



Cabinet

Members are invited to a **Meeting of the Cabinet** to be held in the Deben Conference Room, East Suffolk House, Melton, on **Tuesday, 6 February 2024 at 6.00pm.**

This meeting will be broadcast to the public via the East Suffolk YouTube Channel at <https://youtube.com/live/1Z3wJN7AiwU?feature=share>.

Members:

Councillor Caroline Topping (Leader of the Council), Councillor David Beavan (Deputy Leader and Housing), Councillor Paul Ashton (Corporate Services – Digital, Customer Services, HR and Assets), Councillor Jan Candy (Community Health), Councillor Tom Daly (Energy and Climate Change), Councillor Toby Hammond (Economic Development and Transport), Councillor Vince Langdon-Morris (Resources and Value for Money), Councillor Rachel Smith-Lyte (The Environment), Councillor Sarah Whitelock (Communities, Leisure and Tourism), Councillor Kay Yule (Planning and Coastal Management)

An Agenda is set out below.

Part One – Open to the Public

Pages

1 Apologies for Absence

To receive apologies for absence, if any.

2 Declarations of Interest

Members and Officers are invited to make any declarations of interests, and the nature of that interest, that they may have in relation to items on the Agenda and are also reminded to make any declarations at any stage during the Meeting if it becomes apparent that this may be required when a particular item or issue is considered.

3 Announcements

To receive any announcements.

4 Minutes

To confirm as a correct record the minutes of the meeting held on 2 January 2024.

1 - 16

KEY DECISIONS

5 East Suffolk Council Compliance and Enforcement Policy ES/1837

Report of the Cabinet Member with responsibility for Community Health.

17 - 31

Part One – Open to the Public		Pages
6	Endorsement and adoption of the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28 ES/1838 Report of the Cabinet Member with the responsibility for The Environment.	32 - 217
NON-KEY DECISIONS		
7	General Fund Budget and Council Tax Report 2024/25 ES/1840 Report of the Cabinet Member with responsibility for Resources and Value for Money.	218 - 300
8	Capital Programme 2023/24 to 2027/28 ES/1841 Report of the Cabinet Member with responsibility for Resources and Value for Money.	301 - 323
9	Housing Revenue Account (HRA) Budget Report 2024/25 to 2027/28 ES/1842 Report of the Cabinet Member with responsibility for Resources and Value for Money and the Deputy Leader and Cabinet Member with responsibility for Housing.	324 - 353
10	Southwold Harbour Management Committee - Budget 2024/25 ES/1843 Report of the Deputy Leader and Cabinet Member with responsibility for Housing.	354 - 372
11	2023/24 Quarter 3 Financial Performance Report ES/1844 Report of the Cabinet Member with responsibility for Resources and Value for Money.	373 - 442
12	The Suffolk Coast Business Plan 2024-27 ES/1845 Report of the Cabinet Member with responsibility for Communities, Leisure and Tourism.	443 - 466
13	Application for Taxi Fare Increase for the south of the District ES/1846 Report of the Cabinet Member with responsibility for Community Health.	467 - 478
14	Exempt/Confidential Items It is recommended that under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.	
Part Two – Exempt/Confidential		Pages
15	Exempt Minutes <ul style="list-style-type: none"> • Information relating to the financial or business affairs of any particular person (including the authority holding that information). • Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority. 	
KEY DECISIONS		

16 Procurement of Planned Maintenance Contract

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

17 70 Shed, Oysterbed Road, The Docks, Felixstowe, Suffolk

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Close



Chris Bally, Chief Executive

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Unconfirmed



Minutes of a Meeting of the **Cabinet** held in the Conference Room, Riverside, Lowestoft, on **Tuesday, 2 January 2024 at 6.30pm.**

Members of the Cabinet present:

Councillor Paul Ashton, Councillor David Beavan, Councillor Jan Candy, Councillor Tom Daly, Councillor Vince Langdon-Morris, Councillor Rachel Smith-Lyte, Councillor Caroline Topping, Councillor Sarah Whitelock

Other Members present:

Councillor Paul Ashdown, Councillor Peter Byatt, Councillor Alan Green, Councillor Lee Reeves, Councillor Craig Rivett

Officers present:

Chris Bing (Head of Legal and Democratic Services), Kate Blakemore (Strategic Director), Kerry Blair (Head of Operations), Heather Fisk (Head of Housing), Lorraine Fitch (Democratic Services Manager), Naomi Goold (Energy Projects Manager), Nick Harding (Sea Link Project Lead), Phil Harris (Strategic Communications and Marketing Manager), Andy Jarvis (Strategic Director), Nick Khan (Strategic Director), Amy Moye (Procurement Manager), Lorraine Rogers (Chief Finance Manager), Alli Stone (Democratic Services Officer (Governance)), Julian Sturman (Specialist Accountant – Capital and Treasury Management), Amber Welham (Finance Business Partner - Housing)

1 Apologies for Absence

Apologies for absence were received from Councillor Yule and Councillor Hammond.

2 Declarations of Interest

There were no declarations of interest.

3 Announcements

Leader of the Council

There were no announcements from the Leader Councillor Caroline Topping.

Cabinet Members

Councillor Smith-Lyte announced that funding of £110,000 had been approved for the Green Light Trust for works on a learning centre at the Martlesham site.

4 Minutes

On the proposition of Councillor Candy seconded by Councillor Daly it was unanimously

RESOLVED

That the minutes of the meeting held on 5 December 2023 be agreed as a correct record and signed by the Chair.

5 Fees and Charges for the Financial Year 2024/25

Councillor Langdon Morris, the Cabinet Member with responsibility for Resources and Value for Money introduced the report which related to the Fees and Charges for the Financial Year 2024/25.

Councillor Langdon-Morris outlined from the report that, income from fees and charges was an integral part of the financial planning process, to inform the Medium-Term Financial Strategy (MTFS) and acted as a key element of the annual budget setting process, forecasting the generation of essential funding for the Council to help minimise the impacts of Council Tax increases and/or service changes.

Considering financial demands on the Local Authority as well as the impact of the cost-of-living crisis it was vital to ensure that the annual fees and charges proposed considers local demand, along with reflecting changes in the cost of delivering the services that have either already occurred or are expected to occur over the next financial year.

Councillor Langdon-Morris highlighted that the fees and charges income was a key source of revenue to the Council, providing income in the region of approximately £24 million per annum to the General Fund, including Port Health. Appendix A of the report set out the proposed discretionary and statutory fees for 2024 / 2025.

Discretionary fees highlighted in area 2.5 of the report and included environmental health, parking services, beach huts and chalets, waste collections, recreation, outdoors sports, planning applications and planning related applications.

Concerning statutory fees Councillor Langdon-Morris highlighted that were outlined in the report and would, subject to approval would be published on the council's website.

There were no questions from Cabinet Members.

Councillor Rivett queried why the previous year's charges and percentage increases were not included in the documentation.

The Chief Finance Officer explained that the report had been presented as it would be on the website. The covering report explained where there had been key areas of change.

Councillor Byatt queried where records of issued fixed penalty notices and fees could be reported on.

The Chief Finance officer stated that the query would need to go the relevant service areas.

There being no further questions, on the proposition of Councillor Langdon-Morris seconded by Councillor Whitelock it was unanimously

RESOLVED

That Cabinet:

1. Approves the discretionary Fees and Charges for 2024/25, included within Appendix A to this report.
2. Notes the statutory Fees and Charges for 2024/25, included within Appendix A to the report.
3. Grants the Head of Environmental Services and Port Health delegated authority, in consultation with the Cabinet Member with responsibility for Community Health, to determine the Port Health discretionary charges for 2024/25, once regulatory information is made available.

6 Southwold Harbour Management Committee – Fees and Charges 2024/25

Councillor Langdon Morris, the Cabinet Member with responsibility for Resources and Value for Money introduced the report which related to the Southwold Harbour Management Committee – Fees and Charges 2024/25

Councillor Langdon Morris provided an outline from the published report, which stated the Terms of Reference of the Southwold Harbour Management Committee (SHMC) stated that the Committee would review and then recommend an annual schedule of charges and dues for the Harbour, and these would be determined by the Cabinet.

The Council would continue to encourage a commercial approach to setting fees and charges, subject to statutory restrictions. The harbour, caravan and camping site fee proposals for the next financial had taken into consideration the council principles when reviewing fees and charges.

Councillor Langdon-Morris highlighted that income from the harbour, caravan and camp site was ring fenced for the harbour.

The proposed increase of 6.7% increase was discussed at a committee meeting on 9 November 2023. The increase was in line with inflation for the consumer price index in September 2023. Members raised concerns regarding the proposed increase as it was felt the current standard of facilities did not align with the increase. After consideration it was agreed to apply a 3% increase for recommendation.

There were no questions from Cabinet Members

Councillor Byatt queried what discretionary services were being offered free of charge.

The Head of Operations advised that there were no discretionary charges at the present time.

The Deputy Leader, Councillor Beavan added that there is an ambition to progress and improve the harbour area and caravan site and increases in fees and charges would be achieved in the future.

On the proposition of Councillor Langdon-Morris seconded by the Deputy Leader, Councillor Beavan it was unanimously

RESOLVED

That the annual schedule of charges and dues for Southwold Harbour, Southwold Caravan Site and Campsite for 2024/25 at Appendix A be approved.

7 General Fund Budget 2024/25 and Medium Term Financial Strategy (MTFS)

Councillor Langdon-Morris, the Cabinet Member with responsibility for Resources and Value for Money introduced the report which related to the General Fund Budget 2024/25 and Medium Term Financial Strategy (MTFS).

Councillor Langdon-Morris outlined from the published report a further update to the draft Medium Term Financial Strategy (MTFS), taking account of new and revised risks, and presents an initial draft of the Council's General Fund Budget for 2024/25.

Since the previous update mid-term financial statement update to Cabinet on 7 November 2023 the provisional local finance settlement was released on 18 December 2023. Details of the settlement and implications for the council were provided in appendix C of the report.

The most significant change from financial assumptions was the New Homes Bonus which would be continuing for another year. The allocation for East Suffolk Council was £651,000.

Other settlement grants have either decreased or increased but the overall funding position remained relatively unchanged.

Councillor Langdon-Morris drew attention to the funding guarantee funding stream and whether it would continue beyond 2024/2025. If the funding was to cease there would be a loss to the council in the region of £1.5 million each year.

The 2024 / 2025 provisional settlement confirmed a council tax referendum principle for shire district councils of up to 2.99% or £5, whichever is higher. Assuming an increase of up to the referendum principle for 2024/25, would equate to a District Band D Council Tax for East Suffolk of £186.57, an increase of £5.40 or 2.98%.

The estimates for 2023 / 2024 have been rolled forward through to 2027 / 2028. With the exception being a tapering of the Pooling Benefit. The NNDR1 was due to be completed later in January 2024 and would confirm the revised position on business rates income for next year and the budget position for the report to Cabinet on 6 February 2024.

For 2024 /2025 only Suffolk public sector leaders have agreed for their share of the pooling benefit to be distributed to the pool members using the same methodology as for the normal distribution.

The Council was due to receive a Pooling benefit budget of £3.9 million, in addition the pool holds a £2 million reserve which was to be redistributed to the pool members during 2024/2025.

Higher interests had benefited the council with a higher returned on investment income. The council was forecasting £1.4 million in additional income for 2024/2025.

The opening balance on ear marked reserves was £48 million. In addition the council holds a general fund of £6 million and no use was forecast of the general fund at the time. Consideration would be given to increasing the budget to around £8 million, which would be presented for approval as part of the budget setting process.

The Leader, Councillor Topping reiterated that the paper was in draft format.

There were no questions from Cabinet.

Councillor Rivett queried the future planning for the First Light festival when external funding comes to an end.

The Head of Operations responded to state that work continued with First Light CIC on their sustainability plan to increase commercial income. They were starting to make headway on sponsorship opportunities, ticket sales and camping. It was noted that First Light CIC had gained National Provider Organisation status which provided the opportunity to drive income from other voluntary sources. The Head of Operations stated that it was essential for the festival to be more economically sustainable and was a work in progress.

Councillor Byatt raised a point of accuracy on pg140 of the report, in paragraph 4.1, point e) stated 'the impact of the current pandemic', noting that it should be amended to reflect the historic impact of the pandemic.

The Chief Finance Officer advised they would make the amendment.

The Leader, Councillor Topping added her thanks to the officers for their work on preparing the financial reports being considered.

On the proposition of Councillor Langdon-Morris, seconded by Councillor Smith-Lyte it was unanimously

RESOLVED

That Cabinet:

1. Approve the draft Medium Term Financial Strategy attached as Appendix A, including the draft 2024/25 General Fund Revenue Budget summarised in Appendix A5 for review and consideration by the Scrutiny Committee as part of the budget process.

2. Approve an initial proposed Band D Council Tax for East Suffolk Council of £186.57 for 2024/25, an increase of £5.40 or 2.98%.

8 Capital Programme 2023/24 to 2027/28

Councillor Langdon-Morris, the Cabinet Member with responsibility for Resources and Value for Money introduced the report which related to the Capital Programme 2023/24 to 2027/28.

Councillor Langdon-Morris outlined from the published report that as part of the budget setting process, the Council was required to agree a programme of capital expenditure for the coming four years. The timeline for the process commenced at Cabinet, following approval it would go to Scrutiny Committee 18 January 2024, then back to Cabinet on 6 February 2024, to review any recommendations from Scrutiny. The report would then go to Full Council for approval on 21st February 2024.

Capital expenditure within the Council was split into two main components, the General Fund Capital programme, and the Housing Revenue Account (HRA) Capital programme which was set out with brief descriptions.

The capital programme had been compiled taking account of the following main principles, to:

- Maintain an affordable four-year rolling capital programme.
- Ensure capital resources are aligned with the Council's Strategic Plan.
- Maximise available resources by actively seeking external funding and disposal of Surplus assets; and not to anticipate receipts from disposals until they are realised
- Focus on deliverability on current project within the programme.

The General Fund capital programme for 2023/24 through to 2027/28 has a total financing requirement of £329.03m which will be financed through both internal and external resources.

The programme from 2023/24 to 2027/28 benefits from £211.08m (64%) of external grants and contributions, the use of £13.85m (4%) of reserves and internal/external borrowing of £104.10m (32%).

The HRA capital programme for 2023/24 through to 2027/28 has a total budget requirement £81.94m which will be financed through both internal and external resources.

The programme from 2023/24 to 2027/28 relies upon £8.74m (11%) of external grants and contributions, the use of £38.07m (46%) of capital reserves, direct revenue financing (HRA) of £19.35m (24%) and £15.79m (19%) of capital receipts.

The Capital Programme directly links to Capital Strategy Report and the Treasury Management report which was reviewed by the Audit and Governance Committee and approved by Full Council in January.

There were no questions from Cabinet Members.

Councillor Rivett queried the Towns fund showing an increase from £7.4 million to £15.6 million.

The Chief Finance Officer advised they would take the question back to the service area and report back.

Councillor Rivett noted on page 186 of the report there were number of boxes that had been shut off and did not contain the full text.

The Chief Finance Officer stated they would correct that ahead of Scrutiny.

On the proposition of Councillor Langdon-Morris seconded by Councillor Candy it was unanimously

RESOLVED

1. That the General Fund capital programme for 2023/24 to 2027/28 including revisions as shown in Appendix B be approved for review and consideration by the Scrutiny Committee as part of the budget process.

2. That the Housing Revenue Account capital programme for 2023/24 to 2027/28 including revisions as shown in Appendix G be approved for review and consideration by the Scrutiny Committee as part of the Budget process.

9 Housing Revenue Account (HRA) Budget Report 2024/25 to 2027/28

Cabinet received report ES/1793 of Councillor Langdon-Morris, the Cabinet Member with responsibility for Resources and Value for Money and the Deputy Leader, Councillor David Beavan, Cabinet Member with responsibility for Housing. The purpose of the report was to ask Cabinet to review the Council's proposed 2024/25 to 2027/28 Housing Revenue Account (HRA) budget, before making recommendations to Council.

The Deputy Leader, Councillor Beavan introduced the report and stated that when he had been appointed Cabinet Member with responsibility for Housing there had been a £30million deficit, £9million of which was refunds which needed to be given due to tenants being overcharged. Projects to build new housing were also increasing in cost, and £2million was needed to demolish St Peters Court which was beyond economic repair. There would be a net loss of twenty four properties over the next three years

due to right to buy and the demolition of St Peters Court, and while new housing was being built and made available it was not at the rate which had been hoped for. Furthermore money would need to be allocated to retrofitting of existing stock to ensure it was in line with the Council's aims for net zero.

The Deputy Leader, Councillor Beavan summarised that the annual income of £24million paid costs of £17million, leaving £2million to pay interests on government loans and £5million to replenish stock. This gave a replacement rate of two hundred years and a 1% return on capital. In contrast, private housing companies could build properties at a 3.7% return and could also charge affordable rents at the level of housing benefit rather than the social rent which the Council was restricted to.

The Deputy Leader, Councillor Beavan stated that the Council could not be competitive and was severely restricted by the government. Grants either needed to be increased or the amount the Council could charge needed to change. As less stock was built income would fall, and less money would be available to maintain and retrofit older stock. This situation could lead to the end of Council housing. The Deputy Leader, Councillor Beavan stated that this was not an acceptable situation and the Council needed to consider new ideas and new ways of financing sustainable house building. He believed staff could rise to this challenge and asked Councillors to support this.

The Deputy Leader, Councillor Beavan stated that the Housing Revenue Account was an honest assessment of the current situation and could be used to start the conversation on how the administration could to address the housing situation.

Councillor Byatt referred to comments in the report on stock condition surveys and when work could start on retrofitting and installing energy efficient measures.

The Deputy Leader, Councillor Beavan stated that the stock condition survey would start shortly and work could not start until this was done. There was an issue with retrofitting as the benefit of these upgrades would only be seen by tenants. While this would help tenants by making their homes more affordable it did mean there was an issue with borrowing to carry out this work as there would be no additional income to fund the borrowing. New ways of funding this work were being looked at. The stock survey would hopefully be completed this year and provide a clearer direction for work. The Deputy Leader, Councillor Beavan confirmed that all properties had a carbon monoxide detector.

The Deputy Leader, Councillor Beavan proposed the motion, and it was duly seconded by Councillor Langdon Morris.

By a unanimous vote it was

RESOLVED

1. That the following be approved for review and consideration by the Scrutiny Committee as part of the budget process:

a. The draft HRA budget for 2024/25, and the indicative figures for 2025/26 to 2027/28;

- b. Movements in HRA Reserves and Balances;
 - c. Proposed rent increase of up to 7.7%. In line with the Rent Standard September 2023 CPI + 1%.
 - d. Service charges and associated fees for 2024/25;
 - e. Rent and Service Charges to be charged over a 51-week period unless being used for Temporary Accommodation when a 53-week period will be applied, due to 2024/25 being a 53-week year.
2. That the following be noted:
- a. Projected outturn position for 2023/24;
 - b. Changes affecting public and private sector housing and welfare;
 - c. Effects of the cost-of-living crisis to the HRA.

10 People Strategy 2024–28

Councillor Ashton the Cabinet Member with responsibility for Corporate Services - Digital, Customer Services, HR and Assets introduced the report which related to the People Strategy 2024 - 2028.

Councillor Ashton thanked the team who worked on the strategy and highlighted the comprehensive and concise nature of the document. The strategy adopted two themes of People and Culture, with priority areas in each.

Councillor Ashton stated he was looking forward to delivering on the strategy over the next 4 years.

There were no questions from Cabinet Members.

Councillor Rivett wondered if there would be KPIs included to support the strategy.

The Strategic Director stated following Cabinet approval of the strategy an action plan would be produced containing measurable indicators.

Councillor Byatt noticed that there was reference to the appointment of a Health and Wellbeing Lead and queried if it was a new role or additional responsibilities for a current Officer.

Councillor Byatt stated he was pleased to see the strategy coming forward and welcomed anyway of retaining current staff with robust career development pathways in place.

The Strategic Director responded to state there was someone already picking up health and wellbeing work, a review of the relevant job description was underway.

The Leader echoed the importance of retaining staff and encouraging young people to work for local authorities and engage with local politics.

On the proposition of Councillor Ashton seconded by Councillor Smith-Lyte it was unanimously

RESOLVED

That Cabinet approves the People Strategy 2024-28 as set out in Appendix A of the report.

11 Sea Link Nationally Strategic Infrastructure Project – Statutory Consultation Response

Cabinet received report ES/1795 of Councillor Tom Daly, Cabinet Member with responsibility for Energy and Climate Change. The purpose of the report was to provide a response to the statutory consultation for the nationally significant infrastructure project (NSIP) and to give the Head of Planning & Coastal Management delegated authority, in consultation with the relevant Cabinet Members to undertake all further activities in relation to the Sea Link project during the pre-application, examination and post examination/consent phases including the signing of any legal agreements/memorandum of understandings.

Councillor Daly introduced the report and delivered a presentation summarising the Sea Link project proposals and the proposed response from the Council. Councillor Daly stated that the project had been thoroughly examined prior to a response being prepared. As a result of this, the Council's position was to object to the Sea Link project.

Councillor Daly summarised the reasons for this position, which were that there was insufficient coordination between all areas of the process, that it would result in unacceptable harm to the communities, environment and economy of East Suffolk, that further consideration should be given to alternative offshore solutions and that further consideration should be given to the timing of the need for the project.

Councillor Daly stated that this recommendation included the authority to delegate to the Head of Planning and Coastal Management, and this was essential for the Council to be able to respond quickly to any additional consultations as these often required a quick response.

The Leader invited questions.

Councillor Langdon Morris referred to the offshore options which had been mentioned and asked what this would entail. Councillor Daly stated that there had been various suggestions, they were not being addressed by applicants at the moment. However other projects in Essex had started to move in this direction. Councillor Daly stated offshore options should have been considered much earlier as it was more efficient

and allowed energy to be taken directly to those areas with the greatest need and avoided using greenfield sites for this sort of development.

Councillor Candy stated that she agreed that this should have been considered much earlier, and asked how much time there was before it was too late to move offshore. Councillor Daly stated that this depended on the will of the government and of companies to think seriously about what this could look like as a whole rather than the current piecemeal approach.

Councillor Smith-Lyte asked whether modular offshore grid was cheaper as there was conflicting information around this. Councillor Daly stated that reports had been produced on this. The initial cost would be more, but future costs were much less and would reduce the cost of other projects down the line. If social and environmental costs were taken into account then costs were also much less overall.

Councillor Rivett stated that a great deal of work had been put into the report. He referred to point 5.1 in the proposed response on 'need' which stated that 'the need for the project only arises once Sizewell C, LionLink and Nautilus are all operational'. However in the Strategic Options report produced by National Grid they had identified that there would be a 1800 MW deficit in the fault case scenario, considering that Nautilus only provided 1500 MW, Councillor Rivett considered that it was not correct to state that the project was only needed should all three sites be operational.

The Sea Link Project Lead stated that he had attended a briefing session on this project and had asked the project managers what stimulated the need for this project, and they had been clear that this was needed for the instance when all three projects were in place. Officers had pushed this to confirm that this was a correct response, and the Project Managers had confirmed this was correct. Councillor Rivett asked whether National Grid had been contacted to confirm this, and officers confirmed that they had subsequently discussed this over email, and had not been corrected. Councillor Ashton stated that he had also been told this on a different occasion.

Councillor Rivett again referred to point 5 in the Council's response, and stated that this was very brief compared to other parts of the document and invited some ambiguity. Councillor Rivett stated that as with the Sizewell C decision it could be considered that the project was an inseparable part of other schemes and if our response claimed that the need for the project only arose in one scenario, and that it should be conditional upon three other projects, this could invite unnecessary ambiguity.

Councillor Daly responded to state that with potential increased capacity required and through the district the grid would to be re-enforced. If the other applications were not successful or offshore work was diverted to other areas, then the Sea Link project should be resisted until the grid re-enforcement need was proven.

Councillor Rivett challenged the response and the viability of using the same argument used by Together Against Sizewell C (TASC), which failed in the Court of Appeal.

Councillor Topping added that at a County Council Officer GLI briefing there was information to support the argument that if other infrastructure projects were to not go ahead, Sea Link would not be needed.

Councillor Rivett questioned the rationale for the information in the response, highlighting a potential conflict in information provided, regarding the National Grid Strategic Options Document.

Councillor Daly responded that it was based on assumption of need not actuality.

Councillor Rivett queried how Councillor Daly felt the response would comply with the new National Policy Statement.

Councillor Daly sought clarification from the Head of Planning & Coastal Management who advised that EM1 was National Policy Statement, which provided the overarching energy statement. He added that Councillor Rivett was referring to the government's desire to deliver energy for the UK population sooner and faster.

The Head of Planning & Coastal Management clarified that the response being considered, was that decisions on the delivery of the Sea Link project could be deferred for a number of years until other projects had more certainty. In addition, technology improvements may provide deliverable alternatives not yet available and these could provide better outcomes for the local area, environment and communities in East Suffolk.

The Head of Planning & Coastal Management and Councillor Rivett agreed to pick up further matters relating to EM1 outside of the meeting.

Councillor Byatt recognised the response was comprehensive. The report stated that East Suffolk Council would be opposing the project, which at Cabinet would mean the 8 members present would be deciding on behalf of all 55 members. Councillor Byatt stated he would like it to be fully debated with all members and queried the timescales available to have further discussion at Full Council.

Councillor Daly responded to state that there was a long debate in Full Council in September 2023 regarding NSIPs which included Sea Link.

Councillor Byatt agreed there was the debate at a previous Full Council meeting. However, the Sea Link project was not specifically discussed. He stated it was a significant project which tied in with other energy projects.

Councillor Daly, responded to state that during the Full Council debate existing and proposed projects were listed. He highlighted that the response was representing communities the environment and that the motion discussed in September 2023 passed with significant majority.

The Deputy Leader Councillor Beavan added that there have been several debates. He felt that as the administration they could respond to the consultation. The Deputy Leader Councillor Beavan encouraged that members worked together on the issue.

Councillor Rivett revisited his earlier point and had found the relevant section of EM1 and pointed to paragraphs 4.2.22 and 4.2.27 which he read out. Councillor Rivett concluded to state he agreed with some of the points made, however had concerns that if the report was submitted as it stood the examination would be able to reject some of the examples and the rationale that had been used within the papers. Councillor Rivett highlighted that he wanted the paper to go forward backed by policy and legislation.

Councillor Daly responded to state he believed the response was detailed and all aspects had been worked through. The most important element was the case being made for local communities, the environment and district. He felt the response had been made within the remit of the Council.

Councillor Rivett questioned if one paragraph on need was that sufficient considering the overall size of the response document.

Councillor Daly responded to state the one paragraph in question was included in conjunction with all the other information which was being submitted.

Councillor Whitelock wondered if Councillor Rivett and Councillor Byatt were aware that all Northern European countries on the other side of the channel were using the offshore grid.

Councillor Byatt responded that he was aware of Councillor Whitelock's point and asked if the Cabinet were aware that Sea Link was mainly underwater, and the debate was about the convertor stations.

Councillor Byatt queried through the Chair a definition for the difference between the convertor stations being constructed underground verses over ground.

Councillor Daly responded that he believed the Saxmundham convertor station was going to be built at a proposed 26 metre height.

The Sea Link Project Lead added that the substation at Friston had been consented and that there had been concerns raised regarding the impact of the Saxmundham convertor station on the landscape.

He concluded to state if scheme were to come forward there would be consideration for a kinetic design to mitigate the visual impact the scale of building.

Councillor Whitelock made a declaration of interest regarding the area in question being her ward.

Councillor Whitelock felt the response was very thorough and covered areas which she felt the applicant had not previously taken seriously enough.

Councillor Whitelock drew attention to the economic threat presented to her district, in respect of tourism which attracts millions of people to visit the coastline. Attention

was drawn to the text outlining the negative impact the project along with wider energy projects could have on tourism for the district.

Councillor Whitelock complimented the offices for their on-going work.

Councillor Daly concluded that there had been comprehensive debate and thanked the officers for their comprehensive work on the response.

The Leader concluded the item to also offer thanks to the team for the time and effort put into bringing the item and for their ongoing work.

On the proposition of Councillor Daly seconded by Councillor Whitelock it was

RESOLVED

1. That the consultation response as set out in Appendix A be agreed.
2. That authority be delegated to the Head of Planning & Coastal Management, in Consultation with the relevant Cabinet Member(s), to act on behalf of the Council in all activities associated with the pre-Application, examination and post examination/consent phases of the project including the signing of any legal agreements/memorandum of understandings.

12 Housing Regulation – Quarterly Update

The Deputy Leader, Councillor Beavan the Cabinet Member with responsibility for Housing introduced the report which related to Housing Regulation – Quarterly Update. The Deputy Leader was pleased to present the report and update on the significant progress being made in the area. It had been complex and challenging work to move from non-compliance to compliance. There continues to be challenges to finding specialist contractors to carry out some of the specific work required, which had an impact on completion timescales.

The most recent performance data available related to the month ended November 2023.

The Deputy Leader outlined the following areas of compliance as highlighted in the report.

- Asbestos Safety - communal areas: 100%
- Electrical Safety -domestic: 99.11%
- Electrical Safety - communal: 100%
- Fire Risk Assessments in date: 100%
- Gas Safety: 99.98%
- Passenger Lift Safety: 100%
- Water Safety: 100%

The Deputy Leader updated on the rent refund work and reported 750 letters were sent out before Christmas. Further information was regarding the progression was included in section 2.22 of the report. It was intended that all tenants would be

contacted by the end of March. It was anticipated that it would take longer to make contact with tenants who are no long in the area.

Meetings continued to take place with the regulator of social housing on a bimonthly basis to review progress. The meetings would continue until regulator is satisfied compliance was reached and mitigation was in place to prevent any future issues arising. In addition, an audit would be commissioned in the next few months and there was an aspiration for the Regularity Notice to be withdrawn later in 2024.

There were no questions from Cabinet.

Councillor Rivett wished to pass his thanks on to the wider team for their hard work.

On the proposition of the Deputy Leader Councillor Beavan seconded by Councillor Daly it was

RESOLVED

1. That Cabinet notes the information contained within this report and endorses the actions set out to ensure the Council is compliant with the Regulator of Social Housing Consumer 'Home Standard'.
2. That Cabinet notes the information contained within this report and endorses the actions set out to ensure the Council is compliant with the Regulator of Social Housing 'Rent Standard'.
3. That Cabinet note that the next quarterly update will be presented to April 2024's Cabinet Meeting.

13 Exempt/Confidential Items

On the proposition of Councillor Candy, seconded by Councillor Ashton, it was unanimously

RESOLVED

That under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 and 4 of Part 1 of Schedule 12A of the Act.

14 Exempt Minutes

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

15 East Point Pavilion (revised model of operation)

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

16 Provision of Procurement Services to Great Yarmouth Borough Council

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

The meeting concluded at 8.45pm.

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Chair



Committee	Cabinet
Date	06/02/2024
Subject	East Suffolk Council Compliance and Enforcement Policy
Cabinet Member	Councillor Jan Candy Cabinet Member with responsibility for Community Health
Report Author / Head of Service	Fiona Quinn Head of Environmental Services and Port Health Fiona.quinn@eastsoffolk.gov.uk
Director	Nick Khan Strategic Director Nick.khan@eastsoffolk.gov.uk

Key Decision?	Yes
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable.
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Purpose/Summary

To review and approve a revised Compliance and Enforcement Policy in order to take account of updated guidance, codes of practice and new regulatory sanctions which have been introduced since the Council's Compliance and Enforcement policy was last reviewed in 2014.

Recommendation(s)

That Cabinet:

1. Notes the report.
2. Approves the Compliance and Enforcement Policy.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	Not applicable.
Sustainable Housing	Not applicable.
Tackling Inequalities	Not applicable.
Thriving Economy	Not applicable.
Our Foundations / governance of the organisation	It will support fair, open, transparent, proportionate and intelligence led regulatory services.

Justification for recommendations

1. Background

- 1.1. The Council is required by the Regulators Code 2014 to publish a policy setting out their approach to compliance and enforcement to enable businesses and others being regulated to know what to expect from enforcement officers employed by the council.
- 1.2. Since the adoption of the existing Compliance and Enforcement Policy in November 2014 updated guidance, codes of practice and new regulatory sanctions have been introduced and need to be taken account of.

2. Introduction

- 2.1. The current policy was approved in 2014 and needs to be reviewed to ensure the generic principles set out for good enforcement are up to date and compliant with the latest recognised best practice.
- 2.2. It sets out the Council's commitment to fair, open, transparent, proportionate and intelligence led regulatory services and advocates a staged approach to enforcement using a range of enforcement options available to secure compliance.
- 2.3. An officer Task group was set up to review the policy and to update it in line with current guidance and codes of practice. An Enforcement Policy peer review of best practice in eleven other authorities was also undertaken. Internal consultation with all departments which have enforcement responsibilities has also taken place as part of the preparation of this report and the proposed policy.
- 2.4. The proposal reflects Government policy towards the regulation of individuals and businesses and endorses the Government's policy commitments to better regulation including reducing regulatory burdens on businesses where appropriate.

3. Proposal

- 3.1. To update the existing policy to reflect the changes in guidance, remove outdated information and include the new sanctions.
- 3.2. In Section 10 Enforcement Options, the opportunity has been taken to reorder them to reflect the graduate approach to enforcement that the Councils will follow.
- 3.3. Following the peer review exercise the policy has also been simplified and restructured to ensure it is clearer and easier to read.

4. Financial Implications

- 4.1. There are no financial implications.

5. Legal Implications

- 5.1. The Council should have in place a policy which provides guidance on how it carries out its enforcement responsibilities.

6. Risk Implications

- 6.1. Without the revisions to the policy there is a potential risk to public reputation and also of legal challenge should the council not apply the correct enforcement action.

7. Options

- 7.1. The options are to either:
1. Not update the existing policy
 2. To update and adopt the revised policy.

8. Recommendations

- 8.1. That Cabinet note the contents of the report and approve the Compliance and Enforcement Policy.

9. Reasons for Recommendations

- 9.1. To ensure East Suffolk Council has taken account of updated guidance, codes of practice and new regulatory sanctions which have been introduced since the Council's Compliance and Enforcement policy was last reviewed in 2014.

10. Conclusions/Next Steps

- 10.1. The updated policy will be placed on our website accompanied by appropriate communications.
- 10.2. All existing service specific enforcement policies and protocols will be reviewed and updated to ensure they are in alignment with the revised corporate policy.

Areas of consideration comments

Section 151 Officer comments:

No comments.

Monitoring Officer comments:

A clear, up to date and fit for purpose Compliance and Enforcement Policy supports the Council to take lawful, appropriate and consistent enforcement decisions which are capable of being defended in the event of challenge.

Equality, Diversity and Inclusion/EQIA:

An EQIA assessment has been undertaken and no impact has been identified.

Safeguarding:

No safeguarding concerns have been identified.

Crime and Disorder:

This will assist in ensuring appropriate action is undertaken to reduce the impact of crime and disorder.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

None identified.

Residents and Businesses consultation/consideration:

Internal consultation only undertaken.

Appendices:

Appendix A	East Suffolk Compliance and Enforcement Policy
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Background reference papers:

None.



East Suffolk Council

Compliance and Enforcement Policy

January 2024

**A Strategic Compliance and Enforcement Policy to Secure Better Regulation
Service Delivery Outcomes for the Council's Regulatory Services**

Contents

- 1. Introduction**
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- 14. Information Sharing, Working and Liaison with External Agencies and other Regulatory Bodies**
- 15. Complaints and comments**
- 16. Monitoring and Review of this Policy**

1. Introduction

- 1.1 East Suffolk Council is responsible for undertaking enforcement activity across a wide range of services. Our aim is to protect the interests, the safety and wellbeing of all those who live, work and visit East Suffolk by ensuring that the actions of businesses and individuals comply with relevant legislation and Codes of Practice. We have a positive approach to securing compliance by helping businesses and individuals to understand what they need to do to meet regulatory requirements.
- 1.2 The Council is committed to good enforcement practice. This overarching Corporate policy applies to all service areas and explains our approach to securing regulatory compliance and the options available to achieve it. Relevant departments will hold their own procedures for implementation.
- 1.3 We strive to apply our legal powers consistently and fairly, whatever the circumstances. Our Enforcement decisions will not be adversely influenced by the age, gender, disability, language, race, religion or belief, sex or sexual orientation of the subject, victims, or witnesses.

2. Purpose of this Policy

- 2.1 The purpose of the Policy is to establish a consistent approach to enforcement. The Policy sets out our approach regarding compliance and enforcement activities and provides guidance to enforcing officers and those who may be affected by it, in particular businesses and the public.
- 2.2 If there is a justifiable reason based on evidence, or circumstance, to deviate from the approach of this Policy this should be at Head of Service level and be recorded.

3. Scope of this Policy

- 3.1 This Corporate policy applies to all service areas and provides a framework for our enforcement officers that ensures their powers are transparent and consistently applied.
- 3.2 Under the Corporate policy sit a range of additional departmental enforcement related procedures.

4. The Policy and Council Objectives

- 4.1 The Policy aligns with the vision, corporate objectives and priorities of the Council. It confirms our commitment as part of the Council's economic priorities to work with, advise and support those who live, work and visit our area to meet regulatory requirements. Its implementation contributes to partnership working with our key stakeholders.

- 4.2 At a strategic level it aims to improve regulatory compliance by being targeted to where our interventions have the greatest impact and focus on securing compliance in high-risk activities.
- 4.3 It has an overriding commitment to the principles of better regulation by having regulatory services that are transparent, fair, consistent, proportionate, intelligence led and adapted to the risk posed by the non-compliant activities.
- 4.4 The Policy supports robust, speedy and effective enforcement, against those that commit the most serious regulatory offences and serial offenders who deliberately and wilfully flout the law, including those who seek to take commercial advantage from such offences.
- 4.5 It takes as its default position a robust commitment to secure compliance with regulatory requirements across East Suffolk.
- 4.6 The Policy provides guidance to our officers, businesses and the public on the range of options available to achieve compliance with the legislation enforced by our regulatory services.
- 4.7 It outlines how we will ensure our enforcement officers are equipped with the appropriate level of skills and competencies to undertake effective and efficient enforcement.

5. Our Approach to Compliance and Enforcement

- 5.1 Our Policy is based upon current legislation, guidance and codes that apply to enforcement activities and in particular the Regulators' Code [Regulators' Code \(publishing.service.gov.uk\)](https://publishing.service.gov.uk) and the Principles of Good Regulation.

6. Monitoring, planned inspection and surveillance

- 6.1 Monitoring the district is an important routine activity to check for compliance and identify issues that may require intervention by the Council.
- 6.2 Proactive inspections will be guided by relevant guidance, local and national priorities and central Government agency requirements. We will have close regard to relevant codes of practice, statutory guidance and advice issued by them.
- 6.3 Where surveillance is necessary, it will be undertaken strictly in accordance with the Councils Covert Investigation Policy. The following guiding principles shall form the basis of all covert surveillance activity undertaken by the Council:
- It shall only be undertaken where it is absolutely necessary to achieve the desired aims.

- It shall only be undertaken where it is proportionate to do so and in a manner that it is proportionate.
- Adequate regard shall be had to the rights and freedoms of those who are not the target of covert surveillance.
- All authorisations to carry out covert surveillance shall be granted by appropriately trained and designated authorising officers.
- Covert surveillance regulated by Regulation of Investigatory Powers Act 2000 (RIPA) shall only be undertaken after obtaining judicial approval.

6.4 When conducting enforcement visits, officers will make their identity known and when it is requested, show the written authorisation issued to them.

7. Conduct of investigations

7.1 Our authorised officers will also comply with the requirements of the particular legislation under which they are acting, and with any associated guidance or codes of practice.

7.2 Where there is a legal basis to do so, we will look to recover our costs and make reasonable charges for the time and effort spent on investigating and taking enforcement action.

8. Service requests and complaints

8.1 Service requests or complaints may be received from the public, including employers, residents, visitors, workers and consumers. The nature of the service request or complaint will determine the follow up actions necessary in terms of the priority, speed of those actions and resources deployed. They also provide a useful form of intelligence that can help to determine future planned inspections and intervention programmes.

9. Enforcement of non-compliance

9.1 Each decision to use enforcement action will be taken on a case-by-case basis to ensure consistency of approach and will be in accordance with this, and any other Policies which may be relevant. This Policy does not compel the Council to take enforcement action, but when it is taken, it will be proportionate to the severity and nature of the non-compliance. Although the approach is intended to be graduated this will depend on the nature and seriousness of the incident or offence. The enforcement options available include but are not limited to:

- No action
- Informal action and advice
- Voluntary undertakings

- Penalty Charge Notices
- Fixed Penalty Notices
- Statutory Notices and Orders
- Refusal, revocation or suspension of a licence, approval or registration
- Simple caution
- Civil Penalty notices
- Prosecution

9.2 When determining the appropriate enforcement actions for the non-compliance one or more of the following must be taken into consideration:

- Seriousness in terms of impact or likely impact
- Council policies and priorities
- Deliberate or repeated non-compliance
- Public interest
- Relevant local or national criteria.

10. Enforcement options

10.1 No Action

In some circumstances, a contravention of the law may not justify any action being taken.

10.2 Informal Action and Advice

We use compliance advice and guidance as a first response to many of the cases where breaches of legislation are identified. This is to assist businesses and individuals rectify breaches as quickly and efficiently as possible, avoiding the need for further enforcement action.

When giving advice on compliance we will clearly identify the legal requirement that is contravened, what needs to be done and include a deadline by which this must be done.

The time allowed will be reasonable and take into account the seriousness of the contravention and the implications of the non-compliance. Where non-compliances are identified and advice and guidance has been provided, re-visits may be carried out to determine if they have been rectified.

10.3 Voluntary Undertakings

We may accept a voluntary undertaking that breaches will be rectified and/or recurrences prevented. We will take any failure to honour voluntary undertakings very seriously and enforcement action is likely to result.

10.4 Penalty Charge Notices

Penalty Charge Notices (PCNs) are prescribed by certain legislation as a method of enforcement by which the offender pays an amount of money to the enforcer in

recognition of the breach. These include offences under Traffic Management laws and the enforcement of on-street parking contraventions. Failure to pay the PCN will result in the offender being pursued in the County Court for non-payment of the debt. A PCN does not create a criminal record.

10.5 **Fixed Penalty Notices**

For some offences, there is a discretionary provision to issue a Fixed Penalty Notices (FPN) to an offender. A FPN gives the offender the opportunity to avoid prosecution by payment of the prescribed penalty fee. A FPN is not a criminal fine and does not appear on a person's criminal record. If the FPN is paid no further action will be taken regarding the offence, but if the FPN is not paid, we will either commence criminal proceedings or consider taking other enforcement action.

10.6 **Statutory Notices and Orders**

For the breach of some legislation, we have the power to issue statutory notices requiring a person or business to take specific action, provide information or cease an activity. Such notices are legally binding and the failure to comply with them can be a criminal offence and may lead to prosecution or the issue of a Civil Penalty.

The statutory notice will clearly set out actions which must be taken and the timescale within which they must be taken. Where a statutory notice is issued, an explanation of the appeals process will be provided to the recipient.

Certain types of notice allow works to be carried out in default. This means that if a notice is not complied with, we have the power to carry out any necessary works to satisfy the requirements of the notice ourselves. Where the law allows, we may then charge the person/business served with the notice for all costs we have reasonably incurred in carrying out the work. The Council will normally seek to recover all its costs.

In some circumstances, we may seek a Court Order that a breach is rectified and/or prevented from recurring. The court may also direct that specified activities be suspended until the breach has been rectified and/or safeguards have been put in place to prevent future breaches. Failure to comply with a court order constitutes contempt of court and may lead to imprisonment.

When officers seize food for failing food safety requirements an application will be made to the court for a condemnation order for it to be destroyed. Details of where and when this application will be made will be provided to allow interested parties to attend the hearing.

Where the non-compliance under investigation relates to anti-social behaviour such as persistent targeting of an individual, or a group of individuals in a particular area a Criminal Behaviour Order or Civil Injunction may be sought to stop the activity.

Where a property is in such a state as to be imminently or significantly dangerous to health, a Prohibition Order (or Emergency Prohibition Order) to prevent the property

being used in a particular way, or to prevent certain areas of the property being used, may be issued directly by the Local Authority. This comes into force immediately and must then be communicated to any Relevant Parties within specified timescales.

10.7 **Refusal, Suspension and Revocation of Licence, approval or registration**

Where there is a requirement for a business or person to be licensed by the Council, the licence will be determined in accordance with council procedures including receipt of representations or objections to that application.

10.8 **Simple Caution**

We have the power to issue simple cautions as an alternative to prosecution for some less serious offences provided there is sufficient evidence to give a realistic prospect of conviction. These can only be issued where a person admits an offence, consents to the simple caution and is over 18 years of age.

Simple cautions are offered in accordance with Home Office Guidance and other relevant guidance. A simple caution may appear on the offender's criminal record. It is likely to influence how we and others deal with any similar breaches in the future and may be cited in court if the offender is subsequently prosecuted for a similar offence.

A record of the simple caution will be kept on file for 2 years and details of all simple cautions issued are a matter of public record.

Officers will not offer a caution where the offender has received one already for a similar offence within the last 2 years.

Where a simple caution is offered, but it is declined, we must consider prosecution.

10.9 **Civil Penalties**

Civil Penalties are available as an alternative to prosecution for a range of offences under the Housing Act 2004, and where a landlord or property agent has breached a banning order under the Housing and Planning Act 2016.

Officers must prepare cases to the same burden of proof as in prosecution cases and can award penalties of up to £30,000.00 in accordance with specific matrices contained within the relevant Civil Penalty Policies.

10.10 **Prosecution**

We may prosecute in respect of serious or recurrent breaches, or where other enforcement action has failed to secure compliance. When deciding whether to prosecute we will have regard to the provisions of the Code for Crown Prosecutors.

Prosecution will only be considered when we are satisfied that there is sufficient evidence to provide a realistic prospect of conviction against the defendant(s), and that prosecution would be in the public interest.

11. Powers of Entry

- 11.1 The Council is provided with specific powers of entry that is specific to the legislation be enforced.
- 11.2 Authorised officers exercising a power of entry will have regard to the [Powers of entry: code of practice - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/61222/powers_of_entry_code_of_practice.pdf) , unless the exercise of that power is subject to another statutory code of practice which will take precedence.

12. Equalities

- 12.1 We are committed to fair and objective enforcement and to enhancing good community relations. This policy will be applied in a non-discriminatory manner. An Equalities Impact Assessment has been carried out as part of the approval process and equalities issues will be monitored and reported to senior management periodically
- 12.2 The Council will arrange for interpreters be present at interviews when they have been requested.

13. Enforcement in our own local authority premises and contractor services

- 13.1 Where the law permits officers will carry out enforcement within our East Suffolk council run premises in a manner consistent with any other business.
- 13.2 Any serious breaches of law that may be detected in such establishments will be brought to the attention of the Corporate Leadership Team without delay.
- 13.3 Contract caterers that operate within East Suffolk council establishments will be assessed in accordance with the Food safety law and associated Code of Practice and be inspected accordingly.

14. Information Sharing, Working and Liaison with External Agencies and other Regulatory Bodies

- 14.1 The Council will share relevant information regarding its investigations with partner agencies. All disclosures will be in accordance with the provisions of the General Data Protection Regulations 2018 and any other relevant statutes.

14.2 Where there is a wider regulatory interest, our enforcement activities will be co-ordinated with other regulatory bodies and enforcement agencies to maximise the effectiveness of any enforcement.

15. Complaints, comments procedures

15.1 Where individuals and businesses are directly affected by our regulatory services and consider the Policy standards have not been met, they can seek redress through the Council's Customer Feedback procedure.

16. Monitoring and Review of this Policy

16.1 We will undertake a three yearly review of this Compliance and Enforcement Policy or earlier if required.

Committee	Cabinet
Date	06/02/2024
Subject	Endorsement and adoption of the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28
Cabinet Member	Councillor Rachel Smith-Lyte Cabinet Member with responsibility for The Environment
Report Author(s)	Chris King Design Champion and Specialist Services Manager chris.king@east Suffolk.gov.uk
Head of Service	Philip Ridley Head of Planning and Coastal Management Philip.ridley@east Suffolk.gov.uk
Director	Nick Khan Strategic Director Nick.khan@east Suffolk.gov.uk

Key Decision?	Yes
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable
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Purpose/Summary

The purpose of the report is to seek endorsement and adoption of the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28.

The Countryside and Rights of Way Act (2000) (CRoW Act) places a duty on local authorities to prepare and publish a Management Plan at five year intervals. The Management Plan has been reviewed and published, and the endorsement and adoption of the authority is now being sought under the provisions of the CRoW Act (2000).

Recommendation(s)

That the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-2028 (“the AONB Management Plan”), as attached at Appendix A to this report, is endorsed and adopted by East Suffolk Council.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	The AONB Management Plan supports both ‘restoring ecosystems and biodiversity’ through the ongoing delivery and value of the landscape of the AONB. Additionally the core approach to the AONB Management Plan is focused on ‘preserving and maintain the district beauty and heritage’.
Sustainable Housing	Not applicable.
Tackling Inequalities	The AONB Management Plan promotes and value and priority of allowing access into the open countryside for all users and visitors to the district. Actively addressing both ‘working with partners to better understand need’ and ‘reduce health inequality and improve wellbeing’
Thriving Economy	The AONB Management Plan ensures the quality and value of the AONB is maintained and enhanced encouraging visitors and tourism to the district.
Our Foundations / governance of the organisation	Not applicable.

Justification for recommendations

1. Background

- 1.1. The Suffolk & Essex Coast and Heaths Area of Outstanding Natural Beauty (AONB) is a nationally designated landscape and is one of 38 AONBs that exist across England and Wales. It covers 115 square miles of East Suffolk, almost a quarter of the land area of the district. Around two thirds of the AONB area are within East Suffolk, meaning that activities in East Suffolk have a significant bearing on the AONB. A map showing the area covered is contained in the AONB Management Plan at Appendix A of this report (page 56 of the AONB Management Plan).
- 1.2. In November 2023, AONBs were branded as National Landscapes. The AONB is now therefore known as the Suffolk & Essex Coast and Heaths National Landscape, albeit Area of Outstanding Natural Beauty remains the statutory terminology. The addition of Essex reflects the extension of the AONB into Essex and the Stour Estuary in 2020.
- 1.3. The purpose of AONBs is set out in the National Parks and Access to the Countryside Act (1949) as to “conserve and enhance natural beauty”. The statutory role of local authorities in relation to AONBs is defined in Section 85 of the Countryside and Rights of Way Act (2000) (as amended, including recently under the Levelling Up and Regeneration Act) as: “In exercising or performing any functions in relation to, or so as to affect, land in an area of outstanding natural beauty in England, a relevant authority other than a devolved Welsh authority must seek to further the purpose of conserving and enhancing the natural beauty of the area of outstanding natural beauty.” This statutory purpose therefore relates to East Suffolk Council in the exercising of its functions in the AONB.
- 1.4. The AONB staff team is governed through a Joint Advisory Committee, of which East Suffolk Council is a partner along with other constituent authorities and other organisations such as environment and business organisations (these are listed in Appendix 4 of the AONB Management Plan attached as Appendix A to this report).
- 1.5. The AONB Management Plan forms the policy on the AONB and informs how authorities in the AONB will have regard to the statutory purposes of the AONB. The AONB Management Plan is referred to in the Council’s two Local Plans, in relation to policies on Landscape Character, and is a material consideration in the consideration of planning applications in the AONB.
- 1.6. The AONB Management Plan 2023-2028 follows on from the AONB Management Plan 2018-2023, which has been guiding activities and decisions over that time. The AONB Management Plan lists (on page 23) a number of actions / outcomes arising from the 2018 – 23 AONB Management Plan. The new AONB Plan is the fourth version of the Plan to be published since the CROW Act requirement to prepare such documents came into force.
- 1.7. The review of the AONB Management Plan began in January 2021. The review was led by the AONB staff team and has been governed by the Partnership and the Joint Advisory Committee. The review process followed guidance on the review of AONB management

plans set out by Natural England (Government advisor on AONBs and guidance published by the National Association for AONBs (Now National Landscapes Association))

1.8. A public consultation was undertaken between 3rd May and 2nd August 2023, on a draft of the revised AONB Management Plan, along with Habitats Regulations Assessment. The comments received were considered in finalising the AONB Management Plan. East Suffolk Council provided comments as part of the consultation where these addressed points of detail and not fundamental concerns. East Suffolk Council are in agreement that comments provided have been addressed.

1.9. The renewed AONB Management Plan is attached as Appendix A to this report. The AONB Management Plan sets out a Vision, Themes and Policies for the Suffolk & Essex Coast & Heaths in the mid-2040s, including:

Management Plan Vision including:

- *Environmental Vision*
- *Social Vision*
- *Economic Vision*

Management Plan Themes including:

- *Landscape*
- *Coast and Estuaries*
- *Nature Recovery*
- *Land Use and Planning*
- *Farming*
- *Forestry and Woodland*
- *Landscapes for All*
- *Climate Change*
- *Working Together*

Management Plan Policies:

- *Landscape*
- *Coasts and Estuaries*
- *Nature Recovery*
- *Lands Use and Planning*
- *Landscapes for All*
- *Climate Change*
- *Working Together*

1.10. The renewed AONB Management Plan meets the requirement of the Countryside and Rights of Way Act (2000) that places a duty on local authorities to prepare and publish a plan at five-year intervals.

2. Introduction

2.1. As stated in section 1.0 Background.

3. Proposal

- 3.1. That the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-2028 (“the AONB Management Plan”), as attached at Appendix A to this report, is endorsed and adopted by East Suffolk Council

4. Financial Implications

- 4.1. East Suffolk Council contribute a total of £50,080 per year to the National Landscape Partnership. The payments would continue, and the completion of the AONB Management Plan would not affect this sum. Part of this contribution supports the burden on East Suffolk Council to produce and review the AONB Management Plan as outlined above.

5. Legal Implications

- 5.1. The renewed AONB Management Plan meets the requirement of the Countryside and Rights of Way Act (2000) that places a duty on local authorities to prepare and publish a plan at five-year intervals. By endorsing the AONB Management Plan, East Suffolk Council meets these requirements. The AONB Management Plan has been subject to a Strategic Environmental Assessment in accordance with the Environmental Assessment of Plans and Programmes Regulations 2004. It has also been subject to a Habitats Regulation Assessment, in accordance with the Conservation of Habitats and Species Regulations 2017 (as amended). An Equality Impact Assessment was also undertaken to meet the requirements of the Equality Act 2010.

6. Risk Implications

- 6.1. There are no risks envisaged in relation to the endorsement and adoption of the AONB Management Plan.

7. Options

- 7.1. Agree the recommendation to endorse and adopt the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-2028. The existing Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan has reached the end of its timespan (2018-2023). The renewed The Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan meets the requirement of Section 89 of the Countryside and Rights of Way Act (2000) that places a duty on local authorities to prepare and publish a plan at five-year intervals.
- 7.2. The recommendation will ensure East Suffolk Council support and help deliver the vision, themes and management policies set out within the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28.
- 7.3. East Suffolk Council, as a Member of the Suffolk & Essex Coast and Heaths AONB Partnership, along with other constituent Councils have been consulted on the emerging plan since June 2023 with comments and recommendations provided to help shape and deliver the updated plan.
- 7.4. Alternatively, not to agree the recommendation, would result in East Suffolk Council not meeting the requirements of the Countryside and Rights of Way Act (2000) Section 89. Additionally, the plan would be undermined should the Local Authority not show support and endorsement and adoption of the plan.

8. Recommendations

- 8.1. That the Suffolk & Essex Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-2028 (“the AONB Management Plan”), as attached at Appendix A to this report, is endorsed and adopted by East Suffolk Council.

9. Reasons for Recommendations

- 9.1. The Countryside and Rights of Way Act (2000) (Section 89) places a duty on local authorities to prepare and publish a plan at five-year intervals. In endorsing and adopting the AONB Management Plan East Suffolk Council will be meeting this statutory requirement. Further the review of the AONB Management Plan provides an up-to-date basis for the authority in furthering the purposes of conserving and enhancing the natural beauty of the AONB.

10. Conclusions/Next Steps

- 10.1. To ensure East Suffolk Council continue the support and promotion of the next five-year AONB management plan including its vision and management policies.

Areas of consideration comments

Section 151 Officer comments:

Not applicable

Monitoring Officer comments:

Not applicable

Equality, Diversity and Inclusion/EQIA:

The AONB Management Plan has been subject to an Equality Impact Assessment undertaken by the National Landscapes staff team that is hosted at Suffolk County Council. No Impact.

Safeguarding:

Not applicable

Crime and Disorder:

Not applicable

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

No comments

Residents and Businesses consultation/consideration:

Not applicable.

Appendices:

Appendix A	The Suffolk & Essex Coast & Heaths AONB Management Plan 2023-28, December 2023
Appendix B	Equality Impact Assessment (EIA) Screening Report, June 2023
Appendix C	Habitats Regulations Assessment Screening Report, September 2023

Background reference papers:

None.



**Suffolk & Essex
Coast & Heaths
National
Landscape**

Management Plan 2023-28

www.coastandheaths-NL.org.uk



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Executive Summary

This Management Plan provides the agreed policy for the Suffolk Coast & Heaths Area of Outstanding Natural Beauty (AONB) for the period 2023-28. It describes the AONB, sets out the statutory purpose of the AONB designation and meets the duty on AONB local authorities to produce and review a Management Plan every five years.

It sets out a vision for the AONB in the mid-2040s in terms of its environmental, social, and economic indicators. Through a series of themes, the Management Plan explores the opportunities and threats to delivering the statutory purpose of the AONB designation. Management Plan policies have been included to support the delivery of the vision and statutory purpose.



Foreword

This Management Plan meets the requirement of the Countryside and Rights of Way Act (2000) that places a duty on local authorities to prepare and publish a plan at five-year intervals.

We hope this plan goes way beyond its legal requirements. In a time of great change, the aspiration for this plan is to balance the environment, social and economic needs of the area, its residents, visitors, and wildlife.

The plan has been developed by a consensus of partners representing environmental, economic, and social interests and has been subject to public consultation. It sets out how to deliver an area that balances the needs of the environment, business and people, a designated landscape fit for the twenty first century.

During the lifetime of the previous plan a great deal was achieved to conserve and enhance the area's natural beauty and improve its special qualities. The AONB was extended in 2020 along the southern shore of the Stour Estuary into Essex, and the Freston and Samford Valleys in Suffolk. Working together we can continue to make the Coast & Heaths an outstanding place to live and work in, visit, and for wildlife to thrive.

National Landscapes is the new name for AONBs. This change came about from the recommendations of the Government funded Landscapes Review in 2018. The Landscapes Review Report proposed that AONBs became known as National Landscapes in common usage, although the legal name remains Area of Outstanding Natural Beauty.

This change will come into effect in November 2023, but given the status of this plan, it was decided to use the legal name of the nationally designated landscape for this document.

Cllr Andrew Reid and Nick Collinson, 2023

Chairmen of the Suffolk & Essex Coast & Heaths National Landscape Joint Advisory Committee and Partnership respectively



Cllr Andrew Reid



Nick Collinson




Suffolk & Essex Coast & Heaths National Landscape Highlights



3,540,000
day and overnight
trips in 2021



580 miles
(950km)
of rights of way in the
Coast & Heaths
National Landscape



Volunteers
worked
306
days
in 2021



£167,763,204
total tourism
value in 2021



Redshank
the flagship species
of the Coast & Heaths
National Landscape



£233,654
FIPL* grants
awarded to
14 projects in
2022-23



170^{sq} miles
covered by the
Coast & Heaths
Natural Landscape

Grants totalling
£75,910
were awarded
to **34**
community
groups
in 2021-22



1,600ha
covered in heathland



**Suffolk
& Essex**
are the counties
included in the
Coast & Heaths
National Landscape

38^{sq}km
area of land
added as part of
2020
extension



SECTION 1

Introduction



Introduction

The Suffolk Coast & Heaths Area of Outstanding Natural Beauty (AONB) is known locally as the Coast & Heaths AONB. It is a nationally designated landscape that has the legal purpose to conserve and enhance natural beauty.

The informal name evolved following an extension of the AONB into Essex and further parts of Suffolk. The extension was by an Order signed by the Parliamentary Under Secretary of State, Lord Gardiner, with responsibility for AONBs on the authority of the Secretary of State, George Eustice MP, on 7 July 2020.

The legal status of the AONB requires relevant authorities such as statutory bodies and statutory undertakers, such as utility providers, to pay regard to the purpose of the AONB when taking decisions.

The Suffolk Coast & Heaths AONB is one of 38 such designated landscapes in England and Wales. Most of the land in the AONB is in private or charitable ownership. AONB status brings many benefits for residents, visitors, and businesses.





Area of Outstanding Natural Beauty Management Plan status

The purpose of the Suffolk Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-2028 is to fulfil the statutory duty placed on local authorities to adopt and publish a plan for the AONB as outlined in Section 89 of the Countryside and Rights of Way Act (2000).

This Management Plan forms the AONB policy for local authorities in the AONB. By adopting this Management Plan, the local authorities have committed to working to deliver its objectives and have regard to the plan in the exercise of their wider responsibilities.

The Suffolk Coast & Heaths AONB Management Plan 2023-2028 informs how relevant authorities will pay regard to the statutory purpose of the AONB.

