



GREAT YARMOUTH BOROUGH COUNCIL

Council

Date: Thursday, 20 February 2025
Time: 19:00
Venue: Council Chamber
Address: Town Hall, Hall Plain, Great Yarmouth, NR30 2QF

To: All members of the Council. You are hereby summoned to attend a meeting of the Council for the purpose of transacting the business set out in this agenda.

AGENDA

Open to Public and Press

1 APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2 DECLARATIONS OF INTEREST

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

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

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

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

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

3 MAYOR'S ANNOUNCEMENTS

To receive any announcements from Her Worship the Mayor.

4 LEADER'S ANNOUNCEMENTS

To receive any announcements from The Leader.

5 MINUTES

4 - 12

To approve the accuracy of the minutes of the meeting held on 23 January 2025.

6 25-004 - LICENCE FEES - HACKNEY CARRIAGE AND PRIVATE HIRE

13 - 16

Report attached.

7 24-185 - PAY POLICY STATEMENT 2025-26

17 - 23

Report attached.

8 23-176 - CAPITAL STRATEGY, INVESTMENT STRATEGY AND TREASURY MANAGEMENT STRATEGY 2025-26

24 - 63

Report attached.

9 24-080 - 2025- 26 GENERAL FUND AND HOUSING REVENUE ACCOUNT BUDGET REPORT

64 - 123

Report attached.

10 23-177 - COUNCIL TAX SETTING 2025-26

**124 -
135**

Report attached.

11 EXCLUSION OF PUBLIC

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

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

12 CONFIDENTIAL ITEM - 23-210 NORTH QUAY HAVENBRIDGE
HOUSE, GREAT YARMOUTH

Details



Caroline Whatling
Head of Legal and Governance
Great Yarmouth Town Hall
Hall Plain
Great Yarmouth
Norfolk NR30 2QF

For further details and general enquiries about this Agenda please contact the Corporate and Democratic Services Manager: Sammy Wintle on 01493 846596 or email member.services@great-yarmouth.gov.uk



GREAT YARMOUTH BOROUGH COUNCIL

Council

Minutes

Thursday, 23 January 2025 at 19:00

PRESENT:-

Her Worship the Mayor, Councillor P Waters-Bunn; Councillors Annison, Bird, Boyd, Candon, Capewell, P Carpenter, Flaxman- Taylor, Freeman, Galer, Grant, Green, Jeal, Hammond, Lawn, Martin, McMullen, McCluskey, Mogford, Murray-Smith, Newcombe, Plant, Robinson-Payne, Rundle, Sharp, Smith, Stenhouse, Thompson, Upton, Wainwright, Wells, Williamson, A Wright & B Wright.

Also in attendance :-

Ms S Oxtoby (Chief Executive Officer), Ms C Whatling (Monitoring Officer), Ms K Sly (Executive Director, Resources) Ms M Lee (Head of Customer Services), Mr N Fountain (Strategic Planning Manager), Mr T Hadlow (Strategic Planning Officer), Mrs S Wintle (Corporate Services Manager), Mr T Williams (Media & Communications Manager), Ms J Prosser (Social Media Officer), Mr M Brett (IT Support) & Mrs C Webb (Democratic Services Officer).

01 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bensly, Borg, G Carpenter, Cordiner-Achenbach & Pilkington.

02 FORMER MAYOR MR DERRICK MADDEYS

Her Worship, the Mayor, Councillor Waters-Bunn, informed Council that the former Mayor of Great Yarmouth, Derrick Maddeys had passed away. Our thoughts at the Council are with his family and friends after we learned this week of his sad passing.

As a mark of respect for his long service to the Council and the people of Great Yarmouth, a minute's silence was observed at the Council meeting.

03 COUNCILLOR BORG

Her Worship, the Mayor, Councillor Waters-Bunn, informed Council of the sad passing of Councillor Borg's husband. She asked that Council send their condolences to Councillor Borg & her family at this sad time.

04 DECLARATIONS OF INTEREST

Councillor Grant declared a personal interest in item number 7 as he was purchasing land in the Lothingland Ward for tourism purposes and that he would therefore abstain from voting on the item.

05 ITEMS OF URGENT BUSINESS

Her Worship, The Mayor, Councillor Waters-Bunn reported that she did not have any items of urgent business for consideration by Council.

06 MAYOR'S ANNOUNCEMENTS

Her Worship, The Mayor, Councillor Waters-Bunn, reminded Council of her upcoming "Who Dunit" event and encouraged Councillors to purchase tickets to attend the event and support her Mayor's Charities.

07 LEADER'S ANNOUNCEMENTS

The Leader of the Council, Councillor Smith, thanked the Chief Executive for her All-Member Briefing to Councillors on Devolution which was held on Tuesday, 21 January 2025.

The Leader informed Council that he was awaiting a letter to ascertain if the Council had been accepted on to the Government's Priority Programme and that he would keep Members fully informed and bring any information back to Council.

Councillor Wainwright highlighted that this special Council had been called to consider the PSPO report which he had been assured at Cabinet would be presented this evening and he was disappointed that this important legislative report had not been forthcoming.

The Leader assured Councillor Wainwright that this was the information which he had received and asked the Monitoring Officer to explain why the PSPO had not been reported to Council this evening as promised at Cabinet.

The Monitoring Officer explained that she had told Cabinet that the PSPO report would be finalised and reported to Council but unfortunately flaws had been identified in the report which need to be addressed before the legislative document could be presented to Council for adoption.

Councillor Wells, Cabinet Portfolio Holder, Environment & Sustainability, Licensing & Waste, reported that he shared Councillor Wainwright's frustration and he apologised to Councillor Wainwright. Councillor Wells was disappointed and embarrassed that the PSPO report would not be considered by Council this evening.

08 MINUTES

Proposer: Councillor Smith
Secunder: Councillor Plant.

That Council confirm that the minutes of the Council meeting held on 12 December 2024 were a true and accurate record.

CARRIED.

09 24-176 - APPOINTMENT TO NORFOLK RECREATIONAL IMPACT AVOIDANCE AND MITIGATION STRATEGY BOARD

Councillor Candon, Cabinet Portfolio Holder for Economic Development & Growth reported that the Council already has in place the Green Infrastructure and Recreational Avoidance and Mitigation Strategy (known as "GIRAMS"). This levies a small financial contribution per net new dwelling (or tourist accommodation) to address recreational impacts on the most important habitat sites around Norfolk, with the same charge applied across the other Norfolk authorities. This is essential to ensure that the Borough's development satisfies the requirements of the Habitat Regulations.

The Strategic Planning Member Forum required the GIRAMS to be reviewed which has led to the production of the "Norfolk Recreational Impact Avoidance and Mitigation Strategy Action Plan".

To oversee the governance for spending and implementation of mitigation projects, a board made up of elected members and supported by ecologists and planning officers from all 8 Norfolk LPAs will be established, which will be called the Norfolk Recreation Avoidance Mitigation Strategy (RAMS) Board. The Action Plan and Governance Arrangements were considered for adoption by Cabinet on 14 January 2025. The subject of this report is to appoint a councillor to the RAMS Board. I therefore propose that Council appoints a member to the Norfolk Recreational Impact Avoidance and Mitigation Strategy Board.

Councillor Grant declared a personal interest in the item as he was purchasing land in the Lothingland Ward for tourism purposes and would therefore abstain from voting on the item.

Her Worship the Mayor asked if there were any nominations, The Leader nominated Councillor Candon. The nomination was seconded by Councillor Plant.

Proposer: Councillor Smith
Seconder: Councillor Plant

RESOLVED:-

That Council appoint Councillor Candon to the Norfolk Recreation Avoidance Mitigation Strategy (RAMS) Board.

CARRIED

10 24-179 - BELTON WITH BROWSTON, BURGH CASTLE AND FRITTON WITH ST OLAVES NEIGHBOURHOOD PLAN EXAMINER'S REPORT

Councillor Candon, Cabinet Portfolio Holder, Economic Development & Growth reported that the Belton with Browston, Burgh Castle and Fritton with St Olaves Neighbourhood Plan has been prepared jointly by the respective Parish Council's within the Lothingland Ward. The plan contains proposed planning policies to be used in determining planning applications within the area. Once adopted it will become part of the Borough Council's Development Plan.

The plan has been subject to two rounds of public consultation and an examination held by an independent Examiner. The Examiner has concluded that subject to recommended modifications, the plan meets the 'basic conditions', and can proceed to referendum. The report and the appendices detail all the modifications.

The Local Plan Working Party have been notified of the examiner's recommendations and have been informed during the preparation of the plan. If approved, the referendum will take place within eight weeks of the decision.

I therefore propose that Council:-

- (i) Approves the recommended modifications to the Belton with Browston, Burgh Castle and Fritton with St Olaves Neighbourhood Plan as set out in the Examiner's Report,
- (ii) Approves the referendum area as the designated, as recommended in the Examiner's Report,
- (ii) Agree the Neighbourhood Plan (as modified) proceeds to referendum; and

(iv) Approves the publication of a Decision Statement setting out the Council's and the Broads Authority's response to the Examiner's recommendations and announcing the intention for the Neighbourhood Plan to proceed to a referendum.

Proposer: Councillor Candon

Secunder: Councillor Plant

RESOLVED:-

That Council:-

(i) Approves the recommended modifications to the Belton with Browston, Burgh Castle and Fritton with St Olaves Neighbourhood Plan as set out in the Examiner's Report,

(ii) Approves the referendum area as the designated, as recommended in the Examiner's Report,

(ii) Agree the Neighbourhood Plan (as modified) proceeds to referendum; and

(iv) Approves the publication of a Decision Statement setting out the Council's and the Broads Authority's response to the Examiner's recommendations and announcing the intention for the Neighbourhood Plan to proceed to a referendum.

CARRIED.

11 24-056 - COUNCIL TAX DISCOUNTS 2025-26

The Leader reported that this report is seeking a recommendation from Council for the levels of Council Tax discount that shall apply for 2025/26 as set out in this report.

At the time of the 2024/25 Council Tax Discounts Report, Members made a determination to charge a second home premium of 100% on unoccupied and furnished properties following the Royal Assent of the Regeneration and Levelling Up Act 2023. This determination was to charge the Second Home Premium from 1 April 2025. It therefore gave second homeowners a year's notice of the change.

The ability to charge a second home premium has been introduced to recognise the impact that high levels of second home ownership can have in some areas. For example, the impact that these have on the number of affordable homes in an area.

At the time of the report, it was anticipated that there would be exceptions to the Second Home Premium and draft regulations were laid before parliament on 8 October 2024 detailing these. These exceptions are detailed within the report.

These exceptions will now reduce the original anticipated revenue from the second home premium stated in the 2024/25 report by an estimated 35%.

Table 1 within the report shows the number of second homes in each council tax band and the anticipated additional revenue that would be raised, allowing for the 35% reduction. It also shows the proportion that would be kept by Great Yarmouth Borough Council being £106,170.

In keeping with the reasons for the implementation of the levy, The Borough Council held discussions with Norfolk County Council on how the additional income could be used to mitigate the impact of administering the change and to help mitigate the limited funds available to support the increased homeless provision needs across the borough.

I can update Members that a revenue share has now been agreed for 2025/26 which would mean Norfolk County Council will pass back 25% of the additional revenue to the Borough Council as a result of implementing the second homes premium.

The Leader reported that North Norfolk District Council, Kings Lynn & West Norfolk District Council and Great Yarmouth Borough Council would issue a joint press release once the Council Tax Discount for 2025/26 had been approved by each respective Council.

Council are asked to approve the following:-

- (i) Approve the Council Tax discounts as shown in Table 2 of the report which will apply for 2025/26; and
- (ii) With an agreement now in place with Norfolk County Council, on the share of the additional revenue, approve a Second Homes Premium of 100% in addition to the 100% in the paper, for Class B properties from 1 April 2025.

Proposer: Councillor Smith

Seconder: Councillor Plant

RESOLVED:-

That Council:-

- (i) Approve the Council Tax discounts as shown in Table 2 of the agenda report which will apply for 2025/26; and

- (ii) With an agreement now in place with Norfolk County Council, on the share of the additional revenue, approve a Second Homes Premium of 100% in addition to the 100% in the paper, for Class B properties from 1 April 2025.

CARRIED.

12 24-057 - COUNCIL TAX BASE 2025-26

The Leader of the Council reported that this report is seeking a recommendation from Council in regard to the calculation of the 2025/26 Council Tax base.

The Council Tax base is a technical calculation that must be formally set each year. It is the first stage of the Council Tax setting process that will be finalised once the Council's budgets have been agreed.

The tax bill for each band is calculated in proportion to band D, which is deemed to be the average for these purposes. Accordingly, a taxpayer whose home is in band A will pay two-thirds of what someone whose home is in band D will pay; a taxpayer whose home is in band H will pay twice what someone whose home is in band D will pay.

Proposer: Councillor Smith
Secunder: Councillor Plant

RESOLVED:-

That Council approve Option 1, that in recognition that the Council has approved to implement the Second Homes Premium of 100% for Class B properties from 1 April 2025, that Council approve the calculation of the 2025/26 tax base totals as £31,567 which represents an increase of £986 in the tax base, and the estimated tax bases for the Borough and for each parish, as shown in Appendix A, of the agenda report.

CARRIED.

13 25-007 - UPDATE TO CONSTITUTION - REVISION OF CONTRACT STANDING ORDERS IN ACCORDANCE WITH PROCUREMENT ACT 2023

The Leader advised that this report provides a short introduction to the new Procurement Act 2023 and advises Members on the Procurement Act 2023 which is now due to come into force on 24 February 2025.

The introduction of this new legislation (including regulations and statutory guidance) has required a review of the Council's internal rules on procurement, as set out in the contract standing orders. It is recommended that the new contract standing orders at Appendix 1 are approved in order to achieve alignment between the Council's internal rules and the new legislation.

The Procurement Act 2023 is underpinned by regulations and statutory guidance, much of which have only been published relatively recently. This has compressed the time available for preparation. Furthermore, it may be that some late adjustments are required to the new contract standing orders before 24 February 2025, in the event that further guidance on advertising opportunities and the Central Digital Platform is published.

Accordingly, delegated authority is sought for the Monitoring Officer to make changes to the new contract standing orders prior to that date to reflect any final statutory

guidance documents.

I therefore propose that Council:-

(i) note the contents of the report;
(ii) subject to recommendation (3) adopt the new contract standing orders at Appendix 1 with effect from 24 February 2025 and agree that the Constitution be amended accordingly; and

(iii) give the Monitoring Officer delegated authority to make any changes to the new contract standing orders to reflect any additional or revised statutory guidance published prior to 24 February 2025 and to make any other technical or administrative amendments.

Proposer: Councillor Smith

Seconder: Councillor Plant

RESOLVED:-

That Council:-

(i) note the contents of the report;

(ii) subject to recommendation (3) adopt the new contract standing orders at Appendix 1 with effect from 24 February 2025 and agree that the Constitution be amended accordingly; and

(iii) give the Monitoring Officer delegated authority to make any changes to the new contract standing orders to reflect any additional or revised statutory guidance published prior to 24 February 2025 and to make any other technical or administrative amendments

CARRIED.

14 ANY OTHER BUSINESS

Her Worship, The Mayor, Councillor Waters-Bunn reported that there was no other business being of sufficient urgency to warrant consideration at the meeting.

15 CONFIDENTIAL - MINUTES

Proposer: Councillor Smith

Seconder: Councillor Plant

That Council confirm the Confidential Minutes of the Council meeting held on 12 December 2024 as a true and accurate record.

CARRIED.

The meeting ended at: 19:25

URN: 25-004

Report Title: Licence Fees – Hackney Carriage and Private Hire

Report to: ELT/Cabinet/Council

Date of meeting: 22 January 2025/11 February 2025/20 February 2025

Responsible Cabinet Member: Cllr Paul Wells

Responsible Director / Officer : Denise Wilby – Licensing and Election Manager

Is this a Key decision ? No

SUMMARY AND RECOMMENDATIONS

The Borough Council may charge for Hackney Carriage and Private Hire licences a fee which is sufficient to cover their reasonable costs.

If the fees are increased there is a requirement to advertise the proposals and in the event of objections they must be reviewed before implementing the increases with or without modifications.

The fees and charges have been calculated to ensure that they are set at an appropriate level to support the recovery of the cost associated with providing the service. They have been advertised and three comments were received.

Council are asked to consider the proposed Hackney Carriage and Private Hire licence fees (as part of fees and charges setting process) for 2025/2026 as a result of comments received.

RECOMMENDATION :

That Council :

approve the proposed fees without modification for 2025/2026.

Background

1.1 Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 provides that "a District Council may charge such fees for the grant of vehicle and operator licences as may be resolved by them from time to time and, as may be sufficient in the aggregate to cover in whole or in part":-

(a) The reasonable cost of the carrying out by or on behalf of the District Council of inspections of Hackney Carriages and Private Hire Vehicles for the purpose of determining whether any such licence should be granted or renewed;

(b) The reasonable cost of providing Hackney Carriage stands; and

(c) Any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of Hackney Carriages and Private Hire Vehicles.

- 1.2 Section 53 (2) of the Local Government (Miscellaneous Provisions) Act 1976 provides that "a District Council may demand and recover for the grant to any person of a licence to drive a Hackney Carriage or Private Hire Vehicle as the case may be, such a fee as they consider reasonable with a view to recovering the costs of issue and administration".
- 1.3 Should the Council choose to increase the fees it is required in law to publish such proposals and in the event of objections to such increases must consider such objections before implementing the revised fee (with or without modification).

2. Current situation

- 2.1 The fees and charges have been calculated to ensure that they are set at an appropriate level to support the recovery of the cost associated with providing the service and increased this year in line with the councils fees and charges policy where appropriate.
- 2.2 As is required in legislation, a notice of the intended fees was published in the local paper which allows for a 28-day representation period. This began on 6 December 2024 and ended on 8 January 2025.
- 2.6 Where objections are received to the proposed advertised fees, under Section 70 of the Local Government Miscellaneous Provisions Act 1976 the council can either approve the fees as proposed or modify the fees after consideration of the objections.
- 2.7 The proposed fees are as follows:

Licence	2024/2025 Current fee	2025/2026 Proposed fee
Hackney Carriage Vehicle Licence	£280	£294
Private Hire Vehicle Licence	£280	£294
Second class Hackney Carriage vehicle licence	£300	£315
Private Hire Operators Licence (5 year licence)	For 1 – 10 vehicles £390 For 11 – 20 vehicles £490 For 20+ vehicles £710	For 1 – 10 vehicles £409 For 11 – 20 vehicles £514 For 20+ vehicles £744
Driver's Licence (3 year licence)	£220	£230
Transfer of vehicle	£75	£79
Knowledge Test	£25	£27

3. Representations received

- 3.1 Three comments have been received from the trade, a summary of these can be found in Appendix 1.

4. Option for members

- 4.1 to agree the proposed fees without modification for 2025/2026 and recommend to Council for approval.
- 4.2 to modify the proposed fees for 2025/2026 and then recommend to Council for approval.

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

Area for consideration	Comment
Monitoring Officer Consultation:	No comment
Section 151 Officer Consultation:	In line with fees and charges policy
Existing Council Policies:	Fees and Charges policy and cost recovery
Financial Implications (including VAT and tax):	Increased income to cover officer time
Legal Implications (including human rights):	None
Risk Implications:	None
Equality Issues/EQIA assessment:	None
Crime & Disorder:	None
Every Child Matters:	None

Appendix 1

Summary of comments received – Hackney Carriage and Private Hire Licence fee increase

Plate holder/Driver	<p>Are those council for real yet another increase and the town is dying but you punish taxis.</p> <p>How can anyone justify this we have lost trade by the way the government is ruining the country and you have already hit us hard not long ago. Why is it when the incompetence of the council with tax payers money find the easiest target TAXIS to rip an extra pound out of to fill the hole they have made.</p> <p>We and I mean we are struggling to even make a living an example is as a Gorleston driver daily we sit on the rank for a hour to hour and half only to get a £3.80 job and return to the rank for yet another long wait, we are working below minimum wage as it is and what with taxi insurance going through the roof and the council wanting there pound of flesh it's beyond unfair.</p> <p>Honestly you need to find elsewhere to fill your black hole not keep robbing us while buses are getting subsidised.</p>
Driver	<p>I find it difficult to come to terms with yet another licence increase after it has just gone up by 25%! What is the justification for this?</p>
Driver	<p>How on earth can you possibly increase fees,when you don't appear to have done anything to help us in regards to the bus company taking away our busiest rank in town, surely you should be fighting for us,otherwise what are we paying for,lots of drivers not following hackney dress code,wearing tracky bottoms and hoodie,why aren't the rules being enforced, i saw a taxi today,crests on front doors(plate 69)no top sign and no for hire sign in windscreen, how is it on the road,minibuses with crests on back wing corners behind wheel arch,you get pictures of the vehicles when tested why aren't these issues being stopped before issuing new plates,you really don't seem to care about the trade like I do,34 years in the business and it's a mess,you don't appear to do anything about these issues for the good of the trade,and the afore mentioned lack of help in fighting to save our ranks,but you want even more money from us for doing nothing, seriously unimpressed, disappointed</p>

URN: 24-185
Subject: Pay Policy Statement 2025-26
Report to: ELT/Full Council
Report by: Sarah Tate, Head of Organisational Development
Date: 20 February 2025

SUBJECT MATTER

Pay Policy Statement 2025-26

RECOMMENDATIONS:

That Council:

- Adopt the attached Pay Policy Statement for 2025-26 which shall be published on the Council's website.

1. BACKGROUND

1.1 Section 38 of the Localism Act 2011 ("the Act") requires the Council to produce an annual pay policy statement ("the Statement") for the start of each financial year. It is a legal requirement that Council formally sign off this statement and the responsibility cannot be devolved to any other person or committee.

2. PAY POLICY STATEMENT

2.1 The Statement must set out the Council's policies relating to:-

- a) The remuneration of its chief officers,
- b) The remuneration of its lowest-paid employees, and
- c) The relationship between:
 - The remuneration of its Chief Officers, and
 - The remuneration of its employees who are not Chief Officers

2.2 With regard to the process for approving the Statement, it must:

- a) Be approved formally by Council and cannot be delegated to any subcommittee. This includes any amendments in each financial year
- b) Be approved by the end of March each year
- c) Be published on the Council’s website and in any other manner that the Council thinks appropriate as soon as it is reasonably practicable after it is approved or amended
- d) Be complied with when the Council sets the terms and conditions for a Chief Officer

2.3 For the purpose of the Statement the term ‘Chief Officer’ in a local authority context is defined as set out in section 43 of the Localism Act 2011.

3. FINANCIAL AND RISK IMPLICATIONS

3.1 There are no increased risk implications as a result of setting and publishing the pay policy statement. The financial implications have been factored into the budget setting process for the 2025/26 budget.

4. CONCLUSION

4.1 The Pay Policy Statement meets the statutory requirements of the Localism Act and it is therefore recommended that the attached statement be approved.

5. BACKGROUND PAPERS

5.1 Current pay structure

Area for consideration	Comment
Monitoring Officer Consultation:	Yes
Section 151 Officer Consultation:	Yes
Existing Council Policies:	Pay Policy Statement
Financial Implications:	Considered
Legal Implications (including human rights)	Section 38 of the Localism Act 2011, Local Government Transparency Code 2015
Risk Implications:	Considered
Equality Issues/EQIA assessment:	Considered

PAY POLICY STATEMENT 2025/26

This Pay Policy Statement is produced in accordance with Chapter 8 of the Localism Act 2011 and the Local Government Transparency Code 2015. It was approved by a meeting of Great Yarmouth Borough Council (GYBC) on 20th February 2025 and is made available on the Council's website. The Council's website also includes separately published data on salary information relating to Chief Officers and this can be accessed at [Senior Salary Information](#).

Scope

This document sets out the council's pay and reward arrangements for the whole workforce including senior pay arrangements. The pay policy statement excludes pay arrangements and terms and conditions of employment of employees who have transferred into the council and are protected under the Transfer of Undertakings (Protection of Employment) regulations.

1. Remuneration of Employees

- 1.1 For employees subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council (NJC) for Local Government Services' (commonly known as the 'Green Book'), the Council uses a pay spine that commences at national Spinal Column Point (SCP) 1 and ends at local SCP 45. This pay spine is divided into 10 pay bands, which each contain between three and six incremental points. Band 1 is the lowest and Band 10 is the highest of these pay grades. Posts are allocated to a pay band through a process of job evaluation. See Appendix A for the current pay bands.
- 1.2 For the purpose of this Policy Statement, employees on Band 1 are defined as our lowest-paid employees. These are the lowest paid employees other than apprentices who are paid in line with National Living Wage rate for 21 years and over, which as of 01 April 2025 will be £12.21 per hour. This reflects the nature of the training and development role.
- 1.3 The values of the SCPs in these pay grades are updated by the pay awards notified from time to time by the National Joint Council for Local Government Services.
- 1.4 The minimum (pro rata) salary paid by the Council to employees in established posts should not be less than the Real Living Wage which is currently £12.60 per hour. This rate is reviewed and updated annually by the Living Wage Foundation and the new rate is announced in November of each year. Where an employee's contractual (pro-rata) pay is less than the Real Living Wage they receive a supplement to raise their pay to the Real Living Wage level (excluding apprentices).
- 1.5 The Council uses the National Job Evaluation Scheme to establish the relative 'sizes' of jobs within the Council. An evaluation results in an overall job evaluation score which is used to rank jobs within the organisation. The overall job evaluation score for a job is used to allocate that job to the appropriate pay grade of the Council's pay structure.

2. Remuneration of Senior Managers

For the purposes of this Policy Statement, Chief Officers are defined as:

- Chief Executive (and Returning Officer)
- Executive Directors

2.1 Chief Executive

2.1.1 The Chief Executive is the Head of Paid Service. As of 31 March 2025, the FTE salary range for this post is £127,206 - £144,015. There are five incremental points in the grade.

2.1.2 It is the Council's policy that the FTE salary range for the post of Chief Executive will normally be no greater than 8.5x the FTE salary range of a Band 1 'Green Book' employee. This maximum is not being exceeded. The current pay levels within the Council define the pay multiple between the median full time equivalent (FTE) earnings and the Chief Executive as 1:5.71.

2.1.3 Notwithstanding 2.1.2, the value of the spinal column points in the Chief Executive's grade will be updated by the pay awards notified from time to time by the Joint Negotiating Committee for Chief Executives of Local Authorities.

2.1.4 The Chief Executive also receives a (Deputy) Returning Officer fee in respect of County, District and Parish Council Elections. The fee for undertaking this role in Norfolk is calculated in accordance with a formula approved annually by the Norfolk Chief Executives' Group, based on a recommendation by the County Electoral Officers' Group. Fees for conducting Parliamentary Elections are determined by way of a Statutory Instrument.

2.2 Directors

2.2.1 The Directors report to the Chief Executive. As at 31 March 2025, the annual FTE range for the grade of the Director posts is currently £79,897 - £95,281.

2.2.2 It is the Council's policy that the FTE salary range for the posts of Director will normally be no greater than 6x the FTE salary range of a Band 1 'Green Book' employee. This maximum is not being exceeded. The current pay levels within the Council define the multiple between the median employee full time equivalent (FTE) earnings and the median Chief Officers' earnings as 1:3.82.

2.2.3 Notwithstanding 2.2.2, the value of the SCPs in the Director grades will be updated by the pay awards notified from time to time by the Joint Negotiating Committee for Chief Officers of Local Authorities.

2.2.4 The Council's Monitoring Officer is employed by Norfolk County Council (through a secondment agreement). This Policy Statement does not, therefore, concern the remuneration of the post whose holder undertakes that role.

2.2.5 The Council's S151 Officer and Deputy, where employed directly by the Council, also receive a supplement of up to £5,000 for undertaking their statutory duties.

2.3 Heads of Service

2.3.1 The Heads of Service report to the Executive Leadership Team (ELT). ELT is comprised of the Chief Executive and the Executive Directors. As at 31 March 2025, the annual FTE salary range for the Heads of Service posts is £68,975 - £73,857. There are five incremental points in the grade.

2.3.2 It is the Council's policy that the FTE salary range for Head of Service posts will normally be no greater than 4.5x the FTE salary range of a Band 1 'Green Book' employee. This maximum is not being exceeded.

2.3.3 The values of the SCPs in this pay grade are updated by the pay awards notified from time to time by the National Joint Council for Local Government Services.

2.4 Senior Managers (MGR-11)

2.4.1 As at 31 March 2025, the annual FTE salary range for the Senior Managers post is £55,326 - £58,801. There are five incremental points in the grade.

2.4.2 The values of the SCPs in this pay grade is updated by the pay awards notified from time to time by the National Joint Council for Local Government Services.

3. **General Principles**

- 3.1 On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. This would normally be the minimum of the scale; however, appointment may be at a higher point where necessary to appoint the best candidate. Access to appropriate elements of the Council's Relocation Scheme may also be granted in certain cases, when new starters need to move to the area.
- 3.2 Where the Council is unable to recruit to a post at its designated grade, it will consider the use of temporary market supplements or a 'recruitment incentive payment'. Recruitment incentive payments are re-payable in whole or in part in certain circumstances should the officer leave before an agreed period has been served. These payments are subject to tax and national insurance under the Council's PAYE scheme.
- 3.3 In areas of skills shortages (locally or nationally) the Council will consider the use of retention payments.
- 3.4 Individuals will normally receive an annual increment, subject to the top of their grade not being exceeded. In exceptional circumstances (e.g., examination success), individuals will receive accelerated increments. Again, this is subject to the top of their grade not being exceeded.
- 3.5 The Council does not apply performance-related pay, with the exception of the Executive Directors whose progression through the increments of the pay grade is subject to performance management. The Council does not apply bonuses.
- 3.6 On ceasing to be employed by the Council, individuals will only receive compensation:
- a) in circumstances that are relevant (e.g., redundancy), and
 - b) that is in accordance with our published Policy Statement on how the Council will exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or
 - c) that complies with the specific term(s) of a settlement agreement used to avoid or settle a potential legal claim.
- 3.7 The Policy Statement on how the Council will exercise the various employer discretions provided by the LGPS also summarises how Flexible Retirement might be allowed. This is where an individual aged 55 or over who reduces their grade or hours of work (or both) may receive their LGPS benefits immediately, even though they haven't left the Council's employment. This will be allowed only in circumstances where it is demonstrated to be in the Council's long-term interests.
- 3.8 Any decision to re-employ an individual who was previously employed by the Council and, on ceasing to be employed, was in receipt of a severance or redundancy payment, will be made on merit. The Council will not, however, normally engage such an individual under a contract for services.
- 3.9 Any Market Supplement that is paid will be in accordance with our Protocol for Payment of Market Supplements.
- 3.10 If it is appropriate for an honorarium to be paid, this will be in accordance with our Principles for Payment of Honoraria.
- 3.11 The Council pays Essential and Casual Car User allowances in appropriate circumstances. These allowances are in accordance with 'Green Book' rates, although the Council does not recognise the 1200cc to 1450cc (i.e., the top) band and mileage may only be claimed at a reduced local rate. There are also local rates in force for individuals who use their motorcycles or bicycles on official business.
- 3.12 Any subsistence allowance that is paid will normally be no higher than the rates agreed locally.

