, Front of House Staff and 2 technicians and all available in house equipment.		
For hire charges relating to events and exhibition spaces please call (01553) 779095		

Tourism

	CHARGE 2020/21	PROPOSED CHARGE 2021/22
	£	£
STORIES OF LYNN - 01553 774297		
Admissions		
Adults	3.95	3.95
Juniors	1.95	1.95
Concessions	2.95	2.95
Family (2 adults and 2 children)	9.85	9.85
Adult Group	3.55	3.55
Concession Group	2.65	2.65
Child Group	1.75	1.75
Sunday Joint Adult	5.95	5.95
Sunday Joint Concession	3.95	3.95
Sunday Joint Child	2.95	2.95
Adult with Norfolk Museum Pass	3.20	3.20
Child with Norfolk Museum Pass	1.60	1.60
Adult with Friend of KL Museum Pass	3.55	3.55
Child with Friend of KL Museum Pass	1.75	1.75
South Gate/Red Mount Chapel combined ticket - Adult	FREE	FREE
South Gate/Red Mount Chapel combined ticket - Accompanied children	FREE	FREE

Hall and Room Hire

TOWN HALL, KING'S LYNN - 01553 775839

Stone Hall/Assembly Room Suite

Charge per hour

Monday - Thursday

Friday

Saturday & Sunday

Wedding - Ceremony only - Weekday

Wedding - Ceremony only - Friday

Wedding - Ceremony - Weekend

Wedding - Ceremony & Reception - Monday to Thursday

Wedding - Ceremony & Reception - Friday

Wedding - Ceremony & Reception - Saturday and Sunday

Card Room (Meetings, Whist Drives etc.)

Charge per Hour - Monday to Friday

Charge per Hour - Saturday and Sunday

Meeting Rooms - Charge per hour - Monday to Friday

Meeting Rooms - Charge per hour - Saturday and Sunday

Set-up time per hour - subject to availability on same day as booking

If needed the day before booking the usual daily rate applies - with minimum 4 hours charge

Use of Kitchen (per booking)

Corkage charge per bottle

Hire of Public Address System

Additional charge after midnight

50% surcharge for bank holiday bookings

COUNCIL OFFICE, CHAPEL ST, KING'S LYNN - 01553 616200

Meeting Rooms

Charge per Hour

Price varies dependant on the room hired

CHARGE 2020/21 PROPOSED
CHARGE 2021/22

£

£

75.00	77.00
87.00	96.00
109.00	120.00

460.00	469.00
517.00	569.00
632.00	695.00

977.00	995.00
1,207.00	1,328.00
1,551.00	1,706.00

75.00	77.00
109.00	120.00

46.00	47.00
81.00	89.00

46.00	50.00
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64.00	70.00
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4.00	4.00
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Price dependant on requirements	
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207.00	228.00
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36.00 to 41.00	36.00 to 41.00
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Community Centres

SOUTH LYNN COMMUNITY CENTRE - 01553 763620

Main Hall

Off Peak per hour

Peak per hour

Community Rooms per hour

Children's party - 3 hour package

FAIRSTEAD COMMUNITY CENTRE - 01553 771477

Main Hall

Off Peak per hour

Peak per hour

Children's party - 3 hour package

CHARGE 2020/21 PROPOSED
CHARGE 2021/22

£

£

20.75	21.00
27.60	27.90

17.90	18.10
	67.30

66.60	67.27
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20.75	21.00
27.60	27.90

66.60	67.30
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			CHARGE 2020/21	PROPOSED CHARGE 2021/22
			£	£
Grass Sports Pitches	Downham Market	01366 386868		
	Hunstanton	01485 534227		
	Kings Lynn	01553 818001		
General Lettings Per Match with changing facilities			44.75	45.70
Junior Pitch per match			16.25	16.60
Leagues per match			30.00	30.65
SEASONAL AMENITIES - HUNSTANTON				
Bowling Green				
Per Session - 2 hours approx.			5.90	6.00
Crazy Golf				
Adults - per round			3.20	3.30
Juniors - per round			2.70	2.80
Tennis - Grass Courts Per Person Per Session (2 hours)				
Adults			5.20	5.35
Juniors			2.90	3.00
Doubles			3.75	3.85
Pitch and Putt				
Adults - per game			4.80	4.95
Juniors - per game			3.80	3.90
Footgolf				
Adults - per game		NEW	4.80	4.95
Juniors - per game		NEW	3.80	3.90
Putting Green				
Adults - per round			3.70	3.80
Juniors - per round			3.10	3.20
Recreation Ground				
Caravan Rallies – per van per day			7.30	7.50
Tennis Tournament			2,600.00	2,654.60
Chalets				
Daily Hire			20.85	21.30
Weekly Hire			94.70	96.70
Seasonal Hire			666.55	680.55
Resort Services - Permit for Launch of Personal Watercraft/Power Boats				
Non Member - Per Annum (in advance, conditions apply)			25.00	25.50
Member * - Per Annum (in advance, conditions apply)			6.85	7.00
Day Permit (Training certification and insurance must be shown)			12.20	12.50
* Member of Heacham Boat Owners or Hunstanton Ski Club Only				
Seafront Kiosk Trader - 1st March to 31st October - Max three per kiosk			42.00	42.90
Triangle Traders - 1st March to 31st October - Max three per kiosk			42.00	42.90

		CHARGE 2020/21	PROPOSED CHARGE 2021/22
		£	£
Commercial Waste			
Hire Charge & Waste Transfer Note (Annual Fee)			
	1100 litre	113.55	115.00
	770 litre	102.55	104.00
	660 litre	100.45	102.00
	360 litre	73.10	74.00
	240 litre	50.20	51.00
Fee per Emptying			
	1100 litre	18.95	19.52
	770 litre	15.75	16.16
	660 litre	14.55	14.89
	360 litre	11.45	11.95
	240 litre	9.75	10.37
Schools Waste			
Hire Charge & Waste Transfer Note (Annual Fee)			
	1100 litre	113.55	115.00
	770 litre	102.55	104.00
	660 litre	100.45	102.00
	360 litre	73.10	74.00
	240 litre	50.20	51.00
Fee per Emptying			
	1100 litre	12.70	13.54
	770 litre	10.65	11.25
	660 litre	9.20	9.72
	360 litre	6.10	7.45
	240 litre	5.10	6.62
Domestic Property used as Self Catering Accommodation			
Hire Charge & Waste Transfer Note (Annual Fee)			
	1100 litre	113.55	115.00
	770 litre	102.55	104.00
	660 litre	100.45	102.00
	360 litre	73.10	74.00
	240 litre	50.20	51.00
Fee per Emptying			
	1100 litre	12.70	13.54
	770 litre	10.65	11.25
	660 litre	9.20	9.72
	360 litre	6.10	7.45
	240 litre	5.10	6.62

Waste Collection - 01553 616760

TRADE REFUSE CHARGES ARE QUOTED NET OF VAT

Commercial Recycling**Waste Transfer Note (Annual Fee)**1100 litre
660 litre
360 litre
240 litreCHARGE 2020/21
PROPOSED
CHARGE 2021/22

£

£

33.60	33.65
33.60	33.65
33.60	33.65
33.60	33.65

Fee per Emptying1100 litre
660 litre
360 litre
240 litre

9.00	13.00
7.45	10.25
6.00	8.58
5.40	7.87

Additional Waste Transfer Note**Trade Waste Plastic Sacks**

Roll of 25 - (includes delivery charge)

Waste Transfer Note on first purchase of year

Trade Waste Recycling Tags 25 with roll of 25 Sacks

33.65	33.65
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68.35	69.70
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33.65	33.65
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21.85	35.00
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33.65	33.65
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DOMESTIC REFUSE CHARGES INCLUDE VAT**Bulk Waste Collections (01553 776676)**

First three items

Per additional item thereafter

Side Waste - Purchase of Tag**Replacement of Lost Wheelie Bin (01553 776676)**

Delivered

Contact telephone number for following services (01553 782060)**Garden Waste**

Fortnightly Brown Bin Collection

31.00	31.50
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10.50	10.75
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1.90	1.95
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41.50	41.50
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56.25	56.25
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Collection Hazardous Household Waste

FREE	FREE
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Empty of Parish Litter Bin

Intalled before 1/12/2020

Installed after 1/12/2020

*** NEW ***

Empty of Parish Dog Waste Bin (per emptying)

106.94	109.08
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	185.29
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1.85	1.90
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Markets/Hanging Baskets and Allotments - 01553 616200

		CHARGE 2020/21	PROPOSED CHARGE 2021/22
		£	£
MARKETS			
King's Lynn (Tuesday and Friday)			
Hunstanton (Wednesday)			
Per metre frontage	Regular Traders	5.00	5.10
	Casual Traders	7.30	7.45
Annual agreement - 50% discount (January to March only)			
Kings Lynn (Saturday)			
Per metre frontage	Regular Traders	4.30	4.40
	Casual Traders	6.30	6.45
Annual agreement - 50% discount (January to March only)			
Hunstanton (Sunday)			
Per metre frontage	Regular Traders	9.30	9.50
	Casual Traders	13.90	14.20
Annual agreement - 50% discount (January to March only)			
Market Parking			
All markets - any vehicle for one market (per annum)		20.60	21.00
All markets - any vehicle for any market (per annum)		29.90	30.45
Discount Scheme			
Trader must have held a licence for at least 12 months commencing 1st April in any year in order to qualify for the discount and pay their rent before due date each month.			
HANGING BASKETS (supply, delivery and removal)		64.95	66.15
ALLOTMENTS - Kings Lynn			
Per square metre per annum		0.23	0.25
Public Conveniences			
Radar key for disabled toilets		4.20	4.30

Careline - 01553 760671

		CHARGE 2020/21	PROPOSED CHARGE 2021/22
		£	£
CARELINE			
Rented Units			
Within District			
Weekly charge		3.70	3.75
Weekly charge VAT Exemption		3.08	3.10
Connection Charge (single payment)		40.20	40.60
Connection Charge (single payment) VAT Exemption		33.50	33.85
Outside District			
Weekly charge		3.72	3.76
Weekly charge VAT Exemption		3.08	3.11
Connection Charge (Single payment)		47.40	47.90
Connection Charge (Single payment) VAT Exemption		39.50	39.90
Purchased Units			
Within District			
Monitoring and Maintenance Charge		1.92	1.94
Monitoring and Maintenance Charge VAT Exemption		1.60	1.62
Connection Charge (single payment)		40.20	40.60
Connection Charge (single payment) VAT Exemption		33.50	33.85
Outside District			
Monitoring and Maintenance Charge		1.92	1.94
Monitoring and Maintenance Charge VAT Exemption		1.60	1.62
Connection Charge (single payment)		47.40	47.90
Connection Charge (single payment) VAT Exemption		39.50	39.90

Housing Standards - 01553 616200

HMO Licence -New Application	<i>£50 refunded if everything in order initially</i>	685.00	768.00
HMO Licence -Renewal of existing Licence	<i>£50 refunded if everything in order initially</i>	596.00	649.00

CCTV - 01553 616200

Access to Data

£

Administrative Services - 01553 616200

	CHARGE 2020/21	PROPOSED CHARGE 2021/22
	£	£
REGISTER OF ELECTORS		
Statutory Fees		
Printed Form		
Flat Rate	10.00	10.00
Plus per 1000 names or part thereof	5.00	5.00
Data Form		
Flat Rate	20.00	20.00
Plus per 1000 names or part thereof	1.50	1.50
Overseas Electors Lists (Statutory Fee)		
Printed Form		
Flat Rate	10.00	10.00
Plus per 1000 names or part thereof	5.00	5.00
Data Form		
Flat Rate	20.00	20.00
Plus per 1000 names or part thereof	1.50	1.50
Monthly Additions (Statutory Fee)		
Printed Form		
Flat Rate	10.00	10.00
Plus per 1000 names or part thereof	5.00	5.00
Data Form		
Flat Rate	20.00	20.00
Plus per 1000 names or part thereof	1.50	1.50
Printed Form (Marked Copy)		
Flat Rate	10.00	10.00
Plus per 1000 names or part thereof	2.00	2.00
Data Form (Marked copy)		
Flat Rate	10.00	10.00
Plus per 1000 names or part thereof	1.00	1.00
GENERAL ADMINISTRATION		
Request for additional letter confirming that an individual is registered on the Electoral Register		
Administration Fee	10.00	10.00
Plus cost per sheet	0.10	0.10
Supply of Miscellaneous Information		
Administration Fee	10.00	10.00
Plus cost per sheet	0.10	0.10
Returns and Declarations as to Election Expenses (Statutory Fee)		
Price of a copy of any return, declaration or accompanying document (price for each side of each page)		
	0.20	0.20
Inspection of a Request for Election		
	0.10	0.10
SUPPLY OF MINUTES AND AGENDA		
Supply of Council Minutes (Per annum)		
	75.50	75.50
Supply of Development Control or Cabinet Agenda		
Per annum	107.50	107.50
Per agenda	9.60	9.60
Other Agendas	5.30	5.30
A4 Photocopies	0.10	0.10
General Administration		
Supply of miscellaneous information		
Cost per A4 sheet (photocopy)	0.10	0.10

Administrative Services - 01553 616200

PLANNING ADMINISTRATIVE FEES

		CHARGE 2020/21	PROPOSED CHARGE 2021/22
		£	£
Photocopies		0.10	0.10
A4 Copies		0.10	0.10
Copies of deposited plans A3		5.20	5.35
Copies of deposited plans A2	Black and white	7.40	7.60
	Colour	6.55	6.75
Copies of deposited plans A1	Black and white	9.05	9.30
	Colour	7.50	7.70
Copies of deposited plans A0	Black and white	10.10	10.40
	Colour		
Request for confirmation that development has been carried out in accordance with the terms of an Enforcement Notice or Legal Agreement.		41.30	42.50

LEGAL AND LOCAL LAND CHARGES

Con 29R (VAT to be added)	New Fee	40.40	41.60
CON 29O (each question) (VAT to be added)	New Fee	13.00	13.40
Parcel fee (each)	New Fee	12.05	12.40
Personal Search (unaided) - now under Environmental Information Regulations			
Assisted Personal Search		21.50	22.15
Additional own enquiries (each)		15.00	15.45
LLC1 (submitted by post/DX)		21.50	22.15
LLC1 (submitted by NLIS)		21.50	22.15
Planning History Search - back to 1994		21.50	22.15

Car and PSV Parking

CAR PARKS AND PSV PARKING

Hunstanton

Charges apply Monday to Sunday, plus Bank Holidays except Christmas Day

CHARGE 2020/21	PROPOSED CHARGE 2021/22
£	£

CENTRAL CAR PARK

Inclusive between 8am and 5pm

Pay and Display Up to 1 Hour	1.80	1.80
Pay and Display Up to 2 hours	2.80	2.80
Pay and Display Up to 3 hours	3.50	3.50
Pay and Display Up to 5 hours	4.70	4.70
Holiday Rover (Weekly)	20.40	20.40
Seniors – Hunstanton Resident (Annual)	40.80	40.80
Inclusive between 5pm and 9am	2.00	2.00

VALENTINE ROAD CAR PARK

Pay and Display Up to 30 minutes	1.10	1.10
Pay and Display Up to 1 Hour	1.80	1.80
Pay and Display Up to 2 hours	2.80	2.80
Pay and Display Up to 3 hours	3.50	3.50
All day before 10.00am	1.00	1.00
All day after 10.00am	2.80	2.80
Inclusive between 5pm and 9am	2.00	2.00

NORTH PROMENADE

1st September to 30th June including Bank Holidays except Christmas Day

Inclusive between 8am and 5pm

Pay and Display Up to 2 hours	4.00	4.00
Pay and Display Up to 4 hours	5.50	5.50
All day - (valid until 8am the following day)	7.20	7.20
Inclusive between 5pm and 9am	2.00	2.00

1st July to 31st August including Bank Holidays

Inclusive between 8am and 5pm

Pay and Display Up to 2 hours	4.00	4.00
Pay and Display Up to 4 hours	5.50	5.50
All day - (valid until 8am the following day)	7.70	7.70
Inclusive between 5pm and 9am	2.00	2.00

Coach Parking

1st September to 30th June including Bank Holidays

Up to 2 hours	4.00	4.00
Over 2 hours until 18:00	7.20	7.20

1st July to 31st August including Bank Holidays

Up to 2 hours	4.00	4.00
All day	7.70	7.70

The Green, Hunstanton - Motorcycles

	1.00	1.00
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PAY AND DISPLAY HUNSTANTON (Excluding Central, Valentine Road and North Promenade Car Parks) 1st September to 30th June including Bank Holidays except Christmas Day

Inclusive between 8am and 5pm

Up to 1 hour	2.00	2.00
Up to 2 hours	4.00	4.00
Up to 3 hours	5.00	5.00
All day - (valid until 8am the following day)	6.00	6.00
Inclusive between 5pm and 9am	2.00	2.00

PAY AND DISPLAY HUNSTANTON (Excluding Central, Valentine Road and North Promenade Car Parks) 1st July to 31st September including Bank Holidays except Christmas Day

Inclusive between 8am and 5pm

Up to 1 hour	2.00	2.00
Up to 2 hours	4.00	4.00
Up to 3 hours	5.00	5.00
All day - (valid until 8am the following day)	7.00	7.00
Inclusive between 5pm and 9am	2.00	2.00

Season Tickets

Six months (unreserved)	155.00	155.00
Twelve months (unreserved)	220.00	220.00
Reserved Twelve months	350.00	350.00

Car and PSV Parking

CAR PARKS AND PSV PARKING

HEACHAM (Seasonal)

Charges apply from 1st March to 30th June and 1st September to 31st October, including Bank Holidays, Inclusive between 8am and 5pm

Up to 1 hour	2.00	2.00
Up to 2 hours	4.00	4.00
Up to 3 hours	5.00	5.00
Daily - all day	6.00	6.00
Inclusive between 5pm and 9am	2.00	2.00

Charges apply from 1st July to 31st August including Bank Holidays.

Inclusive between 8am and 5pm

Up to 1 hour	2.00	2.00
Up to 2 hours	4.00	4.00
Up to 3 hours	5.00	5.00
Daily - all day	7.00	7.00
Inclusive between 6pm and 8am	2.00	2.00

Season ticket - Seniors

39.20 39.20

Season ticket - resident

52.80 52.80

Season ticket - non resident

104.00 104.00

Season ticket - Beach Hut Resident

44.80 44.80

KING'S LYNN

Charges apply Monday to Sunday, plus Bank Holidays except Christmas Day

Charges apply 24 hours a day

Inclusive between 8am and 5pm

Short Term

Up to half hour (Saturday and Tuesday Market Place and St James , outside multi-storey)	1.10	1.10
Up to 1 hour	1.80	1.80
Up to 2 hours	2.80	2.80
Up to 3 hours	3.50	3.50
Up to 5 hours	4.70	4.70

Inclusive between 5pm and 9 am

Up to half hour (Saturday and Tuesday Market Place and St James , outside multi-storey)	1.10	1.10
Up to 1 hour	1.80	1.80
Over 1hrs until 9am	2.00	2.00

Long Term

All Day before 10am	2.80	2.80
All Day after 10am	3.60	3.60
Boal Quay all day	2.70	2.70
Inclusive between 5pm and 9am	2.00	2.00

Season Tickets

Monthly	40.00	40.00
Annual	400.00	400.00

MULTI-STOREY ST JAMES

Inclusive between 8am and 5pm

Up to 1 hour	1.80	1.80
Up to 2 hours	2.80	2.80
Up to 3 hours	3.50	3.50
Up to 4 hours	4.00	4.00
Up to 5 hours	4.70	4.70
Up to 6 hours	5.90	5.90
Up to 7 hours	7.10	7.10
Up to 8 hours	8.30	8.30
Up to 9 hours	9.50	9.50
Up to 10 hours	10.70	10.70
Up to 11 hours	11.90	11.90
Lost ticket	12.00	12.00
Season Ticket	800.00	800.00

Inclusive between 5pm and 9am

Up to 1 hour	1.80	1.80
Over 1hrs until 9am	2.00	2.00

Season Ticket - Annual- weekdays Monday-Friday (max 50)

800.00 800.00

Penalty Charge Notices

Payment within 14 days *range of charges depending on level of contravention*

25.00 to 35.00 25.00 to 35.00

Payment after 14 days *range of charges depending on level of contravention*

50.00 to 70.00 50.00 to 70.00

Other Charges

Public Service Vehicle (Bus Station Pay and Display)	2.00	2.00
Contract Parking Bay (per annum)	800.00	800.00

Funeral Services

CEMETERIES - 01553 630533

King's Lynn and Hunstanton

Internment fee-(Age 18+)

For cremated remains

Interment in walled grave or vault (exc construction cost)

Disinterment - of earthen burial (Adult)

Disinterment - of earthen burial (Child)

Disinterment - of cremated remains

CHARGE 2020/21	PROPOSED CHARGE 2021/22
£	£
940.00	957.00
111.00	113.00
1,643.00	1,673.00
2,000.00	POA
POA	
228.00	POA

Walpole St Andrew, Marshland Smeeth

Internment fee (Age 18+)

(additional grave digging fees may apply)

For cremated remains

Interment in walled grave or vault (exc construction cost)

Disinterment - of earthen burial (Adult)

Disinterment - of earthen burial (Child)

Disinterment - of cremated remains

639.00	651.00
90.00	92.00
1,364.00	1,389.00
2,000.00	POA
POA	
228.00	POA

All Cemeteries

Purchase of exclusive right of burial

In child's grave up to 4'6" x 3'

In earthen grave up to 9' x 4'

In walled grave/vault up to 9' x 4'

In cremation plot 2' x 2'

200.00	204.00
640.00	652.00
918.00	935.00
123.00	126.00

Right to erect memorial

New headstone up to 4' high

New headstone 4' to 6' high

New headstone over 6' high

New headstone under 2'6" on child's grave

Memorial kerb set on child's grave

Memorial kerb set on adults grave

Cremation tablet set level with ground

Additional inscription after first

Transfer of Grave Ownership

284.00	290.00
584.00	595.00
1,141.00	1,162.00
123.00	126.00
222.00	226.00
668.00	681.00
140.00	143.00
195.00	199.00
58.00	60.00

Refundable Deposit for Disabled Vehicle Access to Gayton Road Cemetery

23.00	24.00
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All cemetery charges are increased by 100% for persons who at the time of death lived outside the area of the Borough Council, unless the deceased had lived outside the Borough for less than 5 years immediately before death then the normal charges shall apply. For burials outside of normal working hours, other than for religious reasons, the above fees are increased by 75%.