The Levelling Up and Regeneration Act (2023) amended and strengthened the duty on Relevant Authorities in relation to AONBs and is defined in Section 85 of the Countryside & Rights of Way Act 2000 (as amended) as:

In exercising or performing any functions in relation to, or so as to affect, land in an area

of outstanding natural beauty in England, a relevant authority other than a devolved Welsh authority must seek to further the purpose of conserving and enhancing the natural beauty of the area of outstanding natural beauty.

Beyond the legal requirements this plan provides the framework for the co-ordination of action from partnership organisations and others whose activities impact upon the AONB.

Partnership organisations come from a wide range of interests such as wildlife, community, business, environment, and access. By working together to deliver statutory AONB purpose they can further their own aims and benefit people and the environment.

The plan reflects the need for co-ordinated activity to ensure that the purposes of the AONB are met and that communities, businesses, individuals and organisations work together in a coherent manner.

The plan identifies the need to monitor changes within the AONB, be they from the delivery of the plan itself or actions outside the influence of the partnership such as climate change or the actions of others.



Area of Outstanding Natural Beauty purpose

An Area of Outstanding Natural Beauty is exactly what it says it is, an outstanding landscape with distinctive character and natural beauty so precious that it is safeguarded in the national interest.

AONBs are landscapes for nature, people, business and culture.

The purpose of the AONB designation is set out in the National Parks and Access to Countryside Act (1949), it is to:

conserve and enhance natural beauty

Further guidance (Areas of Outstanding Natural Beauty: A Policy Statement, Countryside Commission, CCP 352, 1992) which compliments the 1949 Act notes:

In pursuing the primary purpose of designation, account should be taken of the needs of agriculture, forestry, and other rural industries and of the economic and social needs of local communities.

Particular regard should be paid to promoting sustainable forms of social and economic development that in themselves conserve and enhance the environment.

Recreation is not an objective of designation, but the demand for recreation should be met so far as this is consistent with the conservation of natural beauty and the needs of agriculture, forestry and other uses.

The Countryside and Rights of Way Act (2000) notes:

Where it appears to Natural England that an area which is in England but not in a National Park is of such outstanding natural beauty that it is desirable that the areas [be] designated ... for the purpose of conserving and enhancing the natural beauty of the area.



Government responded to the report on 15 January 2022. Part of the Government's response to the report was to implement a consultation on some aspects of its response to the review that will require changes to legislation. In addition to the consultation the key elements of the government's response include:

- A call for AONBs and National Parks to work more closely together to deliver a coherent national network of beautiful, nature-rich spaces that all parts of society can easily access and enjoy.
- Consideration of a name change for AONBs to National Landscapes with the new title encompassing new purposes. At time of writing (Aug 2022) new purposes may include a second purpose like the current National Park second purpose to promote opportunities for the understanding and enjoyment. This is designed to connect all parts of society with our protected landscapes.

Context

It is widely recognised that there is a climate and a biodiversity crisis. Designated landscapes such as AONBs have a part to play in addressing the drivers of climate change and undertaking projects to slow the loss of nature. These objectives sit at the heart of this Management Plan.

This Management Plan for the Suffolk Coast & Heaths Area of Outstanding Natural Beauty is being developed during a period of change following a government review of AONBs and National Parks.

In May 2018 the government asked for an independent review into whether the protections for National Parks and AONBs are still fit for purpose. In particular, what might be done better, what changes will help and whether the definitions and systems in place are still valid.

The review's final report was published on 21 September 2019. It was led by Julian Glover and supported by an experienced advisory group: Lord Cameron of Dillington, Jim Dixon, Sarah Mukherjee, Dame Fiona Reynolds, and Jake Fiennes.

- A recognition that a stronger mission for AONBs to deliver on nature recovery would deliver societal benefits. Achieved through a revised first purpose (to conserve and enhance natural beauty) to encompass this.
- Recognition of a strengthened role for AONBs in the planning system who bring substantial evidence and expertise to the process.
- An urgent need to improve opportunities and remove barriers to access for all parts of society to enjoy our nationally important, designated landscapes.

Government has recognised that any new or revised statutory purpose(s) would require new legislation and that they would need to be reflected in Management Plan reviews. Given the timing of such reviews DEFRA have written to AONBs to give AONBs:

an option to delay the publication of upcoming Management Plans by up to 1 year from their original planned review date.

Section 1 - Introduction

The guidance, in the form of a letter from the Rt Hon Lord Benyon, Parliamentary Under Secretary of State at DEFRA with responsibility for AONBs on 7 July 2022 continues:

In order to comply with the law without compromising the integrity of future Management Plans, Defra judges that Partnerships could simply produce a light-touch review in which they commit to produce a new Management Plan after the new guidance is published.

Defra has considered what a light-touch review might look like and advises the following:

Partnerships would agree and publish one page of text setting out their intentions for the next Management Plan.

Following discussion with AONB Chairs and Local Authority funding partners it was decided not to seek a delay due to several events specific to the Suffolk Coast & Heaths AONB and other opportunities and pressures facing the countryside more generally, including:

- Significant planning pressures on the AONB due to Nationally Significant Infrastructure Projects that are in part being driven by commitments to achieve net Zero by 2050.
- Significantly increased visitor pressures.
- The development of the England Coast Path that will introduce new opportunities for enjoyment of the AONB and visitor offer.
- The new Farming in Protected Landscape programme designed to give farmers and landowners resources to deliver AONB purpose.
- The need to address the twin concerns of climate change and wildlife loss.

The 2023-28 Suffolk Coast & Heaths AONB Management Plan will represent the statutory purpose associated with AONBs at the time of writing. The AONB Partnership will consider a further review or the publication of an addendum when any new purpose(s) are known.

The AONB Management Plan should not be seen in isolation. Other national and local plans and policies influence activity in the nationally designated landscape. These include local development plans, government policy relating to agriculture and the environment, and environmental non-government organisations and government agency plans.

Covehithe © Gill Moon





What is an Area of Outstanding Natural Beauty?

An Area of Outstanding Natural Beauty is an area that is recognised by the United Kingdom Government as having national importance. This importance is reflected by its designation under the National Parks and Access to the Countryside Act (1949).

The primary purpose of the designation is to conserve and enhance natural beauty. In pursuing the primary purpose of the designation, account should be taken of the needs of agriculture, forestry and other rural industries, and of the economic and social needs of local communities. Particular regard should be paid to promoting sustainable forms of social and economic development that in themselves conserve and enhance the environment.

Recreation is not an objective of the designation, but the demand for recreation should be met insofar as this is consistent with the conservation of natural beauty and the needs of agriculture, forestry and other uses.

Around 15% of England is covered by the AONB designation. There are 33 AONBs in England, 4 in Wales, one that straddles the English Welsh border, and 8 in Northern Ireland. The nearest equivalent designation in Scotland is National Scenic Areas of which there are 40 covering a total of 13% of the country.

AONBs are recognised as Category V Protected Landscapes under International Union for Conservation of Nature's (IUCN) global protected area framework, but designated under United Kingdom legislation, meaning the designation has not been impacted by United Kingdom's departure from the European Union.

AONBs are recognised by and subject to several pieces of United Kingdom legislation and policy and local policy, including:

- National Parks and Access to Countryside Act (1949)
- Countryside and Rights of Way Act (2000)
- 25 Year Environment Plan (2018)
- National Planning Policy Framework (2021)
- Local Planning Authority Local Plans (Various)



AONB volunteers at Suffolk Yacht Harbour © Gill Moon

The Suffolk Coast & Heaths Area of Outstanding Natural Beauty

The Suffolk Coast & Heaths Area of Outstanding Natural Beauty covers an area of around 170 square miles (441 square kilometres) stretching from Kessingland near Lowestoft, in the north, to Parkeston near Harwich on the southern shore of the Stour Estuary to the south. To the east the boundary is formed by the North Sea and the western boundary is largely to the east of the A12 and encompasses Suffolk's estuaries.

The character of the AONB is a product of the underlying geology and its associated natural habitats. It is shaped by the effects of the sea and the interaction with people and the landscape. It is a gently rolling landscape, with the estuaries a common and dominant feature. Where the land does rise, commanding views across the landscape are rewarding.

AONBs are designated for their natural beauty. The natural beauty of AONBs is defined by 6 characteristics:

- Landscape quality
- Scenic quality
- Relative wildness
- Relative tranquillity
- Natural heritage features
- Cultural heritage

These features are described in a Natural Beauty and Special Qualities document on our website at www.coastandheaths-NL.org.uk.

Detailed assessment of the AONB landscape can be seen on the Suffolk Landscape website at www.suffolklandscape.org.uk and Natural England's National Character Area number 82 see www.gov.uk/government/publications/national-character-area-profiles-data-for-local-decision-making/national-character-area-profiles.

Farmland dominates much of the AONB, interspersed with picturesque villages and the occasional small seaside town. There are forestry plantations, low lying freshwater marshes and extensive tracts of heathland. The coastal fringe is dominated by estuaries, grazing marshes and lowland heath.

Large tracts of the land are in conservation management by organisations such as the National Trust, Natural England, Essex and Suffolk Wildlife Trusts and the RSPB. These include the internationally important National Trust sites of Sutton Hoo and Orford Ness, Essex Wildlife Trust's Wrabness reserve, Suffolk Wildlife Trust's Hazelwood Marshes and Trimley Marshes and RSPB Minsmere. The Forestry Commission owned Tunstall and Rendlesham Forests are designated as Special Protection Areas.

Covehithe © Gill Moon



There are significant proportions of the AONB that are designated as Special Areas of Conservation, Special Protection Areas and as Ramsar sites. These are shown in Appendix 1 - Maps.

There are many excellent examples of public and private land being managed in a way to deliver AONB benefit and public good. Some of this work is supported through agri-environment schemes including the Farming in Protected Landscapes programme funded by Defra.

Where the AONB joins the sea, shingle beaches often stretch for many miles. Orford Ness, the great shingle spit between Aldeburgh and Shingle Street, is the largest of its kind in Europe. In some places, soft cliffs rise behind the beach such as at Dunwich and Pakefield, demonstrating the changing and dynamic nature of the coast in this part of England.

Significant parts of the AONB coastline are not actively defended and are vulnerable to erosion and/or flooding. East Suffolk Council, working with Great Yarmouth Borough Council, North Norfolk District Council and the Broads Authority are preparing a combined Coastal Adaptation Supplementary Planning Document (SPD), which will provide guidance on the implementation of the relevant Local Plan policies.

A dominant feature of the coast are the five river estuaries. The Blyth, Alde and Ore, Deben, Orwell, and Stour estuaries are the locations of some of England's finest wildlife habitats, intertidal areas of mudflats and saltmarsh.

In some places the mouths of rivers have been blocked creating large areas of brackish or freshwater marshland, such as at Minsmere, and Easton and Benacre Broads. Creation and

management of these sites is highly sophisticated. They require significant resources, technical expertise and planning to execute properly.

Management is continual to maintain ideal conditions for wildlife, especially in the face of more extreme climatic shifts. At Minsmere, tidal exchange is regulated via the Environment Agency sluice, and fresh water is abstracted from the river to supplement water levels on the scrape while being mindful of avoiding inappropriate flooding.

Along many of the estuaries there are centuries-old river walls to claim or protect farmland from the sea, which now form part of the estuarine landscape.

There are areas of extensive reedbeds such as at Westwood, the UK's largest reedbed, this is a significant landscape feature and wildlife habitat.

Much of the area was once heathland, known as the Sandlings. Although significant tracts remain, much of it has been fragmented, converted to farmland, planted for coniferous woodland, or developed for housing or military use. Some areas of planted woodland have been designated for wildlife conservation and also provide excellent recreation opportunities.

In 2023 the AONB remains a lightly populated area that is dominated by agriculture, however, there are several large-scale industrial energy generation and transmission projects proposed which will have a significant impact on the AONB. These are part of delivering the Government's net zero targets and targets to deliver 50GW of electricity production from offshore wind farms off the east coast.

The Suffolk Coast being identified as a site for a new nuclear power station has raised concern and debate about the compatibility of major development and the ability to deliver the statutory purpose of the AONB designation. Balancing the national need for energy, meeting targets for net zero, and safeguarding the environment within which

such projects are proposed is clearly a complex matter. The lengthy consultation process has raised awareness of the AONB and brought opportunities to consider how best any adverse impacts on the AONB can be mitigated and compensated for. In common with many other designated landscapes across the country, affordable housing stock for permanent residents is influenced by the demand for second home ownership and properties used exclusively for holiday lets. This has an influence on the social and economic characteristics of the area.

There is considerable cultural interest, with many parts of the AONB famed for their association with artists and musicians. Snape Maltings is a world class centre for the arts, Benjamin Britten, arguably the greatest composer of the 20th century, was born in Lowestoft and founded Aldeburgh Music and the Aldeburgh Festival in the 1940s. In recent years the Latitude festival, held at Henham Park in the AONB has been entertaining thousands of people.

The built heritage within the AONB makes an important contribution to its character. There are designated built conservation areas in the AONB, including those in Aldeburgh and Southwold, that seek to protect this part of the AONB character. There are many listed buildings located throughout the AONB including lighthouses, Martello towers and sea-facing merchant houses which define the historic link between the AONB and the sea. There are also several non-designated heritage assets which are defined according to criteria adopted by the local authority.

The human influence over millennia provides a rich heritage. From internationally important archaeological sites, such as the Anglo-Saxon Sutton Hoo, to military structures such as the Napoleonic Martello towers and World War structures to defend the nation from possible invasion. Other twentieth century developments at Orford Ness and Bawdsey played a significant part in international warfare, with both nuclear weapons testing and the development of radar taking place here.

Land Use Planning in the AONB

Local Planning Authorities are responsible for preparing Local Plans for their administrative areas. Where these fall within the Suffolk Coast & Heaths Area of Outstanding Natural Beauty (AONB) the Local Planning Authorities should ensure the designation and purpose is recognised. Policy contained within Local Plans can significantly contribute to the delivery of AONB purpose.

This AONB Management Plan meets the requirement of the Countryside and Rights of Way Act (2000) section 89 duty on relevant local authorities to:

prepare and publish a plan which formulates their policy for the management of the area of outstanding natural beauty and for the carrying out of their functions in relation to it.

A map of the AONB showing the district councils administrative areas is shown in Appendix 1.

Where Parish or Town Councils are preparing Neighbourhood Plans within, adjacent to or partially covering the AONB they should be designed to

meet the obligations put on statutory bodies and statutory undertakers as required by section 85 of the Countryside and Rights of Way Act (2000).

Local Plan policies are one of the most important drivers of land use planning in AONBs. Where Local Plans are developed in AONBs they should accommodate the National Planning Policy Framework including paragraph 176 which states that:

Great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty which have the highest status of protection in relation to these issues.

Paragraph 176 continues and notes that:

The scale and extent of development within all these designated areas should be limited, while development within their setting should be sensitively located and designed to avoid or minimise adverse impacts on the designated areas.

Dunwich © Gill Moon



Paragraph 177 says:

When considering applications for development within National Parks, the Broads and Areas of Outstanding Natural Beauty, permission should be refused for major development other than in exceptional circumstances, and where it can be demonstrated that the development is in the public interest. Consideration of such applications should include an assessment of:

a) the need for the development, including in terms of any national considerations, and the impact of permitting it, or refusing it, upon the local economy;

b) the cost of, and scope for, developing outside the designated area, or meeting the need for it in some other way; and

c) any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated.

Paragraph 174 notes:

Planning policies and decisions should contribute to and enhance the natural and local environment by:

(d) minimising impacts on and providing net gains for biodiversity, including by establishing coherent ecological networks that are more resilient to current and future pressures;

Development is not precluded by the AONB designation. AONBs are and should be seen as exemplars of good development, with proposals balancing the three pillars of sustainable development: economic, environmental and social factors. Development proposals are expected to meet a higher standard of planning and design to ensure that the statutory purposes of the AONB are met.

Where proposals for development are of national importance, they are determined by the relevant Secretary of State following a recommendation from the Planning Inspectorate. The process, set out in the Planning Act (2008) and subsequent reviews and revisions, was introduced to streamline the decision-making process for major infrastructure projects, with the aim to make it fairer and faster for communities and applicants alike.

This Development Consent Order process, as it is known, relates to what are known locally as the energy projects. Within the AONB several such projects are at various stages of the process. Some are under consultation; others have obtained consent or are under construction and operational. These include electricity transmission networks, offshore wind farms with associated onshore infrastructure, and new nuclear electricity generation.

Some of the issues surrounding these Nationally Significant Infrastructure Projects and the AONB are explored in Appendix 3.

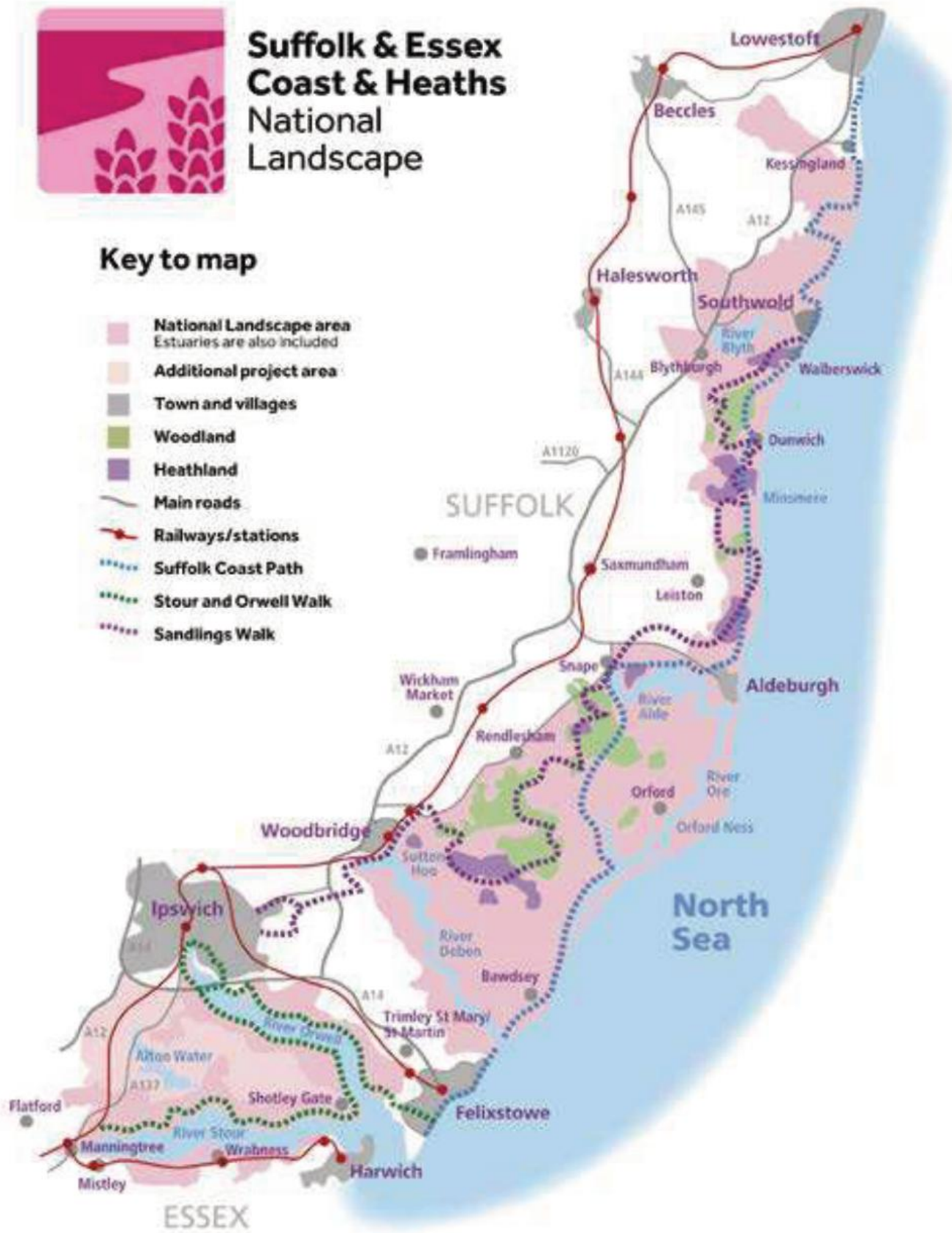




Suffolk & Essex Coast & Heaths National Landscape

Key to map

- National Landscape area
Estuaries are also included
- Additional project area
- Town and villages
- Woodland
- Heathland
- Main roads
- Railways/stations
- Suffolk Coast Path
- Stour and Orwell Walk
- Sandlings Walk



Additional project areas

There are areas adjacent to the AONB that are considered important for the context of the nationally designated landscape. These areas are valued landscapes as defined by the National Planning Policy Framework and are an important part of the setting of the AONB. The Shotley Peninsula, along with other areas, have been subject to a Landscape Character Assessment that identifies the links to the current AONB and the importance of a co-ordinated land management approach. These areas form what is known as an additional project area and are shown on the map on previous page.

This Landscape Character Assessment may inform planning decisions in several ways:

- Informing policy within emerging planning documents.
- In development control where it can be used to understand the key characteristics of the landscape and its special qualities and therefore provide an evidence base from which the impacts of individual applications can be assessed and potential mitigation considered.
- To engage the local community to support them to articulate what is special about their area and make choices about future change.

Bawdsey © Gill Moon





Relationship with the Suffolk Heritage Coast

Heritage Coasts were established to conserve the best stretches of undeveloped coast in England. A heritage coast is defined by agreement between the relevant maritime local authorities and Natural England.

Heritage Coasts were established to:

- conserve, protect and enhance the natural beauty of the coastline, their terrestrial, coastal and marine flora and fauna and their heritage features.
- encourage and help the public to enjoy, understand and appreciate these areas.
- maintain and improve the health of inshore waters affecting heritage coasts and their beaches through appropriate environmental management measures.
- take account of the needs of agriculture, forestry and fishing and the economic and social needs of the small communities on these coasts.

There are no statutory requirements or powers associated with the Heritage Coast definition. However, the National Planning Policy Framework, para 178, as revised in 2021 states:

Within areas defined as Heritage Coast (and that do not already fall within one of the designated areas mentioned in paragraph 176 [that includes AONBs]), planning policies and decisions should be consistent with the special character of the area and the importance of its conservation. Major development within a Heritage Coast is unlikely to be appropriate, unless it is compatible with its special character.

The Heritage Coast purpose includes objectives for conserving the environmental health and biodiversity of inshore waters and beaches, and to extend opportunities for recreational education, sporting and tourist activities that draw on, and are consistent with, the conservation of their heritage features.

The Suffolk Heritage Coast was defined in 1973 and is largely contained within the AONB, although the defined area runs 3km out to sea, parallel with the eastern AONB boundary. It runs from Kessingland to Felixstowe and incorporates the Blyth, Alde and Ore, and lower Deben estuaries.

East Lane © Gill Moon



Area of Outstanding Natural Beauty Partnership

In 1993 the Suffolk Coast & Heaths AONB Partnership was formed. This is made up of organisations with an interest in AONB. Membership of the Partnership evolves over time but includes representatives from local authorities; businesses; environmental organisations; farming bodies; government agencies; community bodies and tourism industries.

The AONB Partnership work together to deliver the purpose of the AONB designation which in turn reflects individual organisational objectives. A list of AONB Partnership members is given in Appendix 4.

The AONB staff team, funded by DEFRA and local authorities and hosted by Suffolk County Council, provides the secretariat for the AONB Partnership.

Tree Planting © Gregg Brown



Review of the 2018-2023 Plan

The 2018-2023 AONB Management Plan was the third version of the document since the Countryside & Rights of Way Act 2000 placed a duty on local authorities to produce and review such documents.

The 2018-23 plan contained 33 objectives. Of these, 31 of the 33 have been assessed as being at least in part delivered, a fulfilment rate of 94%. Notable partnership working successes from the last plan include:

- Delivery of the Suffolk Marine Pioneer Project.
- Securing funding of over £1m to deliver low voltage power cable undergrounding project via Ofgem scheme.
- Secured funding of over £259,000 to deliver landscape enhancement projects via the Landscape Enhancement Initiative Ofgem scheme.
- Secured £140,000 funding from National Lottery Heritage Fund to deliver awareness and engagement projects.
- Distributed over £80,000 per year through AONB grants funded by section 106 agreements and DEFRA, supporting over 200 individuals, societies and businesses.
- Facilitated over 200 volunteer days per year in non-Covid impacted years.
- Supported more than 20 Beachwatch events each year (even during Pandemic restrictions), involving over 1,000 community volunteers.
- Worked with partners to act as advocates for the AONB in Nationally Significant Infrastructure Project hearings and consultations for proposals such as
 - Sizewell C and offshore wind farms.
- Worked in partnership to act as an advocate for the AONB to inform local planning authorities on AONB issues.
 - Worked with partners, including Natural England, to deliver boundary extension for the Suffolk Coast & Heaths AONB.
 - Partnership working to inform the Designated Landscapes Review.
 - Secured copy and advertising revenue for annual AONB newspapers and distributed 25,000 copies each year.
 - Delivered a planning event with partners that attracted 170 delegates.
 - Facilitated, with partners, a national AONB conference.
 - Worked in partnership to raise awareness of the AONB during fiftieth anniversary celebrations.
 - Worked with partners to support delivery of Suffolk Walking Festival.
 - Partnership working to publish State of the AONB report.
 - Published Use of Colour in Development Guide that was produced with partners to guide development in AONB.
 - Published annual Volume and Value study of tourism in the AONB.
 - Supported community activity for projects delivering AONB purpose.
 - Delivering a Farming in Protected Landscapes programme – building relations with landowners and investing over £100,000 in farmer-led projects for climate, nature, people and place.
 - Engaged in 6 nationally Significant Infrastructure project consultations and over 100 Town and Country Planning Act applications.

While there were many successes during the period of 2018-23, the period covered a period of significant challenge. This included a number of Nationally Significant Infrastructure Project proposals that are likely to have an impact on the AONB. The Covid pandemic carried with it a significant amount of recreational pressures at specific locations.



Vision for the Future



The Suffolk Coast & Heaths in the mid-2040s

The 20+ year vision builds on the aspirations and delivery of previous AONB Management Plans. It has been divided into two sections; a summary of the vision and consideration of how environmental, social, and economic aspects can support the delivery of the summary vision.

The summary vision stems from the primary purpose of the AONB designation to conserve and enhance natural beauty. The objectives contained in this Management Plan seek to deliver that vision.

The summary vision:

The Suffolk Coast & Heaths AONB is recognised as a special place by residents and visitors alike for its landscapes, wildlife and heritage. The impacts of climate change are being mitigated and adaptation is the norm. It is contributing to wildlife recovery and provides opportunities for all sections of society to recharge and improve their physical and mental health. The farming sector is thriving and is supported to deliver projects for the public good, the tourism sector is trading on the backdrop of an outstanding landscape. Nationally significant infrastructure projects seek to avoid harm to the area's natural beauty and contribute to delivering the AONB purpose.



Environmental Vision

By the mid-2040s the Suffolk Coast & Heaths Area of Outstanding Natural Beauty (AONB) landscape is at the forefront of adapting to the impacts of climate change, particularly on the coast, mitigating many of the impacts being felt and addressing the causes of climate change at an AONB level.

Decisions relating to development will recognise the benefit of long-term planning to consider immediate and future impacts on the reasons for the AONB designation and purpose.

Landscapes rich in wildlife that are conserved and enhanced contribute to wildlife recovery and human wellbeing. Individual features, including individual species and habitats, are thriving and

their management is supported through well-resourced public and private mechanisms including Biodiversity Net Gain. Biodiversity Net Gain is a government strategy to develop land and contribute to the recovery of nature, which came into force in November 2023. It is a way of making sure that habitat for wildlife is in a better state than it was before development took place.

Sustainable transport opportunities and infrastructure will be enhanced to reduce the environmental impact of travel. Walking, cycling and public transport will be the norm and where individual transportation is undertaken more sustainable fuels are used backed up by suitable infrastructure.

Where nationally significant infrastructure projects have been developed in the AONB or its setting, the unavoidable negative impacts have been minimised, mitigated and compensated for in so far as Development Consent Orders require.

Features that make up the defined natural beauty of the AONB, such as landscape quality, scenic quality, relative wildness, relative tranquillity, natural heritage features and cultural heritage are conserved and enhanced.

Biodiversity Net Gain is delivering measurable improvements for biodiversity by creating or enhancing habitats in association with development. AONB partners are advocating for more than the statutory 10% Biodiversity Net Gain requirement.

Wildlife is recovering and there is a widespread social, political and economic support to ensure that wildlife continues to recover.



Social Vision

By the mid-2040s the residents of and visitors to the Suffolk Coast & Heaths Area of Outstanding Natural Beauty will have a deep appreciation, understanding and respect of the area's nature, natural beauty and designation.

Barriers to enjoyment and access to the AONB, such as awareness of opportunity and access to transport are recognised and removed where possible. All parts of society can enjoy the nationally important, designated landscape and enjoy it in a way that does not detract from its natural beauty.

Local communities have an important role and a mechanism to influence decision making on topics that effect their quality of life and local environment through engagement in planning processes and improving their understanding of what makes the nationally designated landscape special.

Communities recognise the significance of the nationally designated landscape they live in and the importance of sharing the benefits of the AONB to

visitors who contribute to the viability of many local businesses. Visitors recognise and act upon their responsibilities to residents and the environment.

There are a range of opportunities for people to get actively involved in caring for their landscape. The challenge of sustainable living and carbon emission reduction has been embraced by communities and local businesses. There is support for people affected by the impacts of climate change and plans in place to support adaptation.

There are a range of opportunities for people to access the landscape and benefit from the advantages that it brings. The impacts of greater access are mitigated by increased understanding of activity that can have a negative impact on area. The Recreational Disturbance Avoidance Mitigation Strategies in Essex and Suffolk are a mechanism to minimise negative impacts and support engagement and understanding.

The England Coast Path is an important part of access to the AONB bringing health benefits and providing economic opportunities.

Beach Clean Volunteers on Felixstowe beach © Gill Moon





Economic Vision

By the mid-2040s the Suffolk Coast & Heaths Area of Outstanding Natural Beauty has new and established enterprises that are thriving and contributing to AONB purpose.

Within a broad-based local economy, sustainable tourism is widespread and tourism businesses are increasingly involved in careful stewardship of the area. Local food and drink, quiet informal recreation, wildlife watching, landscape quality, cultural heritage and sustainable living are key attractions of the area.

Development contributes to the statutory AONB purpose and is designed to be an environmental exemplar. Nationally Significant Infrastructure Projects such as energy production and its associated infrastructure should seek to avoid damage to the natural beauty of the AONB. Where residual damage cannot be avoided this should be minimised, mitigated, and compensated for in so far as Development Consent Orders require.

The tourism industry is flourishing due to the high-quality landscapes and wildlife sites. Landscapes and nature seen in protected sites and across the AONB provide a significant driver for sustainable tourism. More sustainable travel options are available to residents and visitors. Information on activities, transport and sustainable activities are promoted and readily available through a variety of means.

Farming operations contribute to the natural beauty of the area. Farming is a cornerstone of economic activity in the area. Agricultural operations are supported to contribute to the delivery of public good such as food and sustainable soil health and best practice in land management contributes to delivering a clean, sustainable water supply. The balance between the commercial and environmental needs for water are carefully balanced. Farming continues to support wildlife recovery, access, and climate change adaptation.



Themes



Landscape

The concept of landscape is one that is sometimes difficult to understand. It relates to the outcome of the interaction between the natural environment and human activity.

The human concept of a sense of place is a powerful driver and although much of the AONB is in private ownership there is undoubtedly a public influence in landscape through the development of public policy around environmental controls, agri-environment support mechanisms and development control. This concept is widely accepted and the public good from outstanding landscapes includes significant benefits.

The AONB has a Dark Sky Discovery site. Dark skies are important for nature, around 60% of wildlife is most active at night and humans can benefit from dark skies to help sleep and to enjoy awe inspiring skies brimming with stars.

The benefits of all landscapes are recognised within the European Landscape Convention. The European Landscape Convention requires 'landscape to be

integrated into regional and town planning policies and in cultural, environmental, agricultural, social and economic policies, as well as any other policies with possible direct or indirect impacts on landscape'.

Natural England produce a series of National Character Area studies including one for the Suffolk Coast & Heaths. These studies include descriptions and are intended to articulate Natural England's objectives for the area. There is much that is synonymous with a range of other plans and documents including this Management Plan. The document can be down loaded from <https://www.gov.uk/government/publications/national-character-area-profiles-data-for-local-decision-making/national-character-area-profiles>.

This Management Plan seeks to set out a series of objectives to deliver the AONB purpose while acknowledging a variety of competing needs that may negatively impact the natural beauty of the area. It is worth noting that land use changes, development, and climate both within and outside the nationally designated area can have an impact upon its defined natural beauty.

Minsmere © Gill Moon



Coast and Estuaries

The transition between the land and the sea is one of the most complex areas of the Suffolk Coast & Heaths Area of Outstanding Natural Beauty (AONB). The opportunities for wildlife in the intertidal zone, the impact on human senses such as visual, sound and feel, and overlapping policy make this part of the AONB stand out.

Many of the AONB partnership organisations have statutory or organisational obligations and responsibilities to these areas. It is estimated that the AONB has 47 miles of coast. The distance is increased to 176 miles if the estuaries are included.

The coast and estuaries are subject to area Marine Plans, produced by the Marine Management Organisation (MMO). There are two plans, inshore and offshore. The inshore marine plan area includes the coastline and extends from mean high water out to 12 nautical miles, including inland areas subject to tidal influence. The offshore marine plan areas cover the marine area from 12 nautical miles out to the maritime borders with the Netherlands, Belgium and France.

The vision for the East Marine Inshore Plan states:

By 2034 sustainable, effective and efficient use of the East Inshore and East Offshore Marine Plan Areas has been achieved, leading to economic development while protecting and enhancing the marine and coastal environment, offering local communities new jobs, improved health and well-being. As a result of an integrated approach that respects other sectors and interests, the East Marine Plan areas are providing a significant contribution, particularly through offshore wind, to the energy generated in the United Kingdom and to targets on climate change.

Coastal Partnership East brings together the coastal management resources and expertise from Great Yarmouth Borough Council, North Norfolk District Council, and East Suffolk Council. The Essex Coast Partnership brings together statutory bodies and other organisations to inform management decisions in the southern part of the AONB.

As well as the existing internationally designated marine wildlife areas of the estuaries, such as Special Areas of Conservation, Special Protection Areas and Ramsar sites, there are designated offshore Special Protection Areas such as Outer Thames aimed at breeding little tern and common tern and non-breeding red-throated diver. There is a Southern North Sea Special Area of Conservation which is a marine designated site that is primarily designated for the conservation of harbour porpoise.

The Orford Inshore Marine Conservation Zones is an inshore site that extends into offshore waters and covers an area of approximately 72 km². The site is located off the Suffolk coast in the Southern North Sea approximately 14 km offshore from the Alde Ore Estuary. It is dominated by habitats composed of subtidal mixed sediments. These sediments contain a mixture of different sized material from pebbles to finer silts and finer mud sediments that are important as nursery and spawning grounds for many fish species, including Dover sole, lemon sole and sand eels. Colourful species of burrowing anemones can be found within the sediment, alongside sea cucumbers, urchins and starfish.

The emerging England Coast Path will bring enhanced opportunities to experience the AONB for many. This new National Trail will follow the coastline of England and when complete will be about 2,800 miles in length. The England Coast Path has been possible because of a new law in the UK, the Right of Coastal Access, giving to people for the first time the right of access around all England's open coast, both along the England Coast Path and, usually, over the associated 'coastal margin'.

Natural England's Coastal Access Scheme, which sets out how the scheme will be delivered, was approved by the Secretary of State on 9 July 2013.





There are five estuary partnerships in the AONB. For the Alde and Ore, Blyth, and Deben estuaries these are very much community led. In the Stour and Orwell, the partnership is more focused on the statutory authorities, businesses and interested stakeholders. The coastal area between Bawdsey and the mouth of the Ore is covered by the Bawdsey Coastal Partnership.

These partnerships have formulated plans that set out the aspirations for estuary or coastal management over a defined period and seek to reconcile and balance the sometimes competing interests placed upon them.

The coast and estuaries remain vitally important places for rare wildlife and the habitats that support them. They also offer authentic and revitalising experiences for people, whether this is a family day on the beach, or a bracing winter walk alongside one of the estuaries.

District local planning authorities within the AONB that have a coastal fringe in their jurisdiction, including East Suffolk Council, Ipswich Borough Council, Babergh District Council and Tendring District Council all have Local Plan policies relating to coastal management.

Some districts have Supplementary Planning Documents that contain guidance and expand on policies within the development plan. These Supplementary Planning Documents show how the councils expect their planning policies to be addressed by planning applications, and how the policies will be implemented by the councils when determining planning applications. In addition to the districts, the counties of Essex and Suffolk have plan policies for the coastal areas.

Shoreline Management Plans are developed by Coastal Groups with members mainly from local councils and the Environment Agency. They identify the most sustainable approach to managing the flood and coastal erosion risks in the:

- Short-term (0 to 20 years)
- Medium term (20 to 50 years)
- Long term (50 to 100 years)

A large section of the AONB coast is defined as Heritage Coast as described in the section of this plan entitled Relationship with the Suffolk Heritage Coast.



Nature Recovery

Wildlife in the Suffolk Coast & Heaths Area of Outstanding Natural Beauty is under threat. According to the national State of Nature report in 2019, of the 7,615 species found in England that have been assessed using the International Union for Nature Conservation (IUCN) Regional Red List criteria, and for which sufficient data were available, 971 (13%) are currently threatened with extinction from Great Britain.

The same report recorded that 41% of recorded species are in decline.

While these records are of grave concern there is hope. Many landowners and wildlife organisations have the knowledge to help species recover and there are many outstanding examples of where this has been done. Indeed, within the AONB there have been considerable successes to support species recovery.

From November 2023 the requirements of Biodiversity Net Gain will be applied when determining planning applications. Biodiversity Net

Gain is a way to contribute to the recovery of nature while developing land. It is making sure the habitat for wildlife is in a better state than it was before development.

The knowledge, skills and desire all appear to be in place to deliver nature recovery, supported by the aspirations and proposals contained in the Landscapes Review Report. Wildlife organisations, the farming and landowning community have successfully increased species numbers and reintroduced some species to former populated habitats. The Government pledged to protect 30% of the United Kingdom's land and sea by 2030.

Government has suggested that the 26% of England that is designated as National Park or AONB will play a significant part meeting this target it is worth noting that while AONB's statutory purpose, to conserve and enhance natural beauty, includes 'natural heritage' AONBs are not specifically designated for nature protection.

The Landscapes Review report, published in 2019, first proposal says:

National Landscapes [proposed new name for AONBs] should have a renewed mission to recover and enhance nature...

And in proposal 4:

National Landscapes should form the backbone of Nature Recovery Networks...

If government accept the proposals in the review report and provide appropriate powers, purposes and resources, the AONB can build on its already impressive ability to deliver nature recovery.

The AONB has developed its own Nature Recovery Plan. The plan has been developed with significant support from AONB partners and other stakeholders. It provides a framework to deliver nature recovery across the AONB. The targets are drawn from the 'Colchester Declaration' an offer made by the national AONB network to government to deliver nature recovery and reduce the impacts of climate change.

This offer was subject to appropriate funding to deliver the targets, its aspiration is for a key part in nature recovery work in the AONB and the emerging Local Nature Recovery Strategy.

The DEFRA funded Farming in Protected Landscapes programme has four objectives one of which is to support nature recovery. The successes of this programme could be taken forward into the emerging Environmental Land Management Scheme to support wildlife recovery in the AONB.

The AONB has a good track record and provides further opportunity for multiple organisations to work together to secure funding, including from the mitigation packages provided by the nationally significant infrastructure projects, to deliver significant wildlife recovery projects.

The national AONB network set out its offer, known as the 'Colchester Declaration', to government at its 2019 conference on how it could contribute to the addressing the twin issues of wildlife decline and impacts of climate change. The opportunities identified in the government sponsored Designated Landscapes Review report provide a roadmap of how AONBs can contribute to addressing these issues.

Nature Recovery Zones in the Suffolk Coast & Heaths AONB

(See Appendix 1 for additional maps).



The Suffolk Coast is particularly important for several species of bird, including bittern; nightjar; little tern; stone curlew; woodlark; marsh harrier; avocet; redshank (selected as the flagship species for the AONB aspirations for nature recovery). To be viable and resilient, the populations of these birds must inhabit the wider landscape across the AONB and not just in nature reserves. The AONB designation is a useful tool in bringing together different interests to achieve nature recovery goals.

The Suffolk Wader Strategy network brings together environmental Non-Government Organisations, farmers and landowners and others to provide suitable habitat for lapwing, avocet and redshank (the AONB's flagship species) across the wider landscape.

In 2023, these species are mostly restricted to breeding on nature reserves and work to increase this range in the pursuit of healthy, resilient populations will be vital for their long-term viability. The importance of joined up work, will be vital in delivering common aspiration.



Redshank, the flagship species

Land Use and Planning

The Suffolk Coast & Heaths Area of Outstanding Natural Beauty is a predominately farmed environment with significant areas of land held and managed by environmental charities for nature conservation purposes.

The Forestry Commission owns, and Forestry England manages, a large estate in the AONB. The forests of Dunwich, Tunstall and Rendlesham, known collectively as the Sandlings Forests, provide texture to the landscape and introduce features that bring some height to an area that predominantly has a landform of less than 15m above sea level. These estates are subject to forest plans.

The AONB is sparsely populated relative to much of the southeast of England and contains the towns of Aldeburgh and Southwold. Beyond the AONB boundary there are larger towns such as Harwich, Manningtree, Ipswich, Woodbridge, Leiston, Halesworth and Lowestoft.

There is large scale military infrastructure in the AONB, much of it not in use or redundant. From

archaeological remains through to the iconic Martello towers from the Napoleonic period, and second world war defences against attack to the former United States Air Force base at Bentwaters, and the former Royal Air Force base at Woodbridge. Bawdsey Manor, at the mouth of the Deben estuary is where operational radar was developed.

The AONB has had a long history of being the location for generating electricity for transmission to the rest of the country via National Grid's distribution network. Sizewell A nuclear power station started generating electricity in 1966 and Sizewell B nuclear power station connected to the National Grid in 1995.

Current proposals for large scale energy projects that impact on the AONB are considered in Appendix 3 of this Management Plan.

There are six local planning authorities (East Suffolk, Tendring, Babergh, Ipswich, Suffolk, and Essex) that have at least part of the AONB in their jurisdiction and have policies relevant to the AONB in their respective Local Plans.

Section 3 - Themes

The National Planning Policy Framework is also a material consideration when considering land use planning and determining planning applications:

Public bodies and statutory undertakers are required to pay regard to the purpose of the AONB, to conserve and enhance natural beauty, when decision making, as outlined in section 85 of the Countryside and Rights of Way Act 2000.

The AONB Partnership has agreed several Position Statements, and continues to review, refine, and add to them. These outline the view the Partnership

takes on specific topics and offer guidance.

In addition, the AONB Partnership has commissioned studies to support development appropriate to the AONB and to support local planning authorities in their decision making. These include:

- This AONB Management Plan
- The selection and use of colour in development
- The defined natural beauty and special qualities of the AONB
- Planning in additional project areas
- Guidance note on preparing Neighbourhood Plans in the AONB



In Essex and Suffolk, Recreational Disturbance Avoidance and Mitigation Strategies, known as RAMS have been developed. These strategies set out a long-term approach to address increased recreational pressures on designated Habitats Sites (Special Protection Areas, Special Conservation Areas and Ramsar Sites).

Residential developments within the zone of influence of such designated sites are required to pay a proportionate tariff to fund mitigation measures to minimise any negative impacts.

These measures have the potential to contribute to delivering AONB purpose, to conserve and enhance natural beauty.

Biodiversity Net Gain, a way to contribute to the recovery of nature while developing land, is another mechanism to contribute to delivering AONB purpose by ensuring habitat for wildlife is in a better state than it was before development.

For larger development proposals, a landscape and visual impact assessment is often required to help identify impacts. With larger developments, there is a need to consider proposals on an individual basis to assess their potential impact upon the AONB, its purpose and the reasons for designation.

In accordance with Local Plan policy, new housing schemes within the AONB should include affordable housing where appropriate.

Development should respond to local character and history and reflect the identity of local surroundings and materials, while not preventing or discouraging appropriate innovation.

Piecemeal development can produce cumulative adverse impacts. Examples may include highway developments such as introduction of curb stones, painted markings or a proliferation of road signs that can have an adverse impact on the character and natural beauty of the AONB. Similarly, poorly designed extensions, agricultural buildings and utility infrastructure can have a similar effect.



Dunwich Beach © Gill Moon

Farming

Farming in the AONB, as elsewhere in the United Kingdom is subject to enormous change driven by many factors including:

- The United Kingdom's exit from the European Union leading to changes in agri-environment schemes, changes in the availability of seasonal labour and changing market conditions.
- New technologies.
- Development and adoption by farmers of new approaches, including regenerative agriculture and agro-ecology, collaborative working such as through farming clusters and innovative responses to reductions in availability and increase in cost of farm inputs.
- Regulatory pressures and societal expectations of more sustainable land management.
- A changing climate.
- Pressures on water supply for irrigation.
- Changes in global markets far removed from the local landscape.

Catchment Sensitive Farming plays an important part in meeting the Water Framework Directive, and work undertaken particularly by Natural England and the Environment Agency, continues to offer advice to farmers especially in areas where diffuse pollution can be a problem. In the past such diffuse pollution has had an impact on designated wildlife sites within the AONB.

Arable farming within the AONB remains a dynamic activity, influenced by market forces and by the support provided by agri-environment schemes. The change from heathland and grassland to arable is considered to be a factor in the decline in biodiversity. Crop preferences and farming methods may be subject to rapid changes as farmers respond to the opportunities and threats provided by the evolving economic and geopolitical climate. Climate change too, is having an increasing influence on decision making in farming.

The use of plastic covers and aerial irrigation rigs from early season through to the summer helps to extend the growing season. While this is a useful tool for food production there are negative visual and

environmental impacts.

Stones are often removed to prevent damage to vegetable crops and harvesting equipment. This can increase the financial value of the crops, as more class 1 crops can be produced, but the process has a significant adverse impact on local soil structure and can impair drainage and exacerbate 'capping'. There is potential for damage to the archaeological record too.

Water abstraction for irrigation is often at the environmental limits. The creation of winter-filled reservoirs, managed aquifer recharge and use of water otherwise pumped into the sea and estuaries, can be seen as contributing to a solution. Such developments need careful siting and design to avoid adverse impacts to the AONB purpose, to conserve and enhance natural beauty. Such schemes, if designed well, can contribute to that AONB purpose.

Turf production is now commonplace in the AONB. Turf helps to retain the open vistas of the AONB, but its vibrant green colour and uniform texture can impact on the landscape and wildlife value. The continual loss of soil from turf production can damage the archaeological resource and the practice can reduce the ability of the land to contribute to nature recovery.

Outdoor pigs are certainly favoured by the market and parts of the AONB have a widespread reputation for the production of quality pork. Market conditions and other factors in the early 2020s have presented significant headwinds for the industry. Outdoor pig units can have landscape and biodiversity impacts as the pens, straw stacks and fencing can become dominant in the landscape and reduce potential for wildlife. The feeding regimes can attract large numbers of gulls and corvids, so supporting artificially large local populations all year round, with a potential knock-on effect of increasing predation of nesting birds in surrounding areas. Outdoor pig units on valley sides are also vulnerable to run-off, resulting in soil loss and diffuse pollution.

The increasing size of farm machinery can affect the verges on minor roads, and the additional weight can impact on soil structure, making some areas more vulnerable to run-off under storm conditions, and can also further compromise the soil's ability to function well. Noise from farm-related traffic is part

Wader fencing to protect breeding redshank at RSPB North Warren Reserve in Thorpeness (AONB part funded)



of the rural scene, but in some cases where farm activities are industrialised, in or adjacent to small communities, it can have an adverse effect on the quality of life of residents.

To remain competitive, meet consumer demand, reduce food miles and to support food security it is important that productive agriculture continues to be part of the AONB's landscape. Indeed, much of the character of the AONB can be attributed to thousands of years of agricultural practices.

Dairy and beef farming is at an historically low level in the AONB. Increased production costs and poor returns have mostly made it unviable here. Flood plain and coastal grazing marshes are now largely converted to arable. There are huge opportunities to recover nature and help nature adapt to climate change by restoring grazing marshes and saltmarsh on these flood plains.

There is an aspiration by many to progress opportunities to recover nature by restoring grazing marshes and wet features, as identified in the AONB Nature Recovery Plan and the Suffolk Wader Strategy.

Grazing of the remaining areas is now largely done by beef cattle or sheep. Most grazed marshes are within agri-environment schemes, and many are managed by conservation organisations.

Sheep farming on heather-dominated heaths is not commercially viable and is only undertaken to support nature conservation.

There is slow growth in equestrian grazing leading to the development and apportioning of land into paddocks. The associated infrastructure required for the management of horses can bring visual intrusion and without careful design may offer little biodiversity or landscape gain. This is normally associated with settlement edges.

The Environmental Land Management (ELM) programme, which at the time of writing is designed to deliver environmental improvements at varying levels and over different scales, from individual field-level through to landscape-scale changes, replaces EU support and environmental programmes, and forms the backbone of the delivery of 'public goods for public money'. Some elements of ELM are already in place with others being introduced over the coming years.

Farmers, landowners and the AONB have been working together to deliver a DEFRA funded programme called Farming in Protected Landscapes. This time limited programme supports farmers delivering projects to further the AONB purpose and focuses on:

- Delivering nature recovery
- Reducing the drivers and mitigating the impacts of climate change
- Support for wider public access
- Developing the sense of place of the AONB

It is hoped that the successes of the Farming in Protected Landscapes programme will be carried forward into the emerging Environmental Land Management Scheme.

Forestry and Woodland

Large areas of coniferous forest were planted in the 1920s on former heath that is now AONB. Established trees, particularly birch and pine, act as seed sources which have promoted the spread of trees across the heaths. The forests, Dunwich, Tunstall and Rendlesham, known collectively as the

Sandlings forests, are owned and managed by the Forestry Commission. The estate is designated as Open Access Land and provides a vertical and textural element in the landscape. These areas are now recognised as an important part of the local area for both wildlife and people.

In addition to the forests owned by the Forestry Commission, there are several smaller, privately owned woods in the AONB, some of which are in active conservation management. While they all offer amenity benefit some also provide locally sourced woodland products, recreational opportunities or community benefit for learning and volunteering.

There is a need to increase the numbers and extent of native woodland in the AONB in appropriate locations for reasons of landscape enhancement, offsetting the drivers of climate change and delivering wildlife benefits.

The concept of the right tree in the right place is very important in the AONB. The AONB has important habitats for wildlife, carbon sequestration and landscape character. Inappropriate tree planting could have a significant negative impact on these factors and careful consideration of where tree planting takes place can avoid unintended negative impacts.

Hollesley Common © Gill Moon







Landscapes for All

The area that forms the Suffolk Coast & Heaths Area of Outstanding Natural Beauty is a desirable place to live and visit.

In recent time, as the availability of leisure time and the ability to travel long distances for some has increased, visitors to the area have discovered the heady mix of outstanding landscapes, accessible wildlife, and excellent hospitality.

However, there are some sections of society that are underrepresented when looking at the composition of visitors to the AONB. The nationally designated landscape is a place that should benefit all of society.

The visitor economy in the AONB was worth £228mn in 2019 and supported over 5,000 jobs. Much of the visitor economy is based on the AONB's natural beauty, including its recreational opportunities,

landscapes, wildlife viewing opportunities and relative tranquillity. There will be a wide range of opportunities that arise from the Nationally Significant Infrastructure Projects for new job opportunities that may benefit all sections of society.

Enjoyment of the AONB is not limited to those visiting the areas. Several surveys show that residents value the coast and countryside where they live and use it for enjoyment and recreation.

It is important to recognise that the AONB is not a visitor attraction. It is a place where people live and work. The balance between the needs of visitors, acknowledging the benefits that can accrue from a healthy visitor economy, and residents is important. Resentment can build up if visitors exhibit anti-social behaviours. Pressures on the housing market can build from the increasing numbers of properties being rented out to the holiday market. While

launch of the Ambling African Women walking group © Ben Heather



these issues are beyond the scope of the AONB designation, work to promote the area as a visitor destination needs to respect local communities and the environment.

The AONB Partnership have an aspiration to raise awareness and understanding of the natural beauty of the AONB. People that appreciate the AONB are more likely involve themselves in the conservation and enhancement of the area.

A positive and balanced approach to developing access to the AONB is essential if people are to have an enjoyable experience and not have a negative impact on the natural beauty of the area. Visitors need to recognise the responsibilities that come with access to the area.

The impact of the Coronavirus pandemic influenced the behaviours of many, through individual choice and public policy from the start of 2020. Travel

restrictions meant more people explored their local areas. Often these areas had insufficient infrastructure to cope with a significant increase in visitor numbers, sometimes causing tensions between the resident population and visitors. New habits have been formed and this opportunity of increasing numbers of people enjoying the AONB needs to be taken to enhance AONB purpose and contribute to local economic wellbeing.

It is anticipated that the stretch of the England Coast Path coming through the AONB will be opened during the lifetime of this Management Plan. This is a great opportunity for people to experience the AONB. It will be important that any negative impacts from increased disturbance will have been mitigated for in the development of this new National Trail, as outlined in the development programme. AONB partners will seek to encourage appropriate behaviours from those using this exciting new right of access.

Furthermore, the creation of a new National Trail is designed to develop and support economic wellbeing of coastal communities.

The importance and popularity of the Suffolk Coast & Heaths AONB for recreation is reflected in the high demand for facilities. Such facilities, that may attract new visitors to the AONB, need to recognise the status of the nationally designated landscape.

The AONB has a wide range of self-guided walking and riding guides available produced by many different organisations. These guides encourage low impact enjoyment of the area and should be encouraged.

There is a limited amount of land in the AONB that is registered as Open Access

Land. This gives the right to roam across designated areas such as the Sandlings heaths and registered commons. The Forestry Commission has also dedicated its entire estate to Open Access, so there is now a significant area in the AONB that is accessible to people.

The AONB is home to some of the country's finest nature reserves. These include RSPB Minsmere, The National Trust's Dunwich Heath, the Suffolk Wildlife Trust's Trimley Marshes, and Essex Wildlife Trust's Copperas Wood to name a few.

Section 3 - Themes

There are other accessible sites in the AONB and nearby including East Suffolk Council's Landguard Point as well as the forests, coastline, and land at Kenton Hills (Sizewell Belts).

Beaches are an understandable draw to those wishing to enjoy the AONB landscapes, but some are particularly vulnerable to visitor pressure. The highly specialised vegetation found on some shingle beaches can easily be inadvertently damaged by trampling. Ground nesting birds, such as little terns, can be accidentally disturbed, particularly where walkers and dogs stray off public rights of way.

Projects to prevent accidental, and wilful, disturbance can play a key part in maintaining bird populations. There are examples of excellent co-operation between AONB partners to deliver projects that seek to avoid such disturbance.

Litter and waste can be obvious on beaches. As well as being unsightly, it has a negative impact on wildlife. Some is sea-borne, and some is simply left by those visiting the beach. In other areas the careless discarding of waste can be dangerous, leading to fires or injury to those unaware of its presence.

As part of increasing people's opportunities to enjoy the area while lessening negative impacts at a local

and international scale it will be important to further develop more sustainable transport opportunities and infrastructure. The East Suffolk and Essex and South Suffolk Community Rail Partnerships are keen to work with others to increase promotion of public transport. Cycling and walking are more sustainable modes of transport for increasing numbers of people and are promoted by a wide range of organisations.

Vehicles using alternatives to fossil fuels can improve local air quality and reduce the drivers of climate change. It is likely that during the lifetime of this Management Plan conventionally powered cars will continue to be the first choice for most, but increased availability of electric cars and charging infrastructure will become more common. Improving linkages and providing options for more sustainable transport will benefit the AONB and its residents.

The history associated with the area that forms the AONB is fascinating and contains important cultural artefacts and historic buildings in the area. Sutton Hoo is the most high-profile area but there are numerous other important sites and buildings that give a glimpse into past lives. The archaeology, both above and below ground, remains a largely untold story and projects to realise the potential of this part of the area's landscape history should be sought.



Climate Change

Climate change is a significant challenge for everyone, including the Suffolk Coast & Heaths Area of Outstanding Natural Beauty. If the AONB is to continue to deliver its statutory purpose, to conserve and enhance natural beauty, it is essential that society will need to change and adapt. Solutions can be and will need to be appropriate to the purpose of a nationally designated landscape.

Climate change is likely to lead to increasingly warmer, drier summers and milder, wetter winters and an increase in extreme weather events.

Climate change is likely to increase the risk of fluvial flooding and coastal flooding that will have a detrimental impact on people and property, farming and wildlife.

The impact on the AONB is likely to be considerable, leading to changes in:

- **Landscape:** Changes to vegetation and land management decisions, including farming operations.
- **Natural resources:** Including a reduction in the availability of water for irrigation and pressure on some species.

Covehithe © Gill Moon



- **Land management:** Changes in farming practices, linked to changes in the climate and farming policy (driven by the United Kingdom's exit from the European Union) will lead to changes in the landscape of the AONB.
 - **Climate change** has contributed to an increasing prevalence of tree pests and diseases in the AONB alongside other drivers such as increased global trade, travel, and the importation of diseased material. Ash Dieback will have an increasing impact on woodland and trees in the AONB.
 - **Tourism:** The natural beauty of the AONB is recognised as a key driver for the tourism industry. Changes to the AONB's landscape, wildlife, climate, and land management will have an impact on the tourism offer of the area.
 - **Walking and cycling:** More sustainable travel by visitors and those commuting can help reduce the drivers of climate change and add to the safety and attractiveness of the AONB.
- Although there is potential to reduce the extent of climate change through mitigation measures, significant impacts are now inevitable because of past greenhouse gas emissions. Moreover, further increases in greenhouse gasses are unavoidable, even under the most optimistic of scenarios.
- The AONB team will promote the Farming in Protected Landscapes programme and Sustainable Development Fund grant schemes to fund projects to minimise the drivers of climate change.
- Non-native invasive species are present in the AONB and have a harmful impact, particularly on biodiversity. Climate change has been a contributing factor to this increase. These include Himalayan balsam and New Zealand pigmy weed in rivers and ponds. There is an increasing risk of further plant and animal pests and disease becoming established in the AONB and having a harmful impact on landscape, biodiversity, and the economy.
- The risks posed by the consequences of climate change can be reduced through a range of adaptation and mitigation measures. Nature recovery, restoration of habitats and ecological networks have a large part to play in mitigating and adapting to climate change.
- **Wildlife:** A reduction in quality and condition of habitats leading to populations of species becoming more vulnerable to population decline or extinction.
 - **Historic environment:** An increase in the extremes of wetting and drying, leading to accelerated decay of stonework and an increased risk of subsidence. Increased flooding and erosion may cause damage to buildings and to archaeological sites.



Working Together

The Suffolk Coast & Heaths Area of Outstanding Natural Beauty is a high-quality landscape which is recognised by its designated status. This does not necessarily ensure its natural beauty will be safeguarded. For the AONB to deliver its statutory purpose all those with an interest in the area will need to work in partnership to conserve and enhance its natural beauty. Landscape will change, as all landscapes do. We need to be collective stewards of that change as a Partnership.

As an AONB that covers over 170 square miles, and with so many differing interests, it is beyond the scope of any one organisation to ensure its wellbeing. It is vital, a simple necessity, that organisations work in partnership and with the communities of the area to conserve and enhance the AONB's natural beauty. This Management Plan is a blueprint for action to ensure the area is conserved and enhanced for future generations and to enjoy the benefits that the landscape delivers.

The AONB team is well placed to co-ordinate the AONB Partnership, but it is those communities and partnership organisations, who, by working together, will be able to deliver AONB purpose most effectively.

Strong community engagement is vital to the purposes of the AONB, as is relevance of the AONB to that community. Communities have repeatedly demonstrated pride in their local area and a commitment to ensure the AONB retains its natural beauty. Virtually all this involvement is on a voluntary basis. It includes management of areas important for nature and public spaces, engaging in the planning system to protect the AONB's natural beauty from inappropriate development, and acting in ways to conserve and enhance the area.

Statutory bodies (such as local authorities and publicly funded organisations) and statutory undertakers (such as those that provide utilities) have a duty to further the purpose of the AONB. Many other charitable and membership organisations have overlapping aims with the AONB purpose, and tourism and amenity groups have an interest in seeing the AONB purpose delivered.

The AONB team administers several small grant funds, supporting communities, businesses and societies that undertake projects that are beneficial to meeting AONB purpose and delivering environmental, social, and economic well-being benefits to the area.

The AONB team is the only organisation specifically set up to be an advocate of the designated landscape and encourage the conservation and enhancement of natural beauty. However, it has limited resources and the work it does in partnership with those with a statutory obligation or a shared goal means that

more can be achieved to deliver AONB purpose. The strength of the AONB is in its partnerships and where those partners have competing needs the AONB team has an important role acting as an 'honest broker' to deliver the best outcome for the AONB.