- 3.13 Professional subscriptions are payable where they are required for the post.
- 3.14 The Council operates the Local Government Pension Scheme (LGPS) for employees within scope of this statement.
- 3.15 Where severance payments over £100,000 are considered, this matter must be referred to Full Council.

4. Consultants and Agency Workers

- 4.1 Consultants and agency workers are not deemed to be employees and therefore their remuneration is not covered by this Pay Policy Statement. Contracts covering the engagement of consultants and agency workers will be agreed under the rules of Great Yarmouth Borough Council's Contract Standing Orders. Where the Council is unable to recruit officers or there is a need for interim support, the Council will put in place the most effective arrangements to engage individuals. These arrangements will comply with HMRC IR35 requirements, relevant procurement processes and ensure the Council is able to demonstrate maximum value for money.

5. Tax Avoidance

- 5.1 The Council is committed to tackling all forms of tax avoidance and therefore encourages the direct employment of staff and pays them via the payroll system.

6. Review

- 6.1 The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. Our next Statement is scheduled to be for 2026/27 and will be submitted to Full Council for approval by 31 March 2026.
- 6.2 If it should be necessary to amend this 2025/26 Statement during the year that it applies, an appropriate resolution will be made by Full Council.

GYBC PAY STRUCTURE - April 2024

Spinal Column Point	Annual FT Rate April 2024	Pay Bands	
2	£23,656	Band 1	
3	£24,027	Band 1	Band 2
4	£24,404		Band 2
5	£24,790	Band 3	Band 2
6	£25,183	Band 3	
7	£25,584	Band 3	Band 4
8	£25,992		Band 4
9	£26,409		Band 4
10	£26,835		Band 4
11	£27,269		Band 4
12	£27,711		Band 4
13	£28,163	not used	
14	£28,624	Band 5	
15	£29,093	Band 5	
16	£29,572	Band 5	
17	£30,060	Band 5	
18	£30,559	Band 5	
19	£31,067	Band 5	
20	£31,586		Band 6
21	£32,115		Band 6
22	£32,654		Band 6
23	£33,366		Band 6
24	£34,314		Band 6
25	£35,235		Band 6
26	£36,124	Band 7	
27	£37,035	Band 7	
28	£37,938	Band 7	
29	£38,626	Band 7	
30	£39,513	Band 7	
31	£40,476		Band 8
32	£41,511		Band 8
33	£42,708		Band 8
34	£43,693		Band 8
35	£44,711		Band 8
36	£45,718	Band 9	
37	£46,731	Band 9	
38	£47,754	Band 9	
39	£48,710	Band 9	
40	£49,764	Band 9	
41	£50,788		Band 10
42	£51,802		Band 10
43	£52,805		Band 10
44	£53,738		Band 10
45	£54,724		Band 10

SCP's correct as at 20 February 2025 when approved by Full Council. The pay claim for 2025-26 is yet to be agreed.



URN 23-176

Report Title **CAPITAL STRATEGY, INVESTMENT STRATEGY AND TREASURY
MANAGEMENT STRATEGY 2025/26**

Report to **CABINET 11 February 2025**
SCRUTINY 11 February 2025
COUNCIL 20 February 2025

Responsible Cabinet Member: Carl Smith – Portfolio holder Governance, Finance and Major Projects

Responsible Officer: FINANCIAL SERVICES MANAGER

SUBJECT MATTER/RECOMMENDATIONS

This report and document presents for approval the Council's Capital Strategy, Investment Strategy and Treasury Management Strategy Statement for 2025/26.

These strategies provide a framework that gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

They also highlight how the Council's decisions on capital spend has financial implications for the future and the financial planning of the Council.

Recommendations:

That Council :

- approve the Capital Strategy for 2025/26
- approve the Investment Strategy for 2025/26
- approve the Treasury Management Strategy Statement for 2025/26, including:
 - a. The Treasury Investment Strategy (section 4)
 - b. Prudential Indications (section 5)
 - c. Operational Boundary and Authorised Limits (Appendix C)

1. INTRODUCTION AND BACKGROUND

1.1. In accordance with statutory guidance, the Council is required to have a Capital Strategy, Investment Strategy and Treasury Management Strategy. These strategies are informed by and also inform a number of the Councils other strategy documents, including the following:

- Asset Management Strategy
- Medium Term Financial Strategy.

2. CAPITAL STRATEGY 2025/26

2.1. The Capital Strategy for 2025/26 is attached at appendix A and covers capital expenditure and financing, treasury management and commercial activities. It reflects how previous capital investment decisions and those taken as part of the 2025/26 budget setting have ongoing implications for the Council and its financial position in the future.

3. INVESTMENT STRATEGY 2025/26

3.1. The Investment Strategy for 2025/26 is attached at appendix B and focuses on how the Council can support local services by making service or commercial investments.

4. TREASURY MANAGEMENT STRATEGY 2025/26

4.1. The Council is required to determine annually its Treasury Management Strategy (TMS). The TMS for 2025/26 financial year is attached at appendix C and includes the following:

- Annual Treasury Investment Strategy
- Operational Boundary and Authorised Limits

4.2. The Council continues to maintain an under-borrowed position, which means the capital borrowing need (the Capital Financing Requirement) has not been fully funded with external loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. The strategy is prudent as investment returns are low and counterparty risk is relatively high. An under- borrowing position is forecast to continue.

4.3. The Council is required to operate a balanced budget, whereby cash raised during the year will meet the 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 appetite, providing adequate liquidity initially before considering investment return.

4.4. The second main function of the treasury management service is the funding of the Council's planned capital plans. These capital plans provide a guide to the borrowing need of the Council, informing the longer- term cash flow planning, to ensure the Council can meet its capital spending obligations.

4.5. The management of longer-term cash may involve arranging long or short-term loans or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet the Council risk or cost objectives.

4.6. The treasury strategy has been informed by the current capital programme and updates to the programme as included within the budget report which is being recommended elsewhere on the agenda.

4.7. The revenue implications of the strategy have been included in the General Fund and HRA budgets for 2025-26.

5. FINANCIAL IMPLICATIONS

- 5.1. The strategies set out the framework for Treasury Management investments and capital investments made in respect of service and commercial investment. Decisions in relation to specific capital investments will be presented for approval through the decision-making process as per the constitution and the financial implications would be determined for the capital investments as part of the business case for approval.
- 5.2. The strategies are presented is in line with the approved 2025/26 budget as presented for approval in February 2025. As decisions are made in the year, this may impact on the strategies and the respective decision making and recommendations will take into account the strategies and recommend changes to them as applicable.

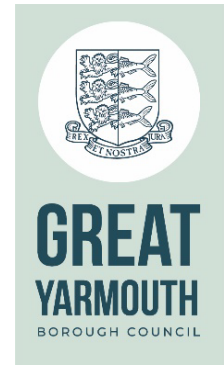
6. RISK IMPLICATIONS

- 6.1. These are detailed within the Strategy documents.

7. BACKGROUND PAPERS

- 7.1. Asset Management Strategy

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



Capital Strategy 2025/26

Author	Finance
Version No.	2025/26
Updated by	Financial Services Manager
Date of update	February 2025
Description of changes to this version	Annual update in line with budget
Document Status	To be approved

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CAPITAL STRATEGY 2025/26

1. INTRODUCTION

- 1.1. This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes technical areas.
- 1.2. Decisions made this year on capital and treasury management will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

2. CAPITAL EXPENDITURE AND FINANCING

- 2.1. Capital expenditure is where the Authority spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Authority has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year. Further details of the capital accounting policies of the Council are provided as part of the Statement of Accounts which are available at <https://www.great-yarmouth.gov.uk/article/2466/Budgets-and-spending>
- 2.2. In 2025/26, the Authority is planning capital expenditure of £71.56m as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2023/24 actual	2024/25 revised budget	2025/26 budget	2026/27 budget	2027/28 budget
General Fund services	17.28	33.66	46.85	20.95	12.34
Council housing (HRA)	12.52	17.60	14.52	19.22	22.12
Capital investments	2.03	1.53	10.19	0.0	0.0
TOTAL	31.84	52.80	71.56	40.17	34.46

- 2.3. The main General Fund capital projects include:
 - Loans to and share purchase in the Council's wholly owned companies; Equinox Enterprise Ltd and Equinox Property Holdings.
 - The purchase of assets (e.g. vehicles and equipment) for lease to the Council's other subsidiary GYS Limited.
 - North Quay Redevelopment
 - Wintergardens Restoration
 - Further development of the Operations & Maintenance Campus site on South Denes

- 2.4. The Council has secured Town Deal, Future High Streets and Levelling Up Funding for the regeneration of Great Yarmouth town centre. Funding of £54m has been confirmed and project budgets have been included in the programme. Details on costs, plans and timing of the projects within the funding envelope available are still subject to change. The capital programme will therefore be amended or updated during the year as projects develop further.
- 2.5. The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately and includes the building and acquisition of new homes over the forecast period to replace sales under Right to Buy in line with government guidance. Programmed capital expenditure is also driven to maintaining and improve the overall stock currently held by the HRA, this is prepared over the medium term and reviewed and updated annually.
- 2.6. Capital investments include loans and shares made for service purposes and property to be held primarily for financial return in line with the definition in the *CIPFA Treasury Management Code*.
- 2.7. **Governance:** Heads of Service bid annually in October to include projects in the Council's capital programme. Bids are collated by finance who calculate the financing cost (which can be nil if the project is fully externally financed). The Council's Executive Leadership Team appraises all bids based on a comparison of service priorities against financing costs and identifies projects to be put forwards as part of the annual budget setting and those that will be considered separately via a subsequent business case. The final capital programme is then presented to Cabinet and Council in February each year as part of the approval of the budget for the coming financial year.
- 2.8. For full details of the Authority's capital programme, including the project appraisals undertaken, see: <https://www.great-yarmouth.gov.uk/article/2466/Budgets-and-spending>.
- 2.9. It should be noted that other capital projects may be brought forward during the financial year as business cases which are initially appraised by Executive Leadership Team before being passed for approval to Cabinet. Those capital projects costing over £100,000 would then go onto to Council for final approval. The business cases put forward to Executive Leadership Team have been considered for affordability by Finance and, if relating to an IT project, the IT Investment Group.
- 2.10. All capital expenditure must be financed, either from external sources (government grants and other contributions), the Authority's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

General Fund	2023/24 actual	2024/25 revised budget	2025/26 budget	2026/27 budget	2027/28 budget
External sources	10.91	29.20	28.55	10.34	6.65
Own resources	2.93	1.84	6.41	0.53	0.0
Debt	5.48	4.16	22.08	10.08	5.68
Total	19.32	35.20	57.04	20.95	12.34
Housing Revenue Account	2023/24 actual	2024/25 revised budget	2025/26 budget	2026/27 budget	2027/28 budget
External sources	1.45	2.36	2.00	3.04	3.85
Own resources	9.16	10.79	7.30	9.36	10.00
Debt	1.92	4.45	5.22	6.82	8.27
Total	12.52	17.60	14.52	19.22	22.12
TOTAL	31.84	52.80	71.56	40.17	34.46

2.11. Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

Table 3: Replacement of debt finance in £ millions

	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget
Own resources	1.928	2.017	2.089	2.237	2.258

2.12. The Authority's full minimum revenue provision statement is available here as part of the budget for the year: <https://www.great-yarmouth.gov.uk/article/2466/Budgets-and-spending>

2.13. The Authority's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £25.2m during 2025/26. Based on the above figures for expenditure and financing, the Authority's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	31.3.2024 actual	31.3.2025 forecast	31.3.2026 budget	31.3.2027 budget	31.3.2028 budget
General Fund services	74.86	75.59	87.42	95.46	99.10
Council housing (HRA)	92.61	97.05	102.27	109.09	117.36
Capital investments	4.43	5.84	14.00	13.79	13.58
TOTAL CFR	171.90	178.49	203.69	218.35	230.04

- 2.14. **Asset management:** To ensure that capital assets continue to be of long-term use, the Authority has an asset management strategy in place. The primary aim of the asset management strategy is to support the corporate priorities, achieve service requirements and comply with statutory duties by setting out the vision to improve the management and utilisation of the Council’s land and buildings. The strategy provides the basis for developing a more robust and integrated approach to asset management across the Council.
- 2.15. The asset management strategy promotes collaboration and visibility of resources as well as embedding a culture of scrutiny that will challenge the use, effectiveness and retention of the land and building assets of the council. The strategy outlines the vision and long-term approach to improve the recognition, management and utilisation of land and buildings.
- 2.16. The Council’s asset management strategy can be found here: [Corporate Asset Management Strategy 2018-2022](#)
- 2.17. **Asset Management Working group:** The purpose of the group is to monitor and manage asset projects for the Council. The group meets on a monthly basis. The group undertakes to review assets in relation to opportunities, developments and disposal ensuring the assets of the Council are used to the best effect. Any recommendations from the group are then formulated into report or business cases for the Consideration by the Executive Leadership team and then by Cabinet or Council as appropriate.
- 2.18. **Asset disposals:** When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. Repayments of capital grants, loans and investments also generate capital receipts. The Authority plans to receive £12.7m of capital receipts in the coming financial year as follows:

Table 5: Capital receipts receivable in £ millions

	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget
General Fund Asset sales	2.0	1.6	10.9	0.5	0.5
General Fund Loans etc repaid	0.1	0.2	0.1	0.1	0.1
Housing revenue Account Asset sales	0.8	1.1	1.7	1.8	1.9
TOTAL	2.9	2.9	12.7	2.4	2.5

3. TREASURY MANAGEMENT

- 3.1. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Authority's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Authority is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 3.2. Due to decisions taken in the past in relation to capital and financing decisions with the General Fund and the Housing Revenue Account, the Council currently has £138.8m borrowing at interest rates between 3.15% to 6.2% and £13.5m treasury investments at interest rates between 0.35% and 4.77%.
- 3.3. **Borrowing strategy:** The Authority's main objectives when borrowing is to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Authority therefore seeks to strike a balance between cheaper short-term loans (currently available at around 4.8% to 5.6%) and long-term fixed rate loans where the future cost is known but higher (currently 5.04% to 5.91%).
- 3.4. The Authority does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board
- 3.5. Projected levels of the Authority's total outstanding debt (which comprises borrowing, leases and transferred from local government reorganisation) are shown below, compared with the capital financing requirement (see above).

Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget
Debt (incl. leases)	136.31	153.52	184.24	194.20	200.20
Capital Financing Requirement	171.90	178.49	203.69	218.35	230.04

- 3.6. Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Authority expects to comply with this in the medium term.
- 3.7. **Liability benchmark:** To compare the Authority’s actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing.
- 3.8. **Affordable borrowing limit:** The Authority is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.
- 3.9. The liability benchmark, affordable borrowing limits and further details on borrowing are included within the treasury management strategy at: <https://www.great-yarmouth.gov.uk/policies>
- 3.10. **Treasury investment strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 3.11. The Authority’s policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which investments to buy and the Authority may request its money back at short notice.

Table 8: Treasury management investments in £millions

	31.3.2024 actual	31.3.2025 forecast	31.3.2026 budget	31.3.2027 budget	31.3.2028 budget
Near-term investments	12.96	12.00	12.00	12.00	12.00
Longer-term investments	0.83	1.00	1.00	1.00	1.00
TOTAL	13.80	13.00	13.00	13.00	13.00

- 3.12. Further details on treasury investments are in the treasury management strategy <https://www.great-yarmouth.gov.uk/policies>.

- 3.13. The near-term investment balance incorporates the £10m investment balance that needs to be held to ensure the Council maintains its professional client status under the Markets in Financial Instruments Directive (MiFID II) requirements.
- 3.14. **Risk management:** The effective management and control of risk are prime objectives of the Authority's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.
- 3.15. **Governance:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Section 151 Officer and staff, who must act in line with the treasury management strategy approved by Council. The Section 151 Officer assesses our investment levels to ensure we retain our status as a professional client under MiFID II in order to provide security of capital, access to better investment returns and borrowing rates.
- 3.16. Quarterly reports on treasury management activity will be presented to Members during 2025/26. Cabinet is responsible for scrutinising treasury management decisions.

4. INVESTMENTS FOR SERVICE PURPOSES

- 4.1. The Council has investments in its subsidiaries (GYS Limited (in the form of leases), Equinox Enterprises Limited (EEL) and Equinox Property Holdings (EPH) in the form of loans), local charities, local businesses, and local residents (in the form of home improvement loans), to support local public services and stimulate local economic growth. The Council also holds shares in EEL & EEH.
- 4.2. Details of the loans and shares in subsidiaries can be found in the Councils Investment Strategy, which is available at <https://www.great-yarmouth.gov.uk/policies>
- 4.3. Details of the Council's discretionary Home Improvement loans are given with the Private Sector Housing Adaptation and Improvement (2021) policy which is available at [Private Sector Adaptations and Improvement Policy](#)
- 4.4. Home Improvement loans made are equity loan agreements, so the Council obtains a share of the equity of the borrower's home as collateral. This reduces the risk of the Council not recovering the loan amount from the borrower.
- 4.5. Discretionary loans to charities are decided by the Cabinet if the spend is below £100,000 or Council if over this amount. These loans incur interest charges which are set at a market rate to reflect the costs and the level of risks. These loans are equity loans to again to reduce the risk of a borrower defaulting on payment in line with the loan agreement.

5. COMMERCIAL ACTIVITIES

- 5.1. The Council has invested historically in commercial property and holds a significant asset base for financial gain and to support regeneration. Total commercial property investments are currently valued at £48.5m as at 31st March 2024. which provide a net return after all direct costs of £3m
- 5.2. The Council can accept a higher risk on its historic commercial investment than with treasury investments. The principal risk exposures include:
 - vacancies;
 - fall in capital value;
 - lessee not complying with repairs and maintenance terms of lease agreement;

- changes in demand for property types (e.g. offices, industrial)
- 5.3. These risks are managed by the Councils Property and Asset Management service and Finance.
 - 5.4. **Governance:** Future decisions on historic commercial investments, including potential disposals, will be made following consideration of robust business cases for approval in line with the current decision-making governance arrangements. Future spend on historic commercial investments will be capital expenditure and will therefore also be approved as part of the capital programme.
 - 5.5. The Authority also has commercial activities in its subsidiary companies Equinox Enterprises Limited (EEL) and Equinox Property Holdings Limited (EPH). The companies aim is to increase, regenerate and improve the standard of housing across the borough, whilst at the same time aiming to generate a return to at least break even. The Council receives a margin of earned debt interest from the loan facilities with EPH and EEL. All loans for EPH are secured against the properties purchased by the company. The Council will also receive a return on equity invested which reflects profits back from the company's operation of property sales and market rental income from housing acquired. This return is through dividends paid to the Council once profits and reserves of the companies allows.
 - 5.6. Both Equinox companies regularly review risk using Corporate and Project Risk Registers. The company boards hold bi-monthly meetings throughout the financial year.
 - 5.7. Equinox Enterprises Limited and Equinox Property Holdings Limited are required to agree their respective Business Plans annually. They also provide the Council as shareholder's regular update reports as presented to Cabinet.
 - 5.8. The authority does not intend to make any future investment in commercial property assets for the primary purpose of generating a yield.

6. LIABILITIES

- 6.1. In addition to debt of £184.24m detailed above, the Authority is committed to making future payments to cover its pension fund deficit (valued at £19.3m as at 31st March 2024). It has also set aside £1.9m to cover risks of Non-domestic Rate appeals (as at 31st March 2024). At the time of writing, the Council has no contingent liabilities.
- 6.2. **Governance:** Decisions on incurring new discretionary liabilities are taken by Head of Service in consultation with the S151 Officer. The risk of liabilities crystallising and requiring payment is monitored by Finance and where significant would be reported as part of budget monitoring reports present quarterly to Cabinet. New liabilities exceeding £1m are reported to full council for approval/notification as appropriate.
- 6.3. Further details on liabilities and guarantees are included within the draft 2023/24 statement of accounts at <https://www.great-yarmouth.gov.uk/article/2466/Budgets-and-spending>

7. REVENUE BUDGET IMPLICATIONS

- 7.1. 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 i.e. the amount funded from Council Tax, business rates and general government grants.

Table 9: Prudential Indicator: Proportion of financing costs to net revenue stream

	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget
Financing costs (£m)	£3.2	£4.0	£4.7	£4.6	£4.6
Net Revenue Stream (£m)	£15.7	£16.1	£17.1	£17.0	£17.0
Proportion of net revenue stream	20.43%	25.04%	27.36%	26.90%	27.02%

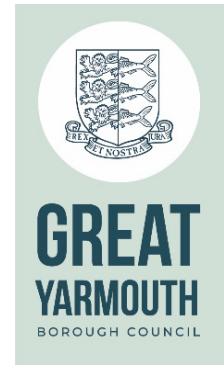
7.2. Further details on the revenue implications of capital expenditure are included in the 2025/26 revenue budget at <https://www.great-yarmouth.gov.uk/article/2466/Budgets-and-spending>

7.3. **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 up to 50 years into the future. The Section 151 Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable because current and new capital funding decisions have been made in the context of the associated revenue implications.

8. KNOWLEDGE AND SKILLS

8.1. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Section 151 Officer is a qualified accountant with over 15 years' experience and the Finance Manager is a qualified accountant with over 10 years' experience. The Councils' Property and Asset Management team includes a Chartered Surveyor (MRICS) who is also a registered valuer with over 10 years' experience. The Council pays for relevant staff to study towards relevant professional qualifications including MRICS, ACCA and AAT.

8.2. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers and PS Tax as VAT and tax advisors. 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.



Investment Strategy Statement 2025/26

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INVESTMENT STRATEGY 2025/26

1. INTRODUCTION

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

2. TREASURY MANAGEMENT INVESTMENTS

- 2.1 The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate during 2025/26, with an average investment of £18m anticipated for the financial year.
- 2.2 **Contribution:** The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.
- 2.3 **Further details:** Full details of the Authority's policies and its plan for 2025/26 for treasury management investments are covered in a separate document, the treasury management strategy, available here: <https://www.great-yarmouth.gov.uk/policies>

3. SERVICE INVESTMENT LOANS

- 3.1 **Contribution:** The Council lends money (including finance leases to acquire assets) to its subsidiaries (GYS Limited, Equinox Enterprises Limited and Equinox Property Holdings) local charities, local businesses, and local residents (in the form of home improvement loans), to support local public services and stimulate local economic growth.
- 3.2 The loans made to Equinox Enterprises Limited and Equinox Property Holdings, as the subsidiaries of the Council, form part of investment in the company to provide an initial cash injection to enable the company to become established. The purpose of Equinox Enterprises Limited is to develop housing for sale (including affordable homes) and the purpose of Equinox Property Holdings is to provide quality rental housing in the borough. This supports the Council's objective within the Corporate Plan 2020-2025 to provide a mix of attractive good quality housing for all sectors of the workforce and community that is fit for purpose for all and meet both the borough's existing and future needs.
- 3.3 The Council is providing assets to its other subsidiary, GYS Limited, via finance leases to provide it with the fleet (e.g. refuse vehicles) and other equipment it requires to deliver its service to Council. The company delivers grounds maintenance, cleaning services including public toilets, streets, and beaches, and waste and recycling collection services.

- 3.4 Discretionary loans are granted to local charities and businesses, this will be following a decision by Cabinet and /or Council as applicable. In line with the Corporate Plan 2020-2025 these loans are granted to support the local charities and businesses that assist in improving the communities and facilities in the borough. The rates for service loans will be set at appropriate rates that reflect counterparty risks and duration.
- 3.5 The Council has a responsibility to address private sector housing that is in poor condition or needs adaptations to meet the needs of those with disabilities. The Council also has an objective within the Corporate Plan 2020-2025 to provide help early, when people need public health and care, to prevent avoidable problems and to help more people to help themselves as well as tackling challenges within communities. Home improvement loans help residents to redress housing issues that impact on their health. The home improvement loans are made from a recycling pot following repayment of loans made as part of prior year capital programme allocations.
- 3.6 **Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

Category of borrower	31/3/24 Actuals			2025/26
	Long Term Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries: GYS Limited, Equinox Enterprises Limited and Equinox Property Holdings	5.08	0.00	5.08	16.00
Local Charities	0.59	0.00	0.59	1.00
Local Businesses	0.12	0.00	0.12	0.20
Local Residents (Home Improvement Loans)	1.95	0.00	1.95	3.00
TOTAL	7.74	0.00	7.74	20.20

*loans, except for those to local residents, will be subject to Council/Cabinet approval during the year if not already agreed.

- 3.7 Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts are shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments. It should be noted that both the loans to local charities and local residents are equity loan agreements, so the Council obtains a share of the equity of the borrower's property as collateral. This reduces the risk of the Council not recovering the loan amount from the borrower and occasionally generates a small surplus depending on the agreement type used. On occasions where a loan to a local business would clearly meet the service objectives of the council, loans would be given on market terms. These loans will be made with due attention to the risk to the council, and the rate of interest charged on the loan

will be commensurate with the security provided, the duration of the loan and the risk of default (i.e., non-repayment).

- 3.8 **Risk assessment:** The Authority assesses the risk of loss before entering, and whilst holding service loans by undertaking due diligence proportionate to the level of the loan being granted to mitigate as far as possible any risks of non-recovery. This will also include taking external advice as applicable, such as discussion with NP Law as part of the loan agreement process.

4. SERVICE INVESTMENTS: SHARES

- 4.1 **Contribution:** The Council has shares in Equinox Enterprises Limited and Equinox Property Holdings as its subsidiaries. The Council invests in its subsidiaries to enable them to develop affordable and quality housing within the borough and with the aim of them providing a return on the investment. For information GYS Limited is a company limited by guarantee, so will have Members rather than shareholders and will therefore hold no share capital.

- 4.2 **Security:** One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Table 2: Shares held for service purposes in £ millions

Category of company	31/3/24 Actuals			2025/26
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Equinox Enterprises Limited (Subsidiary)	2.23	0	2.23	5.00
Equinox Property Holdings (Subsidiary)	0.66	0	0.66	2.00

- 4.3 **Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding shares by undertaking the appropriate due diligence. As further contracts and opportunities are considered, the company's performance will inform the risk assessment.

- 4.4 **Liquidity:** Any new investment proposal will be considered for approval via the appropriate decision-making route in line with the council's Constitution.

- 4.5 **Non-specified Investments:** Shares are the only investment type that the Authority has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Authority's upper limits on non-specified investments. The Authority has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

5. COMMERCIAL INVESTMENTS: PROPERTY

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

Table 3: Property held for investment purposes in £ millions

Property	31/3/24 Actual		31/3/25 Expected	
	Gains or (losses)	Value in accounts	Gains or (losses)	Value in accounts
Offices	(0.6)	4.2	(0.2)	4.0
Corporate Estates	0.9	39.1	(0.2)	38.9
Seafront Concessions	0.3	5.2	0.2	5.4
TOTAL	0.5	48.5	(0.2)	48.3

5.2 **Security:** In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

5.3 A fair value assessment of the Authority’s investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2024/25 year end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

5.4 **Risk assessment:** The Council’s internal Property and Asset Management team includes a member of the Royal Institution of Chartered Surveyors (MRICS) and they assess the risk of continuing to hold the current property investments. They do this in a number of ways including engaging external advisors, agents and reference to quality financial/property press when required. In doing this they assess the market that the investment is competing in, the nature and level of competition, along with expectations on how the market/customer needs will evolve over time, barriers to exit, and any ongoing investment requirements. The strategic objectives are designed to mitigate risk by:

- The Council’s fundamental aim of revenue income or a capital return;
- Having a portfolio approach to avoid concentration of risk in any one property, tenant or risk type.

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

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

6. LOAN COMMITMENTS AND FINANCIAL GUARANTEES

6.1 The Authority has committed to make up to £10.5m of loans to its subsidiaries Equinox Enterprises Limited (£7.5m, approved by Council 21st July 2022) & Equinox Property Holdings (£3m, approved by Council 23rd June 2022). These loans will be drawn down over the next two financial years in line with the companies' business plans and approval for further loans will be sought as required from 2025/26 onwards. The Council does not have any financial guarantees, nor does it intend to make any.

7. PROPORTIONALITY

7.1 The Authority achieves a balanced revenue budget incorporating surpluses generated from investment activity. Table 4 below shows the extent to which the expenditure planned to meet the service delivery objectives and/or the level that the Authority is dependent on achieving the expected net profit from investments over the lifecycle of the Medium-Term Financial Plan. Should it fail to achieve the expected net profit, the Authority's contingency plans for continuing to provide these services would be to undertake further review of the delivery and potential savings or to use reserves in the short-term.

Table 4: Proportionality of Investments £million

	2023/24 Actual	2024/25 Forecast	2025/26 Budget	2026/27 Budget	2027/28 Budget
Gross service expenditure	95.80	79.07	80.23	84.24	88.45
Investment income	3.15	3.81	3.76	3.90	4.04
Proportion	3.29%	4.82%	4.68%	4.63%	4.57%

8. BORROWING IN ADVANCE OF NEED

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

9. CAPACITY, SKILLS AND CULTURE

9.1 **Elected members:** Elected members are provided with training by our external advisors, Arlingclose. The Treasury Management Strategy and quarterly updates are presented to members during the financial year and should any queries arise these would be responded to by officers or advisors as applicable.

9.2 **Statutory officers:** Regular meetings are held throughout the year with our external advisors, Arlingclose. Officers working on a daily basis with investment decisions attend courses offered by both Arlingclose and CIPFA throughout the year. Arlingclose provide daily updates of changes in the market as well as providing staff with a contact for queries that arise.