CREMATORIUM**Kings Lynn - 01553 630533**

Cremation fee(Age 18+) - Monday-Friday
Cremation fee (Age 18+) - Saturday
Cremation fee (Age 18+) - Sunday
Cremation without service (direct)
Cremation of body parts

CHARGE 2020/21	PROPOSED CHARGE 2021/22
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£	£
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799.00	814.00
1,134.00	1,155.00
1,448.00	1,475.00
500.00	500.00
100.00	100.00

Miscellaneous Charges:

Use of chapel for memorial service
Provide Music for Memorial Service
Provide Funeral Music
Provision of Crematorium Bearer (Subject to Availability)
Universal Urn
Pentney Urn
Terrington Urn
Holkham Keepsake Heart
Oxborough Keepsake Urn (Patterned)
Houghton Keepsake Urn (Plain)
Winch Casket (Plain)
Norfolk Casket

166.00	169.00
29.00	30.00
29.00	30.00
25.00	26.00
40.00	41.00
52.00	53.00
52.00	53.00
55.00	56.00
28.00	29.00
28.00	29.00
58.00	60.00
58.00	60.00

Certified extract from Register of Cremations
Interment of cremated remains (local)
Interment of cremated remains (from elsewhere)
Disinterment of cremated remains
Strewing of cremated remains from elsewhere
Application to witness

15.00	16.00
75.00	77.00
160.00	163.00
228.00	233.00
69.00	71.00
45.00	46.00

Book of Remembrance:

2 lines
5 lines
Additional lines above 5
5 lines with emblem
Additional lines above 5

50.00	51.00
105.00	107.00
20.00	21.00
184.00	188.00
25.00	26.00

Remembrance Cards:

2 lines
5 lines
8 lines
11 lines
14 lines
5 lines with emblem
8 lines with emblem
11 lines with emblem

55.00	56.00
112.00	115.00
173.00	177.00
229.00	234.00
284.00	290.00
190.00	194.00
257.00	262.00
313.00	319.00

Funeral Services**CREMATORIUM Continued****Personal Books of Remembrance**

2 lines
5 lines
8 lines
11 lines
14 lines
5 lines with emblem
8 lines with emblem
11 lines with emblem
14 lines with emblem

	CHARGE 2020/21	PROPOSED CHARGE 2021/22
	£	£
	66.00	68.00
	123.00	126.00
	184.00	188.00
	240.00	245.00
	297.00	303.00
	200.00	204.00
	268.00	273.00
	234.00	239.00
	285.00	291.00

Personal Books of Remembrance (additional inscription)

2 lines
5 lines
8 lines
11 lines
14 lines
5 lines with emblem
8 lines with emblem
11 lines with emblem
14 lines with emblem

	50.00	51.00
	109.00	111.00
	172.00	176.00
	229.00	234.00
	286.00	292.00
	189.00	193.00
	257.00	262.00
	315.00	321.00
	377.00	384.00

Memorial tree - per year

Memorial Conifer
Memorial Tree
Bronze single plate 6" x 4"
Bronze Double inscription plate 6" x 5"
Bronze Photo Plate 6" x 4" [one photo]
Bronze Photo Plate 6" x 5" [two photos]

	50.00	51.00
	72.00	74.00
	179.00	183.00
	218.00	222.00
	223.00	228.00
	318.00	324.00

Memorial shrub - per year

Aluminium single plate 5" x 3"
Aluminium Double inscription plate 5" x 4"
Aluminium Photo single plate 5" x 3"
Aluminium Photo Double inscription plate 5" x 4"

	40.00	41.00
	114.00	117.00
	164.00	167.00
	206.00	210.00
	256.00	261.00

6" Kerb plate lease per year**12" Kerb plate lease per year**

Bronze Plate 6" x 3.75"
Bronze Plate 12" x 3.75"
Bronze Photo Plate 6" x 3.75"
Bronze Photo Plate 12" x 3.75" [one photo]
Bronze Photo Plate 12" x 3.75" [two photos]

	17.00	18.00
	34.00	35.00
	112.00	115.00
	201.00	205.00
	229.00	234.00
	318.00	324.00
	407.00	415.00

Memorial Seat - per year

Brass single plate 6" x 2"
Brass double plate 9" x 2"
Refurbish inscription plate

	127.00	130.00
	162.00	165.00
	184.00	188.00
	50.00	51.00

Columbarium:

Lease of vault per year
- Purchase of tablet
- Up to 70 letters of inscription
- Each additional letter
- Border on tablet
- Design on tablet
- Enamel photograph on tablet
- Frame to photograph
- Cross on tablet
Regild letter (each)

Please contact Mintlyn Crematorium
for a quote for these items

	72.00	74.00
	3.50	4.00

Environmental Health and Protection - 01553 616200

		CHARGE 2020/21	PROPOSED CHARGE 2021/22
		£	£
SHIP SANITATION CERTIFICATE www.porthalthassociation.co.uk			
Gross Tonnage:			
Up to 1,000	<i>Set nationally</i>	100.00	105.00
1,001 - 3,000	<i>Set nationally</i>	135.00	140.00
3,001 - 10,000	<i>Set nationally</i>	205.00	210.00
10,001 - 20,000	<i>Set nationally</i>	265.00	270.00
20,001 - 30,000	<i>Set nationally</i>	340.00	345.00
Over 30,000	<i>Set nationally</i>	400.00	405.00
STRAY DOG RECOVERY			
Recovery Charge (including Statutory Charge)		81.00	81.80
Kennelling Fee - per day or part thereof		9.70	9.80
EXPORT CERTIFICATE			
Shellfish / Canned Food / Colouring Matter	More than 5 days notice	66.50	66.50
	5 to 2 days notice	NEW	99.75
	Less than 2 days notice	NEW	133.00
	Charge for inspection for the first hour per hour thereafter minimum 15 minutes (between 06:00 - 18:00, Mon to Fri)		
PLUS Officer time on site		58.50	58.50
FOOD			
Surrender Certificate			
Issue of certificate		36.65	36.65
PLUS Officer time on site - per hour or part thereof - minimum 15 minutes		36.65	36.65
PLUS any costs incurred in removal and destruction of goods			
Safer Food, Better Business (includes postage)		10.20	10.20
TRAINING COURSES			
Hygiene Course - Level 2 (per person)		50.50	50.00
Hygiene Course - Level 3 - NO LONGER PROVIDED			
Health and Safety at Work Course - Level 2 (per person)		50.50	50.00
SAMPLING (these charges have VAT included)			
Food Sample	Minimum charge for taking the sample for the first hour per hour thereafter minimum 15 minutes	59.50	60.50
Swimming Pool Waters	First sample	44.00	44.80
	Subsequent samples taken on same day	59.50	60.50
	Re samples <i>Increased to include VAT</i>	44.00	44.80
Environmental sampling	Minimum charge for taking the sample for the first hour per hour thereafter minimum 15 minutes	59.50	60.50
		44.00	44.80
Cryptosporidium	Minimum charge for taking the sample for the first hour per hour thereafter minimum 15 minutes	59.50	60.50
		44.00	44.80
Legionella	Minimum charge for taking the sample for the first hour per hour thereafter minimum 15 minutes	59.50	60.50
		44.00	44.80
Private Water Sampling (all costs INCLUDE VAT)			
Risk Assessment	Single Private Dwelling	97.50	99.50
	Small Supplies	122.00	124.00
	Large / Commercial Supplies	183.00	186.00
Sampling	Small Supply / Single Dwelling	33.00	33.50
	Large / Commercial Supplies (per visit PLUS analysis costs)	33.00	33.50
Investigation	Carried out in the event of test failure, but can be substituted by risk assessment	100.00	102.00
Authorisation	Application by the owner of a supply for permission to breach a standard temporarily whilst remedial work is carried out	100.00	102.00
Miscellaneous Sample and Analysis	For taking the sample for the first hour (plus analysis costs) per hour thereafter minimum 15 minutes	33.00	33.50
		20.00	20.50
ENVIRONMENTAL SEARCH			

Licensing - 01553 616200

STREET TRADING – KING'S LYNN

Daily Consent Fee

13.00

13.15

Licence for Tables and Chairs on Highway – Original

391.00

395.00

Renewal

132.00

133.30

SCRAP METAL

Scrap Metal Collectors (3 year licence)

162.00

165.00

Scrap Metal Site (3 year licence)

232.00

236.00

SEX ESTABLISHMENTS

Sex Establishments (Grant)

£1,247.00 refunded if no hearing required

1,694.50

1,694.50

Sex Establishments (Renewal)

£1,247.00 refunded if no hearing required

1,648.50

1,648.50

Sex Establishments (Transfer)

£1,247.00 refunded if no hearing required

1,306.00

1,306.00

Sex Establishments (Variation)

£1,247.00 refunded if no hearing required

1,349.00

1,349.00

Copy of Sex Establishment licence

10.60

10.60

MISCELLANEOUS LICENCE FEES

Premises Fee to carry out the practice of skin piercing

76.80

76.80

Person Fee to carry out the practice of skin piercing

32.70

32.70

Replacement Certificate

10.00

10.00

Additional copy of the byelaws

10.00

10.00

Licensing - 01553 616200

ANIMAL LICENSING

Licensable Activity	Application Fee		Inspection re-rating & variation fee	Compliance/Enforcement fee (includes)		Copy of Licence
	New	Renewal		1 yr	2 yr	
Boarding - Cats, Dogs, Home & Day Care	135.00	100.00	110.00	160.00	210.00	10.50
Boarding as additional activity	40.00	40.00	40.00	50.00	60.00	
Selling animals as pets	135.00	100.00	110.00	165.00	220.00	10.50
Pets as additional activity	40.00	40.00	40.00	54.00	68.00	
Horse Riding	175.00	135.00	150.00	215.00	280.00	10.50
Riding as additional activity	50.00	50.00	50.00	78.00	106.00	
Dog Breeding	175.00	120.00	150.00	210.00	270.00	10.50
Breeding as additional activity	50.00	50.00	50.00	74.00	98.00	
Exhibition of animals	230.00	200.00	95.00	N/A (3 yr licence - costs already calculated within		10.50

LICENSING ACT 2003**All Entertainment licence fees are set by Central Government.**

1. Fees for the grant or variation of a premises licences or club premises certificates are based on the non-domestic rateable value as follows:

Rateable Value	£0 - £4,300	£4,301 - £33,000	£33,001 - £87,000	£87,001 - £125,000	£125,001 and above
Band	A	B	C	D	E

Premises that do not have a rateable value will be placed in Band 'A' except for premises under construction which will be placed in Band 'C'.

2. Each Band attracts a different level of application fee as follows:

Band	A	B	C	D	E
Fee	£100	£190	£315	£450	£635

An application for the grant or variation of a premises licence where the premises is banded in either 'D' or 'E' and the premises are exclusively or primarily in the business of selling alcohol for consumption on the premises then a multiplier will apply to the appropriate rate, i.e.

Band	D	E
Multiplier	x 2	x 3
Fee	£900	£1,905

3. Exceptionally large premises will attract an additional fee based on the number of people in attendance at any one time. The additional fee will be:

Number in attendance at any one time	Additional Application Fee	Additional Annual Fee
5,000 to 9,999	£1,000	£500
10,000 to 14,999	£2,000	£1,000
15,000 to 19,999	£4,000	£2,000
20,000 to 29,999	£8,000	£4,000
30,000 to 39,999	£16,000	£8,000
40,000 to 49,999	£24,000	£12,000
50,000 to 59,999	£32,000	£16,000
60,000 to 69,999	£40,000	£20,000
70,000 to 79,999	£48,000	£24,000
80,000 to 89,999	£56,000	£28,000
90,000 and over	£64,000	£32,000

4. Premises will be subject to an annual fee which becomes payable on the anniversary of the grant. The annual fees are as follows:

Band	A	B	C	D	E
Fee	£70	£180	£295	£320	£350

The annual fee where the premise is banded in with 'D' or 'E' and the premises are exclusively or primarily in the business of selling alcohol for consumption on the premises then a multiplier will apply to the appropriate rate, i.e.

Band	D	E
Multiplier	x 2	x 3
Fee	£640	£1,050

5. Permitted temporary activities, personal licences and miscellaneous:

Application or Notice

- Section 25 (theft, loss etc. of premises licence or summary)
- Section 29 (application for a provisional statement where premises being built etc.)
- Section 33 (notification of change of name or address - premises licence)
- Section 37 (application to vary licence to specify individual as premises supervisor)
- Section 42 (application for transfer of premises licence)
- Section 47 (interim authority notice following death etc. of licence holder)
- Section 79 (theft, loss etc of club premises certificate or summary)
- Section 82 (notification of change of name or alteration of rules of club-club premises certificate)
- Section 83(1) or (2) (change of relevant registered address of club)
- Section 100 (temporary event notice)
- Section 110 (theft, loss etc. of temporary event notice)
- Section 117 (application for a grant or renewal of personal licence)
- Section 126 (theft, loss etc. of personal licence)
- Section 127 (duty to notify change of name or address - personal licence)
- Section 178 (right of freeholder etc. to be notified of licensing matters)

GAMBLING ACT 2005

All Gambling Act 2005 licence fees are set by Central Government.

1. Fees in respect of premises licences issued by this authority are as follows:

<u>Premises Licences</u>	New Grant	Annual Fee	Variation	Transfer	Re-Instatement	Change of Circumstances	Copy of Licence
Bingo	2,625.00	750.00	1,312.00	900.00	900.00	37.50	18.75
Adult Gaming Centre (AGC)	1,500.00	750.00	750.00	900.00	900.00	37.50	18.75
Betting (track)	1,875.00	750.00	937.00	712.00	712.00	37.50	18.75
Betting (other than track)	2,250.00	450.00	1,125.00	900.00	900.00	37.50	18.75
Family Entertainment Centre	1,500.00	562.00	750.00	712.00	712.00	37.50	18.75

(Note: The Borough currently has no casinos and will set an appropriate fee if required).

2. Fees in respect of permits issued by this authority are as follows:

<u>Permits/Registration</u>	New Grant (Existing Operator)	New Grant	Renewal	Annual Fee	Variation	Change of Name	Copy of permit
Licensed Premises Gaming Machine (1 or 2 machines)	N/A	£ 50.00	N/A	N/A	N/A	N/A	£ 15.00
Licensed Premises Gaming Machine (3 or more machines)	£ 100.00	£ 150.00	N/A	£ 50.00	£ 100.00	£ 25.00	£ 15.00
Prize Gaming Permit	N/A	£ 300.00	£ 300.00	N/A	N/A	£ 25.00	£ 15.00
Unlicensed Family Entertainment Centre	N/A	£ 300.00	£ 300.00	N/A	N/A	£ 25.00	£ 15.00
Club Gaming Permit	N/A	£ 200.00	£ 200.00	£ 50.00	£ 100.00	N/A	£ 15.00
Club Gaming Machine Permit	£ 100.00	£ 200.00	£ 200.00	£ 50.00	£ 100.00	N/A	£ 15.00
Club Gaming Machine Permit (Fast-track i.e. CPC Holder)	£ 100.00	£ 100.00	N/A	£ 50.00	£ 100.00	N/A	£ 15.00

Small Society Lottery	N/A	£ 40.00	N/A	£ 20.00	N/A	N/A	£ 15.00
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Private Hire and Hackney Carriage Licencing - 01553 616200

	CHARGE 2020/21	PROPOSED CHARGE 2021/22
	£	£
COMBINED DRIVER		
New Grant - 1 year	74.00	74.00
Renewal - 1 year	67.00	67.00
New Grant - 3 year	125.00	125.00
Renewal - 3 year	118.00	118.00
HACKNEY CARRIAGE (Saloon)		
New Grant	124.00	124.00
Renewal	109.00	109.00
Temporary (insurance cover)	62.00	62.00
HACKNEY CARRIAGE (Wheelchair)		
New Grant	133.00	133.00
Renewal	115.00	115.00
Temporary (insurance cover)	66.50	66.50
PRIVATE HIRE VEHICLE		
New Grant	118.00	118.00
Renewal	104.00	104.00
Temporary (insurance cover)	59.00	59.00
SPECIAL EVENT VEHICLE		
New Grant	123.00	123.00
Renewal	104.00	104.00
Temporary (insurance cover)	61.50	61.50
PRIVATE HIRE OPERATOR (1 vehicle)		
New Grant - 1 year	97.00	97.00
Renewal - 1 year	87.00	87.00
New Grant - 5 year	180.00	180.00
Renewal - 5 year	175.00	175.00
PRIVATE HIRE OPERATOR (2-10 vehicles)		
New Grant - 1 year	123.00	123.00
Renewal - 1 year	113.00	113.00
New Grant - 5 year	265.00	265.00
Renewal - 5 year	260.00	260.00
PRIVATE HIRE OPERATOR (11-20 vehicles)		
New Grant - 1 year	138.00	138.00
Renewal - 1 year	131.00	131.00
New Grant - 5 year	405.00	405.00
Renewal - 5 year	400.00	400.00
PRIVATE HIRE OPERATOR (20+ vehicles)		
New Grant - 1 year	159.00	159.00
Renewal - 1 year	152.00	152.00
New Grant - 5 year	777.00	777.00
Renewal - 5 year	772.00	772.00
MISCELLANEOUS FEES		
Licence Plate (non refundable)	15.00	15.00
Disclosure and Barring Service Application	55.00	55.00
Replacement Vehicle Licence (lost, damaged, change of name/address etc)	5.50	5.50
Replacement Vehicle Window Licence (lost, damaged etc)	5.00	5.00
Replacement Driver's (paper) Licence (lost, damaged, change etc)	5.50	5.50
Replacement Driver's (card) Licence (lost, damaged, change etc)	5.50	5.50
Replacement Operator's Licence	5.50	5.50
Vehicle Transfer	27.50	27.50
Change of Name/Address	10.50	10.50
Knowledge Test	36.00	36.00
Private Hire Door Sticker	19.00	19.00

Internal Drainage Board - Estimated Levies 2021/2025

Board	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Revised	Estimate	Projection	Projection	Projection
(1)	(2)	(3)	(4)	(5)	(6)
	£	£	£	£	£
Churchfield and Plawfield	22,540	22,990	23,420	23,910	24,390
Downham and Stow Bardolph	57,720	57,720	59,990	61,250	62,480
East of Ouse, Polver and Nar	271,000	271,000	281,670	287,590	293,340
Hundred Foot Washes	120	120	120	120	120
Hundred of Wisbech	1,060	1,080	1,100	1,120	1,140
King's Lynn	1,888,050	1,925,810	1,962,390	2,003,600	2,043,670
Littleport and Downham	23,450	23,450	24,370	24,880	25,380
Manea and Welney	19,770	20,160	20,540	20,970	21,390
Middle Level	204,470	208,550	212,520	216,980	221,320
Needham and Laddus	23,610	24,080	24,540	25,060	25,560
Nordelph	1,350	1,370	1,400	1,430	1,460
Norfolk Rivers	19,610	20,000	20,380	20,810	21,230
Northwold	250	250	260	270	280
Southery and District	211,060	211,060	219,370	223,980	228,460
Stoke Ferry	45,110	45,110	46,880	47,860	48,820
Stringside	1,620	1,620	1,680	1,720	1,750
Upwell	28,390	28,960	29,510	30,130	30,730
Total Levies	2,819,180	2,863,330	2,930,140	2,991,680	3,051,520

Note

The above estimates are based on some early indications of increases provided by the Internal Drainage Boards. It should be noted, however, that these estimates are likely to change once the Internal Drainage Boards have finalised their requirements later in the year.

Special Expenses 2021/2022

Parish	Taxbase	Special Expenses Cost £	Less Central Government Support Grant £	Net Special Expenses Charge £	2020/21 Special Expenses Band D Charge £	2021/22 Special Expenses Band D Charge £
Barton Bendish	91	20	0	20	0.22	0.22
Bircham	235	200	1	199	0.85	0.85
Brancaster	752	140	0	140	0.18	0.19
Burnham Market	624	1,060	5	1,055	1.63	1.69
Burnham Thorpe	84	130	1	129	1.34	1.54
Castle Acre	343	30	0	30	0.09	0.09
Clenchwarton	665	1,090	9	1,081	1.59	1.63
Denver	311	1,200	10	1,190	3.62	3.83
Dersingham	1,784	980	8	972	0.57	0.54
Docking	498	510	3	507	0.99	1.02
Downham Market	3,798	89,540	852	88,688	22.46	23.35
East Rudham	234	40	0	40	0.17	0.17
East Winch	286	2,670	21	2,649	9.15	9.28
Emneth	903	1,930	17	1,913	2.10	2.12
Feltwell	735	1,290	8	1,282	1.72	1.74
Fincham	185	290	2	288	1.53	1.56
Gayton	502	170	2	168	0.32	0.33
Great Massingham	340	80	1	79	0.23	0.23
Grimston	729	1,790	9	1,781	2.43	2.44
Heacham	1,935	11,330	92	11,238	5.67	5.81
Hilgay	442	4,230	40	4,190	9.37	9.47
Hillington	130	50	0	50	0.37	0.38
Hockwold	397	260	2	258	0.67	0.65
Hunstanton	2,102	78,840	689	78,151	36.57	37.18
King's Lynn	10,660	542,300	7,040	535,260	46.58	50.21
Leziate	278	300	1	299	1.05	1.08
Marham	784	700	2	698	0.87	0.89
Marshland St James	441	20	0	20	0.05	0.04
Methwold	515	410	3	407	0.80	0.79
Middleton	572	0	0	0	0.00	0.00
North Creake	186	230	1	229	1.26	1.23
North Wootton	869	7,540	27	7,513	9.01	8.65
Northwold	397	220	1	219	0.53	0.55
Old Hunstanton	371	1,290	3	1,287	2.80	3.47
Outwell	665	2,510	35	2,475	3.66	3.72
Pentney	219	80	1	79	0.38	0.36
Roydon	134	310	1	309	2.21	2.31
Runcton Holme	234	30	0	30	0.13	0.13
Shouldham	245	10	0	10	0.04	0.04
Snettisham	1,115	500	4	496	0.43	0.44
South Creake	289	420	3	417	1.38	1.44
South Wootton	1,696	6,360	13	6,347	3.73	3.74
Southery	413	1,280	13	1,267	2.93	3.07
Stoke Ferry	389	710	7	703	1.76	1.81
Syderstone	216	140	1	139	0.64	0.65
Terrington St Clement	1,309	2,330	24	2,306	1.72	1.76
Terrington St John	286	930	8	922	3.08	3.22
Thornham	379	40	0	40	0.10	0.11
Tilney All Saints	188	160	1	159	0.78	0.84
Tilney St Lawrence	481	910	11	899	1.89	1.87
Upwell	924	4,590	49	4,541	4.84	4.92
Walpole	582	130	1	129	0.22	0.22
Walpole Cross Keys	174	100	1	99	0.63	0.57
Walpole Highway	234	410	5	405	1.68	1.74
Walsoken	497	370	3	367	0.70	0.74
Watlington	836	1,650	13	1,637	1.91	1.96
West Acre	78	40	1	39	0.53	0.51
West Dereham	160	70	0	70	0.43	0.44
West Walton	580	200	2	198	0.34	0.34
West Winch	990	1,930	9	1,921	1.38	1.94
Wiggenhall St Germans	459	830	6	824	1.75	1.80
Wiggenhall St Mary Magdalen	225	1,210	14	1,196	5.10	5.31
Wimbotsham	243	500	4	496	1.96	2.04
Total		779,630	9,078	770,552		

Borough Council of Kings Lynn and West Norfolk

Policy on Earmarked Reserves and General Fund Working Balance

Purpose

Balances and reserves can be held for four main purposes;

- A working balance can cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing
- A working balance and a reserve can act as a contingency to cushion the impact of unexpected events or emergencies
- Earmarked reserves can be used to build up funds to meet known or predicted liabilities
- Holding account reserves help in equalizing the impact of operational surpluses and deficits

Working balance is considered to be the balances on the account of the General Fund.

Earmarked reserves are those set aside to meet known or predicted liabilities the main accounts being;

- capital reserves
- renewal and replacement reserves
- insurance reserves
- trading and business units reserves
- other reserves retained for operational service use

Adequacy

In order to assess the adequacy of balances and reserves when setting the budget it is necessary to take account of the strategic, operational and financial risks facing the Council and where possible;

- Attempt to keep the level of the balances and reserves within reasonable limits consistent with the associated risks
- To avoid tying up funds unnecessarily

Levels and Movements on Reserves

For each earmarked there will be set minimum/maximum levels to be held. Movements on the reserves will be recorded as part of the monthly Monitoring Report and members will be advised of any action necessary to restore agreed levels. The need for the reserve and levels to be held will be reviewed on an annual basis.

Governance

The power to establish reserves will rest with the Council on recommendation by the Cabinet.

Within the existing statutory and regulatory framework, it is the responsibility of the Section 151 Officer to advise the Council about the level of reserves and balances.

Where a reserve exists for a specific purpose (e.g. a renewal or repair reserve), the Chief Finance Officer may withdraw funds from that reserve, PROVIDED THAT the withdrawals to finance an item or items of expenditure are related to the reasons for the existence of the reserve, up to a value of £100,000 per annum. Any necessary withdrawal that exceeds this amount additionally required the approval of the relevant portfolio holder.