Management Plan Policies



Landscape

- Land management conserves and enhances the natural beauty of the AONB whilst balancing the competing pressures of nature recovery, tackling climate change, food production, supporting livelihoods and public access.
- Features that contribute to the AONB's natural beauty are conserved and enhanced.
- Projects to remove features that detract from AONB landscape quality are supported.
- Landscape change over the plan period is curated to ensure AONB natural beauty indicators and special qualities are conserved and enhanced for future generations.
- Proposals that are likely to impact on the dark skies of the AONB should have regard to these dark skies by seeking to avoid and minimise light pollution.
- Measures should be taken to increase the area of dark skies in the AONB by removing and reducing existing sources of light pollution and seeking further dark sky status for the AONB.
- Local distinctiveness of the AONB is conserved and enhanced and better understood.

Coast and Estuaries

- The management of coast and estuaries in and adjacent to the AONB consider the statutory purpose of the nationally designated landscape.
- Communities, businesses and statutory bodies are supported to deliver activity in the coast, marine and estuarine areas in and adjacent to the nationally designated landscape to deliver statutory purpose.
- The defined Heritage Coast and purpose is recognised in decision making.
- The protection of the coast and adaptation projects should recognise the AONB's statutory purpose and natural beauty.

Nature Recovery

- The Suffolk Coast & Heaths AONB's Nature Recovery Plan is recognised in Local Nature Recovery Strategies for the area.
- Work to deliver targets in the AONB Nature Recovery Plan is undertaken.
- Nature based solutions and climate change mitigation and adaptation are prioritised to address environmental problems and contribute to nature recovery.
- The offer set out in the 'Colchester Declaration', relating to nature recovery and adaptation to climate change is recognised and delivered.

Land Use and Planning

- Land management in the nationally designated landscape and its setting should have regard to and help deliver the AONB statutory purpose of conserving and enhancing natural beauty.
- Projects to remove features that detract from AONB statutory purpose are supported.
- Noise pollution and visual disturbance are avoided and minimised to maintain and enhance tranquillity across the AONB.
- Proposals that are likely to impact on the historic and cultural heritage of the AONB should have regard to these features and seek to conserve and enhance them.
- Proposals for development considered under the Planning Act 2000 (and subsequent revisions) in the AONB and its setting, such as Nationally Significant Infrastructure Projects, should have regard to AONB purpose and adhere to the mitigation hierarchy.
- Nationally Significant Infrastructure Project compensation and mitigation funds are used to deliver AONB purpose.
- Neighbourhood Plans in and adjacent to the nationally designated landscape recognise the AONB purpose.

Landscapes for All

- The AONB is enjoyed in a responsible way by everyone.
- The visitor economy is based on the natural beauty of the AONB.
- Local communities understand the AONB designation and support activity to deliver AONB purpose.
- Those visiting and enjoying the AONB are encouraged to act in a way that does not negatively impact the natural beauty and defined features of the AONB.
- Tourism facilities, including access provision, does not detract from AONB purpose.
- The AONB is an affordable place to live and somewhere that is economically vibrant, such that local people can find jobs in the area.

Climate Change

- Climate change mitigation is part of all new development, infrastructure, and transport decisions.
- Climate change mitigation, including nature recovery, should be a key component of land management practices.

- Greenhouse gas emissions should be reduced through a range of measures, including:
 - Development decisions,
 - Energy conservation,
 - Small scale renewables that do not detract from AONB purpose,
 - Promotion of more sustainable transport.
- Projects that deliver climate change adaptation that do not detract from AONB purpose are supported.

Working Together

- The AONB Partnership works together and with others to deliver AONB purpose.
- The AONB Partnership represents all relevant interests in the AONB and acts as an advocate for AONB purpose.
- Grant aid is available for individuals, communities, businesses and organisations to deliver AONB purpose.
- People and organisations work together to curate landscape conservation and enhancement.



SECTION 5

Appendices

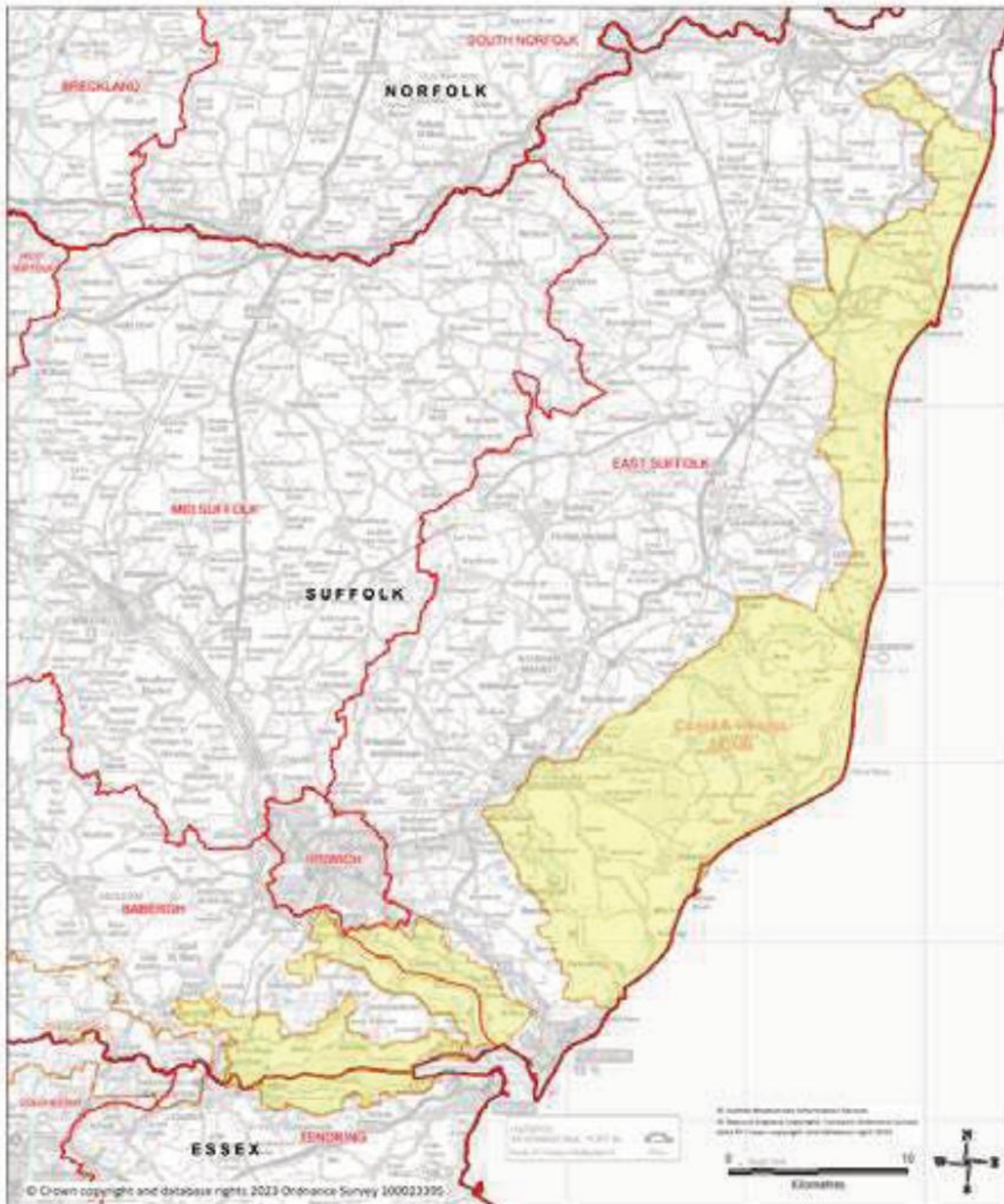
Please note, some figures recorded in the following appendices have seen increases where figures are provided for different years, in many cases this is due to the increased area of the Area of Outstanding Natural Beauty following the extension on 7th July 2020.



Appendix 1

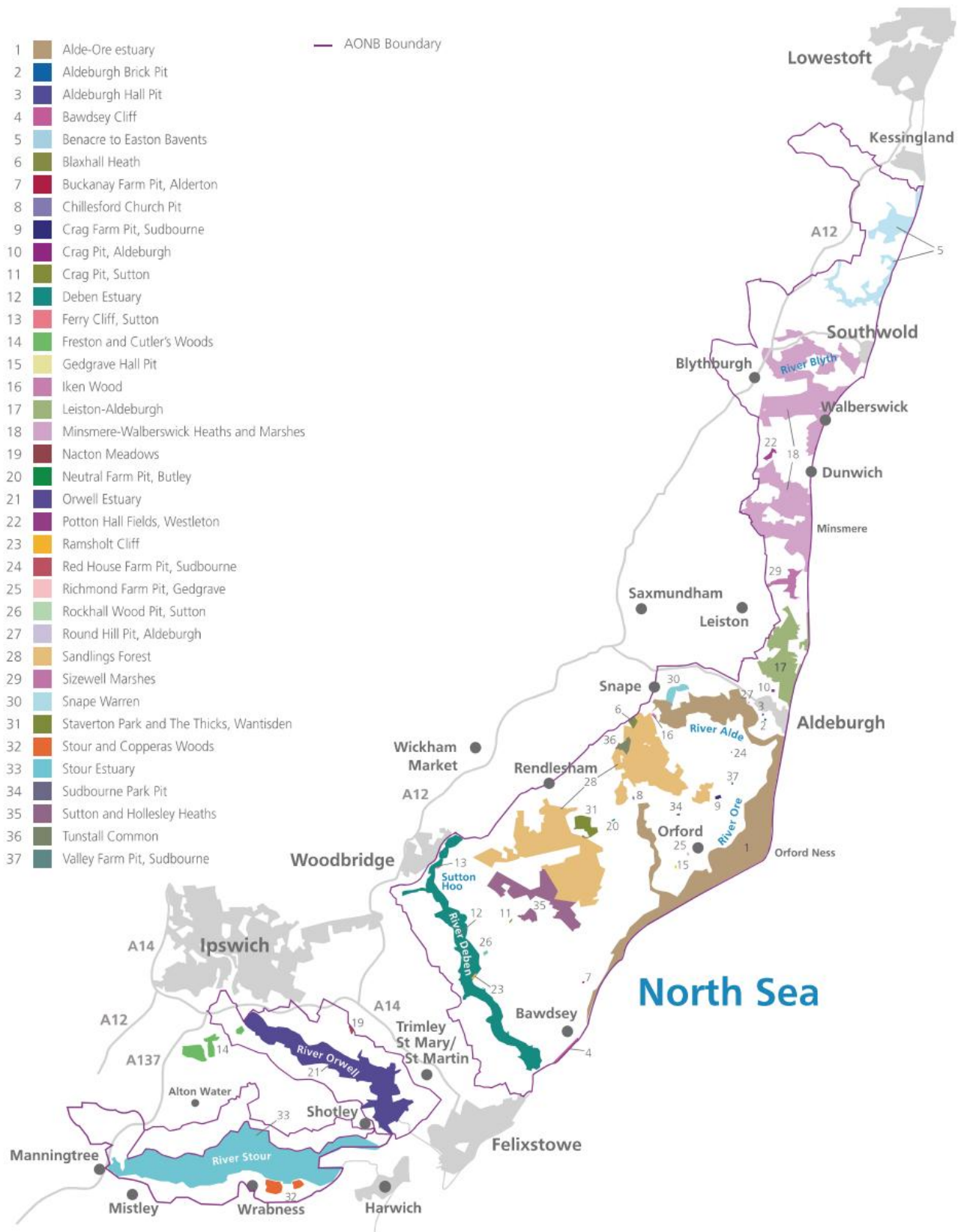
Maps

1. District Boundaries



Sites of Special Scientific Interest

Areas that have extremely high conservation value because of fauna, flora, geological or physiological features.



Special Areas of Conservation

An area protecting one or more special habitats and/or species – terrestrial or marine – listed in the Habitats Directive (1992).

- AONB Boundary
- Alde-Ore and Butley Estuaries
- Benacre to Easton Lagoons
- Minsmere to Walberswick Heaths & Marshes
- Staverton Park and The Thicks, Wantisden
- Orford Ness–Shingle Street
- Stour and Orwell Estuary

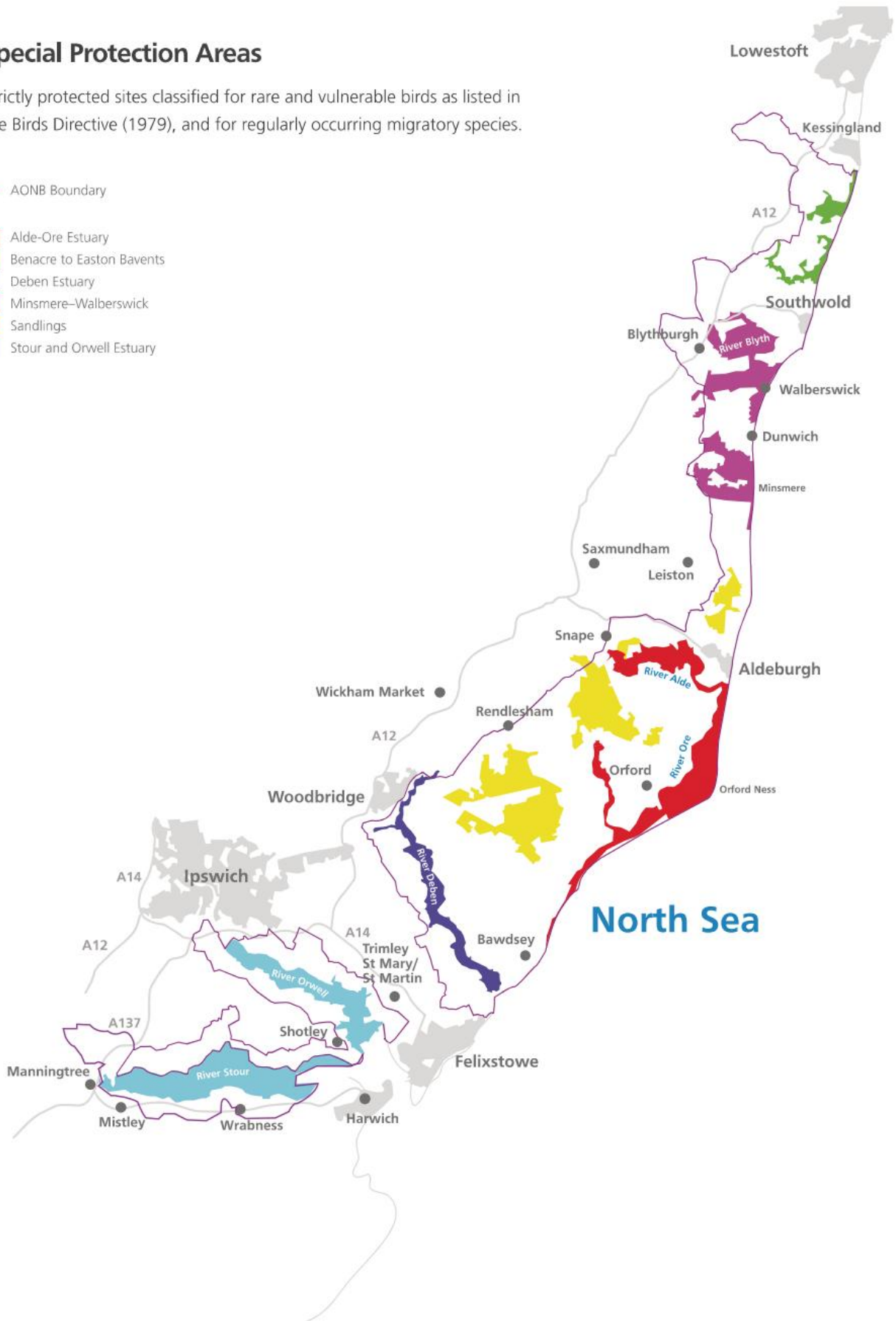


Special Protection Areas

Strictly protected sites classified for rare and vulnerable birds as listed in the Birds Directive (1979), and for regularly occurring migratory species.

— AONB Boundary

- Alde-Ore Estuary
- Benacre to Easton Bavents
- Deben Estuary
- Minsmere–Walberswick
- Sandlings
- Stour and Orwell Estuary

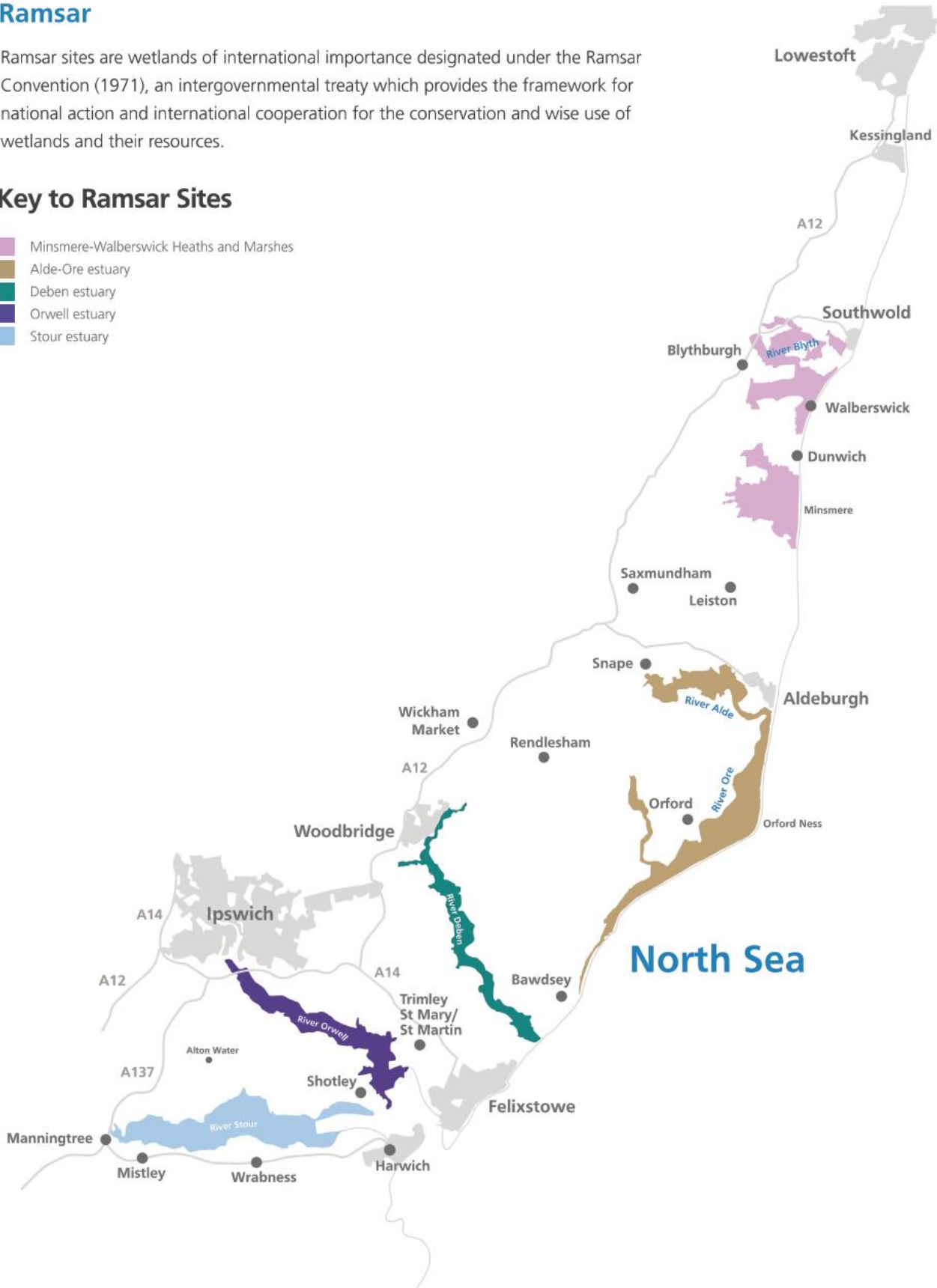


Ramsar

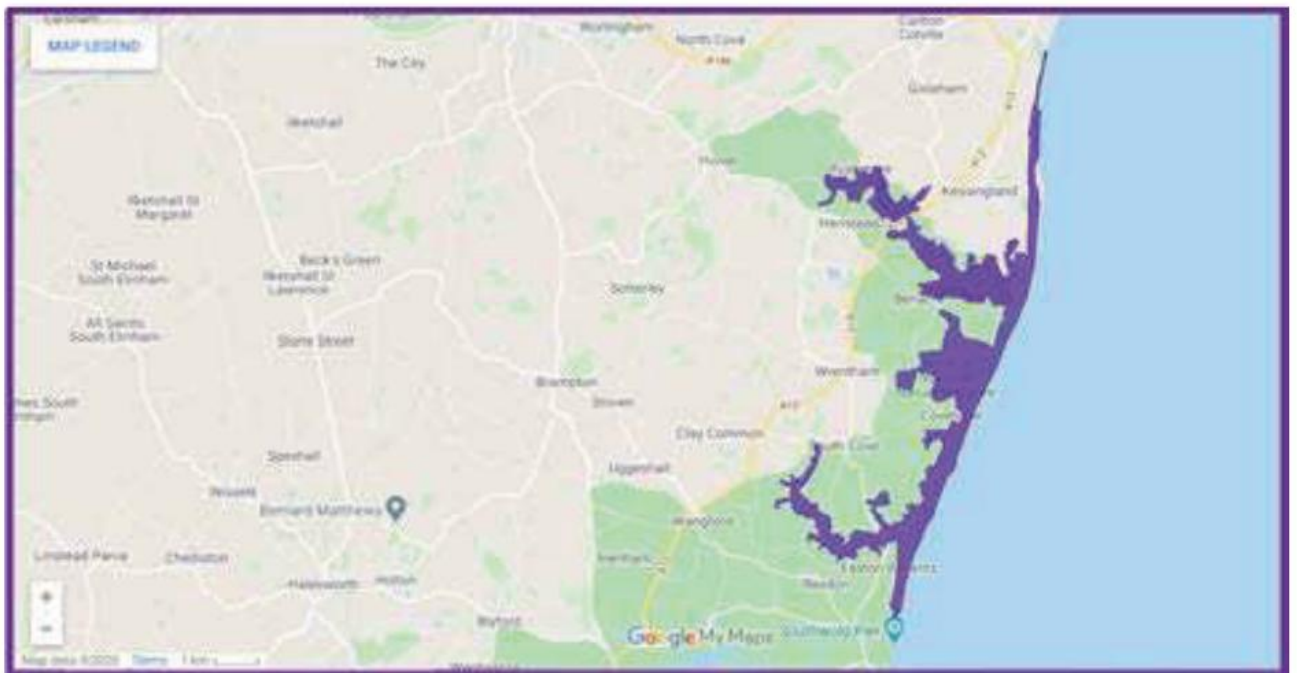
Ramsar sites are wetlands of international importance designated under the Ramsar Convention (1971), an intergovernmental treaty which provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources.

Key to Ramsar Sites

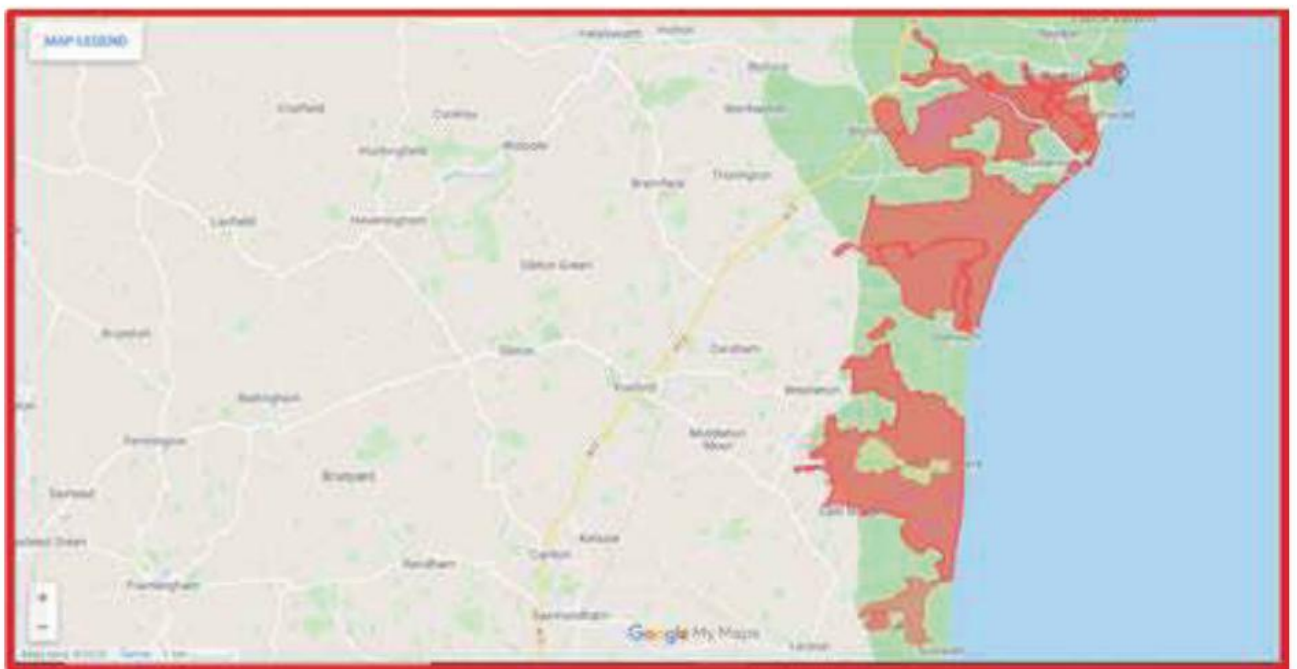
- Minsmere-Walberswick Heaths and Marshes
- Alde-Ore estuary
- Deben estuary
- Orwell estuary
- Stour estuary



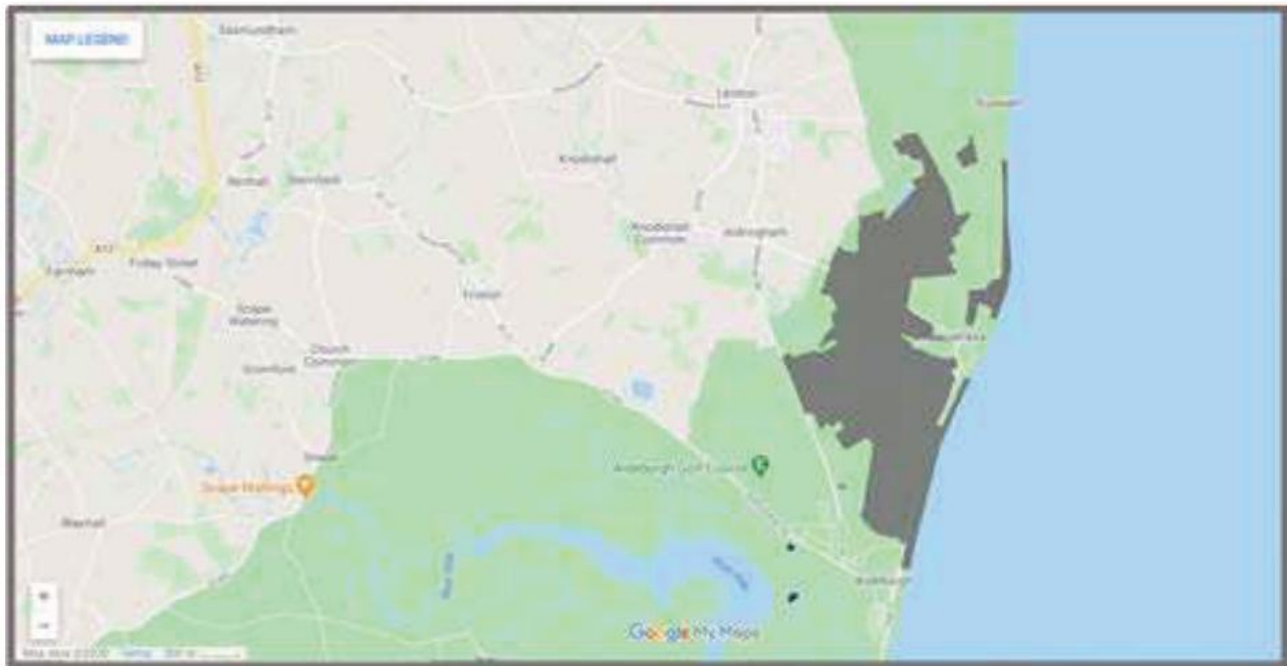
Nature Recovery Core Zone A: Pakefield to Easton Bavents



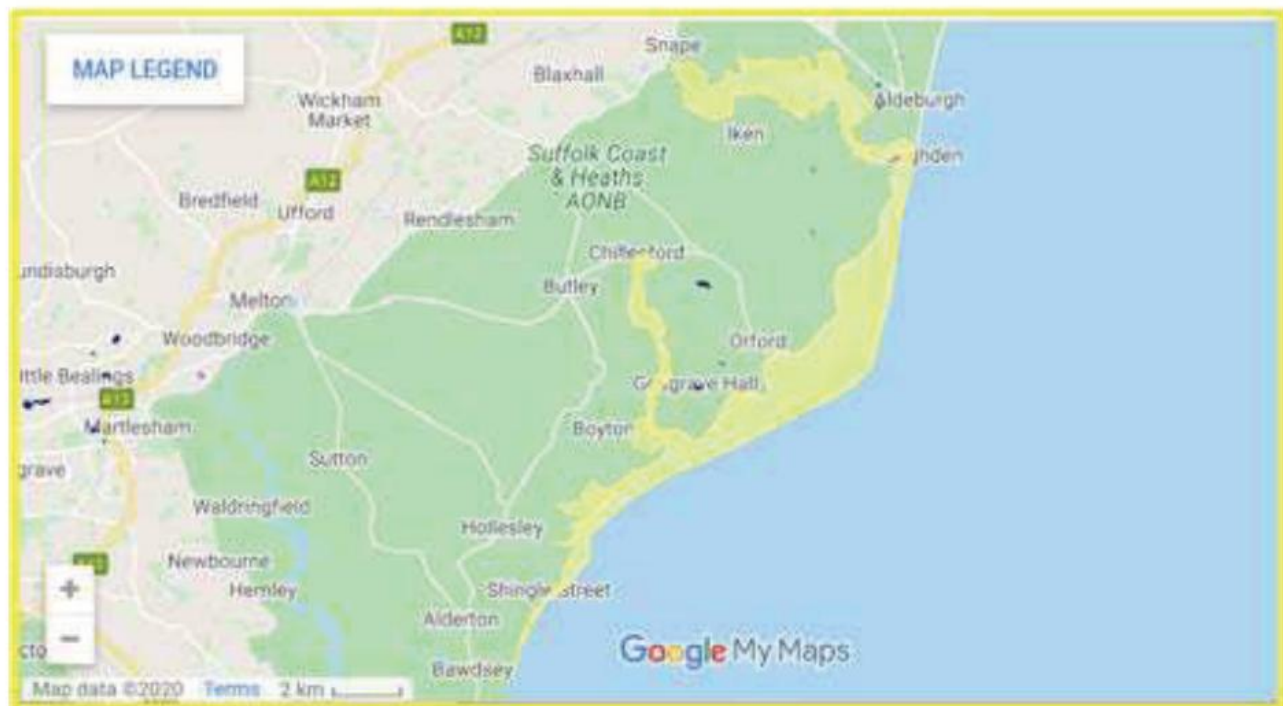
Nature Recovery Core Zone B: Minsmere to Walberswick Heaths and Marshes



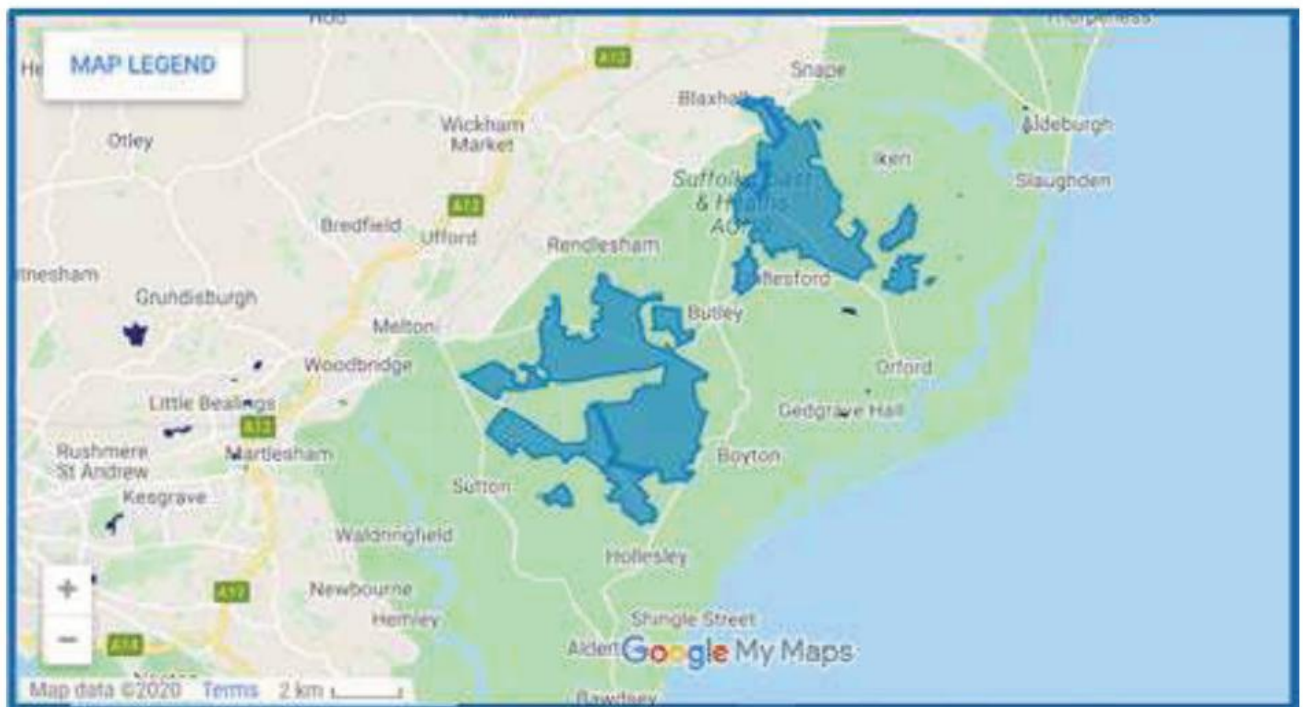
Nature Recovery Core Zone C: Leiston to Aldeburgh



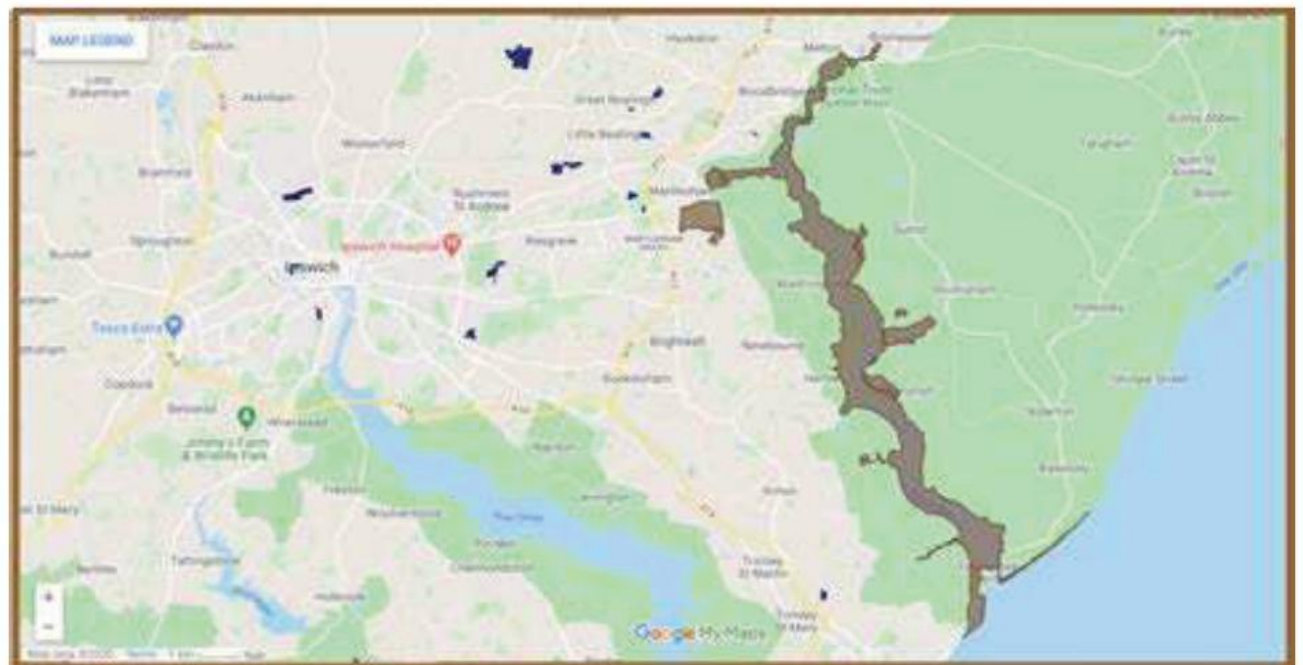
Nature Recovery Core Zone D: Alde – Ore Estuary



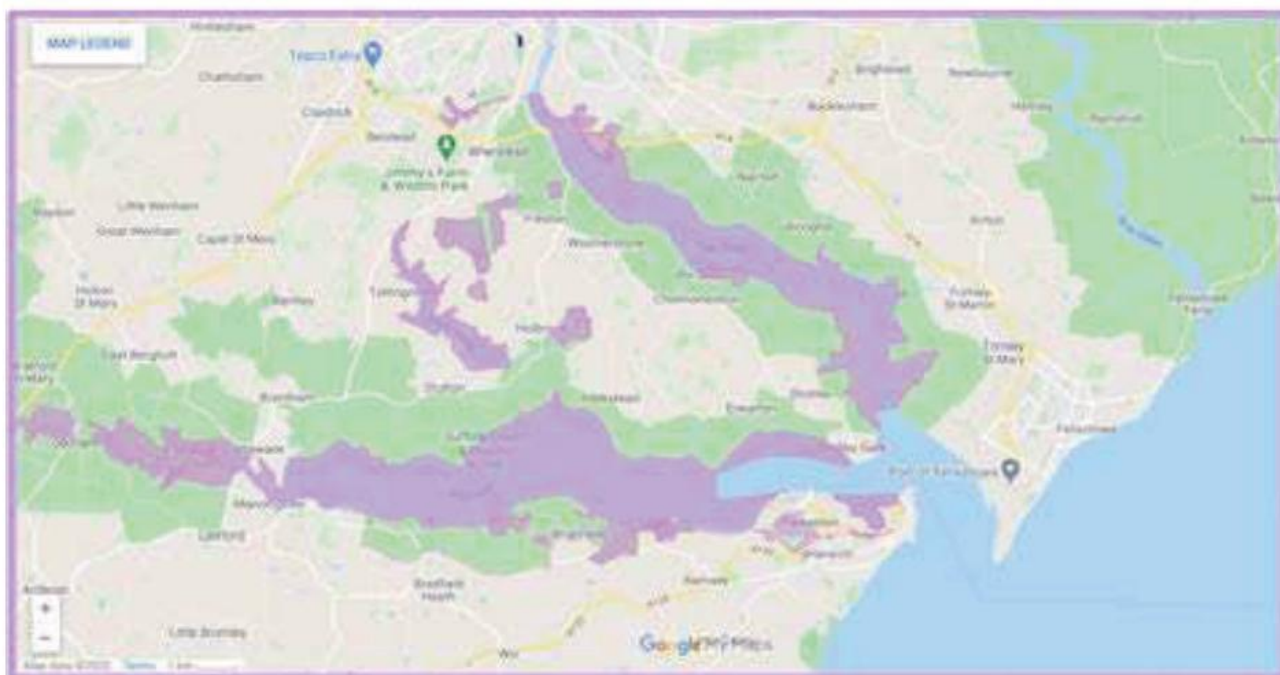
Nature Recovery Core Zone E: Sandlings Forest and Surrounding Areas



Nature Recovery Core Zone F: Deben Estuary and Surrounding Areas



**Nature Recovery Core Zone G:
Stour & Orwell Estuaries and Surrounding Areas**



**Appendix 2
Data**

1. AONB area (ha)

	Area (ha)
Suffolk Coast & Heaths AONB pre-2020 boundary review	40,556.91
Suffolk Coast & Heaths AONB area added in 2020 boundary review	3,792.82
Total Suffolk Coast & Heaths AONB Area	44,349.72

2. Landscape Character type (Source: SBIS)

Suffolk Landscape Character Assessment	Post-2020/1 extension boundary		Pre-2020/1 extension boundary		% change due to extension (using current data)
	Area (ha)	% of AONB	Area (ha)	% of AONB	
Ancient estate claylands	688.83	1.55	688.42	1.70	0.06
Ancient estate farmlands	1,181.38	2.66	769.22	1.90	53.58
Coastal Dunes shingle ridges	737.00	1.66	737.00	1.82	0.00
Coastal levels	7,192.81	16.22	7,191.43	17.73	0.02
Estate sandlands	15,878.20	35.80	15,878.20	39.15	0.00
Open coastal fens	489.58	1.10	489.58	1.21	0.00
Plateau claylands	0.84	0.00	0.84	0.00	0.00
Plateau estate farmlands	1,515.98	3.42	1,499.66	3.70	1.09
Plateau farmlands	194.70	0.44	31.32	0.08	521.74
Rolling estate farmlands	1,545.07	3.48	1,490.58	3.68	3.66
Rolling estate sandlands	6,119.24	13.80	6,119.24	15.09	0.00
Rolling valley farmlands	453.24	1.02	21.29	0.05	2,028.60
Rolling valley farmlands and furze	555.09	1.25	555.10	1.37	0.00
Saltmarsh & intertidal flats	2,913.49	6.57	2,024.45	4.99	43.92
Urban	287.47	0.65	287.47	0.71	0.00
Valley meadowlands	472.74	1.07	464.74	1.15	1.72
Valley meadows & fens	436.22	0.98	436.22	1.08	0.00
Wooded fens	303.85	0.69	303.85	0.75	0.00
TOTAL	40,965.72	92.37	38,988.61	96.13	5.07
Landscape Character Assessment of the Essex Coast					
Type name	Area (ha)	% of AONB			
Diverse Coastal Marshland	0.20	0.00			
River Terrace Farmland	554.21	1.25			
Rolling Clay Farmlands	77.38	0.17			
Unvegetated Foreshore	908.91	2.05			
Vale-Top Farmlands	63.03	0.14			
TOTAL	1,603.74	3.62			

For maps and descriptions of Landscape Character Types found in the AONB, refer to the documents in the Landscape Character Library at www.coastandheaths-NL.org.uk/managing/reference-library/landscape-character-library

3. Main habitats (Source: SBIS)

This dataset originates from Natural England’s Priority Habitat Inventory (PHI) v3.0 November 2022. The PHI is a spatial dataset that describes the geographic location and extent of 25 priority habitats in England. It maps most of the terrestrial semi-natural habitat types that were identified as being the most threatened and requiring conservation action under the UK Biodiversity Action Plan (UK BAP). Overlapping habitats where priority habitat definitions allow different priority habitats to coexist in the same place can now be included.

	Post-2020/1 extension boundary	Pre-2020/1 extension boundary		2018 Management Plan figures				
Main habitats	Area (ha)	% of AONB	Area (ha)	% of AONB	% change due to extension (using current data)	Area (ha) 2018	% of AONB 2018	% change due to extension and data since 2018
Coastal and floodplain grazing marsh	3,293.59	7.43	3,276.06	8.08	0.53	3,256.40	8.03	1.14
Coastal and floodplain grazing marsh, Coastal saltmarsh	14.34	0.03	14.34	0.04	0.00			
Coastal saltmarsh	1,142.65	2.58	1,055.44	2.60	8.26	1,045.98	2.58	9.24
Coastal saltmarsh, Saline lagoons	3.06	0.01	3.06	0.01	0.00			
Coastal sand dunes	33.38	0.08	33.38	0.08	0.00	35.60	0.09	-6.24
Coastal sand dunes, Coastal vegetated shingle	2.11	0.00	2.11	0.01	0.00			
Coastal vegetated shingle	580.33	1.31	580.33	1.43	0.00	568.40	1.4	2.10
Coastal vegetated shingle, Lowland heathland	0.03	0.00	0.03	0.00	0.00			
Coastal vegetated shingle, Saline lagoons	2.82	0.01	2.82	0.01	0.00			
Deciduous woodland	3,149.12	7.10	2,746.56	6.77	14.66	2,555.98	6.31	23.21

	Post-2020/1 extension boundary	Pre-2020/1 extension boundary		2018 Management Plan figures				
Main habitats	Area (ha)	% of AONB	Area (ha)	% of AONB	% change due to extension (using current data)	Area (ha) 2018	% of AONB 2018	% change due to extension and data since 2018
Deciduous	0.10	0.00	0.10	0.00	0.00			
Good quality semi improved grassland	219.63	0.50	205.15	0.51	7.06	211.13	0.52	4.03
Lowland dry acid grassland	419.05	0.94	405.65	1.00	3.30	400.57	0.99	4.61
Lowland dry acid grassland, Lowland heathland	3.16	0.01	3.16	0.01	0.00			
Lowland fens	159.65	0.36	159.24	0.39	0.26	159.37	0.39	0.18
Lowland heathland	1,376.94	3.10	1,376.94	3.40	0.00	1,295.27	3.2	6.31
Lowland	0.18	0.00	0.18	0.00	0.00			
Lowland meadows	14.31	0.03	14.31	0.04	0.00	14.11	0.03	1.41
Maritime cliff and slope	42.16	0.10	42.16	0.10	0.00	49.72	0.12	-15.21
Mudflats	2,863.54	6.46	1,599.07	3.94	79.07	1,595.85	3.94	79.44
No main habitat but additional habitats present	2,614.68	5.90	2,533.42	6.25	3.21	2,630.50	6.49	-0.60
Purple moor grass and rush pastures	3.73	0.01	3.73	0.01	0.00	2.91	0.01	28.14
Reedbeds	362.71	0.82	358.15	0.88	1.27	354.54	0.87	2.30
Reedbeds, Coastal saltmarsh	49.44	0.11	43.34	0.11	14.07			
Saline lagoons	119.58	0.27	119.58	0.29	0.00	73.54	0.18	62.60
Traditional orchard	9.89	0.02	4.86	0.01	103.44	3.61	0.01	173.93
TOTAL	16,480.18	37.16	14,583.17	35.96	13.01	14,253.48	35.16	15.62

4. Wildlife designation (Source: SBIS 2023)

Note: There is considerable overlap between these designated areas. Totals were calculated by merging all data-sets into one area of Wildlife Designations.

Wildlife Designation	Post-2020 boundary extension		Pre-2020 boundary extension		% change due to extension (using current data)	2018 Management Plan Figures		% change due to extension and data since 2018
	Area (ha)	% of AONB	Area (ha)	% of AONB		Area (ha) 2018	% of AONB 2018	
County Wildlife Sites (CWS) (Suffolk)	2,377.59	5.36	2,272.80	5.60	4.61	4,800	11.84	-50.47
Local Wildlife Sites (LWS) (Essex)	43.57	0.10						
CWS/LoWS combined	2,421.16	5.46	2,272.80	5.60	6.53	4,800	11.84	-49.56
Special Area of Conservation (SAC)	4,087.88	9.22	4,087.88	10.08	0.00	4,087	10.08	0.02
Special Protection Area (SPA)	13,071.56	29.47	11,039.38	27.22	18.41	10,467	25.82	24.88
Ramsar	8,780.58	19.80	6,748.40	16.64	30.11	6,748	16.65	30.12
Site of Special Scientific Interest (SSSI)	13,727.35	30.95	11,487.44	28.32	19.50	11,487	28.34	19.50
Total of merged boundaries	16,321.74	36.80	13,933.48	34.36	17.14	13,814	34.08	18.15

5. Condition of SSSIs (Source: SBIS using SSSI Units, Natural England 2023)

CONDITION	Post 2020 boundary extension			2018 Management Plan figures			% change due to boundary extension and data since 2018
	Area (ha)	% of AONB	% of SSSI	Area (ha) 2018	% of AONB 2018	% of SSSI 2018	
Favourable	6,780.70	15.29	49.39	4,682.00	11.55	40.76	44.82
Unfavourable Recovering	5,208.47	11.74	37.94	5,241.00	12.93	45.63	-0.62
Unfavourable No Change	743.27	1.68	5.41	603.00	1.49	5.25	23.26
Unfavourable Declining	988.50	2.23	7.20	952.00	2.35	8.29	3.83
Part Destroyed	5.34	0.01	0.04	5.00	0.01	0.05	6.76
Destroyed	3.38	0.01	0.02	3.00	0.01	0.03	12.58
TOTAL SSSI	13,729.66	30.96	100.00	11,487.00	28.34	100.00	19.52

6. Public and voluntary sector ownership of nature reserves and forests (Source: SBIS)

N.B. There is considerable overlap between these areas. Totals were calculated by combining all datasets into one area of Ownership.

Reserves/Forest	Post 2020 boundary extension			2018 Management Plan figures			% change due to extension and data since 2018
	Area (ha)	% of AONB	Number	Area (ha) 2018	% of AONB 2018	Number 2018	
Local Nature Reserves	76.38	0.17	3	49.00	0.12	2	55.87
National Nature Reserves	1,960.69	4.42	4	2,284.00	5.63	4	-14.16
Suffolk Wildlife Trust	923.27	2.08	16	1,471.00	3.63	21	-37.23
Essex Wildlife Trust *	43.25	0.10	2				
RSPB	2,443.33	5.51	6	2,106.00	5.19	6	16.02
National Trust	895.04	2.02	4	895.00	2.21	4	0.00
Forestry Commission woodland	2,946.41	6.64	14	2,948.00	7.27	15	-0.05
Total of merged boundaries	7,917.12	17.85		8,120.00	20.03		-2.50



7. Agricultural Survey of Suffolk Coast & Heaths AONB (Source: Defra)

	2016	2021
Total holdings	163	142
Farm types		
Cereal	15	9
General Cropping	68	57
Horticulture	≤5	5
Specialist Pigs	16	24
Specialist Poultry	≤5	≤5
Dairy	0	≤5
Grazing Livestock (lowland)	46	36
Mixed	9	5
Other	≤5	≤5
Farm Size in hectares		
≤5	19	27
≥5 and ≤20	40	20
≥20 and ≤50	29	26
≥50 and ≤100	22	17
≥100	53	52
Land Use (area hectares)		
Total area	23,422	23,604
Rented land	5,358	4,665
Owned land	19,980	20,787
Crops and bare fallow	12,757	13,036
Temporary grass	672	973
Permanent grass	4,684	4,768
Rough grazing (sole right)	633	623
Woodland	2,481	2,852
Other land	2,195	1,352
Labour (number of people)		
Farmers full-time	113	126
Farmers part-time	138	138
Salaried managers full-time	31	36
Salaried managers part-time	17	8
Employees full-time	177	183
Employees part-time	54	63
Casual workers	169	62
Total labour	699	616

8. Land in agri-environment schemes (Source: Defra)

2019 is the most recent available data, and therefore does not take account of the extended AONB.

	2018 Area (Ha)	Number of agreements	% of AONB land area	2019 Area (ha)	Number of agreements
		2018	2018		2019
Entry level stewardship	1534	14	3.78	64	2
Organic Entry level + higher-level stewardship	664	2	1.64	375	1
Higher level stewardship	1097	17	2.71	1184	18
Entry level + higher level stewardship	12,223	65	30.15	12,061	64
Countryside Stewardship	288	16	0.71	3107.87	31
Environmental Stewardship	5551.5		13.69		



9. Water abstraction (Source: Environment Agency)

Water abstraction licences, summary (comparison between September 2018 and March 2023)

Table 1.

Source type	Sept 2018		March 2023	
	Number of licences	Maximum annual authorised quantity (Megalitres)	Number of licences	Maximum annual authorised quantity (Megalitres)
Groundwater	71	4812.159	76	6006.749
Surface water	87	7282.949	96	8747.383
Total	158	12095.108	172	14754.132

*Information provided for the current version of live licences (March 2023)

*Maximum annual authorised quantity is the quantity that can be abstracted under an individual licence within the authorised period of abstraction specified by the licence.

*The authorised quantity shown does not reflect conditions which may restrict abstraction and/or any 'licence to licence' aggregate quantity conditions

* The Environment Agency does not licence all abstraction activity (e.g. the Agency does not licence abstraction up to 20m³ /day).

Table 2.

Primary purpose of abstracted water: groundwater	Number of licences	
	2018	2023
Agriculture	61	64
Amenity	1	1
Industrial, Commercial and Public Services	9	8
Water supply	5	9
Primary purpose of abstracted water: surface water	Number of licences	
Agriculture	83	92
Environmental	2	3
Industrial, Commercial and Public Services	2	1
Water supply	2	2

* Information provided for the current version of live licences (March 2023)

*If a licence authorises abstraction of water for more than one purpose category it has been included in the count for each category. This means the total number of licences in table 2 is greater than table 1.

* The Environment Agency does not licence all abstraction activity (e.g. the Agency does not licence abstraction up to 20m³ /day).

Please refer to Open Government Licence which explains the permitted use of this information.

10. Estuarine and River Water Framework Directive Overall Status (Source: Environment Agency)

Estuary	Total Area (km ²)	Classification item					
		Overall Water Body Status		Ecological Status		Chemical Status	
		2016	2019	2016	2019	2016	2019
Blyth	3	Moderate	Overall water body status not published in 2019 data	Moderate	Moderate	Good	Fail
Alde-Ore	11	Moderate		Moderate	Moderate	Good	Fail
Deben	8	Moderate		Moderate	Moderate	Good	Fail
Orwell	13	Moderate		Moderate	Moderate	Good	Fail
Stour	26	Moderate		Moderate	Moderate	Good	Fail

*2019 is the latest available data at time of 2023 AONB Management Plan Review

*Important note, for the 2019 assessment of chemical status EA have changed some methods and increased the evidence base. Due to these changes, all water bodies now fail chemical status and this assessment is not comparable to previous years assessments.

River	Total River Length	River Length in AONB (km)	WFD Overall Status		Ecological Status		Chemical Status	
			2016	2019	2016	2019	2016	2019
Lothingland Hundred	23	11	Moderate	WFD Overall Status not published in 2019 data	Moderate	Moderate	Good	Fail
Easton Broad	8	4	Moderate		Moderate	Moderate	Good	Fail
Wang	13	3	Moderate		Moderate	Moderate	Good	Fail
Blyth	6	2	Moderate		Moderate	Moderate	Good	Fail
Wenhaston Watercourse	7	1	Moderate		Moderate	Moderate	Good	Fail
Minsmere Old River	21	4	Moderate		Moderate	Moderate	Good	Fail
Leiston Beck	5	5	Moderate		Moderate	Moderate	Good	Fail
Hundred River	11	4	Moderate		Moderate	Moderate	Good	Fail
Butley	6	6	Good		Good	Good	Good	Fail
Tang	4	4	Poor		Poor	Poor	Good	Fail
Shottisham Mill River	5	5	Moderate		Moderate	Moderate	Good	Fail
Black Ditch Hollesley	4	4	Moderate		Moderate	Moderate	Good	Fail
Sutton Brook	15	8	-		-	Poor	-	Fail
Wrabness Brook	7	3	-		-	Good	-	Fail
Ramsey River	14	14	-		-	Moderate	-	Fail

The above refers to the Water Framework Directive classification of the rivers and estuaries in the Suffolk Coast & Heaths AONB. The Water Framework Directive requires the Environment Agency to consider a broad range of environmental quality elements in each water body and to assign these with a status. The classification categories are high, good, moderate, poor and bad with overall ecological status being determined by the worst scoring element. Full details of the classifications and the environmental factors monitored by the Environment Agency can be found at <http://environment.data.gov.uk/catchment-planning/>

11. Public rights of way, open access (Source: Suffolk County Council and Essex County Council)

	2018		2023	
	km	% of total	km	% of total
Footpaths	496.45	74.73	520.66	74.32
Bridleways	106.69	16.06	113.32	16.18
Restricted Byways	28.80	4.34	33.90	4.84
Byways	32.36	4.87	32.66	4.66
Total	664.30		700.54	

Open Access Land		
	Area (ha)	% of AONB
2012 (note data was absent in 2018)	4311	10.68
2023	4190	9.45

12. Economic impact of tourism (Source: Destination Research)

	% change						
	2017	2019	2020	2021	Pre-pandemic levels 2021 v 2019	Year on year comparison 2021 v 2020	Comparison with last Management Plan data 2021 v 2017
Day trips							
Day trips Volume	3,860,768	4,347,000	2,142,000	3,320,000	-24%	55%	-14%
Day trips Value	£84,496,075	£95,357,000	£45,810,000	£70,972,000	-26%	55%	-16%
Overnight trips							
Number of overnight trips	306,600	322,800	154,000	220,000	-32%	43%	-28%
Number of nights	1,267,000	1,366,000	673,000	915,000	-33%	36%	-28%
Overnight trip value	£78,933,000	£82,327,000	£38,403,000	£55,753,000	-32%	45%	-29%
Total Value	£210,068,409	£228,351,595	£119,770,477	£167,763,204	-27%	40%	-20%
Actual Jobs	4,655	5,056	3,807	3,997	-21%	5%	-14%

13. Heritage assets

Historic England Statutory Figures (Source: Historic England)

	2018	2022
Listed Buildings Grade 1, 2 & 2*	676	713
Scheduled Monuments	40	43
Registered Parks & Gardens	2	2

14. Heritage at risk (Source: Historic England)

	2017	2021	% of total heritage assets at risk by category 2021
Listed Buildings at risk	2	3	0.4%
Places of worship at risk	1	3	Not available
Scheduled monuments at risk	7	7	16.3%
Registered Parks & Gardens at risk	1	1	50%

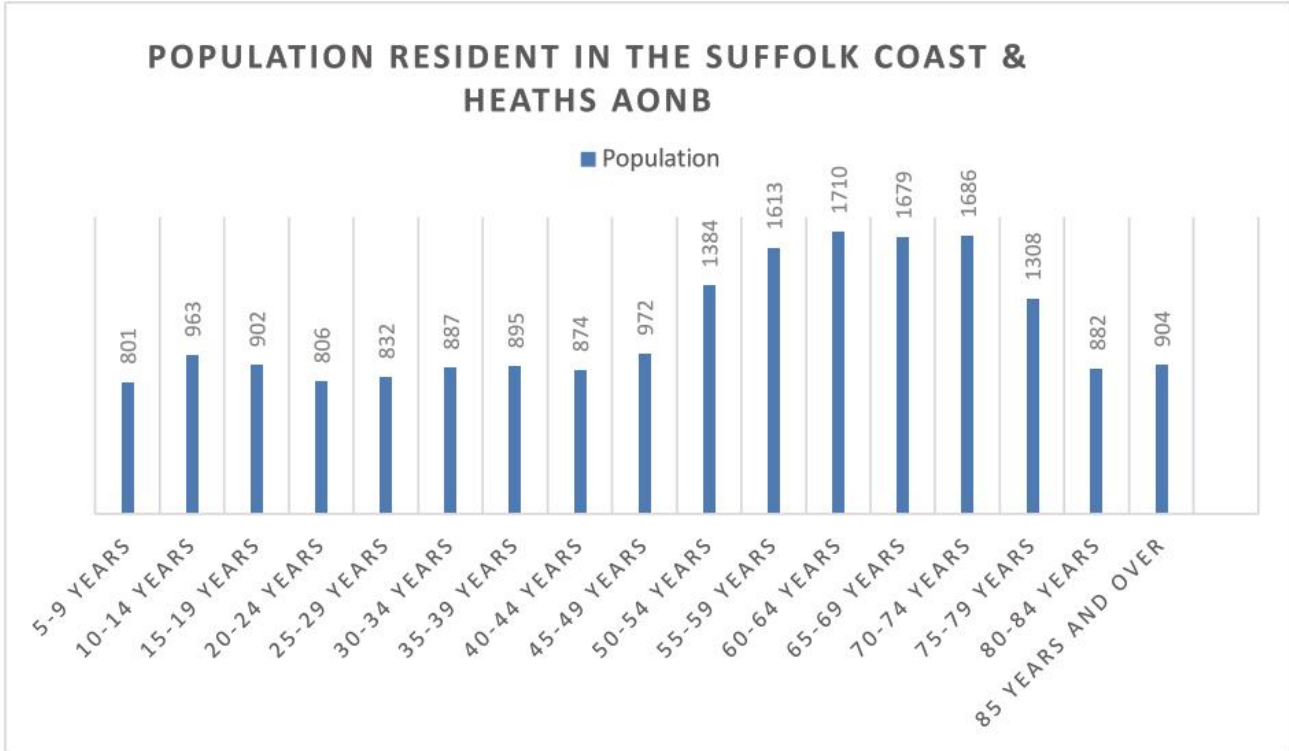
15. County GeoSites (Source: SBIS)

Further information available at www.geosuffolk.co.uk and www.geoessex.org.uk/tending

	2018			2023			
	Area (ha)	% of AONB	Number	Area (ha)	% of AONB	Number	% change due to extension of AONB and data changes since 2018
Suffolk Geodiversity Sites	21	0.05	17	27.82	0.06	17	32.48
Essex Local Geological Sites	-	-	-	7.43	0.02	1	-
Total	21	0.05	17	32.25	0.08	18	67.86

16. Population resident in the Suffolk Coast & Heaths AONB
 (Source Office for National Statistics, Estimates for census 2021).