9.3 **Commercial decisions:** Future decisions on historic commercial investments, including potential disposals, will be made following consideration of robust business cases for approval in line with the current decision-making governance arrangements. Future spend on historic

commercial investments will be capital expenditure and will therefore also be approved as part of the capital programme. Where applicable the Council would seek to engage external professional advisors, for example financial, property and legal advice.

- 9.4 **Corporate governance:** The Asset Working Group is made up of both finance and, property and asset management officers, who initially consider the future of current investment commercial properties, such as disposals or additional spend required. Regular progress reports on decisions taken are also reviewed by the group.
- 9.5 After initial consideration business cases are completed for the disposal or improvements to property investments, including undertaking due diligence and considering risks, and these form the basis for reports presented to Cabinet for approval.
- 9.6 Other investment decisions are based on the Treasury Management Strategy, with any changes reported for approval as required to Cabinet.

10. INVESTMENT INDICATORS

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

Table 5: Total investment exposure in £millions

Total investment exposure	31.03.2024 Actual	31.03.2025 Forecast	31.03.2026 Forecast
Treasury management investments	£13.80	£13.00	£13.00
Service investments: Loans	£7.74	£9.62	£18.92
Service investments: Shares	£2.89	£3.27	£5.82
Commercial investments: Property*	£48.50	£48.30	£48.30
TOTAL INVESTMENTS	£72.93	£74.19	£86.04
Commitments to lend	£0.00	£0.00	£0.00
TOTAL EXPOSURE	£72.93	£74.19	£86.04

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

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

Table 6: Investments funded by borrowing in £millions

Investments funded by borrowing	31.03.2024 Actual	31.03.2025 Forecast	31.03.2026 Forecast
Treasury management investments	0.00	0.00	0.00
Service investments: Loans	1.97	3.12	9.39
Service investments: Shares	2.50	2.72	4.61
Commercial investments: Property *	14.91	14.71	14.50
TOTAL FUNDED BY BORROWING	19.38	20.55	28.50

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

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

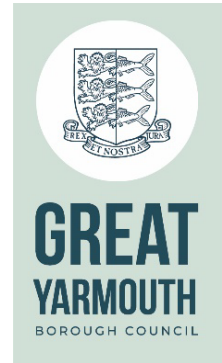
Table 7: Investment rate of return (net of all costs)

Investments net rate of return	2023/24 Actual	2024/25 Forecast	2025/26 Forecast
Treasury management investments	3.09%	4.95%	5.07%
Service investments: Loans	1.19%	1.64%	1.81%
Service investments: Shares	0.00%	0.00%	0.00%
Commercial investments: Property	5.11%	5.86%	5.35%
ALL INVESTMENTS	9.38%	12.45%	12.23%

10.5 The loan return is anticipated to increase from 2024/25 as new loans are provided to Equinox Enterprises Limited and Equinox Property Holdings, but the full effect of this will not be seen until after 2025/26. No dividends are due to be paid by any of the Council's subsidiaries in either 2024/25 or 2025/26.

Table 8: Other investment indicators

Indicator	2023/24 Actual	2024/25 Forecast	2025/26 Forecast
Debt to net service expenditure ratio	7.86%	6.98%	5.15%
Commercial income to net service expenditure ratio	19.66%	24.42%	26.69%



Treasury Management Strategy Statement 2025/26

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Treasury Management Strategy Statement 2025/26

1. INTRODUCTION

- 1.1 Treasury management is the management of the Council’s cash flows, borrowing and investments, and the associated risks. The Council has borrowed substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council’s prudent financial management.
- 1.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy’s *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council’s legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.
- 1.3 Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy: <https://great-yarmouth.gov.uk/policies>

2. CURRENT POSITION AND PROJECTION

- 2.1 On 31st December 2024, the Council held £138.8m of borrowing and £13.5m of treasury investments. Table 1 below provides a summary of the Council’s treasury portfolio as at the end of December 2024:

Table 1 - Existing Investment & Debt Portfolio Position	31/12/2024 Actual portfolio £m	31/12/2024 Average rate %
External borrowing:		
Public Works Loan Board	£76.386	3.15 - 3.91%
Local authorities (long-term)	£5.922	4.44 – 5.25%
Local authorities (short-term)	£46.500	4.70 – 6.20%
LOBO loans from banks	£3.000	4.95%
Other loans	£7.000	3.35-3.98%
Total external borrowing	£138.808	
Treasury investments:		
Banks (unsecured)	£0.640	0.35%
Money market funds	£11.885	4.75 – 4.77%
Strategic pooled	£1.000	2.95%
Total treasury investments	£13.525	
Net debt	£125.283	

2.2 Future borrowing is shown below in the balance sheet analysis in table 2. The forecast changes in these sums have been informed by future housing revenue account and the general fund capital programmes and are detailed in the Capital Strategy.

Table 2: Balance sheet summary and forecast	31.3.24 Actual £m	31.3.25 Estimate £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m
General Fund CFR	£79.291	£81.432	£101.419	£109.258	£112.682
HRA CFR	£92.606	£97.055	£102.272	£109.091	£117.362
Total CFR	£171.897	£178.487	£203.691	£218.349	£230.044
Less: Other debt liabilities *	(£0.405)	(£0.295)	(£0.226)	(£0.181)	(£0.136)
Internal (over) borrowing	£171.492	£178.192	£203.465	£218.168	£229.908
Less: Balance sheet resources	(£49.600)	(35.200)	(£33.600)	(£31.700)	(£29.100)
(Net borrowing	£122.297	£143.287	£170.091	£186.649	£200.944

* Leases liabilities that form part of the Council's total debt

** shows only loans to which the Council is committed and excludes optional refinancing

2.3 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

2.4 The Council has an increasing CFR due to the timings of the approved capital programme, but minimal investments and will therefore be required to borrow up to an additional £200.9m over the forecast period.

2.5 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 2 shows that the Council expects to comply with this recommendation during 2025/26, and Appendix C illustrates the Operational Boundary and Authorised Limits.

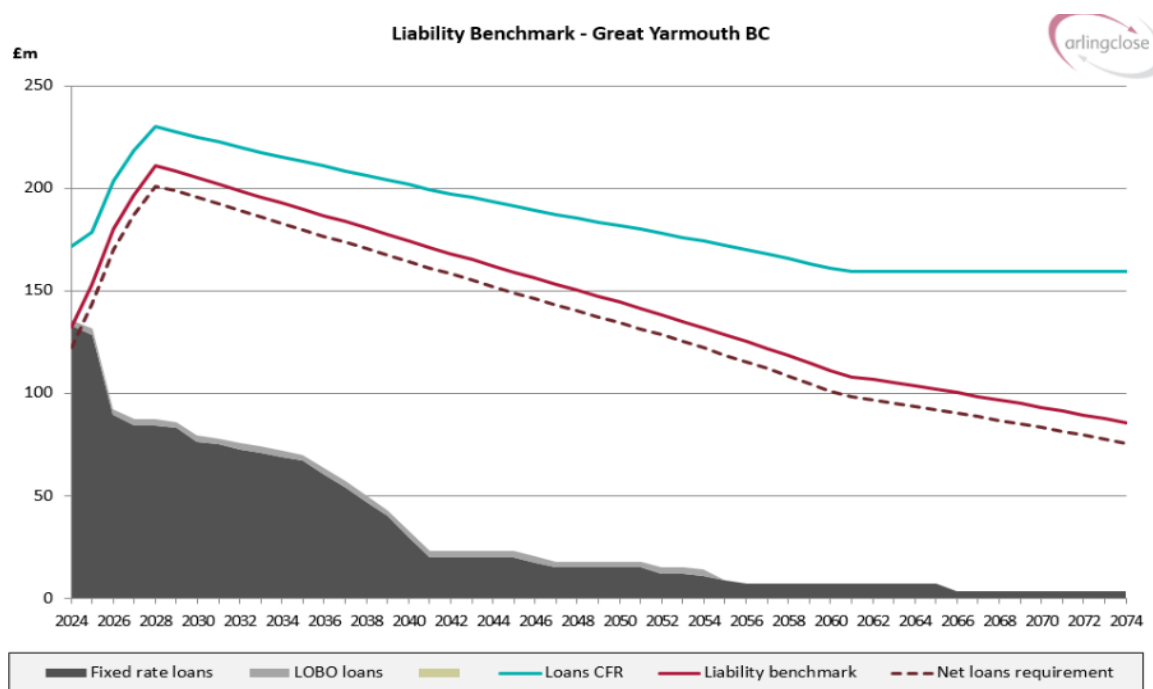
2.6 **Liability benchmark:** To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 2 above, but that cash and investment balances are kept to a minimum level of £12m at each year-end to maintain sufficient liquidity but minimise credit risk.

2.7 The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 3: Prudential Indicator Liability benchmark	31.3.24 Actual £m	31.3.25 Estimate £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m
Loans/CFR*	£171.7	£178.4	£203.6	£218.5	£230.0
Less: Balance sheet resources (including working capital)	(£49.60)	(£35.2)	(£33.6)	(£31.7)	(£29.1)
Net loans requirement	£122.1	£143.2	£170.0	£186.8	£200.9
Plus: Liquidity allowance	£10.0	£10.0	£10.0	£10.0	£10.0
Liability benchmark	£132.1	£153.2	£180.0	£196.8	£210.9
<i>Existing Borrowing</i>	<i>£135.9</i>	<i>(£131.3)</i>	<i>(£92.2)</i>	<i>(£87.1)</i>	<i>(£86.9)</i>

*CFR above includes adjustments for long term liabilities.

2.8 Following on from the medium-term forecasts in table 3 above, the long-term liability benchmark assumes capital expenditure funded by borrowing in line with the current forecast capital programme, minimum revenue provision and income, expenditure and reserves all in line with the 2025/26 budget and forecasts. This is shown in the chart below together with the maturity profile of the Authority's existing borrowing:



2.9 The chart above allows a comparison of current borrowing against the need to borrow, looking at both the amount (on the y axis) and the term (on the x axis). Where actual loans exceed the liability benchmark, the authority can make long-term investments for cash flow management or repay loans early; where the liability benchmark exceeds loans, the authority can take long-term borrowing or sell investments.

3 Borrowing Strategy

- 3.1 As at the 31st December 2024 the Council held £138.8 million of loans (table 1), an increase of £16.3 million on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 2 shows that the Council expects to borrow up to £170m in 2025/26 if it used all of its internal resources (i.e. usable reserves and working capital shown in table 2). This net borrowing requirement will rise by £16.6m to £186.6m by 2026/27. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £189 million.
- 3.2 **Objectives:** The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
- 3.3 **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently higher than in the recent past, but are expected to fall in the coming year and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead. The risks of this approach will be managed by keeping the Council's interest rate exposure within the limit set in the treasury management prudential indicators, see below.
- 3.4 By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2025/26 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
- 3.5 The Council has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity in order to retain its access to PWLB loans.
- 3.6 Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.
- 3.7 In addition, the Council may borrow further short-term loans to cover unplanned cash flow shortages.
- 3.8 Sources of borrowing: The approved sources of long-term and short-term borrowing are:
- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
 - National Wealth Fund Ltd (formerly UK Infrastructure Bank Ltd)
 - any institution approved for investments (see below)
 - any other bank or building society authorised to operate in the UK
 - any other UK public sector body
 - UK public and private sector pension funds (except Norfolk Pension Fund)

- capital market bond investors
 - retail investors via a regulated peer-to-peer platform
 - UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
- 3.9 Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:
- leasing
 - hire purchase
 - Private Finance Initiative
 - sale and leaseback
 - similar asset based finance
- 3.10 **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to Council.
- 3.11 **LOBOs:** The Council holds £3m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost and with interest rates having risen recently, there is now a reasonable chance that lenders will exercise their options. If they do, the Council will take the option to repay LOBO loans to reduce refinancing risk in later years. The next date for this option is 2 November 2029.
- 3.12 **Short-term and variable rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.
- 3.13 **Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

4 TREASURY INVESTMENT STRATEGY

- 4.1 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance average has been £18m, and similar levels are expected to be maintained in the forthcoming year.
- 4.2 **Objectives:** The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance

between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

- 4.3 **Strategy:** As demonstrated by the liability benchmark above, the Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.
- 4.4 **ESG policy:** Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Authority's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.
- 4.5 **Business models:** Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
- 4.6 **Approved Counterparties:** The Council may invest its surplus funds with any of the counterparty types in table 4 below, subject to the limits shown.

Table 4: Treasury investment counterparties and limits			
Sector	Time Limit	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	2 years	£3m (per Council)	Unlimited
Secured investments *	5 years	£3m	Unlimited
Banks (unsecured) *	1 year	£1.6m	Unlimited
Building societies (unsecured) *	1 year	£1.5m	£1.5m
Registered providers (unsecured) *	5 years	£1.5m	£3m
Money market funds *	n/a	£5m	Unlimited
Strategic pooled funds	n/a	£3m	£6m
Other investments *	2 years	£1m	£2m

This table must be read in conjunction with the notes below

* **Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit

rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account. For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £5m per counterparty as part of a diversified pool e.g. via a peer-to-peer platform.

- 4.7 **UK Government:** Sterling-denominated investments with or explicitly guaranteed by the UK Government, including the Debt Management Account Deposit Facility, treasury bills and gilts. These are deemed to be zero credit risk due to the government's ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.
- 4.8 **Local authorities and other government entities:** Loans to, and bonds and bills issued or guaranteed by, other national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk.
- 4.9 **Secured investments:** Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Secured deposits and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.
- 4.10 **Banks and building societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
- 4.11 **Registered providers (unsecured):** Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.
- 4.12 **Money market funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
- 4.13 **Strategic pooled funds:** Bond, equity and property funds, including exchange traded funds, that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date but can be either withdrawn after a notice period or sold on exchange, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

- 4.14 **Other investments:** This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.
- 4.15 **Operational bank accounts:** The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept as low as possible without affecting operations. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.
- 4.16 **Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 4.17 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn [on the next working day] will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 4.18 **Other information on the security of investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.
- 4.19 **Reputational aspects:** The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.
- 4.20 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020 and 2022 this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.
- 4.21 **Investment limits:** The Council's revenue reserves available to cover investment losses are forecast to be £17.1 million on 31st March 2025 and £15.8 million on 31st March 2026. In order

to reduce the risk of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £3 million, other than Money Market Funds which the limit set is £5 million, strategic pooled funds which the limit per fund is £3 million and for UK central government where there is no limit. A group of entities under the same ownership will be treated as a single organisation for limit purposes.

- 4.22 Credit risk exposures arising from non-treasury investments, financial derivatives and balances greater than £1.5 million in operational bank accounts count against the relevant investment limits, allowing £100,000 retained for operational purposes.
- 4.23 Limits are also placed on fund managers, investments in brokers' nominee accounts and foreign countries as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country since the risk is diversified over many countries.

Table 5: Additional investment limits	Cash limit
Any group of pooled funds under the same management	£8m per manager
Negotiable instruments held in a broker's nominee account	£5m per broker
Foreign countries	£1.5m per country

- 4.24 **Cash Flow/Liquidity management:** The Council's officers maintain a detailed cash flow forecast for each coming year revising it as more information becomes available. This informs the short-term investments such as those to pay precept payments. The forecast is compiled on a prudent basis with receipts being under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. The long-term investment strategy is based on the Councils medium term strategy.
- 4.25 The Council will spread its liquid cash over at least three providers (e.g. bank accounts and money market funds), or which at least two will be UK domiciled, to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

5 Treasury Management Prudential Indicators

- 5.1 The Council measures and manages its exposures to treasury management risks using the following indicators.
- 5.2 **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit £000
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£250
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	(£250)

- 5.3 The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.
- 5.4 **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit	As at 31/12/24
Under 12 months	60%	10%	34%
12 months and within 24 months	30%	0%	4%
24 months and within 5 years	30%	0%	7%

5 years and within 10 years	30%	0%	7%
10 years and above	80%	20%	49%

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

5.6 **Long-term treasury management investments:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2025/26	2026/27	2027/28	No fixed date
Limit on principal invested beyond year end	£6m	£6m	£6m	£1m

5.7 Long-term investments with no fixed maturity date include strategic pooled funds but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

6. OTHER TREASURY MANAGEMENT ISSUES

6.1 The CIPFA Code requires the Council to include the following in its treasury management strategy.

6.2 **Financial derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

6.3 The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

6.4 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

6.5 In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

6.6 Housing Revenue Account: The policy on apportioning interest for HRA - on 1st April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. Annually a calculation is performed to allocate interest between the General Fund and HRA. Where the value of the HRA loans pool is below the HRA capital financing requirement, interest on this "under-borrowing" will be charged to the HRA at the Council's average rate of short-term borrowing.

6.7 **Markets in Financial Instruments Directive (MiFID II):** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but with the greater regulatory

protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Chief Financial Officer believes this to be the most appropriate status.

7. Financial Implications

7.1 The budget for treasury investment income in 2025/26 is £700k based on an average investment portfolio of £18m. The majority of which is invested in low-risk short term investments with interest rates between 4.75%-4.77%. A further £1m is invested in a long-term pooled investment fund where the value changes with market prices and have a notice period. The budget for debt interest paid for the General Fund is £2.6m and HRA is £4.3m in 2025/26. Actual levels of investments and borrowing, and actual interest rates are monitored during the year as part of the budget monitoring process.

7.2 **Other Options Considered** - The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Section 151 Officer believes that the strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Appendix A

Economic background and interest rate forecast

The impact on the UK from the government's Autumn Budget, slower expected interest rate cuts, a short-term boost to but modestly weaker economic growth over the medium term, together with the impact from President-elect Trump's second term in office and uncertainties around US domestic and foreign policy, will be major influences on the Authority's treasury management strategy for 2025/26.

The Bank of England's (BoE) Monetary Policy Committee (MPC) held Bank Rate at 4.75% at its December 2024 meeting, having reduced it to that level in November and following a previous 25bp cut from the 5.25% peak at the August MPC meeting. At the December meeting, six Committee members voted to maintain Bank Rate at 4.75% while three members preferred to reduce it to 4.50%.

The November quarterly Monetary Policy Report (MPR) expected Gross Domestic Product (GDP) growth to pick up to around 1.75% (four-quarter GDP) in the early period of the BoE's forecast horizon before falling back. The impact from the Budget pushes GDP higher in 2025 than was expected in the previous MPR, before becoming weaker. Current GDP growth was shown to be zero (0.0%) between July and September 2024 and 0.4% between April and June 2024, a further downward revision from the 0.5% rate previously reported by the Office for National Statistics (ONS).

ONS figures reported the annual Consumer Price Index (CPI) inflation rate at 2.6% in November 2024, up from 2.3% in the previous month and in line with expectations. Core CPI also rose, but by more than expected, to 3.6% against a forecast of 3.5% and 3.3% in the previous month. The outlook for CPI inflation in the November MPR showed it rising above the MPC's 2% target from 2024 into 2025 and reaching around 2.75% by the middle of calendar 2025. This represents a modest near-term increase due to the ongoing impacts from higher interest rates, the Autumn Budget, and a projected margin of economic slack. Over the medium-term, once these pressures ease, inflation is expected to stabilise around the 2% target.

The labour market appears to be easing slowly, but the data still require treating with some caution. The latest figures reported the unemployment rate rose to 4.3% in the three months to October 2024 and economic inactivity fell to 21.7%. Pay growth for the same period was reported at 5.2% for both regular earnings (excluding bonuses) and for total earnings. Looking ahead, the BoE MPR showed the unemployment rate is expected to increase modestly, rising to around 4.5%, the assumed medium-term equilibrium unemployment rate, by the end of the forecast horizon.

The US Federal Reserve has continued cutting interest rates, bringing down the Fed Funds Rate by 0.25% at its December 2024 monetary policy meeting to a range of 4.25%-4.50%, marking the third consecutive reduction. Further interest rate cuts are expected, but uncertainties around the potential inflationary impact of incoming President Trump's policies may muddy the waters in terms of the pace and magnitude of further rate reductions. Moreover, the US economy continues to expand at a decent pace, rising at an (upwardly revised) annual rate of 3.1% in the third quarter of 2024, and inflation remains elevated suggesting that monetary policy may need to remain more restrictive in the coming months than had previously been anticipated.

Euro zone inflation rose above the European Central Bank (ECB) 2% target in November 2024, hitting 2.2% as was widely expected and a further increase from 2% in the previous month. Despite the rise, the ECB continued its rate cutting cycle and reduced its three key policy rates by 0.25% in December. Inflation is expected to rise further in the short term, but then fall back towards the 2% target during 2025, with the ECB remaining committed to maintaining rates at levels consistent with bringing inflation to target, but without suggesting a specific path.

Credit outlook: Credit Default Swap (CDS) prices have typically followed a general trend downwards during 2024, reflecting a relatively more stable financial period compared to the previous year. Improved credit conditions in 2024 have also led to greater convergence in CDS prices between ringfenced (retail) and non-ringfenced (investment) banking entities again.

Higher interest rates can lead to a deterioration in banks' asset quality through increased loan defaults and volatility in the value of capital investments. Fortunately, the rapid interest rate hikes during this monetary tightening cycle, while putting some strain on households and corporate borrowers, has not caused a rise in defaults, and banks have fared better than expected to date, buoyed by strong capital positions. Low unemployment and robust wage growth have also limited the number of problem loans, all of which are positive in terms of creditworthiness.

Moreover, while a potential easing of US financial regulations under a Donald Trump Presidency may aid their banks' competitiveness compared to institutions in the UK and other regions, it is unlikely there will be any material impact on the underlying creditworthiness of the institutions on the counterparty list maintained by Arlingclose, the authority's treasury adviser.

Overall, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast (December 2024): The Authority's treasury management adviser Arlingclose expects the Bank of England's MPC will continue reducing Bank Rate through 2025, taking it to around 3.75% by the end of the 2025/26 financial year. The effect from the Autumn Budget on economic growth and inflation has reduced previous expectations in terms of the pace of rate cuts as well as pushing up the rate at the end of the loosening cycle.

Arlingclose expects long-term gilt yields to remain broadly at current levels on average (amid continued volatility), but to end the forecast period modestly lower compared to now. Yields will continue remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will be short-term volatility due to economic and (geo)political uncertainty and events.

A more detailed economic and interest rate forecast provided by Arlingclose is in Appendix B.

Appendix B

Arlingclose Economic & Interest Rate Forecast – November 2024

Underlying assumptions:

- As expected, the Monetary Policy Committee (MPC) held Bank Rate at 4.75% in December, although, with a 6-3 voting split and obvious concerns about economic growth, presented a much more dovish stance than had been expected given recent inflationary data.
- The Budget measures remain a concern for policymakers, for both growth and inflation. Additional government spending will boost demand in a constrained supply environment, while pushing up direct costs for employers. The short to medium-term inflationary effects will promote caution amongst policymakers.
- UK GDP recovered well in H1 2024 from technical recession, but underlying growth has petered out as the year has progressed. While government spending should boost GDP growth in 2025, private sector activity appears to be waning, partly due to Budget measures.
- Private sector wage growth and services inflation remain elevated; wage growth picked up sharply in October. The increase in employers' NICs, minimum and public sector wage levels could have wide ranging impacts on private sector employment demand and costs, but the near-term impact will likely be inflationary as these additional costs get passed to consumers.
- CPI inflation rates have risen due to higher energy prices and less favourable base effects. The current CPI rate of 2.6% could rise further in Q1 2025. The Bank of England (BoE) estimates the CPI rate at 2.7% by year end 2025 and to remain over target in 2026.
- The MPC re-emphasised that monetary policy will be eased gradually. Despite recent inflation-related data moving upwards or surprising to the upside, the minutes suggested a significant minority of policymakers are at least as worried about the flatlining UK economy.
- US government bond yields have risen following strong US data and uncertainty about the effects of Donald Trump's policies on the US economy, particularly in terms of inflation and monetary policy. The Federal Reserve pared back its expectations for rate cuts in light of these issues. Higher US yields are also pushing up UK gilt yields, a relationship that will be maintained unless monetary policy in the UK and US diverges.

Forecast:

- In line with our forecast, Bank Rate was held at 4.75% in December.
- The MPC will reduce Bank Rate in a gradual manner. We see a rate cut in February 2025, followed by a cut alongside every Monetary Policy Report publication, to a low of 3.75%.
- Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility will remain elevated as the market digests incoming data for clues around the impact of policy changes.
- This uncertainty may also necessitate more frequent changes to our forecast than has been the case recently.
- The risks around the forecasts lie to the upside over the next 12 months but are broadly balanced in the medium term.

	Current	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
Official Bank Rate													
Upside risk	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.75	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Downside risk	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
3-month money market rate													
Upside risk	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.90	4.60	4.35	4.10	3.90	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
5yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.34	4.30	4.20	4.10	4.00	3.90	3.90	3.95	4.00	4.05	4.05	4.05	4.05
Downside risk	0.00	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80	-0.80
10yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.56	4.55	4.45	4.30	4.20	4.20	4.20	4.20	4.25	4.25	4.25	4.25	4.25
Downside risk	0.00	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80	-0.80
20yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	5.05	5.00	4.90	4.80	4.70	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65
Downside risk	0.00	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80	-0.80
50yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Central Case	4.52	4.70	4.60	4.50	4.40	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
Downside risk	0.00	-0.50	-0.60	-0.65	-0.65	-0.70	-0.70	-0.75	-0.75	-0.80	-0.80	-0.80	-0.80

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

UK Infrastructure Bank Rate = Gilt yield + 0.40%

Appendix C

Operational Boundary and Authorised limits

Operational boundary	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Debt	£176.0	£182.0	£208.0	£222.0
Other long-term liabilities	£2.0	£2.0	£2.0	£2.0
Total	£178.0	£184.0	£210.0	£224.0

Authorised limit	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Debt	£181.0	£187.0	£213.0	£227.0
Other long-term liabilities	£2.0	£2.0	£2.0	£2.0
Total	£183.0	£189.0	£215.0	£229.0

Cabinet



URN: 24-080

Report Title : 2025/26 GENERAL FUND AND HOUSING REVENUE ACCOUNT BUDGET REPORT

Report to: Cabinet 11 February 2025

Scrutiny 11 February 2025

Council 20 February 2025

Responsible Cabinet Member: Carl Smith – Portfolio holder Governance, Finance and Major Projects

Responsible Director / Officer : Executive Director, Resources (S151 Officer)

Is this a Key decision ? Yes

SUBJECT MATTER/RECOMMENDATIONS

This report presents for approval the 2025/26 budgets for the General Fund, Housing Revenue Account and associated Capital programmes.

RECOMMENDATIONS

That COUNCIL approve:

- 1) The general fund revenue budget as detailed at Appendix A;
- 2) The Council Tax for 2025/26 for the Borough Council tax be **£192.49** (for an average Band D);
- 3) That the demand on the Collection Fund for 2025/26 be:
 - a. **£6,076,332** for the Borough Council purposes;
 - b. **£857,488** for Parish Precepts (*updated 12/2/25 for final precepts*);
- 4) The amendment to the fees and charges as outlined at paragraph 3.6 in relation to the provision of six free parking spaces limited to 30 minutes in the Great Yarmouth Marketplace Car Park be approved;
- 5) The reserves statement and movement on the reserves as detailed at Appendix E and within section 4 of the report;
- 6) The Policy framework for reserves as detailed at Appendix F;
- 7) The updated Capital Programme and financing for 2024/25 to 2025/26 as detailed at Appendix G and within section 6.4;
- 8) The new capital bid proposals at Appendix H;
- 9) The Minimum Revenue Provision Statement 2025/26 as included at Appendix I.
- 10) The housing revenue account budget as detailed at Appendix J.
- 11) The housing revenue account capital programme and financing for the revised 2024/25 position and 2025/26 – 2029/30 as detailed at Appendix K.
- 12) An increase to all housing rents of 2.7%, new Affordable Rents to be set at the lower of 80% of the applicable Open Market Rent or 130% of Local Housing Allowance, new social rents where supported to include 10% premium and service charges and other charges at Appendix L and M.

1. INTRODUCTION / BACKGROUND

- 1.1. This report presents the 2025/26 budget for the General Fund and Housing Revenue Account for approval including the capital programme for both. The report will be considered by Scrutiny on 11 February 2025 and recommendations will be made to Council on 20 February 2025 to inform the setting of the council tax for 2025/26.
- 1.2. The 2025/26 medium term financial strategy was presented to Members in December 2024 and at that time set a savings/income target of £1.5million for the 2025/26 financial year, with a further £1.5million target in 2026/27 and £1 million in 2027/28. This along with a reducing reliance on the use of reserves over the short term was part of the financial strategy to produce a balanced budget for 2025/26. This was ahead of the detailed work on the service budgets and the outcome of the finance settlement. As part of the approval of the MTFS members approved savings and additional income totalling £583,500 which had been considered as part of cross party budget meetings to inform the budget.

- 1.3. The provisional Local Government Finance settlement for 2025/26 was announced on 18 December 2024, and this has been used to update the funding for the budget for 2025/26, further detail on the funding is included at section 2 of the report.
- 1.4. The detail of the budget has been produced by joint working between the service areas and the finance team to co-ordinate the detailed service budgets which are presented in more detail at Appendix A (summary statement) and Appendix B for the detailed service budgets.

2. PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2025/26

- 2.1. The provisional Local Government Financial Settlement for 2025/26 was announced on 18 December 2024. The final settlement is due to be confirmed in early February and any changes will be updated as part of the budget reports to Members in February. The provisional settlement followed the publication of the Local Government Finance Policy Statement 2025/26 announced at the end of November.
- 2.2. The headlines from the announcement are summarised below, along with the impact to the Council's funding:
- 2.3. **Core Spending Power (CSP)** – This includes funding resources available to the sector and includes income from Council Tax, Business Rates, New Homes Bonus, Revenue Support Grant and other specific grants. The headline announcements are increases to core spending power of 6% across the sector for 2025/26, for GYBC, it is an increase of 4.7% the position for GYBC is included in the table 1. Across the sector as a whole there are significant differences in the increases in the CSP across the differing tiers of authorities ranging from average increases of less than 0.5% for Shire Districts to 8.4% for Metropolitan districts, 7.05% for Unitary authorities and 5.9% for Shire Counties.
- 2.4. The reason for the increased spending power for GYBC was largely due to the Recovery Grant allocation that was previously announced as part of the November statement.
- 2.5. The following provides in more detail elements of the CSP:
- 2.6. **Revenue Support Grant (RSG)** – In cash terms the year-on-year allocation has increased by £77,889 an increase of 2.9%.
- 2.7. **New Homes Bonus (NHB)** – A total of £290million for NHB has been allocated nationally (compared to £291.4 million in 2024/25). The allocation to the Council is £472,203 based on an award of 262 properties (after allowing for the threshold) plus 62 affordable units. There are no legacy payments and the threshold over which the bonus remains payable remains at 0.4%. The allocation for 2025/26 is expected to be the final allocation under the current system and will form part of the wider funding reforms.
- 2.8. **Recovery Grant** – Funding of £600m for the Recovery Grant was included in the provisional settlement to be targeted to areas with high levels of deprivation and lower tax generating ability through council tax. The allocation for GYBC is £417,511 and this is the reason for the higher increase in the core spending power than compared to some other shire districts.
- 2.9. A number of grants have been removed from the settlement in 2025/26, namely the Rural Services Grant and the Services Grant, these have resulted in giving higher increases in CSP to high-need, low tax base authorities. (In 2024/25 GYBC received £24,442 of Services Grant funding and no Rural Services grant).
- 2.10. **Funding Floor** – The funding floor mechanism has replaced the previous Funding Guarantee grant and reduced the threshold from 4% to 0% to ensure that no authority is lower in cash terms than 2024/25 (including council tax increases). This is not applicable to GYBC as it has received an increase of 4.7%.
- 2.11. **Council Tax** – Core Spending Power assumes increases in Council tax funding from tax base growth and increases in Council tax to the capped limit, for shire districts this is the higher of

3% or £5 for a band D equivalent property, (no change from previous capping limits). The CSP assumed additional resources compared to 2024/25 of £247,416 from Council Tax requirement excluding parish precepts, in cash terms the budget as presented shows a comparable increase in resources from Council Tax of £360,743. This is based on the tax base for 2025/26 of 31,567 an increase of 986 and the increase of £5.59 to a band D to £192.49.

- 2.12. **Business Rates** – The settlement has confirmed that Councils will be compensated for the freeze in the small business rates multiplier at 49.9p and that Councils will be compensated as if the business rate multipliers had been increased by September CPI. Baseline funding levels have increased to account for the standard business rate multiplier rising to 55.5p by CPI.
- 2.13. The following table provides a summary of the Core Spending Power for 2025/26 compared to 2024/25 (*amended to include provisional and final settlement*).

	2024-25	2025-26 Provisional	Movement (Final from 2024-25)
	£000	£000	£000
Settlement Funding Assessment*	6,843	6,961	118
Compensation for under-indexing the business rates multiplier	827	870	43
Council Tax Requirement excluding parish precepts	5,716	5,963	247
New Homes Bonus	479	472	(7)
Services Grant	27	0	(27)
Funding Guarantee	99	0	(99)
Recovery Grant	0	417	417
Core Spending Power	13,991	14,683	693

*Includes Revenue Support Grant and Business Rates baseline Funding

- 2.14. **Business Rates Pool funding** - The Norfolk Business Rates Pool has been operating since the start of the business rates retention system was introduced in 2013/14 and except for 2021/22 a pool has existed. It is being recommended that the pool continue again for 2025/26 with the sharing arrangement of the gain for 2025/26 being the same as that for the current financial year where the funds are shared across the members (all seven boroughs, districts and the city along with the County) as opposed to a bidding process.
- 2.15. **Local Authority Funding Reforms** – The government has launched a consultation on the reforming the funding system for local government which is based on the framework from the previous government’s Fair Funding Review, this will inform multi-year settlements for the sector from 2026/27. The expectation is that further consultations will take place during 2025/26, these will include:
- Business Rates Reset and updating Business Rates Baselines and 2026/27
 - Replacement for New Homes Bonus arrangements beyond 2025/26.
- 2.16. The Spending Review will inform the multi-year settlement and it is planned that transitional funding will be part of the system to mitigate the impact of the fair funding review.

3. REVENUE ACCOUNT BASE BUDGET

- 3.1. The high-level summary of the general fund revenue budget is included in Appendix A. Appendix B provides more detail of the service budgets and also provides commentary on the more significant movements compared to the 2024/25 base budget. The following provides a commentary on some of the key assumptions that have been used to inform the 2025/26 budgets.
- 3.2. **Council Tax** – The budget reflects the tax base as approved by Council in January 2025 of 31,567 and an increase in the Band D Council Tax of £5.59 to £192.49, this is within the permitted referendum limit for GYBC. The forecasts for the following two years assume similar growth in tax base and annual increases to the maximum permitted within the capping limits. The increase in the tax base for 2025/26 takes account of the impact of the introduction of the second homes premium which will see an increase in the Borough Council share of retained council tax of in the region of £106k. In addition the County has agreed to a one year arrangement where 25% of the additional income from the introduction of the premium will be returned to the Borough Council, this will result in an additional £240k of income being returned for priority spend to mitigate some of the costs of homelessness.
- 3.3. **Funding** – The budget assumes the funding allocation from the provisional local government finance settlement and the utilisation of the grants allocated. There are announcements on funding still to be confirmed which are expected in the final settlement of the allocation of the £515million funding for the impact of the cost of the higher Employers National Insurance Contributions (NICs). It is understood that the cost across the sector will exceed the funding available and also will not take into account the cost of third party service providers.
- 3.4. Members will be aware of the previous announcements of the Long Term Plans for Towns funding of an up to £20 million investment over ten years, as further announcements on this funding is confirmed the budget will be updated accordingly.
- 3.5. **Other Grants** – The budget has been updated to reflect announcements on service grants including the following:
- 3.6. **Homelessness and Rough Sleeping Funding** – As part of the provisional settlement, announcements on the funding for homelessness and rough sleeping were confirmed for 2025/26. This included a new ring fenced element of the funding to be spent on prevention, relief and staffing as opposed to temporary accommodation, the allocation is for one year only and the budget has been updated to reflect this accordingly.
- 3.7. **Extended Producer Responsibility (EPR)** – Funding has been announced for Local Authorities as waste disposal and collection authorities. The funding should cover the net costs of collecting, managing, recycling and disposing of household packaging waste. Funding has been allocated for 2025/26 of which £250,000 has been earmarked for prevention work to mitigate some of the pressures in this area and this will be reviewed in the year.
- 3.8. **Fees and Charges** – The fees and charges for 2025/26 were presented to Cabinet for approval on 14 January in line with the updated policy as approved in October 2024. Any approval of fees and charges outside of the policy should form a recommendation to Council. For example, where there is a reduction to fees and charges or increases above the policy these would be outside of the policy. One such change for 2025/25 is in relation to the proposals for six 30 minute free car parking spaces on the Market Place Car Park following the completion of the Public Realm Scheme. This would allow a free quick stay option for visitors to the Market Place and surrounding business. The financial impact of this is negligible and it is recommended that this be included in the fees and charges proposals for 2025/26.
- 3.9. **Savings** – The 2025/26 budget assumes the continuation of previously approved savings and additional income, in addition a number of new savings and additional income as approved by

Members in December 2024 as part of the updated Medium Term Financial Strategy totalling £583,500 have now been included in the budget presented for approval.

- 3.10. **Employee Budgets** – The budget for 2025/26 assumes a 4% pay award, although this is subject to a local agreement. The 2024/25 pay settlement was finalised at a pay award of £1,290 for pay scales up to and including spinal column point (SCP) 43, and above this 2.5% increase, this resulted in an average increase of 3.44% across all pay scales for 2024/25. As a guide a 0.5% sensitivity to the pay award equates to approximately £100,000 per annum for the Council, of which £78,000 would be attributable to the General Fund. It is current practice to allow for a turnover/vacancy element within the employee budgets for the year, for 2025/26 this equates to approximately 2.8% (£452,000) of all employees.
- 3.11. **Contract and Other Inflation** – Where applicable contract inflation has been factored into the budget reflecting the known contract inflation costs as per the contracts and renewals for example insurance renewals, for other contract inflation assumptions CPI has been used as an indication of between 2% to 3.5%.
- 3.12. **Great Yarmouth Services** – The budget for 2025/26 reflects the accurate costing of the operation plans for the provision of the following services:
 - Support Services
 - Street Cleansing
 - Waste Collection
 - Open Spaces
- 3.13. Following the first full year of operation of the services with GYS in 2023/24 the budget for 2025/26 has been informed by a more accurate costing of the services. The service has faced increased costs from the impact of the employers NICs costs which is direct to GYS and does not form part of the funding to be provided to Local Authorities as part of the final settlement, this is expected to be in the region of £156,000 for GYS for 2026/27. In addition, the impact of the pay award has increased the cost of the service due to the profile of the employees. Furthermore there has been an increase in equipment thefts, whilst proactive measures have since been put into place this has had an impact on the service costs.
- 3.14. The 2024/25 budget included a number of efficiency savings to be delivered in the year for example from communal bin rounds. These continue to be under review and for part of the delivery plans for 2025/26.
- 3.15. **Utilities** – The budget for 2025/26 reflects the latest projection for utilities that fall to the responsibility of the Council, the budget has been updated for the re-negotiated electricity contract that came into operation from October 2024, providing greater certainty around costs. The Council remains committed to review to energy usage and options available to the Council for both reduced costs and reduction in carbon.
- 3.16. Non-Service Income and Expenditure includes a number of spend and income headings, the more significant:
- 3.17. **Interest and Minimum Revenue Provision (MRP)** – The budget for 2025/26 includes £2.575 million for interest payable which has been informed by the current level of interest rates and planned borrowing requirements in line with the capital programme and the treasury management strategy. The MRP for the year has been updated to reflect a revision to the delivery of the capital programme schemes, currently forecast to be £2.089 million for the year. Where capital receipts are generated from the sale of assets, these are utilised for financing the capital programme which can reduce the interest and MRP burden to the revenue account.

4. RESERVES

- 4.1. The statement of general and earmarked reserves is attached at Appendix E and details the planned use of reserves in the current and future financial years. Reserves are held and utilised in accordance with the policy framework for reserves which is attached at Appendix F.
- 4.2. All reserves have been reviewed for current commitments against and available balances and where applicable re-allocations have been made.
- 4.3. The balance in the general reserve at 1 April 2024 was £7.11 million and is expected to be £6.224 at the end of the current year after allowing for the forecast movements in the current year.
- 4.4. The final balance will be informed by the 2024/25 outturn position to be reported later in the year. The policy framework for reserves has been reviewed and this includes the methodology for the level of general reserve which is recommended to remain at £3.5million. At a time when the Council is facing significant funding gaps, the balance of the general reserve should be maintained at the current level to mitigate in year pressures and any shortfall in the delivery of planned savings.
- 4.5. The Council continues to hold a number of earmarked reserves of which the more significant are summarised below along with the current forecast balance at 31 March 2026:
 - Invest to Save (£1.36million) reserve – provides funding that can be utilised for up front, one-off funding for invest to save proposals that will deliver future budget efficiencies and savings the more significant proposals will be subject to business cases;
 - Asset Management Reserve (£1.056m) – is held to mitigate the impact of fluctuations between financial years from income received from council assets and properties and is being used to smooth the impact to the revenue account of the costs of the Marina Centre until it delivers returns to the revenue account as per the original business case.
- 4.6. The Council continues to hold a number of other earmarked reserves for specific committed purposes for which the timing of their use has not yet been identified. The current virement rules allow for the use of reserves to be approved within the overall virement limits.
- 4.7. The budget for 2025/26 is reliant on a transfer from the general reserve of **£540k** to produce a balanced budget, whilst this is below the level assumed in the medium term financial strategy there are still a funding gap for future years and is not a sustainable position and will require early review of spending plans and income in 2025/26 including re-prioritisation of service spend in preparation for the 2026/27 budget.

5. HOUSING REVENUE ACCOUNT

- 5.1. The Housing Revenue Account (HRA) is the ring-fenced account that funds the Council's activity as a landlord. The HRA records all the income and expenditure associated with the provision and management of Council owned homes in the borough. This account funds a significant range of services to 5,762 homes for Great Yarmouth Borough tenants and their families and to 377 homes for leaseholders. This includes housing management, repairs and improvements, sheltered housing services, caretaking and capital investment on housing.
- 5.2. The Council is required by law to avoid budgeting for a deficit on the HRA (Local Government and Housing Act 1989, section 76). This means that the budget must not be based on total HRA revenue reserves falling below zero. In practice the Council is expected to maintain a reasonable balance of reserves, and this provides a contingency against unforeseen events and known risks. Great Yarmouth Borough Council's HRA currently maintains a minimum balance of £2 million.
- 5.3. The 2025/26 budget for the HRA reflects the current revenue requirements for housing management and capital programme investment on housing as well as the cost of the repairs

and maintenance service following the end of the joint venture with the Norse Group. The in-house repairs and maintenance service has been live since October 2024.

- 5.4. The budget and forecasts presented assume additional borrowing in the medium term to support the affordable homes capital delivery programme. This includes borrowing to support match funding of Retained Right to Buy receipts as well as additional borrowing to accelerate affordable housing delivery through acquisitions and new build affordable housing projects. Borrowing is also required in the medium term to fund energy efficiency works to the housing stock, this loan will be repaid over a period of five years.
- 5.5. The Council has recently undertaken a consultation with tenants on the draft Housing Investment Plan, the results of this consultation are currently being considered and will inform the capital and revenue budgets for expenditure on Council homes from 2026/7 onwards.
- 5.6. **HRA Rent Setting 2025/26**
- 5.7. Each year local housing landlords must set rents and budgets for the forthcoming financial year and provide each individual tenant with statutory notice of any proposed rent change. This report sets out proposals regarding the budget, rents, service charges and other charges to tenants for the 2025/26 rental year. The self-financing HRA remains governed by guidelines on rent setting for tenants. The council no longer has flexibility on the approach to rent setting due to the policy announced as part of the Welfare Reform and Work Act 2016.
- 5.8. The Regulator of Social Housing has published its annual rent limit guidance which confirms that the current Policy Statement applies to 2025/26 increases. Rents are also set in accordance with the Regulator of Social Housing’s Rent Standard. That means a maximum of September CPI + 1% (2.7%) can be applied for rent increases in 2025/26. Reflecting current pressures on the HRA budget this year and for future years, it is not recommended that a lower rent increase is applied as this will increase deficits in 2025/26 and future years. Estimated rent charges for 2025/26 on average are:

Property Type	Average weekly Rent 2024/25 (51 wk.)	Average weekly Rent 2025/26 (50 wk.)
Bedsit	£69.81	£71.69
1 Bedroom	£82.32	£84.54
2 Bedroom	£91.44	£93.91
3 Bedroom	£100.60	£103.32
4 Bedroom	£111.20	£114.20
5 Bedroom	£153.91	£158.06
>5 Bedroom	£159.67	£163.98
Average rent	£109.85	£93.85

- 5.9. When the Council develops new social housing it either charges a social or an affordable rent. Where the Council charges an affordable rent on new housing this will be set at 80% of gross open market rent or at 130% of the relevant Local Housing Allowance, whichever is lower. This operational cap will be reviewed annually. Where the Council delivers supported housing and charges a social rent, as allowed by the Rent Standard the rent is increased by 10%.

- 5.10. All Affordable Rents will increase by 2.7% this year. New rents cannot exceed 80% of the applicable Open Market Rent, including service charges.
- 5.11. **Proposed HRA Rent Service Charges 2025/26.**
- 5.12. The proposals in relation to service and agreement charges are set out at Appendix L. Service charges are set in accordance with the Policy Statement on Rents. Service charges for 2025/26 have been reviewed to ensure that each individual service charge element is recharged on a cost recovery basis.
- 5.13. Appendix M provides details of tenant and leasehold recharges which will be charged in accordance with the Rechargeable Repairs Policy. This policy has been refreshed with the new policy being implemented from 3 March 2025. Recharge costs shown reflect the cost of undertaking the works to the Council along with an admin fee. VAT is also included. These costs will be reviewed each year as part of the annual budget setting process. Currently no income is shown, and the 2025/26 budget will be updated in year to reflect actual recovery and expected income. Appendix M also details charges for providing services to leasehold properties.
- 5.14. **Housing Revenue Account Budget 2025/26 – 2029/30 and Revised Forecast 2024/25**
- 5.15. The approach to HRA budget setting focuses on three separate areas for 2025/26:
- Expected income and proposals on rent and service charge levels.
 - Expenditure plans that reflect local priorities and the impact of the self-financing business model on service delivery; and,
 - The reserves and provisions needed to ensure that the HRA is delivering strong financial performance over a longer period.
- 5.16. The HRA receives income from tenant rents and service charges levied on tenants and leaseholders. The self-financing HRA remains governed by guidelines on rent setting for tenants. Income from rents is a key driver of the total income available to the HRA, making up approximately 90% of the total income. The approach and policy for rent therefore affects the resources available to re-invest in expenditure plans across the HRA to deliver the outcomes outlined in the HRA business plan for all tenants.
- 5.17. Expectations for income, and therefore the rent budget, are driven by three key elements:
- Expected stock levels for 2025/26.
 - The CPI +1% (2.7%) increase on the 2025/26 tenant rents and,
 - The resourcing needs outlined in the HRA Business Plan
- 5.18. For 2025/26, the average stock level across Great Yarmouth Borough Council is expected to be approx. 5,781 properties. This is based on known changes to the current stock profile of 5,762 including adjustments for projected Right to Buy sales, acquisitions and new builds.
- 5.19. The assets, capital and revenue programmes include essential capital replacements, planned cyclical decorations to the stock, damp & mould remedial works and the continuation of the compliance programme of testing and remedials of heating, lighting, lifts, smoke alarms and fire remedial works.
- 5.20. Leasehold service charges are required to be transparent and reflect the actual cost of the services incurred. It is recommended to set leaseholder service charges in line with actual expenditure plans as per the approach in previous years.
- 5.21. The HRA currently holds a forecast 2024/25 opening reserve balance of £5.7 million.
- 5.22. The HRA 30-year business plan demonstrates how reserves are reduced and managed over the next five years within the housing major works capital programme. The recently completed stock condition survey is informing the Capital programme of works.
- 5.23. **Revised HRA 2024/25 position**

- 5.24. The revised 2024/25 budget reported a forecast deficit of £2.879 million at period 6. Monitoring year to date has identified that this needs to be revised to a forecast deficit of £2.866 million, a variance movement of £0.013 million (Appendix J). Ongoing monitoring will continue to be made and updates to the yearend position will be updated and presented in the next budget monitoring report.
- 5.25. Repairs and maintenance growth is due to the efficiency savings budget being reinvested to fund additional demand for example in voids, planned large repairs and other repairs budgets in year.
- 5.26. Supervision and management growth is due to an increase of agency costs to fund positions that have been unsuccessful to fill, increases in utility and associated premises costs, legal costs for disrepair claims, additional IT costs and an increase in dwelling depreciation.
- 5.27. Rental income has been analysed and updated for tenant movements and additional properties added to the stock and investment income has been reviewed. Revenue contribution to capital expenditure has increased by £1.013 million in year due to grants received in year for Social Housing Decarbonisation Fund Wave 2.2 and £203k for affordable housing purchases.
- 5.28. **Proposed growth/savings in HRA Revenue 2025/26 budget**
- 5.29. The Housing Revenue Account budget for 2025/26 is a surplus position of £0.110m. This is reduction of £2.989 million compared to 2024/25 revised budget (Appendix J).
- 5.30. Rental and service charge income is estimated to increase by £1.087m from the recommended increase of rents by 2.7% and increases for cost recovery for service charges.
- 5.31. Repairs and maintenance budget has decreased by £1.108 million in 2025/26, compared to 2024/25 revised budget. This decrease reflects the change from Great Yarmouth Norse external repairs service to the new in-house repairs and maintenance service.
- 5.32. Supervision and management increased by £0.764 million compared to 2024/25 revised budget. This includes inflationary increases on contracts, payroll and associated costs.
- 5.33. Non-service expenditure and income has decreased by £1.559 million. Interest payable has increased in line with the capital borrowing needs and grant contributions have been updated to align to the capital programme. Transfers out of earmarked reserves of £0.133 million will fund committed budgets carried forward from 2024/25. Estimated transfers into earmarked reserves are estimated at £0.300 million and will support the capital programme in 2026/27.
- 5.34. The budgets shown for 2025/26 to 2029/30 show that there is a need to make savings of £1m in 2026/27 and £2.8m in 2027/28 to ensure that the Council can maintain a £2m reserve. Further work will be undertaken over the next few months to identify options to meet this saving requirement, therefore the capital programme for the period for 2026/27 onwards is indicative and will be finalised and updated as part of future budget monitoring reports.
- 5.35. **Housing Major Works Capital Programme (HMWCP) 2025/26 to 2029/30**
- 5.36. This section of the report sets out the new housing capital investment requests for the five-year period covering 2025/26 to 2029/30 (Appendix K).
- 5.37. The HMWCP is subject to ongoing review and continues to consider: -
- the priorities and objectives which have been derived from our understanding of the investment need of the housing stock.
 - the changing demands on the service
 - any recent & anticipated changes in legislation and regulation
 - opportunities to innovate the service through digitalization and new methods of working.
 - opportunities available through external funding streams and options for procurement and delivery of our investment plans.

- 5.38. Over the coming months, there are several ongoing projects which will influence and impact on the HRA Capital Programme in 2025/26.
- Development of Housing Investment Plan setting out the HRA Capital Investment Priorities for the next 5 years
 - Review of the Sheltered Housing Assets and required investment to deliver a modern, fit for purpose accommodation.
 - Clearing the backlog of Compliance Works in particular Fire Safety works
 - Energy Efficiency works reflecting bid for Warm Homes: Social Housing grant funding. This bid is for matching funding for three years from 1 April 2025 (three-year funding) via the Warm Homes Social Housing.
 - Understanding the costs of the Middlegate Regeneration scheme.
- 5.39. As the above work is completed the capital programme will be reviewed and updated accordingly and a revised programme presented to Members for approval as part of the budget monitoring process.
- 5.40. All the above projects are ongoing and will have a significant impact on the Housing HRA Capital Programme and the HRA Revenue Budget.
- 5.41. The HRA is still part of a retention agreement with Government and from July 2024 has increased the flexibilities on how authorities use their Right to Buy receipts. For 2024/25 and 2025/26 the maximum contribution use of receipts for replacement affordable housing will increase from 50% to 100%, Right to Buy receipts will be able to be used with section 106 contributions and the cap on the percentage of replacements delivered as acquisitions will be lifted. Any Retained Right to Buy Receipts not spent in the relevant period are required to be paid to Central Government.
- 5.42. The HRA proposes to increase the availability of affordable housing with a combination of direct new build, grant contributions to Housing Association developments and purchasing the appropriate empty and suitable homes on the open market, to maintain the level of spending required to meet the retained receipt demand. A total of 15 sales have been predicted as part of the 2025/26 budget. This reflects the expected number of sales resulting from the large increase in applications following the announcement in the October 2024 national budget that Right to Buy discounts would reduce from 21 November 2024.
- 5.43. The Affordable housing capital programme has been planned to ensure retained receipts are spent in line with the 5-year requirements and additional new build housing programmes take full advantage of grant funding available to increase housing stock in line with demand.
- 5.44. **Revised 2024/25 forecast position for HRA Major works Capital Programme**
- 5.45. The revised 2024/25 budget reported a forecast capital programme budget of £17.595 million at period 6. Monitoring year to date has identified that this needs to be revised to a current forecast of £17.630 million. The overall movement of £34k is a combination of £133k of budgets carried forward in 2025/26 in earmarked reserves, £687k affordable housing programme budget revised to later years, an increase budget in year of £54k relating to repairs services IT equipment and an increase budget of £0.800 million, financed by additional grant received in year, for the energy efficiency works project (Social Decarbonisation Fund Wave 2.2).
- 5.46. **Proposed growth/savings in HRA Capital Programme 2025/26**
- 5.47. 2025/26 capital programme has decreased by £2.311 million compared to 2024/25 revised budget, totalling £14.519 million. Capital assets programme has decreased by £0.503 million. Budgets have been planned in line with current needs. The affordable housing programmed works have been revised over the next 4 years and this shows a decrease of £1.580 million in 2025/26. A planned scheme of works incorporating Retained Right to Buy Receipts and

utilising as much grant funding as possible is being developed with additional housing being delivered as acquisitions and new builds. Detailed capital programme is documented in Appendix K.

6. CAPITAL

- 6.1. This section of the report presents the capital budgets for consideration along with the recommended capital bids for 2025/26.
- 6.2. **Current 2024/25 Capital Programme** - Appendix G includes a summary of the 2024/25 capital programme, which has been updated for known slippage on the 2024/25 capital programme, capital projects approved as part of prior year budget setting and also where there has been approved in-year amendments to the capital programme. In year amendments to the programme have been made where schemes have now been completed or opportunities taken to re-allocate budgets within existing projects in response to increased pressure on current project budgets.
- 6.3. This results in a current capital budget of £35.196million, which includes £23.562million in relation to the Future High Street fund, Levelling Up Fund and Town Deal projects.
- 6.4. The current capital projects for 2025/26 total £57.040million, this includes £24.418million Future High Street fund, Levelling Up fund and Town Deal projects. The table below provides a summary of the current capital programme along with the financing.

£000	2024-25	2025/26	2026/27	2027/28
Capital Spend	35,196	57,040	20,954	12,336
Financing:				
Borrowing	4,158	22,076	10,076	5,683
Grants and Contributions	29,197	28,554	10,345	6,653
Revenue/Earmarked Reserves	145	540	0	0
Capital receipts	1,697	5,847	533	0
Total Financing	35,196	57,040	20,954	12,336

- 6.5. **New Capital Schemes** - In addition to the update of the 2024/25 capital programme, approval is being sought for a number of new capital projects for 2025/26, and subsequent years as identified within the Capital Appendix H.
- 6.6. The appendix provides the detail of the bids summarised in the table below:

£000	2025/26	2026/27
Schemes recommended to be included in the 2025/26 programme – annual provisions	1,300	1,300
Schemes recommended to be included in the 2025/26 programme	763	133
Play works – recommended to include, but limited to S106 funding and subject to the S106 approval route	642	0
Schemes recommended in principle, but further Business Cases/Information required	1,481	1,360
Total Capital Bids	4,186	2,793
Financing:		
Borrowing	1,481	1,360
Capital Receipts	763	133
Grants and Contributions	1,942	1,300

£000	2025/26	2026/27
Total Financing	4,186	2,793

- 6.7. **Capital Programme Funding** - There are a number of sources of funding available to fund the capital expenditure. The following outlines those which are available to the Council:
- External Contributions or Grants – e.g. from third party organisations often used to part fund capital projects, for example the future high streets fund, town deal funding.
 - Reserves – Available capital and revenue reserves can be used to fund capital expenditure.
 - Capital Receipts – Capital receipts are generated from asset disposals and can only be used to fund capital expenditure or repay debt.
 - Borrowing – Under the Prudential Framework, the Council is able to fund expenditure from borrowing provided that they can demonstrate affordability and need. Borrowing (internal or external) to finance capital spend will attract charges to the revenue account in the form of interest and Minimum Revenue Provision (MRP) charges. The Council's capital programme is heavily reliant on borrowing as a source of funding. Where the capital programme is financed by borrowing, the revenue impact of the borrowing is taken into account and including ways to mitigate the borrowing costs for example where the capital investment will deliver a revenue income or a saving. This report is presenting for approval the Minimum Revenue Provision Statement for 2025/26 which outlines the method for calculation of the MRP, this is included at Appendix I.
- 6.8. The capital programme and the financing thereof will be subject to in year updates subject to amendments to and confirmation of funding applications that are confirmed, as these are confirmed the programme will be updated through the budget monitoring reports.

7. FUTURE FINANCIAL FORECASTS

- 7.1. At the same time as producing the budget for 2025/26, high level forecasts have been produced for the following two financial years. The table below provides a summary of the two-year position for 2026/27 to 2027/28 based on known spending pressures and assumptions of future grant and income levels, this is before the detail of the future budgets have been produced and also the outcome of the funding reforms outcomes including the business rates reset.

£000	2026/27	2027/28
Net Cost of Service	17,546	18,806
Non-Service Expenditure/(Income)	774	1,223
Planned Contributions to/(from) reserves	(260)	(310)
Income from Grant and Taxpayers	(16,389)	(16,872)
Deficit/(Surplus)	1,671	2,848

- 7.2. The budget report is setting a budget for the one financial year only for 2025/26, there is great uncertainty around the future funding for Local government with the funding reforms for local government now expected to inform multi year settlements from 2026/27.
- 7.3. At this time there is a forecast funding gap of £1.7 million in 2026/27, increasing to £2.8 million in 2027/28. This is before any new savings or additional income streams are factored into the budget and assumes reductions in one off grants received in 2025/26, pending the wider review of funding reforms.
- 7.4. The current business strategy themes remain the priorities for identifying opportunities to deliver growth and ensuring that the Council's resources and assets are utilised in the most

efficient way to deliver future savings and income to the Council. This will include identifying opportunities to generate capital receipts to reduce future borrowing costs for funding the capital programme.

- 7.5. Further announcements on the review of local government funding is expected in 2025/26 along further consultations, as further detail is announced the Medium-Term Financial Strategy will be updated accordingly. Early work on the budget for 2026/27 will commence to determine expenditure priorities and deliver additional income being informed by the outcomes of the funding of reforms.

8. FINANCIAL IMPLICATIONS

- 8.1. The body of the report and appendices present the overall general fund budget for revenue and capital for 2025/26. For the revenue account there is a reliance on the use of the general reserves in the year of £540k. This does still give contingency in the general reserve above the recommended balance of £3.5m.
- 8.2. The Council continues to face significant financial challenges due to the uncertainty of future funding for local government and the increase inflationary pressures that are not matched by inflationary income levels.