Decisions involving additional resources from ear-marked reserves may be made by any portfolio holder up to a maximum of £50,000 per Portfolio Holder in any financial year, subject to compliance with Financial Regulations.

Any use of reserves as described above must be reported in the next monthly budget monitoring report.

Where any decision has been made without regard to Financial Regulations and it is noted prior to the commitment or spending, the Chief Finance Officer and the Monitoring Officer will have the authority to defer the payment until further discussions have been undertaken with the relevant portfolio holder.

Level of Working Balance – General Fund

The minimum level of the working balance for the General Fund on 1 April each year will be set in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) recommendations. The level of balances will be reviewed each year at the setting of the Budget.

The CIPFA guidelines are currently set at 5% of the Budget Requirement (net service spend) for the following year.

Earmarked Reserves

The balances on earmarked reserves as at 31 March are part of the annual report to Council in September of each year. The table below provides a note on the purpose for each reserve and the recommended minimum and maximum levels to be held.

The minimum / maximum level of balances was last reviewed at the Cabinet meeting on the 18 June 2019 as part of the Revenue Outturn 2019/2020 report.

Earmarked Reserves Purpose	Minimum Balance	Maximum Balance
<p>Amenity Areas The reserve represents past contributions made by developers for the maintenance of land on housing sites. The balances will be drawn down over a period in support of service costs.</p>	£0	£300,000
<p>Capital Programme Resources This reserve consists of past and annual revenue contributions (RCCO). It will be used to finance the capital programme.</p>	£0	£10,000,000
<p>West Norfolk Partnership This reserve holds income from second homes council tax. It is used to support the Partnership on initiatives across the borough.</p>	£0	£1,100,000
<p>Insurance Reserve The reserve is held to deal with any loss due to theft (the Council self insures against theft), claims that are below £100 and any other excess on other policies. It is also used to finance risk management initiatives.</p>	£50,000	£300,000
<p>Restructuring Reserve The reserve is set up to deal with any consequences of changes to the establishment where redundancy and other such costs are involved and cannot be met in the year of account.</p>	£150,000	£1,000,000
<p>Renewals and Repairs Reserves These reserves come from annual contributions from service areas to deal with the maintenance and replacement of facilities, vehicles and equipment.</p>	£1,000,000	£2,500,000
<p>Holding Accounts The Holding Accounts reserves consist of a number of accounts which hold year-end balances on operational surpluses/deficits.</p>	£200,000	£2,600,000
<p>Ring Fenced Reserves These reserves consist of balances held on operational trading accounts and include Trust Funds held by the Council. The funds are 'ring-fenced' and are only used for certain purposes. (May be subject to amounts of Trust Funds placed with the Council)</p>	£50,000	£2,500,000
<p>Planning Reserve The Government provide for grant aid/awards for performance on Planning services. The Council's policy is to draw sums from here annually to support the overall cost of the planning service.</p>	£0	£1,000,000

Earmarked Reserves Purpose	Minimum Balance	Maximum Balance
<p>Grants Reserves These reserves hold unspent funds received as grants from external bodies for specific schemes/projects.</p>	£0	£3,200,000
<p>Collection Fund Adjustments This reserve holds the year end balances of any accounting adjustments necessary for the Council's Business Rates safety Net and Levy payments.</p>	£0	£4,000,000
<p>Project reserves These reserves are set up to hold funds earmarked for specific projects that will be delivered in future years.</p>	£0	£1,500,000
<p>Other The 'Other' Reserves consists of a number of miscellaneous accounts that are basically operational in nature e.g. various system suspense accounts.</p>	£0	£400,000

REPORT TO CABINET

Partly Exempt section		Would any decisions proposed :		
Any especially affected Wards None	Mandatory	(a) Be entirely within Cabinet's powers to decide	NO	
		(b) Need to be recommendations to Council	YES	
		(c) Be partly for recommendations to Council and partly within Cabinets powers –	NO	
Lead Member: Councillor Brian Long E-mail: cllr.brian.long@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Ruth Wilson E-mail: ruth.wilson@west-norfolk.gov.uk Direct Dial:		Other Officers consulted: Management Team, Service Managers		
Financial Implications YES	Policy/Personnel Implications YES	Statutory Implications (incl S.17) NO	Equal Opportunities Implications NO	Risk Management Implications YES
If not for publication, the paragraph of Schedule 12A of the 1972 Local Government Act considered to justify that is para 3.				

Date of meeting: 2 February 2021

CAPITAL PROGRAMME AND RESOURCES 2020-2025

<p>Summary This report:</p> <ul style="list-style-type: none"> revises the 2020/2021 projections for spending on the capital programme sets out an estimate of capital resources that will be available for 2020-2025 details new capital bids that are recommended to be included in the capital programme for the period 2020-2025 outlines provisional figures for capital expenditure for the period 2020-2025 Exempt section details corporate capital projects <p>Recommendations It is recommended that:</p> <ol style="list-style-type: none"> Cabinet recommends to Council the amendments to capital schemes and resources for the 2020-2025 capital programme as detailed in the report. Cabinet recommends to Council that new capital bids are to be funded from available capital resources and included in the capital programme 2020-2025 as detailed in the report. <p>Reason for Decision To report amendments, rephrasing and resources to the 2020-2025 Capital Programme</p>

1. Introduction

- 1.1 This report presents the capital programme for the period 2020 to 2025. The capital programme forms part of the Council's longer-term Financial Plan and is updated as part of the overall budget and council tax setting process.
- 1.2 The current economic conditions continue to create a challenging environment for achieving capital receipts to support the funding of the Council's capital programme. The interest in new homes delivered through the Council's housing developments continues to be strong. The Council consider the impact of market prices as the schemes progress and the possibility that the housing market may slow and to mitigate this risk has established West Norfolk Property Limited (Cabinet 8 January 2018) for Private Rental Properties. The outbreak of the Coronavirus pandemic (Covid-19) has had little impact on the sale of new homes but the impact of the pandemic and the impact of Brexit will be continuously assessed to enable mitigating action to be taken.
- 1.3 The Council is faced with a situation where capital resources to fund the capital programme continue to be limited. There are competing demands for use of these resources, including investment in projects which will deliver revenue savings.
- 1.4 This report sets out a programme for 2020-2025 that can be delivered if predicted land sales come about. Certain capital funds come from grants and use of reserves but a large part of funds are to come from land sales. The sums included in 2020-2025 are anticipated receipts from identified sites, phase 2 (final show home) and phase 3 of the Housing Joint Venture on the NORA site and the Major Housing Development.
- 1.5 The capital programme 2020-2025 includes a number of major housing projects, summarised in the table below. The delivery of new homes through this project provides essential funding to support the revenue budget, both through new homes bonus and increases to the council tax base.

	<i>Total Units</i>	<i>Sold at 31.03.20</i>	Units in Current Capital Programme
<u>Joint Venture</u>			
NORA 1	54	54	-
NORA 2 ¹	58	57	1
NORA 3 ²	50	44	6
<u>Major Housing</u>			
Marsh Lane ²	130	124	6
Lynnsport 3 ²	54	-	54
Lynnsport 4&5 ²	89	61	28
Lynnsport 1	100	-	100
NORA 4 ³	105	-	105
Columbia Way ⁴	76	-	76
Alexandra Road, Hunstanton	28	-	28
Parkway, Gaywood ⁵	379	-	379
	1,123	340	783

¹ 1 show home which has now been sold.

² NORA 3 – As at 31 October 2020 all units have been sold.

Marsh Lane – All 130 sales completed at 30/11/19.

Lynnsport 3 – 19 sales completed to 30/11/20 with a further 16 exchanged/reserved.

Lynnsport 4/5 – 88 sales completed to 30/11/20 with 1 left to complete.

- 3 NORA 4 planning permission granted, now on site.
- 4 Planning has not been completed so the number of units has not been confirmed.
- 5 Planning has not been completed.

1.6 This Council has always set out to deliver as ambitious a capital programme as possible to meet its corporate priorities and to deliver new income streams and savings to support the revenue budget and will continue to aim to do so even in these difficult times.

2 Delivering the Efficiency Plan

2.1 In taking up the Government's offer of a four-year funding settlement the Council was required to publish an efficiency plan in 2016 and this included a focus on the following:

- Identify capital investment opportunities to maximise the use of assets, generate a revenue return, in excess of that achieved from traditional banking investments, promote housing development, increased council tax base and new homes bonus, promote local economic and business growth and increased business rates.

2.2 Future phases of the major housing development projects will include delivery of houses for rent. The wholly owned local authority company 'West Norfolk Property Ltd' will hold these private rented sector homes (See Cabinet Report 8 January 2018). The rental income will meet the financing costs and generate ongoing additional revenue income.

2.3 Strategic land acquisitions are being considered which provide development opportunities.

2.5 Exempt section of report – delivery of cost reduction.

3. Capital Programme 2020/2021

3.1 This part of the report updates the Capital Programme for the current year 2020/2021.

3.2 A full updated Capital Programme 2020/2021 of £54,677,660 was reported at the Cabinet meeting on 19 August 2020.

3.3 A summary of the monitoring position of the budget to 31 October 2020 is shown in the table below:

	Capital Programme 2020/21 (Old Management Structure)	Capital Programme 2020/21 (New Management Structure)	2020/21 Actual as at 31 October 2020	Percentage
	£	£	£	%
Major Projects	36,762,900	36,762,900	5,072,034	13.80
Operational Projects:				
Central and Community Services	2,223,370			
Commercial Services	3,772,340			
Environment and Planning	-			
Finance Services	128,180			
Community and Partnerships	-	2,131,550	1,213,920	56.95
Resources (S151 Officer)	-	220,000	71,150	32.34
Regeneration	-	-	-	-
Property and Projects	-	70,000	38,000	54.29
Operational and Commercial Services	-	2,517,470	570,360	22.66
Alive West Norfolk	-	1,184,870	116,713	9.85
Exempt Corporate Schemes	11,790,870	11,790,870	4,698,169	39.85
Total Capital Expenditure	54,677,660	54,677,660	11,780,346	21.55

3.4 Service managers have undertaken a detailed review of commitments against all current schemes and budgets have been reduced where possible to reflect updated requirements. Approval is requested for amendments of (£766,290) and rephasing of (£33,268,920) to the 2020/2021 capital programme as summarised in the table below and detailed in sections 3.5 to 3.6 and the exempt report. The Revised Capital Programme 2020/2021 is detailed at Appendix 1 and Appendix 3.

	Capital Programme 2020/2021 October Monitoring	Amendments	Rephasing to future years	Revised Budget 2020/2021
	£	£	£	£
Major Projects	36,762,900	(1,190,550)	(23,981,740)	11,590,610
Operational Schemes:				
Community and Partnerships	2,131,550	211,570	-	2,343,120
Resources (S151 Officer)	220,000	245,680	-	465,680
Regeneration	-	21,350	-	21,350
Property and Projects	70,000	-	(28,000)	42,000
Operational and Commercial Services	2,517,470	154,500	(1,683,980)	987,990
Alive West Norfolk	1,184,870	-	(1,116,010)	68,860
Central Services	-	-	-	-
Total	42,886,790	(557,450)	(26,809,730)	15,519,610
Exempt Corporate Schemes	11,790,870	(208,840)	(6,459,190)	5,122,840
Total Capital Programme	54,677,660	(766,290)	(33,268,920)	20,642,450

3.5 The main proposed amendments to the capital programme 2020/2021 are detailed below:

Major Projects

Major Housing Development: Phase 1 - Marsh Lane and Lynnsport 3

Phase 1 is now complete and the expenditure budget that had been rephased to 2020/2021 can be reduced by £1,737,010 to reflect the actual final costs of this phase of the development.

Town Centre Development

The final costs for this scheme have been allocated in accordance with the Development Funding Agreement resulting in an additional budget requirement of £143,750 for 2020/2021.

Factory Unit 1

This scheme was agreed at the Officers Major Project Board in December 2020. Due to considerable problems at the waste transfer station it is necessary to relocate the Public Open Space and Waste Management service areas. Factory Unit 1, Old Meadow Road, Hardwick Industrial Estate was identified as being suitable premises for these teams. The costs to carry out all necessary works to ensure a smooth transition are £312,710. It is hoped that the works will be completed in this financial year. These works will be funded from general capital resources.

Southgate Regeneration Area

An additional contribution of £90,000 was agreed as Business Rates Pool Funding which is matched funding. This has increased the expenditure budget by £180,000 (net effect an additional £90,000 expenditure on the capital programme).

COWA School of Nursing

£597,000 has been added to the capital programme for the College of West Anglia School of Nursing capital grant for building refurbishment work and equipment, this has been fully funded by a third-party contribution.

King's Lynn Innovation centre (KLIC) Move-On Centre

This project is to carry out further technical studies to bring forward the delivery of up to 4,800 square feet of new 'move on' space for the King's Lynn Innovation Centre, together with associated car parking for approximately 270 spaces to serve the Move On Centre, the original KLIC building and the wider Enterprise Zone. This scheme has been added to the capital programme with a budget of £250,000 fully funded by the Norfolk Strategic Fund.

Community and Partnerships

Disabled Facilities Grant

Additional funding of £211,570 has been awarded to the council to help people make the adaptations they need to live safely and independently in their own homes. This has been added to the capital programme as fully funded expenditure.

Resources

ICT

£245,680, made up of three elements, has been added to the capital programme for the ICT Development Programme, £173,180 rephasing was omitted from the closedown report for the rephasing of ongoing projects; Standard Desktop Refresh; £34,500 Teams Telephony £38,000 to enable home working methods to work on existing technologies.

Regeneration

Arts Centre Complex

£21,350 has been added to the capital programme, this is due to additional unforeseen works being considered and agreed as necessary during the project.

Operational and Commercial Services

Car Park Vans

£150,000 has been added to the capital programme for the replacement of parking vehicles. The cost of these vans will be externally funded from third party contributions.

Street Furniture / Public Realm

An expenditure budget totalling £333,000 has been added to the capital programme for spend on social distancing signage, waste facilities, street furniture and public realm improvements to aid social distancing. This budget is fully funded from third party contributions from 'Reopening High Streets Safely Fund; and the 'Norfolk Tourism Support Package'.

Events Programme

The council successfully bid for funding from the Norfolk Strategic Fund to fund equipment for events including a screen and 4 light projectors. The total budget for this scheme that has been added to the capital programme is £155,000. Norfolk Strategic Fund contribution is £120,000. This scheme will assist the council in modifying the current events programme considering Covid-19 with 'a little and often' style approach rather than large crowd events in the future.

Heacham Toilets – South Beach

£27,500 has been added to the capital programme for the replacement for the South Beach toilets in Heacham. The total project is £75,000, this is to be part funded by third party contributions, the remaining cost of £27,500 will be funded from the Councils' reserves.

Refuse and Recycling

£92,000 has been added to the capital programme for additional bins for all refuse services. This additional budget is required for:

- Additional brown bin sales requiring the purchase of bins as a result of Covid-19;
- Additional green bin requests as more people are at home and recycling more as a result of Covid-19;
- Wear and tear on bins which are between 8 and 14 years of age becoming end of life;
- Additional trade bins for increased numbers of homes going in to NNDR as a result of Covid-19 financial support measures.

- 3.6 The review of the capital programme identified schemes provisionally set for 2020/2021 that will not be completed in the year or will be completed earlier than anticipated. A total of (£33,268,920) will be rephased from / (to) future years, of this (£26,809,730) relates to Operational and Major Schemes. The schemes for the proposed rephasing are detailed below and a full list of schemes is included at Appendix 1.

Major Projects

Enterprise Zone (£8,645,480) and NORA Remediation (£830,000) - Infrastructure works will not be completed in 2020/21, works will now be completed in 2021/22.

Major Housing Development (£13,840,860) – capital programme rephased from 2020/21 to reflect the current planned build out programme including delays caused by the pandemic.

Future High Street Funding / Heritage Action Zone

The Heritage Action Zone (including High Street Heritage Action Zone) is a four-year partnership commencing from April 2020 and is a programme of heritage led regeneration in the King's Lynn area.

The Future High Streets Fund aims to renew and reshape town centres and high streets to drive growth, improve experience and ensure future sustainability. The Council submitted the final Business Case on 30 April 2020 but recently learnt that this bid was not successful. There is currently ongoing dialogue with Government regarding alternative funding options for the proposals set out in the Future High Street funding submission.

The Council is working towards a cohesive growth and development programme which has resulted in several schemes being delayed due to the announcement

of these potential partnerships. These schemes have now been rephased to 2021/2022 to enable a review considering the unsuccessful bid and include:

- Chapel Street (£122,500);
- Nelson Quay Redevelopment (£95,000);
- Purfleet Floating Restaurant (£65,080);
- South Quay Somerfeld & Thomas (£32,820)
- South Quay Stage 3 (£350,000).

Operational Schemes

A number of schemes have had to be rephased to 2021/22 due to resourcing issues and the impact on lead times due to production issues from manufacturers because of Covid-19 including:

- **Sewage Treatment Works (£28,000)**
- **Car Parks (£868,610)** – all car park budgets have been carried forward to 2021/2022. This includes budgets for resurfacing; replacing equipment and car park vehicles.
- **Christmas Lights Replacement (£187,550)**
- **Gayton Road Cemetery Extension (145,800)**
- **Old Sunway Bridge Works (£25,000)** – Works have begun in 2020/2021 with the bulk of the work expected to complete in 2021/2022.
- **Leisure Card Gladstone Server Upgrade (£12,030)**
- **Refuse Vehicle (£12,650)**
- **Replacement Play Area Equipment (£68,000)**
- **Tourist Signs A47 (£21,000)**
- **Vehicles (£343,340)**
- **Leisure Sites and Corn Exchange (£1,116,010)** – All capital projects in 2020/21 for the leisure sites will be rephased to 2021/22 unless essential (eg fire doors). Full details in Appendix 1.

Corporate Schemes, Exempt (£6,459,190) – The majority of the exempt schemes will now commence work later than anticipated. This will be reported separately due to the commercially sensitive nature of the schemes. See the Exempt Report and Appendix 3.

4. Capital Programme 2021-2025

4.1 This part of the report deals with the medium-term capital programme 2021-2024 and first looks at a revision to the current approved programme. The full Capital Programme 2021-2024 was last reported at the Cabinet meeting on 19 August 2020 and is summarised in the table below.

Old Management Structure	2021/2022	2022/2023	2023/2024
	£	£	£
Major Projects	26,123,540	20,540,920	16,000,000
Operational Schemes:			
Central and Community Services	2,360,000	2,360,000	2,360,000
Commercial Services	658,280	131,300	88,000
Environment and Planning	-	-	-
Finance Services	50,000	50,000	50,000

Total Excluding Exempt	29,191,820	23,082,220	18,498,000
Exempt Corporate Schemes	19,839,700	10,224,500	1,941,660
Total Including Exempt	49,031,520	33,306,720	20,439,660

New Management Structure	2021/2022	2022/2023	2023/2024
	£	£	£
Major Projects	26,123,540	20,540,920	16,000,000
Operational Schemes:			
Community and Partnerships	2,260,000	2,260,000	2,260,000
Resources	150,000	150,000	150,000
Regeneration	-	-	-
Property and Projects	-	-	-
Operational and Commercial Services	512,800	106,300	88,000
Alive West Norfolk	145,480	25,000	-
Central Services	-	-	-
Total Excluding Exempt	29,191,820	23,082,220	18,498,000
Exempt Corporate Schemes	19,839,700	10,224,500	1,941,660
Total Including Exempt	49,031,520	33,306,720	20,439,660

- 4.2 Following the detailed review of the Capital Programme, amendments have been made to some schemes to reflect updated costs and timing of vehicle and equipment replacement schedules, other significant amendments include –

Major Projects - Major Housing Development

Parkway – Gaywood Development – 2021-2023 show additional third-party contributions from an Accelerated Housing Grant; Towns Fund and Norfolk County Council totalling £5,232,370 over the two years. £32,448,200 has been added to the expenditure budgets due to the profiling of this scheme which is forecast to be completed by 2027.

Salters Road – Additional costs in 2022-2024 of £2,189,430 this will be offset by an increase in projected income for the scheme.

Lynnsport 1 and 3 – Additional costs 2023-2025 of £4,327,040. The original costs for this development were estimated a number of years ago and have subsequently been revised based on contracted sums. This additional expenditure will be offset by revised projected income for the scheme.

For each approved Phase of the Major Housing Development project the monitoring arrangements are:

- a. Daily basis by the Corporate projects team;
- b. Weekly and monthly meetings with the contractor;
- c. Monthly Officer Project Management Group oversees project delivery, project management, logistics, project support/resources, recommendations to Member/Officer Board, operational decisions;
- d. Reports to Management Team on a bi-monthly basis;
- e. Quarterly (once construction commences on site) Member/Officer Board meetings (Strategic Overview, Strategic decisions, Programme Management, including recommendations to Cabinet on Trigger Point approvals).

For approval to commence the build for a further phase of the Major Housing Project the arrangements are in line with the procedures set out in the Cabinet report of 3rd February 2015 as detailed below:

- a. Cabinet - Recommendations to Council re Programme approval and sign off of each phase;
- b. Council - Programme approval, sign off, commencement of each phase.

4.3 Rephasing is proposed where schemes have been carried forward to/from 2020/2021 as detailed in section 3.6, or where schemes are now not expected to be completed as originally planned in 2021/2022, 2022/23 and 2023/2024.

5. Capital Programme New Bids

5.1 New schemes that are required to maintain the current levels of service are detailed in the table at 5.4.

5.2 A number of corporate capital projects to generate additional revenue income to support the revenue budget are commercially sensitive and the capital programme has been updated. The details of these projects are attached as exempt Appendix 3. Reports will be presented to future Cabinet meetings as necessary.

5.3 Given the current financial position of the Council and the limited capital resources available, new bids on the capital programme have had to be controlled.

5.4 The following operational schemes are proposed for inclusion in the 2021-2025 capital programme:

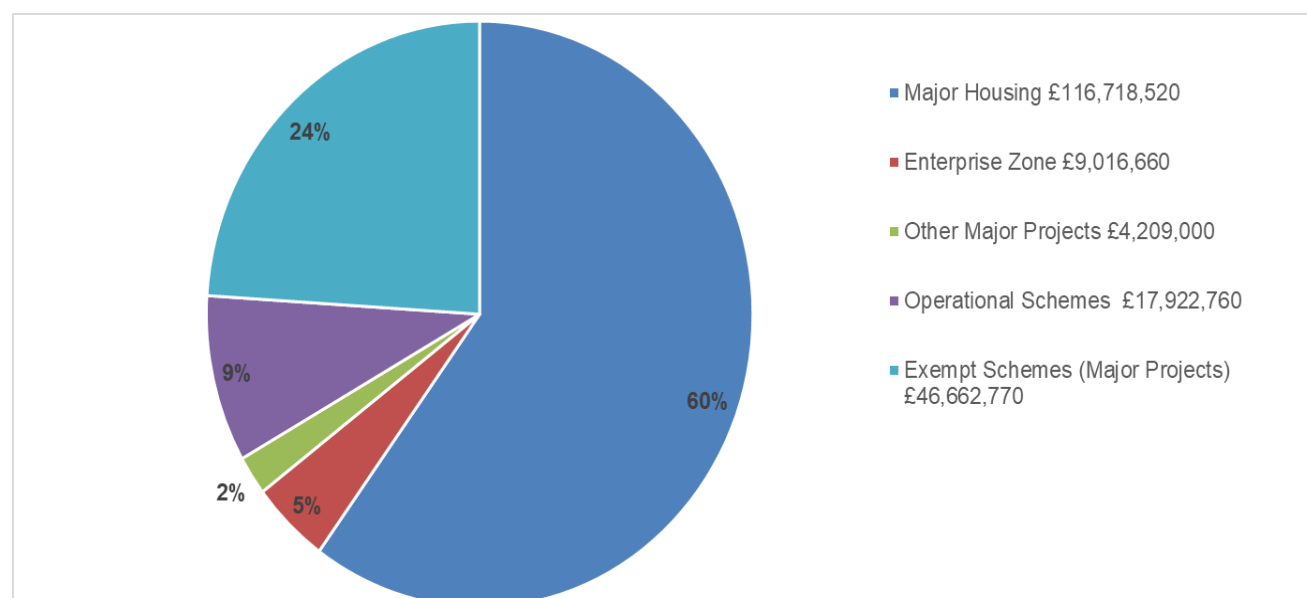
	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Funded from General Capital Resources				
Community projects				50,000
ICT development				150,000
Funded from Grants				
Disabled facilities grants				1,381,800
Adapt grant				618,200
Low level prevention grants				150,000
Funded from Reserves				
Funded from Unsupported Borrowing				
Careline alarm units (rolling programme)				60,000
Careline – Replacement Vehicles	56,850			
Refuse and Recycling - Bins	32,000	32,000	32,000	100,000
Refuse and Recycling - Vehicles	5,360			
Public Cleansing Vehicle	76,870		349,790	
Total	171,080	32,000	381,790	2,510,000

6. Capital Programme 2020/2025

6.1 The table below summarises the revised Capital Programme 2020-2025 including all amendments, rephasing and new bids detailed above. The detailed Programme 2020-2025 is presented at Appendix 2.