Total population 19,788. Chart below shows population by age group.



Supporting Maps:

These maps were produced by the University of East Anglia in 2021 for a commission on behalf of the Suffolk Coast & Heaths Partnership as part of a guide to the natural assets of the AONB.



Appendix 3

Nationally Significant Infrastructure Projects impacting the AONB:

The AONB is subject to several proposals and planning approvals for Nationally Significant Infrastructure Projects that will have an impact on the AONB

As of November 2022, these nationally Significant Infrastructure Projects impacting the AONB included:

• Sizewell C (New nuclear)	Development Consent achieved
• East Anglia ONE (Offshore wind)	Operational
• East Anglia ONE North (Offshore wind)	Development Consent achieved
• East Anglia TWO (Offshore wind)	Development Consent achieved
• East Anglia THREE (Offshore wind)	Development Consent achieved
• Greater Gabbard (Offshore wind)	Operational
• Galloper (Offshore wind)	Operational
• Five Estuaries (Offshore wind)	Proposed
• North Falls (Offshore wind)	Proposed
• SeaLink (Electricity connection)	Proposed
• Nautilus (Electricity connection)	Proposed
• LionLink (Electricity connection)	Proposed

These projects will have a variety of impacts on the AONB. Impacts will be felt across all of the designating qualities: Landscape quality, Scenic quality, Relative wildness, Relative tranquillity, Natural heritage features and Cultural heritage.

Construction, operation and decommissioning periods for the Nationally Significant Infrastructure Projects vary but will be measured in years. There will be cumulative impacts on the AONB from the multiple Nationally Significant Infrastructure Projects as construction, operational and decommissioning phases will overlap.

Promoters of schemes currently proposed, consented, in construction or operational have acknowledged impacts on the nationally designated AONB. National Policy Statements, Local Plans, Policy and Guidance seek to ensure that impacts on the AONB are avoided, minimised, mitigated for and compensated for.

The AONB Partnership provide advice on how to reduce negative impacts on the AONB by engaging in consultation and planning processes. The Partnership is well placed to advise on the best use of any compensation and mitigation funds provided to offset impacts on the AONB.



Appendix 4

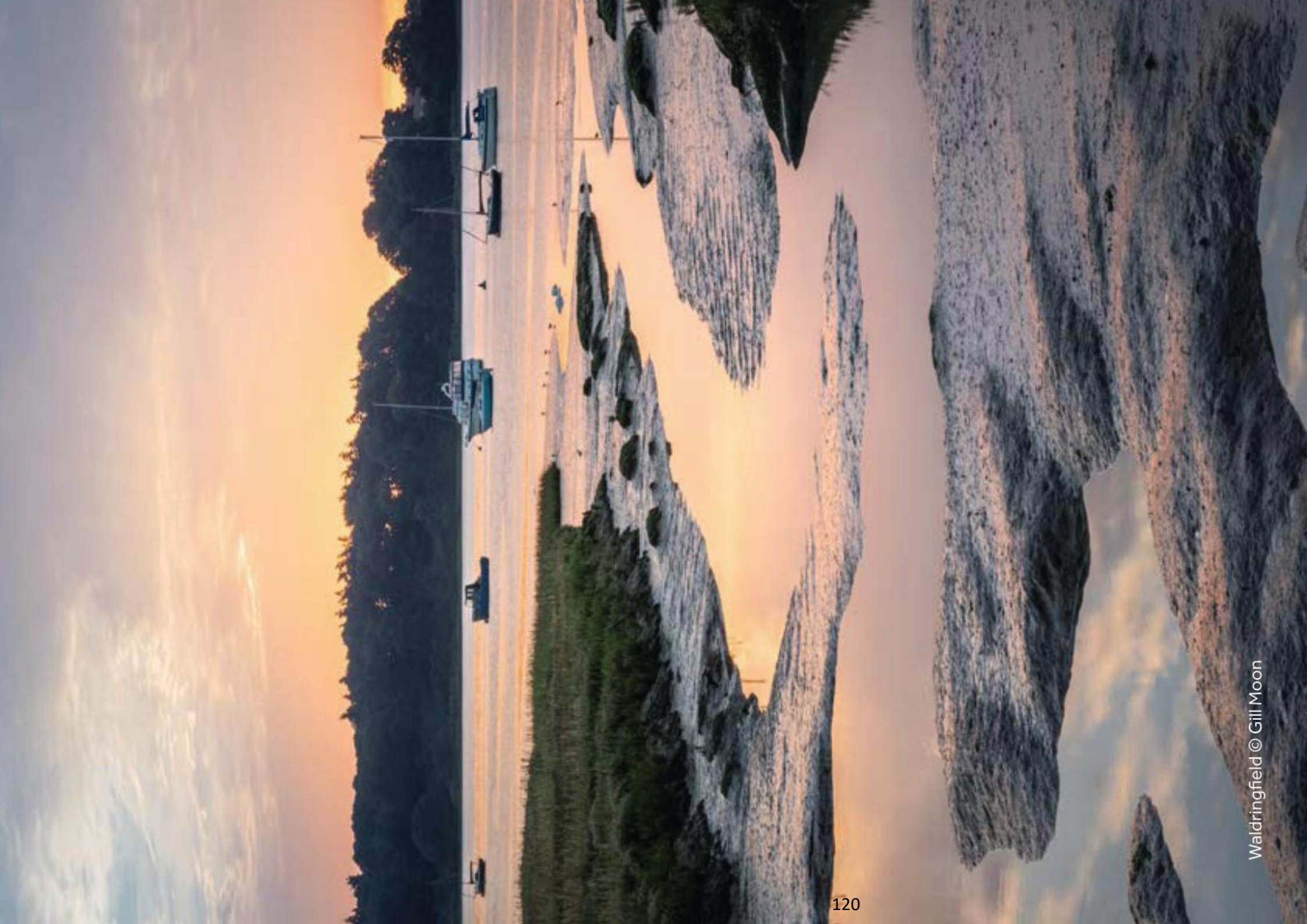
Partnership members as of September 2023:

- Babergh District Council
- Community Action Suffolk
- Country Land and Business Association (CLA)
- The Crown Estate
- East Suffolk Council
- Environment Agency
- Essex County Council
- Essex and Suffolk Rivers Trust
- Forestry England
- Historic England
- Ipswich Borough Council
- Marine Management Organisation (MMO)
- National Farmers' Union (NFU)
- National Trust
- Natural England
- RSPB
- Suffolk Association of Local Councils (SALC)
- Suffolk Coast Acting for Resilience (SCAR)
- The Suffolk Coast Ltd
- Suffolk County Council
- Suffolk Farming & Wildlife Advisory Group
- Suffolk Preservation Society
- Suffolk Wildlife Trust
- Tendring District Council
- WildEast



Ambling African Women at Snape © Ben Heather





Equality Impact Assessment (EIA) Screening

An EIA helps to demonstrate how the Council meets its statutory Public Sector Equality Duty. It requires us to pay “due regard” to the impact of our decisions on people with protected characteristics in setting and implementing policies or developing services.

The law does not mean that no changes can be made, even if they have a negative effect on people. However, we must demonstrate that we have considered the impact that could happen and what steps we have put in place to mitigate against any negative impacts. We can also use an EIA screening as an opportunity to enhance positive impacts.

Please refer to the guidance on MySCC to help you complete this EIA Screening or speak to a member of the EIA Review Group.

Before this EIA screening is completed, please:

- ensure that you have used the latest EIA screening template on [MySCC](#);
- attend an EIA training session, dates on [MySCC](#);
- consider who is affected by the proposed changes to the service or policy and their protected characteristics, for example, the public and staff;
- consider including some input about the change from those affected by the proposed changes before completion of the EIA. i.e. undertake some co-production with people who will or may be affected by the proposed changes;
- make sure the EIA screening will be considered as part of the decision making process to help demonstrate how the Council meets its statutory Public Sector Equality Duty, i.e. the EIA is finalised and published before decisions are made;
- ensure that the EIA is written in plain English and content is appropriate as it will be published on the Suffolk County Council website. Please do not use any abbreviations and acronyms without explaining them;
- use links to websites, if necessary, for any supporting documents as the EIA will be converted into a pdf and published on its own so no embedded attachments will be visible;
- check that the EIA screening is accessible particularly if tables are included. Once you have completed the template, check the accessibility of the document by clicking on the ‘Review’ tab and then clicking on ‘Check Accessibility’;
- understand that this template includes terminology used in the Equality Act 2010. We appreciate that not everyone is comfortable with the term gender reassignment, but it has been used in this template as we need to reflect what the legislation says. The guidance in that section reflects the spectrum of people who are transgender, non-binary or gender non-conforming who should be considered when completing the EIA.
- consider how you might be able to use the EIA process to increase our understanding of those with protected characteristics in order to improve our decision making in the future. Can this be an opportunity to gather more information and data on people with protected characteristics and understand more about their lived experiences and the impacts that changes to SCC policies, procedures and services may have on them?
- consider planning in a feedback process so that you can determine how accurately the EIA predicted impacts on those with protected characteristics so that you can improve your EIAs in the future.

Name of the proposed service or policy change	Suffolk Coast and Heaths Area of Outstanding Natural Beauty (AONB) Management Plan 2023-28
Lead officer responsible for the policy or service	Simon Amstutz, AONB Manager
Officers carrying out the EIA screening (at least one must have done EIA training, it is recommended that an officer responsible for the policy or service is involved in the screening)	Simon Amstutz, AONB Manager Claire Cadman, AONB Officer
Is this a new EIA or a revision to a previous one? (If revision, please provide date of previous EIA)	New
Date this EIA screening was completed	21 June 2023

Part A: Background

1. What is the proposed change?

Briefly describe (max. 250 words) the service/policy and the changes that are being proposed:

An updated management plan for the period 2023-2028 for the Suffolk Coast and Heaths Area of Outstanding Natural Beauty (AONB).

2. Why are these changes being proposed?

Briefly describe (max. 250 words) the reasons for making these changes:

Local authorities with part of an AONB within their jurisdictions are required to prepare a management plan for the area and review it every five years. The plan should form the policy for the nationally designated landscape. See [Countryside and Rights of Way Act \(2000\)](#) section 89.

3. What will the effect of the changes be?

Describe what difference the changes will make on people, communities, localities etc.:

To ensure that the local authorities that have part of the Suffolk Coast and Heaths AONB within their jurisdiction meet their requirements. People will experience a continuation of the delivery of AONB purpose, to conserve and enhance natural beauty.

4. Has co-production been used to help formulate the proposed changes?

(i.e. have you involved people with lived experience of the protected characteristics in the development of your proposed service/policy change etc? For example, you might talk to

current, recent or potential service users, SCC Staff Networks, Suffolk Parent Carer Forum, Healthwatch.) If so, please provide brief details:

The plan has been drafted by officers before consultation on the draft with the AONB Partnership (made up of six local authorities and organisations representing the farming, tourism, environmental sectors and government agencies including the Environment Agency, Natural England and Forestry England.

Following revisions made following that consultation, a 3-month public consultation is undertaken. This consultation was publicised through AONB networks Parish Councils in the designated area, social media posts, eNewsletters, at events and via the AONB website.

5. Who (job role or group) will make the decision about whether the proposed changes will be implemented, and when will this happen?

(Please note: this must be after the EIA screening has been published so that the impact on people from each of the Protected Characteristics identified in the EIA is considered as part of the decision making process). Please provide details:

The Suffolk Coast and Heaths AONB management plan 2023-28 will require endorsement from the local authorities that have part of the nationally designated landscape within their jurisdiction. These are:

- Suffolk County Council
- Essex County Council
- Tendring District Council
- Babergh District Council
- East Suffolk Council
- Ipswich Borough Council

Further endorsement will be sought from other Partnership members including:

- Natural England
 - Environment Agency
 - Suffolk Coast Limited
 - RSPB
 - The Suffolk Wildlife Trust
 - The Suffolk Association of Local Councils
 - The National Trust
 - The Suffolk Preservation Society
 - The Essex Wildlife Trust
 - The Crown Estate
 - The National Farmers' Union
 - Country Land and Business Association
-

6. How will the proposed change be implemented?

Briefly describe the timescales and process for implementation:

The local authorities that are required to endorse the plan, undertake this in different ways, including:

Cabinet sign off
Environment Portfolio Holder Sign off
Senior Officer sign off

7. When is it due to start?

(Planned start of new/revised policy/service). Please provide details:

The revised Suffolk Coast and Heaths AONB management Plan 2023-2028 will need to be endorsed by 31 December 2023.

8. Any other relevant details

Additional information that will help to explain your plans; may be left blank:

9. Current service users

What do you know about your current service users by protected characteristics (where this data is available)?

- If it is not currently available state any plans to collect more information so that you are able to use it in future when it is relevant to do so

Please describe below:

No data available as data not cut to the Suffolk Coast and Heaths AONB boundary. The AONB is not sufficiently resourced to collect such data.

10. Potential service users and the community

What do you know about your potential service users and the wider community by protected characteristics (where this data is available)?

- Who will use the service or be subject to the policy after the change?
- Provide a brief overview of quantitative data (numbers) used and any research undertaken, including customer surveys and focus groups, plus links to reports, local or national data that you have used.

- The [Suffolk Observatory](#) has a prepared EIA profile available at a variety of geographical levels if required.

Please describe below:

The data is not available for the Suffolk Coast and Heaths AONB geography. Access to the nationally designated landscape is equal to all members of society, albeit some publicly accessible areas are not accessible for those with access needs.

Part B: Impact on people with protected characteristics

Implications for communities/service users/customers impacted by the proposed changes and workforce/staff, where they may be impacted by the proposed changes:

Describe how your plans will specifically affect (or not) people from each of the protected characteristics within the boxes below.

- Any positive or negative impact not specific to any of the protected characteristics should be covered above in answer to the “What will the effect of the changes be?” section (Question 3 above).
- If both service users and staff will be affected, please ensure the impacts on each are listed separately in each box.
- It is possible to have both a positive and negative impact.

1. Disability:

What is the impact of the proposed service or policy on people with <u>any</u> disability and what evidence do you have?			
<ul style="list-style-type: none"> • If you do not believe there is any impact briefly describe why not. 			
Funds secured from the Department for Environment Food and Rural Affairs (Defra) for access enhancements, Farming in Protected Landscapes grants (that includes an access element) and engagement with underrepresented groups, that may include those with a disability.			
Please select whether there is a positive or negative impact			
<ul style="list-style-type: none"> • If there is no expected impact, select N/A. • It is possible to have both a positive and negative impact. 			
Positive impact <input checked="" type="checkbox"/>	Negative impact <input type="checkbox"/>	N/A <input type="checkbox"/>	
If there will be a positive or negative impact, please describe what this will look like			
Minor positive. The AONB team seek to increase access to the nationally designated landscape where possible by securing external funds to deliver physical improvements and encouraging those with protected characteristics to access the AONB through the work of the staff teams Access for All officer. Grants received from Defra have required the AONB team to provide feedback on the impact of the grant given.			
Do you expect the extent of the impact to be low, medium or high?			
<ul style="list-style-type: none"> • If you expect no impact, put N/A. 			
Low impact <input checked="" type="checkbox"/>	Medium impact <input type="checkbox"/>	High impact <input type="checkbox"/>	N/A <input type="checkbox"/>

What could be done to mitigate any negative impact or further promote positive impact?

- If you expect no impact, put N/A.

Increased resources to understand any negative impacts relating to disability and for putting in measures to address any inequalities. Additional resources would enable the AONB Partnership to undertake monitoring by questionnaires and other survey to access the effectiveness of the work

2. Age:

What is the impact of the proposed service or policy on people due to their age and what evidence do you have?

- If you do not believe there is any impact briefly describe why not.

Funds secured from Defra for access enhancements, Farming in Protected Landscapes grants (that includes an access element) and engagement with underrepresented groups. The AONB team's Landscape for All officer will develop projects to engage more people of differing ages. The AONB team targets young people through its programme of 'youth Rangers' and older people via its own grants to the BeachBonkers programme that visits people in residential care. Regular volunteer groups regularly attract retired people although the AONB team does not collect information relating to explicit age. The AONB team and many of its partners work with education groups to help facilitate forest schools and environmental education via funding partners through its own grants schemes. The AONB funded a programme of parents with prams self guided trails.

Please select whether there is a positive or negative impact

- If there is no expected impact, select N/A.
- It is possible to have both a positive and negative impact.

Positive impact

Negative impact

N/A

If there will be a positive or negative impact, please describe what this will look like

More accessible routes and information about the AONB. The AONB team seek to increase access to the nationally designated landscape where possible by securing external funds to deliver physical improvements and encouraging those with protected characteristics to access the AONB through the work of the staff teams Access for All officer.

Do you expect the extent of the impact to be low, medium or high?

- If you expect no impact, put N/A.

Low impact

Medium impact

High impact

N/A

What could be done to mitigate any negative impact or further promote positive impact?

- If you expect no impact, put N/A.

Increased resources to understand any negative impacts relating to age and for putting in measures to address any inequalities.

3. Sex (gender):

What is the impact of the proposed service or policy on people due to their sex (gender) and what evidence do you have?

<ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
<p>There is no differential impact on people due to their sex. The AONB team does not have any evidence to suggest that women and men access the countryside in different ways, although there is some anecdotal evidence that some women do feel more vulnerable in the countryside, including the AONBs.</p>
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
N/A
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
N/A

4. Gender reassignment:

What is the impact of the proposed service or policy on people who are transgender, non-binary or gender non-conforming and what evidence do you have? <ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
<p>There is no differential impact on people who are transgender, non-binary or gender non-conforming.</p>
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
N/A
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
N/A

5. Sexual orientation:

What is the impact of the proposed service or policy on people due to their sexual orientation and what evidence do you have? <ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
There is no differential impact on people due to their sexual orientation.
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
N/A
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
N/A

6. Race:

What is the impact of the proposed service or policy on people due to their race and what evidence do you have? <ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
There is no differential impact on people due to their race. AONB teams Landscape for All officer will develop projects to engage more people from minority ethnic groups.
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
N/A
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
N/A

7. Religion or belief:

What is the impact of the proposed service or policy on people due to their religion or belief and what evidence do you have? <ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
There is no differential impact on people due to their religion. AONB teams Landscape for All officer will develop projects to engage more people with a religion or belief.
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
N/A
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
N/A

8. Marriage/civil partnership:

What is the impact of the proposed service or policy on people who are married or in a civil partnership and what evidence do you have? <ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
There is no differential impact on people who are married or in a civil partnership.
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
N/A
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
N/A

9. Pregnancy/maternity:

What is the impact of the proposed service or policy on people who are pregnant or those with a young child and what evidence do you have? <ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
There is no differential impact on people who are pregnant or those with a young child. The AONB team and its partners work on projects to improve accessibility for people who are pregnant or with a young child. This includes improving path surfaces and using more accessible venues.
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
N/A
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Increased resources to understand any negative impacts relating to pregnancy/maternity and for putting in measures to address any inequalities.

Part C: Assessment of additional impacts relating to rurality and socio-economic disadvantage

In addition to the protected characteristics above, you should consider the impact of living in a rural area as part of this assessment, as well as how a proposed service or policy change might impact on people experiencing socio-economic disadvantage.

These are not characteristics protected by law, but SCC has determined that it is good practice to consider carefully how they may affect people's experience of a policy or service.

1. Rurality:

The Rural-Urban definition (DEFRA) introduced in 2004, defines urban areas as settlements of over 10,000 people. Other settlements are defined as one of three rural types: town and fringe, village or hamlet, and dispersed.
What is the impact of the proposed service or policy on people who live in an urban or rural area and what evidence do you have? <ul style="list-style-type: none"> If you do not believe there is any impact briefly describe why not.
The Suffolk Coast and Heaths AONB management plan 2023-2028 should have a positive impact on those living and visiting the rural area. The nationally designated landscape is a

<p>rural area and this management plan delivers the AONB purpose on conserving and enhancing natural beauty that has environmental, economic and social benefits.</p> <ul style="list-style-type: none"> • Securing inward investment to deliver AONB purpose, for example grants from Defra, Ofgem and others. • Awarding grants through the AONB programmes such as Sustainable Development Fund, Access and Amenity Fund, Community Conservation Fund and Galloper Wind Farm Fund. • Enhancing access to the area. • Supporting sustainable businesses • Delivering a Landscapes for All programme
<p>Please select whether there is a positive or negative impact</p> <ul style="list-style-type: none"> • If there is no expected impact, select N/A. • It is possible to have both a positive and negative impact.
<p>Positive impact <input checked="" type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input type="checkbox"/></p>
<p>If there will be a positive or negative impact, please describe what this will look like</p> <p>Projects to enhance access to all sections of our communities including all protected characteristics, sustainable businesses and the environment.</p>
<p>Do you expect the extent of the impact to be low, medium or high?</p> <ul style="list-style-type: none"> • If you expect no impact, put N/A.
<p>Low impact <input checked="" type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input type="checkbox"/></p>
<p>What could be done to mitigate any negative impact or further promote positive impact?</p> <ul style="list-style-type: none"> • If you expect no impact, put N/A.
<p>Increased resources to deliver more.</p>

2. Socio-economic disadvantage:

<p>To enable SCC to tackle poverty in Suffolk it is important that due consideration is given to socio-economic disadvantage when considering changes to services, developing new services, procuring services etc. For instance, complicated or time-consuming application processes can have a negative impact on take-up from people in poor socio-economic situations. In terms of access there can often be barriers to accessing services that are very specific to people in socio-economic disadvantage which if thought through and overcome can ensure greater take-up.</p>
<p>What is the impact of the proposed service or policy on people due to socio-economic disadvantage and what evidence do you have?</p> <ul style="list-style-type: none"> • If you do not believe there is any impact briefly describe why not.
<p>The aspiration is to improve conditions for those that are at a socio-economic disadvantage. Programmes designed to support those from a socio-economic disadvantage by enhancing access, improving the environment, supporting sustainable businesses are undertaken but evidence not available to assess merits of the projects due to lack of resources to undertake the required assessments. Funds have been provided by AONB grants to support economic activity, bids are made to recruit apprentices from groups that are currently underrepresented in the industry (New to Nature project), and</p>

grants made available to charitable organisations to enhance their offer or provide supported places at events.
Please select whether there is a positive or negative impact <ul style="list-style-type: none"> If there is no expected impact, select N/A. It is possible to have both a positive and negative impact.
Positive impact <input checked="" type="checkbox"/> Negative impact <input type="checkbox"/> N/A <input type="checkbox"/>
If there will be a positive or negative impact, please describe what this will look like
Greater employment opportunities (from delivering grant activity and improving viability of sustainable business activity).
Do you expect the extent of the impact to be low, medium or high? <ul style="list-style-type: none"> If you expect no impact, put N/A.
Low impact <input checked="" type="checkbox"/> Medium impact <input type="checkbox"/> High impact <input type="checkbox"/> N/A <input type="checkbox"/>
What could be done to mitigate any negative impact or further promote positive impact? <ul style="list-style-type: none"> If you expect no impact, put N/A.
More resources to deliver and assess project activity. The AONB team has secured a grant to enable people with socio economic disadvantage to visit the nationally designated landscape.

Part D: Recommendation to EIA Review Group

In your opinion, should a full EIA* be carried out for this policy or service change?

Yes No

Briefly give your reasoning for this:

The majority of equality impacts identified are either no differential impact or positive.

- Much of the AONB is in private ownership so assessing public good from benefits accruing from delivering statutory purpose (to conserve and enhance natural beauty) is complex.
- Delivery of AONB purpose as reflected in the management plan 2023-2028 is designed to ensure discrimination is avoided and that the AONB encourages people from all protected characteristics to access and enjoy the AONB

*A full EIA involves consultation with all stakeholders, which may include actual and potential service users, community groups, staff and managers, partner agencies and trade unions. For guidance contact the Equality, Diversity and Inclusion Lead EIA.mailbox@suffolk.gov.uk.

Coast & Heaths Area of Outstanding Natural Beauty
Management Plan 2023-28

Habitats Regulations Assessment Screening Report

September 2023



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Place Services is a leading public sector provider of integrated environmental assessment, planning, design and management services. Our combination of specialist skills and experience means that we are uniquely qualified to help public organisations meet the requirements of the planning process, create practical design solutions and deliver environmental stewardship.

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Glossary of Acronyms

AA	Appropriate Assessment
AEOI	Avoid Adverse Effect On site Integrity
DC	District Council
EA	Environment Agency
EC	European Commission
EU	European Union
Ha	Hectare
HRA	Habitats Regulations Assessment
IRZ	Impact Risk Zones (for SSSIs)
Km	Kilometre
LPA	Local Planning Authority
NE	Natural England
NPPF	National Planning Policy Framework
PRoW	Public Right of Way
RAMS	Recreational Disturbance Avoidance and Mitigation Strategy
RIS	Ramsar Information Sheet
SAC	Special Area of Conservation
SPA	Special Protection Area
SSSI	Site of Specific Scientific Interest
ZOI	Zone of Influence



1. Introduction

1.1 The Purpose of This Report

- 1.1.1 The Conservation of Habitats and Species Regulations 2017 (as amended) require the Competent Authority (in this instance Suffolk County Council) to undertake a Habitats Regulation Assessment (HRA) before making a decision about permission for any plan or project that may result in an adverse effect on the site integrity of a Habitats site¹ as defined in the National Planning Policy Framework (NPPF, 2021).
- 1.1.2 Therefore, this report has been provided to determine whether the Management objectives and policies of the Coast & Heaths Area of Outstanding Natural Beauty: Management Plan 2023-28 (“The Plan”) will result in an adverse effect on the site integrity Regulation 63 of the Conservation of Habitats and Species Regulations 2017 (as amended).
- 1.1.3 This report therefore provides a (plan level) Stage 1 HRA Screening, as required by Regulation 63 of The Conservation of Habitats and Species Regulations 2017 (as amended). A Stage 2 Appropriate Assessment would be undertaken if any of the objectives and policies of The Plan require mitigation to avoid adverse effects on site integrity (AEOI).
- 1.1.4 For the purposes of HRA, Suffolk County Council (acting on behalf of the AONB as well as a member of The Partnership) is considered to be the Competent Authority for assessing this Management Plan and consulting with Natural England on its conclusion.

1.2 Coast & Heaths AONB Summary

- 1.2.1 The Coast & Heaths AONB (AONB) covers an area of around 170 square miles (441 square kilometres) stretching from Kessingland, near Lowestoft, in the north, to Parkeston near Harwich on the southern shore of the Stour Estuary to the south. To the east the boundary is formed by the North Sea and the western boundary is largely to the east of the A12 and encompasses Suffolk’s estuaries.

¹ Habitats site: Any site which would be included within the definition at regulation 8 of the Conservation of Habitats and Species Regulations 2017 (as amended) for the purpose of those regulations and those listed in paragraph 181 of the NPPF (2021). This includes potential Special Protection Areas and possible Special Areas of Conservation; listed or proposed Ramsar sites; and sites identified, or required, as compensatory measures for adverse effects on Habitats sites, potential Special Protection Areas, possible Special Areas of Conservation, and listed or proposed Ramsar sites.



- 1.2.2 The character of the AONB is a product of the underlying geology and its associated natural habitats. It is shaped by the effects of the sea and the interaction with people and the landscape. It is a gently rolling landscape, with the estuaries a common and dominant feature. Where the land does rise, commanding views across the landscape are rewarding.

1.3 Coast & Heaths AONB Management Plan 2023-28

- 1.3.1 For the nationally designated AONB, section 85 of the Countryside and Rights of Way Act 2000 places a duty on all relevant authorities to:

“have regard to the purpose of conserving and enhancing the natural beauty of an AONB when exercising or performing any function in relation to or so as to affect an AONB.

The section 85 Duty of Regard applies to all functions, not just those relating to planning and is applicable whether a function is statutory or permissive.

It is applicable to land outside as well as within an AONB, where an activity may have an impact on an AONB. The requirement is to ‘conserve and enhance’ and both aspects are required to be addressed.

In relation to planning, the Duty of Regard applies in respect of both plan making and decision taking, including deciding what weight to apply to different planning matters, considering whether planning conditions are necessary and also when considering planning enforcement action. It is good practice for a local planning authority to consider the Duty of Regard at several points [For example a reference of how AONB purposes have been considered in a planning officers report] in the decision making process and to provide written evidence that regard has been had. I am suggesting this for clarity and to assist LPAs ensure they meet the Duty.”

- 1.3.2 Therefore, the management plan provides a framework for statutory bodies to meet that duty. For the Coast and Heaths project area, the management plan and the policies it contains, provides a framework for meeting the aspiration to conserve and enhance its natural beauty and special qualities.
- 1.3.3 The management plan is set in the context of national and local policy and strategy. The primary purpose of the AONB designation is to conserve and enhance natural beauty with secondary purposes to meet the needs of recreation, safeguarding agriculture, forestry, other rural industries and of the economic and social needs of local communities.



2. Legislative Background

2.1 Habitats Regulations Assessment (HRA)

- 2.1.1 Under the provisions of the Conservation of Habitats and Species Regulations 2017 (as amended), a competent authority must carry out an assessment of whether a plan or project will significantly affect the integrity of any Habitats Site, in terms of impacting the site's conservation objectives.
- 2.1.2 The first stage of HRA is the screening assessment of the impacts of a land use proposal against the conservation objectives of Habitats sites. Specifically, it is to ascertain whether or not a proposal (either alone or in combination with other proposals) would potentially damage the internationally designated features of that site. European sites are also known as Habitats Sites in the NPPF (2021).
- 2.1.3 This HRA Screening Report has been undertaken in order to support the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28. The area covered by the plan is shown in Appendix 1.
- 2.1.4 In line with the Court judgement (CJEU People Over Wind v Coillte Teoranta C-323/17), mitigation measures cannot be taken into account when carrying out a screening assessment to decide whether a plan or project is likely to result in significant effects on a Habitats site.
- 2.1.5 On 23 June 2016, the United Kingdom (UK) held a referendum and voted to leave the European Union (EU). On 29 March 2017 the Prime Minister triggered Article 50 of the Treaty on European Union, which commenced a period of negotiations regarding the UK's exit from the EU. On 26 June 2018 The European Union (Withdrawal) Act 2018 received Royal Assent and work to prepare the UK statute book for Brexit is complete and the UK has now left the EU. The European Union (Withdrawal) Act 2018 made sure that UK laws continue to operate following the UK's exit. There is no immediate change to legislation or policy affecting national infrastructure. Relevant EU Directives have been transposed into UK law and those are unchanged until amended by Parliament. The requirements for HRA under the Conservation of Habitats and Species Regulations 2017 (as amended) remain in place with minor changes being affected by the Conservation of Habitats and Species Amendment (EU Exit) Regulations 2019. Parliament will however be at liberty to introduce future changes to the Conservation of Habitats and Species Regulations 2017 (as amended) since, after 31 December 2020, the UK is no longer bound by the EU Habitats and Wild Birds Directives.
- 2.1.6 The position under section 6(3) EU (Withdrawal) Act 2018 (as amended), is that the courts in the UK, with the sole exception of the Supreme Court, will continue to be bound by HRA judgements handed down by the CJEU and by domestic courts prior to 31 December 2020



when interpreting the Conservation of Habitats and Species Regulations 2017 (as amended). This is the case as long as the Conservation of Habitats and Species Regulations 2017 (as amended) remain unmodified by Parliament.

2.2 Court Rulings

CJEU People Over Wind v Coillte Teoranta C-323/17

- 2.2.1 As previously mentioned, in line with the Court judgement (CJEU People Over Wind v Coillte Teoranta C-323/17), mitigation measures cannot be taken into account when carrying out a screening assessment to decide whether a plan or project is likely to result in significant effects on a Habitats site. This HRA Appropriate Assessment therefore considers mitigation measures for the assessment of Likely Significant Effects resulting from the Coast & Heaths AONB Management Plan.
- 2.2.2 In accordance with this Judgement, all mitigation measures already built into The Plan can now be taken into account for the Appropriate Assessment. At this stage other policies of the Plan can be considered in order to mitigate some of the potential Likely Significant Effects which have been identified. This stage is an iterative process as avoidance and reduction measures can be incorporated in order to be able to avoid the potential impacts identified in the Appropriate Assessment or reduce them to a level where they will no longer adversely affect the site's integrity.

CJEU Holohan C- 461/17

- 2.2.3 Court rulings include CJEU Holohan C-461/17 (7 November 2018) which now imposes more detailed requirements on the competent authority at Appropriate Assessment stage:
1. [...] an 'Appropriate Assessment' must, on the one hand, catalogue the entirety of habitat types and species for which a site is protected, and, on the other, identify and examine both the implications of the proposed project for the species present on that site, and for which that site has not been listed, and the implications for habitat types and species to be found outside the boundaries of that site, provided that those implications are liable to affect the conservation objectives of the site.
 2. [...] the competent authority is permitted to grant to a plan or project consent which leaves the developer free to determine subsequently certain parameters relating to the construction phase, such as the location of the construction compound and haul routes, only if that authority is certain that the development consent granted establishes conditions that are strict enough to guarantee that those parameters will not adversely affect the integrity of the site.
 3. [...] where the competent authority rejects the findings in a scientific expert opinion recommending that additional information be obtained, the 'Appropriate Assessment' must include an explicit and detailed statement of reasons capable of dispelling all



reasonable scientific doubt concerning the effects of the work envisaged on the site concerned.

- 2.2.4 At Stage 2, it is therefore necessary to consider species likely to be present on the Habitats sites, but for which that site has not been listed – e.g. birds which are designated features of the underpinning SSSI – and to consider the implications for habitat types and species to be found outside the boundaries of that site, provided that those implications are liable to affect the conservation objectives of the site.



3. Method and Approach

3.1 Habitats Regulations Assessment of Plans

3.1.1 This section forms a plan level Habitats Regulations Assessment (HRA) screening report as required by Regulation 63 of The Conservation of Habitats and Species Regulations 2017 (as amended).

3.1.2 This section of this Report aims to:

- Identify the Habitats sites within 20km of the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28.
- Summarise the reasons for designation and Conservation Objectives for each Habitats site to be considered in this assessment.
- Screen the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28 for its potential to impact upon a Habitats site.
- Assess the potential for effects in combination with other projects and plans in the area.
- Identify if there are any outstanding issues that need further investigation.

3.2 Habitats Sites

3.2.1 Habitats sites is the term used in the NPPF (2021) to describe the UK network of sites of European designated nature protection areas. The aim of the network is to assure the long-term survival of the UK's most valuable and threatened species and habitats. The sites were designated under the European Union (EU) Birds Directive (Council Directive 79/409/EEC on the Conservation of Wild Birds) and the EU Habitats Directive (Council Directive 92/43/EEC on the Conservation of Natural Habitats and of Wild Fauna and Flora).

3.2.2 All Special Protection Areas (SPAs) are designated for birds and Special Areas of Conservation (SACs) are designated for other species, and for Habitats. Wetlands of International Importance (Ramsar sites) are also part of the national network of sites. This is because all SPAs and SACs are comprised of Sites of Special Scientific Interest (SSSIs) and all Ramsar sites in England are SSSIs. Together, SPAs, SACs and Ramsar sites make up the Habitats sites in England. The following offers a description and explanation of SPAs, SACs and Ramsar sites.

3.2.3 The following table (Table 1) offers a description and explanation of SPAs, SACs and Ramsar sites.



Table 1. Description and Explanation of SPAs, SACs and Ramsar Sites

Special Protection Areas (SPAs)

SPAs are areas which have been identified as being of international importance for the breeding, feeding, wintering or the migration of rare and vulnerable species of birds found within EU countries. Example: Stour and Orwell Estuaries SPA. straddle the eastern part of the Essex/Suffolk border and include extensive mudflats, low cliffs, saltmarsh and small areas of vegetated shingle on the lower reaches *Legislation: Conservation of Habitats and Species Regulations 2017 (as amended)*.

Special Areas of Conservation (SACs)

SACs are areas designated to protect habitat types that are in danger of disappearance, have a small natural range, or are highly characteristic of the region; and to protect species that are endangered, vulnerable, rare, or endemic. Example: Alde, Ore and Butley Estuaries SAC is designated for its areas of shallow water over subtidal sediments, and extensive mudflats and saltmarshes exposed at low water. Its diverse and species-rich intertidal sand and mudflat biotopes grade naturally along many lengths of the shore into vegetated or dynamic shingle habitat, saltmarsh, grassland and reedbed. *Legislation: Conservation of Habitats and Species Regulations 2017 (as amended)*.

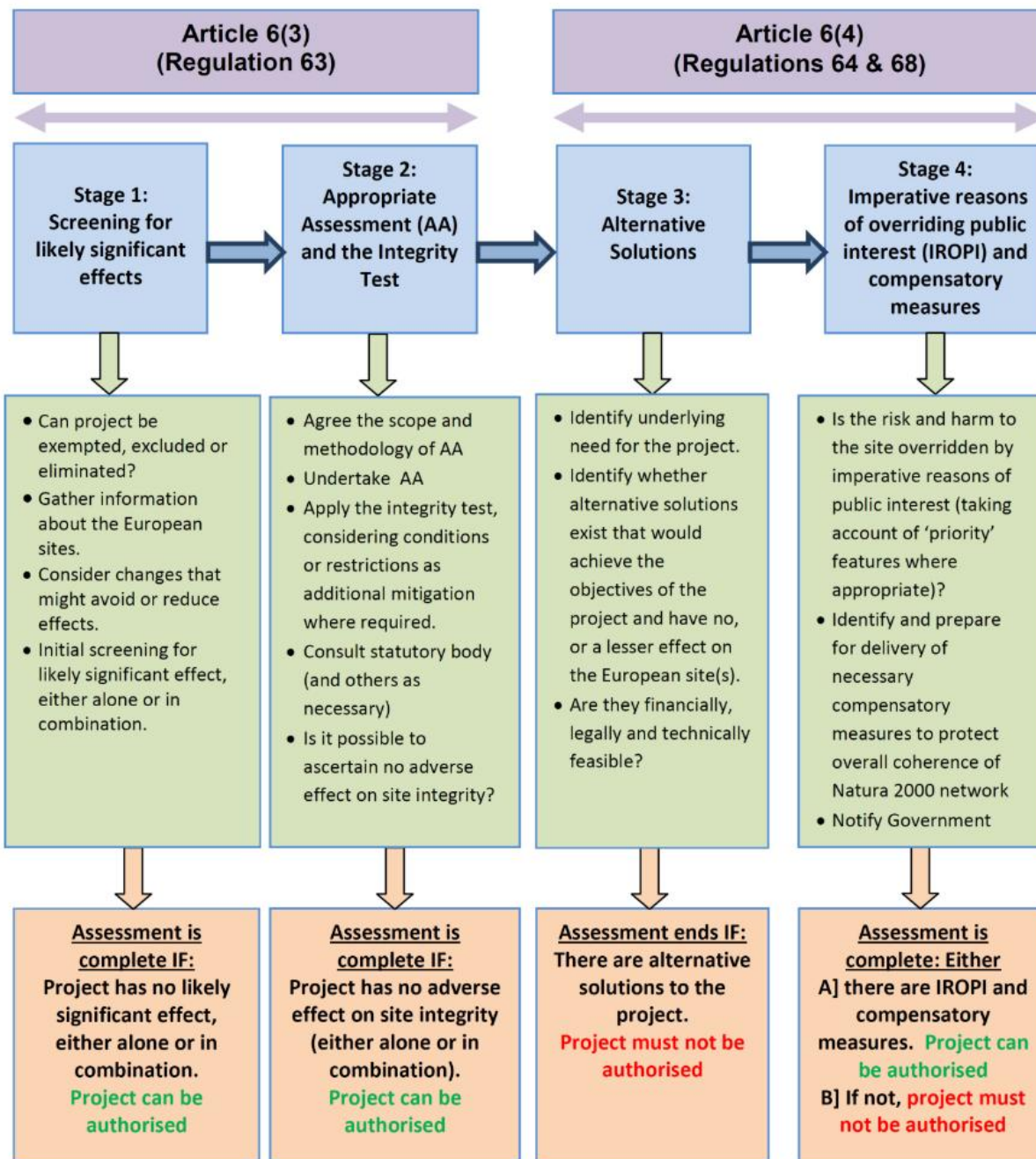
Ramsar Sites (Wetlands of International Importance)

Ramsar Sites are designated to protect the biological and physical features of wetlands, especially for waterfowl Habitats. For example, Stour and Orwell Estuaries Ramsar site is important due to the extent and diversity of saltmarsh and which supports 7 species of nationally scarce plants. Ramsar sites often overlap with SACs and SPAs and UK planning policy determines that they should be accorded the same importance when developments are proposed. *Legislation: Ramsar Convention (1971) – Wetlands of International Importance*.





Figure 1. Outline of the Four Stage Approach to the Assessment of Plans under the Habitats Regulations



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- 3.2.4 Plans should not contain proposals that would be vulnerable to failure under the Habitats Regulations at project assessment stage, as this would be regarded as 'faulty planning'.
- 3.2.5 'Significant effects' has been defined through case law. A significant effect is any effect that would undermine the conservation objectives for the qualifying features of Habitats sites potentially affected, alone or in combination with other plans or projects. There must be a causal connection or link between The Plan and the qualifying features of the site (s) which could result in possible significant effects on the site (s). Effects may be direct or indirect and a judgement must be taken on a case-by-case basis. The decision as to whether or not a potential impact is significant depends on factors such as: magnitude of impact, type, extent, duration, intensity, timing, probability, cumulative effects and the vulnerability of the habitats and species concerned. So, what may be significant in relation to one site may not be in relation to another.
- 3.2.6 An effect which is not significant can be described as 'insignificant', 'de minimis' or 'trivial'- *i.e.* it would not undermine the conservation objectives.
- 3.2.7 A risk-based approach involving the application of the precautionary principle has been used in the assessment. A conclusion of 'no significant effect' was only reached where it was considered very unlikely, based on current knowledge and the information available, that a proposal in the Plan would have a significant effect on the integrity of a Habitats site.
- 3.2.8 Key advice guidance and information has also come from the following sources:
- DTA Publications Handbook: <https://www.dtapublications.co.uk/>
 - Suffolk Coast Recreational disturbance Avoidance and Mitigation Strategy (RAMS)
 - HRAs of relevant Local Plans
 - Extensive experience of producing other HRAs
 - Government information regarding Habitats sites and their 'zones of influence', *e.g.* www.magic.gov.uk

3.3 Assessment of Likely Significant Effects

- 3.3.1 The screening stage identifies whether The Plan may result in a Likely Significant Effect to any Habitat Site, alone or in combination with other plans or projects. The screening process should identify all aspects of the Plan that are:
- Exempt from assessment
 - Excluded from assessment
 - Eliminated from further assessment
 - Have no Likely Significant Effects, alone or in combination with other plans or projects and therefore be screened out



- Screened in as it is not possible to rule out Likely Significant Effects. In line with the 2018 Court judgment (CJEU People Over Wind v Coillte Teoranta C-323/17) mitigation measures cannot be taken into account when carrying out a screening assessment. Consequently, any aspect of The Plan which cannot be ruled out as having Likely Significant Effects should continue to Stage 2 Appropriate Assessment.

3.3.2 Habitats sites which have been included for assessment are those which are within the ZOI for the underpinning Site of Special Scientific Interest (SSSIs) as identified on MAGIC www.magic.gov.uk.

3.3.3 It has been established that this Plan requires an HRA for the following reasons:

- Can the plan be exempt? - No, The Plan is not directly connected with or necessary to management of any Habitats sites.
- Can the plan be excluded? - No, The Plan cannot be excluded as it falls within the definition of being a plan within the Habitats Regulations.
- Can the plan be eliminated? - No, The Plan as a whole cannot be eliminated as it proposes a number of policies which may have a Likely Significant Effect on one or more Habitats site. However, individual policies can be eliminated.

3.4 Identifying Habitats sites, their Conservation Objectives and Qualifying Features

3.4.1 The qualifying features and conservation objectives of the Habitats sites, together with current pressures on and potential threats, was drawn from the Standard Data Forms for SACs and SPAs and the Information Sheets for Ramsar Wetlands as well as Natural England's Site Improvement Plans (SIP) and the most recent conservation objectives. An understanding of the designated features of each Habitats site and the factors contributing to its integrity has informed the assessment of the potential Likely Significant Effects of The Plan.

3.4.2 Key sources of the Habitats sites information were found at:

- JNCC: <http://jncc.defra.gov.uk/>
- Site Designation features and Conservation Objectives- Designated Sites View: <https://designatedsites.naturalengland.org.uk/>
- Site Improvement Plans, e.g.: <http://publications.naturalengland.org.uk/publication/6270737467834368>
- MAGIC (the Multi Agency Geographic Information website): www.magic.gov.uk
- "Managing Natura 2000 sites- The provisions of Article 6 of the 'Habitats' Directive 92/43/EEC" http://ec.europa.eu/environment/nature/natura2000/management/docs/art6/Provisions_Art_nov_2018_endocx.pdf



3.4.3 The list of Habitats sites, their qualifying features and conservation objectives can be found in Appendix 3 including web links to further information.

3.4.4 The list of key vulnerabilities / factors affecting site integrity can be found in Appendix 3, including links to further information.

Table 2. Habitats sites within 20 km of the Coasts and Heaths AONB

Site	Location	Scoped in or out
Alde-Ore (& Butley) Estuary SAC, SPA & Ramsar site	Estuary located on south-east Suffolk coast	Scoped in This Habitats sites fall within the AONB boundary
Benacre to Easton Bavents SAC & SPA	Lagoons located on the north -east Suffolk coast	Scoped in This Habitats sites fall within the AONB boundary
Blackwater Estuary SPA & Ramsar site	Estuary in Essex located from Maldon to Mersea Island	Scoped in The AONB falls within the IRZ of the underpinning SSSIs and the ZOI of the Blackwater Estuary SPA & Ramsar site as identified on MAGIC. In addition, part of the AONB falls within the county of Essex.
Broadlands & Broads SAC, SPA & Ramsar site	A variety of wetland habitats located to the north-east Suffolk coast and south-east Norfolk	Scoped out The AONB is within the IRZ of the underpinning SSSIs and the ZOI of Broadlands & Broads SAC, SPA & Ramsar as identified on MAGIC. However, there are no clear impact pathways to these Habitat sites and the AONB does not fall within the county of Norfolk.
Breydon Water SPA & Ramsar site	Estuary at the mouth of the River Yare, south-east Norfolk	Scoped out The AONB fall outside the IRZ of the underpinning SSSIs and the ZOI of Broadlands & Broads SAC, SPA & Ramsar as identified on MAGIC. In addition, there are no clear impact pathways to these Habitats sites.
Colne Estuary SPA & Ramsar site	Estuary located in north Essex, situated	Scoped out



Site	Location	Scoped in or out
	from Colchester to East Mersea.	The AONB falls outside the IRZ of the underpinning SSSIs and the ZOI of the Colne Estuary SPA & Ramsar site as identified on MAGIC. In addition, there are no clear impact pathways to these Habitats sites.
Deben Estuary SPA & Ramsar Site	Estuary in Suffolk located from Woodbridge to Felixstowe	Scoped in These Habitats sites fall within the AONB boundary
Dew's Ponds SAC	A group of ponds situated near the east coast of Suffolk	Scoped out The AONB falls within the IRZ of the underpinning SSSIs and the ZOI of the Blackwater Estuary SPA & Ramsar site as identified on MAGIC. In addition, there is no clear impact pathways to this Habitats site.
Essex Estuaries SAC	Estuaries from Clacton on Sea to Southend	Scoped in The AONB falls within the IRZ of the underpinning SSSIs and the ZOI of the Blackwater Estuary SPA & Ramsar site as identified on MAGIC. In addition, part of the AONB falls within the county of Essex.
Hamford Water SAC, SPA & Ramsar site	Estuary situated to the north-east of Essex.	Scoped in The AONB falls outside the IRZ of the underpinning SSSIs and the ZOI of the Hamford Water SAC, SPA & Ramsar site as identified on MAGIC. In addition, part of the AONB falls within the county of Essex.
Minsmere to Walberswick Heaths & Marshes SAC, SPA & Ramsar site	Heaths and marshes on the east coast of Suffolk	Scoped in These Habitats sites fall within the AONB boundary
Orfordness Shingle-Street SAC	Shingle structure and Lagoons situated to the south-east of Suffolk	Scoped in This Habitats site falls within the AONB boundary
Outer Thames Estuary SPA	Covers most marine areas near to Essex coast	Scoped in This Habitats site fall is adjacent to the AONB boundary



Site	Location	Scoped in or out
Sandlings SPA	Heathland and commercial conifer forest situated to the south-east of Suffolk	Scoped in This Habitats site falls within the AONB boundary
Southern North Sea (cSAC)	Covers the entire coast of East Anglia	Scoped in This Habitats site is adjacent to the AONB boundary
Staverton Park & The Thicks, Wantisden SAC	Old acidophilous oak woods situated to the south-east of Suffolk.	Scoped in This Habitats sites falls within the AONB boundary
Stour & Orwell Estuaries SPA & Ramsar site	Two estuaries to the south of Suffolk. The Orwell Estuary is located from Ipswich to Shotley. The Stour Estuary is located from Manningtree to Shotley	Scoped in These Habitats sites fall within the AONB boundary

3.4.5 A map of all 31 Habitats sites with the 20 km radius of the Coast & Heaths AONB boundary can be found in Appendix 4.

3.5 Screening Categorisation

3.5.1 Screening considers each policy in the Plan and the results of the screening exercise recorded, using the precautionary principle. Each policy and land allocation included in The Plan has been categorised. A 'traffic light' system has been used to record the potential for policies and allocated sites to have a Likely Significant Effect, using the system of colours in Table 3 below.



Table 3. Habitats Regulations Assessment Screening Categorisation

Category A: Significant effects not likely
<p>Category A identifies those policies that would not result in a Likely Significant Effect and are considered to have no adverse effect. These policies can be 'screened out' and no further assessment is required. This is because, if there are no adverse effects at all, there can be no adverse effect to contribute to in combination effects of other plans or projects.</p>
Category B: Significant effects uncertain
<p>Category B identifies those policies which will have no significant adverse effect on the site. That is, there could be some effect but none which would undermine the conservation objectives, when the policy is considered on its own. Given that there may be some effect this now needs to be considered in combination with other plans or projects. If these effects can be excluded in combination, the policy can be screened out and no further assessment required. However, if the possibility of a significant adverse effect in combination cannot be ruled out there will be a Likely Significant Effect in combination, and Appropriate Assessment will be required.</p>
Category C: Likely Significant Effect
<p>Category C identifies those policies which cannot be ruled out as having a Likely Significant Effect upon a Habitat Site, alone, that is the effect could undermine the conservation objectives. In this case an Appropriate Assessment is triggered without needing to consider in combination effects at screening stage, although they may need to be considered at Appropriate Assessment.</p>

3.6 Appropriate Assessment and the Integrity Test

- 3.6.1 Where the Coast & Heaths AONB Management Plan may cause Likely Significant Effects, the second stage would be to undertake an 'Appropriate Assessment' of the implications of the plan (either alone or in combination with other plans or projects) and establish whether there may be an Adverse Effect On site Integrity (AEOI) of any Habitats sites in view of their Conservation Objectives.
- 3.6.2 Some policies of the Management Plan could be used to mitigate some of the potential Likely Significant Effects which have been identified. These can be considered at Appropriate Assessment. This stage thus becomes an iterative process as avoidance and reduction measures can be incorporated in order to be able to ascertain that there is *no Adverse Effect on Integrity* on any Habitats site, before making a final assessment.
- 3.6.3 The Appropriate Assessment would be undertaken by the competent authority and should assess all aspects of The Plan which can by themselves, or in combination with other



plans and projects, affect the sites' Conservation Objectives. The assessment must consider the implications for each qualifying feature of each potentially affected Habitats site. Key vulnerabilities are set out in Appendix 4 and the Site Improvement Plans were used to obtain this information. Site Improvement Plans have been developed for each Habitats site in England as part of the 'Improvement Programme for England's Natura 2000 sites (IPENS)'. The plan provides a high-level overview of the issues (both current and predicted) affecting the condition of the Natura 2000 features on the site(s) and outlines the priority measures required to improve the condition of the features. These can be found at:

<http://publications.naturalengland.org.uk/category/5458594975711232>.

- 3.6.4 In order to identify potential in combination effects other plans and projects which may affect the Habitats sites need to be identified. The list of county and district level plans which provide for development in the Coast & Heaths AONB as well as Nationally Strategic Infrastructure Projects (NSIPs) to be considered will be identified.
- 3.6.5 In accordance with the requirements of the Habitats Regulations, Natural England will be consulted on the Appropriate Assessment document.



4. Screening of Likely Significant Effects

4.1 Screening Policies for Likely Significant Effect

- 4.1.1. This chapter summarises the potential for Likely Significant Effects identified, using Categories A, B and C outlined earlier in the report. It advises as to where Likely Significant Effects can be ruled out. The need for an 'Appropriate Assessment' is triggered where the HRA Screening stage identifies policies which may have a Likely Significant Effect on any Habitats sites.
- 4.1.2. 26 Habitats sites have been scoped in for HRA screening. Where this is likely to result in a significant effect, or where there is uncertainty, in line with the precautionary approach being applied in the HRA, until significant effects can be ruled out, they are treated as giving rise to Likely Significant Effects.
- 4.1.3. Policies are screened out where they would not result in development because they either set out criteria relating to development proposed under other policies are very general in nature or they seek to protect the natural environment.
- 4.1.4. An initial assessment has been undertaken to identify whether The Plan's policies have the potential to have any Likely Significant Effects on any Habitats sites. The notes in the RIS for Ramsar sites of factors affecting a sites ecological character are not considered as necessary for HRA screening purposes and noteworthy features are not treated as qualifying features in the application of HRA tests. The assessment under the provisions of the Habitats Regulations is strictly limited to the qualifying features which meet the Ramsar criteria.
- 4.1.5. A summary of the assessment is set out in Appendix 1 and a list of the management plan policies are included in Appendix 2.

4.2 Potential Impacts of the Coasts & Heaths AONB Management Plan 2023 - 28

- 4.2.1. There are a wide range of potential impacts from the management plan which can be summarised as -
- Land take by changing land use or land management practices;
 - Impact on protected species found within but which travel outside the protected sites (functionally linked land) may be relevant where changing land use or management could result in effects on qualifying interest species within the Habitats site, for example through the loss of feeding grounds for an identified species.



- Increased disturbance, for example from recreational use and / or improved access due to increased recreational advertisement
- Changes in water availability, or water quality as a result of changing land use and changing demands for water treatment,
- Changes in atmospheric pollution levels due to changed traffic patterns, waste management facilities associated with changing audience to the AONB.
- Changes in noise and light pollution levels and visual disturbance from construction or operation phases of development within the AONB.

4.2.2. A summary of the conclusion of whether the policies were likely to cause a likely significant effect and their potential impact pathways have been outlined below in Table 4. Conclusions take into account the potential effects of other plans and projects. Each policy was considered in the context of the policy Screening criteria above.

Table 4. Assessment of potential impacts

Nature of potential impact	How the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28 (alone or in combination with other plans and project) could affect a Habitats site?	Why these effects are / not considered likely to be significant?
Land take by changing land use	The Plan has been designated to support, protect and enhance designated sites; although the Plan area includes a number of Habitats sites, no land take is proposed.	N/A
Impact on protected species outside the protected sites	The Plan has been designed to conserve and enhance the natural environment; the Plan will not have negative impacts on Qualifying species.	N/A
Recreational pressure and disturbance	The Plan aims to support responsible tourism within the AONB area but does not propose new development within the AONB. The Management Plan will not result in increased recreation at the individual Habitats sites	N/A
Water quantity and quality	The Management Plan has been designed to conserve and enhance the natural environment and will not result in adverse impacts on water quality or quantity. It acknowledges that water abstraction for irrigation is often at the environmental limits and that the creation of winter-filled reservoirs and managed aquifer recharge need to be considered. However, any potential developments need careful siting and design to avoid adverse impacts to the AONB purpose.	N/A



Nature of potential impact	How the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28 (alone or in combination with other plans and project) could affect a Habitats site?	Why these effects are / not considered likely to be significant?
Adverse air quality	It is considered that there is no pathway for the Plan to result in air pollution impacts.	N/A
Changes in noise and light pollution levels and visual disturbance	It is considered that there is no pathway for the Plan to result in pollution impacts or additional visual disturbance of the qualifying features of the Habitats sites within the scope of this HRA. It is indicated that the 'Landscape' policy and 'Land Use and Planning' includes further statements that proposals that result in increased noise and light pollution and visual disturbance within the AONB will not be supported.	N/A

4.3 Summary of Screening Results

4.3.1 All policies are shown in the HRA Screening Table in Appendix 1 and all are screened out as having no potential for Likely Significant Effects, alone or in combination with other plans and projects. As a result, the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28 does not need to proceed to Stage 2 Appropriate Assessment.



5. Conclusion

- 5.1.1 This Habitats Regulation Assessment Screening Report considers whether there are any Likely Significant Effects arising from the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28.
- 5.1.2 The HRA Screening Report did not identify any impact pathways to scoped in Habitats sites. Therefore, the Coast & Heaths Area of Outstanding Natural Beauty Management Plan 2023-28 is predicted to have any Likely Significant Effect upon any scoped in Habitats sites, either alone or in combination with other plans and projects.



6. References

- Atkins (2011) Habitats Regulations Assessment for Babergh District Council Core Strategy
- Footprint Ecology (2018) Habitats Regulations Assessment of the Suffolk Coastal District Local Plan at Final Draft Plan Stage (Dec 2018)
- Footprint Ecology (2019) Habitats Regulations Assessment Recreational disturbance Avoidance and Mitigation Strategy for Ipswich Borough, Babergh District, Mid Suffolk District and East Suffolk Councils – Technical Report. .
- Natural England (2014) Conservation objectives for European Sites. Available at: <http://publications.naturalengland.org.uk/category/6581547796791296>
- Place Services (2018) Essex Coast Recreational disturbance Avoidance and Mitigation Strategy (RAMS)
- The Suffolk Coast & Heaths AONB (2018). The Suffolk Coast & Heaths AONB Management Plan 2018-2023. Available from <https://www.suffolkcoastandheaths.org/wp-content/uploads/2021/01/SCH-AONB-Management-Plan-2018-23.pdf>
- Tydlesley, D., and Chapman, C. (2013) The Habitats Regulations Assessment Handbook, (Feb 2019) edition UK: DTA Publications Limited. Available at: <https://www.dtapublications.co.uk/>



7. Appendix

Appendix 1. HRA Screening of Individual Policies

Where mitigation is necessary to avoid Likely Significant Effects (LSE), then in line with CJEU *People over Wind* court ruling, this cannot be taken into consideration at HRA Screening Stage 1.

Policy	Alde-Ore (& Butley) Estuary	Benacre to Easton Bavenis	Blackwater Estuary	Deben Estuary	Essex Estuaries	Hamford Water	Minsmere to Walberswick Heaths & Marshes	Orfordness Shingle-Street	Outer Thames Estuary	Sandlings	Southern North Sea	Staverton Park & The Thicks, Wantisden	Stour and Orwell Estuaries	Will Policy have Likely Significant Effect (LSE) on Habitats sites?
Landscape	x	x	x	x	x	x	x	x	x	x	x	x	x	No LSE – The policy aims to conserve and enhance the landscape of the AONB.
Coast and Estuaries	x	x	x	x	x	x	x	x	x	x	x	x	x	No LSE – The policy outlines it is a statutory purpose of the AONB to manage the coasts. Communities, businesses and statutory bodies are supported to deliver activity within or adjacent to coastal habitats, subject to



Policy	Alde-Ore (& Butley) Estuary	Benacre to Easton Bavents	Blackwater Estuary	Deben Estuary	Essex Estuaries	Hamford Water	Minsmere to Walberswick Heaths & Marshes	Orfordness Shingle-Street	Outer Thames Estuary	Sandlings	Southern North Sea	Staverton Park & The Thicks, Wantisden	Stour and Orwell Estuaries	Will Policy have Likely Significant Effect (LSE) on Habitats sites?
														compliance with AONB's statutory purpose.
Nature Recovery	X	X	X	X	X	X	X	X	X	X	X	X	X	No LSE – The policy aims to acknowledge nature and climate targets of the AONB. Outlines that nature based solutions and climate change mitigation and adaptation are prioritised to address environmental problems and contribute to nature recovery.
Land Use and Planning	X	X	X	X	X	X	X	X	X	X	X	X	X	No LSE – The policy outlines the land management and planning should have regard to and help deliver the AONB statutory purpose of conserving and enhancing natural beauty.