9. RISKS

- 9.1. The Council budget has been informed by a number of assumptions and based on information that is available, for example funding allocations. The following outlines the more significant risks that the Council continues to face in relation to its financial position.
- 9.2. **Future Funding** – The continued uncertainty of funding for local government and the lack of multi-year settlements does not support the longer-term financial planning for local authorities. The budget for 2025/26 reflects a one-year finance settlement and have been informed by announcements made in the settlement for future grant allocations. As a source of funding the New Homes Bonus current scheme is heavily skewed against those authorities with a higher than average number of properties in the lower council tax bands and also where there is lower levels of housing growth. Delivery of new homes growth is still important in response to demand and also the ability to grow the council tax base as a source of income.
- 9.3. **Reserves** – The clear steer from government is that local authorities should continue to use reserves to balance their budgets. This presents a risk to local authorities in that reserves can only be used once and without plans in place to replenish reserves this presents a risk to local authorities in setting sustainable budgets.
- 9.4. **Business Rates** - Funding fluctuations from business rate income continues to be a prevalent risk of Local Government funding. The impact of appeals exacerbates this risk and applies to current and new appeals. Other factors that will lead to reductions in income include for example, business closures, successful rateable value appeals (which reduce the RV and consequently the rates payable), including the impact of back dated appeals. The NNDR provision within the system only reflects the potential impact of appeals currently in the appeals system. The budget does assume continued growth from the business rates income. The Council does hold an earmarked reserve which can mitigate the timing of fluctuations in the level of income from business rates. The further delays to the implementation of the new business rates retention scheme and the business rates reset seeks to exacerbate the risks of funding uncertainty for local government.
- 9.5. **General Economic Climate** – The impact of the rates of inflation and interest rates are detailed within the report. Where increased costs for contracts, utilities or pay result in levels above those budgeted, corrective in-year action will need to be taken to manage the overall

in-year financial position. The budget monitoring reports will proactively be flagging the overall position to the revenue account.

- 9.6. **Capital Projects** – The Council has a number of significant capital projects at various stages of delivery a number that are being delivered with partners and funded externally. The impact of inflation has been allowed for within contingency of projects, however there always remains a risk that this is not sufficient. There remains a central contingency budget for capital projects which can be utilised to support the delivery of projects. The impact of the use of the contingency should be considered in the context of the wider capital programme and financing thereof. In the meantime, all capital projects remain under close monitoring as part of the capital programme and the individual officer and member working groups as applicable. This report is also recommending a further allocation to the capital contingency for project management for capital projects to ensure the successful delivery of the current capital programme.
- 9.7. Each project faces a number of risks in terms of their delivery and also where they are subject to external funding it is essential that the funding conditions are met. The Council has a strong governance framework in place which can mitigate some of the project risks as well as ensuring adequate project contingency is held within project budgets. However, there will always be risks that are outside of the control of the council when managing these budgets. Reserves, both general and earmarked reserves can be used to mitigate the financial impact of this. If required, the scope of capital projects can be reviewed to reduce call on budget and minimise request for additional contingency and to mitigate the impact to the revenue account (both HRA and general fund) .
- 9.8. Where capital projects are financed by capital receipts until the receipts are received there is always a risk that the risk will either not come into fruition or be lower than anticipated. The current and future capital receipts continue to be monitored as part of the capital financing arrangements.
- 9.9. **Interest Payable and Minimum Revenue Provision (MRP)** - The budget reflects the revenue costs of the planned borrowing and financing of the current and future capital programmes based on the forecast for interest rates. The impact of interest rate changes will have a direct impact to the revenue account for the financing of capital schemes.
- 9.10. Slippage of capital schemes will impact on the level of borrowing required along with the associated financing costs. The capital programmes have been reviewed to accurately reflect the timing of the projects, to ensure an accurate provision for MRP and interest can be made which reflects the timing of the capital spend. Approval of capital projects outside of the budget will impact on the budget and the associated financing costs and will need to be considered as part of the options appraisal and business cases presented for approval. Future increases in MRP can be mitigated by the use of capital receipts to fund capital expenditure to reduce the need to borrow, as part of the annual financing of the capital programme, the most efficient approach to financing the capital programme is taken.
- 9.11. **Budgeted Income** – The revenue budget is reliant upon levels of income from a number of demand led service from sales, fees and charges, for example car parking, planning and building control and crematorium. The budgets have been informed by actuals and past performance and knowledge of current service delivery. A prudent approach has been taken for the setting of income budgets, however the actual performance will need to be monitored closely to allow any corrective actions to be taken in year if required. The fees and charges have been reviewed in the year in line with the policy which has allowed for increases in charges to mitigate some of the increased costs in the provision of services, if there is an impact on demand, then these may require further review.

- 9.12. Achievement of service income remains a financial risk that cannot be fully influenced by the Council. It is for reasons such as this that a factor in determining the recommended general reserve balance includes an amount for the sensitivity in delivery of the more significant demand-led income budgets.
- 9.13. **Commercial Property Rentals** – The Council holds a number of commercial assets for which it receives an income from licences and rentals. The budget has made some assumptions on future rentals and levels of collections, however the risk of vacancies continue to be prevalent and therefore will continue to be managed by the service and where appropriate escalation of debt recovery action for non collection.
- 9.14. **Reserves** - The Council currently holds a number of earmarked reserves which are allocated for specific purposes although the exact timing of the use of the reserve is yet to be confirmed. Use of reserves only provides a short-term solution to mitigate the forecast deficits and can also be used to mitigate the impact, if for example savings and income are not achieved as budgeted. As part of approving the annual budget Members are reminded that reserves do not provide a long-term solution for a sustainable budget position and early action in.
- 9.15. **Cost of Living - Universal Credit and Housing Benefit Subsidy** – At a time when households are faced with increasing financial pressures, this can increase the demand for support and potential impact on collection of income for example council tax. The budget reflects the funding from the Department for Work and Pensions for housing benefit administration. The Council is responsible for paying out in the region of £20 million of housing benefit and rent rebates which assumes is recovery through the subsidy system. The subsidy returns are audited annually at which point any under or over recovery will be determined and adjusted for. Any under recovery that is not eligible for subsidy could result in a financial impact to the Council which can be mitigated through the use of the earmarked reserve.
- 9.16. **Local Council Tax Support** – The LCTS scheme continues to support those households on low income or in receipt of benefit. The impact of a greater demand for LCTS and would reduce the council tax collectable in the year and consequentially increase the deficit on the collection fund which will then need to be recovered in future years.

10. CONCLUSIONS

- 10.1. The Council must present for approval a balanced budget each year. Despite the slightly improved finance settlement for 2025/26 above the level previously forecast the budget is reliant on the use of reserves as it would be in the medium term. This is not a sustainable position for the long term and when the outcomes of the future funding review are known this will assist Local Authorities with the longer-term financial planning for the provision of services and the MTFS will be updated accordingly.
- 10.2. The budget report will be considered by the Scrutiny Committee ahead of approval by Council on 20 February 2025 to inform the setting of the council tax for 2025/26. The report and appendices present the detailed budget considerations for 2025/26.
- 10.3. Whilst the report presents a budget for 2025/26 for approval only it does flag a funding gap of £1.1 million in 2026/27 for which early work will commence on addressing this gap in 2025/26 and be informed by the funding reforms for local government.

11. BACKGROUND PAPERS

- 11.1. The following reports and announcements have been used to inform the budget report as presented:
- 2023/24 Outturn report

- 2024/25 in year financial monitoring reports
- Provisional Local Government Finance Settlement
- Medium Term Financial Strategy
- National Non-Domestic Rates Return
- Financial monitoring.

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

General Fund Summary (FINAL)	Original 2024/25 Budget	Current 2024/25 Budget	2024/25 updated Forecast	2025/26 Budget	2026/27 Forecast
	£	£	£	£	£
Services:					
Executive and Resources	4,379,614	4,335,301	4,372,445	5,073,766	4,839,660
Inward Investment	132,635	113,849	90,433	(60,183)	(44,519)
Housing	1,297,219	1,232,344	1,346,520	1,009,488	935,443
Planning and Growth	612,601	573,738	573,738	828,364	888,337
Customer Services	370,927	257,988	315,458	1,150,747	789,293
Property and Asset Management	228,306	231,007	231,007	181,207	31,749
Communications and Marketing	2,182,622	2,149,253	2,149,253	2,137,690	2,189,019
Environmental Services	6,629,163	6,531,708	6,776,708	6,870,973	8,196,300
Savings/Costs to be allocated to service	(205,000)	(205,000)	(205,000)	(270,000)	(270,000)
Net Cost of Service	15,628,086	15,220,188	15,650,562	16,922,054	17,555,282
Non Service Exp/(Income):					
Recharges to HRA	(2,570,268)	(2,570,282)	(2,570,282)	(3,170,900)	(3,173,353)
Parish Precepts	797,302	797,302	797,302	857,488	860,497
Capital Charges	(1,677,650)	(1,677,650)	(1,677,650)	(1,673,090)	(1,673,090)
Revenue Financing for Capital	0	0	0	0	0
Interest Receivable	(765,800)	(765,800)	(765,800)	(866,165)	(1,495,816)
Interest Payable	2,012,000	2,012,000	2,012,000	2,578,000	2,328,000
Minimum Revenue Provision	2,279,000	2,279,000	2,025,549	2,088,997	2,236,834
Pension Back Funding	2,227,221	2,227,221	2,227,221	2,230,485	2,233,814
Vacancy Management	(452,000)	0	0	(452,000)	(452,000)
Apprenticeship Levy	60,194	60,194	60,194	61,467	63,569
Sub total - Non Service Exp/Inc	1,909,999	2,361,985	2,108,534	1,654,282	928,455
Net Operating Expenditure	17,538,085	17,582,173	17,759,096	18,576,336	18,483,737
Contributions to/(from) Reserves:					
Restricted use grant	(22,000)	(368,769)	(368,769)	(247,481)	(20,000)
Invest to Save	0	(41,354)	(41,354)	(132,240)	0
Specific budget	(389,924)	(63,110)	(63,110)	141,807	50,000
Special Projects Reserve	(10,000)	(10,000)	(10,000)	(200,000)	0
Asset Management	(289,500)	(289,500)	(289,500)	(289,500)	(289,500)
Other Reserves	(46,103)	(26,148)	(26,148)	0	0
Sub Total Earmarked Reserves	(757,527)	(798,881)	(798,881)	(727,414)	(259,500)
Amount to be met from Government Grant and Local Taxpayers	16,780,558	16,783,292	16,960,215	17,848,922	18,224,237
Collection Fund - Parishes	(797,302)	(797,302)	(797,302)	(857,488)	(860,497)
Collection Fund - Borough	(5,715,589)	(5,715,590)	(5,715,590)	(6,076,332)	(6,353,935)
Retained Business Rates	(6,268,000)	(6,268,000)	(6,268,000)	(6,266,250)	(6,454,199)
Revenue Support Grant	(2,705,919)	(2,705,919)	(2,705,919)	(2,783,808)	(2,783,808)
New Homes Bonus	(479,391)	(479,391)	(479,391)	(472,203)	0
Other Grants and funding	(125,468)	(125,468)	(125,468)	(779,511)	0
Income from Grant and Taxpayers	(16,091,669)	(16,091,670)	(16,091,670)	(17,235,592)	(16,452,440)
(Surplus)/Deficit before use of reserves	688,889	691,622	868,545	613,330	1,771,797

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Executive and Resources:					
Equinox Enterprises					
Employee	75,886	75,886	55,022	(20,864)	Equinox Officer budget fully recovered by Service Level Agreement with both companies Equinox Enterprises Ltd and Equinox Property Holdings Ltd. Equinox Officer role and Equinox Business support officer are now part time roles, reducing the budget in year.
Transport	963	963	420	(543)	
Supplies & Services	156	156	145	(11)	Budget reduced as most costs now being paid directly from Equinox Enterprises Ltd.
Income	(128,404)	(128,404)	(101,328)	27,076	Service Level Agreement updated in line with increased costs.
	(51,399)	(51,399)	(45,741)	5,658	
Equinox					
Premises	(3,629)	(3,629)	(5,779)	(2,150)	
Transport	0	0	0	0	
Supplies & Services	3,629	3,629	5,779	2,150	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	0	0	0	0	
Income	0	0	0	0	
	0	0	0	0	
GYS Company					
Employee	111,412	108,172	115,806	4,394	
Premises	0	0	6,000	6,000	
Transport	0	0	85,653	85,653	Current lease costs that were novated to the Council that are recharged in full to GYS.
Supplies & Services	0	0	21,500	21,500	Mobile phone, insurance and other costs for services paid by GYBC allocated to GYS which are then recharged to GYS.
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	152,310	152,310	234,569	82,259	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(533,000)	(533,000)	(578,959)	(45,959)	This covers the SLA for the provision of support services to the company (includes finance, HR, ICT and systems provision) and the recovery of costs incurred by the Council on behalf of GYS as set out above.
	(269,278)	(272,518)	(115,431)	153,847	
GYN Transfer					
Supplies & Services	0	41,354	0	0	
	0	41,354	0	0	
Corporate Costs					
Transport	250	250	0	(250)	
Supplies & Services	226,270	227,039	445,679	219,410	Budget increased to cover anticipated increase in External Audit fees. Budget allocated for the costs for devolution and LGR process allocated to be funded from Earmarked Reserves.
Support Services - Recharges Out	(462,570)	(462,570)	(784,710)	(322,140)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	236,060	236,060	339,040	102,980	basis year on year.
Income	0	0	0	0	
	10	779	9	(0)	

Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
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Executive Team

Employee	889,793	864,277	817,570	(72,223) Removal of vacant post
Transport	6,100	6,802	3,385	(2,715)
Supplies & Services	8,266	14,398	7,847	(419)
Support Services - Recharges Out	(1,102,720)	(1,102,720)	(1,496,400)	(393,680) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	300,070	300,070	772,620	472,550 basis year on year.
Income	(101,500)	(103,200)	(105,000)	(3,500)
	9	(20,373)	22	12

Finance

Employee	1,042,508	1,039,279	1,024,231	(18,276) Insurance and risk team moved to Corporate Strategy - offset by increase in staffing costs.
Premises	0	0	0	0
Transport	1,000	1,000	750	(250)
Supplies & Services	213,436	212,886	107,080	(106,356) Internal audit costs moved to Corporate Strategy.
Support Services	115,000	115,000	135,000	20,000 Increase in banking charges.
Capital Charges	0	0	0	0
Support Services - Recharges Out	(1,946,626)	(1,946,626)	(2,431,330)	(484,704) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	582,190	582,190	1,172,276	590,086 basis year on year.
Income	(7,500)	(11,242)	(8,000)	(500)
	8	(7,513)	8	0

Corporate Strategy

Employee	98,053	95,161	205,529	107,476 Insurance and risk team moved to here from Finance.
Premises	0	0	0	0
Transport	50	50	20	(30)
Supplies & Services	86,770	83,025	222,059	135,289 Internal audit costs now included in this service heading, previously included under Finance.
Support Services - Recharges Out	(209,940)	(209,940)	(502,890)	(292,950) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	25,080	25,080	75,271	50,191 basis year on year.
Income	0	0	0	0
	13	(6,624)	(11)	(24)

Member Services

Employee	164,567	168,007	183,496	18,929 Increase due to estimated pay awards and increments in 2025/26 .
Premises	0	0	0	0
Transport	1,100	1,100	820	(280)
Supplies & Services	410,602	409,948	440,476	29,875 Increase of Member Allowances in line with employee pay award increases.
Support Services - Recharges Out	(669,860)	(669,860)	(698,310)	(28,450) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	93,590	93,590	73,520	(20,070) basis year on year.
Income	0	0	0	0
	(1)	2,785	2	4

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Elections					
Employee	242,782	240,081	189,159	(53,623)	Reduction in casual staff costs due to planned elections. (Decision pending delay of county elections - will impact).
Premises	0	0	0	0	
Transport	1,250	1,250	545	(705)	
Supplies & Services	221,944	221,944	186,196	(35,747)	Reduction due to planned elections.
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	88,380	88,380	146,670	58,290	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(292,700)	(292,700)	(153,700)	139,000	Reduction due to planned elections.
	261,656	258,955	368,870	107,214	
Human Resources					
Employee	666,306	647,905	701,345	35,039	Increase from budgetary pay award and increments.
Transport	1,000	1,000	435	(565)	
Supplies & Services	112,940	112,987	129,470	16,530	Increase in IT Software costs relating to contractual increases and additional software purchases.
Support Services - Recharges Out	(891,086)	(891,086)	(1,039,810)	(148,724)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	110,840	110,840	208,563	97,723	
Income	0	0	0	0	
	0	(18,354)	3	3	
Legal					
Supplies & Services	95,151	101,906	102,000	6,849	
Third Party Payments	525,398	525,398	688,500	163,102	Increase in benchmark hours from nplaw to reflect usage of services and hourly rate charged.
Support Services - Recharges Out	(632,780)	(632,780)	(889,520)	(256,740)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	47,230	47,230	144,525	97,295	
Income	(35,000)	(35,000)	(45,500)	(10,500)	Increase in expected profit share
	(1)	6,754	5	6	
CCTV					
Premises	4,000	4,000	4,000	0	
Supplies & Services	122,800	122,800	154,147	31,347	Increase to CCTV Maintenance Grants
Capital Charges	35,967	35,967	35,967	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	21,950	21,950	27,460	5,510	
Income	(4,000)	(4,000)	(4,000)	0	
	180,717	180,717	217,574	36,857	
Total Executive and Resources:	121,733	114,563	425,310	303,577	
Total Executive and Resources excluding capital charges & recharges:	4,343,647	4,336,478	5,037,799	694,152	
Total Executive and Resources excluding recharges:	4,379,614	4,372,445	5,073,766	694,152	

Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
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Inward Investment

Projects and Programmes

Employee	153,054	148,589	120,456	(32,598)	Budget reduced to reflect the movement of project manager to Project management Office (PMOT).
Transport	963	963	420	(543)	
Supplies & Services	1,815	1,815	26,829	25,015	
Support Services - Recharges Out	(82,800)	(82,800)	0	82,800	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	367,280	367,280	547,784	180,504	basis year on year.
Income	0	0	0	0	
	440,312	435,847	695,490	255,178	

Project Management Office

Employee	143,254	139,070	358,207	214,953	Budget increased with the movement of Project manager from Project and programmes (EXPP) and Project Director role.
Premises	0	0	0	0	
Transport	963	963	420	(543)	
Supplies & Services	1,571	1,571	1,571	0	
Support Services - Recharges Out	0	0	(57,008)	(57,008)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	27,090	27,090	32,550	5,460	basis year on year.
Income	0	0	(211,814)	(211,814)	Recharge to capital projects for project management team
	172,878	168,694	123,926	(48,952)	

Towns Fund

Supplies & Services	200,000	200,000	0	(200,000)	
Income	(200,000)	(200,000)	0	200,000	Removal of capacity funding grant and associated spend received in prior year.
	0	0	0	0	

Winter Programme

Premises	45,000	45,000	20,000	(25,000)	Maintenance of Winter lights programme funded from grant income in earmarked reserves.
Income	(45,000)	(45,000)	0	45,000	Grant funding in earmarked reserves to cover costs in year.
	0	0	20,000	20,000	

Culture and Leisure

Employee	102,879	99,848	0	(102,879)	Posts funded from UKSPF on fixed term contracts ended in 2024/25
Supplies & Services	452,575	477,575	464,340	11,765	UKSPF 2025/26 allocation added, which is less than the prior years.
Third Party Payments	41,400	41,400	38,000	(3,400)	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	56,200	56,200	81,386	25,186	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(520,324)	(520,324)	(413,196)	107,128	UKSPF 2025/26 allocation added, which is less than the prior years.
	132,730	154,699	170,530	37,800	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Conservation					
Employee	112,549	109,152	115,560	3,011	
Premises	31,229	31,229	31,333	104	
Supplies & Services	57,149	57,149	45,638	(11,511)	Reduction in consultancy costs in 2025/26.
Capital Charges	25,408	25,408	25,408	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	41,140	41,140	53,740	12,600	
Income	(86,576)	(86,576)	(142,316)	(55,740)	Wintergardens grant income to be received to cover Partnership and Engagement officer and UKSPF grant income allocated to culture services.
	<u>180,899</u>	<u>177,502</u>	<u>129,362</u>	<u>(51,536)</u>	
Indoor Leisure - Phoenix Pool and Marina Centre					
Employee	4,852	9,051	0	(4,852)	Reduction to budget in line with review of service and savings delivery.
Premises	46,500	46,500	48,448	1,948	
Supplies & Services	6,698	6,698	6,018	(680)	
Third Party Payments	54,292	54,292	47,368	(6,924)	
Capital Charges	86,348	86,348	86,348	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	53,740	53,740	52,861	(879)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(444,381)	(497,152)	(472,218)	(27,837)	Budget aligned with new leisure contract with Freedom Leisure.
	<u>(191,951)</u>	<u>(240,523)</u>	<u>(231,175)</u>	<u>(39,224)</u>	
Enterprise Zone					
Supplies & Services	780,000	780,000	595,000	(185,000)	Change in allocation of pots means that increase in amount retained by the Council.
Income	(920,000)	(920,000)	(920,000)	0	
	<u>(140,000)</u>	<u>(140,000)</u>	<u>(325,000)</u>	<u>(185,000)</u>	
Economic Development					
Employee	121,061	117,508	81,210	(39,851)	Fixed term post ends in June 2025.
Supplies & Services	1,606	1,606	1,788	182	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	178,620	178,620	151,035	(27,585)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(122,250)	(122,250)	(15,000)	107,250	Reduction to UKSPF grant allocation to economic development in year.
	<u>179,037</u>	<u>175,484</u>	<u>219,032</u>	<u>39,995</u>	
Total Inward Investment:	773,905	731,703	802,166	28,261	
Total Inward Investment excluding capital charges & recharges:	20,879	(21,323)	(171,939)	(192,817)	
Total Inward Investment excluding recharges:	132,635	90,433	(60,183)	(192,817)	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Housing:					
Housing Needs					
Employee	1,497,162	1,453,553	1,676,366	179,204	Increases due to pay awards and increments.
Premises	798,000	798,000	719,912	(78,088)	Reduction in use of more costly B&B accommodation following a move to increase leased temporary accommodation & owned property for use as temporary accommodation.
Transport	1,500	1,500	655	(845)	
Supplies & Services	416,910	416,910	463,939	47,028	Inflationary cost increases for services.
Capital Charges	18,137	18,137	18,137	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	203,050	203,050	497,956	294,906	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(1,777,856)	(1,777,856)	(2,453,232)	(675,376)	Homelessness Prevention Grant has increased from £434k to £925k enabling a greater proportion of staff costs and accommodation costs to be funded. Other funding sources have increased to cover increased costs noted above (e.g. funding provided to fund posts). However, the funding is not anticipated to be fully reflective of the increased demand on/ use of the service.
	1,156,903	1,113,294	923,732	(233,171)	
Gapton Hall Site					
Employee	35,750	34,693	39,635	3,885	
Premises	98,156	178,607	138,632	40,475	Budget was reduced in prior year (24/25) due to anticipated capital works, due to these not happening in year the budget has been increased to reflect this. Work is planned for 25/26 financial year, therefore budget not fully increased to prior year amounts.
Transport	50	50	110	60	
Supplies & Services	4,600	4,600	103,931	99,331	Revenue costs relating to planned major capital works.
Capital Charges	23,859	23,859	23,859	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	73,610	73,610	34,980	(38,630)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(117,160)	(88,371)	(106,795)	10,365	Reduction in plots let due to planned major capital works.
	118,865	227,048	234,351	115,486	
Independent Living Services					
Employee	505,667	490,167	500,921	(4,746)	
Transport	7,500	7,500	5,680	(1,820)	
Supplies & Services	31,787	31,393	67,460	35,673	Out of hours contract. Additional alarm costs covered by existing funding.
Transfer Payments	5,000	5,000	5,000	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	44,710	44,710	161,066	116,356	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(442,316)	(442,316)	(435,453)	6,863	
	152,348	136,454	304,674	152,326	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Housing Strategy					
Employee	183,974	183,904	234,329	50,355	Change in structure and pay award.
Transport	550	1,205	595	45	
Supplies & Services	5,950	9,448	5,810	(140)	
Support Services - Recharges Out	0	0	(51,853)	(51,853)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	86,920	86,920	95,830	8,910	
Income	0	(3,463)	0	0	
	277,393	278,014	284,710	7,316	
Total Housing:	1,705,509	1,754,810	1,747,467	41,958	
Total Housing excluding capital charges & recharges:	1,255,223	1,304,524	967,492	(287,731)	
Total Housing excluding recharges:	1,297,219	1,346,520	1,009,488	(287,731)	
Planning and Growth:					
Building Control					
Employee	193,782	188,185	278,963	85,181	Re-instatement of budget for Head of Building Control, temporarily removed for 24/25 pending recruitment and review of service.
Premises	1,677	1,677	1,677	0	
Transport	10,000	10,000	4,365	(5,635)	
Supplies & Services	23,870	23,870	24,501	631	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	95,270	95,270	82,425	(12,846)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(175,873)	(175,873)	(164,873)	11,000	Reflecting current trend of declining income over recent years due to longer turnaround times and more LLC1 only searches which are less expensive at £15. On-going downturn in the housing market has reduced client numbers so expectation that there will be a £12k budget shortfall in 24/25.
	148,727	143,129	227,058	78,332	
Planning Business Support					
Employee	120,227	116,625	140,250	20,023	This is a combination of annual pay award and NI increases and re-allocation of pots across the service.
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	61,610	61,610	41,300	(20,310)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	
	181,837	178,235	181,550	(287)	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Development Control					
Employee	638,805	620,148	677,540	38,736	Pay award, increments and NI increase.
Transport	7,500	7,500	3,275	(4,225)	
Supplies & Services	75,486	75,485	76,364	879	
Support Services - Recharges Out	(77,240)	(77,240)	(56,367)	20,873	
Support Services - Recharges In	350,960	350,960	235,340	(115,620)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(643,000)	(643,000)	(643,000)	0	
	352,510	333,853	293,153	(59,358)	
Land Charges					
Supplies & Services	13,778	13,778	14,385	607	
Third Party Payments	19,187	19,187	31,291	12,104	Forecast reduction in land search fees from service analysis undertaken.
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	37,630	37,630	33,057	(4,573)	
Income	(109,488)	(109,488)	(112,000)	(2,512)	Based on analysis of Service over last 3 years. Established trend of loss of business over recent years due to turnaround times and more LLC1 only searches which are only £15. In addition current downturn in the housing market has reduced numbers so not expecting to get the same income as previous years.
	(38,893)	(38,893)	(33,266)	5,627	
Strategic Planning					
Employee	378,726	367,719	393,342	14,616	Pay awards and increments
Premises	0	0	0	0	
Transport	700	700	305	(395)	
Supplies & Services	72,985	72,986	117,738	44,752	Budget based on Local plan costs. Given incidence of examination programme every 3 years in 25/26 suggested non-recurrent increase of £47k on 24/25 proposed to cover funding required (this was formerly funded from Reserves).
Transfer Payments	6,500	6,500	6,500	0	
Capital Charges	1,582	1,582	1,582	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	129,500	129,500	130,318	818	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(23,843)	(23,843)	(23,843)	0	
	566,150	555,144	625,942	59,792	
	1,210,331	1,171,468	1,294,437	84,106	
Total Planning and Growth:					
Total Planning and Growth excluding capital charges & recharges:	611,019	572,156	826,782	215,763	
Total Planning and Growth excluding recharges:	612,601	573,738	828,364	215,763	

Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
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Customer Services:

Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Benefits				
Employee	667,237	647,537	632,621	(34,616) Removal of Team leader post band 5 as staff member has stepped down this will assist with the reduction in funding for the service.
Transport	1,200	1,200	526	(674)
Supplies & Services	97,215	97,214	188,745	91,529 Increase for one off software costspartly offset by vacant post in 26/27.
Transfer Payments	20,181,700	20,181,700	20,770,700	589,000 Budget revised based on current year actuals and expected rent payments and a reduction in homeless payments.
Support Services - Recharges Out	(287,116)	(287,116)	(277,991)	9,126 Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	539,990	539,990	591,460	51,470 basis year on year.
Income	(20,781,904)	(20,781,904)	(21,245,454)	(463,550) Housing Benefit Administration Subsidy allocation methodology has changed resulting in less funding of approximately £50k, remaining variance due to benefits claim income reduction offset with expenditure.
	418,322	398,621	660,607	242,285

Crematorium and Cemeteries

Employee	265,278	257,785	312,320	47,042 Increases due to pay awards and increments.
Premises	938,815	938,815	1,042,133	103,318 Primarily due to GYS maintenance contract increase.
Transport	1,602	1,602	2,149	547
Supplies & Services	167,341	167,340	172,426	5,085 Increase in budget for resale items, offset with income generation.
Third Party Payments	34,074	34,074	34,074	0
Capital Charges	70,543	70,543	70,543	0
Support Services - Recharges Out	0	0	0	0
Support Services - Recharges In	236,880	236,880	210,249	(26,632) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(1,699,001)	(1,699,000)	(1,715,991)	(16,990) Income increased in line with current demand and fee levels.
	15,532	8,039	127,902	112,370

Crematorium tearoom

Employee	81,159	78,691	87,934	6,775 Increases due to inflation and increments.
Premises	12,601	12,601	12,958	357
Supplies & Services	17,805	17,805	15,414	(2,391) Catering expenditure updated in line with income levels.
Capital Charges	31,336	31,336	31,336	0
Support Services - Recharges Out	0	0	0	0
Support Services - Recharges In	77,130	77,130	62,196	(14,934) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(113,882)	(59,733)	(86,500)	27,382
	106,149	157,830	123,338	17,189

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Customer Services					
Employee	680,709	660,002	865,795	185,086	Additional resource within the team to be recharged to other elements within the authority.
Transport	250	250	110	(140)	
Supplies & Services	27,545	27,545	24,085	(3,460)	
Support Services - Recharges Out	(1,362,930)	(1,362,930)	(1,391,513)	(28,583)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	654,430	654,430	501,520	(152,910)	
Income	0	0	0	0	
	4	(20,703)	(4)	(7)	
Support Services					
Employee	153,847	149,025	160,662	6,815	
Supplies & Services	31,954	31,953	33,476	1,523	
Capital Charges	2,985	2,985	2,985	0	
Support Services - Recharges Out	(302,880)	(302,880)	(270,870)	32,010	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	114,100	114,100	73,748	(40,352)	
Income	0	0	0	0	
	6	(4,817)	1	(4)	
Car Parks					
Employee	482,654	468,270	507,829	25,175	Increases due to pay awards and increments.
Premises	345,694	345,695	357,008	11,314	
Transport	16,275	16,274	22,500	6,225	
Supplies & Services	128,837	128,838	147,235	18,398	Increased services costs for Security and energy were not increased by demand and inflation
Transfer Payments	290,157	290,157	221,121	(69,036)	Profit share payments reduced inline with actuals received in 24/25 and a reduction in profit share payments due to a change in percentage profit on Howard street car park
Capital Charges	46,827	46,827	46,827	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	308,110	308,110	297,296	(10,814)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(2,717,522)	(2,717,520)	(2,727,882)	(10,360)	Additional income from fee increases and income generation schemes actioned in 2425.
	(1,098,968)	(1,113,349)	(1,128,065)	(29,097)	

Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
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Neighbourhood Management

Employee	567,760	550,865	612,502	44,742 Increase relates to roles which are covered via grant funding, majority of grants are held in reserves as carried over from prior year.
Premises	15,026	27,201	40,500	25,473 Additional costs relating to community centre that came back to GYBC in 23/24, but was only budgeted for 3 months in 23/24 due to expectation its day to day operations wouldn't sit with GYBC for longer than this.
Transport	1,000	2,416	220	(780)
Supplies & Services	75,330	192,326	76,563	1,233
Transfer Payments	89,466	117,816	29,000	(60,466) Reduction due to grant funded project coming to an end within year.
Support Services - Recharges Out	0	0	(494,900)	(494,900) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	80,570	80,570	677,440	596,870
Income	(318,703)	(474,319)	(263,890)	54,813 Reduction in grant funding received.
	510,449	496,875	677,435	166,986

Revenues

Employee	893,678	867,207	989,253	95,575 Increases due to pay awards and increments and externally funded post.
Transport	2,000	2,000	875	(1,125)
Supplies & Services	182,941	182,940	270,346	87,406 Increases to W2 document management and Mailroom. The costs for document management will be one off and is expected to reduce in future years.
Transfer Payments	100	100	100	0
Support Services	18,000	18,000	13,918	(4,082)
Capital Charges	0	0	0	0
Support Services - Recharges Out	(486,500)	(486,500)	(687,930)	(201,430) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	1,090,010	1,089,996	954,019	(135,991)
Income	(619,001)	(619,001)	(606,325)	12,676 Based on expected income in 25/26
	1,081,228	1,054,742	934,256	(146,971)

Total Customer Services:

	1,032,720	977,238	1,395,470	362,750 Overall the main impact is the recharges in year on revenues
Total Customer Services excluding capital charges & recharges:	219,236	163,767	999,056	779,821 Growth in staff costs expected in year - also additional resource hired into customer services as GYBC has taken GYN and GYS in house

Total Customer Services excluding recharges:

	370,927	315,458	1,150,747	779,821
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Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
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Property and Asset Management:

Property Building Services

Premises	499,267	499,267	548,267	49,000 Significant increase in repairs required facross various sites.
Support Services - Recharges Out	0	0	0	0
Support Services - Recharges In	0	0	0	0
Income	0	0	0	0
	499,267	499,267	548,267	49,000

Town Hall

Employee	0	0	0	0
Premises	208,286	208,287	298,109	89,823 The increase is due to cleaning costs along with Health and Safety remedial works.
Supplies & Services	1,622	1,622	167	(1,455)
Capital Charges	15,821	15,821	15,821	0
Support Services - Recharges Out	(328,220)	(328,220)	(380,810)	(52,590) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	102,500	102,500	66,701	(35,799)
Income	0	0	0	0
	8	10	(12)	(21)

Greyhairs House

Employee	0	0	0	0
Premises	108,448	108,448	21,256	(87,192) Following vacating the building reduced budget is required and therefore reduced day to spend responsibility.
Capital Charges	7,710	7,710	7,710	0
Support Services - Recharges Out	0	0	0	0 Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	50,490	50,490	7,060	(43,430)
Income	0	0	(49,500)	(49,500) Temporary external letting of the building following office rationalisation.
	166,648	166,648	(13,474)	(180,122)

Maritime House

Premises	9,925	9,926	0	(9,925)
Supplies & Services	497	497	0	(497)
Capital Charges	4,560	4,560	0	(4,560)
Support Services - Recharges Out	0	0	0	0
Support Services - Recharges In	16,150	16,150	0	(16,150) Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(4,000)	(4,000)	0	4,000 Income not expected due to the sale of the building
	27,132	27,133	0	(27,132)

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Catalyst Centre					
Premises	58,197	58,198	58,958	761	
Transport	0	0	0	0	
Supplies & Services	919	919	935	16	
Capital Charges	3,797	3,797	3,797	0	
Support Services - Recharges Out	(81,080)	(81,080)	(82,150)	(1,070)	
Support Services - Recharges In	18,170	18,170	18,450	280	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	
	4	4	(9)	(13)	
Operations & Maintenance Campus					
Supplies & Services	0	0	132,240	132,240	Campus budget agreed in 2024/25. Funds were taken from the invest to save budget and carried forward into 2025/26.
Income	0	0	0	0	
	0	0	132,240	132,240	
Public Toilets					
Employee	0	0	0	0	
Premises	245,272	245,271	286,943	41,671	Savings in the service have been mitigated by an increase in costs for cesspool empty.
Supplies & Services	9,290	9,290	9,975	685	
Capital Charges	153,447	153,447	153,447	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	59,840	59,840	155,579	95,739	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	
	467,849	467,848	605,944	138,095	
Repairs and Maintenance					
Premises	137	137	141	4	
Transport	0	0	0	0	
Supplies & Services	11,502	11,501	13,589	2,087	
Capital Charges	205,389	205,389	205,389	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	115,830	115,830	133,155	17,325	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(97,572)	(97,572)	0	97,572	This relates to the GYN profit share. Now GYN is back in house no profit share will be received.
	235,286	235,285	352,273	116,988	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Footway Lighting					
Employee	0	0	0	0	
Premises	239,946	239,946	183,400	(56,546)	Reduction in 25/26 due to revised electricity rates
Transport	0	0	0	0	
Supplies & Services	14,566	14,566	11,842	(2,724)	
Capital Charges	69,718	69,718	69,718	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	41,340	41,340	130,665	89,325	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	
	<u>365,570</u>	<u>365,570</u>	<u>395,625</u>	<u>30,055</u>	
Coast Protection					
Employee	278,560	270,369	293,860	15,300	Additional posts paid for by external funding, as per income below.
Premises	45,000	45,000	45,000	0	
Transport	5,000	5,000	2,180	(2,820)	
Supplies & Services	70,738	70,738	73,059	2,321	
Capital Charges	362,693	362,693	362,693	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	97,310	97,310	122,796	25,486	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(225,829)	(225,829)	(235,338)	(9,509)	Funding to cover posts and related costs.
	<u>633,472</u>	<u>625,281</u>	<u>664,250</u>	<u>30,778</u>	
Beachhuts					
Employee	30,315	29,419	36,340	6,025	
Premises	8,198	8,198	3,774	(4,424)	
Transport	0	0	0	0	
Supplies & Services	5,888	5,888	6,056	168	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	48,260	48,260	165,799	117,539	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(152,220)	(152,220)	(234,066)	(81,846)	Based on part-year implementation of rentals from June 24/25 for Yarmouth beach huts.
	<u>(59,559)</u>	<u>(60,455)</u>	<u>(22,097)</u>	<u>37,462</u>	
Community Centres					
Employee	0	0	0	0	
Premises	10,787	10,787	10,086	(701)	
Capital Charges	25,213	25,213	25,213	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	40,450	40,450	43,871	3,421	
Income	(1,774)	(1,774)	(1,774)	0	
	<u>74,676</u>	<u>74,676</u>	<u>77,396</u>	<u>2,720</u>	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Easter Fayre					
Supplies & Services	21,795	21,795	23,889	2,094	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	28,640	28,640	10,300	(18,340)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(20,371)	(20,371)	(22,994)	(2,623)	
	30,064	30,064	11,195	(18,869)	
Markets					
Employee	84,858	82,355	45,481	(39,377)	Due to a staff restructure the budget has been transferred to the wider Property service staffing budget.
Premises	539,131	539,131	94,285	(444,846)	Reallocation of the GYS Cleaning cost budget now included within the wider Environmental Services Street Cleansing budget.
Transport	250	250	110	(140)	
Supplies & Services	27,681	27,681	22,877	(4,804)	
Capital Charges	4,820	4,820	4,820	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	96,770	96,770	97,911	1,141	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(185,769)	(185,769)	(191,214)	(5,445)	
	567,742	565,238	74,271	(493,471)	
37-35 Market Place (Palmers)					
Premises	1,460	1,460	(3,466)	(4,926)	Building will be fully let out to tenants with any building operating costs fully covered by service charges to primary and sub tenants.
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	30,410	30,410	6,940	(23,470)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	Recovery of service charges from tenants.
	31,870	31,870	3,474	(28,396)	
Brett's					
Premises	21,336	21,336	21,797	461	
Supplies & Services	6,576	6,576	6,576	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	12,340	12,340	8,250	(4,090)	
Income	(52,101)	(52,101)	(41,928)	10,173	The whole building will no longer be let, therefore reduction in income.
	(11,849)	(11,849)	(5,305)	6,544	
Courts					
Premises	24,032	24,032	22,559	(1,473)	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	13,810	13,810	8,010	(5,800)	
Income	(14,300)	(14,300)	(14,300)	0	
	23,542	23,542	16,269	(7,273)	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
South Denes Energy Park					
Premises	5,741	5,741	6,942	1,201	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	26,910	26,910	95,019	68,109	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(8,004)	(8,004)	(8,004)	0	
	24,647	24,647	93,956	69,310	
Factory Units					
Premises	16,907	16,906	18,261	1,354	
Transport	0	0	0	0	
Supplies & Services	2,409	2,409	7,720	5,312	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	28,950	28,950	25,520	(3,430)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(113,337)	(113,337)	(135,337)	(22,000)	Increase in income expected due to vacant units becoming occupied along with lease reviews of current tenants.
	(65,072)	(65,072)	(83,836)	(18,764)	
Corporate Estates					
Employee	11	11	11	1	
Premises	299,006	299,009	366,910	67,903	The increase is due to premise repairs that are expected in 25/26.
Transport	0	0	0	0	
Supplies & Services	34,142	34,142	36,937	2,795	
Capital Charges	34,945	34,945	34,945	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	337,760	337,760	478,730	140,970	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(2,653,662)	(2,653,662)	(2,670,112)	(16,450)	Estimated additional income from rental reviews and renewals, general inflationary uplift.
	(1,947,799)	(1,947,795)	(1,752,579)	195,219	
Waterways					
Employee	0	0	0	0	
Premises	16,128	16,128	24,579	8,451	
Transport	0	0	0	0	
Supplies & Services	2,669	2,669	2,669	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	11,290	11,290	40,841	29,551	
Income	(1,000)	(1,000)	(1,000)	0	
	29,087	29,087	67,089	38,002	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Minerva House					
Premises	9,730	9,730	9,488	(242)	
Supplies & Services	1,364	1,364	1,747	383	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	8,080	8,080	7,350	(730)	
Income	(66,118)	(66,118)	(66,146)	(28)	
	(46,944)	(46,944)	(47,561)	(617)	
Onians					
Premises	109	108	114	6	
Transport	0	0	0	0	
Supplies & Services	1,000	1,000	1,000	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	9,530	9,530	9,040	(490)	
Income	(9,900)	(9,900)	(9,900)	0	
	739	738	254	(484)	
Property Services					
Employee	1,070,614	1,084,350	1,285,123	214,509	Property Systems & Performance Manager moved to Property services from Housing Revenue Account. The porters staffing budget has also been reallocated to Property services.
Premises	6,179	6,179	0	(6,179)	
Transport	6,100	6,100	2,665	(3,435)	
Supplies & Services	44,735	44,736	73,579	28,844	
Support Services - Recharges Out	(1,177,820)	(1,177,820)	(1,593,659)	(415,839)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	301,730	301,730	483,830	182,100	
Income	(251,535)	(251,535)	(251,535)	0	
	3	13,740	4	0	
Novus centre					
Premises	26,403	26,403	80,025	53,622	Budget now updated to reflect the costs of this administration building.
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	115,830	115,830	58,731	(57,099)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	Recovery of increased costs from tenants no longer due.
	142,233	142,233	138,756	(3,477)	
Gorleston Splash Pad					
Employee	14,158	14,710	17,170	3,012	
Premises	435	435	2,935	2,500	Reduction in both repairs and maintenance and other operational costs given minimal spend in 23/24 relative to budgets.
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	61,130	61,130	45,701	(15,429)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	
	75,723	76,275	65,806	(9,917)	

Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
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	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Beacon Park					
Employee	0	0	0	0	
Premises	159,810	159,809	172,083	12,273	Reduction in utility cost budget.
Supplies & Services	59,450	59,450	19,450	(40,000)	Previously a budget for legal costs however this level of budget is not required
Capital Charges	167,469	167,469	167,469	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	33,860	33,860	26,610	(7,250)	
Income	(1,336,362)	(1,336,362)	(1,336,362)	0	Full year impact of an increase in rental income identified.
	(915,773)	(915,774)	(950,750)	(34,977)	
Total Property and Asset Management:					
	348,566	351,267	371,448	22,883	
Total Property and Asset Management excluding capital charges & recharges:					
	(827,276)	(824,575)	(869,815)	(42,538)	
Total Property and Asset Management excluding recharges:					
	228,306	231,007	181,207	(47,098)	
Communications and Marketing:					
Employee	189,272	183,750	200,469	11,197	
Premises	0	0	0	0	
Transport	1,500	1,500	655	(845)	
Supplies & Services	12,654	12,655	13,295	641	
Support Services - Recharges Out	(221,160)	(221,160)	(215,600)	5,560	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	41,250	41,250	24,733	(16,517)	basis year on year.
Income	(23,520)	(23,520)	(23,555)	(35)	
	(4)	(5,525)	(2)	2	
ICT					
Employee	524,279	508,900	549,319	25,040	Increases due to pay awards and increments.
Premises	4,175	4,175	4,606	431	
Supplies & Services	387,517	387,517	404,876	17,359	Inflationary increase on annual software maintenance costs.
Third Party Payments	560,000	560,000	560,000	0	
Capital Charges	107,504	107,504	107,504	0	
Support Services - Recharges Out	(1,684,540)	(1,684,540)	(1,780,760)	(96,220)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment
Support Services - Recharges In	101,060	101,060	154,450	53,390	basis year on year.
Income	0	0	0	0	
	(5)	(15,384)	(5)	(0)	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
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Events

Employee	80,947	78,594	126,273	45,326	Post transferred Civic and Portering plus increases due to pay awards and increments.
Premises	1,500	1,500	1,500	0	
Supplies & Services	29,944	29,944	30,007	64	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	168,260	168,260	106,150	(62,110)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(75,443)	(75,443)	(88,977)	(13,534)	Reduction in income from the Wheels Festival, in line with fall of costs noted above.

205,208 202,855 174,954 (30,254)

Mayor

Supplies & Services	10,544	10,544	10,649	105	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	16,620	16,620	3,500	(13,120)	
Income	0	0	0	0	

27,164 27,164 14,149 (13,015)

Tourism

Premises	2,596	2,596	2,729	132	
Transport	0	0	0	0	
Supplies & Services	7,910	7,911	7,910	(0)	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	174,110	174,110	211,240	37,130	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.

184,617 184,617 221,880 37,262

Income

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Civic and Portering

Employee	136,788	132,789	1,000	(135,788)	Transfer of porters staff budgets from Service to Property & Events.
Premises	1,500	1,500	1,500	0	
Transport	12,697	12,697	9,307	(3,390)	
Supplies & Services	18,652	18,652	18,760	109	
Support Services - Recharges Out	(316,110)	(316,110)	(106,580)	209,530	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	146,480	146,480	76,010	(70,470)	
Income	0	0	0	0	

7 (3,992) (3) (10)

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Print and Design					
Employee	206,439	200,322	218,891	12,452	Increases due to pay awards and increments.
Transport	200	200	90	(110)	
Supplies & Services	47,899	47,900	48,156	257	
Support Services - Recharges Out	(290,940)	(290,940)	(291,720)	(780)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Support Services - Recharges In	99,330	99,330	91,860	(7,470)	
Income	(62,934)	(62,934)	(67,277)	(4,342)	Increase in income from external works for print.
	(6)	(6,122)	1	7	
Total Communications and Marketing:	416,982	383,613	410,973	(6,008)	
Total Communications and Marketing excluding capital charges & recharges:	2,075,118	2,041,749	2,030,186	(44,931)	
Total Communications and Marketing excluding recharges:	2,182,622	2,149,253	2,137,690	(44,931)	
Environmental Services:					
Environmental Health					
Employee	1,565,083	1,474,526	1,473,297	(91,786)	Re-allocation of posts within the service.
Premises	5,000	5,000	5,000	0	
Transport	41,204	41,203	28,686	(12,518)	Corporate car allowance saving through rationalisation based on current number of users
Supplies & Services	245,723	245,724	222,043	(23,681)	Reduction in budget through cessation of pest-control service provided by GYS (£36.8k). The budget is no longer needed to pay GYS but retaining a residual £10k to cover cost of pest control on our GYBC land which was formerly undertaken by GYS.
Third Party Payments	10,000	10,000	10,000	0	
Transfer Payments	306,062	551,062	600,413	294,352	The 2025/26 budget reflects the significant increase received in 2024/25 plus an inflationary increase for IDB's. At the time of setting the budget no allocation of funding to mitigate the costs had been confirmed.
Support Services	0	0	0	0	
Capital Charges	10,168	10,168	10,168	0	
Support Services - Recharges Out	(75,110)	(75,110)	(43,988)	31,122	
Support Services - Recharges In	526,070	526,070	448,200	(77,870)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(248,375)	(248,375)	(306,301)	(57,926)	Grant funding for innovate project. Covers all project costs in year including establishment, mileage and mobile phones.
	2,385,824	2,540,268	2,447,518	61,694	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Selective Licensing					
Employee	25,678	24,904	27,853	2,175	
Supplies & Services	4	4	5	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	0	0	0	0	
Income	0	0	0	0	
	<u>25,682</u>	<u>24,908</u>	<u>27,858</u>	<u>2,175</u>	
Grounds Maintenance					
Premises	999,046	999,046	1,058,434	59,388	Inflationary increase for GYS contract costs.
Supplies & Services	33,909	33,909	35,384	1,474	
Capital Charges	75,485	75,485	75,485	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	37,200	37,200	12,818	(24,382)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(59,576)	(59,576)	(59,576)	0	
	<u>1,086,064</u>	<u>1,086,064</u>	<u>1,122,544</u>	<u>36,481</u>	
Street Cleansing					
Premises	995,990	995,990	1,720,502	724,512	GYS contract reallocated as part of 2024/25 budget setting but increase also due to increase in GYS contract fee.
Third-Party Payments	368	368	387	19	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	15,230	15,230	6,270	(8,960)	
Income	0	0	0	0	
	<u>1,011,588</u>	<u>1,011,588</u>	<u>1,727,159</u>	<u>715,571</u>	
Grounds and Parks					
Premises	124,197	124,197	182,099	57,901	
Supplies & Services	10,651	10,651	11,194	543	
Capital Charges	3,411	3,411	3,411	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	51,710	51,710	28,340	(23,370)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	0	0	0	0	
	<u>189,969</u>	<u>189,969</u>	<u>225,044</u>	<u>35,075</u>	
Outdoor Sports					
Premises	533,148	533,149	769,816	236,668	Inflationary increase for GYS contract costs.
Supplies & Services	4,542	4,542	4,774	232	
Capital Charges	62,458	62,458	62,458	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	59,480	59,480	34,940	(24,540)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(116,339)	(116,338)	(124,544)	(8,206)	Increases in fees and charges for sites.
	<u>543,291</u>	<u>543,291</u>	<u>747,445</u>	<u>204,154</u>	

	Original 2024/25 Budget	2024/25 Forecast	2025/26 Budget	Variance 24/25 Base Budget to 25/26 Base Budget	Comments
Licensing					
Employee	209,135	203,009	236,150	27,015	Reflecting a re-alignment of the wider staffing resource across both the Licensing and Elections teams.
Premises	3,589	3,588	3,713	124	
Transport	3,400	3,400	1,485	(1,915)	
Supplies & Services	29,731	29,731	30,573	842	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	293,040	293,040	146,571	(146,469)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(299,226)	(299,224)	(299,939)	(714)	
	<u>239,669</u>	<u>233,544</u>	<u>118,552</u>	<u>(121,117)</u>	
Waste Management					
Transport	1,100	1,100	480	(620)	
Supplies & Services	843,687	843,687	1,128,818	285,130	Increase in gate fees expected.
Third Party Payments	2,884,428	2,884,428	2,765,639	(118,789)	GYS contract costs increased as part of 2024/25 budget setting.
Capital Charges	20,050	20,050	20,050	0	
Support Services - Recharges Out	0	0	0	0	
Support Services - Recharges In	116,290	116,290	69,760	(46,530)	
Income	(1,694,570)	(1,694,569)	(2,826,982)	(1,132,412)	To reflect an anticipated increase in green waste disposal license scheme and recycling credits income and also for confirmed 25/26 funding for extended producer responsibility payments to WDAs.
	<u>2,170,986</u>	<u>2,170,986</u>	<u>1,157,765</u>	<u>(1,013,221)</u>	
	<u>7,653,073</u>	<u>7,800,618</u>	<u>7,573,884</u>	<u>(79,189)</u>	
Total Environmental Services:					
Total Environmental Services excluding capital charges & recharges:	6,457,591	6,605,136	6,699,401	241,810	
Total Environmental Services excluding recharges:	6,629,163	6,776,708	6,870,973	241,810	
	<u>13,262,818</u>	<u>13,285,280</u>	<u>14,021,154</u>	<u>758,336</u>	
Total for Services excluding capital charges & recharges:	14,155,436	14,177,912	15,518,964	1,363,528	
Total for Services excluding recharges:	15,833,086	15,855,562	17,192,054	1,358,968	

General Fund 2025/26 Budget - Expenditure Type Analysis

General Fund Expenditure Type	2024/25 Budget	2024/25 Forecast	2025/26 Budget	2026/27 Forecast
Employee	15,691,508	15,284,370	16,589,092	16,710,055
Premises	7,563,678	7,656,309	8,439,164	8,594,461
Transport	135,216	137,988	179,890	166,446
Supplies & Services	6,377,920	6,573,131	7,176,733	6,100,660
Third Party Payments	4,129,147	4,129,147	4,175,260	4,278,783
Transfer Payments	20,878,985	21,152,335	21,632,835	21,043,966
Support Services	133,000	133,000	148,918	149,336
Capital Charges	1,677,650	1,677,650	1,673,090	1,673,090
Support Services - Recharges Out	(12,690,028)	(12,690,028)	(15,626,668)	(15,474,399)
Support Services - Recharges In	10,119,760	10,119,746	12,455,769	12,301,047
Income	(40,754,020)	(40,888,368)	(42,822,929)	(40,891,516)
Savings/Costs to be allocated to service	(205,000)	(205,000)	(270,000)	(270,000)
	13,057,817	13,080,280	13,751,153	14,381,929

Council Tax Summary 2025/26

	2024/25 Actual	Actual 2025/26		
		2.99% Increase		
			Movement £	Movement %
Demand on Collection Fund (excluding Parish/Town Precepts)	£ 5,715,589	£ 6,076,332	£360,743	6.31%
Borough Council Tax at Band D	£ 186.90	£ 192.49	£5.59	2.99%
Net Borough Council Tax at Band D	£ 186.90	£ 192.49	£ 5.59	2.99%
Value of Precepts*	£ 798,501	£857,488	£58,987	7%
Effect of Parish/Town Precepts	£ 26.07	27.16	£1.09	4.20%
Billed Borough Council Tax at Band D	£ 212.97	£ 219.65	£ 6.68	3.14%

Tax Base 30,581 31,567
Tax Base Movement (from 2023/24) 986 Increase

Note: The Tax Base for 2025/26 is 31,567 (2024/25 30,581). Each £31,567 change in net expenditure has £1.00 effect on Council Tax at Band D.

General Fund Reserves Schedule - 2025/26		Summary and Purpose of Reserve					
		Updated Closing Balance 31/03/24	Budgeted Movement 2024/25	Forecast 2024/25 Q2	Updated Closing Balance 31/03/25	Budgeted Movement 2025/26	Updated Closing Balance 31/03/26
		£	£	£	£	£	£
Planning Delivery Grant	The reserve is planned to be used to provide service improvements in Planning, and deliver the Local Development Framework.	76,770	0	0	76,770	0	76,770
Insurance Fund	The Council budgets for a level of excess being charged to the Service Accounts annually. Any under provision is met from the Insurance Fund, and any surplus is transferred to the fund.	445,743	0	0	445,743	0	445,743
DFG top-up capital loans and grant fund	The Council will utilise this funding for capital expenditure incurred in the Wellesley Rd, Sandown Rd, Euston Rd & Paget Rd areas.	400,000	0	0	400,000	0	400,000
Restricted use grant	This reserve holds unspent grants received for specific purposes for which the spend has not yet been incurred.	713,455	(368,769)	(368,769)	344,686	(247,481)	97,206
Invest to Save	To be used to fund one-off costs associated with projects that will deliver future efficiencies and savings including costs associated with restructures.	1,491,445	0	(41,354)	1,491,445	(132,240)	1,359,205
Specific budget	This reserve is utilised as expenditure is incurred.	2,517,197	(63,110)	(63,110)	2,454,087	141,807	2,595,894
Repairs and Maintenance	This reserve is utilised as expenditure is incurred.	343,199	0	0	343,199	0	343,199
Collection Fund (Business Rates)	Earmarked to mitigate the fluctuations in business rate income between years.	376,810	0	0	376,810	0	376,810
Community Housing Fund	This represents grants previously received to assist with the delivery of Community Housing.	551,242	0	0	551,242	0	551,242
Enforcement	Earmarked for enforcement related works to address issues and bring properties back into use.	7,136	0	0	7,136	0	7,136
Special Project Reserve	Earmarked for projects and for use as matched funding as appropriate to access external funding, Includes capital and revenue projects.	222,581	(10,000)	(10,000)	212,581	(200,000)	12,581
Benefits/Revenues Reserve	Earmarking of grants and underspends to be used for the service and mitigation of subsidy impacts.	278,823	0	0	278,823	0	278,823
Homelessness	Utilised for service expenditure from previous grant allocations	738,353	0	0	738,353	0	738,353
Treasury Management reserve	Used to mitigate fluctuations in investment income received.	200,000	0	0	200,000	0	200,000

General Fund Reserves Schedule - 2025/26						
Summary and Purpose of Reserve						
	Updated Closing Balance 31/03/24	Budgeted Movement 2024/25	Forecast 2024/25 Q2	Updated Closing Balance 31/03/25	Budgeted Movement 2025/26	Updated Closing Balance 31/03/26
	£	£	£	£	£	£
Asset Management reserve	1,635,271	(289,500)	(289,500)	1,345,771	(289,500)	1,056,271
	This reserve is held to mitigate the impact of fluctuations between financial years from income received from Council assets and properties, in addition it includes re-allocation from other reserves to be used for investments in Council assets including current and future asset enhancements.					
Coast Protection	254,066	0	0	254,066	0	254,066
	Held for match funding and mitigate one-off costs in relation to coast protection.					
Empty Business Property Incentive Fund	0	0	0	0	0	0
	Earmarking of funds to be used for incentivising bringing properties back into use.					
Community projects	157,434	0	0	157,434	0	157,434
	Balance of community projects funding held prior to draw down against spend areas.					
Collection fund income compensation	963,634	0	0	963,634	0	963,634
	To be utilised to fund deficit in collection fund.					
Other Reserves	211,617	(26,148)	(26,148)	185,469	0	185,469
	These Reserves are budget carry forwards to be used in future years.					
Total GF Earmarked Reserves	11,584,777	(757,527)	(798,881)	10,827,250	(727,414)	10,099,836
General Fund Reserve	7,110,336	(658,885)	(886,260)	6,224,076	(613,330)	5,610,746
	Current recommended balance of £3.5 million					
Total GF Reserves	18,695,113	(1,416,412)	(1,685,141)	17,051,326	(1,340,744)	15,710,582

Policy Framework for the Earmarked Reserves and Assessing the Optimum Level of the General Reserve for the period 2025/26 to 2027/28

1 Background

- 1.1 In accordance with statute (principally the Local Government Finance Act 2002) and following the Guidance Note on Local Authority Reserves and Balances (LAAP Bulletin No. 77 – November 2008), Great Yarmouth Borough Council maintains a range of reserves.
- 1.2 Two types of reserves are discussed in this policy framework:
- Earmarked Reserves
 - The General Reserve
- 1.3 There are also a number of other reserves which local authorities hold in relation to legislation and proper accounting practices, these are not resource-backed reserves and therefore are not considered as part of this policy framework.
- 1.4 In making decisions in relation to setting the Council Tax, section 25 of the Local Government Act 2003 requires the Chief Financial Officer of the Council to report to the Council on the adequacy of the proposed financial reserves.
- 1.5 This Policy framework has been informed by current guidance on the level of reserves including, both the Local Authority Accounting Panel (LAAP) Bulletin No. 77 and the Audit Commissions report published in December 2012 ‘Striking a Balance’ Improving Councils’ Decision Making on Reserves’.

2 Earmarked Reserves

2.1 Purpose

- 2.1.1 Earmarked reserves are a means of building up funds to meet known or predicted liabilities.
- 2.1.2 Typically earmarked reserves are used to set aside sums for major schemes, such as capital developments, asset purchases, or to fund reorganisations and restructurings to deliver longer term savings and efficiencies. Reserves can also be held for trading and business units built up from surpluses to cover potential losses in future years, or to finance capital expenditure. In certain circumstances, if expenditure is delayed on specific budgets, it may be agreed that the underspending at a year end is carried forward for future use in an earmarked reserve. Such decisions would be subject to considering the overall financial position of a Local Authority.

2.2 Earmarked Reserves Protocol

- 2.2.1 For each reserve the following arrangements have been established:
- the reasons for / purpose of the reserve
 - how and when the reserve can be used
 - procedures for the reserve’s management and control
 - a process and timetable for review of the reserve to ensure continuing relevance and adequacy.
- 2.2.2 The establishment and use of earmarked reserves is reviewed at the time of budget setting and then controlled through the year as part of the regular budget monitoring processes.

2.3 Review of Earmarked Reserves

- 2.3.1 The Reserves Statement is included as part of the Budget Report to Cabinet and gives full details of the earmarked reserves and current planned use.