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	£	£	£	£	£
Major Projects	11,590,610	29,711,470	44,307,400	26,289,520	18,045,180
Community and Partnerships	2,343,120	2,316,850	2,260,000	2,260,000	2,260,000
Resources	465,680	150,000	150,000	150,000	150,000
Regeneration	21,350	-	-	-	-
Property and Projects	42,000	28,000	-	-	-
Operational and Commercial Services	987,990	2,204,150	170,500	507,770	100,000
Alive West Norfolk	68,860	1,261,490	25,000	-	-
Central Services	-	-	-	-	-
Total	15,519,610	35,671,960	46,912,900	29,207,290	20,555,180
Exempt Corporate Schemes	5,122,840	19,230,000	18,848,270	3,461,660	-
Total Capital Programme	20,642,450	54,901,960	65,761,170	32,668,950	20,555,180

Capital Programme 2020-2025



7. Capital Resources 2019-2024

7.1 The report to Cabinet on the 19 August 2020 updated the total capital resources available for the period 2020 to 2024. It has been possible to fund the proposed capital programme 2020-2025.

7.2 The Table below provides details of the revised estimated capital resources for the period 2020-2025, updated for amendments and rephasing detailed in sections 3 and 4 above and new bids detailed in section 5 above. Where rephasing is made between years, the funding will follow. Where external borrowing is required the borrowing costs are included in the revenue estimates. The revenue budget will be amended as part of the estimates process to reflect this position. These changes are reported as part of the Financial Plan 2020-2025 on this Cabinet Agenda.

		2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
1	Capital Programme: Operational Schemes, S106 and Other Major Projects Expenditure	6,675	7,423	2,606	2,918	2,510	22,132
1.1	SOURCES OF FINANCE						
1.2	Specific Capital Grants (Better Care Fund)	1,775	1,775	1,775	1,775	1,775	8,875
1.3	Capital Receipts (6.6)	3,319	2,142	575	575	575	7,186
1.4	Reserves	889	1,527	45	20	0	2,481
1.5	Unsupported Borrowing	692	1,979	211	548	160	3,590
	Total Funding	6,675	7,423	2,606	2,918	2,510	22,132

2	Joint Venture – NORA Housing						
2.1	Opening Borrowing Brought forward	1,694					1,694
2.2	Prior Year Borrowing Brought forward		43	43	43	43	
2.3	In Year Expenditure	0	0	0	0	0	0
2.4	In Year Sale	(1,651)	0	0	0	0	(1,651)
2.5	Net Borrowing Position	43	43	43	43	43	43

3	Major Housing Development						
3.1	Opening Borrowing Brought forward	19,890					19,890
3.2	Prior Year Borrowing Brought forward		13,210	31,974	50,063	27,603	
3.3	In Year Expenditure	8,473	19,603	44,307	26,290	18,045	116,718
3.4	Sales Receipts	(16,670)	(839)	(25,472)	(51,615)	(35,989)	(130,585)
3.5	Land Value to BCKLWN	1,517	0	800	2,865	2,775	7,957
3.6	Funded from Reserves			(1,546)			(1,546)
3.7	Net Borrowing Position	13,210	31,974	50,063	27,603	12,434	12,434

4	Enterprise Zone (25 Year Project)						
4.1	Opening Borrowing Brought Forward	2,695					2,695
4.2	Prior Year Borrowing Brought Forward		2,717	11,019	10,671	10,323	
4.3	In Year Expenditure	370	8,650	0	0	0	9,020
4.4	Business Rates Receipts 85% (via NALEP)	(348)	(348)	(348)	(348)	(348)	(1,740)
4.5	Net Borrowing Position	2,717	11,019	10,671	10,323	9,975	9,975

5	TOTAL NET BORROWING POSITION	15,970	43,036	60,777	37,969	22,450	22,450
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		2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
6	Useable Capital Receipts						
6.1	Useable Capital Receipts at 1 April 2019	6,153					6,153
6.2	Prior Year Brought Forward		5,264	3,992	5,641	8,231	
6.3	Capital Receipts MHP/NORA Land	1,675	0	1,084	2,865	2,775	8,399
6.4	Capital Receipts General	755	870	1,140	300	0	3,065
6.5	Capital Receipts used to fund Capital Programme (1.3)	(3,319)	(2,142)	(575)	(575)	(575)	(7,186)
6.6	Capital Receipts Transferred to Reserves	5,264	3,992	5,641	8,231	10,431	10,431

7.4 The corporate schemes to deliver cost reductions/new income streams will be funded using capital receipts reserve or borrowing.

7.5 Clearly the Council's commitment to a number of major projects means that the disposals programme and generation of capital receipts, and securing external funding is crucial.

8. Equality Impact Assessment

8.1 The Council has a statutory requirement to carry out Equality Impact Assessments (EIAs) as part of the service planning and policy proposal processes. This includes significant policy or significant changes to a service and includes potential capital bids, revenue growth bids and proposed reductions in service.

8.2 The Council may be required to carry out an impact assessment if the proposal impacts on any of the following:

- Equalities (including impact on issues of race, gender, disability, religion, sexual orientation, age)
- Community cohesion (whether there is a potential positive or negative impact on relations between different communities)

8.3 The relevant service managers, with the assistance of the Policy officers, review each capital programme scheme to check and assess any impact of the intended outcome. Although a provisional capital budget will be included in the capital programme, it will be necessary for a report on the impact to be made to Cabinet before the scheme progresses.

9. Prudential Framework

9.1 The Prudential Framework for local authority capital investment was introduced as part of the Local Government Act 2003 with effect from the 1 April 2004. The Prudential Code was comprehensively updated in 2017 and these changes apply from 2018/19.

The key objectives of the Prudential Code are:

- to ensure, within a clear framework, that the capital investment plans of the Council are affordable, prudent and sustainable;
- to demonstrate that treasury management decisions are taken in accordance with good professional practice and;
- local strategic planning, asset management and proper option appraisal is supported.

- 9.2 Within the Revenue Budget 2020-2025 the Council will enter unsupported borrowing where it can demonstrate that financial savings can be achieved by outright purchase of equipment, as opposed to the use of an operating lease and the payment of an annual lease. The Capital Programme 2020-2025 includes details of the borrowing under the framework and this is confirmed as being affordable and is included within the Budget and Council Tax calculations.
- 9.3 The proposed borrowing will be met within the Prudential Indicators set as the Operational Boundary (Limit of Borrowing) under the Treasury Management Strategy. The current Operational Boundary in 2020/2021 is set at £53m with a maximum of 40% of the total value being held as short-term loans or variable rate loans.

10. Financial Implications

- 10.1 The financing arrangements for the capital programme are within budget. Where rephasing is to be made then the funding will follow.
- 10.2 The revenue implications of all capital schemes will be included in the estimates to be reported to the Cabinet meeting on 2 February 2021.
- 10.3 On delivery income / cost savings relating to cost reduction will be fed into the revenue budget as they are achieved.

11. Risk Implications and Sensitivity Analysis

- 11.1 Risk is inherent in any projection of future funding. The estimated resources available to fund the capital programme 2020-2025 and the risk implications and sensitivity/consequences are detailed in the table below. The level of risk is based on the impact on the funding of the capital programme 2020-2025 if the resources are not achieved at the estimated level or at the time expected. This section updates the position as reported in the Capital Programme and Resources 2020-2024 report to Cabinet on 19 August 2020.

Source of Funding	Risk Implications and Sensitivity	Level of Risk
<p>Capital Grants</p> <p>Third Party Contributions</p> <p>Lottery Funding etc</p>	<p>Risk The capital grant and specific grant included in the resources is a contribution towards private sector housing assistance - Disabled Facilities Grants (DFG). The level of grant included for 2020/2021 is based on the confirmed level of grant from the Better Care Fund. Future years show no assumed growth rate but remain at a constant level for the rest of the programme as no indications of growth have been provided. The level of grant is confirmed by Central Government annually and can vary from year to year.</p> <p>Sensitivity/Consequences This funding represents 53% of total general fund resources over the 5-year period. If the level of grants were to vary significantly the budget allocated for DFGs and the proposed schemes within the programme would need to be revised.</p>	Medium
Capital Receipts	<p>Risk Capital receipts represent 14% of the general fund resources available over the 5-year period 2020-2025. The actual amount and timing of capital receipts can vary significantly. The achievement of capital receipts is monitored and reported in the monthly monitoring reports to ensure no over commitment.</p> <p>Sensitivity/Consequences Capital receipts represent a high proportion of the total general fund resources available to fund the capital programme. The actual level of capital receipts that are achieved is sensitive to market conditions including demand for land and buildings, values and interest rates. The sum total of capital receipts included in the funding table of £3m plus £2m of sales receipts from the housing joint venture and £131m from the Major Housing Project is a challenging target in the current economic climate. In the event that capital receipts are not achieved at the level or within the year estimated it may be necessary to take on additional temporary borrowing at the prevailing interest rates.</p>	High
Major Housing Project	<p>Risk The impact of market prices as the scheme proceeds to each phase may increase. The housing market may slow, and sales may not be achieved as planned.</p> <p>Sensitivity/Consequences Business case review prior to proceeding to end stage. Local Authority Housing Company has been established to hold any surplus units for rent.</p>	High

Source of Funding	Risk Implications and Sensitivity	Level of Risk
Unsupported Borrowing	<p>Risk The proposed capital programme 2020-2025 includes unsupported borrowing for the purchase of equipment and vehicles. The unsupported borrowing will be funded through internal borrowing whenever it is most financially advantageous to do so. Internal borrowing is the use of internal funds (short term cash flows and reserves and balances not immediately required) rather than taking external debt.</p> <p>Sensitivity/Consequences The Council will enter unsupported borrowing where it can demonstrate that financial savings can be achieved by outright purchase of equipment, as opposed to the use of an operating lease and the payment of an annual lease.</p>	Low
Temporary Borrowing External and Internal	<p>Risk Temporary borrowing is included for cash flow purposes to ensure a balanced funding of the capital programme in each of the financial years and in advance of capital receipts. Internal borrowing will be used whenever it is most financially advantageous to do so. Internal borrowing is the use of internal funds (short term cash flows and reserves and balances not immediately required) rather than taking external debt. Funds currently in short term investments may be withdrawn and used in place of external borrowing.</p> <p>Sensitivity/Consequences The actual required temporary borrowing will depend on rephasing in the capital programme and capital receipts achieved in each year. Temporary borrowing will be maintained at the minimum level required and reported as part of the outturn. The cost of funding planned temporary borrowing is included in the revenue budget and is confirmed as affordable. If additional temporary borrowing is required during the financial year the impact on the revenue budget will be reported in the monthly monitoring reports to Members.</p> <p>Fixed term external borrowing may be taken and drawn down as expenditure is required and rates are favourable. External borrowing will be sourced through market loans or PWLB depending on the most favourable rates.</p>	Low

Source of Funding	Risk Implications and Sensitivity	Level of Risk
Reserves	<p>Risk Contributions from reserves are based on actual balances as at 1 April 2020 and consider budgeted contributions to/from reserves.</p> <p>Sensitivity/Consequences The reserves are available and as such the sensitivity is low. If reserves are not available as estimated in the capital resources, temporary borrowing would be incurred to ensure a balanced funding of the capital programme in each of the financial years.</p>	Low
Sales Value Reduces / Costs Increase	<p>Risk Brexit</p> <p>Sensitivity/consequences The Brexit situation affects market confidence. This could impact on sales values and cost of materials and labour. The Council will review regularly in determining how to proceed with schemes and, for example, whether to sell or rent properties through the Housing Company.</p>	Medium
Sales Value Reduces / Costs Increase	<p>Risk Pandemic</p> <p>Sensitivity/consequences The Coronavirus Pandemic (Covid-19) situation affects market confidence. This could impact on sales values and cost of materials and labour. The Pandemic may also impact on delivery timescales. The Council will review regularly in determining how to proceed with schemes and, for example, whether to sell or rent properties through the Housing Company.</p>	High

11.2 Experience shows that the costs of schemes can also vary. Expenditure on the capital programme is included as part of the monthly monitoring report. Any significant variations on individual schemes will be reported and appropriate action taken

12. Policy Implications

The establishment and management of the capital programme are in accordance with the updated Council's Capital and Local Property Investment Fund Strategy 2018-22.

13. Statutory Considerations

None

14. Consultations

Management Team

15. Access to Information

Cabinet Reports
Financial Plan 2019-2024
Financial Plan 2020-2025
Monitoring Reports 2020/2021
The Capital and Local Property Investment Fund Strategy 2018-22

Document is Restricted

CAPITAL PROGRAMME 2020/2025

Scheme Title	2020/2021	2020/2021	2020/2021	Appendix 1 2020/2021
	Revised Budget	Estimates Amendment	Estimates Rephasing	Amended Programme
	£	£	£	£
<u>MAJOR PROJECTS</u>				
<u>Enterprise Zone</u>				
Project Mngt / Marketing	348,490			348,490
Roads / Infrastructure	8,668,170		(8,645,480)	22,690
Total Enterprise Zone (AD Property and Projects)	9,016,660	0	(8,645,480)	371,180
<u>Major Housing Development</u>				
Salterns Road - Contractor Cost	5,643,850		(5,196,090)	447,760
Salterns Road - BCKLWN Costs	538,000		(538,000)	0
Salterns Road - AHG Contribution	(918,440)		470,680	(447,760)
Alexandra Rd Hun'ton BCKLWN Cost	50,000		(50,000)	0
Phase 3-Lynnsport 1	12,913,160		(12,169,390)	743,770
Phase 1-Lynnsport 3	4,800,040	(1,455,500)		3,344,540
Phase 2 -Lynnsport 4 /5	504,940			504,940
Phase 1 - Marsh Lane	301,620	(281,510)		20,110
Major Housing Management	35,360			35,360
MHP Unallocated Budget	102,290			102,290
Parkway - Gaywood	1,761,800		768,200	2,530,000
Parkway -BRP	(1,800,000)		1,600,000	(200,000)
Parkway - AHG Contribution	(2,098,340)		313,020	(1,785,320)
Nora Phase 4	2,260,320		960,720	3,221,040
Nora Phase 4 - AHG Contribution	(43,720)			(43,720)
Total Major Housing Development (AD Companies and Housing)	24,050,880	(1,737,010)	(13,840,860)	8,473,010
<u>Other Major Projects</u>				
Corn Exchange Cinema	1,097,610			1,097,610
Purfleet Floating Restaurant	75,080		(65,080)	10,000
Chapel Street	350,000		(245,000)	105,000
Chapel Street	33,950			33,950
Chapel Street Third Party Cot'n (Homes England)	(33,950)			(33,950)
Chapel Street Business Rates Pool Contribution	(175,000)		122,500	(52,500)
Chapel Street Net Spend	175,000	0	(122,500)	52,500
Land Acquisitions				0
Nelson Quay Redevelopment	100,000		(95,000)	5,000
NORA Remediation	852,400		(830,000)	22,400
South Quay Somerfield Thomas Silo	656,370		(65,640)	590,730
South Quay Business Rates Pool Contribution	(328,180)		32,820	(295,360)
South Quay Somerfield Thomas Silo Met Spend	328,190	0	(32,820)	295,370
South Quay Stage 3	350,000		(350,000)	0
H&M New Store	6,330	143,750		150,080
Factory Unit 1	0	312,710		312,710
Total for AD Property and Projects	2,984,610	456,460	(1,495,400)	1,945,670
Southgate Regeneration Area	450,000	180,000		630,000
Southgate Regen Area Business Rate Pool Contrib	(225,000)	(90,000)		(315,000)
Southgate Regen Area Net Spend	225,000	90,000	0	315,000
Sail the Wash Sutton Bridge	204,480		(50,000)	154,480
Sail the Wash Kings Lynn	325,450			325,450
Third Party Contribution	(529,930)		50,000	(479,930)
Sail the Wash Net Spend	0	0	0	0
COWA School of Nursing	0	597,000		597,000
COWA School of Nursing	0	(597,000)		(597,000)
	0	0	0	0

CAPITAL PROGRAMME 2020/2025

	2020/2021	2020/2021	2020/2021	Appendix 1 2020/2021
Scheme Title	Revised Budget	Estimates Amendment	Estimates Rephasing	Amended Programme
KLIC Move On Centre	0	250,000		250,000
KLIC Move On Centre - NSF Contribution	0	(250,000)		(250,000)
	0	0	0	0
Total for AD Regeneration	225,000	90,000	0	315,000
Re:Fit Project	485,750			485,750
Total for MD Alive West Norfolk	485,750	0	0	485,750
Total Other Major Projects	3,695,360	546,460	(1,495,400)	2,746,420
Total Major Projects	36,762,900	(1,190,550)	(23,981,740)	11,590,610
<u>OPERATIONAL SCHEMES</u>				
<u>AD Community and Partnerships</u>				
Disabled Facilities Grant	1,381,800	211,570		1,593,370
Adapt Grant	342,670			342,670
	1,724,470	211,570	0	1,936,040
Preventative Works				
Careline Grant	25,000			25,000
Low Level Prevention Fund	125,000			125,000
Preventative Works Total	150,000	0	0	150,000
Total Private Sector Housing Assistance	1,874,470	211,570	0	2,086,040
Careline-Replacement Alarm Uni	103,900			103,900
Lily Project	25,000			25,000
Community Projects	128,180			128,180
Total for AD Community & Partnerships	2,131,550	211,570	0	2,343,120
<u>AD Resources (S151 Officer)</u>				
ICT Development Programme	150,000	173,180		323,180
Standard Desktop Refresh	70,000	34,500		104,500
Teams Telephony	0	38,000		38,000
Total for AD Resources (S151 Officer)	220,000	245,680	0	465,680
<u>AD Regeneration</u>				
Arts Centre Complex	0	21,350		21,350
Total for AD Regeneration	0	21,350	0	21,350
<u>AD Property and Projects</u>				
Princess Theatre Terrace Extension	40,000			40,000
Sewage Treatment Works Refurb/Connect Public Sewer	30,000		(28,000)	2,000
Total for AD Property and Projects	70,000	0	(28,000)	42,000
<u>AD Operational and Commercial Services</u>				
<u>Car Parks</u>				
Resurfacing	441,800	(80,000)	(361,800)	0
Car Parks P&D Machine Replace	240,000		(240,000)	0

CAPITAL PROGRAMME 2020/2025

	2020/2021	2020/2021	2020/2021	Appendix 1 2020/2021
Scheme Title	Revised Budget	Estimates Amendment	Estimates Rephasing	Amended Programme
Car Pk MS Barrier Ticket Mach	38,130		(38,130)	0
Car Prk MS Lighting + Controls	192,000		(192,000)	0
Mintlyn Crem - Extend Car Park	33,000			33,000
The Walks Car Park Resurf & P&D	50,000	80,000		130,000
Off Street Car Parks- Vehicles	60,000		(36,680)	23,320
Car Park Fiesta Vans		150,000		150,000
Car Park Fiesta Vans Third Party Contributions		(150,000)		(150,000)
Car Park Fiesta Vans Net Spend		0	0	0
CCTV				
CCTV Control Room Upgrade	51,390			51,390
CCTV Kettlewell Gadens	25,690			25,690
CCTV Multistorey	9,890			9,890
CCTV Crem	7,730			7,730
Christmas Lights Replacement	187,550		(187,550)	0
Estate Roads - Resurfacing	30,500			30,500
Gayton Road Cemetery Extension	145,800		(145,800)	0
Works to Oldsunway Bridge	30,000		(25,000)	5,000
Parking/Gladstone Server Upgrade	12,030		(12,030)	0
NTP Street Furniture / Public Realm	0	80,000		80,000
Compactible Bins	0	50,000		50,000
Third Party Contribution	0	(130,000)		(130,000)
RHSF Signage	0	50,000		50,000
Third Party Contribution	0	(50,000)		(50,000)
Public Realm/Town Deal	0	153,000		153,000
Public Realm/Town Deal	0	(153,000)		(153,000)
NSF Events Equipment	0	155,000		155,000
NSF Third Party Contribution	0	(120,000)		(120,000)
Heacham Toilets South Beach	0	75,000		75,000
Heacham Toilets South Beach - Contribution	0	(47,500)		(47,500)
Total Heacham Toilets South Beach		27,500		27,500
Refuse and Recycling				
Refuse - Black Bins	25,000	15,000		40,000
Brown Bins/Compost	15,000	25,000		40,000
Green Bins/Recycling	18,000	22,000		40,000
Trade Bins	10,000	30,000		40,000
Refuse Vehicles	12,650		(12,650)	0
Replacement Play Area Equipment	40,000		(40,000)	0
Play Area Equipment - King's Lynn (KLAC)	30,000			30,000
Replacement Play Area Equipment	28,000		(28,000)	0
Resort - Beach Safety Signage	15,000			15,000
Resort - Visitor Digital Sign	50,000			50,000
Tourist Signs A47	21,000		(21,000)	0
Grounds Maintenance Equipment	26,790			26,790
Grounds Maintenance Vehicles	314,300		(266,750)	47,550
Public Cleansing Vehicles	356,220		(76,590)	279,630
Total for AD Operations and Commercial	2,517,470	154,500	(1,683,980)	987,990
MD Alive West Norfolk				
Corn Exchange				
Corn Exchange -Refurbish Seating	1,760		2,100	3,860
Corn Exchange - Replace Speakers	70,000		(70,000)	0
Corn Exchange - Light Desk & Lights	40,000		(40,000)	0
Corn Exchange - CYC Colr Sourc Lighti	12,000		(12,000)	0

CAPITAL PROGRAMME 2020/2025

Scheme Title	2020/2021	2020/2021	2020/2021	Appendix 1
	Revised Budget	Estimates Amendment	Estimates Rephasing	2020/2021 Amended Programme
Downham Market Leisure Centre				
DMLC - Refurb Toilets	10,460		(10,460)	0
DMLC - Replacement Spin Bikes	23,000		(23,000)	0
DMLC - Replace Heat/Cool AHU Dance Studio	25,000		(25,000)	0
DMLC - Fitness Room Flooring	20,000		(20,000)	0
DMLC - HallDance Studio Reseal	9,250		(9,250)	0
Lynnsport				
Lynnsport - Fitness Equipment	108,000		(108,000)	0
L/Sport Fire Alarm Upgrade	15,000		(15,000)	0
L/Sport - Replacement Flooring	12,000		(12,000)	0
L/Sport Air Conditioning	15,000			15,000
L/sport Boilers & Plant	115,000		(115,000)	0
L/Sport Toilets & Changing Room	20,000		10,000	30,000
L/Sport Exterior Side Entrance	27,400		(27,400)	0
L/Sport Spin Bikes	17,000		(17,000)	0
L/Sport Female Changing Room Sauna	10,000		(10,000)	0
L/sport Fire Doors	20,000			20,000
L/Sport Furniture& Bins External	20,000		(20,000)	0
L/Sport Fire Supression Catering/Sauna	15,000		(15,000)	0
L/Sport New 3G Pitch	350,000		(350,000)	0
L/Sport Toning Studio	100,000		(100,000)	0
St James Pool				
St James - Floor/Surface Replace	25,000		(25,000)	0
St James Fitness Equipment	30,000		(30,000)	0
St James Pool Covers	11,000		(11,000)	0
St James Spin Bikes	20,000		(20,000)	0
St James CCTV Upgrade	15,000		(15,000)	0
St James Replacement Plant	13,000		(13,000)	0
Oasis				
Oasis Fire Doors	15,000		(15,000)	0
Total for MD Alive West Norfolk	1,184,870	0	(1,116,010)	68,860
Total Operational Schemes	6,123,890	633,100	(2,827,990)	3,929,000
Total Capital Programme (non exempt)	42,886,790	(557,450)	(26,809,730)	15,519,610