Policy	Alde-Ore (& Butley) Estuary	Benacre to Easton Bavenets	Blackwater Estuary	Deben Estuary	Essex Estuaries	Hamford Water	Minsmere to Walberswick Heaths & Marshes	Orfordness Shingle-Street	Outer Thames Estuary	Sandlings	Southern North Sea	Staverton Park & The Thicks, Wantisden	Stour and Orwell Estuaries	Will Policy have Likely Significant Effect (LSE) on Habitats sites?
Landscapes for All	X	X	X	X	X	X	X	X	X	X	X	X	X	No LSE – The policy supports responsible tourism in principle, subject to it not detracting from the AONB statutory purpose.
Climate Change	X	X	X	X	X	X	X	X	X	X	X	X	X	No LSE – The policy outlines that projects that deliver climate change adaptation will be supported, as long as they do not detract from AONB purpose.
Working Together	X	X	X	X	X	X	X	X	X	X	X	X	X	No LSE – The policy set out the grant aid will be available for individuals, communities businesses where work is proposed to curate landscape conservation and enhancement



Appendix 2. Coast & Heaths AONB: Management Plan 2023-28

Landscape

- Land management conserves and enhances the natural beauty of the AONB whilst balancing the competing pressures of nature recovery, tackling climate change, food production, supporting livelihoods and public access
- Features that contribute to the AONB's natural beauty are conserved and enhanced
- Projects to remove features that detract from AONB landscape quality are supported
- Landscape change over the plan period is curated to ensure AONB natural beauty indicators and special qualities are conserved and enhanced for future generations
- Proposals that are likely to impact on the dark skies of the AONB should have regard to these dark skies by seeking to avoid and minimise light pollution
- Measures should be taken to increase the area of dark skies in the AONB by removing and reducing existing sources of light pollution and seeking further dark sky status for the AONB
- Local distinctiveness of the AONB is conserved and enhanced and better understood

Coast and Estuaries

- The management of coast and estuaries in and adjacent to the AONB consider the statutory purpose of the nationally designated landscape
- Communities, businesses and statutory bodies are supported to deliver activity in the coast, marine and estuarine areas in and adjacent to the nationally designated landscape to deliver statutory purpose
- The defined Heritage Coast and purpose is recognised in decision making
- The protection of the coast and adaptation projects should recognise the AONB's statutory purpose and natural beauty

Nature Recovery

- The Coast & Heaths AONB's Nature Recovery Plan is recognised in Local Nature Recovery Strategies for the area
- Work to deliver targets in the AONB Nature Recovery Plan is undertaken
- Nature based solutions and climate change mitigation and adaptation are prioritised to address environmental problems and contribute to nature recovery
- The offer set out in the 'Colchester Declaration', relating to nature recovery and adaptation to climate change is recognised and delivered



Land Use and Planning

- Land management in the nationally designated landscape and its setting should have regard to and help deliver the AONB statutory purpose of conserving and enhancing natural beauty
- Projects to remove features that detract from AONB statutory purpose are supported
- Noise pollution and visual disturbance are avoided and minimised to maintain and enhance tranquillity across the AONB
- Proposals that are likely to impact on the historic and cultural heritage of the AONB should have regard to these features and seek to conserve and enhance them.
- Proposals for development considered under the Planning Act 2000 (and subsequent revisions) in the AONB and its setting, such as Nationally Significant Infrastructure Projects, should have regard to AONB purpose and adhere to the mitigation hierarchy
- Nationally Significant Infrastructure Project compensation and mitigation funds maximise the positive contribution to deliver AONB purpose
- Neighbourhood Plans in and adjacent to the nationally designated landscape recognise the AONB purpose

Landscapes for All

- The AONB is enjoyed in a responsible way by everyone
- The visitor economy is based on the natural beauty of the AONB
- Local communities understand the AONB designation and support activity to deliver AONB purpose
- Those visiting and enjoying the AONB are encouraged to act in a way that does not negatively impact the natural beauty and defined features of the AONB
- Tourism facilities, including access provision, does not detract from AONB purpose
- The AONB is an affordable place to live and somewhere that is economically vibrant, such that local people can find jobs in the area

Climate Change

- Climate change mitigation is part of all new development, infrastructure and transport decisions
- Climate change mitigation, including nature recovery, should be a key component of land management practices
- Greenhouse gas emissions should be reduced through a range of measures, including:
 - Development decisions
 - Energy conservation



- Small scale renewables that do not detract from AONB purpose
- Promotion of more sustainable transport
- Projects that deliver climate change adaptation that do not detract from AONB purpose are supported

Working Together

- The AONB Partnership works together and with others to deliver AONB purpose
- The AONB Partnership represents all relevant interests in the AONB and acts as an advocate for AONB purpose
- Grant aid is available for individuals, communities, businesses and organisations to deliver AONB purpose
- People and organisations work together to curate landscape conservation and enhancement



Appendix 3. Characteristics of Habitats sites

Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<p>Alde-Ore Estuary</p> <p>The site comprises the estuary complex of the rivers Alde, Butley and Ore, including Havergate Island and Orfordness. There are a variety of habitats including, intertidal mudflats, saltmarsh, vegetated shingle (including the second-largest and best-preserved area in Britain at Orfordness), saline lagoons and grazing marsh. The Orfordness/Shingle Street landform is unique within Britain in combining a shingle spit with a cusped foreland. The site supports nationally-scarce plants, British Red Data Book invertebrates, and notable assemblages of breeding and wintering wetland bird</p>				
<p><u>Alde-Ore Estuary SPA</u></p> <p>EU Code: UK9009112</p>	2403.5	<p>Qualifying Features and potentially affected:</p> <ul style="list-style-type: none"> A081 <i>Circus aeruginosus</i>; Eurasian marsh harrier (Breeding) A132 <i>Recurvirostra avosetta</i>; Pied avocet (Non-breeding) A132 <i>Recurvirostra avosetta</i>; Pied avocet (Breeding) A151 <i>Philomachus pugnax</i>; Ruff (Non-breeding) A162 <i>Tringa totanus</i>; Common redshank (Non-breeding) 	<p>Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring;</p> <ul style="list-style-type: none"> The extent and distribution of the habitats of the qualifying features The structure and function of the habitats of the qualifying features The supporting processes on which the habitats of the qualifying features rely The population of each of the qualifying features, and, The distribution of the qualifying features within the site. 	<p>Hydrological Changes - Flood wall breaches in December 2013 (due to tidal surge) have led to flooding of Hazelwood Marshes and Lantern Marshes south (both currently intertidal). This has led to a loss of nesting habitat and saline lagoons. As a result this has likely impacted populations of qualifying SPA birds.</p> <p>Public Access/Disturbance – Human disturbance to nesting birds on beaches, notably on Orfordness and Shingle Street, by people accessing the southern end of the ness by boat, plus walkers along beach from Aldeburgh, and recreational beach users at Shingle Street. Human trampling affects vegetated shingle habitat. Military and private aircraft (paramotors,</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> • A183 <i>Larus fuscus</i>; Lesser black-backed gull (Breeding) • A191 <i>Sterna sandvicensis</i>; Sandwich tern (Breeding) • A195 <i>Sterna albifrons</i>; Little tern (Breeding) 		<p>helicopters and planes) regularly fly low over the site leading to disturbance of SPA features, wintering and breeding birds.</p> <p>Inappropriate Coastal Management - Maintaining coastal defences at Bawdsey and Slaughden is leading to increased shingle recharge requirements at Slaughden, and loss of shingle beach at southern end of SAC at Bawdsey. Investigations are required to determine the sustainability of the coastal defence in these areas.</p> <p>Coastal Squeeze - Seawalls afford little scope for natural adaption of the estuary to sea level rise through roll back of habitat. Saltmarsh is at risk of being squeezed in the future (although currently the estuary is perceived as in balance) and limited areas of natural habitat transition within the site could be lost. The developing policy of the Alde and Ore Estuary Partnership should consider scope for natural adaption to sea level rise.</p> <p>Inappropriate Pest Control - Fox predation/disturbance is a key issue for breeding birds on Orfordness, particularly Lesser black backed gulls. Foxes can</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>cause gulls and other breeding birds to abandon nesting sites, and predate adult birds and chicks.</p> <p>Changes in species distribution - There are negative population trends in bird species using the site. Breeding locations are moving within and away from the designated site, possibly due to habitat change on site, as a reaction to other species and due to draw of other adjacent hinterland habitat. This requires further investigation and possible mitigation.</p> <p>Invasive Species - <i>Spartina anglica</i> is encroaching onto estuarine muds. This may reduce bird roosting and feeding areas of saltmarsh and mudflat.</p> <p>Air Pollution: Impacts of atmospheric nitrogen deposition - Modelled aerial deposits of nitrogen within Alde-Ore exceed the threshold limit above which the diversity of saltmarsh vegetation begins to be altered (possibly to reed) and adversely impacted. This is likely being caused by in combination impacts from land spreading and land use practices with</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>high nutrient inputs e.g. outdoor pig farms.</p> <p>Fisheries: Commercial marine estuarine – In combination impacts from fisheries in European Marine Sites need to be monitored and appropriately managed to avoid potential threats to site condition.</p>
<p><u>Alde-Ore Estuary Ramsar</u></p> <p>Code: UK11002</p>	2546.9	<p>Qualifying Species/populations (as identified at designation)</p> <p>Ramsar criterion 2a The site supports a number of nationally-scarce species and British Red Data Book Invertebrates</p> <p>Ramsar Criterion 3b The Site supports a notable assemblage of breeding and wintering wetland birds.</p> <p>Ramsar Criterion 3c During the Breeding Season the site regularly supports internationally important populations of: Lesser Black-backed Gull <i>Larus fuscus</i> Over winter the site regularly supports internally important populations of: <i>Avocet</i></p>	N/A	(Same as Alde-Ore Estuary SPA)



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p><i>Recurvirostra avosetta</i>. Redshank <i>Tringa tetanus</i></p> <p>During the Breeding season the area regularly supports: Lesser Black-backed Gull <i>Larus fuscus</i>, (Western Europe/Mediterranean/Western Africa), 14070 pairs, representing an average of 11.3% of the breeding population (5 year mean. 1994-1998)</p> <p>Over winter the area regularly supports: <i>Avocet Recurvirostra avosetta</i>, (Western Europe/Mediterranean (Breeding)) , 766 individuals, representing an average of 1.1% of the population (5 year mean 1991/92-1995/96)</p> <p>Redshank <i>Tringa tetanu</i>, (Eastern Atlantic (wintering)), 1919 individuals, representing an average of 1.1% of the population (5 year peak mean 991/92-1995/96)</p>		



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<u>Alde, Ore and Butley Estuaries SAC</u> EU Code: UK0030076	1632.63	Qualifying Features and potentially affected: <ul style="list-style-type: none"> H1130. Estuaries H1140. Mudflats and sandflats not covered by seawater at low tide; Intertidal mudflats and sandflats H1330. Atlantic salt meadows (<i>Glauco-Puccinellietalia maritimae</i>) 	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the Favourable Conservation Status of its Qualifying Features, by maintaining or restoring: <ul style="list-style-type: none"> The extent and distribution of qualifying natural habitats The structure and function (including typical species) of qualifying natural habitats, and The supporting processes on which qualifying natural habitats rely 	(Same as Alde-Ore Estuary SPA)
Benacre to Easton Bavents Benacre to Easton Bavents is situated on the east coast of Suffolk and extends southwards from Kessingland to Southwold. The site includes Benacre, Covehithe and Easton broads and excludes the cliffs at Covehithe and Easton Bavents. The variety of habitats present, include semi-natural broadleaved woodland, tall fen vegetation, shingle, dunes and grassland, saltmarsh and coastal lagoons. These habitats are important for breeding, wintering and passage birds.				
<u>Benacre to Easton Bavents SPA</u> EU Code: UK9009291	470.6	Qualifying Features and potentially affected: <ul style="list-style-type: none"> A021 <i>Botaurus stellaris</i>; Great Bittern (Breeding) A081 <i>Circus aeruginosus</i>; Eurasian marsh harrier (Breeding) 	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring; <ul style="list-style-type: none"> The extent and distribution of the habitats of the qualifying features 	Public Access/Disturbance: The popularity of the beaches and the Ness for walking and dog-walking means the suitability of these areas for terns is greatly reduced. An estimated 36,000 people visit the site and both they and their dogs disturb potential breeding birds on shingle features. Long term disturbance means features are not



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> A195 <i>Sterna albifrons</i>; Little Tern (Breeding) 	<ul style="list-style-type: none"> The structure and function of the habitats of the qualifying features The supporting processes on which the habitats of the qualifying features rely The population of each of the qualifying features, and, The distribution of the qualifying features within the site. 	<p>always recorded where they would be expected.</p> <p>Water Pollution: Poor water quality in the saline lagoon is causing increased algal growth and a decline in the diversity of invertebrates, and thus the biotope code is being changed.</p> <p>Physical Modification The barrier beaches are retreating into the saline lagoons and reed bed habitat through natural coastal processes, leading to a decrease and potential future loss of the lagoon habitat. The artificial coastal management may exacerbate this problem.</p> <p>Changes in species distributions The Natura 2000 sites are on an actively changing coast and the shingle feature is moving north at approximately 30m per year. The current SPA no longer includes the main area used by little tern for nesting. Bare shingle is becoming vegetated rendering the current habitats unsuitable for the nesting terns, so they are moving north to take up nesting areas on newer shingle.</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<u>Benacre to Easton Barents Lagoons SAC</u> EU Code: UK0013104	326.7	Qualifying Features and potentially affected: <ul style="list-style-type: none"> <u>H1150</u>. Coastal lagoons 	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the Favourable Conservation Status of its Qualifying Features, by maintaining or restoring; <ul style="list-style-type: none"> The extent and distribution of qualifying natural habitats The structure and function (including typical species) of qualifying natural habitats, and The supporting processes on which qualifying natural habitats rely 	Fisheries: Commercial marine estuarine – In combination impacts from fisheries in European Marine Sites need to be monitored and appropriately managed to avoid potential threats to site condition (Same as Benacre to Easton Barents SPA)

Blackwater Estuary (Mid-Essex Coast Phase 4)

The Blackwater Estuary is the largest estuary in Essex north of the Thames and, is one of the largest estuarine complexes in East Anglia. Its mudflats, fringed by saltmarsh on the upper shores, support internationally and nationally important numbers of overwintering waterfowl. Shingle and shell banks and offshore islands are also a feature of the tidal flats. The surrounding terrestrial habitats; the sea wall, ancient grazing marsh and its associated fleet and ditch systems, plus semi-improved grassland are also of high conservation interest. This rich mosaic of habitats supports an outstanding assemblage of nationally scarce plants and a nationally important assemblage of rare invertebrates. There are 16 British Red Data Book species and 94 notable and local species.



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<u>Blackwater Estuary SPA</u> (Mid-Essex Coast Phase 4) UK9009245	4395.15	<ul style="list-style-type: none"> A046a Branta bernicla bernicla; Dark-bellied brent goose (Non-breeding) A059 Aythya ferina; Common pochard (Breeding) A082 Circus cyaneus; Hen harrier (Non-breeding) A137 Charadrius hiaticula; Ringed plover (Breeding) A141 Pluvialis squatarola; Grey plover (Non-breeding) A149 Calidris alpina alpina; Dunlin (Non-breeding) A156 Limosa limosa islandica; Black-tailed godwit (Non-breeding) 	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring: <ul style="list-style-type: none"> The extent and distribution of the habitats of the qualifying features The structure and function of the habitats of the qualifying features The supporting processes on which the habitats of the qualifying features rely The population of each of the qualifying features, and, The distribution of the qualifying features within the site. 	<p>Coastal Squeeze -</p> <p>Coastal defences along much of the Essex coastline prevent intertidal habitats from shifting landward in response to rising sea levels. As a result, these habitats are being gradually degraded and reduced in extent, with knock-on effects on the waterbirds and other species they support. 'Managed realignment' schemes and additional intervention measures to create new areas of intertidal habitat and reduce erosion rates are being implemented but more will be needed to offset future losses. Grazing marshes in the SIP area are important for waterbirds and are also threatened by sea level rise because most are near or below mean high tide level, currently protected behind seawalls.</p> <p>Public Access/Disturbance-</p> <p>Breeding and overwintering waterbirds are susceptible to human disturbance from a range of land- and water-based activities - including boating and watersports, walking, bait-digging, fishing and wildfowling - as well as low-flying aircraft.</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> • A195 Sterna albifrons; Little tern (Breeding) • Waterbird assemblage <p>Further information can be found via Natural England's Supplementary Advice.</p>		<p>Some activities, such as powerboating, may produce physical disturbance to habitats. Moderate levels of disturbance in less sensitive locations may have no significant effect on the numbers of birds using the SIP area but the types, levels and locations of potentially disturbing activities are constantly changing. Managing the changes to minimise the risk of disturbance impacts will require a better understanding of which species and habitats are most susceptible, which types of activity are most disturbing, and which locations and times of year are most sensitive.</p> <p>Fisheries: Commercial marine and estuarine -</p> <p>Commercial fishing activities categorised as Amber or Green under Defra's revised approach to commercial fisheries in EMSs are being assessed by Kent and Essex Inshore Fisheries and Conservation Authority (KEIFCA) to determine whether management is required. For activities categorised as Amber and Green these assessments should take account of any</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>relevant in combination effects with other fishing activities. Shellfish dredging over subtidal habitats has been identified as an Amber activity and is considered a high priority for assessment and development of possible management for the site.</p> <p>Planning Permission: general -</p> <p>Several of the issues affecting the Essex Estuaries and the management of disturbance effects on the sites are related to each other, and addressing them is likely to require an improved overview of the relative sensitivities of different habitats, species and locations to different types of development (perhaps summarised as sensitivity maps and matrices for the SIP area). Difficult issues include: (a) Assessing the cumulative effects of numerous, small and often 'non-standard' developments (b) Development outside the SPA/SAC boundaries can have negative impacts, particularly on the estuaries' birds (c) Assessing the indirect, 'knock-on' effects of proposals (d) Pressure to relax planning conditions on existing developments.</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>Changes in species distributions - Declines in the numbers of some of the waterbird species using the Essex Estuaries SIP area may be due to changes in their distributions or population levels at a national or continental scale, possibly linked to climate change. For example, milder winters may be allowing birds to overwinter closer to their northern breeding grounds, or changes on the breeding grounds may be reducing breeding success. When assessing SPA condition, distinguishing these types of large-scale effect from effects produced by changes within the site itself is important.</p> <p>Invasive Species - An increase in Pacific oyster <i>Crassostrea gigas</i> settlement and colonisation within the European Marine Site (EMS) may result in areas of foreshore being covered in such numbers as to make them difficult to access and utilise as feeding grounds for overwintering birds. The importance of Pacific oysters for the local shellfish industry is recognised, however Natural</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>England would not like to see an overall increase in the extent of foreshore across the EMS populated by Pacific oysters. Other non-native invasive species such as the American whelk tingle <i>Urosalpinx cinerea</i> and Slipper limpet <i>Crepidula fornicata</i> are known to occupy subtidal muddy habitats, potentially impacting native communities through competition for resources and predation.</p> <p>Fisheries: Recreational marine and estuarine -</p> <p>Recreational bait digging may impact waterbirds by reducing prey availability and creating disturbance in intertidal feeding areas. It could also damage the intertidal mudflats and sandflats and associated sub-features and communities, such as eelgrass beds. The extent of the activity and potential impacts on site features are not currently well understood.</p> <p>Fisheries: Recreational marine and estuarine -</p> <p>Bottom towed fishing gear (i.e. any fishing instrument designed to take sea fisheries resources from the seabed) has been</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				categorised as a 'Red' for the interest features listed, specifically the seagrass beds <i>Zostera spp</i> , a sub-feature of the SAC, as part of Defra's revised approach to commercial fisheries management in European Marine Sites (EMS). Appropriate management measures will be implemented and enforced by Kent and Essex Inshore Fisheries and Conservation Authority (IFCA) who have put in place the 'Bottom Towed Fishing Gear Byelaw' within the SAC to prohibit the above fishing gear being used over the majority of known seagrass beds.
<u>Blackwater Estuary Ramsar site</u> (Mid-Essex Coast Phase 4) UK11007	4395.15	<u>Ramsar criterion 1</u> Qualifies by virtue of the extent and diversity of saltmarsh habitat present. This site, and the four others in the Mid-Essex Coast complex, includes a total of 3,237 ha that represent 70% of the saltmarsh habitat in Essex and 7% of the total area of saltmarsh in Britain.	N/A	(Same as above)



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p><u>Ramsar criterion 2</u></p> <p>The invertebrate fauna is well represented and includes at least 16 British Red Data Book species. In descending order of rarity these are: Endangered: a water beetle <i>Paracymus aeneus</i>; Vulnerable: a damselfly <i>Lestes dryas</i>, the flies <i>Aedes flavescens</i>, <i>Erioptera bivittata</i>, <i>Hybomitra expollicata</i> and the spiders <i>Heliophanus auratus</i> and <i>Trichopterna cito</i>; Rare: the beetles <i>Baris scolopacea</i>, <i>Philonthus punctus</i>, <i>Graptodytes bilineatus</i> and <i>Malachius vulneratus</i>, the flies <i>Campsicemus magius</i> and <i>Myopites eximia</i>, the moths <i>Idaea ochrata</i> and <i>Malacosoma castrensis</i> and the spider <i>Euophrys</i>.</p> <p><u>Ramsar criterion 3</u></p> <p>This site supports a full and representative sequences of</p>		



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p>saltmarsh plant communities covering the range of variation in Britain.</p> <p><u>Ramsar criterion 5</u></p> <p>Assemblages of international importance; species with peak counts in winter; 105061 waterfowl (5 year peak mean 1998/99-2002/2003)</p> <p><u>Ramsar criterion 6</u></p> <p>Species/populations occurring at levels of international importance:</p> <p>Species with peak counts in winter:</p> <ul style="list-style-type: none"> • <i>Pluvialis squatarola</i>; Grey plover • <i>Calidris alpina alpina</i>; Dunlin 		



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> • <i>Limosa limosa islandica</i>; Black-tailed godwit <p>Species/populations identified subsequent to designation for possible future consideration under criterion 6.</p> <p>Species with peak counts in winter:</p> <ul style="list-style-type: none"> • <i>Tadoma tadoma</i>; Common shelduck • <i>Pluvialis apricaria apricaria</i>; European golden plover • <i>Tringa totanus</i>; Common redshank 		
<p>The Deben Estuary</p> <p>The Deben Estuary lies within East Suffolk District at the southern border of Suffolk. The estuaries include extensive mud-flats, low cliffs, saltmarsh and small areas of vegetated shingle on the lower reaches. The mud-flats hold <i>Enteromorpha</i>, <i>Zostera</i> and <i>Salicornia spp.</i> In summer, the site supports important numbers of breeding Avocet while in winter they hold major concentrations of waterbirds, especially geese, ducks and waders. The geese also feed, and waders roost, in surrounding areas of agricultural land outside the SPA.</p>				



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<u>Deben Estuary SPA</u> EU Code: UK9009261	978.93	<u>Qualifying Features</u> potentially affected: <ul style="list-style-type: none"> A046a Dark-bellied Brent Goose <i>Branta bernicla bernicla</i> (Non-breeding); A132 Pied Avocet, <i>Recurvirostra avosetta</i> (breeding) 	<p>With regard to the individual species and/or assemblage of species for which the site has been classified (“the Qualifying Features” listed below);</p> <p>Avoid the deterioration of the habitats of the Qualifying Features, and the significant disturbance of the qualifying features, ensuring the integrity of the site is maintained and the site makes a full contribution to achieving the aims of The Birds Directive.</p> <p>Subject to natural change, to maintain or restore:</p> <p>The extent and distribution of the habitats of the qualifying features;</p> <p>The structure and function of the habitats of the qualifying features;</p> <p>The supporting processes on which the habitats of the qualifying features rely;</p> <p>The populations of the qualifying features;</p> <p>The distribution of the qualifying features within the site.</p>	<p>Coastal squeeze –The Deben Estuary coastline is undergoing widespread decline in the quality of saltmarsh, and an increase in lower marsh habitats at the expense of mid and upper marsh vegetation communities. This is likely due to impacts from climate change, such as rising sea level. Unless changes are made to the management of the coastline, Habitats supporting qualifying SPA birds will be lost or degraded through coastal squeeze, sedimentation and reduced exposure.</p> <p>Public access/disturbance – The Deben Estuary is subject to land and water-based activities, including boating and water sports; walking; wildfowling; and low flying aircrafts. These activities are likely to impact Habitats supporting breeding and overwintering water birds. A better understanding of which species and Habitats are most susceptible; which types of activity are most disturbing; and which locations and times of year are most sensitive is required to ensure the Estuaries are appropriately managed</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>Changes in species distribution – <i>Spartina anglica</i> is encroaching onto estuarine muds. This may reduce bird roosting and feeding areas of saltmarsh and mudflat.</p> <p>Air Pollution: Impacts of atmospheric nitrogen deposition – Modelled aerial deposits of nitrogen within Deben Estuary exceed the threshold limit above which the diversity of saltmarsh vegetation begins to be altered (possibly to reed) and adversely impacted. This is likely being caused by in combination impacts from land spreading and land use practices with high nutrient inputs e.g. outdoor pig farms.</p> <p>Water Pollution – Inappropriate water quality may impact on the supporting habitats of SPA birds. Eutrophication may be having an influence on reed growth and saltmarsh composition.</p> <p>Increased flood events could lead to habitat change/loss of diversity. Nutrient run off from farming operations could exacerbate the issue. Further monitoring</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				and management of key issues are required. Fisheries: Commercial marine estuarine – In combination impacts from fisheries in European Marine Sites need to be monitored and appropriately managed to avoid potential threats to site condition.
<u>Deben Estuary Ramsar site</u> EU Code: UK11017	978.93	Qualifying Species/populations (as identified at designation) Ramsar criterion 2 Supports a population of the mollusc <i>Vertigo angustior</i> (Habitats Directive Annex II (S1014); British Red Data Book Endangered). Martlesham Creek is one of only about fourteen sites in Britain where this species survives Species with peak counts in winter: Dark-bellied Brent Goose, <i>Branta bernicla bernicla</i> , 1953 individuals, representing an average of 1.9% of the GB	There are no Conservation Objectives set for Ramsar sites.	Similar to Deben Estuary SPA (See above). A key threat identified by RIS was erosion. Erosion – English Nature provides advice to the Environment Agency and coastal local authorities in relation to flood and coastal protection management. This will inform the development of the Suffolk Estuaries strategies and the second generation shoreline management plan. The notes in the RIS for Ramsar sites of factors affecting site's ecological character are not considered as necessary for HRA screening purposes. The assessment under the provisions of the Habitats Regulations is strictly limited to the qualifying features which meet the



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p>population (5-year peak mean 1998/9-2002/3)</p> <p>Species currently occurring at levels of national importance:</p> <p>Species with peak counts in spring/autumn:</p> <p>Black-tailed Godwit, <i>Limosa limosa islandica</i>, Iceland/W Europe 307 individuals, representing an average of 1.9% of the GB population (5 year peak mean 1998/9-2002/3)</p> <p>Common Greenshank, <i>Tringa nebularia</i>, Europe/W Africa 22 individuals, representing an average of 3.6% of the GB population (5 year peak mean 1998/9- 2002/3)</p> <p>Species with peak counts in winter:</p> <p>Bean Goose, <i>Anser fabalis</i>, NW Europe – Wintering 5 individuals, representing an average of 1.2% of the GB</p>		<p>Ramsar criteria. Where the qualifying features of a Ramsar site would or could be adversely affected by a plan or project, the tests at Appropriate Assessment would need to be based on Article 4 of the Ramsar Convention, which allows a Contracting Party (in this case the UK government) to delete or restrict the boundaries of sites only “ in its urgent national interest”.</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p>population (Source period not collated)</p> <p>Common Shelduck, <i>Tadorna tadorna</i>, NW Europe 832 individuals, representing an average of 1% of the GB population (5-year peak mean 1998/9-2002/3) Pied Avocet, Europe/Northwest Africa 167 individuals, representing an average of 4.9% of the GB population (5-year peak mean 1998/9-2002/3) Spotted Redshank, <i>Tringa erythropus</i>, Europe/W Africa 3 individuals, representing an average of 2.2% of the GB population (5-year peak mean 1998/9-2002/3) Redshank, <i>Tringa totanus</i> 2124 individuals, representing an average of 1.8% of the GB population (5-year peak mean 1998/9-2002/3)</p>		



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		Species Information Nationally important species occurring on the site. Invertebrates: <i>Vertigo angustior</i> (Nationally Scarce) & <i>Vertigo pusilla</i> (Nationally Scarce)		
Essex Estuaries				
<p>The Mid-Essex Coast comprises an extensive complex of estuaries and intertidal sand and silt flats, including several islands, shingle and shell beaches and extensive areas of saltmarsh. The proposed SPA follows the boundaries of five SSSIs: the Colne Estuary, the Blackwater Estuary, Dengie, the River Crouch Marshes and Foulness.</p>				
<u>Essex Estuaries SAC</u> UK0013690	46109.95	<ul style="list-style-type: none"> <u>H1110</u> Sandbanks which are slightly covered by sea water all the time; Subtidal sandbanks <u>H1130</u> Estuaries <u>H1140</u> Mudflats and sandflats not covered by seawater at low tide; Intertidal 	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the Favourable Conservation Status of its Qualifying Features, by maintaining or restoring: <ul style="list-style-type: none"> The extent and distribution of qualifying natural habitats 	1. Coastal Squeeze: Coastal defences along much of the Essex coastline prevent intertidal habitats from shifting landward in response to rising sea levels. As a result, these habitats are being gradually degraded and reduced in extent, with knock-on effects on the waterbirds and other species they support. 'Managed realignment'



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p>mudflats and sandflats.</p> <ul style="list-style-type: none"> • <u>H1310</u> <i>Salicornia</i> and other annuals colonizing mud and sand; Glasswort and other annuals colonising mud and sand • <u>H1320</u> <i>Spartina</i> swards (<i>Spartinion maritimae</i>); Cord-grass swards • <u>H1330</u> Atlantic salt meadows (<i>Glaucopuccinellietalia maritimae</i>) • <u>H1420</u> Mediterranean and thermo-Atlantic halophilous scrubs (<i>Sarcocornetea fruticosi</i>) 	<ul style="list-style-type: none"> • The structure and function (including typical species) of qualifying natural habitats, and <p>The supporting processes on which qualifying natural habitats rely</p>	<p>schemes and additional intervention measures to create new areas of intertidal habitat and reduce erosion rates are being implemented but more will be needed to offset future losses. Grazing marshes in the SIP area are important for waterbirds and are also threatened by sea level rise because most are near or below mean high tide level, currently protected behind seawalls.</p> <p>2. Public Access/Disturbance:</p> <p>Breeding and overwintering waterbirds are susceptible to human disturbance from a range of land- and water-based activities - including boating and watersports, walking, bait-digging, fishing and wildfowling - as well as low-flying aircraft. Some activities, such as powerboating, may produce physical disturbance to habitats. Moderate levels of disturbance in less sensitive locations may have no significant effect on the numbers of birds using the SIP</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>area but the types, levels and locations of potentially disturbing activities are constantly changing. Managing the changes to minimise the risk of disturbance impacts will require a better understanding of which species and habitats are most susceptible, which types of activity are most disturbing, and which locations and times of year are most sensitive.</p> <p>3. Fisheries: Commercial marine and estuarine</p> <p>Commercial fishing activities categorised as Amber or Green under Defra's revised approach to commercial fisheries in EMSs are being assessed by Kent and Essex Inshore Fisheries and Conservation Authority (KEIFCA) to determine whether management is required. For activities categorised as Amber and Green these assessments should take account of any relevant in combination effects with other fishing activities.</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>Shellfish dredging over subtidal habitats has been identified as an Amber activity and is considered a high priority for assessment and development of possible management for the site.</p> <p>4. Planning Permission: general</p> <p>Several of the issues affecting the Essex Estuaries and the management of disturbance effects on the sites are related to each other, and addressing them is likely to require an improved overview of the relative sensitivities of different habitats, species and locations to different types of development (perhaps summarised as sensitivity maps and matrices for the SIP area). Difficult issues include: (a) Assessing the cumulative effects of numerous, small and often ‘non-standard’ developments (b) Development outside the SPA/SAC boundaries can have negative impacts, particularly on the estuaries’ birds (c)</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>Assessing the indirect, ‘knock-on’ effects of proposals (d) Pressure to relax planning conditions on existing developments.</p> <p>5. Changes in species distributions</p> <p>Declines in the numbers of some of the waterbird species using the Essex Estuaries SIP area may be due to changes in their distributions or population levels at a national or continental scale, possibly linked to climate change. For example, milder winters may be allowing birds to overwinter closer to their northern breeding grounds, or changes on the breeding grounds may be reducing breeding success. When assessing SPA condition, distinguishing these types of large-scale effect from effects produced by changes within the site itself is important.</p> <p>6. Invasive Species:</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>An increase in Pacific oyster <i>Crassostrea gigas</i> settlement and colonisation within the European Marine Site (EMS) may result in areas of foreshore being covered in such numbers as to make them difficult to access and utilise as feeding grounds for overwintering birds. The importance of Pacific oysters for the local shellfish industry is recognised, however Natural England would not like to see an overall increase in the extent of foreshore across the EMS populated by Pacific oysters. Other non-native invasive species such as the American whelk tingle <i>Urosalpinx cinerea</i> and Slipper limpet <i>Crepidula fornicata</i> are known to occupy subtidal muddy habitats, potentially impacting native communities through competition for resources and predation.</p> <p>7. Fisheries: Recreational marine and estuarine</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>Recreational bait digging may impact waterbirds by reducing prey availability and creating disturbance in intertidal feeding areas. It could also damage the intertidal mudflats and sandflats and associated sub-features and communities, such as eelgrass beds. The extent of the activity and potential impacts on site features are not currently well understood.</p> <p>8. Fisheries: Recreational marine and estuarine</p> <p>Bottom towed fishing gear (i.e. any fishing instrument designed to take sea fisheries resources from the seabed) has been categorised as a 'Red' for the interest features listed, specifically the seagrass beds <i>Zostera</i> spp, a sub-feature of the SAC, as part of Defra's revised approach to commercial fisheries management in European Marine Sites (EMS). Appropriate management measures will be implemented and enforced by Kent</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>and Essex Inshore Fisheries and Conservation Authority (IFCA) who have put in place the 'Bottom Towed Fishing Gear Byelaw' within the SAC to prohibit the above fishing gear being used over the majority of known seagrass beds.</p>
<p>Hamford Water</p> <p>Hamford Water SPA is located on the north Essex coast, between the towns of Walton-on-the-Naze and Dovercourt. The site is a large shallow estuarine basin comprising tidal creeks, intertidal mud, sand flats and saltmarshes, as well as areas of scrub and unimproved grassland to the landward side of the sea walls.</p> <p>Several islands are located within the basin, including Horsey Island, Skipper's Island, Hedge-End Island and Gamham's Island. All of these islands have substantial areas of saltmarsh on their margins and within their seawalls, where the seawall has breached, providing important feeding and roosting areas for many of the site's qualifying waterbirds.</p>				



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<p>Little terns nest on sand and shingle to the north eastern corner of Horsey Island. The grass fields within the sea wall at Horsey Island are utilised by both wintering and breeding waders and wildfowl. The rough grassland habitat at Skipper's Island supports the largest UK population of the rare Fisher's Estuarine Moth (<i>Gortyna borelii lunata</i>) and large stands of its larval food plant, Hog's Fennel (<i>Peucedanum officinale</i>). This moth is also found in localised areas along the sea wall on the mainland and on several other islands, including Horsey and Hedge-End.</p> <p>Extensive intertidal mudflats provide an abundant food resource for wintering waterbirds and areas of seagrass are exploited by large flocks of brent geese on their autumn arrival. Ducks, grebes and cormorants feed within the sub-tidal waters and little terns are frequently recorded foraging in the shallower water, along the edges and mouths of creeks and channels. There are shingle spits along the coastline between Pewit Island and Dovercourt and between Walton-on-the-Naze and Stone Point. Ringed plover use these areas for nesting. The shingle habitat is topped in places by low, retreating sand dunes and supports several uncommon plants including Sea-holly (<i>Eryngium maritimum</i>), Sea-kale (<i>Crambe maritima</i>) and Sea Sandwort (<i>Honkenya peploides</i>).</p>				
<u>Hamford Water SPA</u> EU Code: UK0030377	3,532.56	Qualifying Features: <i>A046a Branta bemica bemica</i> ; Dark-bellied brent goose (Non-breeding) <i>A048 Tadorna tadorna</i> ; Common shelduck (Non-breeding) <i>A052 Anas crecca</i> ; Eurasian teal (Non-breeding) <i>A132 Recurvirostra avosetta</i> ; Pied avocet (Non-breeding) <i>A137 Charadrius hiaticula</i> ; Ringed plover (Non-breeding)	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring; <ul style="list-style-type: none"> • The extent and distribution of the habitats of the qualifying features • The structure and function of the habitats of the qualifying features • The supporting processes on which the habitats of the qualifying features rely • The population of each of the qualifying features, and, 	See Essex Estuaries SAC



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p>A141 <i>Pluvialis squatarola</i>; Grey plover (Non-breeding) A156 <i>Limosa limosa islandica</i>; Black-tailed godwit (Non-breeding)</p> <p>A162 <i>Tringa totanus</i>; Common redshank (Non-breeding)</p> <p>A195 <i>Sternula albifrons</i>; Little tern (Breeding)</p>	<ul style="list-style-type: none"> The distribution of the qualifying features within the site. 	
<p><u>Hamford Water Ramsar site</u></p> <p>Site Code: UK11028</p>	2187.2	<p>Ramsar criterion 6 – species/population occurring at levels of international importance.</p> <p>Qualifying Species/populations (as identified at designation):</p> <p>Species with peak counts in spring/autumn:</p> <ul style="list-style-type: none"> Ringed plover, <i>Charadrius hiaticula</i> Common redshank, <i>Tringa totanus tetanus</i> <p>Species with peak counts in winter:</p>	N/A	N/A



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> Dark-bellied brent goose, <i>Branta bernicla bernicla</i> Black-tailed godwit, <i>Limosa limosa islandica</i> <p>Species/populations identified subsequent to designation for possible future consideration under criterion 6. Species with peak counts in winter:</p> <ul style="list-style-type: none"> Grey plover, <i>Pluvialis squatarola</i> 		
<u>Hamford Water SAC</u> EU Code: UK0030377	50.34	Qualifying features potentially impacted: <u>S4035</u> . <i>Gortyna borelii lunata</i> ; Fisher's estuarine moth	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring: <ul style="list-style-type: none"> The extent and distribution of the habitats of the qualifying features The structure and function of the habitats of the qualifying features The supporting processes on which the habitats of the qualifying features rely 	See Essex Estuaries SAC



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
			<ul style="list-style-type: none"> The population of each of the qualifying features, and, <p>The distribution of the qualifying features within the site. The populations of qualifying species, and,</p> <p>The distribution of qualifying species within the site.</p>	
Minsmere – Walberswick				
<p>Minsmere – Walberswick is situated within East Suffolk District. This composite, Suffolk coastal site contains a complex mosaic of habitats, notably, areas of marsh with dykes, extensive reedbeds, mudflats, lagoons, shingle and driftline, woodland and areas of lowland heath. The site supports the largest continuous stand of reed in England and Wales and demonstrates the nationally rare transition in grazing marsh ditch plants from brackish to fresh water. The combination of habitats creates an exceptional area of scientific interest supporting nationally scarce plants, British Red Data Book invertebrates and nationally important numbers of breeding and wintering birds.</p>				
<u>Minsmere-Walberswick SPA</u> EU Code: UK9009101	1997.67	<u>Qualifying Features</u> potentially affected: <ul style="list-style-type: none"> A021 <i>Botaurus stellaris</i>; Great Bittern (Breeding) A051 <i>Mareca strepera</i>; Gadwall (Non-breeding) A051 <i>Mareca strepera</i>; Gadwall (Breeding) A052 <i>Anas crecca</i>; Eurasian Teal (Breeding) 	<p>Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring;</p> <p>The extent and distribution of the habitats of the qualifying features</p> <p>The structure and function of the habitats of the qualifying features</p> <p>The supporting processes on which the habitats of the qualifying features rely</p>	<p>Coastal squeeze – Coastal defences are present along most of the Minsmere – Walberswick coastline to mitigate for impacts from climate change, such as rising sea level. Unless changes are made to the management of the coastline, Habitats supporting qualifying SPA birds will be lost or degraded through coastal squeeze, sedimentation and reduced exposure.</p> <p>Public access/disturbance – Minsmere – Walberswick is subject to land and</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> • A056 <i>Spatula clypeata</i>; Northern Shoveler (Breeding) • A056 <i>Spatula clypeata</i>; Northern Shoveler (Non-breeding) • A081 <i>Circus aeruginosus</i>; Eurasian Marsh Harrier (Breeding) • A082 <i>Circus cyaneus</i>; Hen Harrier (Non-breeding) • A132 <i>Recurvirostra avosetta</i>; Pied Avocet (Breeding) • A195 <i>Sterna albifrons</i>; Little Tern (Breeding) • A224 <i>Caprimulgus europaeus</i>; European Nightjar (Breeding) • A394 <i>Anser albifrons albifrons</i>; Greater White-fronted Goose (Non-breeding) 	<p>The population of each of the qualifying features, and, The distribution of the qualifying features within the site.</p>	<p>water-based activities, including boating and water sports; walking; wildfowling; and low flying Private and MOD aircrafts. These activities are likely to impact Habitats supporting breeding and overwintering water birds. A better understanding of which species and Habitats are most susceptible; which types of activity are most disturbing; and which locations and times of year are most sensitive is required to ensure the Estuaries are appropriately managed.</p> <p>Changes in species distribution – Declines in the number of bird species present at Minsmere – Walberswick coastline have occurred. This is likely to be the result of changes in population and distribution on an international scale, due to climate change.</p> <p>Invasive species – <i>Spartina anglica</i> is encroaching onto estuarine muds. This may reduce bird roosting and feeding areas of saltmarsh and mudflat.</p> <p>Inappropriate Pest Control: Pest species, particularly Corvids and gulls, are attracted by feed of nearby outdoor pig</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>farming. The increased populations of these species likely cause increased predation and disturbance of SPA/SAC features.</p> <p>Air Pollution – Impacts of atmospheric nitrogen deposition: Modelled aerial deposits of nitrogen within Minsmere – Walberswick exceed the threshold limit above which the diversity of heathland vegetation begins to be altered and adversely impacted. This is likely being caused by in combination impacts from land spreading and land use practices with high nutrient inputs e.g. outdoor pig farms.</p> <p>Water Pollution: Inappropriate surface and ground water quality may impact on SPA/SAC features. The estuary water is nutrient rich with high pollutant levels. Eutrophication is having an influence on reed. Increased flood events could lead to habitat change/loss of diversity. Nutrient run off from outdoor pig farming could exacerbate the issue locally. Ground water pollution on light lands from land use practices such as treatment plants,</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				<p>land spreading, outdoor pigs, high nutrient inputs</p> <p>on fields may be an issue locally. Further monitoring and management of key issues are required.</p> <p>Deer: High numbers of red deer are damaging reedbed, woodland and heathland habitat. Minsmere RSPB Reserve has started a culling programme to control deer populations.</p>
<p><u>Minsmere- Walberswick Ramsar Site</u></p> <p>EU Code: UK11044</p>	2018.92	<p>Ramsar criterion 1</p> <p>The site contains a mosaic of marine, freshwater, marshland and associated habitats, complete with transition areas in between. Contains the largest continuous stand of reedbeds in England and Wales and rare transition in grazing marsh ditch plants from brackish to fresh water.</p> <p>Ramsar criterion 2</p> <p>This site supports nine nationally scarce plants and at</p>	There are no Conservation Objectives set for Ramsar sites.	<p>The RIS identified the following Factors affecting the site's ecological character:</p> <p>Erosion: Onsite impacts, major impact – Coastal squeeze within the Blyth Estuary.</p> <p>Recreational/tourism disturbance (unspecified): Onsite impacts, major impact – Trampling damage to vegetated shingle and driftline communities, and disturbance of little tern nesting habitat.</p> <p>The notes in the RIS for Ramsar sites of factors affecting site's ecological character are not considered as necessary for HRA screening purposes. The assessment under the provisions of the Habitats</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p>least 26 red data book invertebrates. Supports a population of the mollusc <i>Vertigo angustior</i> (Habitats Directive Annex II; British Red Data Book Endangered), recently discovered on the Blyth estuary river walls. An important assemblage of rare breeding birds associated with marshland and reedbeds including: <i>Botaurus stellaris</i>, <i>Mareca strepera</i>, <i>Anas crecca</i>, <i>Spatula clypeata</i>, <i>Circus aeruginosus</i>, <i>Recurvirostra avosetta</i>, <i>Panurus biarmicus</i></p>		<p>Regulations is strictly limited to the qualifying features which meet the Ramsar criteria. Where the qualifying features of a Ramsar site would or could be adversely affected by a plan or project, the tests at Appropriate Assessment would need to be based on Article 4 of the Ramsar Convention, which allows a Contracting Party (in this case the UK government) to delete or restrict the boundaries of sites only “ in its urgent national interest”.</p>
<p><u>Minsmere to Walberswick Heaths & Marshes SAC</u> EU Site Code:</p>	1256.57	<p><u>Qualifying Features</u> potentially affected:</p> <p><u>H1210</u>. Annual vegetation of drift lines</p> <p><u>H1220</u>. Perennial vegetation of stony banks; Coastal shingle vegetation outside the reach of waves</p>	<p>With regard to the SAC and the natural habitats and/or species for which the site has been designated (the ‘Qualifying Features’ listed below), and subject to natural change;</p> <p>Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the Favourable Conservation Status of its Qualifying Features, by maintaining or restoring;</p>	<p>Same as Minsmere- Walberswick SPA (See above)</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<u>H4030</u> . European dry heaths	<p>The extent and distribution of qualifying natural habitats and habitats</p> <p>The structure and function (including typical species) of qualifying natural habitats, and</p> <p>The supporting processes on which qualifying natural habitats rely</p>	
<p>Orfordness Shingle-Street</p> <p>Orfordness is an extensive shingle structure consisting of a foreland, a 15 km-long spit and a series of recurves running from north to south. It supports some of the largest and most natural sequences in the UK of shingle vegetation affected by salt spray. The southern end has a particularly fine series of undisturbed ridges, with zonation of communities determined by the ridge pattern. Pioneer communities with sea pea <i>Lathyrus japonicus</i> and False Oat-grass <i>Arrhenatherum elatius</i> grassland occur. Locally these are nutrient-enriched by the presence of a gull colony; elsewhere they support rich lichen communities.</p> <p>Drift-line vegetation occurs on the sheltered, western side of the spit, at the transition from shingle to saltmarsh, as well as on the exposed eastern coast. The drift-line community is widespread and comprises sea beet <i>Beta vulgaris</i> ssp. <i>maritima</i> and orache <i>Atriplex</i> spp.</p> <p>The site also includes a series of percolation lagoons that have developed in the shingle bank adjacent to the shore at the mouth of the Ore estuary. The salinity of the lagoons is maintained by percolation through the shingle, although at high tides sea water can overtop the shingle bank.</p>				
<p><u>Orfordness – Shingle Street SAC</u></p> <p>EU Code: UK0014780</p>	888	<p>Qualifying Features and potentially affected:</p> <ul style="list-style-type: none"> • <u>H1150</u>. Coastal lagoons • <u>H1210</u>. Annual vegetation of drift lines • <u>H1220</u>. Perennial vegetation of stony banks; 	<p>Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the Favourable Conservation Status of its Qualifying Features, by maintaining or restoring;</p>	See Alde Ore Estuary



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		Coastal shingle vegetation outside the reach of waves	<ul style="list-style-type: none"> The extent and distribution of qualifying natural habitats The structure and function (including typical species) of qualifying natural habitats, and The supporting processes on which qualifying natural habitats rely 	
<p>Outer Thames Estuary</p> <p>The Outer Thames Estuary SPA is located on the east coast of England between the counties of Norfolk (on the north side) and Kent (on the south side) and extends into the North Sea. The site comprises areas of shallow and deeper water, high tidal current streams and a range of mobile mud, sand, silt and gravely sediments extending into the marine environment, incorporating areas of sand banks often exposed at low tide. Intertidal mud and sand flats are found further towards the coast and within creeks and inlets inland down the Blyth estuary and the Crouch and Roach estuaries. The diversity of marine habitats and associated species is reflected in existing statutory protected area designations, some of which overlap or about the SPA.</p>				
<u>Outer Thames Estuary SPA</u> UK9020309	392451.66	<ul style="list-style-type: none"> A001 <i>Gavia stellata</i>; Red-throated diver (Non-breeding) A193 <i>Sterna hirundo</i>; Common tern (Breeding) A195 <i>Sternula albifrons</i>; Little tern (Breeding) 	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring: <ul style="list-style-type: none"> The extent and distribution of the habitats of the qualifying features The structure and function of the habitats of the qualifying features 	Fisheries: Commercial marine and estuarine: Commercial fishing activities categorised as 'amber or green' under Defra's revised approach to commercial fisheries in European Marine Sites (EMS) require assessment and (where appropriate) management. This assessment will be undertaken by the Eastern IFCA and the Kent & Essex IFCA, and the Marine



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
			<ul style="list-style-type: none"> The supporting processes on which the habitats of the qualifying features rely The population of each of the qualifying features, and, <p>The distribution of the qualifying features within the site</p>	<p>Management Organisation. For activities categorised as ‘green’, these assessments should take account of any in-combination effects of amber activities, and/or appropriate plans or projects, in the site.</p> <p>The gear types being assessed are towed demersal gear and dredges, and suction dredges for cockles as well as static/passive fishing gear methods such as set gillnets and drift netting represent potentially the most serious direct risk from fishing activity to the birds themselves. Disturbance and displacement effects may arise from boat movements associated with fishing activities. Removal of fish and larger molluscs can have a significant impact on the structure and functioning of benthic communities. Entanglement in static fishing nets is an important cause of death for red-throated divers in the UK waters. Netting is widespread across the sandbanks but is seasonal and occurs primarily when the Red-throated diver population is not at its peak. The scale of by-catch within the site has been assessed by the Kent & Essex IFCA, and</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				was not found to be problematic and so can be deemed to be low-risk.
<p>Sandlings</p> <p>The site lies near the Suffolk coast between the Deben Estuary and Leiston. In the 19th century, the area was dominated by heathland developed on glacial sandy soils. During the 20th century, large areas of heath were planted with blocks of commercial conifer forest and others were converted to arable agriculture. Lack of traditional management has resulted in the remnant areas of heath being subject to successional changes, with the consequent spread of bracken, shrubs and trees, although recent conservation management work is resulting in their restoration. The heaths support both acid grassland and heather-dominated plant communities, with dependant invertebrate and bird communities of conservation value. Woodlark <i>Lullula arborea</i> and Nightjar <i>Caprimulgus europaeus</i> have also adapted to breeding in the large conifer forest blocks, using areas that have recently been felled and recent plantation, as well as areas managed as open ground.</p>				
<p>Sandlings SPA</p> <p>EU Site code: UK9020286</p>	3,391.80	<p><u>Qualifying Features</u></p> <ul style="list-style-type: none"> A224 <i>Caprimulgus europaeus</i>; <p>European nightjar (Breeding) A246 <i>Lullula arborea</i>; Woodlark (Breeding)</p>	<p>Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring;</p> <p>The extent and distribution of the habitats of the qualifying features</p> <p>The structure and function of the habitats of the qualifying features</p> <p>The supporting processes on which the habitats of the qualifying features rely</p> <p>The population of each of the qualifying features, and, The distribution of the qualifying features within the site.</p>	<ol style="list-style-type: none"> Changes in species distribution Inappropriate scrub control Deer Air pollution: impact of atmospheric nitrogen deposition <p>Public Access / Disturbance</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<p>Southern North Sea</p> <p>The Southern North Sea SAC lies along the east coast of England, predominantly in the offshore waters of the central and southern North Sea, from north of Dogger Bank to the Straits of Dover in the south. This site stretches from the central North Sea (north of Dogger Bank) to the Straits of Dover in the south, covering an area of 36,951 km², making it the largest SAC in UK and European waters at the point of designation in 2019.</p> <p>The Southern North Sea SAC is an area of importance for harbour porpoise, supporting an estimated 17.5% of the UK North Sea Management Unit (MU) population. Approximately two-thirds of the site, the northern part, is recognised as important for porpoises during the summer season, whilst the southern part supports persistently higher densities during the winter.</p>				
Southern North Sea SAC EU Code: UK0030395	3695054	Qualifying features potentially affected: Annex II species: <u>Harbour porpoise</u> <u>(<i>Phocoena phocoena</i>)</u>	The conservation objectives (CO) for the Southern North Sea SAC are: to ensure that the integrity of the site is maintained and that it makes the best possible contribution to maintaining Favourable Conservation Status (FCS) for harbour porpoise in UK waters. In the context of natural change, this will be achieved by ensuring that: CO 1. Harbour porpoise is a viable component of the site. CO 2. There is no significant disturbance of the species.	<p>Entanglement / Bycatch: Potential Mortality Injury</p> <p>Contaminants: Effects on water and prey quality Bioaccumulation through contaminated prey ingestion</p> <p>Anthropogenic underwater sound: Mortality Internal injury Disturbance leading to behavioural changes Habitat changes/loss</p> <p>Reduction in prey resource: Reduction in food availability Increased competition Displacement from natural range</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
			CO 3. The condition of supporting habitats and processes, and the availability of prey is maintained.	Collision with vessels or installations: Mortality Injury
Staverton Park & The Thicks, Wantisden				
<p>This site is representative of old oak <i>Quercus</i> spp. woods, and its ancient oaks have rich invertebrate and epiphytic lichen assemblages. Despite being in the most 'continental' part of southern Britain, the epiphytic lichen flora of this site includes rare and Atlantic species, such as <i>Haemotomma elatinum</i>, <i>Lecidea cinnabarina</i>, <i>Thelotrema lepadinum</i>, <i>Graphis elegans</i> and <i>Stenocybe septata</i>. Part of the site includes an area of old holly <i>Ilex aquifolium</i> trees that are probably the largest in Britain. The site has a very well-documented history and good conservation of woodland structure and function</p>				
<u>Staverton Park and The Thicks, Wantisden SAC</u> EU Code: UK0012741	84.28	Qualifying features potentially affected: <ul style="list-style-type: none"> <u>H9190</u>. Old acidophilous oak woods with <i>Quercus robur</i> on sandy plains; Dry oak-dominated woodland 	Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the Favourable Conservation Status of its Qualifying Features, by maintaining or restoring; <ul style="list-style-type: none"> The extent and distribution of qualifying natural habitats The structure and function (including typical species) of qualifying natural habitats, and The supporting processes on which qualifying natural habitats rely 	<ol style="list-style-type: none"> Forestry and woodland management Disease Public Access / Disturbance Deer Hydrological changes Air Pollution impacts of atmospheric nitrogen deposition
The Stour and Orwell estuaries				



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
<p>These estuaries straddle the eastern part of the Essex/Suffolk border in eastern England. The estuaries include extensive mud-flats, low cliffs, saltmarsh and small areas of vegetated shingle on the lower reaches. The mud-flats hold <i>Enteromorpha</i>, <i>Zostera</i> and <i>Salicornia</i> spp. The site also includes an area of low-lying grazing marsh at Shotley Marshes on the south side of the Orwell. In summer, the site supports important numbers of breeding Avocet <i>Recurvirostra avosetta</i>, while in winter they hold major concentrations of water birds, especially geese, ducks and waders. The geese also feed, and waders roost, in surrounding areas of agricultural land outside the SPA. The site has close ecological links with the Hamford Water and Mid-Essex Coast SPAs, lying to the south on the same coast.</p>				
<p><u>Stour and Orwell Estuaries SPA</u></p> <p>EU Code: UK9009121</p>	3676.92	<p><u>Qualifying Features</u> potentially affected:</p> <p>Annex I species:</p> <p>Over winter: Hen Harrier <i>Circus cyaneus</i></p> <p>This site also qualifies under Article 4.2 of the Directive (79/409/EEC) by supporting populations of European importance of the following migratory species: Over winter:</p> <ul style="list-style-type: none"> • Black-tailed Godwit <i>Limosa limosa islandica</i> • Dunlin <i>Calidris alpina alpina</i> • Grey Plover <i>Pluvialis squatarola</i> • Pintail <i>Anas acuta</i> • Redshank <i>Tringa totanus</i> 	<p>With regard to the individual species and/or assemblage of species for which the site has been classified (“the Qualifying Features” listed below);</p> <p>Avoid the deterioration of the Habitats of the qualifying features, and the significant disturbance of the qualifying features, ensuring the integrity of the site is maintained and the site makes a full contribution to achieving the aims of the Birds Directive.</p> <p>Subject to natural change, to maintain or restore:</p> <p>The extent and distribution of the Habitats of the qualifying features;</p> <p>The structure and function of the Habitats of the qualifying features;</p> <p>The supporting processes on which the Habitats of the qualifying features rely;</p>	<p>Coastal squeeze – Coastal defences are present along most of the Orwell coastline to mitigate for impacts from climate change, such as rising sea level. Unless changes are made to the management of the coastline, Habitats supporting qualifying SPA birds will be lost or degraded through coastal squeeze, sedimentation and reduced exposure.</p> <p>Public access/disturbance – Stour and Orwell Estuaries is subject to land- and water-based activities, including boating and water sports; walking; bait-digging; fishing; wildfowling; and military overflight training. These activities are likely to impact Habitats supporting breeding and overwintering water birds. A better understanding of which species and Habitats are most susceptible; which types of activity are most disturbing; and which locations and times of year are</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> • Ringed Plover <i>Charadrius hiaticula</i> • Shelduck <i>Tadorna tadorna</i> • Turnstone <i>Arenaria interpres</i> <p>The area qualifies under Article 4.2 of the Directive (79/409/EEC) by regularly supporting at least 20,000 waterfowl including:</p> <ul style="list-style-type: none"> • Cormorant <i>Phalacrocorax carbo</i> • Pintail <i>Anas acuta</i> • Ringed Plover <i>Charadrius hiaticula</i> • Grey Plover <i>Pluvialis squatarola</i> • Dunlin <i>Calidris alpina alpina</i> • Black-tailed Godwit <i>Limosa limosa islandica</i> • Redshank <i>Tringa totanus</i> • Shelduck <i>Tadorna tadorna</i> • Great Crested Grebe <i>Podiceps cristatus</i> 	<p>The populations of the qualifying features;</p> <p>The distribution of the qualifying features within the site.</p>	<p>most sensitive is required to ensure the Estuaries are appropriately managed.</p> <p>Changes in species distribution – Declines in the number of bird species present at Orwell coastline have occurred. This is likely to be the result of changes in population and distribution on an international scale, due to climate change.</p> <p>Invasive species – An increase in <i>Spartina anglica</i> may be affecting the growth of <i>Spartina maritima</i>, a key habitat feature for qualifying bird roosting and feeding areas of saltmarsh and mudflat.</p> <p>Planning permission: General – The issue of development in combination with other factors is not fully understood. To ensure management is appropriate to the SPA a better understanding of the sensitivities relating to each habitat, species and location to different types of development is required. Difficult issues highlighted by the SIP include; a) Assessing the cumulative effects of numerous, small and often ‘non- standard’ developments. B) Development outside the SPA boundary can have negative</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none"> • Curlew <i>Numenius arquata</i> • Dark-bellied Brent Goose <i>Branta bernicla bernicla</i> • Wigeon <i>Mareca penelope</i> • Goldeneye <i>Bucephala clangula</i> • Oystercatcher <i>Haematopus ostralegus</i> • Lapwing <i>Vanellus vanellus</i> • Knot <i>Calidris canutus</i> • Turnstone <i>Arenaria interpres</i> 		<p>impacts, particularly on the estuaries' birds. C) Assessing the indirect, 'knock-on' effects of proposals. D) Pressure to relax planning conditions on existing developments.</p> <p>Air pollution: impact from atmospheric nitrogen deposition – Atmospheric nitrogen deposition exceeds the relevant critical loads for coastal dune Habitats used by breeding terns and hence there is a risk of harmful effects.</p> <p>Inappropriate coastal management – Due to the presence of existing hard sea defences, such as sea walls there is little scope for adaptation to rising sea levels. Any freshwater Habitats behind failing seawalls are likely to be inundated by seawater, which would result in the loss of this habitat within the SPA.</p> <p>5. Fisheries: Commercial and estuarine – Commercial fishing activities can be very damaging to inshore marine Habitats and the bird species dependent on the communities they support. Any 'amber or green' categorised</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
				commercial fishing activities in Habitats Marine Sites are assessed by Kent and Essex Inshore Fisheries Conservation Authority (IFCA). This assessment takes into account any in-combination effects of amber activities and/or appropriate plans or projects.
<u>Stour and Orwell Estuaries Ramsar site</u> EU Code: UK11067	3676.92	Ramsar criterion 2 Contains seven nationally scarce plants: <ul style="list-style-type: none"> • Stiff Saltmarsh-grass <i>Puccinellia rupestris</i> • Small Cord-grass <i>Spartina maritime</i> • Perennial Glasswort <i>Sarcocornia perennis</i> • Lax-flowered Sea Lavender <i>Limonium humile</i> • Eelgrasses <i>Zostera angustifolia</i>, <i>Z. marina</i> and <i>Z. noltei</i>. 	There are no Conservation Objectives set for Ramsar sites.	Similar to Stour and Orwell Estuaries SPA (See above). A key threat identified by RIS was erosion. Erosion – Natural coastal processes exacerbated by fixed sea defences, port development and maintenance dredging. Erosion is being tackled through sediment replacement for additional erosion that can be attributed to port development and maintenance dredging. A realignment site has been created on-site to make up for the loss of habitat due to capital dredging. General background erosion has not been tackled although a Flood Management Strategy for the site is being produced.