- 2.3.2 All earmarked reserves and commitments remain under review including those where commitments fall into future years.
- 2.3.3 Where in-year expenditure is being funded by earmarked reserves and general reserves, the relevant transfers from the reserves have been allowed for within the reserve balances and revenue account budgets as detailed in the budget report.

3 The General Reserve

3.1 Purpose

3.1.1 The general reserve is held for two main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- a contingency to help cushion the impact of unexpected events or emergencies.

3.2 The Optimum Level of the General Reserve

3.2.1 There are two recommended approaches for deciding the optimum level of the general reserve:

- A risk assessment of the budget which takes full account of the context within which the budget has been prepared. The budget report itself provides this contextual information.
- To set the reserve at a percentage of expenditure. Too low a level puts the council at unacceptable risk of failing to meet its obligations, too high a level unnecessarily ties up resources.

3.2.2 This framework provides a risk assessment approach and validating the result against a percentage calculation, the level of reserves is a matter of opinion informed by the judgement of the Council's Chief Financial Officer.

3.3 Assessment Framework

3.3.1 The issues to be considered include the following:

- The Council continues to operate on an ongoing basis.
- The robustness of the budget process including links with the corporate plan, the strategic risks and the financial plan update.
- Internal financial control mechanisms and adequacy of the budget monitoring processes.
- The adequacy of earmarked reserves and the planned movements on reserves.
- The level of savings and planned service reductions that are required to support corporate plan targets.
- The risk of major litigation and legal claims, both current and in the future.
- The impact of future Government funding reductions.
- Implications of the Local Council Tax Support Scheme and increase in the demand for support.
- Fluctuations in retained business rate income and funding from the government for the extensions to reliefs for example small business rates.
- Fluctuations around certain income streams and grants, for example demand led services such as planning, building control income, land charges, car parking and recycling.
- Future funding reforms to Local Government including the business rates reset.

- Unplanned volume increases in major demand led budgets, for example housing benefits, council tax support and homelessness.
 - The need to retain a general contingency to provide for any unforeseen circumstances that may arise including inadequately funded Government initiatives.
 - Where there is a move to do less by direct service provision for example through third parties, including outsourcing, this in turn increases the risks borne by authorities. There is a risk that these arrangements fail and there are many circumstances when a statutory liability remains with the local authority. Such risks may not be insurable at an economic level and demand rigorous risk minimisation strategies and this is an area that will be considered in more detail if the Council pursues these arrangements in future years.
 - The need to retain reserves for general day to day cash flow requirements.
- 3.3.2 All of these issues interlink, and any one incident is likely to span across many of the issues and might not be contained within one financial year. Risks change over time and the general reserve needs to be considered across the medium-term financial plan. What might be an adequate level of reserves now may not be reflective of what would be deemed to be adequate in years two to four. Therefore, as a minimum the framework should be reviewed as part of the annual budget setting process.
- 3.4 The Assessment of the General Fund Reserve**
- 3.4.1 When undertaking the assessment, it must be remembered that the items considered are merely guides to assessing the overall level of the reserve. In no way is it a budget for any of the items being created since by its nature a general reserve is designed to protect against the unexpected and unquantifiable for whatever reason.
- 3.4.2 Having considered the relevant risks and the mitigation measures already in place, it is felt that the following indicative items should be taken into account in the budget risk assessment for 2025/26 to assess the recommended level of reserves:

<i>Item</i>	2025/26	2026/27	2027/28
1 Pay and Price Inflation (0.5% sensitivity to budget assumption)	190,000	190,000	190,000
2 Interest Rates & MRP (0.5% sensitivity to short term borrowing and profiling of capital spend and MRP impact)	125,000	125,000	125,000
3 Failure to Achieve Planned Savings and Cost Pressures from Corporate Plan Targets (to ensure core services are maintained)	350,000	350,000	350,000
4 Legal Issues (to provide additional comfort above earmarked reserves to mitigate any legal claims)	200,000	200,000	200,000
5 Emergencies and Other Unknowns (to recognise the risks associated with unpredictable events)	400,000	400,000	400,000
6 Treatment of Demand Led Pressures (recognising the impact of increase or reduction in demand and compensating increase or reduction in expenditure or income)	700,000	700,000	700,000
7 Project Risks (To recognise the risks the Authority is facing in terms of partnership work and significant projects)	600,000	600,000	600,000
8 Cash Flow (the impact of timing of cash flow, including the profiling of expenditure)	100,000	100,000	100,000
9 Future Funding Fluctuations (an allowance to reflect the increased risk around local funding, ie business rates)	900,000	900,000	900,000

<i>Item</i>	2025/26	2026/27	2027/28
and new homes bonus, to mitigate the impact within and between financial years)			
Total Indicated General Fund Reserve Recommended	3,565,000	3,565,000	3,565,000
% of Net Budgeted Operating Expenditure (excluding parish precepts)	22%	22%	22%

3.4.3 Overall there has been no change to the total level of recommended balance in the general reserve compared to the previous year. There does remain continued risk in respect of the ability to produce a sustainable budget for the medium term without the continued reliance on reserves, once the outcomes of the funding reform and multi-year settlements are understood this will allow a planned approach to the funding of services within resources.

4 Chief Financial Officer's Opinion

4.1 The Earmarked Reserves detailed within the reserves statement are proper and appropriate with regard to purpose, level and proposed use, although the future timing of their use will be reported within the budget monitoring reports and the statement updated accordingly.

4.2 Based on the assessment detailed above **the recommended level of the general reserve for 2025/26 would be £3.5 million**. After allowing for the transfer from the general reserve in the year necessary to balance the budget for 2025/26, the balance would be within an acceptable tolerance for the year and provides some contingency for use of reserves for 2026/27. Taking into account balances in the earmarked reserves there still remains some further capacity, although these require further review against priorities in 2025/26.

Services & Projects	Revised Budget 24-25 as at Q1 £000	In-year amendments	Budgets rolled forward into future years	Revised Budget 24-25 £000	2024/25 Actual Expenditure to 31-12-24 £000	25/26 Forward Budget	26/27 Forward Budget	27/28 Forward Budget
Capital Loans & Company Financing	5,438	0	(3,264)	2,175	484	10,893	-	-
Total: Executive	5,438	0	(3,264)	2,175	484	10,893	-	-
Refurbishment of Park at Diana Way, Caister	13	0	0	13	-	-	-	-
Safer Streets 5	35	0	0	35	28	-	-	-
UK Prosperity Fund	200	0	0	200	-	76	-	-
Rural England Prosperity Fund	400	0	0	400	188	-	-	-
Total: Communities	648	0	0	648	215	76	-	-
Crematorium Main Roof Works	72	(58)	0	14	13	-	-	-
Magdalen Cemetery Extension	28	0	0	28	-	-	-	-
Crematorium Tearooms	31	(31)	0	-	-	-	-	-
Total: Customer Services	131	(89)	0	42	13	-	-	-
Town Deal - Incubator Units/South Denes Masterplan	225	0	(31)	195	2	31	-	-
Town Deal - North Quay	19,219	0	(15,312)	3,907	1,333	17,986	4,551	-
Town Deal - The Place	12,373	421	0	12,793	10,273	-	-	-
Town Deal - Wintergardens	7,306	0	(6,369)	937	740	5,472	6,949	3,906
Town Deal - Restoration of Vacant Historic Buildings	461	0	0	461	-	-	-	-
Town Deal - Restoration & Adaptation of the Ice House	220	0	0	220	216	-	-	-
Town Deal - Connectivity & Public Wayfinding	30	46	124	200	184	430	-	-
Town Deal & Future High Street - Digital Connectivity	192	(88)	0	104	86	-	-	-
Future High Street Fund - Market Place - Realm	5,079	0	(500)	4,579	1,677	500	-	-
Future High Streets - Conge	84	81	0	165	51	-	-	-
Long Term Plan for Towns	491	0	(491)	-	-	-	2,096	1,605
Total: Inward Investment	45,681	460	(22,579)	23,562	14,562	24,418	13,596	5,511

Services & Projects	Revised Budget 24-25			Budgets rolled forward into future years		Revised Budget 24-25		2024/25 Actual Expenditure to 31-12-24	25/26 Forward Budget	26/27 Forward Budget	27/28 Forward Budget
	as at Q1	In-year amendments	£000	Budgets rolled forward into future years	Revised Budget 24-25	£000	2024/25 Actual Expenditure to 31-12-24	25/26 Forward Budget	26/27 Forward Budget	27/28 Forward Budget	
Disabled Facilities Grants	2,833	0	(1,533)	1,300	898	2,833	1,300	1,300	1,300		
DFG Top-up Grants	250	0	(250)	-	-	-	250	250	250		
DFG Top-up Loans	150	0	(150)	-	-	-	150	150	150		
Norfolk & Waveney Equity Loan Scheme	164	0	(120)	44	29	120	120	120	120		
Equity Home Improvement Loans	605	(385)	(200)	20	-	200	200	200	200		
Empty Homes	509	(205)	(284)	20	13	284	284	284	284		
HMOs /Guesthouse Purchase & Repair Scheme	1,092	0	(1,072)	20	13	1,072	1,072	1,072	1,072		
Acquisition of property for transitional housing	464	(450)	0	13	13	-	-	-	-		
Homes Upgrade Grants (HUG 2)	5,046	0	0	5,046	1,002	-	-	-	-		
Community Housing Fund	540	0	(540)	-	-	540	540	540	540		
Total: Housing	11,654	(1,041)	(4,149)	6,463	1,969	5,049	1,700	1,700	1,300		
ICT Investment to deliver GYBC ICT Strategy	881	0	(581)	300	44	581	581	581	581		
IMT Desktop Device Refresh	-	0	-	-	-	133	133	133	133		
Total: IT, Communications & Marketing	881	0	(581)	300	44	714	133	133	-		

Services & Projects	Revised Budget 24-25		In-year amendments		Budgets rolled forward into future years		Revised Budget 24-25		2024/25 Actual Expenditure to 31-12-24		25/26 Forward Budget		26/27 Forward Budget		27/28 Forward Budget	
	as at Q1	£000	amendments	£000	years	£000	£000	2024/25 Actual Expenditure to 31-12-24	£000	25/26 Forward Budget	26/27 Forward Budget	27/28 Forward Budget				
Euston Rd Public Toilet Refurbishment	15	0	(7)	8	7	8										
Modernisation of Toilets	87	0	(87)	-	87	-										
Footway Lighting	108	0	0	108	100	77										
Great Yarmouth Beach Huts	313	0	(68)	245	68	226										
Market Cleaning Machine	29	0	(9)	20	9	20										
Wellesley Security Gates	25	0	(25)	-	25	-										
Aspire Building & Mkt Row Boiler Replacement	46	0	(46)	-	46	-										
Peggotty Rd Community Centre Flooring	32	0	(32)	-	32	-										
Cemetery Flint Walls & Gates	77	0	(37)	40	37	40										
Gorleston Seafront Improvements	77	0	(77)	-	77	-										
Playgrounds	552	0	(131)	421	131	267										
S106 Funded Grants	179	0	0	179	-	116										
Office Accommodation	215	0	0	215	-	162										
Phoenix Pool Improvements	314	0	0	314	-	11										
Changing Places	83	(16)	0	67	-	67										
O&M Development - Phase 2	2,616	0	(2,391)	225	25	25										
Beacon Park Projects	783	0	(683)	100	1	1										
Beacon Park Relocation & Improvement of Play Facilities	400	0	(400)	-	400	-										
Energy Park - South Denes	1,845	0	(1,845)	-	1,845	-										
Total: Property & Asset Management	7,797	(16)	(5,838)	1,943	8,972	1,019										

Services & Projects	Revised Budget 24-25 as at Q1 £000	In-year amendments	Budgets rolled forward into future years	Revised Budget 24-25 £000	2024/25 Actual Expenditure to 31-12-24 £000	25/26 Forward Budget	26/27 Forward Budget	27/28 Forward Budget
Refuse Vehicle Purchases	663	0	(638)	25	485	638		
Communal Bins	43	(4)	0	39	39			
Food Waste Collection	850	0	(850)	-	-	850		
Total: Environmental Health	1,556	(4)	(1,487)	64	524	1,487	-	-
Capital Contingency	1,915	0	(1,915)	-	-	2,994		
Projects requiring further approval before commencement	1,538	0	(1,538)	-	-	2,437		
Overall Total	77,238	(691)	(41,351)	35,196	18,831	57,040	20,954	12,336
Financed by:								
Borrowing				4,158		22,076	10,076	5,683
Grants & Contributions				29,197		28,554	10,345	6,653
Revenue/Earmarked Reserves				145		540	-	-
Capital Receipts				1,697		5,871	533	-
Total Financing				35,196		57,040	20,954	12,336

Appendix H - 2025/26 Capital Bids

Project	Approval	Proposed Funding 2025-26				Proposed Funding 2025-26				
		Budget 2025-26	Borrowing	Capital Receipts	Revenue	External	Budget 2026-27	Borrowing	Capital Receipts	External
Disabled Facilities Grants	Annual Provision - Grant Funded	£1,300,000				£1,300,000				£1,300,000
Footway Lighting Column Replacement / LED Upgrade - continuation of current programme	Include, but subject to further information	£100,000	£100,000			£100,000	£100,000			
Crematorium Plant Replacement	Include, subject to separate report to release funding	£1,124,300	£1,124,300				£1,259,950			
GYS Asset Purchases - Replacement of existing grounds and cleansing equipment to deliver services	Recommended to include	£584,000		£584,000			£0			
IM Desktop Device Refresh	Recommended to include	£133,100		£133,100				£133,100		
Childrens Play - Continuation of play areas programme to utilise the S106 funds	Recommended to include - subject to S106 approval Process	£642,000								£642,000
Marina Centre Asphaltting	Include, but subject to further information	£70,000	£70,000							
GYS CCTV	Recommended to include	£45,500		£45,500						
Aids to Navigation	Include, but subject to further information	£187,000	£187,000							
		£4,185,900	£1,481,300	£762,600	£0	£1,942,000	£1,359,950	£133,100	£1,300,000	£1,300,000
		£1,300,000		£762,600	£0	£1,300,000		£133,100	£1,300,000	
		£762,600	£0	£762,600	£0	£0	£0	£133,100	£0	£0
		£642,000	£0	£0	£0	£642,000	£0	£0	£0	£0
		£1,481,300	£1,481,300	£0	£0	£0	£1,359,950	£0	£0	£0
		£4,185,900	£1,481,300	£762,600	£0	£1,942,000	£1,359,950	£133,100	£1,300,000	£1,300,000

Schemes recommended to be included in the 2025/26 programme - Annual Pro
Schemes recommended to be included in the 2025/26 programme
Childrens Play - recommended to include, but capped at S106 funds available
Schemes agreed in principle but further information or additional Business Case

Total Capital Bids

Minimum Revenue Provision Statement 2025/26

Annual Minimum Revenue Provision Statement 2025/26

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The *Local Government Act 2003* requires the Authority to have regard to the Ministry of Housing, Communities and Local Government's *Guidance on Minimum Revenue Provision* (the MHCLG Guidance) most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The MHCLG Guidance requires the Authority to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance:

- **Post-2008 Expenditure** - For capital expenditure financed by borrowing after 31st March 2008, the annuity MRP method is applied. This provides a lower annual charge in the earlier years which gradually increases. The approach is both prudent and a recommended method as per the CLG guidance. This method allows for a reduction in the interest costs chargeable (as the CFR is repaid) over time and is offset by a rise in the MRP over the same period, thereby resulting in a consistent revenue charge of the cost of capital.
- **Pre 2008 Expenditure** - MRP on all General Fund capital expenditure incurred before 1st April 2008 is equal to 4% of the opening CFR less a fixed sum known as "Adjustment A".
- **For assets acquired by leases** - MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- **For capital expenditure loans to third parties** - the Authority will make nil MRP unless (a) the loan is an investment for commercial purposes and no repayment was received in year or (b) an expected credit loss was recognised or increased in-year, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment on loans that are investments for commercial purposes, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. Sufficient MRP will be charged to ensure that the outstanding capital financing requirement (CFR) on the loan is no higher than the principal amount outstanding less the expected credit loss. This option was proposed by the government in its recent MRP consultation and in the Authority's view is consistent with the current regulations.
- No MRP will be charged in respect of assets held within the Housing Revenue Account.

This methodology is consistent with previous years.

Capital expenditure incurred during 2025/26 will not be subject to a MRP charge until 2026/27 or later.

Based on the Authority's latest estimate of its capital financing requirement (CFR) on 31st March 2025, the budget for MRP has been set as follows:

	31.03.2025 Estimated CFR £m	2025/26 Estimated MRP £
Capital expenditure before 01.04.2008	11.2	0.4
Supported capital expenditure after 31.03.2008	70.2	1.7
Total General Fund	81.4	2.1
Housing Revenue Account	97.1	N/A
Total	178.5	2.1

Appendix J - HRA Revenue Budget 2025/26

Housing Revenue Budget	2024/25 Revised Budget	2024/25 Current Forecast	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30
Income							
Dwelling Rents	(26,427,375)	(26,612,403)	(27,448,555)	(28,443,306)	(29,462,028)	(30,504,719)	(31,571,381)
Non Dwelling Rents	(325,343)	(325,343)	(415,550)	(450,510)	(446,008)	(462,064)	(478,698)
Charges for Services and Facilities	(2,437,052)	(2,243,492)	(2,315,969)	(2,392,145)	(2,470,849)	(2,552,164)	(2,636,176)
Contribution towards expenditure	(189,101)	(205,005)	(286,277)	(295,025)	(304,040)	(313,317)	(322,874)
Total Income	(29,378,871)	(29,386,243)	(30,466,351)	(31,560,986)	(32,682,925)	(33,832,264)	(35,009,129)
Expenditure							
Repairs And Maintenance							
Responsive Repairs	1,230,790	1,217,160	0	0	0	0	0
Void's	592,346	629,181	0	0	0	0	0
Repairs and Maintenance Service	1,436,784	1,044,164	3,487,129	3,592,646	3,701,300	3,813,223	3,928,523
Planned Cyclical	2,128,494	2,512,000	1,236,150	1,239,335	1,242,615	1,205,993	1,209,473
Compliance	2,362,618	2,463,900	2,493,290	2,448,078	2,408,384	2,379,614	2,351,527
Planned Large Repairs	387,144	450,067	0	0	0	0	0
R&M Other	1,766,118	1,664,130	1,580,222	1,626,798	1,674,779	1,724,205	1,775,126
Supervision and Management	9,674,184	9,807,350	9,908,677	10,228,039	10,578,864	10,899,967	11,217,726
Rent, Rates, Taxes and Other Charges	473,216	493,743	560,065	576,892	594,227	612,085	630,479
Dwelling Depreciation	3,747,646	4,100,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000
Non- Dwelling Depreciation	179,415	169,071	169,071	169,071	169,071	169,071	169,071
Provision for bad and doubtful debts	150,000	147,000	150,000	150,000	150,000	150,000	150,000
Income tax savings to be achieved	0	0	(1,000,000)	(1,000,000)	(2,800,000)	0	0
Total Expenditure	24,128,755	24,697,766	23,784,604	23,230,859	21,919,240	25,154,158	25,631,925
Non-Service Expenditure/Income							
Interest Payable and Similar Charges	4,274,844	3,911,000	4,316,760	4,583,299	4,912,655	5,072,329	5,163,039
Interest and investment income	(99,586)	(115,903)	(120,000)	(124,320)	(128,796)	(133,433)	(138,237)
Revenue grants and contributions receivable	0	0	0	0	0	0	0
Capital Grants & Contributions receivable	(2,340,000)	(3,585,636)	(1,984,111)	(3,017,387)	(3,834,887)	(1,103,860)	0
Capital Expenditure funded by Revenue (including Grants)	7,537,743	8,550,818	3,357,410	6,393,323	7,772,191	1,552,823	1,079,153
Transfers to/from EMR Reserves	(2,072,343)	(1,939,343)	167,000	(300,000)	0	0	0
Loan repayments	0	0	255,400	0	1,327,150	2,382,817	2,382,817
In Year Pension Adjustments	828,258	733,794	834,219	857,426	881,331	905,954	931,314
Non Service Expenditure/Income	8,128,946	7,554,730	6,571,278	8,647,741	10,929,644	8,676,630	9,418,086
Deficit/(Surplus) for the year on HRA Services.	2,878,800	2,866,253	(110,469)	317,614	165,960	(1,476)	40,882
HRA General Reserves Balance Bfwd	(5,711,122)	(5,711,122)	(2,844,869)	(2,955,338)	(2,637,724)	(2,471,764)	(2,473,240)
HRA EMR Balance Bfwd	(2,072,343)	(2,072,343)	(133,000)	(300,000)	0	0	0
Deficit/(surplus) in year	2,878,800	2,866,253	(110,469)	317,614	165,960	(1,476)	40,882
HRA General Reserves Balance Cfwd	(2,832,322)	(2,844,869)	(2,955,338)	(2,637,724)	(2,471,764)	(2,473,240)	(2,432,358)
HRA EMR Balance Cfwd	£0	(133,000)	(300,000)	£0	£0	£0	£0

Appendix K - HRA Capital Programme 2025/26

Housing Revenue Account Capital Programme	2024/25 Revised Budget	2024/25 Forecast	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
Capital Assets Programme						
Boiler Service and Maintenance	£220,000	£220,000	£180,000	£180,000	£180,000	£180,000
Decent Home Yearly Programme	£3,280,000	£3,280,000	£3,293,150	£3,293,150	£3,293,150	£4,161,500
Middlegate Fire Improvements	£80,000	£80,000	£35,000	£35,000	£35,000	£35,000
Damp and Mould Programme	£400,000	£400,000	£200,000	£200,000	£200,000	£200,000
Estate Improvements	£60,000	£0	£60,000	£60,000	£60,000	£60,000
Energy Efficiency programme	£1,900,000	£2,700,000	£1,276,000	£4,286,000	£3,168,000	£500,000
Capital Planned Improvements	£665,000	£665,000	£1,250,000	£950,000	£950,000	£950,000
HRA Capital Voids Programme	£1,575,000	£1,575,000	£1,245,000	£975,000	£975,000	£975,000
HRA Adaptations	£170,000	£170,000	£300,000	£309,000	£318,270	£327,818
Capital Major Repairs	£0	£0	£100,000	£100,000	£100,000	£100,000
Capital Compliance works	£1,153,000	£1,153,000	£1,000,000	£1,000,000	£800,000	£800,000
 Affordable housing programme	£7,480,820	£6,793,796	£5,213,498	£7,543,466	£11,751,966	£3,147,900
Other HRA Capital Programmes						
Housing Transformation Budget	£127,753	£127,753	£0	£0	£0	£0
Repairs Services IT	£0	£3,889	£0	£0	£0	£0
New Fleet vehicles	£180,242	£180,242	£293,346	£293,346	£293,346	£293,346
Communal Bins	£200,000	£200,000	£0	£0	£0	£0
Digital Switch over	£104,000	£31,000	£73,000	£0	£0	£0
Capital Programme Total	£17,595,815	£17,629,680	£14,518,994	£19,224,962	£22,124,732	£11,730,564
Housing Revenue Account Capital Programme Financing						
Receipts for new build	93,300	93,300				
Receipts for acquisitions	799,028	363,020	305,740	-	1,000,000	-
Receipts for capital programme	769,997	687,542	1,418,850	1,792,213	861,865	1,933,605
Revenue Depreciation	3,927,062	4,100,000	4,200,000	4,200,000	4,200,000	4,200,000
Revenue funding capital	3,125,403	2,788,473	1,240,299	3,075,936	3,937,304	448,963
Earmarked reserves	2,072,343	1,999,343	133,000	300,000	-	-
Borrowing	4,448,682	3,815,000	5,216,994	6,819,426	8,270,676	4,024,136
Capital Grant contribution	2,340,000	3,763,002	1,984,111	3,017,387	3,834,887	1,103,860
Leaseholder contribution	20,000	20,000	20,000	20,000	20,000	20,000
Total Financing	17,595,815	17,629,680	14,518,994	19,224,962	22,124,732	11,730,564

Appendix L - HRA Service Charges 2025/26

2025/26 HRA Service Charges	2024-25	2025-26	Increase/(decrease) in year
	51 weeks	50 Weeks	
Dwelling Rents			£0.00
Garden maintenance up to 30 minutes maintenance	£4.80	£4.94	£0.14
Garden maintenance over 30 minutes maintenance	£7.68	£7.80	£0.12
Communal water service charge	£4.06	£4.10	0.04
Communal heating service charge	£10.75	£6.79	-\$3.96
Digital aerials service charge	£1.25	£1.35	£0.10
Sewerage service charge	£8.81	£9.05	£0.24
Sheltered housing management fee	£10.93	£11.62	£0.69
Alarms monitoring service - Addison/Garnham Road	£1.93	£1.98	£0.05
Garage service charge	£13.98	£14.36	£0.38
Garage rental surcharge	£4.67	£5.14	£0.47
Caretaking external service charge (twice a week)	£5.58	£5.94	£0.36
Caretaking external service charge (weekly)	£3.15	£3.35	£0.20
Caretaking external service charge (fortnightly)	£1.90	£2.02	£0.12
Caretaking external service charge (4 weekly)	£1.35	£1.44	£0.09
Caretaking stairwell service charge (fortnightly)	£1.90	£2.02	£0.12
Caretaking stairwell service charge (4 weekly)	£1.35	£1.44	£0.09
Grounds maintenance service charge	£3.08	£4.35	£1.27
Grounds cleaning service charge	£2.08	£3.40	£1.32
AHP Property Charges			
Communal Estate Maintenance - Eastwood	£5.40	£5.82	£0.42
Furnishing and Blinds - Scheme One	£2.49	£1.33	-\$1.16
Intensive Housing Management - 23 Properties	N/A	£24.86	New Charge
Intensive Maintenance - 23 Properties	N/A	£19.23	New Charge
Fixtures and Fittings Replacement - 23 Properties	N/A	£19.75	New Charge

2025/26 General fund - Gapton Hall Service Charges	2024-25	2025-26	Increase/(decrease) in year
	53 weeks	52 weeks	
Single Pitch	£72.59	£74.55	£1.96
Double Pitch	£99.28	£101.96	£2.68
Sewage and Water	£5.96	£9.01	£3.05
Council Tax Recovery	£2.23	2.82	£0.59

All Service Charges quoted above are exclusive of Value added tax (VAT). VAT will be added where applicable.

2025/26 HRA Rechargeable Repairs Fees	2025-26
	One off charge
Rechargeable Repairs	
Minimum Recharge Cost	£59.40
Out of Hours - gain access to property (call out fee)	£118.80
House Clearance - Small	£104.81
House Clearance - Medium	£364.17
House Clearance - Large	£738.24
Loft Space Clearance	£108.35
Garden Clearance -Standard	£65.39
Garden Clearance - Large	£196.18
Clear blocked drain by Jet	£118.80
Clear blocked drain by Rod	£39.65
Clear blocked W.C.	£53.73
Gain access and fit new lock to 1 door	£84.18
Board up opening	£35.37
Repair front door	£131.71
Replace front door timber	£687.16
Replace front door composite	£1,136.58
Replace front door timber and frame	£915.86
Replace front UPVC door	£1,166.40
Replace door that delays the spread of a fire (fire door)	£2,073.60
Replace internal door	£171.17
Repair internal door	£65.68
Repair UPVC window	£62.32
Replace UPVC window - opens fully only -1 pain of glass	£284.85
Replace UPVC window - opens fully only -2 pains of glass	£334.21
Replace UPVC window - opens fully only - 3 pains of glass	£382.87
Replace UPVC window - opens fully only- 4 pains of glase	£435.97
Replace UPVC window - opens fully or tilts from bottom - 1 pain of glass	£395.81
Replace UPVC window - opens fully or tilts from bottom - 2 pains of glass	£459.87
Replace UPVC window -opens fully or tilts from bottom -3 pains of glass	£363.80
Replace UPVC window - opens fully or tilts from bottom 4 pains of glase	£442.84
Repair kitchen floor or wall cabinet	£41.57
Replace worktop	£77.56
Replace single floor cabinet	£205.55
Replace double floor cabinet	£280.60
Replace corner floor cabinet	£326.67
Replace tall floor cabinet	£326.86
Replace single wall cabinet	£140.78
Replace double wall cabinet	£191.01
Replace corner wall cabinet	£163.77
Replace Glazed wall tiles	£87.70
RegROUT Glazed wall tiles	£17.40
Emergency plumbing repair for burst pipe	£68.17
Clear blocked bath	£31.08
Clear blocked sink / basin	£18.44
Repair sink	£43.20
Replace sink and taps	£333.00
Repair WC pan / cistern	£86.51
Replace WC pan	£203.82
Replace WC cistern	£138.25
Repair wash hand basin	£30.88
Replace pedestal basin and taps	£326.29
Renew wall mounted basin and taps	£264.37
Repair bath	£59.32
Replace bath with taps	£664.07
Replace kitchen taps	£110.02
Replace bath taps	£153.65
Replace basin taps	£66.65
Reglaze double glazed windows - small	£115.86
Reglaze double glazed windows - large	£171.13
Reglaze triple glazed windows - small	£213.63
Reglaze triple glazed windows - large	£273.76
Electrical - identify fault	£33.39
Electrical work following leak	£139.65
Replace socket	£25.28
Replace light fitting	£16.30
Replace light switch	£23.80
HRA Leasehold Fees	2025-26
Copy Of Lease (Email)	£25.00
Copy Of Lease (Post))	£35.00
Notice of Assignments	£35.00
Completion of LPE1 Form	£180.00
RTB Deed of Postponement	£125.00

All Service Charges quoted above are exclusive of Value added tax (VAT). VAT will be added where applicable.

COUNCIL



URN: 23-177

Report Title : Council Tax Setting 2025/26

Report to: Council

Date of meeting : 20 February 2025

Responsible Director / Officer : Executive Director Resources, S151 Officer

EXECUTIVE SUMMARY

This report presents for resolution the statutory calculations for the Council Tax Setting for 2025/26 in accordance with the Local Government Finance Act 1992. The report also includes the Chief Finance Officer's report on the robustness of the estimates and adequacy of reserves.

This report should be considered alongside the budget report as presented to Cabinet on 11 February 2025 (for which the recommendations are included on this agenda).