CAPITAL PROGRAMME 2020/2025

Appendix 2

Scheme Title	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	Total Project Spend
	Amended Programme	Revised Programme	Revised Programme	Revised Programme	Revised Programme	
	£	£	£	£	£	£
MAJOR PROJECTS						
Enterprise Zone						
Project Mgmt / Marketing	348,490	0	0	0	0	348,490
Roads / Infrastructure	22,690	8,645,480	0	0	0	8,668,170
Total Enterprise Zone (AD Property and Projects)	371,180	8,645,480	0	0	0	9,016,660
Major Housing Development						
Salterns Road - Contractor Cost	447,760	6,176,200	6,612,000	97,320	0	13,333,280
Salterns Road - BCKLWN Costs	0	0	838,000	0	0	838,000
Salterns Road - AHG Contribution	(447,760)	(470,680)	0	0	0	(918,440)
Alexandra Rd Hun'ton BCKLWNCost	0	0	5,373,540	0	0	5,373,540
Phase 3-Lynnsport 1	743,770	3,183,260	5,642,260	6,136,730	1,534,180	17,240,200
Phase 1-Lynnsport 3	3,344,540	0	0	0	0	3,344,540
Phase 2 -Lynnsport 4 /5	504,940	0	0	0	0	504,940
Phase 1 - Marsh Lane	20,110	0	0	0	0	20,110
Major Housing Management	35,360	0	0	0	0	35,360
MHP Unallocated Budget	102,290	0	0	0	0	102,290
Parkway - Gaywood	2,530,000	9,834,500	22,323,500	19,011,000	16,511,000	70,210,000
Parkway -BRP	(200,000)	(1,500,000)	(200,000)	0	0	(1,900,000)
Parkway - AHG Contribution	(1,785,320)	(1,250,000)	0	0	0	(3,035,320)
Parkway - Towns Fund Third Party Cont'n	0	(2,500,000)	(2,500,000)	0	0	(5,000,000)
Parkway - NCC Third Party Cont'n	0	(1,187,500)	0	0	0	(1,187,500)
Nora Phase 4	3,221,040	7,317,630	6,218,100	1,044,470	0	17,801,240
Nora Phase 4 - AHG Contribution	(43,720)	0	0	0	0	(43,720)
Total Major Housing Development (AD Companies and Housing)	8,473,010	19,603,410	44,307,400	26,289,520	18,045,180	116,718,520
Other Major Projects						
Corn Exchange Cinema	1,097,610	0	0	0	0	1,097,610
Purfleet Floating Restaurant	10,000	65,080	0	0	0	75,080
Chapel Street	105,000	245,000	0	0	0	350,000
Chapel Street	33,950	0	0	0	0	33,950
Chapel Street Third Party Cot'n (Homes England)	(33,950)	0	0	0	0	(33,950)
Chapel Street Business Rates Pool Contribution	(52,500)	(122,500)	0	0	0	(175,000)
Chapel Street Net Spend	52,500	122,500	0	0	0	175,000
Nelson Quay Redevelopment	5,000	95,000	0	0	0	100,000
NORA Remediation	22,400	830,000	0	0	0	852,400
South Quay Somerfield Thomas Silo	590,730	0	0	0	0	590,730
South Quay Business Rates Pool Contribution	(295,360)	0	0	0	0	(295,360)
South Quay Somerfield Thomas Silo Met Spend	295,370	0	0	0	0	295,370
South Quay Stage 3	0	350,000	0	0	0	350,000
H&M New Store	150,080	0	0	0	0	150,080
Factory Unit 1	312,710	0	0	0	0	312,710
					0	0
Total for AD Property and Projects	1,945,670	1,462,580	0	0	0	3,408,250
Southgate Regeneration Area	630,000	0	0	0	0	630,000
Southgate Regen Area Business Rate Pool Contrib	(315,000)	0	0	0	0	(315,000)
Southgate Regen Area Net Spend	315,000	0	0	0	0	315,000
Sail the Wash Sutton Bridge	154,480	50,000	0	0	0	204,480
Sail the Wash Kings Lynn	325,450	0	0	0	0	325,450
Third Party Contribution	(479,930)	(50,000)	0	0	0	(529,930)
Sail the Wash Net Spend	0	0	0	0	0	0
COWA School of Nursing	597,000	0	0	0	0	597,000
COWA School of Nursing	(597,000)	0	0	0	0	(597,000)
	0	0	0	0	0	0
KLIC Move On Centre	250,000	0	0	0	0	250,000
KLIC Move On Centre - NSF Contribution	(250,000)	0	0	0	0	(250,000)
	0	0	0	0	0	0
Total for AD Regeneration	315,000	0	0	0	0	315,000

CAPITAL PROGRAMME 2020/2025

Appendix 2

Scheme Title	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	Total Project Spend
	Amended Programme	Revised Programme	Revised Programme	Revised Programme	Revised Programme	
Re:Fit Project	485,750	0	0	0	0	485,750
Total for MD Alive West Norfolk	485,750	0	0	0	0	485,750
Total Other Major Projects	2,746,420	1,462,580	0	0	0	4,209,000
Total Major Projects	11,590,610	29,711,470	44,307,400	26,289,520	18,045,180	129,944,180
OPERATIONAL SCHEMES						
<u>AD Community and Partnerships</u>						
Disabled Facilities Grant	1,593,370	1,381,800	1,381,800	1,381,800	1,381,800	7,120,570
Adapt Grant	342,670	618,200	618,200	618,200	618,200	2,815,470
	1,936,040	2,000,000	2,000,000	2,000,000	2,000,000	9,936,040
Preventative Works						
Careline Grant	25,000	25,000	25,000	25,000	25,000	125,000
Low Level Prevention Fund	125,000	125,000	125,000	125,000	125,000	625,000
Preventative Works Total	150,000	150,000	150,000	150,000	150,000	750,000
		0	0	0	0	
Total Private Sector Housing Assistance	2,086,040	2,150,000	2,150,000	2,150,000	2,150,000	10,686,040
Careline-Replacement Alarm Uni	103,900	60,000	60,000	60,000	60,000	343,900
Careline - Replacement Vehicles	0	56,850	0	0	0	56,850
Lily Project	25,000	0	0	0	0	25,000
Community Projects	128,180	50,000	50,000	50,000	50,000	328,180
Total for AD Community & Partnerships	2,343,120	2,316,850	2,260,000	2,260,000	2,260,000	11,439,970
<u>AD Resources (S151 Officer)</u>						
					0	
ICT Development Programme	323,180	150,000	150,000	150,000	150,000	923,180
Standard Desktop Refresh	104,500	0	0	0	0	104,500
Teams Telephony	38,000	0	0	0	0	38,000
Total for AD Resources (S151 Officer)	465,680	150,000	150,000	150,000	150,000	1,065,680
<u>AD Regeneration</u>						
Arts Centre Complex	21,350	0	0	0	0	21,350
Total for AD Regeneration	21,350	0	0	0	0	21,350
<u>AD Property and Projects</u>						
Princess Theatre Terrace Extension	40,000	0	0	0	0	40,000
Sewage Treatment Works Refurb/Connect Public Sewer	2,000	28,000	0	0	0	30,000
Total for AD Property and Projects	42,000	28,000	0	0	0	70,000
<u>AD Operational and Commercial Services</u>						
Car Parks						
Resurfacing	0	361,800	0	0	0	361,800
Car Parks P&D Machine Replace	0	240,000	0	0	0	240,000
Car Pk MS Barrier Ticket Mach	0	38,130	0	0	0	38,130
Car Prk MS Lighting + Controls	0	192,000	0	0	0	192,000
Mintlyn Crem - Extend Car Park	33,000	0	0	0	0	33,000
The Walks Car Park Resurf & P&D	130,000	0	0	0	0	130,000
Off Street Car Parks- Vehicles	23,320	0	0	0	0	23,320
Car Park Fiesta Vans	150,000	0	0	0	0	150,000
Car Park Fiesta Vans Third Party Contributions	(150,000)	0	0	0	0	(150,000)
Car Park Fiesta Vans Net Spend	0	0	0	0	0	0
CCTV						
CCTV Control Room Upgrade	51,390	250,000	0	0	0	301,390
CCTV Kettlewell Gardens	25,690	0	0	0	0	25,690
CCTV Multistorey	9,890	0	0	0	0	9,890
CCTV Crem	7,730	0	0	0	0	7,730
					0	
Christmas Lights Replacement	0	187,550	0	0	0	187,550

CAPITAL PROGRAMME 2020/2025

Appendix 2

Scheme Title	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	Total Project Spend
	Amended Programme	Revised Programme	Revised Programme	Revised Programme	Revised Programme	
Emerg Plan - Replace Radios	0	30,000	0	0	0	30,000
Estate Roads - Resurfacing	30,500	0	0	0	0	30,500
Gayton Road Cemetery Extension	0	145,800	0	0	0	145,800
Works to Oldsunway Bridge	5,000	25,000	0	0	0	30,000
Parking/Gladstone Server Upgrade	0	12,030	0	0	0	12,030
NTP Street Furniture / Public Realm	80,000					80,000
Compactible Bins	50,000					50,000
Third Party Contribution	(130,000)					(130,000)
RHSF Signage	50,000					50,000
Third Party Contribution	(50,000)					(50,000)
Public Realm/Town Deal	153,000					153,000
Public Realm/Town Deal	(153,000)					(153,000)
NSF Events Equipment	155,000	0	0	0	0	155,000
NSF Third Party Contribution	(120,000)	0	0	0	0	(120,000)
Heacham Toilets South Beach	75,000					75,000
Heacham Toilets South Beach - Contribution	(47,500)					(47,500)
Total Heacham Toilets South Beach	27,500					27,500
Refuse and Recycling						
Refuse - Black Bins	40,000	25,000	25,000	25,000	25,000	140,000
Brown Bins/Compost	40,000	25,000	25,000	25,000	25,000	140,000
Green Bins/Recycling	40,000	25,000	25,000	25,000	25,000	140,000
Trade Bins	40,000	25,000	25,000	25,000	25,000	140,000
Refuse Vehicles	0	18,010	0	0	0	18,010
Replacement Play Area Equipment	0	60,000	20,000	20,000	0	100,000
Play Area Equipment - King's Lynn (KLAC)	30,000	0	0	0	0	30,000
Replacement Play Area Equipment	0	28,000	0	0	0	28,000
Resort - Beach Safety Signage	15,000	0	0	0	0	15,000
Resort - Visitor Digital Sign	50,000	0	0	0	0	50,000
Tourist Signs A47	0	21,000	0	0	0	21,000
Grounds Maintenance Equipment	26,790	0	0	0	0	26,790
Grounds Maintenance Vehicles	47,550	196,570	40,500	29,680	0	314,300
Public Cleansing Vehicles	279,630	298,260	10,000	358,090	0	945,980
Total for AD Operations and Commercial	987,990	2,204,150	170,500	507,770	100,000	3,970,410
MD Alive West Norfolk						
<u>Corn Exchange</u>						
Corn Exchange -Internal Dec	0	0	10,000	0	0	10,000
Corn Exchange -Refurbish Seating	3,860	12,900	15,000	0	0	31,760
Corn Exchange - Replace Speakers	0	70,000	0	0	0	70,000
Corn Exchange - Light Desk & Lights	0	40,000	0	0	0	40,000
Corn Exchange - CYC Colr Sourc Lighti	0	12,000	0	0	0	12,000
Corn Exchange - Mobile Elevat Wrk Platf	0	15,000	0	0	0	15,000
<u>Downham Market Leisure Centre</u>						
DMLC - Refurb Toilets	0	10,460	0	0	0	10,460
DMLC - Replacement Spin Bikes	0	23,000	0	0	0	23,000
DMLC - Replace Heat/Cool AHU Dance Studio	0	25,000	0	0	0	25,000
DMLC - Fitness Room Flooring	0	20,000	0	0	0	20,000
DMLC - HallDance Studio Reseal	0	22,250	0	0	0	22,250
<u>Lynnsport</u>						
Lynnsport - Fitness Equipment	0	108,000	0	0	0	108,000
L/Sport - Replacement Audio Syst	0	10,000	0	0	0	10,000
L/Sport - Floor Surface Reseal	0	40,000	0	0	0	40,000
L/Sport Fire Alarm Upgrade	0	15,000	0	0	0	15,000
L/Sport - Replacement Flooring	0	12,000	0	0	0	12,000
L/Sport Air Conditioning	15,000	0	0	0	0	15,000
L/sport Boilers & Plant	0	115,000	0	0	0	115,000
L/Sport Toilets & Changing Room	30,000	32,480	0	0	0	62,480
L/Sport Exterior Side Entrance	0	27,400	0	0	0	27,400
L/Sport Spin Bikes	0	17,000	0	0	0	17,000
L/Sport Female Changing Room Sauna	0	10,000	0	0	0	10,000
L/sport Fire Doors	20,000	0	0	0	0	20,000
L/Sport Furniture& Bins External	0	30,000	0	0	0	30,000
L/Sport Fire Supression Catering/Sauna	0	15,000	0	0	0	15,000
L/Sport New 3G Pitch	0	350,000	0	0	0	350,000

CAPITAL PROGRAMME 2020/2025

Appendix 2

Scheme Title	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	Total Project Spend
	Amended Programme	Revised Programme	Revised Programme	Revised Programme	Revised Programme	
L/Sport Toning Studio	0	100,000	0	0	0	100,000
<u>St James Pool</u>						
St James - Floor/Surface Replace	0	25,000	0	0	0	25,000
St James Fitness Equipment	0	30,000	0	0	0	30,000
St James Pool Covers	0	11,000	0	0	0	11,000
St James Spin Bikes	0	20,000	0	0	0	20,000
St James CCTV Upgrade	0	15,000	0	0	0	15,000
St James Replacement Plant	0	13,000	0	0	0	13,000
<u>Oasis</u>						
Oasis Fire Doors	0	15,000	0	0	0	15,000
Total for MD Alive West Norfolk	68,860	1,261,490	25,000	0	0	1,355,350
Total Operational Schemes	3,929,000	5,960,490	2,605,500	2,917,770	2,510,000	17,922,760
Total Capital Programme (non exempt)	15,519,610	35,671,960	46,912,900	29,207,290	20,555,180	147,866,940

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

APPENDIX 1

Capital Loan	Start Date	End Date	Rate %	Principal per SOA at 31.03.20	Revised Agreement	Repayable at 31.12.20	Balance c/fwd at 31.12.20
NWES Property Services Limited	05/06/2019	05/04/2024	5.25	1,066,755	(1,066,755)		-
NWES Revised Settlement*	31/10/2020	30/04/2026	5.25		1,147,233	30,128	1,117,105
West Norfolk Housing Company	05/06/2019	05/04/2024	5.25	1,819,528	-	12,102	1,807,427
Total Capital Loans				2,886,283	80,478	42,230	2,924,532

*A Settlement Agreement dated 26 November 2020 was agreed and signed by NWES Property Services Limited. This Agreement revises the amounts owed to include reimbursement of costs incurred by the Council.

Interest Receivable	20/21 Interest Receivable at 31.12.20
NWES Property Services Limited	89,093
West Norfolk Housing Company	62,102
Total Capital Loans	151,195

REPORT TO CABINET

Open/Exempt	OPEN	Would any decisions proposed :			
Any especially affected Wards	Mandatory	Be entirely within Cabinet's powers to decide	NO		
		Need to be recommendations to Council	YES		
		Is it a Key Decision	NO		
Lead Member: Councillor Brian Long E-mail: cllr.brian.long@west-norfolk.gov.uk		Other Cabinet Members consulted: None			
		Other Members consulted: None			
Lead Officer: Ruth Wilson E-mail: ruth.wilson@west-norfolk.gov.uk Direct Dial:01553 616450		Other Officers consulted: None			
Financial Implications NO	Policy/ Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment NO If YES: Pre-screening/ Full Assessment	Risk Management Implications NO	Environmental Considerations NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)					

Date of meeting: 2 February 2021

CAPITAL STRATEGY 2021/22

Summary

The Capital Strategy outlines the principles and framework that shape the Council's capital decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council's priorities and objectives as set out in the Corporate Plan. The Capital Strategy will be updated annually and will be put before Cabinet alongside the Treasury Management Strategy so that it can be approved before the year to which it relates begins.

The Strategy defines at the highest level how the capital programme is to be formulated; it identifies the issues and options that influence capital spending and sets out how the resources and capital programme will be managed.

Recommendation

- 1) that Cabinet approve the Capital Strategy 2021/22 as attached to this report.

Reason for Decision

Not to approve these policies would contravene the requirements of both legislation and good practice. In addition, the external auditors may comment in their report to those charged with governance (ISA260).

1 Background

As local authorities become increasingly complex and diverse it is vital that those charged with governance understand the long-term context in which investment decisions are made and all the financial risks to which the authority is exposed. With local authorities having increasingly wide powers around commercialisation, more being subject to group arrangements and the increase in combined authority arrangements it is no longer sufficient to consider only the individual local authority but also the residual risks and liabilities to which it is subject.

The capital strategy is intended to give a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2 Options Considered

No options considered. The CIPFA Prudential Code for Capital Finance in Local Authorities (2017) states that authorities should have in place a capital strategy that sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement or priority outcomes.

3 Policy Implications

The CIPFA Prudential Code for Capital Finance in Local Authorities (2017) states that authorities should have in place a capital strategy.

4 Financial Implications

The Strategy is a statutory requirement and has no financial implications.

5 Personnel Implications

The Strategy is a statutory requirement and has no personnel implications.

6 Environmental Considerations

The Strategy is a statutory requirement and has no environment considerations to consider.

7 Statutory Considerations

The CIPFA Prudential Code for Capital Finance in Local Authorities (2017) states that authorities should have in place a capital strategy.

8 Equality Impact Assessment (EIA)

(Pre screening report template attached)

There are no changes being considered. This is a statutory requirement and therefore there are no impacts to report.

9 Risk Management Implications

Not to approve these policies would contravene the requirements of both legislation and good practice.

10 Declarations of Interest / Dispensations Granted

There are no declarations of interest.

11 Background Papers

Cabinet Reports

Financial Plan 2020-2025

Monthly Monitoring Reports

Statement of Accounts

Corporate Business Plan 2019-24

Financial Sustainability Plan 2016-2020

Borough Council of Kings Lynn and West Norfolk

CAPITAL STRATEGY 2021/2022

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1. Introduction and Overview

The Capital Strategy provides a clear framework to ensure that capital investment plans are affordable, prudent and sustainable.

This report provides:

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed;
- the implications for future financial sustainability.

Under the Capital Strategy all capital investment should contribute to the achievement of the main priorities of the Council. This enables capital funds to be directed to projects meeting the highest corporate priorities.

When identifying and planning new schemes the Council will try to maximise all external sources of finance (grants, partnership funding, joint ventures etc). It will however ensure that such sums do not come with conditions attached, that reduce the effect of the scheme should the funding source not have been used.

The evaluation process will consider revenue implications and provide value for money for residents of West Norfolk.

2. The Council's Corporate Business Plan

The Council publishes a Corporate Business Plan which sets out the broad framework for the Council's aims for the period covered by the plan. A Corporate Business Plan 2020-2024 was developed and agreed by Council in January 2020. https://www.west-norfolk.gov.uk/info/20163/corporate_performance_and_transparency/450/corporate_business_plan

The plan outlines six priority aims, supported by 19 key objectives in areas of key importance to the authority. The six priority aims within the new plan are:

1. Focusing on delivery
2. Delivering growth in the economy and with local housing
3. Protecting and enhancing the environment including tackling climate change
4. Improving social mobility and inclusion
5. Creating and maintaining good quality places that make a positive difference to people's lives
6. Helping to improve the health and wellbeing of our communities

The purpose of the Capital Strategy is to deliver the Council's key priorities by using capital resources to provide assets appropriate to the Council's service, in the most efficient and effective manner.

3. Capital Expenditure

3.1 An overview of the governance process for approval and monitoring of capital expenditure

Decisions around capital expenditure, investment and borrowing align with the processes established for the setting and revising of the budget. Ultimate responsibility lies with full council.

Democratic decision-making and scrutiny processes provide overall political direction and ensure accountability for investment in the capital programme.

- Council approves the Corporate Business Plan which sets out the broad framework for the Council's aims;
- Council approves the Capital Strategy, Treasury Management Strategy and a five-year capital programme which includes a list of schemes with profiled costs and funding sources.
- Members receive regular capital monitoring reports, approve variations to the programme and consider new bids for inclusion in the capital programme.
- The capital programme is subject to internal and external audit.

The ICT Development Group oversees the preparation and delivery of the Council's ICT systems programme. It also approves any ICT bids that are to be made to the capital programme.

Major Housing Development monitoring procedures are set out in the Cabinet Report 3 February 2015. Recommendations to Council go to Cabinet for approval of each phase.

At each year end a report will be taken to the Corporate Performance Panel, Cabinet and Council to show the outcome of the financial year and the impact on the future capital programme and resources.

As local authorities become increasingly complex and diverse it is vital that those charged with governance understand the long-term context in which investment decisions are made and all the financial risks to which the authority is exposed. With local authorities having increasingly wide powers around commercialisation, more being subject to group arrangements and the increase in combined authority arrangements it is no longer enough to consider only the individual local authority but also the residual risks and liabilities to which it is subject.

In considering how stewardship, value for money, prudence, sustainability, risk and affordability can be demonstrated the council will have regard to the following key areas:

- Capital expenditure
- Debt and borrowing and treasury management
- Commercial activity
- Other long-term liabilities
- Knowledge and skills

3.2 Capital Expenditure

Capital expenditure over £10,000 on the acquisition, creation or enhancement of assets is included in the capital programme.

Details on the council's capitalisation policies can be found in the Statement of Accounts. https://www.west-norfolk.gov.uk/info/20160/budgets_and_spending/361/annual_accounts

The Council capitalises borrowing costs incurred whilst assets are under construction.

Capital expenditure is defined in Section 16 of SI 2003/3146 as:

- Expenditure that results in the acquisition, construction or enhancement of fixed assets (tangible and intangible)
- Expenditure fulfilling one of the definitions specified in regulations made under the Local Government Act 2003

- Expenditure which has been directed to be treated as capital by the Secretary of State (for example, grants made to third parties for the purpose of capital expenditure).

3.3 Capital Bids and Prioritisation

Proposed capital projects must present a clear business case. The scheme bids are evaluated against the corporate criteria and prioritised on that basis subject to a recognised limit on resources available in the period. The proposed capital programme is then discussed with Management Team and put forward to the Cabinet and Council for approval. The report on the capital programme will go through the normal process of scrutiny by the various Panels of the Council. Members receive adequate training to ensure decisions can be properly debated and understood and scrutiny functions can be effective. The training needs of officers are periodically reviewed and annual CPD training events are attended.

All schemes, whether existing or new, are scrutinised and challenged where appropriate by officers to verify the underlying costs and/or establish whether alternative methods of delivery have been investigated in order to meet the relevant needs and outcomes of the Council.