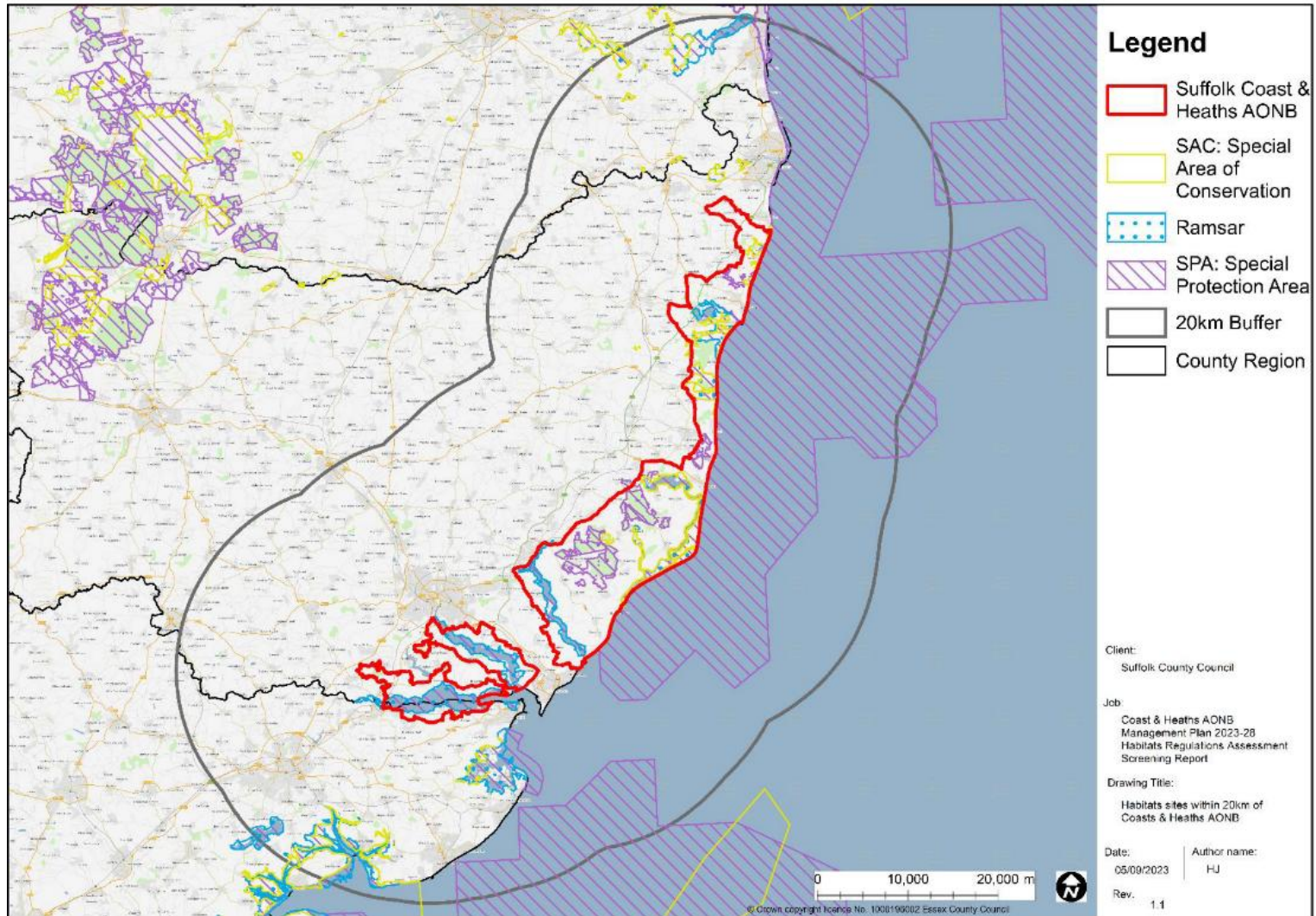
Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<p>Ramsar criterion 5</p> <p>Assemblages of international importance; species with peak counts in winter; 63,017 waterfowl.</p> <p>Ramsar criterion 6</p> <p>Species/ populations occurring at levels of international importance:</p> <p>Species with peak counts in spring/autumn:</p> <ul style="list-style-type: none"> • Redshank, <i>Tringa totanus</i> • Species with peak counts in winter: • Dark-bellied Brent Goose, <i>Branta bernicla bernicla</i> • Northern Pintail, <i>Anas acuta</i> • Grey Plover, <i>Pluvialis squatarola</i> • Red Knot, <i>Calidris canutus islandica</i> • Dunlin, <i>Calidris alpina alpina</i> 		<p>The notes in the RIS for Ramsar sites of factors affecting site's ecological character are not considered as necessary for HRA screening purposes. The assessment under the provisions of the Habitats Regulations is strictly limited to the qualifying features which meet the Ramsar criteria. Where the qualifying features of a Ramsar site would or could be adversely affected by a plan or project, the tests at Appropriate Assessment would need to be based on Article 4 of the Ramsar Convention, which allows a Contracting Party (in this case the UK government) to delete or restrict the boundaries of sites only "in its urgent national interest".</p>



Site name	Area (ha)	Qualifying Features	Conservation objectives (only available for SACs & SPAs)	Key vulnerabilities / factors affecting site integrity
		<ul style="list-style-type: none">Black-tailed Godwit, <i>Limosa limosa islandica</i>		



Appendix 4. Habitats Sites within 20km of the Coasts and Heaths AONB





Place Services

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September 2023



Essex County Council



Committee	Cabinet
Date	6 February 2024
Subject	General Fund Budget and Council Tax Report 2024/25
Cabinet Member	Councillor Vince Langdon-Morris Cabinet Member with responsibility for Resources and Value for Money
Report Author(s)	Lorraine Rogers Chief Finance Officer and Section 151 Officer Lorraine.rogers@eastsoffolk.gov.uk Georgina Peck Finance Business Partner/Acting Finance Planning Manager Georgina.peck@eastsoffolk.gov.uk Danielle Patterson Finance Business Partner/Acting Finance Planning Manager Danielle.patterson@eastsoffolk.gov.uk
Head of Service	Lorraine Rogers Chief Finance Officer and Section 151 Officer Lorraine.rogers@eastsoffolk.gov.uk
Director	Chris Bally Chief Executive Chris.bally@eastsoffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
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Purpose/Summary

At the end of the 2024/25 budget process, the Council is required to approve a balanced budget for the following financial year and set the Band D rate of Council Tax. This report sets out the context and initial parameters in order to achieve that objective and contribute towards a sustainable position for the next financial year.

The report brings together all the relevant information to enable Members to review, consider and comment upon the Council's General Fund revenue budgets before making recommendations to Council on 21 February 2024.

Recommendation(s)

That Cabinet recommend to Full Council that it approves:

1. The 2024/25 General Fund Revenue Budget as set out in this report and summarised in **Appendix A5** and notes the budget forecast for 2025/26 and beyond;
2. The reserves and balances movements as presented in **Appendix A6**;
3. A proposed Band D Council Tax for East Suffolk Council of £186.57 for 2024/25, an increase of £5.40 or 2.98%;
4. The following Council Tax premiums be applied, following the enactment of the Levelling Up and Regeneration Bill on 26 October 2023:
 - the 100% premium for properties which have been empty and unfurnished for a period of between 1 and 2 years from 1 April 2024, and
 - the 100% premium for second homes from 1 April 2025; and
5. That the Chief Finance Officer and Section 151 Officer is granted delegated authority to implement the introduction of the additional Council Tax premiums as per Recommendation 4.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact

The Council has committed to delivering positive climate, nature and environmental impacts through the decisions we make and the actions we take and this will be reflected in all our work.

During 2024/25, we will be reviewing our Asset and Procurement Strategies, both of which will demonstrate the key relationships between looking after the environment and long-term financial stability.

Specifically there is an annual budget in the region of £0.140m for Environmental Climate. This includes resourcing to help co-ordinate and support the delivery of the Council's commitment

	<p>to net Zero by 2030. A Climate Change Reserve is also held which is currently being used for Plastic Action.</p> <p>The 2024/25 budget includes an approved £0.110m contribution to the Green Light Trust to support the completion of a new purpose-built eco exemplar indoor learning centre.</p> <p>The Cycling and Walking Group is now set up with Terms of Reference agreed with its overarching aim to promote active travel (cycling, walking and wheeling) throughout East Suffolk and to help facilitate the delivery of the East Suffolk Cycling and Walking Strategy and promote modal shift. The group has met several times and has engaged with a number of communities and developers to scope out its work programme.</p> <p>A new reserve has been established for the Strategic Plan, with an allocation of £1.5m for the theme of Environmental Impact, including £1m for the Cycling and Walking Strategy. An additional post is also to be established to support this work.</p> <p>The Council contributes £0.050m per annum to the National Landscape Partnership, and this is included in the budget for 2024/25 and the following years of the MTFs. This contribution ensures continued support and promotion of the importance of the Area of Outstanding Natural Beauty within East Suffolk.</p> <p>The Planning Service has actively addressed the challenges of the introduction of mandatory Biodiversity Net Gain (BNG) from February this year by working with other Suffolk authorities as to how the process will be implemented and operated. The team has also employed two further ecologists to complement the existing team in the services Specialist Services Team and the management of the BNG agreements and funds will be facilitated through the services Infrastructure Delivery Team. The introduction of BNG will be carefully monitored through the coming year.</p>
<p>Sustainable Housing</p>	<p>Together with the Housing Revenue Account, the budget commits to support safe, suitable and sustainable homes. We will look to bring forward business cases to deliver affordable and sustainable housing as opportunities arise.</p> <p>Specifically the budget recognises the pressure on temporary accommodation and the impact on Housing Benefit Subsidy loss. This has been identified as a £0.100m annual pressure.</p> <p>By enabling growth in the Council tax base, whether from new properties or bringing empty homes back into use, this generates income to the Council from Council Tax, and Government funding in the form of New Homes Bonus (NHB) which is set to continue for another year in 2024/25.</p> <p>From 2025/26, the MTFs includes the introduction of the 100% Council Tax premium on second homes from April 2025. This is</p>

	<p>currently estimated to generate additional annual income in the region of £0.760m for the Council from 2025/26. The MTFS currently shows this annual income being held in the Strategic Plan Reserve until 2027/28 to support Sustainable Housing ambitions.</p>
<p>Tackling Inequalities</p>	<p>A significant amount of the work done by the Council’s dedicated office cohort, is aimed at supporting those most at need and in protecting vulnerable people. Teams such as communities and leisure, housing, environmental health and economic development are committed to improving the quality of life across the District.</p> <p>Specifically the budget recognises an annual increased funding for the Voluntary, Community, Faith and Social Enterprise (VCFSE) organisations which are integral to delivery of this Strategic ambition. The total budget provision is £0.270m.</p> <p>The £0.110m contribution to the Green Light Trust supports their vision to provide health and wellbeing programmes in a nature-based setting.</p> <p>The NHB reserve provides funding for a number of initiatives supporting this theme of the Strategic Plan, this includes;</p> <ul style="list-style-type: none"> • The Community Partnerships model which continues to be developed and the budget includes an annual provisional in the region of £0.600m until 2026/27 • Community Hubs with an additional £0.080m of funding being provided next year. <p>The Council has provided funding for a range of mental health programmes with schools including free training for teachers, mentoring programmes in Lowestoft, Crucial Crew Plus focussed on Safety.</p> <p>There is a significant amount of working with Public Health – Feel Good Suffolk programme. They are allocating £0.101m per year to us for three years for a Community Centred Approaches to Health programme. The Council worked in partnership with Public Health and Norfolk and Waveney ICB to secure £0.160m for the Lowestoft Health Hearts project, and the Council has helped to deliver £0.200m of funding for four target areas through the Public Mental Health programme.</p> <p>The need to address and reduce anti-social behaviour is an ambition of the Strategic Plan. The budget includes an increase to the staffing budget to ensure this service is adequately resourced on a permanent basis going forward.</p> <p>During the current year the Council has supported transport in rural areas via community partnership funding – Buzzabout in the north of the district and Katch in the Framlingham/Wickham Market and Snape area.</p>

Thriving Economy

Continuing to support regeneration projects

Council led regeneration programmes in Lowestoft, Leiston and Felixstowe are supporting the Thriving Economy theme through increasing the economic viability of the district's towns, ensuring residents benefit from Nationally Significant Infrastructure Projects (NSIPs) and supporting responsible tourism and the visitor economy. In Lowestoft there is a major town wide regeneration programme contributing to the town's repositioning from a deprived and run down sea-side town to a thriving coastal resort and offshore renewables Operation & Maintenance (O&M) base. Key elements include:

Towns Fund - seeks to transform a tired high street and the seafront area through capital investments in arts, culture and leisure. A key objective is to adapt the current town centre away from an over reliance on retail which is demonstrated by the 24% vacancy rate (almost five times higher than Felixstowe). £65.1m of external funding has been secured to support an £82.7m regeneration programme.

- The Seafront Vision element of the regeneration programme includes the redevelopment and transformation of East Point Pavilion, Eastern Edge beach huts, Royal Plain, First Light Festival and Jubilee Parade. These are and will provide brand new contemporary attractions to draw in visitors from beyond Lowestoft's traditional visitor hinterland. This complements other major capital investment on the seafront such as the £16m CEFAS redevelopment which modernised and expanded the marine science facility.
- Jubilee Parade Phase 3 wholesale redevelopment of seafront asset to provide new food and beverage offer, toilets, showers, water sports storage and an accessible lift. Currently a tired building in need of refurbishment – investment (capital prog £0.600m plus LUF of £4.3m).
- East Suffolk is providing £0.500m and the Arts Council are putting in £0.600m over three years.

Specifically the Council has agreed to contribution £0.900m to the restoration and redevelopment of the former Lowestoft Town Hall into a community, heritage and events space. This is reflected in the budgets for 2024/25 and 2025/26.

Kirkley Waterfront land remediation and development of new sustainable community in the heart of Lowestoft. Supports two priorities within the Sustainable Housing theme – deliver the right housing based on our communities needs and promote housing developments which enhance wellbeing and protect the environment.

In Leiston the Council has funded a town centre masterplan vision to regenerate the town centre with an ambition to create a new mixed use market square and heritage quarter. Will be

progressing the viability and design works of the Market Square project during 2024/25.

In Felixstowe there are 3 development areas:

- South Seafront, £4m capital programme allocation to reinvigorate the seafront. Next phase of project delivery subject to agreeing the new Felixstowe Vision. Thriving economy link through investment in tourism assets which benefit residents as well as visitors.
- Landguard Peninsula, led by Landguard Trust but funded via parking receipts and income from East Suffolk owned café.
- North Felixstowe creation of sustainable leisure led development and new community of up to 2000 homes within a quality designed and green community.

Tourism contribution

East Suffolk invests in the tourism sector in a number of ways. Firstly, we support the Suffolk Coast Destination Management Organisation (DMO) with £55k pa to provide destination marketing service. Secondly we invest directly/ indirectly (via external funding) in Council assets to support the visitor economy e.g. majority of Towns Fund projects, Felixstowe Beach Village. Thirdly we support a range of events which draw tourists to the district e.g. First Light Festival, Tour of Britain, market town celebrations. Tourism is a key sector for East Suffolk with an economic value of £680m per annum and accounts for 14% of total employment.

Support and initiatives in the rural middle of the district

All towns across East Suffolk have and continue to benefit from ESC's wide ranging investments to deliver a thriving economy. This includes £3.9m from UK Shared and Rural Economy Prosperity Funds which provide place investment, business support and skills development funding. A further funding scheme which has focussed on all the district's town centres is the Towns Revitalisation Programme and since 2020 over £0.700m has been invested. A key capital investment (£1.8m) has been the Southwold Enterprise Hub. The majority of our towns in the 'rural middle' also benefit significantly from visitor spend, East Suffolk actively promotes coastal and market towns as tourism destinations via its funding of the Suffolk Coast DMO.

In recent years the Council has also invested £1.5m across all of the district's towns to provide digital infrastructure (free public wi-fi and footfall sensors) and business support.

The Youth Employment Service (YES) supports young people who are NEET (Not in Education, Employment or Training) across the whole district, Leiston is one of the towns with the highest demand for this service.

**Our Foundations /
governance of the
organisation**

The Council adopted its 'Our Direction 2028' corporate strategy in November 2023. It is a clear articulation of the Council's corporate priorities underpinned by financial sustainability and governance. This is supported by the Medium Term Financial Strategy.

At the heart of the budget is good financial management and governance to provide and monitor spend on services and investments.

This report forms an important element of good governance, ensure financial sustainability and putting the Council's assets to good use. It highlights areas of financial, strategic and operational risks which will impact on the Council's MTFS. This informs an assessment of an appropriate level of General Fund balance and reserves to be held, balancing financial risks and the ability of the council to deliver on its ambitions. The current approach has been for the Council to maintain a General Fund Balance of between 3% and 5% of its budgeted gross expenditure (£4- £6m). The balance currently held is £6m.

One of the key underpinning financial principles of the MTFS is to not use the Council's Reserves (and other one-off resources) as a primary method to balance the ongoing pressures in the budget. Earmarked reserves are used for specific one-off purposes to support the delivery of corporate objectives and to mitigate risks.

The MTFS provides the framework for budget discussions for the forthcoming financial year. The MTFS is an essential element in achieving a balanced budget and a sustainable medium term position, whilst setting a balanced budget for the coming year is a statutory requirement. The 2024/25 budget is considered at the following meetings;

- Cabinet 2 January 2024
- Scrutiny Committee 18 January 2024
- Cabinet 6 February 2024
- Full Council 21 February 2024

This report proposes a Council Tax increase for 2024/25 of up to the referendum limit, to provide the necessary funding towards delivering council services, including the introduction of the Second Home Council Tax Premium from April 2025.

East Suffolk Council created ESSL to operate as a Local Authority Trading Company (LATCo) following a thorough review of its joint venture (JV) partnership with Norse, which ended on 30 June 2023. The first year's operation of ESSL has been and continues to be about stabilisation and identification of opportunities for the development and improvement of the various services this company delivers.

	<p>The asset maintenance budgets are used for physical reactive repairs and planned cyclical maintenance at non-housing buildings, land and infrastructure assets including occupied buildings (tenanted and operational), public conveniences, beach huts/chalets, car parks, cemeteries, parks & gardens, public open space, footpaths, roads, watercourses, campsites and harbours etc. The budgets are based on condition surveys and asset inspections, known cyclical and typical annual requirements, plus specific requests from managing departments. In addition to maintenance and repairs at buildings, the budgets also include for a range of statutory compliance and servicing, such as Legionella, Asbestos, Electrical, Fire safety, etc. The budgets are a work-in-progress every year, trying to refine them, and move towards a more planned approach, rather than reactive, which the implementation of Shire over the coming years will aid.</p>
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Justification for recommendations

1. Background

- 1.1. The MTFS sets the strategic financial direction for the Council. It sets out the key financial management principles, budget assumptions and service issues.
- 1.2. The MTFS provides a framework for the detailed budget setting process to ensure that resources are managed effectively and are able to deliver the aspirations of the Council as set out in the Strategic Plan. It provides a sound basis for planning and decision making, and is reviewed and updated at the following key points in the year:
 - November/December – as a framework for initial detailed budget discussions for the forthcoming financial year.
 - January – an update to include additional information received at a national level and corporate issues identified through service planning and the detailed budget build.
 - February – with the final budget for the new financial year.
- 1.3. The key underlying principles of the MTFS are:
 - securing a balanced budget with reduced reliance on the use of reserves and general balances to support its everyday spending;
 - setting modest increases in Council Tax when appropriate;
 - delivering service efficiencies and generating additional income where there are opportunities to do so; and
 - deliver the priorities of the Council in a way that benefit of the residents of East Suffolk.

2. Introduction

- 2.1. **Economic Outlook:** The national economic background affects the costs the Council incurs, the funding it receives, and the demand for services as residents are affected by economic circumstances.
- 2.2. The twelve-month Consumer Price Index (CPI) inflation to December 2023 was 4.0%, up from 3.9% in November 2023. For local government, the September CPI (6.7% for September 2023) is important because it will be used to index the business rates multiplier, and to uplift Revenue Support Grant (RSG) and the baselines within the Business Rates Retention System (BRRS). The Bank of England projects CPI inflation to fall to towards its target of 2% later this year.
- 2.3. At its meeting on 13 December 2023, the Bank of England's Monetary Policy Committee (MPC) voted by a majority of 6-3 to maintain the Bank Rate at 5.25%. Three members of the Committee preferred an increase of 0.25% to 5.5%. The next meeting of the MPC to review the bank rate is 31 January 2024.
- 2.4. **Local Government Finance:** The Government published the Local government finance policy statement 2024 to 2025 on 5 December 2023 which set out the government's

intention for the local Government Finance Settlement for 2024/25. Details of the policy are provided in **Appendix B**.

- 2.5. On 18 December 2023 DLUHC published the Provisional Local Government Finance Settlement for 2024/25, a summary is provided in **Appendix C**. The increase in the Council's core spending power as per the Provisional Settlement for 2024/25 is 4.8% (4.9% 2023/24). This report includes the funding allocations for the Council as set out in the Provisional Settlement. Further details are provided in Section 4.4 to 4.11 of **Appendix A**. The most significant change to funding from the original budget assumptions for the Council is New Homes Bonus for another year, of £0.650m. Other settlement grants have either increased or decreased, but the overall funding position for the Council remains relatively unchanged, with only an additional £16,800 of funding compared to the original budget for next year.
- 2.6. The Government launched a consultation on the provisional settlement which ran until 15 January – the Council did submit a response. On 24 January 2024, the Government announced steps it will be taking in response to the consultation feedback, including additional funding in the Final Settlement so that all local authorities will see a minimum 4% in their Core Spending Power before taking any local decisions on raising Council Tax. This announcement indicates additional funding for the Council through the Rural Services Delivery Grant and the Funding Guarantee. The exact allocations will be confirmed in the Final Settlement, which is anticipated early February. However, initial estimates suggest additional funding next year for the Council in the region of £0.270m. This will be updated in the report to Full Council.
- 2.7. Other key steps in the announcement on 24 January included an ask of local authorities to produce productivity plans which will set out how they will improve service performance and ensure every area is making best use of taxpayers' money. The Government will monitor these plans, and funding settlements in future years will be informed by performance against these plans. The Government will also be establishing an expert panel to advise them on financial sustainability in the sector which will include the Office for Local Government and the Local Government Association. More information on these requirements is expected to be provided in the final Settlement.
- 2.8. **Business Rates:** The budget for Business Rates income is based on the NNDR1 return. The NNDR return for 2024/25 has now been completed and includes the split between Section 31 Grant and actual rates income. The budget estimate for Business Rates income for 2024/25 has been uplifted by £3.271m from the original budget, this includes an estimate for a Collection Fund surplus of £1.180m.
- 2.9. The Business Rates system may be subject to reform from 2026/27 with the changes potentially not impacting as seriously as previously forecast. In light of the impending reform, the approach that has been taken is to taper the Business Rates income budget from 2025/26. This is to reflect a cautious approach to the overall Business Rates income position in the latter years of the MTFs. This is covered in detail in 4.16 of **Appendix A**.
- 2.10. In October all Suffolk councils agreed to continue a pooling arrangement for 2024/25, which would allow them to retain a larger proportion of their share of growth by reducing the overall levy rate for Suffolk to £nil. In addition, and for 2024/25 only, Suffolk

Public Sector Leaders (SPSL) have agreed for their share of the pooling benefit for next year, to be distributed to the pool members using the same methodology as for the normal distribution. Demand and inflationary pressures are having a significant impact on council budgets and this will provide additional financial support through these pressures and to assist with setting balanced budgets and to protect council services. Suffolk County Council is the administering authority for the Pool and collates the NNDR1 returns of all of the Suffolk authorities. The Council is currently estimated to receive a Pooling Benefit for next year of £3.9m. In addition to this, the Pool also holds a £2m contingency reserve, also to be re-distributed to the Pool members in 2024/25. The current estimate for the Pooling Benefit to the Council is £4.6m. This estimate will be confirmed after January when Suffolk County Council has collated the NNDR1 returns of all of the Suffolk authorities.

- 2.11. The MTFS assumption is that the Council will continue to retain 100% Business Rates income from renewables.
- 2.12. **Council Tax:** Council Tax is one of the Council's most important and stable income streams, funding approximately 40% of the net budget requirement of the Council.
- 2.13. The increase in the tax base for East Suffolk is currently estimated to be 677.81 (0.75%) Band D equivalent properties, increasing the overall tax base for East Suffolk from 90,340.92 to 91,018.73 for 2024/25. This equates to around £0.123m of additional Council Tax income to the Council based on the current District Band D Council Tax of £181.17. The 2024/25 Council Tax Base was reported to Cabinet on 5 December 2023.
- 2.14. The 2024/25 provisional settlement confirms a council tax referendum principle for shire district councils of up to 2.99% or £5, whichever is higher. The proposed Council Tax increase of up to the referendum principle for 2024/25, would equate to a District Band D Council Tax for East Suffolk of £186.57, an increase of £5.40 or 2.98%. It would generate approximately £0.492m of additional income for East Suffolk.
- 2.15. **Council Tax Premium on Second Homes:** The Levelling-up and Regeneration Bill received Royal Assent at the end of October 2023 which included giving billing authorities the discretion to charge a 100% premium on second homes or empty dwellings. It gives billing authorities the power to charge a 100% premium on "dwellings occupied periodically". At its meeting on 25 January 2023, Full Council approve this in principle, subject to the Bill receiving Royal Assent. In order to implement the premium, a clear 12 month period and a full financial year's notice is required. Therefore the earliest a Second Home Premium could be charged is the 1 April 2025. Although the Act has been passed the categories of properties exempted from the second home premium have not yet been disclosed and regulation is being awaited.
- 2.16. Given the number of second homes in Suffolk, this 100% council tax premium should represent a significant addition to the income stream from Council Tax. It is estimated that this could generate in the region of £8.450m in East Suffolk - £6.265m for Suffolk County Council, over £1.100m for Suffolk Police, £0.759m for East Suffolk Council £0.326m Town & Parishes. This estimate is based on 2023/24 (current year) Council Tax levels. As the premium cannot be implemented until 1 April 2025, this estimate is subject to change due to change in the number of second homes in the district and the

Council Tax level set for 2025/26. The additional income to the Council of £0.759m has been included in the annual Council Tax income estimates from 2025/26. This has been transferred to the Strategic Plan reserve for potential use to deliver objectives under the Council's Strategic Direction of Sustainable Housing.

- 2.17. **MTFS Forecasts 2024/25 to 2027/28:** The budget continues to be reviewed and the following key areas of the budget are yet to be finalised which could lead to further movements on the budgets;
- Final estimate for the Pooling Benefit for Business Rates 2024/25
 - Announcement of the Final Local Government Settlement for 2024/25
 - Transfers to/from reserves as a result of the above.
- 2.18. In the Budget report to Full Council in February 2023 the MTFS reported an annual General Fund budget gap for 2024/25 of £3.511m. There have been significant challenges setting next year's budget – uncertainty with local government funding, cost pressures from pay and inflation, and supporting the Council's capital programme for next year. Additional income from business rates and the return on investment income from treasury management activities due to high interest rates, have been the two key items to largely offset budget pressures next year. Further details are provided in **Appendix A4**.
- 2.19. This report presents a balanced budget for 2024/25, which has required £1.85m use of the In-Year Savings Reserve to balance the budget.
- 2.20. **Reserves and Balances:** The total balance of General Fund Earmarked Reserves was £48.06m as of 1 April 2023, and the current projected balance at the end of the April 2028 is £31.21m. Reserve movements presented in **Appendix A5**, do not include use of reserves to address budget gaps beyond 2024/25. The General Fund balance remains at £6m, with no planned use over the current MTFS. This will be reviewed before the end of the budget process to consider if this is still an appropriate level of balance, given the increased pressure and funding uncertainty going forward.
- 2.21. Two new reserves to highlight from 2024/25, are the Resilience Reserve and Strategic Plan Reserve. The Resilience Reserve has been allocated a fund of £0.500m to provide an allocation of funding for the Council to use as and when it deems it to be appropriate in address matters of resilience, e.g. flooding events. The Strategic Plan Reserve has been allocated funds to facilitate the delivery of Council's new Strategic Plan ambitions, including any emerging priorities.
- 2.22. The detailed budget process includes an assessment of risk, the adequacy of the General Fund balance and a review of earmarked reserves. This review evaluates the need to create and/or change earmarked reserve levels and to release reserves which are no longer required, thereby becoming a one-off resource for the Council. As part of this year's review it will include a refresh of the reason for/purpose of each reserve, and how and when they can be used.

3. Proposal

- 3.1. The Finance team works with officers and the Corporate Leadership Team throughout the budget setting process which will lead to continual updating of the MTFS until a balance budget is achieved.
- 3.2. The Council has a statutory duty to deliver a balanced budget for the forthcoming year and Full Council will consider this budget at its meeting on 21 February 2024.

4. Financial Implications

- 4.1. Detailed financial analysis and commentary is included in **Appendix A**.
- 4.2. This report presents a balanced budget for 2024/25. This has been achieved by using £1.85m from the In-Year Savings Reserve to balance the budget.

5. Legal Implications

- 5.1. Section 25 of the Local Government Act 2003 places a personal duty on an authority's "Chief Financial Officer" to make a report to Council about the robustness of the estimates made for the purposes of the Council Tax calculations and the adequacy of financial reserves and balances.
- 5.2. The provisions of the Local Government Finance Act 1992 set out what the Council has to base its budget calculations upon and require the Council to set a balance budget with regard to the advice of its Section 151 Officer.

6. Risk Implications

- 6.1. Part of the process of delivering a robust medium-term strategy to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. MTFS key principles and a risk analysis together with mitigating actions are provided in **Appendix A1**.

7. Options

- 7.1. Setting a balanced budget for the coming year is a statutory requirement, therefore no other options are considered appropriate.

8. Recommendations

- 8.1. That Cabinet recommends to Full Council that it approves:
 - The 2024/25 General Fund Revenue Budget as set out in this report and summarised in **Appendix A5** and notes the budget forecast for 2025/26 and beyond;
 - The reserves and balances movements as presented in **Appendix A6**;
 - A proposed Band D Council Tax for East Suffolk Council of £186.57 for 2024/25, an increase of £5.40 or 2.98%;
 - The following Council Tax premiums to be applied, following the enactment of the Levelling Up and Regeneration Bill on 26 October 2023:

- 100% premium for properties which have been empty and unfurnished for a period of between 1 and 2 years from 1 April 2024
- 100% premium for second homes from 1 April 2025; and
- That the Chief Finance Officer and Section 151 Officer be granted delegated authority to implement the introduction of these additional premiums.

9. Reasons for Recommendations

- 9.1. The consideration of the MTFS by members as part of the budget process is essential, especially in order to commence actions to achieve a balanced budget and a sustainable medium-term position. Setting a balanced budget for the coming year is a statutory requirement.

10. Conclusions/Next Steps

- 10.1. Part of the process of delivering a robust medium term strategy to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. MTFS key principles and a risk analysis together with mitigating actions are provided in Appendix A1 of the MTFS.
- 10.2. Section 25 of the Local Government Act 2003 places a personal duty on an authority's Chief Financial Officer to make a report to Council about the robustness of the estimates made for the purposes of the council tax calculations and the adequacy of financial reserves and balances. The Act also requires the Council to have regard to the report before it makes its budget and council tax decisions.

Areas of consideration comments

Section 151 Officer comments:

The Chief Finance Officer's report will be reported to Full Council when it considers the budget for 2024/25 on 21 February 2024. The report statement will clearly set out the budget assumptions used to arrive at the final recommendations.

Monitoring Officer comments:

This report complies with Section 2 of the Budget and Policy Framework Procedure Rules in the Council's Constitution. The setting of the Budget (Capital Programme, Housing Revenue Account, General Fund and Council Tax) is a matter reserved to Full Council, having considered recommendations made by the Cabinet. Scrutiny Committee was given the opportunity to scrutinise the Budget, and make recommendations on the Budget to Cabinet, at its meeting on 18 January 2024.

Equality, Diversity and Inclusion/EQIA:

An Equality Impact Assessment is not applicable at this stage of the draft Budget and MTFS. This assessment will be completed on the finalisation of the budget for approval in February 2024 and the results taken into consideration.

Safeguarding:

There are no direct implications arising from this report.

Crime and Disorder:

There are no direct implications arising from this report.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

There are no direct implications for Corporate Services directly arising from this report.

Residents and Businesses consultation/consideration:

Budget-related consultation questions formed part of the permanent residents' survey, which was live via the ESC website during 2023. The results of the survey will be incorporated into the final budget paper to Full Council.

Cabinet considered the report at its meeting on 2 January 2024 and the GLI Group held a budget overview meeting on 4 January 2024.

Appendices:

Appendix A	Medium Term Financial Strategy (January 2024 update)
Appendix A1	MTFS Key Principles and Risk Analysis
Appendix A2	East Suffolk Council Tax Base 2024/25
Appendix A3	NHB Reserve Summary 2023/24 to 2027/28
Appendix A4	MTFS Updates as at January 2024 – Key Items
Appendix A5	General Fund Revenue Budget Summary 2024/25 to 2027/28
Appendix A6	General Fund Reserve Summary 2023/24 to 2027/28
Appendix B	DLUHC - Local government finance policy statement 2024 to 2025
Appendix C	Provisional Local Government Finance Settlement 2024/25

Background reference papers:

Date	Type	Available From
02/11/2023	Bank of England Monetary Policy Report – December 2023	https://www.bankofengland.co.uk/monetary-policy-summary-and-minutes/2023/december-2023
22/11/2023	Chancellor’s Autumn Statement 2023	Autumn Statement 2023 - GOV.UK (www.gov.uk)
22/11/2023	Office for Budget Responsibility - Economic and fiscal outlook – November 2023	Economic and fiscal outlook – November 2023 - Office for Budget Responsibility (obr.uk)
05/12/2023	DLUHC - Local government finance policy statement 2024 to 2025	Local government finance policy statement 2024 to 2025 - GOV.UK (www.gov.uk)
24/01/2024	Local Government Finance Update Statement made on 24 January 2024	Written statements - Written questions, answers and statements - UK Parliament



EAST SUFFOLK COUNCIL

**MEDIUM TERM FINANCIAL STRATEGY
2024/25 – 2027/28**

JANUARY 2024

1 INTRODUCTION

- 1.1 The **Medium Term Financial Strategy** (MTFS) sets the strategic financial direction for the Council. It sets out the key financial management principles, budget assumptions and service issues.
- 1.2 The MTFS provides a framework for the detailed budget setting process to ensure that resources are managed effectively and are able to deliver the aspirations of the Council as set out in the Strategic Plan. It provides a sound basis for planning and decision making, and is reviewed and updated at the following key points in the year:
- November/December – as a framework for initial detailed budget discussions for the forthcoming financial year.
 - January – an update to include additional information received at a national level and corporate issues identified through service planning and the detailed budget build.
 - February – with the final budget for the new financial year.
- 1.3 The MTFS underpins the strategic direction for East Suffolk ‘Our Direction 2028’, focusing on the following four themes and priorities, whilst recognising the financial challenges;
- Environmental Impact
 - Thriving Economy
 - Tackling Inequalities
 - Sustainable Housing
- 1.4 The MTFS provides an integrated view of the Council’s finances, recognising that the allocation and management of its human, financial and physical resources play a key role in delivering its priorities and ensuring that the Council works effectively with its partners locally, regionally and nationally.
- 1.5 The key underlying principles of the MTFS are:
- securing a balanced budget with reduced reliance on the use of reserves and general balances to support its everyday spending;
 - setting increases in Council Tax when appropriate;
 - delivering service efficiencies and generating additional income where there are opportunities to do so; and
 - deliver the priorities of the Council in a way that benefits the residents of East Suffolk.
- 1.6 Part of the process of delivering a robust MTFS to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. MTFS key principles and a risk analysis together with mitigating actions are provided in **Appendix A1**.
- 1.7 Sections 2 to 4 provide an update on the financial challenges facing the Council, considering the economic factors, the local government finance environment, and the

Council's key funding streams. Sections 5 to 7 outline how the Council will respond to the challenges, as expressed in terms of its budget and strategies towards reserves and capital.

2 PUBLIC FINANCES

- 2.1 On 22 November 2023 the Chancellor held the Autumn Statement 2023. No new funding was announced for local authorities, and the outlook for local government spending reviews continues to look very tight, with pressure on the public sector to achieve 0.5% annual productivity improvements. The Autumn Statement focused on reducing debt, cutting tax and rewarding hard work, back British business, building domestic and sustainable energy and delivering world-class education.
- 2.2 Following the Autumn Statement, concern over the financial sustainability of many councils across the country continues to be highlighted. Government funding for councils has increased in recent years, but a combination of high inflation and rising demand for services places unprecedented pressure on local authority budgets. Longer-term funding certainty is required, alongside promised reform of the funding system which has been delayed for several years now.

3 ECONOMIC INDICATORS

- 3.1 The Office for Budget Responsibility (OBR) published its latest report to coincide with the Autumn Statement. The OBR provides an independent judgement about economic and fiscal prospects and the impact of government policies.
- 3.2 The latest report from the OBR indicates that the economy recovered more fully from the pandemic and has been resilient to the energy crisis. The economy is expected to grow more slowly over the medium term and inflation is expected to be more persistent and domestically fuelled. The OBR forecasts inflation to continue to fall gradually, with Consumer Price Index (CPI) inflation expected to fall further to 2.8% in Quarter 4 of 2024. CPI inflation is expected to fall below 2% during 2025 to 2027, before returning to the Bank of England's target of 2%. Interest rates are also expected to remain higher for longer to control inflation.
- 3.3 The current economic environment is one of high inflation and high interest rates. The national economic background affects the costs the Council incurs, the funding it receives, and contributes to the demand for services as residents are affected by economic circumstances.

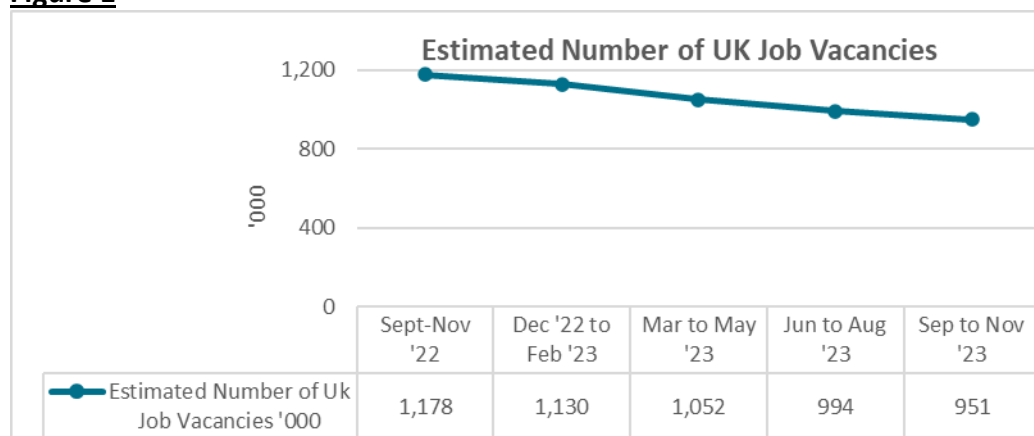
Gross Domestic Product (GDP)

- 3.4 Data released by the Office for National Statistics (ONS) in November, estimates no GDP growth in Quarter 3 2023 (July to September), compared to a 0.2% increase in Quarter 2. In output terms, there was 0.1% increase in construction output which offset a 0.1% fall in the services sector. There was a fall in household consumption from lower spending on miscellaneous goods and services, transport, and spending on food and non-alcoholic drink. There was also a decrease in government spending, particularly in the areas of health and education.

Employment

- 3.5 The OBR central forecast for unemployment expects this to rise to 1.6 million people (4.6% of the labour force) in the second quarter of 2025, which reflects rising interest rates and slower GDP growth.
- 3.6 As per the ONS, in September to November 2023 the estimated number of job vacancies in the UK was 951,000. This is down by 227,000 a year ago but remains 150,000 above pre-pandemic levels (January to March 2020). See **Figure 1** below.

Figure 1



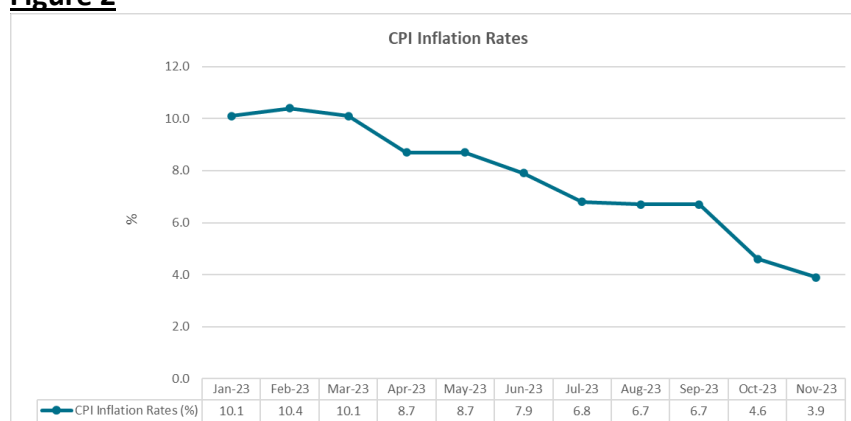
Source: ONS January 2024

- 3.7 The national living wage will increase from 1 April 2024 by 9.8% to £11.44 with the age threshold lowered from 23 to 21 years old.

Consumer Pricing Index (CPI)

- 3.8 Twelve-month CPI inflation to December 2023 was 4.0%, up from 3.9% in November 2023. The Bank of England projects for CPI inflation to fall towards the 2% later this year.
- 3.9 For local government, the September CPI is important because it will be used to index the business rates multiplier, uplift Revenue Support Grant (RSG) and the baselines within the Business Rates Retention System (BRRS).
- 3.10 **Figure 2** below shows the CPI rates from January 2023 to date.

Figure 2



Source: ONS January 2024

Bank Interest Rate

- 3.11 At its meeting on 13 December 2023, the Bank of England’s Monetary Policy Committee (MPC) voted by a majority of 6-3 to maintain the Bank Rate at 5.25%. Three members of the Committee preferred an increase of 0.25% to 5.5%. The next meeting of the MPC to review the bank rate is 31 January 2024.

4 LOCAL GOVERNMENT FINANCE

- 4.1 The introduction of the Local Business Rates Retention System in 2013/14, together with the Government’s programme of fiscal consolidation since 2010, have combined to both reduce the level of funding available to the Council, and to shift the balance of funding significantly away from central to local sources.
- 4.2 The Spending Review 2021, which covered 2022/23 to 2024/25 was broadly positive for local government, with funding better than expected. Increased funding was largely front loaded with growth in grant funding in 2022/23 and no further general increases in the following two years. There were various smaller allocations within the core funding announcement, including £200m for the “cross-government Supporting Families programme”, £37.8m for cyber security and £34.5m for “strengthen local delivery and transparency”.
- 4.3 On 5 December 2023 DLUHC published a Local Government Finance Policy Statement 2024/25. This set out the government’s intention for the Local Government Finance Settlement for 2024/25. This builds on the policy statement released the same time last year, with no significant change to funding proposals. It is noted in the policy statement that in recognition of pressures across the sector, all authorities will see at least 3% increase in their Core Spending Powers before any decision on organisation efficiencies, use of reserves, and council tax levels, through the Funding Guarantee. There will also be another year of New Homes Bonus.
- 4.4 The provisional settlement was released on 18 December 2023 and for East Suffolk this provided no significant additional funding above what was original budgeted, the only exception being another year of New Homes Bonus (NHB). The increase in the Council’s core spending power as per the Provisional Settlement for 2024/25 is 4.8% (4.9% 2023/24).
- 4.5 The Government launched a consultation on the provisional settlement which ran until 15 January – the Council did submit a response. On 24 January 2024, the Government announced steps it will be taking in response to the consultation feedback, including additional funding in the Final Settlement so that all local authorities will see a minimum 4% in their Core Spending Power before taking any local decisions on raising Council Tax. This announcement indicates additional funding for the Council through the Rural Services Delivery Grant and the Funding Guarantee. The exact allocations will be confirmed in the Final Settlement which is anticipated early February. However, initial estimates suggest additional funding next year for the Council in the region of £0.270m. This will be updated in the report to Full Council.
- 4.6 Other key steps in the announcement on 24 January included an ask of local authorities to produce productivity plans which will set out how they will improve service performance and ensure every area is making best use of taxpayers’ money. The Government will

monitor these plans, and funding settlements in future years will be informed by performance against these plans. The Government will also be establishing an expert panel to advise them on financial sustainability in the sector which will include the Office for Local Government and the Local Government Association. More information on these requirements is expected to be provided in the final Settlement.

- 4.7 **Core Funding Streams** – this includes the Revenue Support Grant and the Rural Services Delivery Grant.

Revenue Support Grant (RSG)

- 4.8 From 2023/24 two existing grants have been rolled into RSG - Local Council Tax Administration Grant and the Family Annexe Council Tax Grant. Both grants are currently received by the Council separately and are not new grants. As per the Provisional Settlement for 2024/25 the RSG allocation is £0.751m. For the MTFs, 2025/26 has also been increased in line with 2024/25, but future years are kept at a lower amount due to uncertainty with Government funding going forward.

Revenue Support Grant	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS (January 2024)	(703)	(751)	(751)	(346)	(346)

Rural Services Delivery Grant (RSDG)

- 4.9 The Rural Services Delivery Grant (RSDG) is a government grant recognising cost pressures associated with service delivery in rural sparse areas. In the Provisional Settlement for next year this grant has been rolled forward from 2023/24 with no increase. This position is reflected across all years of the MTFs. Following the Final Settlement the figures will be updated. Initial estimates for the final settlement indicate an additional £0.046m of funding for next year.

Rural Services Delivery Grant	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS (January 2024)	(291)	(291)	(291)	(291)	(291)

- 4.10 **Non-Core Funding Streams** - the below grants are non-core funding streams and they are usually seen as temporary or one-off. This potentially gives the Government scope to make changes to funding distributions.

Services Grant

- 4.11 This was a new one-off grant in 2022/23 to provide funding to all tiers of local government in recognition of the vital services, including social care, delivered at every level of local government. This funding continued in 2023/24 but at a reduced level from £0.477m to £0.280m. For 2024/25 there were indication at the time of the Policy Statement that there may be some reduction to this grant for the sector, however in the Provision Settlement this reduction went much further than expected. For East Suffolk this grant has been removed completely for 2024/25. The MTFs had originally assumed an annual grant of £0.269m but this has now been removed.

Funding Guarantee Allocation

- 4.12 For 2023/24 the Government announced repurposing the Lower Tier Services Grant (LTSG) (£0.311m for East Suffolk) and a proportion of the expired New Homes Bonus legacy payments to ensure that all councils would see at least a 3% increase in Core Spending Power before any decisions about organisational efficiencies, use of reserves or Council Tax levels. The LTSG was abolished and repurposed towards this new funding stream, the Funding Guarantee Allocation, in recognition of the inflationary pressures across local authorities. For 2023/24 the Council received an allocation of £1.51m. In the Provision Settlement for 2024/25 this grant is to continue at a slightly higher amount of £1.63m, which partly compensates for the loss of the Services Grant. The current MTFS assumes a continuation of this funding, but at a lower amount from 2026/27. Following the Final Settlement the figures below will be updated. Initial estimates for the final settlement indicate an additional £0.228m of funding for next year.

Funding Guarantee Allocation	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS (January 2024)	(1,512)	(1,630)	(1,630)	(1,519)	(1,519)

Business Rates – Business Rates Retention and Fair Funding Review

- 4.13 In February 2016 a Fair Funding Review was also announced, which will affect how funding is allocated and redistributed between local authorities. Implementation of this review has been delayed and is now unlikely to be implemented before 2026/27, a shift from 2025/26 at the last budget setting round.
- 4.14 Implementation of the Fair Funding Review is likely to include a 'reset' of the business rates system, which would involve assigning a new baseline funding level and subsequent new tariff or top-up values. Reset of the system and the establishment of new funding formulae could result in East Suffolk Council losing some of the financial advantage that it has under the current system. As a result of the delay in implementing Business Rates reforms, the Council has benefited from additional years under the current regime. This base assumption has been rolled forward in the MTFS and the figures presented in paragraph 4.16 below.

Business Rates

- 4.15 Since 2013/14, business rates income has tended to be characterised by a high degree of volatility and uncertainty. Variances between estimated and actual business rate income are realised in the form of deficits or surpluses on the business rates element of the Collection Fund. For each year, the amount of business rates income credited to the General Fund is the amount estimated on the National Non-Domestic Rate (NNDR1) return to Government submitted in January in the preceding year, including a calculation of the estimated Collection Fund deficit or surplus to be charged to the General Fund. As a result, in practice, variances between business rates estimates and actual figures are reflected as an element of the Collection Fund deficit or surplus two years after they take place.
- 4.16 **Suffolk Pool** – In October 2023 all Suffolk councils agreed to continue a pooling arrangement for 2024/25, which would allow them to retain a larger proportion of their share of growth by reducing the overall levy rate for Suffolk to £nil. Suffolk County Council

is the administering authority for the Pool and collates the NNDR1 returns of all of the Suffolk authorities. In addition, and for 2024/25 only, Suffolk Public Sector Leaders (SPSL) have agreed for their share of the pooling benefit for next year, to be distributed to the pool members using the same methodology as for the normal distribution. Demand and inflationary pressures are having a significant impact on council budgets and this will provide additional financial support through these pressures and to assist with setting balanced budgets and to protect council services. The Council is currently estimated to receive a Pooling Benefit for next year of £3.9m. In addition to this, the Pool also holds a £2m contingency reserve, also to be re-distributed to the Pool members in 2024/25. The current estimate for the Pooling Benefit to the Council is £4.6m. This estimate will be confirmed after January when Suffolk County Council has collated the NNDR1 returns of all of the Suffolk authorities.

- 4.17 The NNDR1 return for 2024/25 has now been completed and includes the split between Section 31 Grant and actual rates income. As referred to earlier, the Business Rates system may be subject to reform from 2026/27 with the changes potentially not impacting as seriously as previously forecast. In light of the impending reform, the approach that has been taken is to apply 2023/24 estimates to 2025/26 budget onwards, with the exception being renewables and a tapering of the Pooling Benefit. This is to reflect a cautious approach to the overall Business Rates income position in the latter years of the MTFS. The MTFS assumption is that the Council will continue to retain 100% Business Rates income from renewables, and this has been reflected in the table below. It is also worth noting that even if the current treatment of existing renewables is revised, any new renewable hereditaments coming online during the MTFS period will improve the forecast position.

Business Rates Income	Original 2023/24 £'000	MTFS 2024/25 £'000	MTFS 2025/26 £'000	MTFS 2026/27 £'000	MTFS 2027/28 £'000
Business Rates Income	(6,852)	(8,027)	(6,852)	(6,852)	(6,852)
Business Rates Renewables	(1,560)	(1,715)	(1,715)	(1,715)	(1,715)
Total Business Rates Income	(8,412)	(9,742)	(8,567)	(8,567)	(8,567)
Share of Pooling Benefit	(2,000)	(4,600)	(2,000)	(1,000)	(500)
Section 31 Grant	(10,677)	(11,438)	(10,677)	(10,677)	(10,677)
Total Income Relating to Business Rates	(21,089)	(25,780)	(21,244)	(20,244)	(19,744)

- 4.18 **Business Rates Collection Fund** - The current estimate for the Business Rates Collection Fund for 2024/25 is a surplus of £2.950m, with East Suffolk's share equating to £1.180m (40%). The remaining balance of the surplus is shared by Suffolk County Council £0.295m (10%) and Central Government £1.475m (50%).
- 4.19 The budget estimate for Business Rates income for 2024/25 has been uplifted by £3.271m from the original budget, this includes the above estimate for a Collection Fund surplus of £1.180m. The Non-Domestic Rating Act 2023 gives ministers the power to set the small and standard business rating multipliers separately from one another. Until 2023/24, these two multipliers had to be increased by the same percentage. In the last Autumn Statement, the Chancellor decided to use this new power in 2024/25. The small business rating multiplier will be frozen (it will remain at 49.9p). The standard multiplier (payable by

businesses with premises valued at more than £51,000) will increase from 51.2p to 54.6p, an increase of 6.6%. This increase together with a lower expected contribution towards the Provision for Appeals is reflected within the Business Rates Income line. The increase in business rate renewables was due to most of the properties being large Rateable Values that had the increase in standard multiplier. The Section 31 Grant line includes an element for cap compensation for the under-indexing of business rate multipliers. This has increased as the government has frozen the small business rating multiplier again and authorities are compensated for any business rates income that they receive in respect of this multiplier. The estimated business rates surplus is mainly due to a lower expected contribution towards the Provision of Appeals.

Council Tax

- 4.20 Council Tax is one of the Council's most important and stable income streams, funding approximately 40% of the net budget requirement of the Council. The Provisional Settlement for 2024/25 confirms a council tax referendum principle for shire district councils of 2.99% or £5, whichever is higher.
- 4.21 **Council Tax Base** – The CTB1 Council Tax Base Return was submitted to Government on 2 October 2023.
- 4.22 The 2024/25 Council Tax Base at **Appendix A2** was approved by Cabinet at its meeting on 5 December 2023. The increase in the tax base for East Suffolk is currently estimated to be 677.81 (0.75%) Band D equivalent properties, increasing the overall tax base for East Suffolk from 90,340.92 to 91,018.73 for 2024/25. This equates to around £0.123m of additional Council Tax income to the Council based on the current District Band D Council Tax of £181.17.
- 4.23 **District Band D Council Tax 2024/25** – The proposed increase of up to the referendum principle for 2024/25, equates to a District Band D Council Tax for East Suffolk of £186.57, an increase of £5.40 or 2.98%. It would generate approximately £0.492m of additional income for East Suffolk.
- 4.24 **Council Tax Premium on Second Homes** - The Levelling-up and Regeneration Bill received Royal Assent at the end of October 2023 which included giving billing authorities the discretion to charge a 100% premium on second homes or empty dwellings. It gives billing authorities the power to charge a 100% premium on “dwellings occupied periodically”. At its meeting on 25 January 2023, Full Council approve this in principle, subject to the Bill receiving Royal Assent. In order to implement the premium, a clear 12 month period and a full financial year's notice is required. Therefore the earliest a Second Home Premium could be charged is the 1 April 2025. Although the Act has been passed the categories of properties exempted from the second home premium have not yet been disclosed and regulation is being awaited.
- 4.25 Given the number of second homes in Suffolk, this 100% council tax premium should represent a significant addition to the income stream from Council Tax. It is estimated that this could generate in the region of £8.450m in East Suffolk - £6.265m for Suffolk County Council, over £1.100m for Suffolk Police, £0.759m for East Suffolk Council and £0.326m Town & Parishes. This estimate is based on 2023/24 (current year) Council Tax levels. As the premium cannot be implemented until 1 April 2025, this estimate is subject to change

due to change in the number of second homes in the district and the Council Tax level set for 2025/26. The additional income to the Council of £0.759m has been included in the annual Council Tax income estimates from 2025/26. This has been transferred to the Strategic Plan reserve for potential use to deliver ambitions of the Council's Strategic Direction of Sustainable Housing.

- 4.26 Based on the above data, the table below sets out the current estimated Council Tax income based on the referendum limits of 2.99% or £5, whichever is higher and is included in the MTFS.

Council Tax Income	2023/24 £'000	Estimate 2024/25 £'000	Estimate 2025/26 £'000	Estimate 2026/27 £'000	Estimate 2027/28 £'000
Council Tax Income - Base	(15,688)	(16,367)	(16,982)	(18,261)	(18,805)
Growth in Tax Base	(232)	(123)	(68)	(70)	(72)
Council Tax Increase	(447)	(492)	(452)	(474)	(476)
Second Home Premium Introduction	0	0	(759)	0	0
Total Council Tax Income	(16,367)	(16,982)	(18,261)	(18,805)	(19,353)
Council Tax Band D	£181.17	£186.57	£191.52	£196.47	£201.42
Council Tax Base	90,340.92	91,018.73	91,382.80	91,748.34	92,115.33
Growth/Reduction(-) in Tax Base	1.48%	0.75%	0.40%	0.40%	0.40%
Council Tax Increase £	£4.95	£5.40	£4.95	£4.95	£4.95
Council Tax Increase %	2.81%	2.98%	2.65%	2.58%	2.52%

Assumptions from 2024/25: Council Tax increases of 2.99% or £5, whichever is the higher.

- 4.27 The February 2023 MTFS for 204/25 had assumed growth to the tax base of 0.40% compared to the current estimate of 0.75%. This additional growth of 0.35% is about £0.060m of additional income. From 2025/26 a cautious approach continues to be taken to growth in the overall tax base and this is forecast to fall for the remainder of the MTFS period. This is a combination of development site completions levelling off, and prudent assumptions regarding Local Council Tax reliefs and collection rates. The below table shows the January update to the MTFS for Council Tax income.

MTFS - Council Tax Income	2023/24 £'000	Estimate 2024/25 £'000	Estimate 2025/26 £'000	Estimate 2026/27 £'000	Estimate 2027/28 £'000
MTFS February 2023	(16,367)	(16,882)	(17,400)	(17,922)	(17,922)
MTFS January 2024	(16,367)	(16,981)	(18,261)	(18,805)	(19,353)
MTFS Update January 2024	(0)	(99)	(861)	(883)	(1,431)

- 4.28 **Council Tax Collection Fund** – The current estimate for the Council Tax Collection Fund for 2024/25 is a surplus of £1.091m, with East Suffolk's share equating to £0.140m. The remaining balance of the surplus is shared by Suffolk County Council (£.809m) and the Police and Crime Commissioner for Suffolk (0.142m).

New Homes Bonus (NHB)

- 4.29 The Government established the New Homes Bonus (NHB) to provide an incentive for local authorities to encourage housing growth in their areas. NHB is funding allocated to councils based on the building of new homes and bringing empty homes back into use. The intention for the New Homes Bonus is to ensure that the economic benefits of growth are returned to the local authorities and communities where growth takes place.
- 4.30 In recent years there has been much uncertainty as to the future of NHB, with the last three years being a one-year settlement and now also confirmed for 2024/25 in the Provisional Settlement at £0.650m.
- 4.31 The Council uses NHB funding to support specific community related projects and initiatives across East Suffolk. This is balanced against the overriding need to retain financial sustainability. NHB funding is transferred to the NHB reserve and released when required. The primary use of the funding is for the East Suffolk Community Partnerships and the Enabling Communities Budgets, totalling approximately £1m per annum. In November 2022, Cabinet considered and approved a paper to continue the Enabling Communities Budgets until March 2027 and for the Community Partnerships to continuing until 2024/25, with a further two years subject to NHB funding being available. This is reflected in the updated position on the NHB Reserve below. No further funding is anticipated beyond 2024/25 and insufficient funding would remain beyond March 2027 to continue both of these initiatives at the current level.
- 4.32 **Appendix A3** sets out the current position on the NHB Reserve and the proposed use of NHB funding for East Suffolk Council. This is summarised in the table below.

NHB Reserve	Forecast 2023/24 £'000	Forecast 2024/25 £'000	Forecast 2025/26 £'000	Forecast 2026/27 £'000	Forecast 2027/28 £'000
Opening Balance	(5,439)	(3,936)	(3,105)	(1,818)	(669)
Add: Allocation Received	(447)	(650)	0	0	0
Less: Proposed Use	1,950	1,481	1,287	1,149	50
Closing Balance	(3,936)	(3,105)	(1,818)	(669)	(619)

Delivering the priorities of the Council

Our Foundations/Good Governance

- 4.33 The Council adopted its 'Our Direction 2028' corporate strategy in November 2023. It is a clear articulation of the Council's corporate priorities underpinned by strong foundations and governance.
- 4.34 At the heart of the budget is good financial management and governance. This underpins our spending on services and investments.
- 4.35 The MTFS underpins and supports the delivery of the strategic direction of East Suffolk Council. It forms an important element of good governance, ensure financial sustainability and putting the Council's assets to good use. It highlights areas of financial risk which will impact on the Council's MTFS.

- 4.36 East Suffolk Council created East Suffolk Services Limited (ESSL) to operate as a Local Authority Trading Company (LATCo) following a thorough review of its joint venture (JV) partnership with Norse, which ended on 30 June 2023. The services covered by ESSL include for example, recycling and waste, grounds maintenance and street cleansing.
- 4.37 The initial focus of the Council and company has been to ensure a smooth transition of services from the JV to ESSL. Alongside focussing on this transition, ESSL's business plan for year 1 has also included supporting the workforce during this period of change, whilst understanding operationally the company's costs for delivering services on behalf of the Council. The first year's operation of ESSL has been and continues to be about stabilisation and identification of opportunities for the development and improvement of the various services this company delivers.
- 4.38 Since this company became operational in July 2023, and as with other council services, ESSL has faced cost pressures such as increases in pay awards, fuel for vehicles and waste disposal costs. This has contributed significantly to the required uplift in the company's base budget from previous years, along with recognising some additional resourcing needs to support the delivery of services. For future years the Council will be working closely with ESSL to develop a business improvement plan which must balance affordability and capacity to deliver, with the expectation that the company's base budget will be reduced in subsequent years, and as such the payment the Council makes to the company for the delivery of council services.
- 4.39 The asset maintenance budgets are used for physical reactive repairs and planned cyclical maintenance at non-housing buildings, land and infrastructure assets including occupied buildings (tenanted and operational), public conveniences, beach huts/chalets, car parks, cemeteries, parks & gardens, public open space, footpaths, roads, watercourses, campsites and harbours etc. The budgets are based on condition surveys and asset inspections, known cyclical and typical annual requirements, plus specific requests from managing departments. In addition to maintenance and repairs at buildings, the budgets also include for a range of statutory compliance and servicing, such as Legionella, Asbestos, Electrical, Fire safety, etc. The budgets are a work-in-progress every year, trying to refine them, and move towards a more planned approach, rather than reactive, which the implementation of Shire over the coming years will aid.
- 4.40 The corporate training budget has been increased to £0.136m following a review of corporate training needs. This will support the recently approved People Strategy 2024/2028.