Having approved the Budget for 2025/26 as detailed in the earlier agenda item (Cabinet Budget Report item and as outlined at Appendix A) and considered the Chief Financial Officer's report on the robustness of the estimates and the adequacy of reserves, Council is then required to make the statutory calculations for the determination of the Council tax for 2025/26.

Recommendations:

Council is **recommended to resolve:**

- 1) That the Council Tax Base for 2025/26 **be noted** (4.5);
- 2) That the amounts **be calculated** for 2025/26 in accordance with Sections 31 to 36 of the Local Government Finance Act (4.6);
- 3) That the precepts for Norfolk County Council and the Office of the Police and Crime Commissioner **be noted** (4.7);
- 4) The Council Tax for 2025/26 **be set** (4.8);
- 5) That the Council's basic amount of Council Tax for 2025/26 is **not excessive** (4.9).

1. Introduction

- 1.1. This report presents for approval the statutory calculations for the determination of the Council tax for 2025/26. This report should be considered alongside the budget report to the Cabinet dated 11 February 2025.

2. 2025/26 Budget

- 2.1. The General Fund and Housing Revenue Account budgets for 2025/26 were recommended by Cabinet to Council on 11 February 2025, the report to Cabinet was updated to reflect the final

financial settlement announcement as confirmed on 3 February 2025 (Appendix A). The report was accompanied by a suite of appendices supporting the budget providing details on the content of the budget for the year, reserves and the capital programme.

- 2.2. The capital programmes for the Housing Revenue Account and the General Fund continue to be significant in the short to medium term with a focus on both Council assets and regeneration priorities for the borough, largely due to the Future High Streets and Town Deal funding and also lottery funding for the redevelopment of the Wintergardens. A number of these projects are at various stages of delivery and continue to be monitored within the agreed governance framework including officer and member working groups and the town deal board as applicable.
- 2.3. The capital programmes for both the general fund and HRA will remain under review and updated in the current year for re-profiling of project spend and also updating as other funding applications are confirmed.

3. CHIEF FINANCIAL OFFICER'S REPORT

- 3.1. When making decisions in relation to setting the Council Tax, section 25 of the Local Government Act 2003 requires the Chief Financial Officer of the Council to report on the robustness of the estimates and the adequacy of the reserves. Members must have regard to these comments when making a decision on the budget for the coming year.
- 3.2. This is outlined below.

3.3. The Robustness of the Estimates

- 3.4. This section of the report provides a commentary on the robustness of the estimates presented and provides an analysis of the risks facing the Council in relation to the control of income and expenditure flows compared to the budgets that are recommended for 2025/26.
- 3.5. The framework within which the budget for 2025/26 has been constructed includes the following:
 - Previous financial out-turn position as reported to Members (3.6);
 - In-year budget monitoring and associated reports that have been made to date in the current financial year (3.7 - 3.9);
 - The Medium-Term Financial Strategy as reported to Members in December 2024 (3.10);
 - The 2025/26 Local Government Finance Settlement (3.11);
 - Consideration of risks facing the Authority in the short to medium term (3.12);
 - In addition the process for 2025/26 has included a number of cross party working groups at various stages to inform the development of the budget for 2025/26.
- 3.6. **Previous years financial position** - The final budget monitoring position for the prior year informs the update to the financial projections for the coming year by reflecting significant movements against the current position and those which will have an on-going impact to the Council.
- 3.7. **In Year Budget Monitoring and Financial Control** – It is best practice to ensure a system of regular financial monitoring exists, including reports being presented to officers and members during the year to ensure transparency of decision making and financial control. The budget monitoring process is carried out during the year between finance and service areas and is fundamental to ensuring strong financial control and governance to inform decision making and to support the longer-term delivery of local services. Monitoring also ensures relevant and timely information can be used to inform budget and future projections to reflect local

demand and spending pressures in order that the overall financial position of the Council can be managed.

- 3.8. During the year budget monitoring reports have been presented to meetings of Cabinet and Scrutiny. The reports have highlighted some significant in-year variances within services, including, the impact of increased demand for homelessness and the resulting increased costs for bed and breakfast, continued inflationary pressures from increased utility costs and the impact in the year of a pay award for most of £1,290.
- 3.9. Budgets are prepared using the best information that is available to the Council from its own sources i.e. budget holders, Heads of Service and members of Executive Leadership Team and from external advisors for example the Council's treasury management advisors, Arlingclose. However, many budgets continue to be influenced by factors outside the control of the Council, for example, demand led income. Furthermore, inflation and interest rates, all can have a significant impact on the Council's overall budget and financial position both in the current and future years. Forecasting for these areas requires an examination of recent trends as well as assimilating future projections from known factors.
- 3.10. **Medium Term Financial Strategy (MTFS)** - The setting of the budget for the coming year is part of the overall financial planning process which includes financial monitoring and the Medium-Term Financial Strategy. The updated MTFS was presented to Members in December 2024. The process of coordinating the MTFS and budget includes the thorough review and challenge of current expenditure and income and seeks to ensure these are in line with the Councils Plan and in response to local and national factors, including legislative changes, local economic factors and changes in demand for statutory and non-statutory services.
- 3.11. **Local Government Finance Settlement** – Local authority funding reform that is subject to consultation will inform the future allocation of funding from 2026/27 and multi-year settlements. Whilst forecasts have been made for future years, until the detail of the outcomes of the funding reforms are known, it limits the ability for longer term financial planning.
- 3.12. **Risks** - There are a number of financial risks facing the authority which are relevant at both service and corporate levels. In order that these risks are managed, key areas within the budget need to be closely monitored in the coming financial year and include:
 - a) **Car Park Income** – Income is generated from the provision of parking across the Borough which in turn supports the delivery of other services across the Council. As a demand led service which is influenced by external factors such as the weather and visitors, this service is regularly monitored. The 2025/26 budget assumes gross income of in the region of £1.978m million from all car parking related fees and charges.
 - b) **Planning and Building Control Fees** – The 2025/26 base budget contains income totaling approximately £944k from planning and building control fees, this too is subject to external demands and is monitored regularly to highlight any significant fluctuations against the budget.
 - c) **Waste and Recycling Credits** – This is a significant source of income to the Council and reflects the activity across the borough in recycling domestic refuse and providing a garden waste service. A total of £1.9 million is included in the 2025/26 base budget.
 - d) **Crematorium Income** – The 2025/26 budget assumes gross income from the crematorium of £1.4 million. This is an income source that is demand led and is influenced by market forces and therefore remains under close review.
 - e) **Planned Savings and Additional Income** – The Council is continuing to deliver savings and additional income from a number of work streams which have been factored into the base budget as part of previous budget approvals. New savings and additional income of £0.6m

million have been factored into the general fund budget for 2025/26, these will continue to be monitored as part of the in-year monitoring processes.

- f) **Local Council Tax Support and Council Tax** – The Local Council Tax Support Scheme (LCTSS) for 2025/26 was approved in December 2024, the changes to the scheme could have an impact on the collection rate, furthermore a hardship fund has been established to support individual cases as applicable. The scheme is reviewed in the year and is approved annually. Monitoring of the actual collection rate will be carried out in the year including the impact on collection rate.
 - g) **Business Rates Income** – The current system of funding Local Authorities means that income from the Council’s retained share of business rates will fluctuate in-year and between years. Other factors that will have an impact on the level of rates retained are current and backdated appeals.
- 3.13. **Future Funding for Local Government** – The continued uncertainty around funding for local government and the timing of the fair funding review presents risks to the sector as a whole. The increased reliance on funding budget deficits from reserves is not a sustainable solution.
 - 3.14. The capital programme continues to be funded from external and internal resources. For 2025/26 approximately two thirds of the capital programme is funded by external grants and contributions and grant funding, such as Future High Street Fund and Town Deal funding. Conditions of the funding must be met and will be subject to various monitoring and evaluation performance reporting and returns to the various funding bodies. The programme is also dependent on capital receipts from the sale of assets and borrowing. In both cases prudent estimates are made of the timing of such receipts and the expenditure profiles within the overall capital programme. The impact of the borrowing on the revenue account is accounted for as part of the consideration of the business cases for the capital investment.
 - 3.15. Budget monitoring throughout the year is critical to the robustness of the estimates and maintaining a sound financial position. Through this joint process between services and finance there is the ability to manage and control the spending within the approved budgets and where necessary identify and recommend appropriate proactive actions, to mitigate the Council’s level of financial risk.
 - 3.16. The Council also takes advice from third party organisations concerning more technical factors that impact on the budget process, for example external advice in relation to treasury management, VAT and insurance. By doing so the Council can monitor the wider implications of changes in interest rates, inflation and employment and take remedial action to mitigate financial risk.
 - 3.17. A thorough review of all the earmarked reserves has been undertaken as part of the preparation for the 2025/26 budget including reviewing the original reason the reserve was established and the current commitments. This work was identified in the medium-term financial strategy as necessary to ensure sufficient headroom in the general reserve in the short term.
 - 3.18. The budget for 2025/26 assumes a transfer from the general reserve of £613k (subject to confirmation of approval of any further recommendations from Cabinet) which is necessary to produce a balanced budget for 2025/26. This is after allowing for the delivery of additional income and savings totaling £0.6 million which have been reflected in the budget for 2025/26.

Summary

- 3.19. In the opinion of the Chief Financial Officer the budget for 2025/26 has been prepared within a robust framework. Overall budgeted level of both the general reserve and the earmarked

reserves as included in the budget report are considered adequate for 2025/26 and the short term.

- 3.20. The general reserve balance is forecast to be above the recommended balance (£3.5 million) at the end of 2025/26 after allowing for the use of £0.613m in 2025/26. All reserves will be subject to further annual review in 2025/26 as part of the early work on the updated financial strategy.
- 3.21. When considering the robustness of the estimates and adequacy of reserves a holistic approach is taken, which considers the general reserve, earmarked reserves and also the identified risks in relation to the revenue and capital budgets presented for approval.
- 3.22. The future funding for Local Government continues to remain uncertain. The outcome of changes under devolution, Local Government Review, and the outcomes of the Local Authority Funding Reform are not yet known. As announcements are made, the implications will be considered used to inform future financial projections and the medium-term financial strategy.

4. COUNCIL TAX SETTING RESOLUTION – 2025/26

- 4.1. The following sections of the report and applicable appendices (appendices A and F) set out the information required for Members to set the Council Tax for the 2025/26 financial year commencing 1 April 2025.
- 4.2. Norfolk County will meet on 18 February 2025 to set its Council Tax, and the recommendation is to increase the Council Tax by 4.99%.
- 4.3. The Norfolk Police and Crime Panel on the 4 February 2025 agreed the Norfolk Police and Crime Commissioner’s proposal for a Council Tax increase of 4.42%. The Great Yarmouth Borough Council (excluding parish council precepts) council tax is expected to be increased by 2.99%, to be approved within this report. These increases have been used for the council tax setting within this report.
- 4.4. Under section 52ZB of the Local Government Finance Act 1992 (“the 1992 Act”) each billing authority and precepting authority must determine whether its relevant basic amount of council tax for a financial year (“the year under consideration”) is excessive. If an authority’s relevant basic amount of council tax is excessive a referendum must be held in relation to that amount. The excessiveness principles are set out each year and for 2025/26 the principles outline that an increase above the amount for 2024/25 will be excessive, and a referendum must be held for Great Yarmouth Borough Council if the increase is 3% or more and more than £5.00 on a Band D property (i.e. an increase of more than 3% is permitted as long as it does not exceed £5.00 on a Band D property. Local precepting authorities (parish and town councils) are not subject to Council Tax referendums in 2025/26.

Recommendations in relation to the setting of the Council Tax 2025/26:

The following sets out the statutory calculations:

- 4.5. That it **be noted** at its meeting on 23 January 2025, Council calculated the following Council Tax bases for the year 2025/26 in accordance with (Calculation of Council Tax Base) Regulations 1992 and Local Authority (Calculation of Council Tax Base) Regulations 2012 as amended: -

- (a) the **Council Tax Base 2025/26 for the whole Council area as 31,567** [Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the "Act")] and,

(b) for dwellings in those parts of its area to which a Parish precept relates as in the Revenue Budget and Council Tax 2025/26 Report the amounts in **Appendix B** (Parish Tax Base 2025/26) being the amounts calculated by the Council, in accordance with Regulation 6 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items (parish precepts).

4.6. That the following amounts be calculated for the Council for the year 2025/26 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992 and the relevant regulations and directions as follows:

(a)	£60,069,988	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.
(b)	£53,136,168	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
(c)	£6,933,820	Being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31A (4) of the Act).
(d)	£219.65	Being the amount at (c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
(e)	£857,488	Being the aggregate amount of all special items (Parish precepts) referred to in Section 34 (1) of the Act.
(f)	£192.49	Being the amount at (d) above less the result given by dividing the amount at (e) above by Item T (4.5 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
(g)	Appendix B	Being the amounts given by adding to the amount at (f) above to the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (4.5 b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.
(h)	Appendix C	Being the amounts given by multiplying (as appropriate) the amounts at (f) or (g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation

		bands.
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- 4.7. **That it be noted** that for the year 2025/26 the main precepting authorities have stated the following amounts in precept issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings shown below:

Band	A	B	C	D	E	F	G	H
Norfolk County Council £	1,170.42	1,365.49	1,560.56	1,775.63	2,145.77	2,535.91	2,926.05	3,511.26
Office of the Police and Crime Commissioner £	219.90	256.55	293.20	329.85	403.15	476.45	549.75	695.70
Total Preceptors £	1,390.32	1,622.04	1,853.76	2,085.48	2,548.92	3,012.36	3,475.80	4,170.96

- 4.8. That, having calculated the aggregate in each case of the amounts at 4.6(h) and 4.7 above, the Council, in accordance with Section 30 and 36 of the Local Government Finance Act 1992, **hereby sets** the amounts at **Appendix D** as the amounts of Council Tax for the year 2025/26 for each of the categories of dwellings shown.

Total Band D Council Tax	2024/25	2025/26	Increase	Increase %
Great Yarmouth Borough Council	£186.90	£192.49	£5.59	2.99%
Norfolk County Council	£1,672.11	£1,755.63	£83.52	4.99%
Office of the Police and Crime Commissioner for Norfolk	£315.90	£329.85	£13.95	4.42%
Sub Total	£2,174.91	£2,277.97	£103.06	4.74%
Parish (Average)	£26.07	£27.16	£1.09	4.18%
Total Including (Average) Parish	£2,200.98	£2,305.13	£104.15	4.73%

- 4.9. **Excessiveness Determination** - The Council's basic amount of council tax as calculated above has increased by £5.59 of that calculated for 2024/25, and therefore within the higher of £5.00 or 2.99% increase limit at which a referendum would be required.
- 4.10. The Council has determined that its relevant basic amount of Council Tax for 2025/26 is **not excessive** in accordance with principles approved under Section 52ZB Local Government Finance Act 1992. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2025/26 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.

5. Equality Impact

- 5.1. The Equality impact assessment has been taken account of as part of considering the savings proposals that have been put forward for as part of the 2025/26 budget and this was considered as part of the savings report.

5.2. The proposed increase of £5.59 for a band D along with growth in the tax base will deliver annual income of £361k to support council spend which otherwise may need to be delivered from reductions to services. As the Council Tax is levied on all properties it is not considered that the increase targets one group. Furthermore, the majority of homes within the Borough are in Bands A and B and therefore the annual increase will be lower than £5.59. There is mitigation in place through Council Tax Support scheme in place that provides support and assistance for Council, in addition there is a discretionary hardship policy in place to support those on low income.

6. FINANCIAL IMPLICATIONS – These are contained in the main body of the report.

7. RISK IMPLICATIONS - These are contained in the main body of the report.

8. LEGAL IMPLICATIONS

8.1. The Council has a legal duty to set a balanced budget annually. In accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011, the Council is required to approve the setting of the Council tax each year.

9. BACKGROUND PAPERS

9.1. The following reports and announcements have been used to inform the budget report as presented:

- 9.1.1.2023/24 Outturn report
- 9.1.2.2024/25 in year financial monitoring reports
- 9.1.3.Local Government Finance Settlement 2025/26
- 9.1.4.2025/26 Budget Report
- 9.1.5.Medium Term Financial Strategy
- 9.1.6.National Non-Domestic Rates Return
- 9.1.7.Financial monitoring.

Appendices:

A – GF Summary

B – Parish Precepts and Band D Council Tax (tax base, parish precept and band D)

C – Borough and Parish Council Tax Amounts (by band)

D – Council Tax for Borough and Precepting (by band)

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

Consultations	Comment
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	
Existing Council Policies:	
Equality Issues/EQIA assessment:	

General Fund Summary (FINAL)	Original 2024/25 Budget	Current 2024/25 Budget	2024/25 updated Forecast	2025/26 Budget	2026/27 Forecast
	£	£	£	£	£
Services:					
Executive and Resources	4,379,614	4,335,301	4,372,445	5,073,766	4,839,660
Inward Investment	132,635	113,849	90,433	(60,183)	(44,519)
Housing	1,297,219	1,232,344	1,346,520	1,009,488	935,443
Planning and Growth	612,601	573,738	573,738	828,364	888,337
Customer Services	370,927	257,988	315,458	1,150,747	789,293
Property and Asset Management	228,306	231,007	231,007	181,207	31,749
Communications and Marketing	2,182,622	2,149,253	2,149,253	2,137,690	2,189,019
Environmental Services	6,629,163	6,531,708	6,776,708	6,870,973	8,196,300
Savings/Costs to be allocated to service	(205,000)	(205,000)	(205,000)	(270,000)	(270,000)
Net Cost of Service	15,628,086	15,220,188	15,650,562	16,922,054	17,555,282
Non Service Exp/(Income):					
Recharges to HRA	(2,570,268)	(2,570,282)	(2,570,282)	(3,170,900)	(3,173,353)
Parish Precepts	797,302	797,302	797,302	857,470	860,478
Capital Charges	(1,677,650)	(1,677,650)	(1,677,650)	(1,673,090)	(1,673,090)
Revenue Financing for Capital	0	0	0	0	0
Interest Receivable	(765,800)	(765,800)	(765,800)	(866,165)	(1,495,816)
Interest Payable	2,012,000	2,012,000	2,012,000	2,578,000	2,328,000
Minimum Revenue Provision	2,279,000	2,279,000	2,025,549	2,088,997	2,236,834
Pension Back Funding	2,227,221	2,227,221	2,227,221	2,230,485	2,233,814
Vacancy Management	(452,000)	0	0	(452,000)	(452,000)
Apprenticeship Levy	60,194	60,194	60,194	61,467	63,569
Sub total - Non Service Exp/Inc	1,909,999	2,361,985	2,108,534	1,654,264	928,436
Net Operating Expenditure	17,538,085	17,582,173	17,759,096	18,576,318	18,483,718
Contributions to/(from) Reserves:					
Restricted use grant	(22,000)	(368,769)	(368,769)	(247,481)	(20,000)
Invest to Save	0	(41,354)	(41,354)	(132,240)	0
Specific budget	(389,924)	(63,110)	(63,110)	141,807	50,000
Special Projects Reserve	(10,000)	(10,000)	(10,000)	(200,000)	0
Asset Management	(289,500)	(289,500)	(289,500)	(289,500)	(289,500)
Other Reserves	(46,103)	(26,148)	(26,148)	0	0
Sub Total Earmarked Reserves	(757,527)	(798,881)	(798,881)	(727,414)	(259,500)
Amount to be met from Government Grant and Local Taxpayers	16,780,558	16,783,292	16,960,215	17,848,904	18,224,218
Collection Fund - Parishes	(797,302)	(797,302)	(797,302)	(857,470)	(860,478)
Collection Fund - Borough	(5,715,589)	(5,715,590)	(5,715,590)	(6,076,332)	(6,353,935)
Retained Business Rates	(6,268,000)	(6,268,000)	(6,268,000)	(6,266,250)	(6,454,199)
Revenue Support Grant	(2,705,919)	(2,705,919)	(2,705,919)	(2,783,808)	(2,783,808)
New Homes Bonus	(479,391)	(479,391)	(479,391)	(472,203)	0
Other Grants and funding	(125,468)	(125,468)	(125,468)	(779,511)	0
Income from Grant and Taxpayers	(16,091,669)	(16,091,670)	(16,091,670)	(17,235,574)	(16,452,421)
(Surplus)/Deficit before use of reserves	688,889	691,622	868,545	613,330	1,771,797

Parish Precepts and Band D Council Tax

Parishes	2024/25			2025/26			Parish Band D Movement	2025/26 Band D including Parish & Borough Charge
	Parish Tax Base	Parish Precept	Parish Council Tax Band D	Parish Tax Base	Parish Precept	Parish Council Tax Band D		
Ashby with Oby	23	£0	£0.00	25	£0	£0.00	0.00%	£192.49
Belton with Browston	1,148	£77,326	£67.37	1,160	£86,459	£74.53	10.63%	£267.02
Bradwell	4,029	£98,874	£24.54	4,102	£102,829	£25.07	2.16%	£217.56
Burgh Castle	457	£13,639	£29.86	474	£14,854	£31.34	4.96%	£223.83
Caister on Sea	2,867	£134,000	£46.75	2,970	£143,230	£48.23	3.17%	£240.72
Filby	352	£17,785	£50.58	358	£17,522	£48.94	-3.24%	£241.43
Fleggburgh	427	£8,417	£19.70	435	£21,747	£49.99	153.76%	£242.48
Fritton with St Olaves	261	£8,756	£33.54	288	£9,219	£32.01	-4.56%	£224.50
Hemsby	1,515	£96,787	£63.89	1,616	£101,898	£63.06	-1.30%	£255.55
Hopton	1,129	£41,581	£36.84	1,212	£44,491	£36.71	-0.35%	£229.20
Martham	1,333	£95,000	£71.25	1,331	£105,000	£78.89	10.72%	£271.38
Mautby	147	£13,602	£92.34	152	£15,108	£99.39	7.63%	£291.88
Ormesby St Margaret w Scratby	1,793	£81,975	£45.72	1,877	£81,975	£43.67	-4.48%	£236.16
Ormesby St Michael	116	£5,548	£47.83	120	£6,000	£50.00	4.54%	£242.49
Repps with Bastwick	155	£11,690	£75.42	166	£14,520	£87.47	15.98%	£279.96
Rollesby	361	£32,799	£90.98	375	£32,799	£87.46	-3.87%	£279.95
Somerton	116	£8,000	£69.08	121	£6,915	£57.15	-17.27%	£249.64
Stokesby	119	£6,928	£58.22	124	£7,128	£57.48	-1.27%	£249.97
Thurne	53	£1,120	£21.13	54	£1,232	£22.81	7.95%	£215.30
West Caister	76	£0	£0.00	79	£0	£0.00	0.00%	£192.49
Winterton	584	£43,475	£74.47	645	£44,562	£69.09	-7.22%	£261.58
Great Yarmouth & Gorleston	13,522	£0	£0.00	13,883	£0	£0	0.00%	£192.49
TOTAL	30,581	£797,302		31,567	£857,488			

2025/26 Borough & Parish Council Tax Amounts

Parish	Borough & Parish Council Tax amounts by band							
	A	B	C	D	E	F	G	H
Ashby with Oby	£128.33	£149.71	£171.10	£192.49	£235.27	£278.04	£320.82	£384.98
Belton with Browston	£178.02	£207.68	£237.35	£267.02	£326.36	£385.69	£445.04	£534.04
Bradwell	£145.04	£169.21	£193.38	£217.56	£265.91	£314.25	£362.60	£435.12
Burgh Castle	£149.22	£174.09	£198.96	£223.83	£273.57	£323.31	£373.05	£447.66
Caister on Sea	£160.48	£187.22	£213.97	£240.72	£294.22	£347.71	£401.20	£481.44
Filby	£160.96	£187.77	£214.60	£241.43	£295.09	£348.73	£402.39	£482.86
Fleggburgh	£161.66	£188.59	£215.54	£242.48	£296.37	£350.25	£404.14	£484.96
Fritton with St Olaves	£149.67	£174.61	£199.55	£224.50	£274.39	£324.28	£374.17	£449.00
Hemsby	£170.37	£198.76	£227.15	£255.55	£312.34	£369.13	£425.92	£511.10
Hopton	£152.80	£178.26	£203.73	£229.20	£280.14	£331.07	£382.00	£458.40
Martham	£180.92	£211.07	£241.22	£271.38	£331.69	£391.99	£452.30	£542.76
Mautby	£194.59	£227.01	£259.45	£291.88	£356.75	£421.60	£486.47	£583.76
Ormesby St Margaret w Scratby	£157.44	£183.68	£209.92	£236.16	£288.64	£341.12	£393.60	£472.32
Ormesby St Michael	£161.66	£188.60	£215.54	£242.49	£296.38	£350.26	£404.15	£484.98
Repps with Bastwick	£186.64	£217.74	£248.85	£279.96	£342.18	£404.39	£466.60	£559.92
Rollesby	£186.64	£217.73	£248.84	£279.95	£342.17	£404.37	£466.59	£559.90
Somerton	£166.43	£194.16	£221.90	£249.64	£305.12	£360.59	£416.07	£499.28
Stokesby	£166.65	£194.42	£222.19	£249.97	£305.52	£361.07	£416.62	£499.94
Thurne	£143.54	£167.45	£191.38	£215.30	£263.15	£310.99	£358.84	£430.60
West Caister	£128.33	£149.71	£171.10	£192.49	£235.27	£278.04	£320.82	£384.98
Winterton	£174.39	£203.45	£232.51	£261.58	£319.71	£377.84	£435.97	£523.16
Great Yarmouth & Gorleston	£128.33	£149.71	£171.10	£192.49	£235.27	£278.04	£320.82	£384.98

2025/26 COUNCIL TAX FOR BOROUGH & PARISH PURPOSES

	Precept	Council Tax Band D
Great Yarmouth Borough Council		
Borough purposes	£6,076,332	£192.49
Parish purposes	£857,488	£27.16
Total Borough & Parish Precept	£6,933,820	£219.65
Norfolk County Council	£55,419,972	£1,755.63
Office of the Police and Crime Commissioner for Norfolk	£10,412,375	£329.85
Average council tax (Band D)	£72,766,167	£2,305.13
Overall Taxbase	31,567	

Council Tax Schedule	Valuation Bands							
	A	B	C	D	E	F	G	H
Great Yarmouth Borough Council	£128.33	£149.71	£171.10	£192.49	£235.27	£278.04	£320.82	£384.98
Parish	£18.11	£21.12	£24.14	£27.16	£33.20	£39.23	£45.27	£54.32
Parish and Borough	£146.44	£170.83	£195.24	£219.65	£268.47	£317.27	£366.09	£439.30
Norfolk County Council	£1,170.42	£1,365.49	£1,560.56	£1,755.63	£2,145.77	£2,535.91	£2,926.05	£3,511.26
Office of the Police and Crime Commissioner for Norfolk	£219.90	£256.55	£293.20	£329.85	£403.15	£476.45	£549.75	£659.70
Total	£1,536.76	£1,792.87	£2,049.00	£2,305.13	£2,817.39	£3,329.63	£3,841.89	£4,610.26

Parishes	A	B	C	D	E	F	G	H
Ashby with Oby	£1,518.65	£1,771.75	£2,024.86	£2,277.97	£2,784.19	£3,290.40	£3,796.62	£4,555.94
Belton with Browston	£1,568.34	£1,829.72	£2,091.11	£2,352.50	£2,875.28	£3,398.05	£3,920.84	£4,705.00
Bradwell	£1,535.36	£1,791.25	£2,047.14	£2,303.04	£2,814.83	£3,326.61	£3,838.40	£4,606.08
Burgh Castle	£1,539.54	£1,796.13	£2,052.72	£2,309.31	£2,822.49	£3,335.67	£3,848.85	£4,618.62
Caister on Sea	£1,550.80	£1,809.26	£2,067.73	£2,326.20	£2,843.14	£3,360.07	£3,877.00	£4,652.40
Filby	£1,551.28	£1,809.81	£2,068.36	£2,326.91	£2,844.01	£3,361.09	£3,878.19	£4,653.82
Fleggburgh	£1,551.98	£1,810.63	£2,069.30	£2,327.96	£2,845.29	£3,362.61	£3,879.94	£4,655.92
Fritton with St Olaves	£1,539.99	£1,796.65	£2,053.31	£2,309.98	£2,823.31	£3,336.64	£3,849.97	£4,619.96
Hemsby	£1,560.69	£1,820.80	£2,080.91	£2,341.03	£2,861.26	£3,381.49	£3,901.72	£4,682.06
Hopton	£1,543.12	£1,800.30	£2,057.49	£2,314.68	£2,829.06	£3,343.43	£3,857.80	£4,629.36
Martham	£1,571.24	£1,833.11	£2,094.98	£2,356.86	£2,880.61	£3,404.35	£3,928.10	£4,713.72
Mautby	£1,584.91	£1,849.05	£2,113.21	£2,377.36	£2,905.67	£3,433.96	£3,962.27	£4,754.72
Ormesby St Margaret w Scratby	£1,547.76	£1,805.72	£2,063.68	£2,321.64	£2,837.56	£3,353.48	£3,869.40	£4,643.28
Ormesby St Michael	£1,551.98	£1,810.64	£2,069.30	£2,327.97	£2,845.30	£3,362.62	£3,879.95	£4,655.94
Repps with Bastwick	£1,576.96	£1,839.78	£2,102.61	£2,365.44	£2,891.10	£3,416.75	£3,942.40	£4,730.88
Rollesby	£1,576.96	£1,839.77	£2,102.60	£2,365.43	£2,891.09	£3,416.73	£3,942.39	£4,730.86
Somerton	£1,556.75	£1,816.20	£2,075.66	£2,335.12	£2,854.04	£3,372.95	£3,891.87	£4,670.24
Stokesby	£1,556.97	£1,816.46	£2,075.95	£2,335.45	£2,854.44	£3,373.43	£3,892.42	£4,670.90
Thurne	£1,533.86	£1,789.49	£2,045.14	£2,300.78	£2,812.07	£3,323.35	£3,834.64	£4,601.56
West Caister	£1,518.65	£1,771.75	£2,024.86	£2,277.97	£2,784.19	£3,290.40	£3,796.62	£4,555.94
Winterton	£1,564.71	£1,825.49	£2,086.27	£2,347.06	£2,868.63	£3,390.20	£3,911.77	£4,694.12
Great Yarmouth & Gorleston	£1,518.65	£1,771.75	£2,024.86	£2,277.97	£2,784.19	£3,290.40	£3,796.62	£4,555.94