3.4 A long-term view of capital expenditure plans

Over recent years the council has undertaken a number of cost-reduction initiatives that will help tackle the phasing out of Revenue Support Grant (RSG), one of the council's main sources of revenue funding.

Even though the council has undertaken cost-reduction measures, these do not go far enough to balance its budget in the years ahead. To address this the council has identified projects that link to strategic corporate objectives, help to address its revenue requirements going forward and take advantage of capital funding opportunities being promoted by Central Government.

The council has long-held ambitions for the growth, development and regeneration for West Norfolk and particularly King's Lynn as its main urban centre and driver of the local economy.

The Council has progressed significant regeneration initiatives within the borough over several years. The two main initiatives within King's Lynn have been the Nar Ouse Regeneration Area (NORA) and the Waterfront Regeneration Area (WRA). These regeneration initiatives have been progressed by the Council with inputs from a variety of other public bodies and agencies over the years. Significant amounts of funding have been secured from partner agencies to facilitate these regeneration initiatives that will help drive the growth, development and sustainability of King's Lynn as a sub-regional centre.

The Council, with its partner agencies, and the private sector, has invested significantly in the delivery of the NORA and the WRA to help bring these sites forward for development. This includes:

- Land assembly - acquisition of sites by private treaty negotiation and compulsory purchase orders (CPO's)
- Contaminated land remediation
- Strategic surface water infrastructure civil engineering works at the River Nar
- Significant highway infrastructure – Nar Ouse Way (connecting the A47 with Southgates roundabout) and Harding's Way (Community Infrastructure Fund (CIF2 funding) (connecting Wisbech Road with Boal Street)
- Development of a new school (St Michael's)

- Development of residential housing – both by the private sector and the borough council.
- A hotel development (private sector funded)
- A Pub Restaurant development (private sector funded)

In addition to the above the council is about to embark on the delivery of:

- Secondary highway infrastructure on the NORA Enterprise Zone area to enable development sites to come onto the market; and
- The development of speculative commercial units (offices and light industrial) on the NORA site to be leased to potential occupiers

The two current initiatives above are again facilitated by partner agencies, particularly with regard to funding arrangements via Business Rates retention to fund the secondary road infrastructure costs, and a long-term repayable grant from the New Anglia Local Enterprise Partnership (NALEP) for the development of the speculative units.

Overall, the regeneration initiatives are intended to provide opportunities for business development, employment, places for residents to live and the associated infrastructure to facilitate the sustainable growth of King's Lynn.

In addition to the above, the council has also secured (or is in the process of securing) capital grant funding from:

- One Public Estate fund
- Heritage Action Zone
- High Street Heritage Action Zone
- Coastal Revival Fund
- Business Rates Pooling
- Accelerated Construction Programme
- Town Deal

The council is looking to use these funds to help deliver projects that will help with revenue generation, regeneration, economic development and place shaping initiatives for the benefit of the borough. The funding streams above will help with:

- Housing growth and delivery
- Business premises delivery
- Shore up and evolve King's Lynn's retail core
- Enhance the local economy in Hunstanton
- Help enhance important architectural elements within King's Lynn High Street
- Improve the tourist and visitor appeal to the area

In addition to the above, the council is developing a programme of property-related projects that are aimed at helping with potential revenue budget shortfalls in the future. These projects are being assessed using appropriate project management tools in their development ensuring that risk (particularly financial risk) is being identified early. The Business Cases for these projects are being scrutinised by the Officer Major Projects Board as they develop and are rigorously challenged prior to entering the council's decision-making processes. In addition to this a Member Major Projects Board has also been established to have over-sight of the Officer Board to ensure that risks have been properly identified (and mitigated) and that appropriate levels of due diligence are undertaken.

A Programme of all the property-related projects is in development that will enable the council to look at the short, medium and longer term cash flow implications of all of the projects as a whole and be able to assess peak levels of borrowing required to fund the programme.

3.5 An overview of asset management planning

Asset Management can be defined as:

“the optimum way of managing assets to achieve a desired sustainable outcome”

or as the efficient and effective use of property assets.

However, in the local government context, it is more than this. The borough council must consider why it holds property assets. The borough council's property portfolio must be a strategic corporate resource, and it is important that the property portfolio contributes to the success of the organisation.

The council's Corporate Business Plan sets out corporate priorities and objectives. These are set out below with some examples of how asset management planning has (or will) contributed to the delivery of these (it is important to note that the examples given are not a comprehensive list – but are provided to give a sense of where assets and their management can help with the delivery of the corporate objectives):

Delivering growth in the economy and with local housing

The council owns and manages a commercial property portfolio mainly in King's Lynn, Downham Market, Hunstanton and Heacham providing business premises comprising a mix of light industrial, office, retail and leisure premises suitable for local, national and international business occupiers. Much of the commercial property portfolio is of a size that the Private Sector would not deliver and manage owing to the relatively “hands-on” management that is required particularly when dealing with the small and medium enterprises.

The council's cabinet has agreed to invest in the development of new commercial premises at the Nar Ouse Enterprise Zone with the help of the New Anglia Local Enterprise Partnership by their providing additional long-term funding. These premises will be offered to businesses seeking new accommodation and, owing to the Enterprise Zone status, the businesses may benefit from Business Rates exemption for up to five years (up to a maximum financial level).

As well as the new commercial premises the council's cabinet has agreed to invest in providing secondary road infrastructure on the Nar Ouse Enterprise Zone. This will open significant areas of commercial development land that will be made available, for sale or long lease, to businesses wanting to construct premises for their own occupation.

The delivery of the land and premises on the Nar Ouse Regeneration Area is the culmination of a long-term asset management plan comprising land acquisition and disposal, remediation of contaminated land, partnering with other public bodies and agencies to help with delivery and funding. The site has delivered housing units, commercial premises (King's Lynn Innovation Centre, a pub restaurant and a hotel). Other commercial premises, mainly offices and light industrial units will be delivered in the up-coming years.

Since 2008 the council has become one of the main sources for the delivery of new housing in West Norfolk. The council has delivered, and continues to deliver, housing around Lynn Sport, Marsh Lane, Salters Road, Parkway (Gaywood), Nar Ouse Regeneration Area in King's Lynn, Burnham Market and Hunstanton.

Protecting and enhancing the environment (and tackling climate change)

As part of the wider major housing delivery around Lynn Sport and Marsh Lane the council worked with the local internal drainage board (IDB) to acquire a site, by way of Compulsory Purchase Order, for a new pumping station that would help divert water flow from the Gaywood River to help prevent flooding issues in King's Lynn town. Also, as part of this housing delivery scheme a new road was constructed connecting North Lynn to the Edward Benefer Way thereby helping to add highway capacity to King's Lynn with potential improvements to traffic congestion and air quality management areas in the town.

The council holds, manages and maintains large areas of public open space and is exploring opportunities for tree planting schemes potentially similar to the community led Community Orchard that was developed at Hunstanton Community Centre.

The council has already installed photovoltaic panels to King's Court, the council's main administrative building as well as most of the leisure premises such as Lynn Sport and Downham Market. Many of the property-related projects are exploring opportunities for using, or generating, more sustainable energy, for example, air source heat pumps were installed at the council's recent, small-scale housing development in Burnham Market.

The above examples are relatively small-scale however the council is currently developing other options/opportunities relating to climate change issues, some of which may relate to land and buildings held, or to be acquired, by the council.

Improving social mobility and inclusion

The council rationalised and adapted King's Court to accommodate the Department of Work and Pensions Job Centre. This has not only helped both organisations financially, it has also created a "one-stop-shop" for customers accessing council and job centre services. The council and the department of work and pensions are now able to work together helping to deliver services in a better way.

The council identified an underperforming office asset in King's Lynn town centre and has successfully converted these premises to provide temporary housing accommodation. This exercise has delivered much needed accommodation in a location that provides ready access to shops, public services, and transport.

Creating and maintaining good quality places that make a positive difference to people's lives

The council has invested in public realm improvements to the Tuesday and Saturday Market Places and delivered a Townscape Heritage Initiative scheme on the latter (with Heritage lottery fund) that has provided significant visual enhancements to two important areas of the historic built environment.

The council has also been awarded a High Street Heritage Action Zone (Historic England) that will help to make significant improvements to King's Lynn's town centre.

While the bid to the Future High Streets Fund was unsuccessful, the council is due to receive feedback from Government in February 2021 on its Town Fund submission to secure a Town Deal to access up to £25m for investment priorities set out in the Town Investment Plan Alternative funding for projects developed for Future High Streets Fund is being pursued.

Helping to improve the health and wellbeing of our communities

The council has set up its own leisure company that will help delivery of the council's leisure facilities and activities at Lynn Sport, St James Swimming Pool, Downham Market Leisure Centre and at Oasis Leisure Centre in Hunstanton.

3.6 Capital Loans

The council has discretion to make loans for a number of reasons, primarily for economic development. These loans are treated as capital expenditure.

In making loans the council is exposing itself to the risk that the borrower defaults on repayments. The council, in making these loans, must therefore ensure they are prudent and risk implications have been fully considered.

The council will ensure that a full due diligence exercise is undertaken, and adequate security is in place. The business case will balance the benefits and the risks. All loans are agreed by Cabinet. All loans will be subject to close, regular monitoring.

The council has set up companies to ensure successful delivery of current and future Major Projects to achieve revenue income in response to the future funding gap for local government. It is also clear that there will be a requirement for some element of future growth, in particular to address shortages in affordable housing and infrastructure.

The Council has established:

- West Norfolk Housing Ltd Registered Provider of Social Housing Provider to provide affordable housing.
- West Norfolk Property Limited to provide housing to rent on a commercial basis. 20% of Private Rented Sector housing developments for all large and urban developments to be retained by the Council subject to monitoring and reviews.

The establishment of further limited company vehicles to enable the Council to progress other major development and infrastructure projects may be considered.

The Council has made loans for capital purposes to West Norfolk Housing Company and to NWES. A Schedule of Capital Loans can be seen in Appendix 1.

The Treasury Management Strategy has an investment treasury indicator and limit for total principal funds invested for greater than 365 days for Wholly Owned Local Authority Companies of £12million.

3.7 Capital Financing

An objective of the Capital Strategy is to ensure that, once prioritisation has been settled, the programme is managed according to funding availability avoiding if possible cashflow difficulties. The programme must be robust enough and able to be rephased if circumstances, including the availability of finance, change. The prime aim will be to ensure that funding streams are matched to capital programme demands however, there must be scope to accelerate or defer schemes if necessary, in order to use resources effectively.

Finance remains one of the primary constraints on any capital programme. Under the current Prudential Borrowing Code arrangements, the Council can determine its own borrowing limits for capital expenditure although the Government does have reserve powers to restrict borrowing. To demonstrate that the Council has taken proper care in determining any borrowing the Prudential Borrowing Code requires that certain treasury indicators and factors

are taken into account – in essence there is a requirement to prove that the borrowing is ‘affordable’ from the revenue budget. The Council is obliged to set out the Treasury Management indicators by which it will operate each year. These are set out in the Treasury Management Strategy. The Capital Strategy requires the Section 151 Officer to report, as part of the annual Budget setting for each year, on the level and the affordability of the prudential borrowing.

There are a number of resources available to the Council to support the funding of the capital programme:

- Capital receipts from the disposal of assets
- Prudential Borrowing
- Section 106, Community Infrastructure Levy and third-party contributions
- Reserves and revenue contributions
- Central Government and external grants

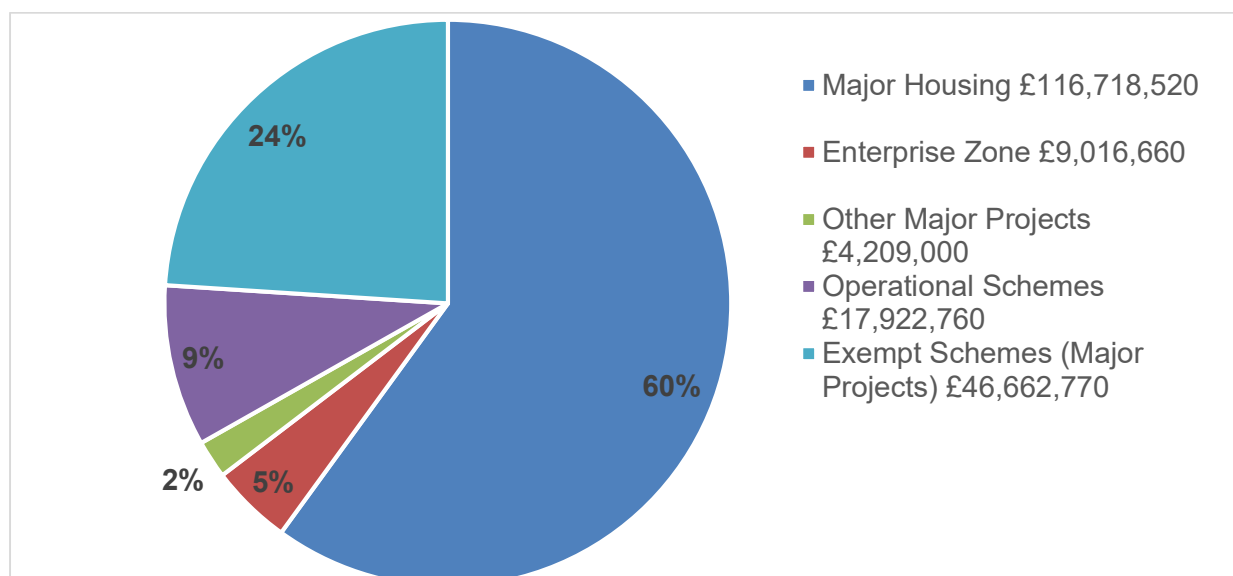
Capital receipts from the disposal of assets are not allocated to fund particular projects but are used to fund the overall capital programme.

The Capital Strategy requires the Council each year as part of the Budget process to review and project forward over a five-year period an estimate of capital resources that will be available to fund a capital programme.

The Capital Strategy requires service managers to follow the Council’s Financial Regulations.

3.8 Capital Programme 2020-25 Overview

In 2021/22, the Council is planning capital expenditure of £54.9m. The medium-term capital programme 2020-25 is summarised below:



4 Debt and Borrowing and Treasury Management

4.1 Projection of external debt and use of internal borrowing

The Council uses external debt and internal borrowing (from working capital cash balances) to support capital expenditure.

Except in the case of specific externally financed projects (such as Business Rates Pool Funding, Disabled Facilities Grant, Lottery), new borrowing is applied to the funding of previous capital expenditure, effectively replacing cash balances which have been used on a temporary basis to avoid the cost of 'carrying' debt in the short term. The Council continues to use cash balances for this purpose and will continue to balance the long-term advantages of locking into favourable interest rates against the costs of additional debt.

Based on the capital programme new borrowing of £41.4m is anticipated in 2021/22 and £18.2m in 2022/23.

4.2 Provision for the repayment of debt over the life of the underlying debt

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream. Details are shown in the Treasury Strategy.

External interest is shown in the Treasury Reports as a Treasury Activity. Internal Interest will form part of the Capital Strategy. Internal borrowing is the use of internal funds (short term cash flows and reserves and balances not immediately required) rather than taking external debt. Funds held in short term investments may be withdrawn and used in place of external borrowing.

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for potentially up to 50 years into the future. The S151 Officer is satisfied that the capital programme is prudent, affordable and sustainable.

4.3 Authorised limit and operational boundary for the following year

The Council's authorised borrowing limit and operational boundary for 2021/22 will be based on the approved capital programme at the time of budget setting and are set out in the annual Treasury Management / Investment Strategy, approved annually by Council.

4.4 Approach to treasury management

The Council's approach to treasury management including processes, due diligence and defining the authority's risk appetite are set out in the annual Treasury Management / Investment Strategy, approved annually by Council.

5 Commercial Activity

With central government financial support for local public services declining, the Council will potentially invest in commercial property purely or mainly for financial gain.

Investment Property is property held solely to earn rentals or for capital appreciation or both. With financial return being the main objective, the Council accepts higher risk on commercial

investment than with treasury investments. Property investment is not without risk as property values can fall as well as rise and changing economic conditions could cause tenants to leave with properties remaining vacant. The Strategy provides for property investment opportunities to be undertaken in place of traditional investment vehicles subject to:

- Business case required which considers options, risk, return, duration of investment, fit with corporate priorities and reputation.
- In order that commercial investments remain proportionate to the size of the Council, total initial funds to be allocated to the Local Property Fund to be capped at £7.5m which is 30% of the Council's core investment funds of £25m.
- No one investment to be more than £2m under the delegated authority. Individual investment opportunities in excess of £2m will require Cabinet approval.
- Annual financial returns ie rental income, from the property investment opportunities taken up will generate additional revenue income to the Council and help to meet the cost reduction targets set out in the medium-term Financial Plan and the Council's 'efficiency plan'.
- Investment properties are revalued annually as part of the Council's closedown of accounts and any movement in value will be reported in the Statement of Accounts. Any uplift in valuations will not be realised unless the asset is sold. The value of the total fund may increase above the £7.5m initial fund allocation to reflect annual revaluations.
- Investment decisions in respect of the Local Property Investment Fund for acquisition and disposal of assets held in the Fund to be delegated to; the Assistant Director (S151 Officer) in consultation with the Leader, relevant Portfolio Holder, a third Portfolio Holder, and the Assistant Director of Property and Projects.

6 Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Assistant Director of Financial Services is a CIPFA qualified accountant, the Assistant Director Regeneration and Property Services is a RICS qualified Chartered Surveyor. The Council supports junior staff to study towards relevant professional qualifications including CIPFA and AAT; and actively encourages staff to attend relevant training courses, seminars and benchmarking groups.

Where Council staff do not have the knowledge and skills required, use is made of external advisors and consultants that are specialists in their field. The Council employs Link Asset Services as treasury management advisers. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Access to Information

Cabinet Reports

Financial Plan 2020-2025

Monthly Monitoring Reports

Statement of Accounts

Corporate Business Plan 2019-24

Financial Sustainability Plan 2016-2020

APPENDIX 1 - Capital Loans as at 31 December 2020

Agenda Item 13

Open	Would any decisions proposed :			
Any especially affected Wards	(a) Be entirely within Audit Committee's powers to decide NO			
None	(b) Need to be recommendations to Council/Cabinet			Yes
	(c) Be partly for recommendations to Council and partly within Cabinets powers –			NO
Lead Member: Brian Long E-mail:		Other Cabinet Members consulted:		None
		Other Members consulted:		None
Lead Officer: Ruth Wilson E-mail: ruth.wilson@west-norfolk.gov.uk Direct Dial: 01553 616450		Other Officers consulted:		None
Financial Implications Yes	Policy/Personnel Implications NO	Statutory Implications (incl S.17) YES	Equal Opportunities Implications NO	Risk Management Implications NO

Date of meeting: 2 February 2021

TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2021/2022

Summary

The Council is required to receive and approve a Treasury Management Strategy Statement; Annual Investment Strategy; and Minimum Revenue Provision Policy Statement which covers:

- The Treasury Management Strategy
- Capital plans, including prudential indicators
- A Minimum Revenue Provision (MRP) Policy
- An Investment Strategy

This report covers the requirements of the Local Government Act 2003, the Chartered Institute of Public Finance Accountants (CIPFA) Prudential Code, the Ministry of Housing, Communities and Local Government (MHCLG) MRP Guidance, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

The Council's Treasury Advisor, Link Asset Services, provide a template document for the Treasury Management Strategy Statement, which is fully compliant with CIPFA's code and MHCLG's guidance. The Council has used this template in preparing this report.

This report looks at the period 2020-2025, which fits with the Council's Financial Plan and Capital Programme. Officers of the council have prepared the report based on their views of forecasts for interest rates, and have used information provided by the council's Treasury Management Advisor, Link Asset Services.

Recommendations

Cabinet is asked to recommend that Council approve:

- 1. The Treasury Management Strategy Statement 2021/2022, including treasury indicators for 2021-2025.**
- 2. The Minimum Revenue Provision Policy 2021/2022**
- 3. The Investment Strategy 2021/2022**

Reason for the Decision

The Council must have approved a Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022 by 31 March 2021.

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement and Annual Investment Strategy

2021/2022

Including commercial activities / non treasury investments

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1 INTRODUCTION

1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.

CIPFA defines treasury management as:

“The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2 Reporting requirements

1.2.1 Capital Strategy

The CIPFA revised 2017 Prudential and Treasury Management Codes require all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

The capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital strategy will show:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the capital strategy.

To demonstrate the proportionality between the treasury operations and the non-treasury operations, high-level comparators are shown throughout this report.

1.2.2 Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. Treasury Management Strategy and Prudential Indicators** (this report) - The first, and most important report is forward looking and covers:
 - the capital plans, (including prudential indicators);
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
 - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an investment strategy, (the parameters on how investments are to be managed).
- b. Mid-Year Treasury Management Report** – To update members on the capital position, amending prudential indicators as necessary, and revising policies if necessary.
- c. Annual Treasury Report** – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

1.3 TREASURY MANAGEMENT STRATEGY 2021/22

The strategy for 2021/22 covers two main areas:

Capital

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management

- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

1.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Treasury Awareness training was provided for members by Link Asset Services on the 9 January 2020.

The training needs of the Council's treasury management officers are periodically reviewed and with full support being given for officers to attend workshops, courses and conferences that will keep their knowledge up to date.

1.5 Treasury management consultants

The Council uses Link Asset Services, Treasury solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and ensures that undue reliance is not placed upon the services of our external Treasury Management Advisors. All decisions are undertaken with regard to all available information, including, but not solely, our treasury advisors.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources.

2 THE CAPITAL PRUDENTIAL INDICATORS 2021/22 – 2024/25

The Council's capital expenditure plans are the key driver of treasury management activity. The capital expenditure plans are reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans. (Capital Programme 2020-2025 to be agreed by Council 25 February 2021, which is the same meeting that this report will be approved at.)

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	£	£	£	£	£
Major Projects	11,590,610	29,711,470	44,307,400	26,289,520	18,045,180
Operational:					
Community and Partnerships	2,343,120	2,316,850	2,260,000	2,260,000	2,260,000
Resources	465,680	150,000	150,000	150,000	150,000
Regeneration	21,350	-	-	-	-
Property and Projects	42,000	28,000	-	-	-
Operational and Commercial Services	987,990	2,204,150	170,500	507,770	100,000
Alive West Norfolk	68,860	1,261,490	25,000	-	-
Total	15,519,610	35,671,960	46,912,900	29,207,290	20,555,180
Exempt Schemes (Major Projects)	5,122,840	19,230,000	18,848,270	3,461,660	-
Total Capital Programme	20,642,450	54,901,960	65,761,170	32,668,950	20,555,180

The table below summarises how the capital expenditure in the table above is being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing Capital Expenditure					
	£'000	£'000	£'000	£'000	£'000
Capital Receipts	(19,234)	(1,709)	(42,361)	(51,915)	(35,990)
Capital Grants	(1,775)	(1,775)	(1,775)	(1,775)	(1,775)
Capital Reserves	(889)	(2,187)	(1,591)	(20)	0
Revenue	(5,757)	(2,803)	(654)	(993)	(608)
Total	(27,655)	(8,474)	(46,380)	(54,703)	(38,373)

CFR Reduced / (Increased) By	7,013	(46,428)	(19,381)	22,034	17,818
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Net financing need for the year	0	(46,428)	(19,381)	-	-
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The net financing need for commercial activities included in the above table against expenditure is shown below:

Commercial activities	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
Net financing need for the year for Exempt Schemes - Commercial	-	4,788	4,538	1,942	-
Percentage of total net financing need (Closing CFR Requirement for the year as detailed in 2.2)	-	6%	5%	3%	-

2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so it's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The Council is asked to approve the CFR projections below:

Capital Financing Requirement (CFR)	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
Opening CFR	38,885	31,338	77,218	95,868	73,121
CFR – Services	(7,013)	41,640	14,843	(23,976)	(17,818)
CFR – Commercial Activities	0	4,788	4,538	1,942	0
Net Financing Need Total	31,872	77,766	96,599	73,834	55,303
Less MRP and other financing movements*	(522)	(580)	(650)	(577)	(575)
Closing CFR	31,350	77,198	95,929	73,318	54,926

Movement in CFR	(7,535)	45,848	18,730	(22,611)	(18,392)
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*Includes finance lease annual principal payments and the repayment of borrowing.

A key aspect of the regulatory and professional guidance is that elected members are aware of the size and scope of any commercial activity in relation to the authority's overall financial position. The capital expenditure figures shown in 2.1 and the details above demonstrate the scope of this activity and, by approving these figures, consider the scale proportionate to the Authority's remaining activity.

2.3 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each

year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
General fund balances / ear marked reserves	(35,421)	(33,165)	(35,572)	(38,984)	(39,085)
Capital receipts	(5,264)	(3,992)	(5,641)	(8,231)	(10,431)
Provisions (Collection Fund)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Other	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Total core funds	(44,685)	(41,158)	(45,213)	(51,215)	(53,516)
Working capital	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Internal Borrowing*	21,568	26,204	26,882	24,555	22,602
Expected investments	(28,117)	(19,954)	(23,331)	(31,660)	(35,914)

*Use of internal and/or temporary borrowing will reflect actual capital expenditure during the year.

2.4 MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

MHCLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) which provides for a reduction in the borrowing need over approximately the asset's life.

MRP Overpayments - A change introduced by the revised MHCLG MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Year End Resources	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
External Debt					
Debt at 1 April	10,000	9,783	50,994	69,047	48,763
Expected change in Debt	0	41,411	18,234	(20,120)	(16,294)
Other long-term liabilities	(236)	(217)	(199)	(181)	(163)
Expected change in Other long-term liabilities	18	18	18	18	18
Actual gross debt at 31 March	9,783	50,994	69,047	48,763	32,324
The Capital Financing Requirement	31,350	77,198	95,929	73,318	54,926
BORROWING	21,568	26,204	26,882	24,555	22,602

Within the above figures the level of debt relating to commercial activities is:

External Debt for commercial activities	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
Actual debt at 31 March £m	-	4,788	4,538	1,942	-
Percentage of total external debt %	0%	9%	7%	4%	0%

External borrowing requirements will be reviewed at the time that the funding is required.

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The S151 Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this report.

3.1 Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
Debt	31,000	77,000	96,000	73,000	55,000
Other long term liabilities	1,000	1,000	1,000	1,000	1,000
Commercial activities	10,000	10,000	10,000	10,000	10,000
Total	42,000	88,000	107,000	84,000	66,000

The authorised limit for external debt. This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Authorised Limit	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
Debt	36,000	82,000	101,000	78,000	60,000
Other long term liabilities	1,000	1,000	1,000	1,000	1,000
Commercial activities	10,000	10,000	10,000	10,000	10,000
Total	47,000	93,000	112,000	89,000	71,000

3.2 Prospects for interest rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 11.8.20. However, following the conclusion of the review of PWLB margins over gilt yields on 25.11.20, all forecasts below have been reduced by 1%. These are forecasts for certainty rates, gilt yields plus 80bps:

Link Group Interest Rate View		9.11.20											
These Link forecasts have been amended for the reduction in PWLB margins by 1.0% from 26.11.20													
	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00
10 yr PWLB	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30
25 yr PWLB	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80
50 yr PWLB	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its subsequent meetings to 16th December, although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected in the near-term as economic recovery is expected to be only gradual and, therefore, prolonged. These forecasts were based on an assumption that a Brexit trade deal would be agreed by 31.12.20: as this has now occurred, these forecasts do not need to be revised.

As the interest forecast table for PWLB certainty rates above shows, there is expected to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment, (as shown on 9th November when the first results of a successful COVID-19 vaccine trial were announced). Such volatility could occur at any time during the forecast period.

Investment and borrowing rates

- **Investment returns** are likely to remain exceptionally low during 2021/22 with little increase in the following two years.
- **Borrowing interest rates** fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England: indeed, gilt yields up to 6 years were negative during most of the first half of 20/21. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years. The unexpected increase of 100 bps in PWLB rates on top of the then current margin over gilt yields of 80 bps in October 2019, required an initial major rethink of local authority treasury management strategy and risk management. However, in March 2020, the Government started a consultation process for reviewing the margins over gilt rates for PWLB borrowing for different types of local authority capital expenditure. *(Please note that Link has concerns over this approach, as the fundamental principle of local authority borrowing is that borrowing is a treasury management activity and individual sums that are borrowed are not linked to specific capital projects.)* It also introduced the following rates for borrowing for different types of capital expenditure: -
 - **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
 - **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)

- **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
 - **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
 - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
- As a consequence of these increases in margins, many local authorities decided to refrain from PWLB borrowing unless it was for HRA or local infrastructure financing, until such time as the review of margins was concluded.
 - On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme. The new margins over gilt yields are as follows: -
 - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
 - **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
 - **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
 - **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
 - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
 - **Borrowing for capital expenditure.** As Link's long-term forecast for Bank Rate is 2.00%, and all PWLB rates are under 2.00%, there is now value in borrowing from the PWLB for all types of capital expenditure for all maturity periods, especially as current rates are at historic lows. However, greater value can be obtained in borrowing for shorter maturity periods so the Council will assess its risk appetite in conjunction with budgetary pressures to reduce total interest costs. Longer-term borrowing could also be undertaken for the purpose of certainty, where that is desirable.
 - While this authority will not be able to avoid borrowing to finance new capital expenditure, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

3.3 BORROWING STRATEGY

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

It is anticipated that the Council will need to take external borrowing from 2021/22 to meet the funding requirements of its Capital Programme 2020-2025. Against this background and the risks within the economic forecast, caution will be adopted with the 2021/22 treasury operations. The Assistant Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances. Monitoring arrangements are detailed at Appendix 5.

3.4 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.5 Debt rescheduling

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as the 100 bps increase in PWLB rates only applied to new borrowing rates and not to premature debt repayment rates.

If rescheduling was done, it will be reported to the Audit Committee, at the earliest meeting following its action.

3.6 New Financial Institutions as a source of borrowing and / or types of borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).
- Municipal Bonds Agency (possibly still a viable alternative depending on market circumstances prevailing at the time).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment policy – management of risk

The MHCLG and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

The Council’s investment policy has regard to the following: -

- MHCLG’s Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2018

The Council’s investment priorities will be security first, portfolio liquidity second and then yield, (return).

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in appendix 5.4 under the categories of ‘specified’ and ‘non-specified’ investments.
 - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
 - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. **Non-specified investments limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments as being £4m of the total investment portfolio, (see paragraph 4.3).
6. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
7. **Transaction limits** are set for each type of investment in 4.2.
8. This authority will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 4.4).
9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
10. This authority has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
11. All investments will be denominated in **sterling**.
12. As a result of the change in accounting standards for 2020/21 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing, Communities and Local Government, [MHCLG], concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23.

However, this authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year.

The above criteria are unchanged from last year.

4.2 Creditworthiness policy

This Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

Yellow	5 years
Dark pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
Light pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
Purple	2 years
Blue	1 year (only applies to nationalised or semi nationalised UK Banks)
Orange	1 year
Red	6 months
Green	100 days
No colour	not to be used

The Link Asset Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored regularly. The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services' creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on any external support for banks to help support its decision making process.

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

Counterparties	Colour (and long term rating where applicable)	Money per institution Limit	Time Limit
Banks *	yellow	£2m	5yrs
Banks	purple	£4m	2 yrs
Banks	orange	£4m	1 yr
Banks – part nationalised	blue	£4m	1yr
Banks	red	£4m	6 mths
Banks	green	£4m	100 days
Banks	No colour	Not to be used	
DMADF (Debt Management Account Deposit Facility)	UK sovereign rating	Unlimited	6 months
Local authorities	yellow	£10m	Unlimited
Local Authorities Companies which are 100% owned by the Borough Council King's Lynn and West Norfolk	N/A	£12m	Unlimited
	Fund rating	Money and/or % Limit	Time Limit
Money Market Funds CNAV	AAA	£4m	liquid
Money Market Funds LVNAV	AAA	£4m	liquid
Money Market Funds VNAV	AAA	£4m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	Dark pink / AAA	£3m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.50	Light pink / AAA	£3m	liquid

*Please note: the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt – see appendix 5.4.

4.3 Other limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

- a) **Non-specified investment limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments as being £4m of the total investment portfolio.
- b) **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a **minimum sovereign credit rating of AA-** from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5.4. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.
- c) **Other limits.** In addition:
 - no more than £4m will be placed with any non-UK country at any time;
 - limits in place above will apply to a group of companies;
 - sector limits will be monitored regularly for appropriateness.

4.4 Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

Investment returns expectations.

Bank Rate is unlikely to rise from 0.10% for a considerable period. It is very difficult to say when it may start rising so it may be best to assume that investment earnings from money market-related instruments will be sub 0.50% for the foreseeable future.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows (the long term forecast is for periods over 10 years in the future):

Average earnings in each year	
2020/21	0.10%
2021/22	0.10%
2022/23	0.10%
2023/24	0.10%
2024/25	0.25%
Long term later years	2.00%

- The overall balance of risks to economic growth in the UK is probably now skewed to the upside but is subject to major uncertainty due to the virus and how quickly successful vaccines may become available and widely administered to the population.

- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, or a return of investor confidence in equities, could impact gilt yields, (and so PWLB rates), in the UK.

Negative investment rates

While the Bank of England said in August / September 2020 that it is unlikely to introduce a negative Bank Rate, at least in the next 6 -12 months, and in November omitted any mention of negative rates in the minutes of the meeting of the Monetary Policy Committee, some deposit accounts are already offering negative rates for shorter periods. As part of the response to the pandemic and lockdown, the Bank and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks. In addition, the Government has provided large sums of grants to local authorities to help deal with the COVID crisis; this has caused some local authorities to have sudden large increases in cash balances searching for an investment home, some of which was only very short term until those sums were able to be passed on.

As for money market funds (MMFs), yields have continued to drift lower. Some managers have already resorted to trimming fee levels to ensure that net yields for investors remain in positive territory where possible and practical. Investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has meant there is a surfeit of money swilling around at the very short end of the market. This has seen a number of market operators, now including the DMADF, offer nil or negative rates for very short-term maturities. This is not universal, and MMFs are still offering a marginally positive return, as are a number of financial institutions for investments at the very short end of the yield curve.

Inter-local authority lending and borrowing rates have also declined due to the surge in the levels of cash seeking a short-term home at a time when many local authorities are probably having difficulties over accurately forecasting when disbursements of funds received will occur or when further large receipts will be received from the Government.

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

The Council is asked to approve the following treasury indicator and limit:

Maximum principal sums invested > 365 days			
	2021/2022	2022/2023	2023/2024
Principal sums invested > 365 days	£4m	£4m	£4m
With Local Authorities	£10m	£10m	£10m
With Local Authorities Companies which are 100% owned by BCKLWN	£12m	£12m	£12m
Current investments as at 31.01.20 in excess of 1 year maturing in each year	£8m	-	-

4.5 End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

4.6 Financial Implications

The financial implications of the borrowing and investment strategy and MRP are reflected in the financing adjustment figure included in the Financial Plan 2020-2025 to be approved at Council on 25 February 2021.

The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this council. To ensure that the council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

4.7 Risk Management Implications

There are elements of risk in dealing with the treasury management function although the production and monitoring of such controls as Prudential Indicators and Treasury Management Strategies help to reduce the exposure of the council to the market. The costs and returns on borrowing and investment are in themselves a reflection of risk that is seen by the market forces. The action and controls outlined in the report will provide for sound financial and performance management procedures.

4.8 Policy Implications

There are no other changes in the Treasury Management policy at present, other than those outlined in this report. Appendices 5.5 and 5.6 detail the treasury management scheme of delegation and the role of the Section 151 Officer.

4.9 Statutory Considerations

The council must set Prudential Indicators and adopt a Treasury Management Strategy and Annual investment Strategy before 31 March 2021.

4.10 Access to Information

Monthly Monitoring reports 2020/2021 and 2021/2022
The Financial Plan 2020-2025
Capital Programme 2020-2025
Council Website – Treasury Management Practices
Capital and Local Property Investment Fund Strategy 2017/2021
Capital Strategy 2020/2021 and 2021/2022

5 APPENDICES

1. Prudential and treasury indicators and MRP statement
2. Economic background
3. Treasury management practice 1 – credit and counterparty risk management
4. Approved countries for investments
5. Treasury management scheme of delegation
6. The treasury management role of the section 151 officer

5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2021/22 – 2024/25 AND MRP STATEMENT

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

5.1.1 Capital expenditure

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	£	£	£	£	£
Major Projects	11,590,610	29,711,470	44,307,400	26,289,520	18,045,180
Operational:					
Community and Partnerships	2,343,120	2,316,850	2,260,000	2,260,000	2,260,000
Resources	465,680	150,000	150,000	150,000	150,000
Regeneration	21,350	-	-	-	-
Property and Projects	42,000	28,000	-	-	-
Operational and Commercial Services	987,990	2,204,150	170,500	507,770	100,000
Alive West Norfolk	68,860	1,261,490	25,000	-	-
Total	15,519,610	35,671,960	46,912,900	29,207,290	20,555,180
Exempt Schemes (Major Projects)	5,122,840	19,230,000	18,848,270	3,461,660	-
Total Capital Programme	20,642,450	54,901,960	65,761,170	32,668,950	20,555,180

5.1.2 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

%	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000
Services	3.13	2.01	2.29	2.22	2.04
Commercial activities	0.06	0.72	0.62	1.16	1.79

The estimates of financing costs include current commitments and the proposals in this budget report.

5.1.3 Maturity structure of borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

£m	2020/21	2021/22	2022/23
Interest rate exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	40%	40%	40%
Maturity structure of fixed interest rate borrowing 2021/22			
	Lower	Upper	£m
Under 12 months	0%	100%	-
12 months to 2 years	0%	100%	-
2 years to 50 years	0%	100%	-
50 years +	0%	100%	10

5.1.5. Control of interest rate exposure

Please see paragraphs 3.3, 3.4 and 4.4.

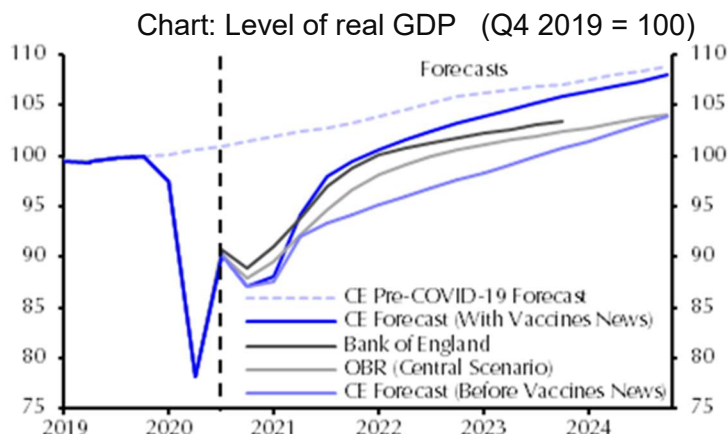
5.2 ECONOMIC BACKGROUND

- **UK.** The key quarterly meeting of the Bank of England Monetary Policy Committee kept **Bank Rate** unchanged on 5.11.20. However, it revised its economic forecasts to take account of a second national lockdown from 5.11.20 to 2.12.20 which is obviously going to put back economic recovery and do further damage to the economy. It therefore decided to do a further tranche of **quantitative easing (QE) of £150bn**, to start in January when the current programme of £300bn of QE, announced in March to June, runs out. It did this so that “announcing further asset purchases now should support the economy and help to ensure the unavoidable near-term slowdown in activity was not amplified by a tightening in monetary conditions that could slow the return of inflation to the target”.
- Its forecasts appeared, at that time, to be rather optimistic in terms of three areas:
 - The economy would recover to reach its pre-pandemic level in Q1 2022
 - The Bank also expected there to be excess demand in the economy by Q4 2022.
 - CPI inflation was therefore projected to be a bit above its 2% target by the start of 2023 and the “inflation risks were judged to be balanced”.
- Significantly, there was no mention of **negative interest rates** in the minutes or Monetary Policy Report, suggesting that the MPC remains some way from being persuaded of the case for such a policy, at least for the next 6 -12 months. However, rather than saying that it “stands ready to adjust monetary policy”, the MPC this time said that it will take “whatever additional action was necessary to achieve its remit”. The latter seems stronger and wider and may indicate the Bank’s willingness to embrace new tools.
- One key addition to **the Bank’s forward guidance in August** was a new phrase in the policy statement, namely that “it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably”. That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years’ time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate. Our Bank Rate forecast currently shows no increase, (or decrease), through to quarter 1 2024 but there could well be no increase during the next five years as it will take some years to eliminate spare capacity in the economy, and therefore for inflationary pressures to rise to cause the MPC concern. **Inflation** is expected to briefly peak at just over 2% towards the end of 2021, but this is a temporary short-lived factor and so not a concern.
- However, the minutes did contain several references to **downside risks**. The MPC reiterated that the “recovery would take time, and the risks around the GDP projection were judged to be skewed to the downside”. It also said, “the risk of a more persistent period of elevated unemployment remained material”. Downside risks could well include severe restrictions remaining in place in some form during the rest of December and most of January too. **Upside risks** included the early roll out of effective vaccines.
- **COVID-19 vaccines.** We had been waiting expectantly for news that various COVID-19 vaccines would be cleared as being safe and effective for administering to the general public. The Pfizer announcement on 9th November was very encouraging as its 90% effectiveness was much higher than the 50-60% rate of effectiveness of flu vaccines which might otherwise have been expected. However, this vaccine has demanding cold storage requirements of minus 70c that impairs

the speed of application to the general population. It has therefore been particularly welcome that the Oxford University/AstraZeneca vaccine has now also been approved which is much cheaper and only requires fridge temperatures for storage. The Government has 60m doses on order and is aiming to vaccinate at a rate of 2m people per week starting in January, though this rate is currently restricted by a bottleneck on vaccine production; (a new UK production facility is due to be completed in June).

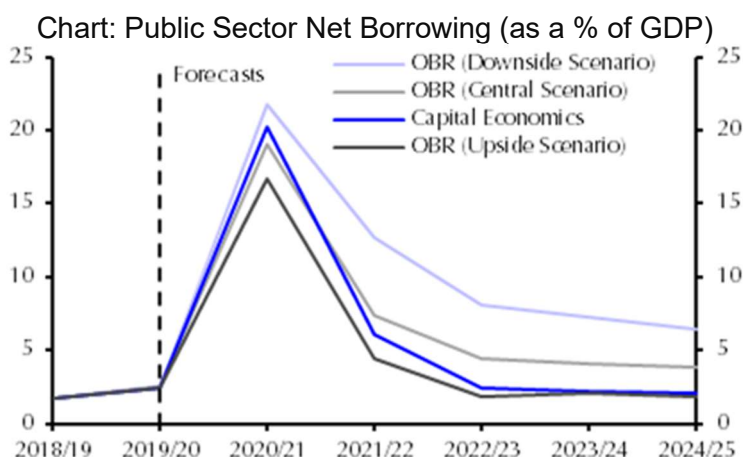
- These announcements, plus expected further announcements that other vaccines could be approved soon, have enormously boosted confidence that **life could largely return to normal during the second half of 2021**, with activity in the still-depressed sectors like restaurants, travel and hotels returning to their pre-pandemic levels; this would help to bring the unemployment rate down. With the household saving rate having been exceptionally high since the first lockdown in March, there is plenty of pent-up demand and purchasing power stored up for these services. A comprehensive roll-out of vaccines might take into late 2021 to fully complete; but if these vaccines prove to be highly effective, then there is a possibility that restrictions could start to be eased, beginning possibly in Q2 2021 once vulnerable people and front-line workers have been vaccinated. At that point, there would be less reason to fear that hospitals could become overwhelmed any more. Effective vaccines would radically improve the economic outlook once they have been widely administered; it may allow GDP to rise to its pre-virus level a year earlier than otherwise and mean that the unemployment rate peaks at 7% in 2021 instead of 9%.
- **Public borrowing** was forecast in November by the Office for Budget Responsibility (the OBR) to reach £394bn in the current financial year, the highest ever peace time deficit and equivalent to 19% of GDP. In normal times, such an increase in total gilt issuance would lead to a rise in gilt yields, and so PWLB rates. However, the QE done by the Bank of England has depressed gilt yields to historic low levels, (as has similarly occurred with QE and debt issued in the US, the EU and Japan). This means that new UK debt being issued, and this is being done across the whole yield curve in all maturities, is locking in those historic low levels through until maturity. In addition, the UK has one of the longest average maturities for its entire debt portfolio, of any country in the world. Overall, this means that the total interest bill paid by the Government is manageable despite the huge increase in the total amount of debt. The OBR was also forecasting that the government will still be running a budget deficit of £102bn (3.9% of GDP) by 2025/26. However, initial impressions are that they have taken a pessimistic view of the impact that vaccines could make in the speed of economic recovery.
- Overall, **the pace of recovery** was not expected to be in the form of a rapid V shape, but a more elongated and prolonged one. The initial recovery was sharp after quarter 1 saw growth at -3.0% followed by -18.8% in quarter 2 and then an upswing of +16.0% in quarter 3; this still left the economy 8.6% smaller than in Q4 2019. It is likely that the one-month national lockdown that started on 5th November, will have caused a further contraction of 8% m/m in November so the economy may have then been 14% below its pre-crisis level.
- **December 2020 / January 2021**. Since then, there has been rapid backtracking on easing restrictions due to the spread of a new mutation of the virus, and severe restrictions were imposed across all four nations. These restrictions were changed on 5.1.21 to national lockdowns of various initial lengths in each of the four nations as the NHS was under extreme pressure. It is now likely that wide swathes of the UK will remain under these new restrictions for some months; this means that the near-term outlook for the economy is grim. However, the distribution of vaccines and the expected consequent removal of COVID-19 restrictions, should allow GDP

to rebound rapidly in the second half of 2021 so that the economy could climb back to its pre-pandemic peak as soon as late in 2022. Provided that both monetary and fiscal policy are kept loose for a few years yet, then it is still possible that in the second half of this decade, the economy may be no smaller than it would have been if COVID-19 never happened. The significant caveat is if another mutation of COVID-19 appears that defeats the current batch of vaccines. However, now that science and technology have caught up with understanding this virus, new vaccines ought to be able to be developed more quickly to counter such a development and vaccine production facilities are being ramped up around the world.



(if unable to print in colour..... the key describing each line in the above graph is in sequential order from top to bottom in parallel with the lines in the graph.)

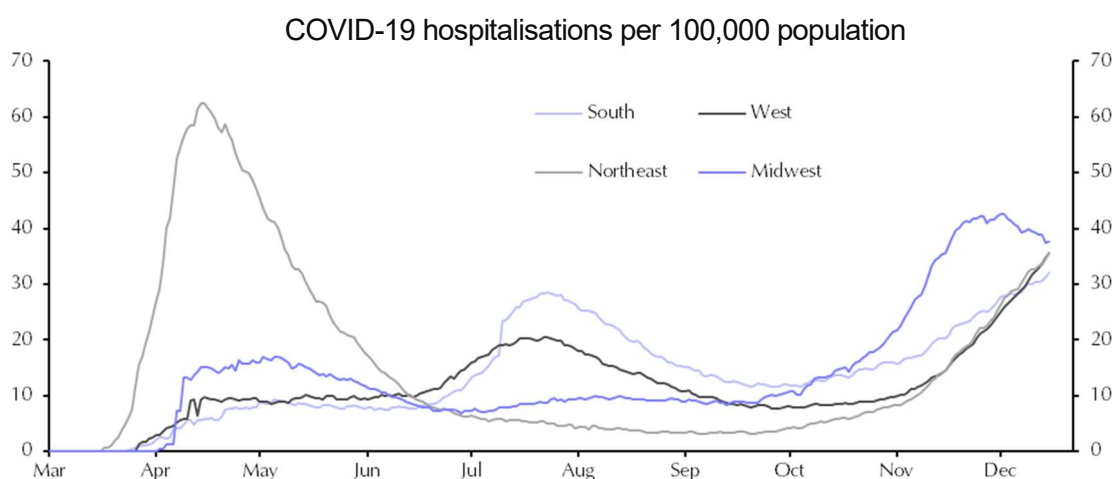
This recovery of growth which eliminates the effects of the pandemic by about the middle of the decade would have major repercussions for public finances as it would be consistent with the government deficit falling to around 2.5% of GDP without any tax increases. This would be in line with the OBR's most optimistic forecast in the graph below, rather than their current central scenario which predicts a 4% deficit due to assuming much slower growth. However, Capital Economics forecasts assumed that there is a reasonable Brexit deal and also that politicians do not raise taxes or embark on major austerity measures and so, (perversely!), depress economic growth and recovery.



(if unable to print in colour..... the key describing each line in the above graph is in sequential order from top to bottom in parallel with the lines in the graph.)

- There will still be some **painful longer-term adjustments** as e.g. office space and travel by planes, trains and buses may not recover to their previous level of use for several years, or possibly ever, even if vaccines are fully successful in overcoming the current virus. There is also likely to be a reversal of globalisation as this crisis has exposed how vulnerable long-distance supply chains are. On the other hand, digital services are one area that has already seen huge growth.
- **Brexit.** While the UK has been gripped by the long running saga of whether or not a deal would be made by 31.12.20, the final agreement on 24.12.20, followed by ratification by Parliament and all 27 EU countries in the following week, has eliminated a significant downside risk for the UK economy. The initial agreement only covers trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU; that now needs to be formalised on a permanent basis. As the forecasts in this report were based on an assumption of a Brexit agreement being reached, there is no need to amend these forecasts.
- **Monetary Policy Committee meeting of 17 December.** All nine Committee members voted to keep interest rates on hold at +0.10% and the Quantitative Easing (QE) target at £895bn. The MPC commented that the successful rollout of vaccines had reduced the downsides risks to the economy that it had highlighted in November. But this was caveated by it saying, “Although all members agreed that this would reduce downside risks, they placed different weights on the degree to which this was also expected to lead to stronger GDP growth in the central case.” So, while the vaccine is a positive development, in the eyes of the MPC at least, the economy is far from out of the woods. As a result of these continued concerns, the MPC voted to extend the availability of the Term Funding Scheme, (cheap borrowing), with additional incentives for small and medium size enterprises for six months from 30.4.21 until 31.10.21. (The MPC had assumed that a Brexit deal would be agreed.)
- **Fiscal policy.** In the same week as the MPC meeting, the Chancellor made a series of announcements to provide further support to the economy: -
 - An extension of the COVID-19 loan schemes from the end of January 2021 to the end of March.
 - The furlough scheme was lengthened from the end of March to the end of April.
 - The Budget on 3.3.21 will lay out the “next phase of the plan to tackle the virus and protect jobs”. This does not sound like tax rises are imminent, (which could hold back the speed of economic recovery).
- The **Financial Policy Committee** (FPC) report on 6.8.20 revised down their expected credit losses for the banking sector to “somewhat less than £80bn”. It stated that in its assessment, “banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC’s central projection”. The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC’s projection, with unemployment rising to above 15%.
- **US.** The result of **the November elections** meant that while the Democrats gained the presidency and a majority in the House of Representatives, it looks as if the Republicans could retain their slim majority in the Senate provided they keep hold of two key seats in Georgia in elections in early January. If those two seats do swing to the Democrats, they will then control both Houses and President Biden will consequently have a free hand to determine policy and to implement his election manifesto.

- **The economy** had been recovering quite strongly from its contraction in 2020 of 10.2% due to the pandemic with GDP only 3.5% below its pre-pandemic level and the unemployment rate dropping below 7%. However, the rise in new cases during quarter 4, to the highest level since mid-August, suggests that the US could be in the early stages of a fourth wave. While the first wave in March and April was concentrated in the Northeast, and the second wave in the South and West, the third wave in the Midwest looks as if it now abating. However, it also looks as if the virus is rising again in the rest of the country. The latest upturn poses a threat that the recovery in the economy could stall. This is **the single biggest downside risk** to the shorter term outlook – a more widespread and severe wave of infections over the winter months, which is compounded by the impact of the regular flu season and, as a consequence, threatens to overwhelm health care facilities. Under those circumstances, states might feel it necessary to return to more draconian lockdowns.



- The restrictions imposed to control the spread of the virus are once again weighing on the economy with employment growth slowing sharply in November and retail sales dropping back. The economy is set for further weakness in December and into the spring. However, a \$900bn fiscal stimulus deal passed by Congress in late December will limit the downside through measures which included a second round of direct payments to households worth \$600 per person and a three-month extension of enhanced unemployment insurance (including a \$300 weekly top-up payment for all claimants). GDP growth is expected to rebound markedly from the second quarter of 2021 onwards as vaccines are rolled out on a widespread basis and restrictions are loosened.
- After Chair Jerome Powell unveiled the **Fed's adoption of a flexible average inflation target** in his Jackson Hole speech in late August 2020, the mid-September meeting of the Fed agreed by a majority to a toned down version of the new inflation target in his speech - that *"it would likely be appropriate to maintain the current target range until labour market conditions were judged to be consistent with the Committee's assessments of maximum employment and inflation had risen to 2% and was on track to moderately exceed 2% for some time."* This change was aimed to provide more stimulus for economic growth and higher levels of employment and to avoid the danger of getting caught in a deflationary "trap" like Japan. It is to be noted that inflation has actually been under-shooting the 2% target significantly for most of the last decade, (and this year), so financial markets took note that higher levels of inflation are likely to be in the pipeline; long-term bond yields duly rose after the meeting. The FOMC's updated economic and rate projections in mid-September showed that

officials expect to leave the fed funds rate at near-zero until at least end-2023 and probably for another year or two beyond that. There is now some expectation that where the Fed has led in changing its inflation target, other major central banks will follow. The increase in tension over the last year between the US and China is likely to lead to a lack of momentum in progressing the initial positive moves to agree a phase one trade deal.

- The Fed's meeting on **5 November** was unremarkable - but at a politically sensitive time around the elections. At its **16 December** meeting the Fed tweaked the guidance for its monthly asset quantitative easing purchases with the new language implying those purchases could continue for longer than previously believed. Nevertheless, with officials still projecting that inflation will only get back to 2.0% in 2023, the vast majority expect the fed funds rate to be still at near-zero until 2024 or later. Furthermore, officials think the balance of risks surrounding that median inflation forecast are firmly skewed to the downside. The key message is still that policy will remain unusually accommodative – with near-zero rates and asset purchases – continuing for several more years. This is likely to result in keeping Treasury yields low – which will also have an influence on gilt yields in this country.
- **EU.** In early December, the figures for Q3 GDP confirmed that the economy staged a rapid rebound from the first lockdowns. This provides grounds for optimism about growth prospects for next year. In Q2, GDP was 15% below its pre-pandemic level. But in Q3 the economy grew by 12.5% q/q leaving GDP down by “only” 4.4%. That was much better than had been expected earlier in the year. However, growth is likely to stagnate during Q4 and in Q1 of 2021, as a second wave of the virus has affected many countries: it is likely to hit hardest those countries more dependent on tourism. The €750bn fiscal support package eventually agreed by the EU after prolonged disagreement between various countries, is unlikely to provide significant support, and quickly enough, to make an appreciable difference in the countries most affected by the first wave.
- With inflation expected to be unlikely to get much above 1% over the next two years, **the ECB** has been struggling to get inflation up to its 2% target. It is currently unlikely that it will cut its central rate even further into negative territory from -0.5%, although the ECB has stated that it retains this as a possible tool to use. The ECB's December meeting added a further €500bn to the PEPP scheme, (purchase of government and other bonds), and extended the duration of the programme to March 2022 and re-investing maturities for an additional year until December 2023. Three additional tranches of TLTRO, (cheap loans to banks), were approved, indicating that support will last beyond the impact of the pandemic, implying indirect yield curve control for government bonds for some time ahead. The Bank's forecast for a return to pre-virus activity levels was pushed back to the end of 2021, but stronger growth is projected in 2022. The total PEPP scheme of €1,850bn of QE which started in March 2020 is providing protection to the sovereign bond yields of weaker countries like Italy. There is therefore unlikely to be a euro crisis while the ECB is able to maintain this level of support. However, as in the UK and the US, the advent of highly effective vaccines will be a game changer, although growth will struggle before later in quarter 2 of 2021.
- **China.** After a concerted effort to get on top of the virus outbreak in Q1, economic recovery was strong in Q2 and then into Q3 and Q4; this has enabled China to recover all of the contraction in Q1. Policy makers have both quashed the virus and implemented a programme of monetary and fiscal support that

has been particularly effective at stimulating short-term growth. At the same time, China's economy has benefited from the shift towards online spending by consumers in developed markets. These factors help to explain its comparative outperformance compared to western economies. However, this was achieved by major central government funding of yet more infrastructure spending. After years of growth having been focused on this same area, any further spending in this area is likely to lead to increasingly weaker economic returns in the longer term. This could, therefore, lead to a further misallocation of resources which will weigh on growth in future years.

- **Japan.** A third round of fiscal stimulus in early December took total fresh fiscal spending this year in response to the virus close to 12% of pre-virus GDP. That's huge by past standards, and one of the largest national fiscal responses. The budget deficit is now likely to reach 16% of GDP this year. Coupled with Japan's relative success in containing the virus without draconian measures so far, and the likelihood of effective vaccines being available in the coming months, the government's latest fiscal effort should help ensure a strong recovery and to get back to pre-virus levels by Q3 2021 – around the same time as the US and much sooner than the Eurozone.
- **World growth.** World growth will have been in recession in 2020. Inflation is unlikely to be a problem for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.
- Until recent years, world growth has been boosted by increasing **globalisation** i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last thirty years, which now accounts for nearly 20% of total world GDP, has unbalanced the world economy. The Chinese government has targeted achieving major world positions in specific key sectors and products, especially high tech areas and production of rare earth minerals used in high tech products. It is achieving this by massive financial support, (i.e. subsidies), to state owned firms, government directions to other firms, technology theft, restrictions on market access by foreign firms and informal targets for the domestic market share of Chinese producers in the selected sectors. This is regarded as being unfair competition that is putting western firms at an unfair disadvantage or even putting some out of business. It is also regarded with suspicion on the political front as China is an authoritarian country that is not averse to using economic and military power for political advantage. The current trade war between the US and China therefore needs to be seen against that backdrop. It is, therefore, likely that we are heading into a period where there will be a **reversal of world globalisation and a decoupling of western countries** from dependence on China to supply products. This is likely to produce a backdrop in the coming years of weak global growth and so weak inflation.

Summary

Central banks are, therefore, likely to support growth by maintaining loose monetary policy through keeping rates very low for longer. Governments could also help a quicker recovery by providing more fiscal support for their economies at a time when total debt is affordable due to the very low rates of interest. They will also need to avoid significant increases in taxation or austerity measures that depress demand in their economies.

If there is a huge surge in investor confidence as a result of successful vaccines which leads to a major switch out of government bonds into equities, which, in turn, causes government debt yields to rise, then there will be pressure on central banks to actively manage debt yields by further QE purchases of government debt; this would help to suppress the rise in debt yields and so keep the total interest bill on greatly expanded government debt portfolios within manageable parameters. It is also the main alternative to a programme of austerity.

INTEREST RATE FORECASTS

Brexit. The interest rate forecasts provided by Link in paragraph 3.3 were predicated on an assumption of a reasonable agreement being reached on trade negotiations between the UK and the EU by 31.12.20. There is therefore no need to revise these forecasts now that a trade deal has been agreed. Brexit may reduce the economy's potential growth rate in the long run. However, much of that drag is now likely to be offset by an acceleration of productivity growth triggered by the digital revolution brought about by the COVID crisis.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably now skewed to the upside but is still subject to some uncertainty due to the virus and the effect of any mutations, and how quick vaccines are in enabling a relaxation of restrictions.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, could impact gilt yields, (and so PWLB rates), in the UK.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **UK government** takes too much action too quickly to raise taxation or introduce austerity measures that depress demand in the economy.
- **UK - Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. The ECB has taken monetary policy action to support the bonds of EU states, with the positive impact most likely for "weaker" countries. In addition, the EU agreed a €750bn fiscal support package. These actions will help shield weaker economic regions for the next two or three years. However, in the case of Italy, the cost of the virus crisis has added to its already huge debt mountain and its slow economic growth will leave it vulnerable to markets returning to taking the view that its level of debt is unsupportable. There remains a sharp divide between northern EU countries favouring low debt to GDP and annual balanced budgets and southern countries who want to see jointly issued Eurobonds to finance economic recovery. This divide could undermine the unity of the EU in time to come.
- Weak capitalisation of some **European banks**, which could be undermined further depending on extent of credit losses resultant of the pandemic.
- **German minority government & general election in 2021**. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. The CDU has

done badly in subsequent state elections but the SPD has done particularly badly. Angela Merkel has stepped down from being the CDU party leader but she will remain as Chancellor until the general election in 2021. This then leaves a major question mark over who will be the major guiding hand and driver of EU unity when she steps down.

- **Other minority EU governments.** Austria, Sweden, Spain, Portugal, Netherlands, Ireland and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Austria, the Czech Republic, Poland and Hungary** now form a strongly anti-immigration bloc within the EU, and they had threatened to derail the 7 year EU budget until a compromise was thrashed out in late 2020. There has also been a rise in anti-immigration sentiment in Germany and France.
- **Geopolitical risks**, for example in China, Iran or North Korea, but also in Europe and other Middle Eastern countries, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- **UK** - a significant rise in inflationary pressures e.g. caused by a stronger than currently expected recovery in the UK economy after effective vaccines are administered quickly to the UK population, leading to a rapid resumption of normal life and return to full economic activity across all sectors of the economy.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a rapid series of increases in Bank Rate to stifle inflation.

5.3 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. A maximum of £4m ** will be held in aggregate in non-specified investment.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum credit criteria / colour band	** Max % of total investments / £ limit per institution	Max. maturity period
DMADF – UK Government	yellow	100%	6 months (max. is set by the DMO*)
UK Government gilts	yellow		5 years
UK Government Treasury bills	yellow		364 days (max. is set by the DMO*)
Bonds issued by multilateral development banks	yellow		5 years
Money Market Funds CNAV	AAA	100%	Liquid
Money Market Funds LNAV	AAA		Liquid
Money Market Funds VNAV	AAA		Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	100%	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	100%	Liquid
Local authorities	yellow	100%	5 years

Term deposits with housing associations	Blue Orange Red Green No Colour		12 months 12 months 6 months 100 days Not for use
Term deposits with banks and building societies	Blue Orange Red Green No Colour		12 months 12 months 6 months 100 days Not for use
CDs or corporate bonds with banks and building societies	Blue Orange Red Green No Colour		12 months 12 months 6 months 100 days Not for use
Gilt funds	UK sovereign rating		
Local Authority Mortgage Scheme. Under LAMS the council is required to place funds with the lender for a period of 5 years. This is classified as being a service investment, rather than a treasury management investment, and is therefore outside of the Specified / Non specified categories.			

* DMO – is the Debt Management Office of H.M.Treasury

Non Specified Investments (can be longer than 1 year)	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
With Local Authorities Companies which are 100% owned by the Borough Council King's Lynn and West Norfolk	N/A	In-house	100%	Unlimited
Term deposits – UK government (with maturities in excess of 1 year)	Credit rating in TMP's	In-house	100%	5 years
Term deposits – other LA's (with maturities in excess of 1 year)	Credit rating in TMP's	In-house	100%	5 years
Term deposits – banks and building societies (with maturities in excess of 1 year)	Credit rating in TMP's	In-house	As set out in TMP 1	5 years
Term deposits with unrated counterparties : any maturity	Credit rating in TMP's	In-house	As set out in TMP 1	5 years
Certificates of deposits issued by banks and building societies with maturities in excess of 1 year	Credit rating in TMP's	In house on a 'buy and hold basis' and Fund managers	As set out in TMP 1	2 years
UK Government Gilts with maturities in excess of 1 year	AAA	In house on a 'buy and hold basis' and Fund Managers	As set out in TMP 1	Overall duration of 3 years

Bonds issued by multilateral development banks with maturities in excess of 1 year	AAA	In-house on a 'buy-and-hold' basis. Also for use by fund managers	50% of the total fund	Overall duration of 3 years
Bonds issued by a financial institution which is guaranteed by the UK government with maturities in excess of 1 year	AAA	In-house on a 'buy-and-hold' basis. Also for use by fund managers	50% of the total fund	Overall duration of 3 years
Sovereign bond issues (i.e. other than the UK govt) with maturities in excess of 1 year	AAA	In house on a 'buy and hold basis' and Fund Managers	50% of the total fund	Overall duration of 3 years
Corporate Bonds : <i>the use of these investments would constitute capital expenditure</i>		In house on a 'buy and hold basis' and Fund Managers	50% of the total fund	Overall duration of 3 years
Floating Rate Notes : <i>the use of these investments would constitute capital expenditure unless they are issued by a multi lateral development bank</i>		Fund managers	50% of the total fund	Overall duration of 3 years
Property Fund: <i>the use of these investments would constitute capital expenditure</i>		In house and Fund Managers	50% of the total fund	Overall duration of 10 years

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

5.4 APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service.

Based on lowest available rating

AAA

- Australia
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France

AA-

- Belgium
- Hong Kong
- Qatar
- U.K.

THIS LIST IS AS AT 5.1.21

5.5 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

- Approval of annual strategy;
- Budget consideration and approval.

(ii) Cabinet

- Amendments to the organisation's adopted clauses, treasury management policy statement;

(iii) Audit Committee

- Receiving and reviewing regular monitoring reports and acting on recommendations;
- Mid-Year Treasury Management Report
- Annual Treasury Report (Actuals)

5.6 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following:
 - *Risk management, including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management, including methodology and criteria for assessing the performance and success of non-treasury investments;*
 - *Decision making, governance and organisation, including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
 - *Reporting and management information, including where and how often monitoring reports are taken;*

- *Training and qualifications, including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

REPORT TO CABINET

Part Open / Part Exempt (appendix)		Would any decisions proposed :			
Any especially affected Wards	Operational	Be entirely within Cabinet's powers to decide		YES	
		Need to be recommendations to Council		NO	
		Is it a Key Decision		YES	
Lead Member: Cllr Stuart Dark E-mail: <i>Cllr.Stuart.Dark@west-norfolk.gov.uk</i>			Other Cabinet Members consulted:		
			Other Members consulted:		
Lead Officer: Barry Brandford E-mail: <i>barry.brandford@west-norfolk.gov.uk</i> Direct Dial:			Other Officers consulted: Geoff Hall, Martin Chisholm, Nathan Johnson, Tony Hague		
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES	Environmental Considerations YES
If not for publication, the paragraph of Schedule 12A of the 1972 Local Government Act considered to justify that is paragraph 3 - relating to the appendix.					

Date of meeting: 2 February 2021

GARDEN WASTE COMPOSTING PROCUREMENT

<p>Summary The report details the procurement exercise completed for a new garden waste processing service to commence at the end of March 2021.</p> <p>Recommendation The Council enters in to a contract with the preferred bidder identified in Confidential Appendix 1 for the provision of Composting</p> <p>Reason for Decision To provide a continuation of composting of collected garden waste and grounds maintenance waste arrangements after the conclusion of the current contract with Kier.</p>
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1 Background

- 1.1 At its meeting on 18th June 2019 the Cabinet determined to undertake a procurement exercise for the treatment of collected garden waste (Cabinet Minute CAB 13 refers).
- 1.2 The decision was for the process of the procurement to be delegated to the up to the point of award of a contract.

- 1.3 The tendering process has sought the same arrangements for services as currently delivered as a minimum. A price for treating some waste delivered by North Norfolk DC was additionally sought.
- 1.4 The procurement exercise was carried out in accordance with the council's Contract Standing Orders
- 1.5 The closing date for the submission of Tenders was 12:00Hrs 19th November 2020. Tenders were opened on the 20th November 2020 and a single tender was received.
- 1.6 The tender was found to be compliant with the tender requirements and specification and therefore a formal evaluation is not required.
- 1.7 The outcome of the Tender is provided at Appendix 1 and is exempt from publication**

2 Options Considered

- 2.1 The council may determine that it does not wish to award the contract but this would mean that there are no provisions for the treatment of garden waste beyond the end of the Kier Contract.
- 2.2 Award the contract to the Preferred Bidder.

3 Policy Implications

- 3.1 The collection of garden waste in 240 ltr wheeled bins as a charged for service with 25 collections each year, no collections in the week containing Christmas Day and New Year's Day.
- 3.3 This contract and ongoing work with the incoming collections contractor (Serco) will mean that garden waste bins will be collected 26 times each year and the option is available for Bank Holiday deliveries of collected garden waste will minimise disruption for residents during the weeks containing bank holidays. The exception to this is Christmas Day, Boxing Day and New Year's Day.

4 Financial Implications

- 4.1 The financial implications are detailed in Appendix 1 (Exempt From Publication)**

5 Personnel Implications

- 5.1 The procurement has no Personnel implications for the council.

6 Environmental Considerations

- 6.1 The retention of the Garden Waste processing service provides for composting of garden waste and the provision of soil improver for the agriculture industry in West Norfolk and enhances soil structure and ability to hold moisture supporting the health of agricultural land locally.

7 Statutory Considerations

- 7.1 The arrangements comply with the 'waste hierarchy' to minimise waste, reuse waste, recycle, recover value or energy, disposal. Using local facilities minimises emissions from vehicles as collected garden waste will be delivered directly to the service provider facility.
- 7.2 The arrangements proposed meet the requirements imposed under Sections 45, 45A, 46, 47 & 48 of the Environmental Protection Act 1990, as amended, as they relate to the collection of waste, its disposal or delivery for recycling.
- 7.2 The proposed arrangements support the requirements to maximise recycling of specific wastes and to reduce the landfilling of biodegradable wastes.
- 7.3 Nothing in this contract precludes the delivery of the Waste Strategy 2018 'Our Waste, Our Resources: A Strategy For England'.

8 Equality Impact Assessment (EIA)

(Pre screening report template attached)

- 8.1 There are no changes to the services being contemplated and therefore there are no impacts to report.

9 Risk Management Implications

- 9.1 The council has undertaken appropriate due diligence in respect of planning and permitting at the tender submission stage and has undertaken a review of financial and health and safety arrangements at the Preferred Bidder stage and these are satisfactory.
- 9.2 The Preferred Bidder has considerable experience in providing the services sought in the tender.

10 Declarations of Interest / Dispensations Granted

11 Background Papers

(Definition : Unpublished work relied on to a material extent in preparing the report that disclose facts or matters on which the report or an important part of the report is based. A copy of all background papers must be supplied to Democratic Services with the report for publishing with the agenda)

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn & West Norfolk



Name of policy/service/function	Composting of Garden Waste				
Is this a new or existing policy/service/function?	Existing (delete as appropriate)				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>	<p>Provide waste and recycling collections along with additional services of commercial waste collections, brown bin collections and bulky waste collections.</p> <p>The service is constrained by statute</p>				
Question	Answer				
<p>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 according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			x	
	Disability			x	
	Gender			x	
	Gender Re-assignment			x	
	Marriage/civil partnership			x	
	Pregnancy & maternity			x	
	Race			x	
	Religion or belief			x	
	Sexual orientation			x	
	Other (eg low income)			x	

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