Environmental Impacts

- 4.41 The Council has committed to delivering positive climate, nature and environmental impacts through the decisions we make and the actions we take and this will be reflected in all our work. During 2024/25, we will be reviewing our Asset and Procurement Strategies, both of which will demonstrate the key relationships between looking after the environment and long-term financial stability.
- 4.42 Specifically, there is an annual budget in the region of £0.140m for Environmental Climate. This includes resourcing to help co-ordinate and support the delivery of the Council's commitment to net Zero by 2030. A Climate Change Reserve is also held which is currently being used for Plastic Action.

- 4.43 The Council contributes £0.050m per annum to the National Landscape Partnership, and this is included in the budget for 2024/25 and the following years of the MTFS. This contribution ensures continued support and promotion of the importance of the Area of Outstanding Natural Beauty within East Suffolk.
- 4.44 The Cycling and Walking Group is now set up with Terms of Reference agreed with its overarching aim to promote active travel (cycling, walking and wheeling) throughout East Suffolk and to help facilitate the delivery of the East Suffolk Cycling and Walking Strategy and promote modal shift. The group has met several times and has engaged with a number of communities and developers to scope out its work programme.
- 4.45 A new reserve has been established for the Strategic Plan, with an allocation of £1.5m for the theme of Environmental Impact, including £1m for the Cycling and Walking Strategy. An additional post is also to be established to support this work.
- 4.46 The Planning Service has actively addressed the challenges of the introduction of mandatory Biodiversity Net Gain (BNG) from February this year by working with other Suffolk authorities as to how the process will be implemented and operated. The team has also employed two further ecologists to complement the existing team in the services Specialist Services Team and the management of the BNG agreements and funds will be facilitated through the services Infrastructure Delivery Team. The introduction of BNG will be carefully monitored through the coming year.

Sustainable Housing

- 4.47 Together with the Housing Revenue Account, the budget commits to support safe, suitable and sustainable homes. We will look to bring forward business cases to deliver affordable and sustainable housing as opportunities arise.
- 4.48 Specifically, the budget recognises the pressure on temporary accommodation and the impact on Housing Benefit Subsidy loss. This has been identified as a £0.100m annual pressure.
- 4.49 From 2025/26, the MTFS includes the introduction of the 100% Council Tax premium on second homes from April 2025. This is currently estimated to generate additional annual income in the region of £0.760m for the Council from 2025/26. The MTFS currently shows this annual income being transferred to the Strategic Plan Reserve until 2027/28 to support Sustainable Housing.

Tackling Inequalities

- 4.50 A significant amount of the work done by our dedicated office cohort is aimed at supporting those most at need and in protecting vulnerable people. Teams such as communities and leisure, housing, environmental health and economic development are committed to improving the quality of life across the District.
- 4.51 Specifically, the budget recognises an annual increased funding for the Voluntary, Community, Faith and Social Enterprise (VCFSE) organisations which are integral to delivery of this Strategic ambition. The Council provides almost £0.200m of funding for Citizens Advice East Suffolk (increased to £0.220m in the budget) – SCC funding for Citizens Advice (CA) was halved three years ago but CAs are key to delivering the joint Suffolk ambitions

around reducing poverty. The Council also funds both Disability Advice Services that cover East Suffolk (as do SCC) and it is proposed to increase their funding.

- 4.52 The NHB reserve provides funding for a number of initiatives supporting this theme of the Strategic Plan, this includes;
- The Community Partnerships model continues to be developed and the budget includes an annual provisional in the region of £0.600m until 2026/27
 - Community Hubs with an additional £0.080m of funding being provided next year. The hub provides practical advice and support for residents including with low level social care support needs and cost of living needs – cases are increasingly complex and often have social care, hoarding and mental health dimensions.
- 4.53 The Council has funded Community Action Suffolk to deliver the Rural Youth Work project to address the gap in youth work provision in the four most rural Community Partnership areas.
- 4.54 The Council works closely with schools, for example, with the two Heads networks in Lowestoft to try and support them to meet local needs. The Council has provided funding for a range of mental health programmes with schools including free training for teachers, mentoring programmes in Lowestoft, Crucial Crew Plus focussed on Safety.
- 4.55 There is a significant amount of working with Public Health – Feel Good Suffolk programme. They are allocating £0.101m per year to the Council for three years for a Community Centred Approaches to Health programme. The Council worked in partnership with Public Health and Norfolk and Waveney Integrated Care Board (ICB) to secure £0.160m for the Lowestoft Health Hearts project, and the Council has helped to deliver £0.200m of funding for four target areas through the Public Mental Health programme.
- 4.56 The need to address and reduce anti-social behaviour is an ambition of the Strategic Plan. The budget includes an increase to the staffing budget to ensure this service is adequately resourced on a permanent basis going forward.
- 4.57 During the current year the Council has supported transport in rural areas via community partnership funding – Buzzabout in the north of the district and Katch in the Framlingham/Wickham Market and Snape area.

Thriving Economy

- 4.58 **Continuing to support regeneration projects** - The budget looks to ensure that our economic development and regeneration activity enables residents of East Suffolk to benefit from and contribute to a thriving economy.
- 4.59 Council led regeneration programmes in Lowestoft, Leiston and Felixstowe are supporting the Thriving Economy theme through increasing the economic viability of the district's towns, ensuring residents benefit from Nationally Significant Infrastructure Projects (NSIPs) and supporting responsible tourism and the visitor economy. In Lowestoft there is a major town wide regeneration programme contributing to the town's repositioning from a deprived and run down sea-side town to a thriving coastal resort and offshore renewables Operation & Maintenance (O&M) base. Key elements include:

- 4.60 **Towns Fund** - seeks to transform a tired high street and the seafront area through capital investments in arts, culture and leisure. A key objective is to adapt the current town centre away from an over reliance on retail which is demonstrated by the 24% vacancy rate (almost five times higher than Felixstowe). £65.1m of external funding has been secured to support an £82.7m regeneration programme.
- The Seafront Vision element of the regeneration programme includes the redevelopment and transformation of East Point Pavilion, Eastern Edge beach huts, Royal Plain, First Light Festival and Jubilee Parade. These are and will provide brand new contemporary attractions to draw in visitors from beyond Lowestoft's traditional visitor hinterland. This complements other major capital investment on the seafront such as the £16m CEFAS redevelopment which modernised and expanded the marine science facility.
 - Jubilee Parade Phase 3 wholesale redevelopment of seafront asset to provide new food and beverage offer, toilets, showers, water sports storage and an accessible lift. Currently a tired building in need of refurbishment – investment (capital prog £0.600m plus LUF of £4.3m).
 - East Suffolk is providing £0.500m and the Arts Council are putting in £0.600m over three years.
- 4.61 Specifically, the Council has agreed to contribution £0.900m to the restoration and redevelopment of the former Lowestoft Town Hall into a community, heritage and events space. This is reflected in the budgets for 2024/25 and 2025/26.
- 4.62 **Kirkley Waterfront** land remediation and development of new sustainable community in the heart of Lowestoft. Supports two priorities within the Sustainable Housing theme – deliver the right housing based on our communities needs and promote housing developments which enhance wellbeing and protect the environment.
- 4.63 **In Leiston** the Council has funded a town centre masterplan vision to regenerate the town centre with an ambition to create a new mixed use market square and heritage quarter. Will be progressing the viability and design works of the Market Square project during 2024/25.
- 4.64 **In Felixstowe** there are 3 development areas:
- South Seafront, £4m capital programme allocation to reinvigorate the seafront. Next phase of project delivery subject to agreeing the new Felixstowe Vision. Thriving economy link through investment in tourism assets which benefit residents as well as visitors.
 - Landguard Peninsula, led by Landguard Trust but funded via parking receipts and income from East Suffolk owned café.
 - North Felixstowe creation of sustainable leisure led development and new community of up to 2000 homes within a quality designed and green community.
- 4.65 **Tourism contribution** - East Suffolk invests in the tourism sector in a number of ways. Firstly, we support the Suffolk Coast Destination Management Organisation (DMO) with £55k pa to provide destination marketing service. Secondly we invest directly/ indirectly (via external funding) in Council assets to support the visitor economy e.g. majority of Towns Fund projects, Felixstowe Beach Village. Thirdly we support a range of events which draw tourists to the district e.g. First Light Festival, Tour of Britain, market town

celebrations. Tourism is a key sector for East Suffolk with an economic value of £680m per annum and accounts for 14% of total employment.

- 4.66 **Support and initiatives in the rural middle of the district** - All towns across East Suffolk have and continue to benefit from ESC's wide ranging investments to deliver a thriving economy. This includes £3.9m from UK Shared and Rural Economy Prosperity Funds which provide place investment, business support and skills development funding. A further funding scheme which has focussed on all the district's town centres is the Towns Revitalisation Programme and since 2020 over £0.700m has been invested. A key capital investment (£1.8m) has been the Southwold Enterprise Hub. The majority of our towns in the 'rural middle' also benefit significantly from visitor spend, East Suffolk actively promotes coastal and market towns as tourism destinations via its funding of the Suffolk Coast DMO.
- 4.67 In recent years the Council has also invested £1.5m across all of the district's towns to provide digital infrastructure (free public wi-fi and footfall sensors) and business support.
- 4.68 The Youth Employment Service (YES) supports young people who are NEET (Not in Education, Employment or Training) across the whole district, Leiston is one of the towns with the highest demand for this service.

5 MEDIUM TERM FINANCIAL POSITION

MTFS Forecasts 2024/25 to 2027/28

- 5.1 The Finance team works with Service Areas to review their budget requirements and budget monitoring is an ongoing process between Finance, Service Areas, and the Corporate Leadership Team. This work leads to continual updating of the MTFS for the Council. As of January 2024, key areas of the budget that are yet to be finalised include;
- Final estimate for the Pooling Benefit for Business Rates 2024/25
 - Announcement of the Final Local Government Settlement for 2024/25
 - Transfers to/from reserves as a result of the above.
- 5.2 The following areas are identified as having potential revenue budget implications for this financial year and future years. Some areas cannot yet be quantified or quantified with a degree of certainty.

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Asset Management Rent Review.	Council income budgets from assets.	Potential to increase the income to the Council. This will need to be quantified and captured in the update of the Council's MTFS into next year's budget setting.	Current year and going forward.
Capital Programme.	Revenue implications from capital programme revisions.	Additional revenue costs to the General Fund - direct revenue financing, use of reserves, capital charges to revenue, revenue costs to support delivery of capital	On-going

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
		projects and income generation from capital projects.	
ESSL.	General Fund, HRA and capital programme.	Service investment for ESSL. Recognition of service investment and improve plan for ESSL along with costs pressures in the operations environment, e.g. pay and inflation.	Current year and future years.
Inflation.	General Fund, HRA and Capital Programme.	Increasing costs.	Current year and future years.
National pay award for 2024/25.	Council staffing costs.	Current budget assumption is for a 3% increase for Council staffing n 2024/25. Based on the pay settlements for the current year and last year, this would be above the current budget assumption.	2024/25 and future years.
Norse.	Profit share income.	Settlement of 2022/23 profit share (Accrued £0.560m) and April-June 2023/24 (Budgeted £0.074m). The position will be assessed as part of Quarter 3 monitoring.	Current year.
Recruitment difficulties.	Particular area of specialism.	Agency and contract costs may be required which can be more costly. Current forecasts show this being absorbed in existing budgets.	Ongoing.
Treasury Management Investment income.	General Fund and HRA income.	With higher rates of interest this is providing favourable returns on treasury management investments.	Current year and the next 2-3 years.
Workforces pay pressure/grade inflation.	Council staffing costs.	Increased staffing costs. Annual staffing vacancy allowance in the budget is at risk.	Ongoing.

- 5.3 The MTFs was last updated in February 2023. A summary analysis of the key movements from February 2023 to January 2024 is shown in the following table. This table is supported by **Appendix A4** and **Appendix A5**. **Appendix A4** also includes an analysis of the MTFs updates by the Council's Strategic Direction themes.

MTFS Updates	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Additional Cost	8,601	6,062	5,085	5,509
Savings	(825)	(1,025)	(1,525)	(1,425)
Additional Income	(10,193)	(4,803)	(3,426)	(3,318)
Reduced Income	255	255	255	255
Use of Reserves	(1,349)	(1,097)	866	956
Net Total	(3,511)	(608)	1,255	1,977

- 5.4 The updated MTFs position resulting from these movements as of January 2024 is shown below.

MTFS Position	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS February 2023 Budget Gap/(Surplus)	3,511	6,008	6,405	6,405
Net Total of MTFS Updates (Appendix A4)	(3,511)	(608)	1,255	1,977
MTFS January 2024 Budget Gap/(Surplus)	0	5,400	7,660	8,382

Budget Planning Assumptions

5.5 The Council's financial planning assumptions are summarised below:

Budget Area	Assumption
Inflation	
<i>Goods & Services</i>	Where inflation is built into contracts and agreements.
<i>Utilities (Electricity)</i>	2024/25 4.4% increase (November Monetary Policy Report forecast CPI for Q1 2024), future years maintain at the 2024/25 budget.
<i>Utilities (Gas)</i>	2024/25 4.4% increase (November Monetary Policy Report forecast CPI for Q1 2024), future years maintain at the 2024/25 budget.
<i>Utilities (water & Sewage)</i>	2024/25 4.4% increase (November Monetary Policy Report forecast CPI for Q1 2024), future years maintain at the 2024/25 budget.
Fees & Charges	3% increase to be applied for 2024/25 where appropriate.
Staffing Costs	2023/24 Current offer of an additional £1,925 on all SCP 1 and above, 2024/25 3% increase, plus incremental progression, 2025/26 onwards 2% increase, plus incremental progression. 4% per annum of staffing costs for vacancy allowance.
Investment Income	2.75% Call Account (average as of September 2023), (2.15% Sept 2022) 5.19% Money Market Fund (September 2023), (1.73% Sept 2022) 3.80% Property Fund (average as of September 2023), (3.4% Sept 2022) 4.05% Diversified Income Fund (September 2023), (4.05% Sept 2022)

Goods & Services – Inflationary Pressures

- 5.6 The Council's financial strategy has previously assumed for a number of years that any inflationary pressures incurred on goods and services expenditure are contained within existing budgets, or through more efficient spending. The exceptions being utility costs, rates and specific contracts and agreements increases.
- 5.7 It is now recognised that this approach is becoming more challenging with inflation remaining high. Budget headings are therefore being reviewed as part of the process where inflationary increases are evident. For example, subscriptions and software licensing. As mentioned in Section 3, there is an expectation for inflation to gradually fall over the next two year but higher base costs will be part of the Council's budgets going forward due to the current inflationary pressures. The impact of inflation is most evident in the Capital Programme, utilities and insurance premiums, and the Council's Operation services.

- 5.8 Contracts and agreement have been inflated based on the specified inflation indices within each individual contract. Retendering of contracts is part of the Council's strategy for cost reduction and to ensure best value.

Fees and Charges

- 5.9 Fees and Charges are based on the Council's agreed principles of increasing existing fees and charges on a market forces basis, whilst remaining consistent with the Council's Strategic plan and relevant Governments legislation.
- 5.10 Prior to 2022/23, the Council adopted a standard approach, increasing fees and charges in line with price inflation as a minimum uplift. However, given the heightened inflation levels, this approach was not applied for the review of 2023/24 or 2024/25 fees and charges, with a reduced rate of 3% recommended for 2024/25, in line with future forecasts, ensuring the Council remains affordable to its stakeholders.
- 5.11 Charges are reviewed considering local demand, along with reflecting changes in the cost of delivering the services, factoring changes that have either already occurred, or are expecting to occur over the next financial year, with cost recovery aimed to assist in balancing the overall cost pressures. Unless statutory restrictions apply, the Council aims to use all resources available, which includes reviewing opportunities to introduce new fees as appropriate. Proposed fees and charges for 2024/25 were approved by Cabinet at its meeting on 2 January 2024.

Interest Payable and Receivable

- 5.12 **Interest Payable** - The budget for debt interest over the period 2024/25 to 2027/28 totals £1.13m. This has not been revised in this update of the MTFs. The existing loans are all fixed rate loans and therefore not susceptible to market increases. Where the capital programme requires future additional borrowing, the budget will be updated as and when projects are completed and actual borrowing is known.
- 5.13 **Interest Receivable** – Short-dated cash rates are around 5.2% for 3 month rates (4.1%, 6 April 2023) and 12-month rates around 5.55% (4.4%, 6 April 2023). The rates on the Treasury's Debt Management Account Deposit Facility (DMADF) currently range between 5.14% and 5.19% (4% to 4.1%, 6 April 2023).
- 5.14 The Council's investment portfolio in the short term is looking healthy with the prospect of increased returns on investments. In the current year it is expected that actual investment income will exceed the budget of £1.6m, by at least £2.4m. For the MTFs, it is expected for investment income to remain high for the next two years, and then for a cautious approach to be taken with estimates thereafter. For 2024/25, the budget for investment income is being increased by £1.74m and £1.040m the year after. It should be noted that not all of this benefit will be realised in the General Fund, as the HRA share of investment income will also increase.

Establishment Costs

- 5.15 Establishment costs total are the single largest revenue cost for the Council and represents 50% of its total direct expenditure.

- 5.16 **Public Sector Pay** –The 2023/24 pay award was £1,925 (pro rata for part-time employees) on pay points 2 to 43. This exceed the current budget assumption of 4%, in the region of £0.750m. This will impact all years of the MTFs. The pay award assumption for 2024/25 is current 3% and 2% thereafter. A contingency will be incorporated into the budget for the pay award to be above the current assumption for next year.
- 5.17 **Actuarial Valuation** - The latest triennial actuarial valuation of the assets and liabilities of the Suffolk County Pension Fund was completed on 31 March 2022. The Fund’s Actuary reported the actuarial funding position for the Pension Fund was at 107%, an increase of 8% since the last valuation exercise in 2019. This is the first time that the Fund has reached 100% funding.
- 5.18 The Pension Fund specifically relating to East Suffolk Council is 110% funded, an increase from 99% at the time of the previous review on 31 March 2019. The triennial review also sets the employer contribution rates for the next three years – 2023/24 to 2025/26. This was set at 25% and provided 88% probability of success that over 20 years the Pension Fund will remain or achieve 100% funded.

Other Pressures

- 5.19 In formulating its detailed spending plans, the Council has also taken account of past performance and the previous year’s outturn position.
- 5.20 Ranging from increased demand for services or changes in national policy, the Council’s MTFs will be adjusted to reflect the financial implications of these changes. The budget monitoring work is ongoing with the Finance Team working with service areas to review their budget requirements.
- 5.21 **Contingency** – a general annual contingency of £0.600m has also been built into the budget for further pay and inflation pressures.

East Suffolk Services Limited (ESSL)

- 5.22 East Suffolk Council created ESSL to operate as a Local Authority Trading Company (LATCo) following a thorough review of its joint venture (JV) partnership with Norse, which ended on 30 June 2023.
- 5.23 As referred to earlier in paragraph The first year’s operation of ESSL has been and continues to be about stabilisation and identification of opportunities for the development and improvement of the various services this company delivers.
- 5.24 However, since this company became operational in July 2023, as with other council services, ESSL has faced cost pressures such as increases in pay awards, fuel for vehicles and waste disposal costs. This has contributed significantly to the required uplift in the company’s base budget from previous years, along with recognising some additional resourcing needs to support the delivery of services. For future years the Council will be working closely with ESSL to develop a business improvement plan which must balance affordability and capacity to deliver, with the expectation that the company’s base budget will be reduced in subsequent years, and as such the payment we make to the company for the delivery of council services. The update of the MTFs includes an uplift to the base

budget for 2024/25 and 2025/26 of £1.751m and £1.151m, funded from the In-Year Savings Reserve.

6 RESERVES AND BALANCES

- 6.1 In order to manage its financial affairs soundly, the Council needs to hold an appropriate and necessary level of reserves and balances. These allow it to:
- a) manage its cash flows economically and avoid temporary borrowing pending receipt of income due during the year;
 - b) deal promptly and efficiently with emergencies if they occur;
 - c) take previously unseen opportunities to secure benefits that may arise during the year;
 - d) mitigate reliance on volatile sources of funding;
 - e) set money aside for known events but where the timing or precise amount required is not yet certain; and
 - f) accumulate monies to meet costs that it would be unreasonable for taxpayers to meet in a single year.
- 6.2 In addition to the General Fund balance, the Council keeps a number of earmarked reserves on the Balance Sheet. Some are required to be held for statutory reasons, some are needed to comply with proper accounting practice, and others have been set up voluntarily to earmark resources for future spending plans or potential liabilities.
- 6.3 The Council has continued to develop its prudent financial management arrangements, through the development of earmarked reserves to mitigate potential future risks. As issues arise, the potential requirement for an earmarked reserve is considered. New earmarked reserves are formally considered as part of the detailed budget process, to ensure that risks identified are adequately mitigated, and throughout the annual budget monitoring process as risks arise or become clearer.
- 6.4 The detailed budget process includes an assessment of risk, the adequacy of the General Fund balance and a review of earmarked reserves. This review evaluates the need to create and/or change earmarked reserve levels and to also release reserves which are no longer required, thereby becoming a one-off resource for the Council. As part of this year's review it will include a refresh of the reason for/purpose of each reserve, and how and when they can be used.
- 6.5 A risk assessment of the General Fund balances informs the Chief Finance Officer's view of the adequacy of reserves to provide assurance to the budget. Having regard to the financial risks surrounding the budget planning process; the Council has maintained for a number of years a level of General Fund balance at around 3%-5% of its budgeted gross expenditure (in the region of £130 million for East Suffolk). This would equate to maintaining a General Fund balance for East Suffolk, in the region of between £4m and £6m. As of 1 April 2023, the opening General Fund balance of East Suffolk stood at £6m.
- 6.6 Further use of the General Fund balance will be evaluated against an assessment of risk, to ensure financial sustainability for the Council is maintained, whilst supporting the strategy direction and ambitions of the Council. The current update of the MTFs does not include any use of the General Fund balance.

- 6.7 One of the key underpinning financial principles of the MTFS is to not use the Council's Reserves (and other one-off resources) as a primary method to balance the ongoing pressures in the budget. Earmarked reserves are used for specific one-off purposes to support the delivery of corporate objectives and to mitigate risks.
- 6.8 The opening balances for 2023/24 are subject to external audit review and could therefore change.
- 6.9 The total balance of General Fund Earmarked Reserves was £48.06m as of 1 April 2023. Earmarked reserves are categorised into the following groups;
- **Grants/Funding Carried Forward** – this is external funding the Council has received for specific purposes and is drawn down from reserves when spend is incurred.
 - **Planned Future Revenue Spending** – Council funding has been set aside for specific service areas and/or projects.
 - **Planned Future Capital Spending** – this is revenue funding set aside to provide funding for the capital programme.
 - **Risk Based** – Council funding has been set aside for unforeseen budget pressures and fluctuations in budget areas of volatility. The reserves to highlight in this category include;
 - *Business Rate Equalisation Reserve* - this reserve is held to provide a source of funding for future uncertainty in the reform of the business rates system. The uncommitted balance on this reserve over the MTFS is £8.47m
 - *Business Rates Income Reserve* – The reserve is to manage fluctuations in business rates income, e.g. timing issues arising from accounting differences. The balance held in this reserve is £3m.
 - *In-Year Savings Reserve* – Out-turn surpluses set-aside to support future year pressures. The uncommitted balance on this reserve is £2.99m.
- 6.10 Two new reserves to highlight from 2024/25, is the Resilience Reserve and Strategic Plan Reserve. The Resilience Reserve has been allocated a fund of £0.500m to provide an allocation of funding for the Council to use as and when it deems it to be appropriate in response to resilience matters, for example flooding. This has been transferred from the Business Rates Equalisation Reserve. The Strategic Plan Reserve has been allocated funds to facilitate the delivery of the Council's new Strategic Plan, including any emerging priorities. The reserve currently includes the following funds in the MTFS.

Strategic Plan Reserve	MTFS April 2024 £'000	MTFS April 2025 £'000	MTFS April 2026 £'000	MTFS April 2027 £'000	MTFS April 2028 £'000
Environmental Impact	0	1,500	1,500	1,500	1,500
Tackling Inequalities	0	200	200	200	200
Thriving Economy	0	200	200	200	200
Sustainable Housing	0	0	759	1,538	2,337
Total	0	1,900	2,659	3,438	4,237

6.11 The projected balances on reserves will continue to be reviewed and updated throughout the budget process. The table below shows the current projections for the General Fund Earmarked Reserve over the MTFS, categorised as above. This summary does not include use of reserves to address the budget gaps from 2025/26 as presented in **Appendix A5**.

6.12 £1.85m of the In-Year Savings Reserve has been used to balance the budget for 2024/25.

East Suffolk General Fund Reserves	Opening Balance 1st April 2023 £'000	MTFS April 2024 £'000	MTFS April 2025 £'000	MTFS April 2026 £'000	MTFS April 2027 £'000	MTFS April 2028 £'000
Earmarked Reserves:						
Grants/Funding Carried Forward	5,883	3,986	3,253	2,839	2,838	2,837
Planned Future Capital Spending	1,148	2	343	727	1,106	1,505
Planned Future Revenue Spending	16,676	12,603	11,689	11,019	10,520	10,814
Port Health	3,513	1,564	738	337	0	0
Risk Based	19,675	21,192	17,139	15,988	16,008	16,028
COVID Reserve	1,165	0	0	0	0	0
Total Earmarked Reserves	48,060	39,347	33,162	30,911	30,472	31,184

7 CAPITAL STRATEGY

7.1 The Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services in East Suffolk, along with an overview of how associated risk is managed and the implications for future financial sustainability. The Capital Strategy for the period 2024/25 to 2027/28 will be considered by the Audit & Governance Committee and Cabinet before approval by Full Council on 21 February 2024. Capital planning is about financial investment on the purchase of new assets, the creation of new assets and enhancing and/or extending the useful life of existing assets. The Council aims to achieve the optimum balance between the future needs of East Suffolk, including the need to drive growth, whilst ensuring affordability in the short and long term. Key principles include:

- Developing asset and capital strategies that facilitate a long-term approach to decision-making.
- Ensuring that assets are only held as needed to achieve Council objectives.
- Maximising efficiency in the management and use of assets.
- Ensuring that pressure to achieve short-term savings does not compromise the value of assets through lack of investment.
- Ensuring that capital investment is targeted where it will achieve the greatest long-term benefit.

7.2 Enhancing the management of the Council's existing asset base and looking beyond the traditional medium-term financial planning horizon is a major priority. A refresh of the

current Asset Management Strategy, which was approved in July 2019, is now underway and will need to link with the MTFS.

- 7.3 For the purposes of setting the budget for 2024/25 and medium-term financial planning, the current rolling Capital Programme has been updated to reflect existing projects and the latest capital investment plans for the period 2024/25 to 2027/28 are included.

Capital Programme

- 7.4 The Capital Programme including both General Fund and the Housing Revenue Account (HRA) is subject to the scrutiny process and formally adopted by Full Council each year. The decision to accept individual projects onto the Programme is driven by the overriding requirement to support the priorities communicated in the East Suffolk Strategic Plan, providing they are affordable.
- 7.5 As well as adequately maintaining the asset base, a range of other important factors are considered when deciding upon the allocation of General Fund resources. Consideration is given to:
- Legislation – the need for capital investment due to changes in legislation, including those with health and safety implications.
 - Resource availability – the sustainability of the Capital Programme is a primary consideration and integral to the MTFS.
- 7.6 Where required, capital projects are supported by a detailed business case, which demonstrates a set of clear objectives and measurable benefits, as well as detailed financial implications. This includes the on-going revenue implications of a capital project, to ensure these are built into the MTFS revenue assumptions.
- 7.7 Major capital projects are delivered by dedicated project managers within the Council, with leadership and oversight provided by the Corporate Leadership Team.
- 7.8 The 2023/24 to 2027/28 Capital Programme was presented to Cabinet on 2 January 2024 and the Scrutiny Committee on 18 January 2024. The programme will be reported to Cabinet and Full Council on 6 and 21 February 2024 respectively.

EAST SUFFOLK MEDIUM TERM FINANCIAL STRATEGY - KEY PRINCIPLES

1 PRIORITIES, AIMS AND OBJECTIVES

- 1.1 The East Suffolk Strategic Plan provides the overarching vision for East Suffolk. In fulfilment of the Plan, the Council makes use of significant resources to achieve its aims including money, people, property and technology. In order to allocate resources to competing demands, achieve effective and efficient use of its resources, best value and ultimately achieve its vision, the Council has several strategies and plans which give a clear sense of direction and underpin the deployment of those resources. The Long Term and Medium Term Financial Strategies sit under the Strategic Plan, and combined with other strategies and plans, they support and embrace the strategic direction of East Suffolk.

2 STRATEGY OBJECTIVES

- 2.1 The Council's MTFS aims to ensure the provision of the best quality services possible within the resources available. To do so it must maximise the use of its resources to ensure they are used efficiently and effectively to support the development of longer term sustainable objectives.
- 2.2 The specific objectives of the MTFS are to:
- a) ensure that the Council sets a balanced, sustainable budget year by year, so that forecast spending does not exceed forecast resources available to it;
 - b) plan for a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to ensure that it has the financial capacity to deliver the Council's policies and objectives;
 - c) redirect resources over time to adequately support and resource the priorities of the both the Council and the wider community; and
 - d) maintain sufficient reserves and balances to ensure that the Council's long-term financial health remains sustainable.

3 STRATEGY PRINCIPLES

- 3.1 The principles set out below provide a framework within which the Council will develop its detailed financial plan over the medium term.

General

There are a number of overarching principles that will apply across the Council's detailed financial accounting, planning and monitoring:

- a) that the Council's budgets, financial records and accounts will be prepared and maintained in line with approved Accounting Standards, the CIPFA Code of Practice on Local Government Accounting, the CIPFA Prudential Code and the relevant sections of the Council's Constitution and Finance Procedure Rules;

- b) prior to setting a budget, the Council will always analyse potential risks and ensure these are minimised in line with its Risk Management Strategy;
- c) that the Council's Corporate Leadership Team will review the budget proposals for reasonableness and adherence to corporate policies and objectives prior to the budget being submitted to Cabinet;
- d) the Council will monitor its revenue and capital budgets effectively. Monitoring will be undertaken quarterly by Heads of Service together with their portfolio holders, and integrated quarterly monitoring reports will be reported to Cabinet. In cases where significant financial and service performance deviates from that planned, action plans setting out corrective action will be drawn up by Heads of Service/Portfolio Holders and reported to Cabinet as appropriate;
- e) that the Council's Corporate Leadership Team will take appropriate steps to continue to maintain and improve the accuracy and quality of data that it uses throughout the Council thereby ensuring that budget and other decisions are taken on a sound basis; and
- f) the Council will seek to maximise external contributions towards revenue and capital spending for example through bidding for specific grants, attracting levered funding, participating in new funding streams and engaging in further strategic partnering opportunities where appropriate.

General Fund (Revenue)

3.2 In relation to its revenue budgets the Council will:

- a) set a balanced budget each year that will be constructed to reflect its objectives, priorities and commitments. In particular, the budget will influence and be influenced by the Strategic Plan, the People Strategy, Capital and Asset Management Strategies, the Risk Management Strategy, its Comprehensive Equality Scheme and its consultation and engagement strategies;
- b) within the constraints of the resources available to it, set a sustainable budget each year that meets on-going commitments from on-going resources. The Council will continue to aim to maintain a prudent level of general balances when it sets its revenue budget each year;
- c) seek to identify annual efficiency savings through business process improvement, shared service initiatives, service best value reviews and benchmarking and strategic partnering opportunities;
- d) review the appropriateness of service delivery between the Council, parishes and other partners;
- e) increase existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate; and

- f) within Government guidelines, set a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to deliver the Council's policies and objectives.

Capital

3.3 When considering capital investment, the Council will:

- a) maximise the generation of capital receipts and grants to support its planned investment programmes;
- b) enhance its capital investment by applying specific grants and contributions, capital receipts, earmarked reserves and revenue contributions, with any balance being met by external borrowing;
- c) not recognise capital receipts until there is certainty that the receipt will materialise, and these will not be earmarked against specific developments without express Cabinet approval;
- d) allocate its capital resources in line with its Capital Strategy and Asset Management Strategy whilst recognising that other priorities may emerge that may require those plans to be amended and resources to be diverted; and
- e) annually review and prioritise capital schemes in accordance with Council objectives having regard to:
 - i) the business case for any given project; asset management planning
 - ii) affordability in line with the application of the Prudential Code.

Balances and Reserves

3.4 In relation to its balances and earmarked reserves, the Council will:

- a) each year maintain a level of General Fund balances which takes account of the strategic, operational and financial risks facing the Council.
- b) have regard to the financial risks surrounding the budget planning process, including those associated with the structural deficit, inflationary pressures, interest rates, partnerships, the treatment of savings, new burdens and demand led expenditure.
- c) review its earmarked reserves, to ensure the rationale for holding the reserves and the amount of the reserves, remain consistent with their purposes and their approach to risk management; and
- d) return reserve balances no longer required to the General Fund as appropriate.

Treasury Management and Investment

3.5 The Council will:

- a) having regard to risk, maximise investment income and minimise borrowing costs within the overall framework set out in the Council's annual Treasury Management and Investment Strategy;
- b) secure the stability of the Council's longer-term financial position rather than seeking to make short-term one-off gains which may lead to higher costs in the long term; and
- c) having regard to risk, seek to diversify its investment portfolio; maximise investment income; and deliver economic development objectives through the Asset Management Strategy.

4 OTHER CONSIDERATIONS

4.1 The Council's spending will have regard to:

- a) the base budget position for the current financial year, adjusted for in year grant changes;
- b) the Council's medium term priorities;
- c) the refocusing of service expenditure through transactional, shared services and other efficiencies to support the achievement of its medium term priorities and satisfy Government funding changes;
- d) demographic and welfare changes;
- e) consultation outcomes;
- f) fiscal matters including:
 - price and pay inflation.
 - the effect on the level of General Fund balances and reserves.
 - the impact of any changes to the capital programme on the potential costs of borrowing.
 - triennial revaluation of the pension fund.
 - ongoing commitments, arising in part, from initiatives that have previously been funded from specific grants.
 - achieving budgeted savings from outsourcing, shared services and service reviews.
 - Government funding and funding reform.
 - the likely passporting of some Government departmental savings targets to councils.

RISKS	PROBABILITY HIGH (H) MEDIUM (M) LOW (L)	IMPACT HIGH (H) MEDIUM (M) LOW (L)	MITIGATING ACTIONS
<p style="text-align: center;">Strategic Risks</p> <p>The absence of a robust Medium Term Financial Strategy could adversely affect the Council’s budget and resource planning and projections.</p> <p>Failure to understand changing community needs and customer expectations can result in the Council providing levels of service which are not appropriately aligned to the needs of communities and customers.</p> <p>Local Government funding is under continuous pressure and review. Failure to respond to these funding pressures may adversely impact on the Council’s ability to service delivery.</p> <p>Budget pressures arising from housing, economic, social and other demographic changes.</p> <p style="text-align: center;">Financial</p> <p>Uncertain medium term sustainability of incentivised income areas subject to Government policy, economic factors, and revaluation e.g. business rates and New Homes Bonus.</p>	<p style="text-align: center;">L</p> <p style="text-align: center;">M</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p>	<p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p>	<p>Continually monitor and refine the strategy in line with changing influences. Updates to the Corporate Leadership Team and Cabinet.</p> <p>Continuously engage with key stakeholders and taking advantage of existing consultation methodologies. Continue to monitor and more closely align service levels to demand and need.</p> <p>Take advantage of the Council’s growth opportunities to reduce dependency on government funding. Align service delivery to funding levels, improve exist strategy to minimise risk.</p> <p>Take advantage of technological advancements to understand and reduce unit costs, monitor demand for services and proactively manage resourcing requirements, invest in schemes to promote skills and developments.</p> <p>Constantly monitor information and update risk appraisals and financial projections. Provide timely briefings and updates to Members/ key stakeholders to facilitate decision making. Adopt prudent budgeting approach not placing undue reliance on uncertain funding sources.</p>

RISKS	PROBABILITY HIGH (H) MEDIUM (M) LOW (L)	IMPACT HIGH (H) MEDIUM (M) LOW (L)	MITIGATING ACTIONS
<p>Uncertainty surrounding the Government's change agenda including, business rates and welfare reform over the medium term.</p>	H	H	<p>Constantly monitor information from Government and update risk appraisals and financial projections. Provide timely briefings and updates to Members/ key stakeholders to facilitate decision making. Lobby through the LGA as appropriate.</p>
<p>Budget pressures from demand led services and income variances reflecting the wider economy.</p>	H	H	<p>Monitor pressures throughout the budget process and take timely actions.</p>
<p>Interest rate exposure on investments and borrowing.</p>	H	M	<p>Review cash flows, ensuring the Council has a flexible and forward looking Treasury management policy.</p>
<p style="text-align: center;">Information</p>			
<p>The Council itself has no influence over the outcome of some of the other bigger assumptions such as formula grant, national pay awards, interest rates, inflation and statutory fees and charges.</p>	H	M	<p>Key assumptions made are regularly reviewed from a variety of sources. Forecasts are updated as necessary.</p>
<p style="text-align: center;">Operational</p>			
<p>The Council has entered into strategic partnerships and contracts and is therefore susceptible to economic, social and demographic changes.</p>	L	M	<p>Effective negotiation, sound governance arrangements and review of partnerships performance.</p>
<p>There is a potential risk to the Council if there is a financial failure of an external organisation, providing services to the public on behalf of the Council.</p>	M	M	<p>Ensure rigorous financial evaluations are carried out at tender stage. Consideration of processes to ensure annual review of the successful organisation and review any external auditor comments.</p>

RISKS	PROBABILITY HIGH (H) MEDIUM (M) LOW (L)	IMPACT HIGH (H) MEDIUM (M) LOW (L)	MITIGATING ACTIONS
<p data-bbox="421 284 517 316">People</p> <p data-bbox="125 363 674 395">Loss of key skills, resources and expertise.</p> <p data-bbox="398 603 539 635">Regulatory</p> <p data-bbox="125 683 808 746">Changes of responsibility from Government can adversely impact on service priorities and objectives.</p> <p data-bbox="398 794 539 826">Reputation</p> <p data-bbox="125 874 808 938">Loss of reputation if unforeseen resource constraints result in unplanned service reductions.</p>	<p data-bbox="925 403 958 435">M</p> <p data-bbox="925 722 958 754">L</p> <p data-bbox="925 914 958 946">L</p>	<p data-bbox="1160 403 1193 435">M</p> <p data-bbox="1160 722 1193 754">L</p> <p data-bbox="1160 914 1193 946">H</p>	<p data-bbox="1312 363 2063 635">Continue to invest in staff developments, service continuity measures. Monitor succession planning. Keep staff consulted and informed. Ensure employment terms and conditions are competitive and development needs identified through 'My Conversation' programme with staff are satisfied. A new People Strategy has recently been approved.</p> <p data-bbox="1312 683 2040 746">Sound system of service and financial planning in place. Lobby as appropriate.</p> <p data-bbox="1312 874 2063 978">Identify and implement robust solutions in response to changes. Consult widely. Seek to achieve a prudent level of balances and reserves.</p>

Band D Equivalent Taxbase by Parish

PARISH	2023/24	2024/25	Difference
Aldeburgh	1,899.17	1,902.89	3.72
Alderton	181.06	181.41	0.35
Aldringham-Cum-Thorpe	606.00	605.16	-0.84
All Saints & St. Nicholas, St. Michael and St. Peter S E	98.83	102.04	3.21
Badingham	235.76	238.42	2.66
Barnby	214.86	216.64	1.78
Barsham and Shipmeadow	134.31	135.65	1.34
Bawdsey	198.00	210.89	12.89
Beccles	3,346.33	3,417.47	71.14
Benacre	32.02	33.00	0.98
Benhall & Sternfield	311.61	318.40	6.79
Blaxhall	112.93	114.84	1.91
Blundeston and Flixton	479.77	483.69	3.92
Blyford and Sotherton	71.90	73.14	1.24
Blythburgh	198.44	198.34	-0.10
Boulge	14.48	14.48	0.00
Boyton	62.44	62.33	-0.11
Bramfield & Thorington	197.96	199.95	1.99
Brampton with Stoven	157.53	156.57	-0.96
Brandeston	146.98	149.31	2.33
Bredfield	151.22	158.61	7.39
Brightwell, Foxhall & Purdis Farm	998.79	991.44	-7.35
Bromeswell	153.62	155.02	1.40
Bruisyard	71.81	72.50	0.69
Bucklesham	205.35	216.46	11.11
Bungay	1,668.62	1,684.00	15.38
Burgh	78.95	79.17	0.22
Butley, Capel St Andrew & Wantisden	118.69	118.26	-0.43
Campsea Ashe	155.80	156.78	0.98
Carlton Colville	2,671.88	2,667.73	-4.15
Charsfield	162.02	168.22	6.20
Chediston, Linstead Magna & Linstead Parva	157.72	153.23	-4.49
Chillesford	75.96	75.82	-0.14
Clopton	142.46	145.99	3.53
Cookley & Walpole	153.25	152.94	-0.31
Corton	588.59	590.47	1.88
Covehithe	13.92	14.14	0.22
Cransford	67.77	71.31	3.54
Cratfield	152.30	154.05	1.75
Cretingham, Hoo & Monewden	208.88	214.14	5.26

PARISH	2023/24	2024/25	Difference
Dallinghoo	82.88	81.79	-1.09
Darsham	228.14	228.12	-0.02
Debach	33.38	32.59	-0.79
Dennington	239.53	239.01	-0.52
Dunwich	85.66	92.04	6.38
Earl Soham	202.51	204.48	1.97
Easton	178.23	178.05	-0.18
Eyke	151.75	152.82	1.07
Felixstowe	8,771.40	8,887.28	115.88
Flixton, St. Cross S E & St. Margaret South Elmham	167.77	166.69	-1.08
Framlingham	1,644.19	1,643.45	-0.74
Friston	208.50	209.85	1.35
Frostenden, Uggeshall and South Cove	172.91	171.31	-1.60
Gisleham	248.94	255.05	6.11
Great Bealings	133.06	132.40	-0.66
Great Glemham	102.19	102.77	0.58
Grundisburgh & Culpho	655.32	664.40	9.08
Hacheston	165.66	180.03	14.37
Halesworth	1,808.83	1,850.61	41.78
Hasketon	186.36	179.69	-6.67
Hemley	26.41	26.73	0.32
Henstead with Hulver Street	138.11	140.35	2.24
Heveningham	61.42	60.34	-1.08
Hollesley	507.88	519.48	11.60
Holton	311.80	310.83	-0.97
Homersfield	59.58	60.97	1.39
Huntingfield	79.71	82.87	3.16
Iken	61.93	62.14	0.21
Kelsale-cum-Carlton	413.65	428.92	15.27
Kesgrave	4,826.19	4,843.74	17.55
Kessingland	1,439.26	1,449.86	10.60
Kettleburgh	108.33	108.03	-0.30
Kirton & Falkenham	557.47	557.16	-0.31
Knodishall	311.92	310.50	-1.42
Leiston	1,957.72	1,987.29	29.57
Letheringham	42.41	42.52	0.11
Levington & Stratton Hall	125.14	122.81	-2.33
Little Bealings	216.46	217.01	0.55
Little Glemham	66.78	69.89	3.11
Lound	127.74	134.89	7.15
Lowestoft	12,926.07	13,032.78	106.71
Marlesford	90.73	89.38	-1.35
Martlesham	2,142.72	2,151.28	8.56
Melton	1,945.62	1,928.05	-17.57

PARISH	2023/24	2024/25	Difference
Mettingham	83.98	89.24	5.26
Middleton	209.69	211.66	1.97
Mutford	186.40	189.39	2.99
Nacton	341.61	340.43	-1.18
Newbourne	112.65	113.73	1.08
North Cove	149.77	152.53	2.76
Orford & Gedgrave	401.90	396.59	-5.31
Otley	327.59	331.12	3.53
Oulton	1,654.14	1,704.08	49.94
Oulton Broad	3,307.43	3,316.03	8.60
Parham	131.13	129.53	-1.60
Peasenhall	245.78	248.41	2.63
Pettistree	87.12	85.36	-1.76
Playford	110.97	112.10	1.13
Ramsholt	12.22	13.72	1.50
Redisham	61.82	62.51	0.69
Rendham	127.13	129.08	1.95
Rendlesham	941.76	955.48	13.72
Reydon	1,196.49	1,199.79	3.30
Ringsfield and Weston	221.74	228.08	6.34
Rumburgh	120.07	119.69	-0.38
Rushmere	34.13	33.81	-0.32
Rushmere St Andrew	2,607.03	2,617.95	10.92
Saxmundham	1,609.94	1,607.64	-2.30
Saxtead	126.45	127.65	1.20
Shadingfield, Sotterley, Willingham and Ellough	182.31	178.58	-3.73
Shottisham	83.44	86.44	3.00
Sibton	96.50	100.30	3.80
Snape	332.72	343.20	10.48
Somerleyton, Ashby & Herringfleet	163.68	163.51	-0.17
Southwold	1,100.22	1,081.77	-18.45
Spexhall	85.54	84.74	-0.80
St. Andrew Ilketshall	116.03	114.63	-1.40
St. James South Elmham	91.17	90.95	-0.22
St. John Ilketshall	20.25	20.25	0.00
St. Lawrence Ilketshall	61.83	63.26	1.43
St. Margaret Ilketshall	70.34	69.85	-0.49
Stratford St Andrew and Farnham	140.49	142.35	1.86
Sudbourne	186.37	187.33	0.96
Sutton	150.97	151.37	0.40
Sutton Heath	374.89	326.79	-48.10
Sweffling	98.89	98.57	-0.32
Swilland & Winesham	427.46	431.03	3.57
Theberton	150.78	153.41	2.63

PARISH	2023/24	2024/25	Difference
Trimley St Martin	767.41	831.14	63.73
Trimley St Mary	1,268.02	1,279.25	11.23
Tuddenham St Martin	159.80	160.56	0.76
Tunstall	256.12	258.42	2.30
Ubbeston	45.10	46.33	1.23
Ufford	406.54	402.68	-3.86
Walberswick	375.63	374.70	-0.93
Waldringfield	255.28	259.56	4.28
Wangford with Henham	258.05	259.26	1.21
Wenhaston with Mells Hamlet	421.36	417.08	-4.28
Westerfield	248.51	250.33	1.82
Westhall	136.42	133.70	-2.72
Westleton	308.17	308.62	0.45
Wickham Market	829.10	842.92	13.82
Wissett	127.62	126.39	-1.23
Woodbridge	3,389.95	3,378.86	-11.09
Worlingham	1,298.40	1,296.33	-2.07
Wrentham	379.37	385.24	5.87
Yoxford	357.01	358.28	1.27
East Suffolk Council - Total	90,340.92	91,018.73	677.81

NHB RESERVE SUMMARY 2023/24 TO 2027/28

NHB Reserve	2023/24	2024/25	2025/26	2026/27	2027/28
	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000
NHB Reserve Balance Brought Forward	(5,439)	(3,936)	(3,105)	(1,818)	(669)
NHB In-Year Funding	(447)	(650)	0	0	0
Total NHB Funding in Reserve	(5,886)	(4,586)	(3,105)	(1,818)	(669)
Application of NHB					
Enabling Communities Budget					
55 Councillors * £7.5k	475	412	412	412	0
Ease the Squeeze	0	0	0	0	0
	475	412	412	412	0
Community Partnerships					
8 Partnership * £25k each	295	200	200	200	0
Resourcing & Engagement					
CP Manager	71	74	75	76	0
Communities Officer	25	0	0	25	0
Funding Officer	25	0	0	0	0
Venues for meetings	2	3	3	3	0
Contribution to Suffolk Association Local Councils	10	10	10	10	0
Contribution to Community Action Suffolk	10	10	10	10	0
	438	297	298	324	0
Strategic Community Partnerships - Allocated	298	0	0	0	0
Strategic Community Partnerships - Unallocated	300	300	300	300	0
	598	300	300	300	0
WIFI Implementation on Market Towns	45	21	19	13	0
Lowestoft Full Fibre project	19	0	0	0	0
Cultural Development	72	0	0	0	0
First Light Festival	180	170	50	0	0
Safeguarding Officer	13	13	8	0	0
Empty Homes Officer	83	85	50	0	0
Anti Social Behaviour	0	80	0	0	0
Anti Social Behaviour additional requirement	0	2	150	100	50
Communities Help Hub - Adults/Families	0	7	0	0	0
Communities Help Hub - Money	7	84	0	0	0
Place Based initiatives					
Lowestoft Rising	20	10	0	0	0
	20	10	0	0	0
Total NHB use for the Year	1,950	1,481	1,287	1,149	50
NHB Reserve Balance Carried Forward	(3,936)	(3,105)	(1,818)	(669)	(619)

MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total over MTFS period £'000	Strategic Direction Theme/Other Factors	Comments
Forecast Budget Gaps February 2023	3,511	6,008	6,405	6,405			
Additional Cost							
Green Light Trust	110	0	0	0	110	Tackling Inequalities	Contribution to the Green Light Trust to assist the completion of its Eco Hemp Construction Centre (funded from reserves)
Coastal Protection/Drainage	198	9	18	28	253	Environmental Impact	Repairs & maintenance works for Coastal Protection to catch up with health and safety work programme
Communities - Service Level Agreements to Community, Faith & Social Enterprise Organisations	44	44	44	44	176	Tackling Inequalities	Funding increase for Voluntary, Community, Faith and Social Enterprise (VCFSE) organisations integral to delivery of the Council's 'tackling inequalities' ambitions
Contaminated Land	50	0	0	0	50	Environmental Impact	Environmental Protection investigative works for sites identified
Economic Regeneration	153	747	0	0	900	Thriving Economy	ESC contribution to the restoration and redevelopment of former Lowestoft Town Hall into a community, heritage and events space to be funded from the Business Rates Equalisation reserve
Anti-Social Behaviour	162	165	168	172	667	Tackling Inequalities	Continuation of staffing support to ensure this area is sufficiently supported to meet demand
Estimated Inflation pressure	200	200	200	200	800	Fiscal Impact	Contingency for on-going inflation pressures

MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total over MTFS period £'000	Strategic Direction Theme/Other Factors	Comments
Housing Benefit Subsidy loss	100	100	100	100	400	Sustainable Housing	Pressure from temporary accommodation
HRA Support recharge	204	185	178	137	704	Sustainable Housing	Review of support recharges - Choice Based Lettings revised, increasing General Fund use of the service
Insurance Renewal	203	229	246	273	951	Fiscal Impact	Inflationary increase
Internal Drainage Board	30	36	47	58	171	Fiscal Impact	Inflationary increase
Lowestoft Temporary Flood Barrier	25	25	25	25	100	Environmental Impact	Lowestoft Temporary Flood Barrier training
Miscellaneous Property - East Point Pavilion	116	103	51	14	284	Thriving Economy	East Point Pavilion revised model of operation (Cabinet 2 Jan 2024)
Miscellaneous Property - Survitec	33	0	0	0	33	Thriving Economy	Planning Fees for decontamination
Property Planned Maintenance	165	0	0	0	165	Our Foundations/ Governance	Works deferred from 2023/24
Training Budget	110	110	110	110	440	Our Foundations/ Governance	Corporate training
Utilities - Electricity	87	85	85	85	342	Fiscal Impact	Increases arising from footway lighting
Establishment Staffing Changes	1,113	1,101	1,306	1,165	4,685	Our Foundations/ Governance	Establishment changes
Annual Pay award assumption	0	0	0	765	765	Fiscal Impact	Roll over establishment base position

MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total over MTFS period £'000	Strategic Direction Theme/Other Factors	Comments
Pay Award 2023/24	720	735	750	765	2,970	Fiscal Impact	Additional cost over and above current budget assumption
Pay Award 2024/25	380	390	395	400	1,565	Fiscal Impact	Contingency for 2024/25 pay award to excess current budget assumption
North Lowestoft HAZ Grant Scheme	147	131	0	0	278	Thriving Economy	Revenue scheme costs previously identified as capital costs
Operations (East Support Services Ltd)	1,751	1,151	451	(249)	3,104	Our Foundations/ Governance	Pay and cost inflation pressures and additional resourcing to support service delivery
Direct Revenue Financing	1,732	445	445	695	3,317	Capital Programme	Revenue funding of the Capital Programme
Other net changes	768	71	466	722	2,027	Financial Sustainability	Other net changes
	8,601	6,062	5,085	5,509	25,257		
<u>Additional Income</u>							
Admin Buildings	(148)	(148)	(148)	(148)	(592)	Our Foundations/ Governance	New lease agreement for ESH Annex
Business Rates	(3,271)	(2,155)	(1,155)	(655)	(7,236)	Government Policy	Updated budget for 2024/25 and increased business rate income due to delays with reform
Business Rates	(3,600)	0	0	0	(3,600)	Fiscal Impact	Business Rate Pooling - Pooling Member decision to redistribute the 2024/25 allocation to Members.
Car Parking Income	(30)	(30)	(30)	(30)	(120)	Thriving Economy	Income relating to penalty charge notices and off-street parking

MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total over MTFS period £'000	Strategic Direction Theme/Other Factors	Comments
Council Tax Income	(99)	(102)	(104)	(632)	(937)	Sustainable Housing	Slight growth in tax base for 2024/25 and Council Tax assumed increase for 2024/25, and roll forward of budget for 2027/28
Council Tax Income	0	(759)	(779)	(799)	(2,337)	Sustainable Housing	Introduction of second home premium from 1 April 2025.
Council Tax Income - Council Tax Surplus	(141)	0	0	0	(141)	Sustainable Housing	Collection fund surplus
Garden Waste	(27)	(27)	(27)	(27)	(108)	Environmental Impact	Green waste subscriptions (fee increase compensating for some fall in subscriptions)
Government Grant	(667)	(13)	243	243	(194)	Government Policy	Provisional Settlement -NHB to continue for one year in 2024/25 (£0.651m)
Industrial Estates	(24)	(24)	(24)	(24)	(96)	Thriving Economy	Fountains Way Industrial Estate now fully let
Investment Interest Income	(1,441)	(901)	(932)	(776)	(4,050)	Fiscal Impact	Anticipating investment rates to remain high, net of HRA share
Martello Café	(45)	(45)	(45)	(45)	(180)	Thriving Economy	New lease agreement
Miscellaneous Property	(83)	(83)	(83)	(83)	(332)	Thriving Economy	Increase in occupancy over the original budget for Business Centres in Leiston and Lowestoft
Planning Application Fees	(376)	(274)	(100)	(100)	(850)	Thriving Economy	Statutory fees increase and Sanyo/Survitec (HRA contribution in 2024/25 and 2025/26)
Land Charges	(115)	(80)	(80)	(80)	(355)	Government Policy	Following some charges transferred to HMRC, the income lost has been less than original forecast
Purchase Land - Hamilton Road	(79)	(115)	(115)	(115)	(424)	Thriving Economy	New industrial estate purchased, lease income from the units

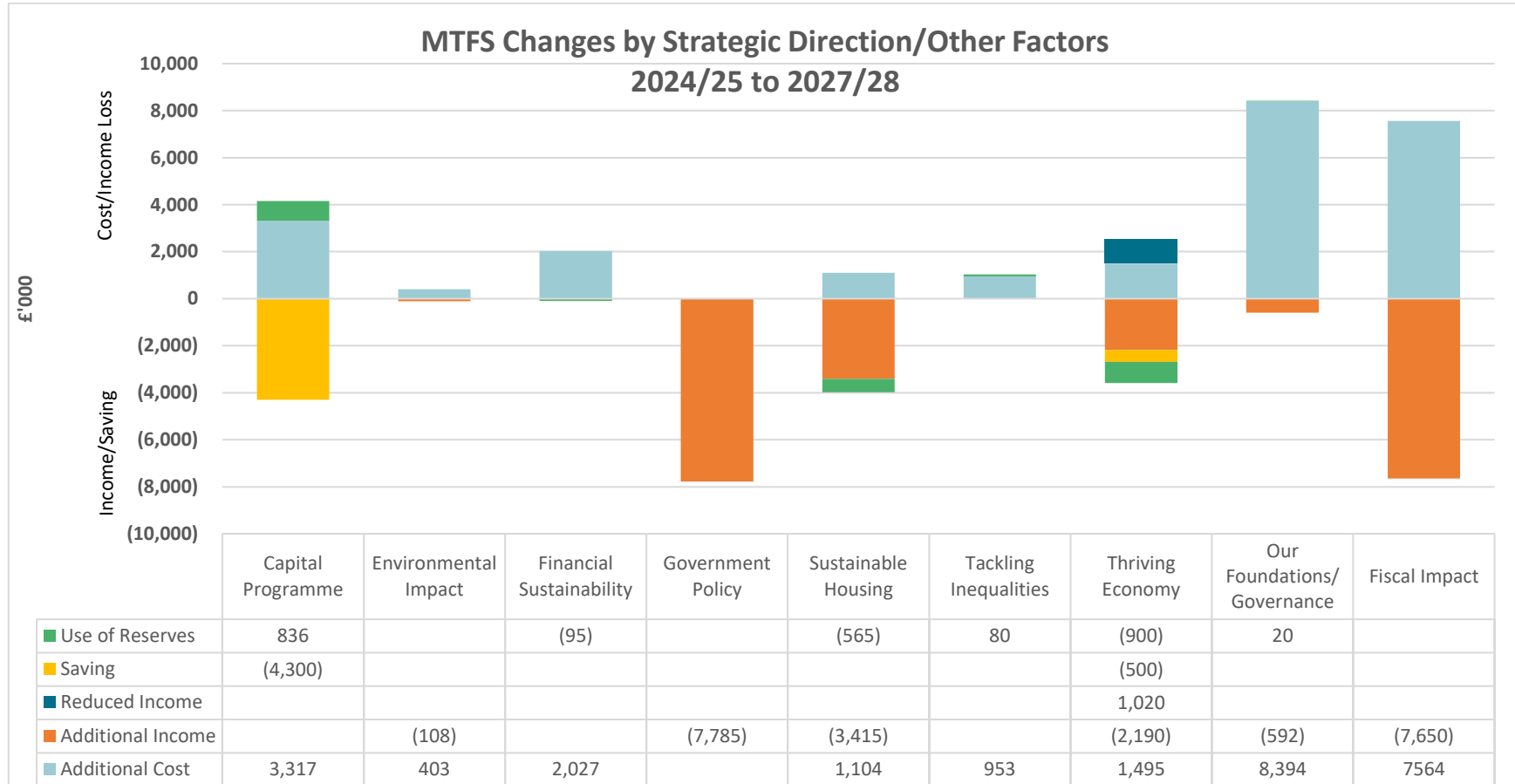
MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total over MTFS period £'000	Strategic Direction Theme/Other Factors	Comments
Seashore Village Beach Hut Income	(47)	(47)	(47)	(47)	(188)	Thriving Economy	New beach village in Felixstowe and increased fees and charges for beach huts
	(10,193)	(4,803)	(3,426)	(3,318)	(21,740)		
<u>Savings</u>							
Minimum Revenue Provision (MRP)	(700)	(900)	(1,400)	(1,300)	(4,300)	Capital Programme	Reflecting capital programme changes and reduced annuity rate
Ringo admin charge	(125)	(125)	(125)	(125)	(500)	Thriving Economy	New Ringo Contract (Parking Collection and National Payment Platform)
	(825)	(1,025)	(1,525)	(1,425)	(4,800)		
<u>Reduced Income</u>							
Miscellaneous Property	255	255	255	255	1,020	Thriving Economy	Reduction in property lease income due to administration of Wilko
	255	255	255	255	1,020		
<u>Use of Reserves</u>							
ASB staffing funded from reserves	(160)	(150)	(100)	(50)	(460)	Tackling Inequalities	To work towards a reduced funding position for permanent staffing
Business Rates Equalisation	(153)	(747)	0	0	(900)	Thriving Economy	Restoration and redevelopment of Lowestoft Town Hall into a community, heritage and events space
In-Year Savings	(1,751)	(1,151)	0	0	(2,902)	Sustainable Housing	Funding to support Operations service, East Suffolk Services Ltd - as per cost pressures above)
In-Year Savings	(95)	0	0	0	(95)	Financial Sustainability	Balancing the budget

MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total over MTFS period £'000	Strategic Direction Theme/Other Factors	Comments
Strategic Direction	(110)	0	0	0	(110)	Tackling Inequalities	Contribution to the Green Light Trust to assist the completion of its Eco Hemp Construction Centre
Strategic Direction	0	759	779	799	2,337	Sustainable Housing	Introduction of second home premium from 1 April 2025.
Short Life Asset	(130)	62	157	177	266	Capital Programme	To provide a source of funding for short life asset replacement in the capital programme
Capital	380	130	30	30	570	Capital Programme	Net movement on the reserve for funding the capital programme
New Homes Bonus	650	0	0	0	650	Tackling Inequalities	Transfer of in year allocation to support community initiatives
Business Rates Income	(3,000)	0	0	0	(3,000)	Financial Sustainability	To provide a source of funding for accounting timing differences on Business Rates income. Transferred from the Business Rates Equalisation Reserve
Business Rates Equalisation Reserve	3,000	0	0	0	3,000	Financial Sustainability	To provide a source of funding for accounting timing differences on Business Rates income. Transferred to the Business Rates Income Reserve
Business Rates Equalisation Reserve	(480)	0	0	0	(480)	Our Foundations/ Governance	To re-allocate reserve funds to provide a source of funding for the Council to response to matters of resilience, e.g. flooding
Resilience	500	0	0	0	500	Our Foundations/ Governance	New Reserve to provide a source of funding for the Council to response to matters of resilience, e.g. flooding
	(1,349)	(1,097)	866	956	(624)		

MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total over MTFS period £'000	Strategic Direction Theme/Other Factors	Comments
Net Total of MTFS Updates January 2024	(3,511)	(608)	1,255	1,977	(887)		
Forecast Budget Gaps January 2024	0	5,400	7,660	8,382			

Updates to the MTFS between the Cabinet meeting on 2 January 2024 and 6 February 2024

MTFS Update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Comments
Budget Gap Position - Cabinet 2 January 2024	2,211	5,131	6,498	7,664	
Government Funding Streams	42	44	297	297	Update following Provision Finance Settlement on 18 December 2023
Budget Gap Position - Scrutiny 18 January 2024	2,253	5,175	6,795	7,961	
North Lowestoft HAZ Grant Scheme	147	131	0	0	Revenue scheme costs previously identified as capital costs
Operations (East Support Services Ltd)	1,751	1,151	451	(249)	Cost pressures, e.g. pay, waste disposal, fuel and additional resourcing
In-Year Savings Reserve	0	(1,151)	0	0	Funding to support Operations service (East Suffolk Services Ltd) as above
Creation of Resilience Reserve	500	0	0	0	To provide a source of funding for the Council to response to matters of resilience, e.g. flooding
Business Rates Income	(3,271)	(155)	(155)	(155)	Updates to Business Rates income following completion of NNDR1 estimates
Other Changes	466	249	569	825	other net changes
In-Year Savings Reserve	(1,846)	0	0	0	Use of reserves to balance the budget for 2024/25
Budget Gap Position - Cabinet 6 February 2024	0	5,400	7,660	8,382	



Service	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28
	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement
	£	£	£	£	£	£	£	£	£	£	£	£
Direct Income & Expenditure												
Senior and Corporate Management												
Corporate and Democratic Management	381,900	331,500	(50,400)	362,300	312,000	(50,300)	287,300	312,000	24,700	287,300	312,100	24,800
Directors and PA's	964,800	961,800	(3,000)	985,700	985,700	0	1,006,900	1,007,200	300	1,006,900	1,027,800	20,900
Growth Programme Partnership	0	0	0	0	0	0	0	0	0	0	0	0
Heads of Service	1,376,400	1,422,500	46,100	1,404,800	1,449,800	45,000	1,433,800	1,478,400	44,600	1,433,800	1,507,100	73,300
	2,723,100	2,715,800	(7,300)	2,752,800	2,747,500	(5,300)	2,728,000	2,797,600	69,600	2,728,000	2,847,000	119,000
Economic Development and Regeneration												
Economic Development	698,600	1,005,100	306,500	710,100	837,300	127,200	722,100	834,200	112,100	722,100	748,100	26,000
Economic Funding	186,800	171,300	(15,500)	174,100	176,100	2,000	177,400	179,600	2,200	177,400	183,000	5,600
Economic Regeneration	1,109,600	2,299,100	1,189,500	1,068,500	1,055,700	(12,800)	861,500	883,600	22,100	861,500	894,400	32,900
Economic Regeneration Towns Fund	300	200	(100)	400	100	(300)	400	0	(400)	400	0	(400)
Landguard	(8,100)	15,000	23,100	(5,900)	15,000	20,900	(4,000)	15,000	19,000	(4,000)	15,000	19,000
North Felixstowe Garden Neighbourhood	100	500	400	0	0	0	0	0	0	0	0	0
	1,987,300	3,491,200	1,503,900	1,947,200	2,084,200	137,000	1,757,400	1,912,400	155,000	1,757,400	1,840,500	83,100
Financial Services and Other Financial Transactions												
Financial Services	1,525,500	1,521,300	(4,200)	1,562,200	1,566,200	4,000	1,604,300	1,610,100	5,800	1,604,300	1,648,300	44,000
Other Financial Transactions	(1,441,700)	(1,106,100)	335,600	(1,442,700)	(1,059,600)	383,100	(1,456,200)	(1,074,000)	382,200	(1,456,200)	(1,076,300)	379,900
Treasury Management	9,500	8,000	(1,500)	9,500	8,000	(1,500)	9,500	8,000	(1,500)	9,500	8,000	(1,500)
	93,300	423,200	329,900	129,000	514,600	385,600	157,600	544,100	386,500	157,600	580,000	422,400
Revenue and Benefits												
Housing Benefits	2,085,600	1,949,500	(136,100)	2,161,500	2,133,800	(27,700)	2,200,900	2,004,000	(196,900)	2,200,900	2,060,600	(140,300)
Tax Collection Cost	1,006,700	1,310,800	304,100	1,050,800	1,376,100	325,300	1,092,300	1,438,900	346,600	1,092,300	1,498,400	406,100
	3,092,300	3,260,300	168,000	3,212,300	3,509,900	297,600	3,293,200	3,442,900	149,700	3,293,200	3,559,000	265,800
Digital, Programme Management and Customer Services												
Communications	320,100	353,500	33,400	330,600	366,700	36,100	339,100	380,200	41,100	339,100	388,500	49,400
Customer Services and Complaints	2,354,700	2,721,700	367,000	2,420,300	2,573,800	153,500	2,487,700	2,635,300	147,600	2,487,700	2,699,200	211,500
ICT	3,507,800	3,252,700	(255,100)	3,572,400	3,322,400	(250,000)	3,653,300	3,406,100	(247,200)	3,653,300	3,476,200	(177,100)
	6,182,600	6,327,900	145,300	6,323,300	6,262,900	(60,400)	6,480,100	6,421,600	(58,500)	6,480,100	6,563,900	83,800
Internal Audit Services												
Internal Audit & Corporate Investigations	668,300	849,700	181,400	691,900	790,600	98,700	715,800	813,400	97,600	715,800	833,400	117,600
Human Resources												
Human Resources	1,321,800	1,580,700	258,900	1,342,000	1,601,800	259,800	1,398,600	1,640,100	241,500	1,398,600	1,712,000	313,400
Legal and Democratic Services												

Service	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28
	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement
	£	£	£	£	£	£	£	£	£	£	£	£
Democratic Services	1,475,200	1,375,200	(100,000)	1,489,400	1,389,800	(99,600)	1,501,000	1,401,700	(99,300)	1,501,000	1,412,700	(88,300)
Electoral Services	460,900	479,000	18,100	470,000	488,100	18,100	477,600	495,700	18,100	477,600	930,300	452,700
Legal	790,400	962,000	171,600	804,100	859,500	55,400	815,300	878,300	63,000	815,300	894,400	79,100
Licensing	(96,000)	(61,700)	34,300	(90,000)	(53,800)	36,200	(83,900)	(45,200)	38,700	(83,900)	(36,200)	47,700
	2,630,500	2,754,500	124,000	2,673,500	2,683,600	10,100	2,710,000	2,730,500	20,500	2,710,000	3,201,200	491,200
Planning and Coastal Management												
Building Control	240,900	575,300	334,400	275,500	623,000	347,500	309,800	663,100	353,300	309,800	694,400	384,600
Coastal Management	1,618,800	1,788,500	169,700	1,625,800	1,658,600	32,800	1,521,100	1,706,100	185,000	1,521,100	1,740,300	219,200
Planning	3,206,200	3,024,000	(182,200)	3,324,000	3,277,100	(46,900)	3,454,000	3,665,900	211,900	3,454,000	3,828,400	374,400
Rights of Way	(7,600)	(7,600)	0	(7,600)	(7,600)	0	(7,600)	(7,600)	0	(7,600)	(7,600)	0
	5,058,300	5,380,200	321,900	5,217,700	5,551,100	333,400	5,277,300	6,027,500	750,200	5,277,300	6,255,500	978,200
Operations												
Admin Buildings	1,172,000	946,100	(225,900)	1,180,100	943,200	(236,900)	1,189,800	949,800	(240,000)	1,189,800	957,000	(232,800)
Arts, Heritage and Museums Development	8,200	500	(7,700)	8,200	500	(7,700)	8,200	500	(7,700)	8,200	600	(7,600)
Assets and Property Services	1,126,800	1,823,800	697,000	1,155,800	1,776,100	620,300	1,182,600	1,833,300	650,700	1,182,600	1,887,900	705,300
Beach	(942,900)	(983,500)	(40,600)	(1,006,900)	(1,052,700)	(45,800)	(1,012,300)	(1,051,500)	(39,200)	(1,012,300)	(1,050,300)	(38,000)
Caravan and Camping Sites	(99,000)	53,600	152,600	(119,900)	52,100	172,000	(109,400)	64,200	173,600	(109,400)	71,900	181,300
Cemeteries	492,000	493,800	1,800	410,600	410,700	100	337,300	337,900	600	337,300	338,600	1,300
Concessions	(108,700)	(115,600)	(6,900)	(85,200)	(94,000)	(8,800)	(108,200)	(117,000)	(8,800)	(108,200)	(116,800)	(8,600)
Events	(13,900)	(13,900)	0	(13,900)	(13,900)	0	(13,900)	(13,900)	0	(13,900)	(13,900)	0
Harbours and Yacht Stations	44,800	65,300	20,500	51,500	58,600	7,100	55,900	64,400	8,500	55,900	71,100	15,200
Industrial Estates	(572,300)	(640,900)	(68,600)	(577,100)	(680,700)	(103,600)	(576,700)	(679,800)	(103,100)	(576,700)	(678,900)	(102,200)
Markets	700	700	0	800	700	(100)	800	700	(100)	800	800	0
Miscellaneous Land	(87,500)	(134,000)	(46,500)	(89,000)	(88,800)	200	(88,900)	(88,700)	200	(88,900)	(88,500)	400
Miscellaneous Property	287,400	397,300	109,900	282,100	285,600	3,500	319,900	271,600	(48,300)	319,900	242,300	(77,600)
Operational Management	113,100	72,100	(41,000)	114,900	73,100	(41,800)	116,600	74,100	(42,500)	116,600	74,100	(42,500)
Parking Services	(1,388,400)	(1,524,500)	(136,100)	(1,380,700)	(1,517,400)	(136,700)	(1,368,700)	(1,504,000)	(135,300)	(1,368,700)	(1,468,600)	(99,900)
Parks and Gardens	856,800	839,000	(17,800)	856,800	840,100	(16,700)	856,800	840,300	(16,500)	856,800	840,500	(16,300)
Procurement	199,000	261,200	62,200	202,600	203,700	1,100	206,300	208,600	2,300	206,300	212,200	5,900
Public Conveniences	870,100	910,500	40,400	864,700	833,700	(31,000)	866,300	838,100	(28,200)	866,300	841,300	(25,000)
Public Shelters	7,100	16,000	8,900	15,200	15,600	400	2,300	2,700	400	2,300	2,700	400
Resort Activities	128,400	131,900	3,500	128,400	128,500	100	128,400	128,600	200	128,400	128,800	400
Street Scene	2,527,000	2,647,500	120,500	2,528,700	2,645,000	116,300	2,528,700	2,645,000	116,300	2,528,700	2,645,100	116,400
Waste Management	7,548,300	9,511,600	1,963,300	7,557,900	8,897,400	1,339,500	7,567,500	8,205,000	637,500	7,567,500	7,512,700	(54,800)
	12,169,000	14,758,500	2,589,500	12,085,600	13,717,100	1,631,500	12,089,300	13,009,900	920,600	12,089,300	12,410,600	321,300
Communities and Leisure												
Community Development	680,900	1,146,600	465,700	632,100	826,200	194,100	645,600	843,800	198,200	645,600	858,600	213,000
Community Safety	13,500	13,500	0	13,800	13,800	0	14,000	14,000	0	14,000	14,000	0
County Sports Partnership	241,000	245,300	4,300	196,400	131,000	(65,400)	(36,300)	209,800	246,100	(36,300)	(24,600)	11,700
Health and Wellbeing	0	53,800	53,800	0	56,300	56,300	0	58,700	58,700	0	61,400	61,400
Indoor Leisure	158,100	179,000	20,900	158,200	182,700	24,500	116,400	144,600	28,200	116,400	148,500	32,100
Leisure Strategy	485,800	499,500	13,700	493,200	508,600	15,400	497,300	514,300	17,000	497,300	520,400	23,100
Lowestoft Rising	48,500	37,900	(10,600)	0	0	0	0	0	0	0	0	0

General Fund Revenue Budget Summary 2024/25 to 2027/28

APPENDIX A5

Service	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28
	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement
	£	£	£	£	£	£	£	£	£	£	£	£
Outdoor Leisure	1,333,000	1,397,200	64,200	1,340,800	1,365,000	24,200	1,332,300	1,357,100	24,800	1,332,300	1,358,100	25,800
Revenue Grants	1,185,900	1,232,800	46,900	1,185,900	1,232,800	46,900	1,185,900	1,232,800	46,900	1,185,900	297,900	(888,000)
	4,146,700	4,805,600	658,900	4,020,400	4,316,400	296,000	3,755,200	4,375,100	619,900	3,755,200	3,234,300	(520,900)
Environmental Services and Port Health												
Emergency Planning	73,600	78,500	4,900	73,600	80,100	6,500	73,600	81,600	8,000	73,600	81,600	8,000
Environmental Climate Change	139,200	249,900	110,700	141,900	142,700	800	144,600	145,400	800	144,600	148,100	3,500
Environmental Protection	1,287,400	1,520,800	233,400	1,324,500	1,513,700	189,200	1,361,400	1,556,500	195,100	1,361,400	1,584,300	222,900
Food and Safety	751,500	801,200	49,700	779,900	831,900	52,000	804,700	859,400	54,700	804,700	876,000	71,300
Corporate Health Safety	149,700	155,700	6,000	154,000	160,300	6,300	157,100	165,100	8,000	157,100	168,300	11,200
Port Health Authority	(531,700)	331,900	863,600	(557,000)	(104,900)	452,100	(551,500)	(177,800)	373,700	(551,500)	(531,800)	19,700
	1,869,700	3,138,000	1,268,300	1,916,900	2,623,800	706,900	1,989,900	2,630,200	640,300	1,989,900	2,326,500	336,600
Housing Services												
Homelessness	1,190,600	1,472,200	281,600	1,183,000	1,426,400	243,400	1,217,100	1,253,200	36,100	1,217,100	1,299,100	82,000
Housing Enabling	200	42,200	42,000	200	43,800	43,600	200	45,500	45,300	200	47,300	47,100
Private Sector Housing	3,502,000	4,059,100	557,100	3,509,700	3,775,900	266,200	3,445,000	3,534,300	89,300	3,445,000	3,609,900	164,900
	4,692,800	5,573,500	880,700	4,692,900	5,246,100	553,200	4,662,300	4,833,000	170,700	4,662,300	4,956,300	294,000
Net Cost of Service	46,635,700	55,059,100	8,423,400	47,005,500	51,649,600	4,644,100	47,014,700	51,178,300	4,163,600	47,014,700	50,320,200	3,305,500
Non-Cost of Service Expenditure Adjustments												
Direct Revenue Financing (DRF)	905,000	2,637,000	1,732,000	805,000	1,250,000	445,000	805,000	1,250,000	445,000	805,000	1,500,000	695,000
Revenue provision for the repayment of debt (MRP)	2,754,900	2,045,900	(709,000)	3,397,800	2,497,800	(900,000)	3,922,700	2,522,700	(1,400,000)	3,922,700	2,622,700	(1,300,000)
Recharges to the Housing Revenue Account (HRA)	(1,420,900)	(1,216,400)	204,500	(1,431,100)	(1,246,100)	185,000	(1,461,700)	(1,283,200)	178,500	(1,461,700)	(1,324,800)	136,900
Bad Debt Provision	(9,300)	(8,000)	1,300	(9,300)	0	9,300	(2,900)	0	2,900	(2,900)	0	2,900
REFCUS Adjustment	(2,721,400)	(2,721,400)	0	(2,721,400)	(2,721,400)	0	(2,721,400)	(2,721,400)	0	(2,721,400)	(2,721,400)	0
Other Accounting Adjustments	25,000	25,000	0	25,000	25,000	0	25,000	25,000	0	25,000	25,000	0
Other Operating Income and Expenditure												
Town & Parish Precepts	7,094,800	7,094,800	0	7,094,800	7,094,800	0	7,094,800	7,094,800	0	7,094,800	7,094,800	0
Levies	250,500	280,000	29,500	250,500	286,300	35,800	250,500	297,200	46,700	250,500	308,800	58,300
Financing and Investment Income and Expenditure												
Interest Payable	282,000	282,000	0	282,000	282,000	0	282,000	282,000	0	282,000	282,000	0
Interest Receivable	(1,410,000)	(3,150,000)	(1,740,000)	(1,410,000)	(2,450,000)	(1,040,000)	(1,410,000)	(2,200,000)	(790,000)	(1,410,000)	(2,050,000)	(640,000)
HRA Share of Interest Payable & Receivable	160,200	459,100	298,900	200,400	339,400	139,000	200,400	58,400	(142,000)	200,400	64,600	(135,800)
Other Financing Charges	386,300	386,300	0	386,300	386,300	0	386,300	386,300	0	386,300	386,300	0
Non-Specific Grant Income												
New Homes Bonus	0	(650,000)	(650,000)	0	0	0	0	0	0	0	0	0
Capital Grants	(400)	(400)	0	(400)	(400)	0	(400)	(400)	0	(400)	(400)	0
Net Budget Expenditure before Reserve Movements	52,932,400	60,523,000	7,590,600	53,875,100	57,393,300	3,518,200	54,385,000	56,889,700	2,504,700	54,385,000	56,507,800	2,122,800

General Fund Revenue Budget Summary 2024/25 to 2027/28

APPENDIX A5

Service	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28
	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement	Feb-23	Jan-24	Movement
	£	£	£	£	£	£	£	£	£	£	£	£
Net Movements on Reserves												
Revenue Earmarked Reserves	(2,569,200)	(6,525,500)	(3,956,300)	(1,591,300)	(2,615,100)	(1,023,800)	(1,176,200)	(818,800)	357,400	(1,176,200)	313,200	1,489,400
Capital Reserves	92,000	342,000	250,000	192,000	384,000	192,000	192,000	379,000	187,000	192,000	399,000	207,000
Net Budget Expenditure After Reserve Movements	50,455,200	54,339,500	3,884,300	52,475,800	55,162,200	2,686,400	53,400,800	56,449,900	3,049,100	53,400,800	57,220,000	3,819,200
Financed By:												
Council Tax Income (District Council)	(16,882,000)	(16,981,400)	(99,400)	(17,400,000)	(18,261,000)	(861,000)	(17,922,000)	(18,805,000)	(883,000)	(17,922,000)	(19,353,000)	(1,431,000)
Council Tax Income (Town & Parish Precepts)	(7,094,800)	(7,094,800)	0	(7,094,800)	(7,094,800)	0	(7,094,800)	(7,094,800)	0	(7,094,800)	(7,094,800)	0
Share of Surplus/Deficit on Collection Fund	0	(1,320,800)	(1,320,800)	0	0	0	0	0	0	0	0	0
Business Rates Income	(20,579,300)	(26,270,300)	(5,691,000)	(19,579,300)	(21,734,300)	(2,155,000)	(19,579,300)	(20,734,300)	(1,155,000)	(19,579,300)	(20,234,300)	(655,000)
Local Council Tax Support Grant	0	0	0	0	0	0	0	0	0	0	0	0
Lower Tier Services Grant	0	0	0	0	0	0	0	0	0	0	0	0
Services Grant	(269,000)	0	269,000	(269,000)	0	269,000	(269,000)	0	269,000	(269,000)	0	269,000
Funding Guarantee	(1,519,000)	(1,630,400)	(111,400)	(1,519,000)	(1,630,400)	(111,400)	(1,519,000)	(1,519,000)	0	(1,519,000)	(1,519,000)	0
Revenue Support Grant	(339,500)	(750,800)	(411,300)	(342,900)	(750,800)	(407,900)	(346,300)	(346,300)	0	(346,300)	(346,300)	0
Rural Services Delivery Grant	(260,300)	(291,000)	(30,700)	(262,900)	(291,000)	(28,100)	(265,500)	(291,000)	(25,500)	(265,500)	(291,000)	(25,500)
Total Financing	(46,943,900)	(54,339,500)	(7,395,600)	(46,467,900)	(49,762,300)	(3,294,400)	(46,995,900)	(48,790,400)	(1,794,500)	(46,995,900)	(48,838,400)	(1,842,500)
Budget Shortfall / (Surplus)	3,511,300	0	(3,511,300)	6,007,900	5,399,900	(608,000)	6,404,900	7,659,500	1,254,600	6,404,900	8,381,600	1,976,700

General Fund Balance and Reserves

APPENDIX A6

East Suffolk General Fund and Earmarked Reserves

Reserve Group	Purpose of the Earmarked Reserve	2023/24			2024/25			2025/26			2026/27			2027/28			
		Actual Closing Balance 31/03/23 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Budgeted Closing Balance 31/3/24 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Budgeted Closing Balance 31/3/25 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/26 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/27 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/28 £'000
Earmarked Reserves - Revenue:																	
Actuarial Contributions	Risk Based	200	0	0	200	0	0	200	0	0	200	0	0	200	0	0	200
Air Quality	Planned Future Revenue Spending	6	0	(3)	3	0	0	3	0	0	3	0	0	3	0	0	3
Homes and Communities Agency (HCA) - Area Action Plan (AAP) land contamination grant	Grants/Funding carried forward	126	0	(84)	41	0	(41)	0	0	0	0	0	0	0	0	0	0
Additional Disabled Facilities Grant(DFG) funding (Non-Ringfenced)	Grants/Funding carried forward	3	0	(4)	0	0	0	0	0	0	0	0	0	0	0	0	0
Afghan Interpreter grant funding	Grants/Funding carried forward	252	0	(252)	0	0	0	0	0	0	0	0	0	0	0	0	0
Better Broadband	Planned Future Revenue Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Budget Carry Forward Requests	Planned Future Revenue Spending	163	0	(91)	72	0	0	72	0	0	72	0	0	72	0	0	72
Building Control	Planned Future Revenue Spending	516	0	(54)	462	0	(54)	408	0	(54)	355	0	(54)	301	0	(54)	247
Business Incentive	Grants/Funding carried forward	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Strategic Plan Delivery	Planned Future Revenue Spending	0	0	0	0	1,900	0	1,900	759	0	2,659	779	0	3,438	799	0	4,237
Business Rate Equalisation	Risk Based	15,213	2,461	(615)	17,059	0	(7,437)	9,622	0	(1,151)	8,471	0	0	8,471	0	0	8,471
Business Rate Income	Risk Based	0	0	0	0	3,000	0	3,000	0	0	3,000	0	0	3,000	0	0	3,000
Business Rates Pilot	Planned Future Revenue Spending	912	0	(2)	910	0	(126)	784	0	0	784	0	0	784	0	0	784
Business Rates SPSL	Planned Future Revenue Spending	1,010	0	(220)	791	0	(366)	425	0	0	425	0	0	425	0	0	425
Brexit	Grants/Funding carried forward	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Climate Change	Planned Future Revenue Spending	14	0	0	14	0	0	14	0	0	14	0	0	14	0	0	14
Coastal Management	Planned Future Revenue Spending	379	0	(55)	324	0	0	324	0	0	324	0	0	324	0	0	324
Communities	Grants/Funding carried forward	2,258	0	(1,142)	1,116	0	(108)	1,008	0	0	1,008	0	0	1,008	0	0	1,008
Community Housing Fund	Grants/Funding carried forward	1,313	0	(373)	941	0	(0)	940	0	(0)	940	0	(0)	940	0	(0)	940
Active Suffolk	Planned Future Revenue Spending	781	315	(279)	816	150	(430)	536	110	(277)	370	63	(309)	123	286	(299)	111
Customer Services	Planned Future Revenue Spending	326	0	0	326	0	(200)	126	0	0	126	0	0	126	0	0	126
COVID-19 Response	COVID Reserve	1,165	0	(1,166)	0	0	0	0	0	0	0	0	0	0	0	0	0
Contractual Liability	Risk Based	90	0	0	90	0	0	90	0	0	90	0	0	90	0	0	90
District Elections	Planned Future Revenue Spending	239	60	(220)	79	120	0	199	120	0	319	121	0	440	0	(440)	1
Domestic Violence Support Funding	Grants/Funding carried forward	128	0	(8)	120	0	(50)	70	0	(52)	17	0	0	17	0	0	17
Deployment of Flood Barrier	Planned Future Revenue Spending	88	0	0	88	0	0	88	0	0	88	0	0	88	0	0	88
Economic Development	Planned Future Revenue Spending	31	0	(0)	30	0	0	30	0	0	30	0	0	30	0	0	30
Economic Regeneration	Planned Future Revenue Spending	87	3	(67)	23	0	(19)	5	0	0	5	0	0	5	0	0	5
Empty Properties and Houses in disrepair	Planned Future Revenue Spending	240	0	(5)	235	0	(5)	230	0	(5)	226	0	(5)	221	0	(5)	217
Enterprise Zone - Pot A1		0	110	(90)	19	102	(100)	21	102	(100)	23	101	0	124	100	0	224
Enterprise Zone - Pot B		422	244	(67)	599	178	(258)	519	178	(58)	639	177	(58)	759	176	(58)	877
Enterprise Zone - Pot C		181	214	(181)	214	204	(214)	203	203	(204)	203	202	(203)	202	201	(202)	201
Enterprise Zone - Pot A2		23	27	(23)	27	25	(27)	25	25	(25)	25	25	(25)	25	25	(25)	25
Enterprise Zone	Planned Future Revenue Spending	625	594	(361)	858	509	(598)	769	508	(386)	891	505	(286)	1,110	502	(285)	1,327
Environmental Protection	Planned Future Revenue Spending	68	0	(68)	0	0	0	0	0	0	0	0	0	0	0	0	0
ESQ Handyman	Grants/Funding carried forward	33	48	0	81	0	(17)	64	0	(4)	60	0	0	60	0	0	60
ESQ Winter Warmth Packs	Grants/Funding carried forward	22	0	(22)	0	0	0	0	0	0	0	0	0	0	0	0	0
Centres for Warmth	Grants/Funding carried forward	0	85	0	85	0	(4)	81	0	(81)	0	0	0	0	0	0	0
Flood Prevention	Risk Based	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Payments	Grants/Funding carried forward	6	0	(6)	0	0	0	0	0	0	0	0	0	0	0	0	0
Felixstowe Forwards	Planned Future Revenue Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Food Safety	Planned Future Revenue Spending	90	0	0	90	0	0	90	0	0	90	0	0	90	0	0	90
Growth Programme	Planned Future Revenue Spending	64	0	0	64	0	0	64	0	0	64	0	0	64	0	0	64
RES - LAD 2 - SCC - Greener Homes Funding	Grants/Funding carried forward	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gypsy and Traveller Macerator	Grants/Funding carried forward	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Heritage Action Zone North	Grants/Funding carried forward	10	0	0	10	0	0	10	0	0	10	0	0	10	0	0	10
Housing Benefit (HB) Subsidy	Risk Based	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCA Development Grant	Grants/Funding carried forward	75	0	0	75	0	0	75	0	0	75	0	0	75	0	0	75
Homelessness Prevention (Inc. Mortgage Rescue)	Grants/Funding carried forward	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Homelessness New Burdens	Grants/Funding carried forward	73	0	0	73	0	0	73	0	0	73	0	0	73	0	0	73
Homelessness- Rough Sleeper	Grants/Funding carried forward	157	0	(3)	155	0	(12)	142	0	0	142	0	0	142	0	0	142
Homelessness - Flexible Homelessness Grant	Grants/Funding carried forward	365	0	0	365	0	(37)	328	0	0	328	0	0	328	0	0	328
Housing Needs	Planned Future Revenue Spending	27	13	0	39	0	(2)	38	0	(1)	37	0	0	37	0	0	37
Hoarding Support PSH	Grants/Funding carried forward	25	0	(25)	0	0	0	0	0	0	0	0	0	0	0	0	0
RES - NEW Homelessness Prevention	Grants/Funding carried forward	0	75	0	75	0	(75)	0	0	0	0	0	0	0	0	0	0
Human Resources	Planned Future Revenue Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing Advisory Programme	Planned Future Revenue Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Homelessness WEIT (What Ever It Takes)	Grants/Funding carried forward	25	0	0	25	0	0	25	0	0	25	0	0	25	0	0	25

General Fund Balance and Reserves

APPENDIX A6

East Suffolk General Fund and Earmarked Reserves

			2023/24			2024/25			2025/26			2026/27			2027/28			
Reserve Group	Purpose of the Earmarked Reserve	Actual Closing Balance 31/03/23 £'000	Revised	Revised	Budgeted	Revised	Revised	Budgeted	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Revised		
			Transfers In	Transfers Out	Closing Balance 31/3/24 £'000	Transfers In	Transfers Out	Closing Balance 31/3/25 £'000	Transfers In	Transfers Out	Closing Balance 31/3/26 £'000	Transfers In	Transfers Out	Closing Balance 31/3/27 £'000	Transfers In	Transfers Out	Closing Balance 31/3/28 £'000	
Earmarked Reserves - Revenue:																		
Individual Electoral Registration (IER)	Planned Future Revenue Spending	438	0	(50)	388	0	(50)	338	0	(50)	288	0	(50)	238	0	(50)	188	
Indoor Leisure	Planned Future Revenue Spending	68	0	(50)	18	0	0	18	0	0	18	0	0	18	0	0	18	
Insurance	Risk Based	171	0	0	171	0	0	171	0	0	171	0	0	171	0	0	171	
In-Year Savings	Risk Based	3,401	0	(330)	3,071	1,751	(1,866)	2,956	1,171	(1,151)	2,956	20	0	2,976	20	0	2,996	
Key Capital Programme	Planned Future Revenue Spending	67	65	(102)	31	0	0	31	0	0	31	0	0	31	0	0	31	
Land Charges	Planned Future Revenue Spending	150	0	(50)	100	0	(50)	50	0	0	50	0	0	50	0	0	50	
Lowestoft Rising	Grants/Funding carried forward	66	3	(25)	45	14	(4)	54	0	0	54	0	0	54	0	0	54	
Landguard	Planned Future Revenue Spending	179	0	(180)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Licensing	Grants/Funding carried forward	8	0	0	8	0	0	8	0	0	8	0	0	8	0	0	8	
New Homes Bonus (NHB)	Planned Future Revenue Spending	5,439	447	(1,950)	3,936	650	(1,481)	3,105	0	(1,287)	1,818	0	(1,149)	669	0	(50)	619	
Next Steps Accommodation Programme (NSAP)	Grants/Funding carried forward	22	0	0	22	0	0	22	0	0	22	0	0	22	0	0	22	
Pathfinder	Grants/Funding carried forward	466	0	(466)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Planning Policy	Planned Future Revenue Spending	171	0	(3)	167	0	(10)	157	0	0	157	0	0	157	0	0	157	
Private Sector Housing	Planned Future Revenue Spending	82	0	(10)	72	0	(17)	55	0	(7)	48	0	(7)	41	0	(7)	34	
RES - Planning	Planned Future Revenue Spending	400	0	(65)	335	0	(65)	270	0	(65)	205	0	(65)	140	0	(65)	75	
RES - Planning Legal	Risk Based	400	0	0	400	0	0	400	0	0	400	0	0	400	0	0	400	
Renovation Grants	Planned Future Revenue Spending	479	0	(105)	374	0	(92)	282	0	(92)	190	0	(92)	98	0	(92)	6	
East Suffolk Lettings	Grants/Funding carried forward	215	70	0	285	0	(128)	157	0	(157)	0	0	0	0	0	0	0	
Resilience	Risk Based	0	0	0	0	500	0	500	0	0	500	0	0	500	0	0	500	
Revenues & Benefits Administration	Risk Based	200	0	0	200	0	0	200	0	0	200	0	0	200	0	0	200	
RAM's	Grants/Funding carried forward	48	0	(34)	14	0	(14)	0	0	0	0	0	0	0	0	0	0	
RES - Southwold Harbour	Planned Future Revenue Spending	144	65	0	210	45	0	255	65	0	319	53	0	373	53	0	426	
SEAL	Grants/Funding carried forward	6	0	(1)	5	0	(1)	4	0	(1)	3	0	(1)	2	0	(1)	1	
Stepping Home	Grants/Funding carried forward	24	0	0	24	0	0	24	0	0	24	0	0	24	0	0	24	
SWEP Cold Weather Funding	Grants/Funding carried forward	16	0	0	16	0	0	16	0	0	16	0	0	16	0	0	16	
Smart Towns	Grants/Funding carried forward	23	0	0	23	0	0	23	0	0	23	0	0	23	0	0	23	
Transformation - Digital	Planned Future Revenue Spending	298	20	(78)	240	0	(228)	13	0	(8)	5	0	(5)	0	0	0	0	
Transformation - Environmental	Planned Future Revenue Spending	656	0	(113)	543	0	(496)	47	0	0	47	0	0	47	0	0	47	
Transformation - Financial Sustainability	Planned Future Revenue Spending	2,437	45	(1,519)	963	0	(7)	955	0	0	955	0	0	955	0	0	955	
Transformation - Core	Planned Future Revenue Spending	0	0	0	0	7	0	7	0	0	7	0	0	7	0	0	7	
Warmer Homes Healthy People	Grants/Funding carried forward	107	267	0	374	0	(256)	118	0	(118)	0	0	0	0	0	0	0	
Warmer Homes Health People COVID pressures	Grants/Funding carried forward	1	0	(1)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Youth Leisure	Grants/Funding carried forward	10	0	0	10	0	0	10	0	0	10	0	0	10	0	0	10	
Earmarked Reserves - Revenue sub-total			43,399	4,636	(10,255)	37,781	7,646	(13,345)	32,081	2,732	(4,947)	29,847	1,541	(2,022)	29,366	1,660	(1,347)	29,679
Earmarked Reserves - Port Health:																		
Port Health Planned Future Revenue Spending	Port Health - Planned Future Revenue Spending	3,034	352	(1,822)	1,564	0	(826)	738	0	(401)	337	0	(337)	0	0	0	0	
RES - Port Health ICT	Port Health - ICT	478	35	(513)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Port Health			3,513	387	(2,335)	1,564	0	(826)	738	0	(401)	337	0	(337)	0	0	0	0
Earmarked Reserves - Capital:																		
Capital	Planned Future Capital Spending	29	279	(308)	0	379	(50)	329	379	0	708	379	0	1,087	379	0	1,466	
Short Life Assets	Planned Future Capital Spending	1,120	718	(1,836)	2	2,600	(2,587)	15	1,255	(1,250)	20	1,250	(1,250)	20	1,520	(1,500)	40	
Earmarked Reserves - Capital sub-total			1,148	997	(2,144)	2	2,979	(2,637)	343	1,634	(1,250)	727	1,629	(1,250)	1,106	1,899	(1,500)	1,505
Total Earmarked Reserves			48,060	6,019	(14,734)	39,347	10,625	(16,808)	33,162	4,366	(6,598)	30,911	3,170	(3,609)	30,472	3,559	(2,847)	31,184

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[Department for Levelling Up,
Housing & Communities](#)

Policy paper

Local government finance policy statement 2024 to 2025

Published 5 December 2023

Applies to England



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Today I am setting out the government's intentions for the Local Government Finance Settlement (the 'Settlement') for 2024 to 2025. I recognise that providing councils with greater certainty on key aspects of their funding is vital for the budget setting process. In December 2022, we published a policy statement to give councils forward notice of our proposals for the 2024 to 2025 Settlement - this policy statement builds on that by providing additional details of the upcoming Settlement.

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Core Settlement

- We will increase the Revenue Support Grant in line with the Consumer Price Index (CPI) of inflation.
- We have no desire to introduce 'negative Revenue Support Grant'.
- Local authorities will see an increase in baseline funding levels (BFLs) and compensation grant as if both business rating multipliers had increased by CPI. It was announced at the Autumn Statement that the small business rating multiplier will be frozen at 49.9p, and the standard business rating multiplier will increase to 54.6p in line with the September 2022 to September 2023 change in CPI. For 2024 to 2025, BFLs will increase to reflect the uprating of the standard multiplier, and this will be done by using proxy data from the Valuation Office Agency's compiled local rating list, published on 3 April 2023. We will also compensate local authorities for the reduction in income as a consequence of the decision to freeze the small multiplier.
- The government has consulted recently on changes to the way baseline funding levels, top-ups and tariffs are uprated, as well as how to continue calculating compensation for lower than consumer price index increases to the small and standard business rates multipliers. A consultation response will be published shortly before the provisional Settlement consultation is launched.

Council tax referendum principles

The government will continue to protect local taxpayers from excessive council tax increases. The proposed package of referendum principles strikes a fair balance and is an additional local democratic check and balance. The council tax referendum provisions are not a cap, nor do they force councils to set taxes at the threshold level. These actions are to protect hard-working people from excessive tax rises.

The proposed referendum principles are:

- a core council tax referendum limit for local authorities of up to 3%;
- a council tax referendum principle of up to 3% or £5, whichever is higher, for shire district councils;
- an adult social care precept of 2% for all authorities responsible for adult social care services;
- a council tax referendum principle of £13 for police authorities;
- the core council tax principle of up to 3% will apply to fire and rescue authorities; and
- no council tax referendum principles for mayoral combined authorities or town and parish councils, but the government will review the decisions taken by these authorities when considering referendum principles in future years.
- A bespoke additional council tax flexibility of up to £20 on Band D bills for the Greater London Authority (GLA), as requested by the Mayor of London – while this request will not be opposed, the government is disappointed that London taxpayers are having to foot the bill for the GLA's poor governance and decision-making.

It is for individual local authorities to determine whether to use the flexibilities detailed above, taking into consideration the pressures many households are facing.

Social care grants

The government announced at the 2022 Autumn Statement up to £4.7 billion additional funding for social care and discharge in 2024-25. Furthermore, the Department of Health and Social Care announced £600 million of additional funding in July 2023, which includes £205 million of new grant funding for social care in 2024-25.

Including funding announced at the 2022 Autumn Statement, additional grant resources for social care in 2024-25 will therefore be as follows:

- an additional £692 million will be distributed to local authorities through the **Social Care Grant** for adult and children's social care. This will bring the overall size of the Social Care Grant to £4,544 million. We will continue to equalise against the adult social care precept in the usual way.
- an additional £200 million will be distributed in 2024 to 2025 through the **Discharge Fund** to support timely and safe discharge from hospital into the community by reducing the number of people delayed in hospital awaiting social care. This will bring the overall size of the local authority component of the Discharge Fund to £500 million.
- the Discharge Fund will be in addition to the existing improved **Better Care Fund**, for which the quantum of £2,140 million and the distribution will remain the same as in 2023-24.
- £1,050 million in 2024 to 2025 will be distributed for adult social care through the **Market Sustainability and Improvement Fund (MSIF)**, which continues to include £162 million per year of Fair Cost of Care funding. It also includes £205 million MSIF - Workforce Funding, a 2-year fund announced in July 2023 which will be rolled into the existing MSIF. In total, the combined MSIF and MSIF Workforce Fund are worth £123 million more than in 2023 to 2024.

For 2023 to 2024, the government set an expectation that the additional funding made available to adult social care should lead to a substantial increase in planned adult social care spending, given the additional resources which were made available in

that year. The Department of Health and Social Care will continue to monitor local authority budgeting and expenditure in 2024 to 2025, with an expectation that the following will be allocated to adult social care:

- an appropriate share of the local authority's additional Social Care Grant allocation for 2024 to 2025, in line with aggregate use of this funding in previous years
- the local authority's share of the 2024 to 2025 MSIF and Discharge Fund
- the resources raised in 2024 to 2025 from the adult social care precept
- we also expect local authorities to make use of the increase in income from unhypothecated sources. We expect spending on adult social care will increase by a necessary share of this income.

There will continue to be grant conditions placed on these grants regarding performance and use of funding to support improvement against these objectives.

Remaining Settlement grants

- The government continues to recognise the importance of protecting the funding position of councils as far as possible. In recognition of pressures across the sector, we will continue to ensure that all authorities will see at least a 3% increase in their Core Spending Power before any decision they make about organisational efficiencies, use of reserves, and council tax levels through a Funding Guarantee.
- There will be new rounds of New Homes Bonus (NHB) payments in 2024 to 2025. In line with last year, these payments will not attract new legacy payments. NHB allocations for 2024 to 2025 will continue to be paid for in the usual way, applying the same the calculation process as in 2023 to 2024.
- The Rural Services Delivery Grant will continue as in 2023 to 2024.
- As with last year, the Services Grant will reduce in 2024 to 2025 and the remainder will continue to be distributed by the Settlement Funding Assessment distribution

methodology.

Other areas of the Settlement

- We will be consolidating the Home Office's Fire and Pensions Grant, worth £115 million, into the Revenue Support Grant. This grant will maintain its existing distribution.
- All current enhanced business rates retention areas will continue for 2024 to 2025. During this time the government will continue to review the role of such arrangements as a source of income for areas and its impact on local economic growth, and as part of deeper devolution commitments as set out in the Levelling Up White Paper.
- Where requested, we will proceed with business rates pooling for 2024 to 2025.
- The government asks authorities to continue to consider how they can use their reserves to maintain services over this and the next financial year, recognising that not all reserves can be reallocated, and that the ability to meet spending pressures from reserves will vary between authorities.
- The government continues to explore ways to move councils away from establishing '4 day working week' practices, as they do not represent good value for taxpayers' money. In the meantime, those councils operating or considering a 4 day working week pattern should stop.
- The Statutory Override for the Dedicated Schools Grant will continue until 31 March 2026.
- Where possible, councils should invest in areas that help place children's social care services on a sustainable financial footing. This includes investment in expanding family help and targeted early intervention, expanding kinship care, and boosting the number of foster carers.

- The National Minimum Allowance (NMA) for foster carers is routinely uplifted each year, taking into account changes in inflation and what is affordable for local government. We have uplifted the NMA by 6.88% for this financial year and full details will be published on Gov.UK.
- Government will work closely with councils to increase transparency around the costs of residential placements for children, as a precursor to wider commissioning and market shaping reforms being rolled out through Regional Care Co-Operatives.
- The Exceptional Financial Support framework is available to provide support where a council has a specific and evidenced concern about its ability to set or maintain a balanced budget, including where there has been local financial failure. Where councils need additional support from government, they should take every possible step to minimise the need for that support to be funded by national taxpayers. As part of that process, the government will consider representations from councils, including on council tax provision.

Technical adjustment to the business rates retention system

- Last year, the government consulted on its proposed approach to a technical adjustment to the business rates retention system in response to the 2023 revaluation and transfers of properties from local lists to the central list. This work delivered on the commitment made at the outset of the business rates retention system, that at revaluations it would adjust local authorities' income to ensure that as far as practicable it is no more, or less, than it would have been had the revaluation not taken place.
- The initial adjustment was implemented in 2023 to 2024, and the government intends to continue with this modified revaluation adjustment for the 2024 to 2025 Settlement, with the methodology and adjustments to tariffs and top-ups published alongside the provisional Settlement.

- Adjustments will account for compiled rating list data for the 2023 list as at 1 April 2023, and for outturn business rates data for 2022 to 2023. The final adjustment will occur at the 2025 to 2026 Settlement. The government will continue to keep the revaluation adjustment under review.

Reform

- The government remains committed to improving the local government finance landscape in the next Parliament.
- At the 2023 to 2024 Settlement, we heard calls from the sector for stability. Now is not the time for fundamental reform, for instance implementing the Review of Relative Needs and Resources or a reset of accumulated business rates growth. This continues to be the government's position.

Funding outside the Settlement – public health funding

- In addition to the core Settlement, local authorities will continue to receive funding to provide a range of public health services. Indicative allocations for the Public Health Grant in 2024 to 2025 [have been published](https://www.gov.uk/government/publications/public-health-grants-to-local-authorities-2023-to-2024) (<https://www.gov.uk/government/publications/public-health-grants-to-local-authorities-2023-to-2024>) and will continue to increase to nearly £3.6 billion. Further specific investment will continue to improve the start for life offer and support improvements in the quality and capacity of drug and alcohol treatment. We are also providing a further £70 million per year from 2024/25 to support local authority-led efforts to stop smoking. This total funding package will deliver a real terms increase of more

than 7% in DHSC investment in local authority public health functions over the 2 years 2023 to 2024 and 2024 to 2025.

Next steps

We will set out further detail on measures in the Settlement, including allocations, and consult on them at the provisional Settlement later this calendar year before the House rises for the Christmas recess. We will then consider responses to the consultation, before publishing a final Settlement in the new year.

The Settlement measures above are therefore subject to change following the consultation. In previous years, we have made changes following the provisional Settlement consultation. In recent years these changes have included very small adjustments to New Homes Bonus allocations following updated data, and uplifts grants such as the Rural Services Delivery Grant.

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Local Government Finance Policy Statement 2024-25

Settlement component	2024-25
Locally retained business rates - baseline funding levels	<ul style="list-style-type: none"> Local authorities will see an increase in baseline funding levels (BFLs) and compensation grant as if both business rating multipliers had increased by Consumer Price Index of inflation
Locally retained business rates - Under indexation	<ul style="list-style-type: none"> Increase to compensate for the difference between the business rate multipliers and the consumer price index of inflation
Revenue Support Grant	<ul style="list-style-type: none"> Increase by the Consumer Price Index of inflation Roll the £115m fire pension grant into the Revenue Support Grant. This grant will maintain its existing distribution.
Council Tax	<ul style="list-style-type: none"> A core council tax referendum limit for local authorities of up to 3% A council tax referendum principle of up to 3% or £5, whichever is higher, for shire district councils An adult social care precept of 2% for all authorities responsible for adult social care services A bespoke additional council tax flexibility of up to £20 on Band D bills for the Greater London Authority A council tax referendum principle of £13 for police authorities The core council tax principle of up to 3% will apply to fire and rescue authorities No council tax referendum principles for Mayoral Combined Authorities or town and parish councils
Social Care Grant	<ul style="list-style-type: none"> Increase by £692m to £4,544m
Discharge Fund	<ul style="list-style-type: none"> Increase by £200m to £500m
Improved Better Care Fund	<ul style="list-style-type: none"> No change at £2,140m
Market Sustainability and Improvement Fund (MSIF)	<ul style="list-style-type: none"> Increasing to £845m and combining with MSIF – Workforce Fund (£205m in 24/25) increases the total value to £1,050m
Funding Guarantee	<ul style="list-style-type: none"> Ensure all authorities see a 3% core spending power increase before any decision on organisational efficiencies, use of reserves, and council tax levels
New Homes Bonus	<ul style="list-style-type: none"> Maintain the 2023-24 approach, making 2024-25 in-year payments only
Rural Services Delivery Grant	<ul style="list-style-type: none"> No change at £95m

Services Grant	<ul style="list-style-type: none">• As in 2023-24, the Services Grant will reduce and the remainder will continue to be distributed using the Settlement Funding Assessment distribution methodology
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PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2024/25

1 OVERVIEW

- 1.1 On 5 December 2023, a Policy Statement announced the key principles that ministers intended to use in the provisional settlement:

<https://www.gov.uk/government/publications/local-government-finance-policy-statement-2024-to-2025>

<https://questions-statements.parliament.uk/written-statements/detail/2023-12-05/hcws95>

- 1.2 The Policy Statement gave local authorities advanced notice of the principles that ministers would use in the 2024/25 local government finance settlement.
- 1.3 The Government published the Provisional Local Government Finance Settlement for 2024/25 on 18 December 2023 and now provides financial values to the principals set out in the Policy Statement:

<https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2024-to-2025>

<https://questions-statements.parliament.uk/written-statements/detail/2023-12-18/hcws148>

- 1.4 There is a consultation on the provisional settlement which runs for four weeks and the government is seeking views by 15 January 2024.
- 1.5 The final 2024/25 settlement is expected to be laid before the House of Commons, for its approval, in late January or early February 2024.
- 1.6 Other than another year of New Homes Bonus, the overall position on other funding presents no significant change in financial terms to the Council from the February 2023 MTFS position for next year. The most significant change to the Council is the complete removal of the Services Grant which has been compensated for with increases in other grants.

2 COUNCIL TAX

- 2.1 The Government has confirmed the following referendum principles for 2024/25;

- Shire districts will have a referendum principle of up to 2.99 per cent or £5, whichever is higher. No change from the Policy Statement or from last year.
- Social care authorities will be able to set a 2 per cent adult social care precept without a referendum (in addition to the existing basic referendum threshold referred to above).
- £13 for police authorities and police and crime commissioners.
- No referendum principles will be set for parish and town councils.

3 **BUSINESS RATES RETENTION SCHEME (BRRS)**

- 3.1 The Non-Domestic Rating Act 2023 gives ministers the power to set the small and standard business rating multipliers separately from one another. Until 2023/24, these two multipliers had to be increased by the same percentage.
- 3.2 In last month's Autumn Statement, the Chancellor decided to use this new power in 2024/25. The small business rating multiplier will be frozen (it will remain at 49.9p). The standard multiplier (payable by businesses with premises valued at more than £51,000) will increase from 51.2p to 54.6p. Until 2024/25, the standard multiplier was fixed at 1.3p higher than the small multiplier; in 2024-25 it will be 4.7p higher.
- 3.3 To date, the BRRS has been linked to the small multiplier (49.9p): all the baselines have been uplifted using the change in the small multiplier, and the cap compensation fraction has been calculated with reference only this multiplier. Now that the two multipliers are increasing by different amounts (and this is likely to continue in the future), the baselines will have to be indexed differently. The government is proposing that "a weighted average, specific to each authority, will be used to index" baselines and tariffs and top-ups (and T/TUs).
- 3.4 Business Rates pooling and pilots will continue in 2024/25, and Suffolk Chief Finance officers have received a letter from DLUHC confirming that the Suffolk Business Rates Pool will operate in 2024/25.
- 3.5 Business rates and Section 31 Grant estimates for 2024/25 that are currently included in the General Fund Budget and MTFS will be revised following confirmation of relevant details in the Settlement and will be based on the NNDR1 return to Government, which is due to be completed by 31 January 2024.

4 **FUNDING**

4.1 **Revenue Support Grant (RSG)**

Methodology for RSG has not changed, and for 2024/25 RSG will increase at 6.62% (September CPI). There will continue to be no adjustment for "negative RSG". Family Annex Council Tax Discount Grant and LCTS Administration Subsidy grant have again been rolled into RSG in 2024/25.

4.2 **New Homes Bonus (NHB)**

New Homes Bonus (NHB) will continue for one year, but there will be no more legacy payments. This is the fifth year of one year NHB allocations and likely to be the final year, but it is not yet clear what a replacement system will look like.

4.3 **3% Funding Guarantee**

The 3% Funding Guarantee was introduced in 2023/24 to ensure that no council has less than 3 per cent increase in their Core Spending Power before any decisions about organisational efficiencies, use of reserves or council tax levels. The funding is set to continue for 2024/25.

4.4 **Services Grant**

In the December 2022 Policy Statement, ministers said that the core grants would “continue as they are now” in 2024/25. By implication, this included the Services Grant. In the Policy Statement earlier this month, there were indications that ministers were considering making cuts to Services Grant – but nothing was made explicit. However in the Provisional Settlement this grant has been cut significantly. This appears to have been used to fund increases to other settlement grants and equalisation of the adult social care precept. The government also intends to hold a small proportion of the grant back as a contingency for unexpected costs between the provisional and final settlement. This grant has been removed completely for the Council in the Provisional Settlement.

4.5 **Rural Services Funding**

This grant has continued for 2024/25 using the same methodology recognising the additional costs rural areas face.

4.6 **Capital Receipts**

Flexibilities over the use of capital receipts will be extended to March 2030.

4.7 **Funding Summary**

A summary of the funding changes (excluding any Business Rate measures) arising from the settlement compared to the assumptions in the February 2023 Medium Term Financial Strategy is shown in the table below.

East Suffolk Council

Provisional Local Government Finance Settlement 2024/25 (One Year Settlement) – Funding Allocations

Funding Allocations	ESC February 2023 MTFS 2024/25 £	DLUHC Provisional Settlement 18-Dec-23 2024/25 £	Funding Change between February 2023 MTFS assumptions and the Provisional Settlement (Additional)/Less Grant Income 2024/25 £	Comments
Services Grant	(269,000)	0	269,000	This grant has been removed completed for the Council.
Revenue Support Grant (RSG)	(339,500)	(750,800)	(411,300)	Provisional Settlement includes - 2023/24 RSG increased by 6.62% (£59,200) to £398,700, plus other grants rolled into RSG. This includes the Family Annexe Council Tax Grant and Local Council Tax Scheme Administration Grant, totalling £352,100.
Rural Services Delivery Grant	(260,300)	(291,000)	(30,700)	Roll forward of the 2023/24 grant.
Local Council Tax Scheme Admin Subsidy Grant	(267,600)	0	267,600	The provisional settlement proposes to roll this grant into the Revenue Support Grant above for 2024/25.
Funding Guarantee Allocation	(1,519,000)	(1,630,400)	(111,400)	This funding was introduced last year to ensure that all councils will see at least a 3% increase in their core spending power before any decisions about organisational efficiencies, use of reserves or council tax levels.
New Homes Bonus	0	(651,300)	(651,300)	Another one year allocation.
Total	(2,655,400)	(3,323,500)	(668,100)	

Source: <https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2024-to-2025>

Committee	Cabinet
Date	06/02/2024
Subject	Capital Programme 2023/24 to 2027/28
Cabinet Member	Councillor Vince Langdon-Morris Cabinet Member with responsibility for Resources and Value for Money
Report Author(s)	Julian Sturman Specialist Accountant – Capital & Treasury Management julian.sturman@east Suffolk.gov.uk
Head of Service	Lorraine Rogers Chief Finance Officer and Section 151 Officer lorraine.rogers@east Suffolk.gov.uk
Director	Chris Bally Chief Executive chris.bally@east Suffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
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Purpose/Summary

As part of the budget setting process, the Council is required to agree a programme of capital expenditure for the coming four years. The capital programme plays an important part in the delivery of the Council's Medium-Term Financial Strategy (MTFS), which in turn supports wider service delivery. The report sets out the Council's capital programme including revisions to the current programme for the financial years 2023/24 to 2027/28. This report also forms the basis of Scrutiny Committee's review of the Budget at its meeting on 18 January 2024 as required under the Budget and Policy Framework.

Recommendation(s)

That Cabinet:

1. Approve the General Fund capital programme for 2023/24 to 2027/28 including revisions as shown in **Appendix B** and recommend approval by Full Council.
2. Approve the Housing Revenue Account capital programme for 2023/24 to 2027/28 including revisions as shown in **Appendix G** and recommend approval by Full Council.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	The Council has committed to delivering positive climate, nature and environmental impacts through the decisions we make and the actions we take. All projects in the Programme are intended to contribute to this commitment, ensuring where possible environment and energy efficient processes, materials and equipment are used.
Sustainable Housing	The Housing Revenue Account commits to support safe, suitable and sustainable homes directly through the projects within the capital programme
Tackling Inequalities	As part of the regeneration programme enabling business and charities providing direct services to residents of East Suffolk residents to locate in Council owned assets.
Thriving Economy	<p>The capital programme ensures that economic development and regeneration activity enables residents of East Suffolk to benefit from and contribute to a thriving economy.</p> <p>Specifically, the Council is committed to delivering the Towns Fund Deal project including the regeneration of the Towns Seafrost.</p>
Our Foundations / governance of the organisation	<p>At the heart of the capital budget is good financial management and governance which underpins the Councils spending commitments on projects funded by the Council.</p> <p>The financing of the capital programme feeds directly into the Councils Medium Term Financial Strategy (MTFS) which supports the delivery of the strategic direction of East Suffolk Council.</p>

The report forms an important element of good governance, ensuring financial sustainability and putting the Council's assets to good use.

The Capital Programme budget for 2024/25 through to 2027/28 is considered at the following meetings.

- Cabinet 2 January 2024
- Scrutiny Committee 18 January 2024
- Cabinet 6 February 2024
- Full Council 21 February 2024

Justification for recommendations

1. Background

- 1.1. The Capital programme feeds directly into the Council's MTFs which in turn is the mechanism by which the key Strategic Plan objective of Financial Sustainability will be delivered over the medium term. The Capital programme contributes directly to the Council's specific actions within the Strategic Plan and identifies the financing for these projects.

2. Introduction

- 2.1. Capital expenditure within the Council is split into two main components, the General Fund Capital programme, and the Housing Revenue Account (HRA) Capital programme.
- 2.2. The capital programme has been compiled taking account of the following main principles, to:
 - maintain an affordable four-year rolling capital programme.
 - ensure capital resources are aligned with the Council's Strategic Plan,
 - maximise available resources by actively seeking external funding and disposal of surplus assets; and
 - not to anticipate receipts from disposals until they are realised.

3. Proposal

General Fund Capital Programme Summary

- 3.1. Capital expenditure relates to the acquisition of fixed assets or expenditure that adds to (and not merely maintains) the value of an existing fixed asset.
- 3.2. Following the review and revisions to programme by project officers the revised capital programme has been reviewed by the Corporate Leadership Team (CLT) along with the Chief Finance Officer and is presented at:
 - **Appendix A:** - General Fund Capital Programme 2023/24 to 2027/28 Summary, shows a summary of the capital programme and planned financing.
 - **Appendix B:** - General Fund Capital Programme Revisions 2023/24 to 2027/28, shows budget revisions to previously approved projects.
 - **Appendix C:** - General Fund Capital Programme 2023/24 to 2027/28 extract of budget increases greater than £0.500m and budget decreases greater than £0.500m.
 - **Appendix D:** - General Fund Capital Programme 2023/24 to 2027/28 new projects, shows the new projects being recommended for approval and inclusion within the existing programme as shown in Appendix B.
 - **Appendix E:** - General Fund Capital Programme 2023/24 to 2027/28 extract of externally funded projects, is an extract of the programme showing all projects which are subject to external grants/contributions.

- 3.3. The General Fund capital programme for 2023/24 through to 2027/28 has a total financing requirement of £329.03m which will be financed through both internal and external resources.
- 3.4. The programme from 2023/24 to 2027/28 benefits from £211.08m (64%) of external grants and contributions, the use of £13.85m (4%) of reserves and internal/external borrowing of £104.10m (32%).
- 3.5. Where projects have identified external funding, if this is not secured then those projects will look to secure other funding or will not be pursued. Similarly, where projects require significant borrowing more than £3m, these will require robust business cases to underpin the investment. The project business case should be presented to Council for approval prior to external borrowing being secured.

Housing Revenue Account (HRA) Capital Programme Summary

- 3.6. Capital expenditure relates to the acquisition of fixed assets or expenditure that adds to (and not merely maintains) the value of an existing fixed asset.
 - **Appendix F:** - HRA Capital Programme 2023/24 to 2027/28 Summary shows a summary of the capital programme and planned financing.
 - **Appendix G:** - HRA Capital Programme 2023/24 to 2027/28, shows an update to the HRA capital budgets.
- 3.7. The HRA capital programme for 2023/24 through to 2027/28 has a total budget requirement £81.93m which will be financed through both internal and external resources.
- 3.8. The programme from 2023/24 to 2027/28 relies upon £8.74m (11%) of external grants and contributions, the use of £38.06m (46%) of capital reserves, direct revenue financing (HRA) of £19.34m (24%) and £15.79m (19%) of capital receipts.

4. Financial Implications

- 4.1. Approval of the capital programme by Full Council is an authority for Council officers to enter into contracts and incur expenditure up to the approved budget amounts and where applicable, secure external funding.

5. Legal Implications

- 5.1. As set out in the Council's Financial Procedure Rules, the Chief Finance Officer is responsible for preparing and submitting capital budgets to Cabinet and Council.
- 5.2. As the Capital Programme budget directly links to the Councils overarching budget the provisions of the Local Government Finance Act 1992 also applies which sets out what the Council has to base its budget calculations upon and requires the Council to set a balanced budget with regard to the advice of its Section 151 Officer.

6. Risk Implications

- 6.1. The financing of the capital programme is embedded within the Councils MTFs budget therefore there is no additional budget impact directly arising from this report.
- 6.2. Projects within the programme could be subject to delay for a variety of reasons therefore slippage in the budget may occur.

7. Options

- 7.1. The capital programme forms part of the Council's Budget and Policy Framework. The Council is required to set an annual budget and therefore no other options have been considered.

8. Recommendations

- 8.1 Cabinet approves the General Fund capital programme for 2023/24 to 2027/28 including revisions as shown in **Appendix B** and recommend approval by Full Council.
- 8.2 Cabinet approves the Housing Revenue Account capital programme for 2023/24 to 2027/28 including revisions as shown in Appendix G and recommend approval by Full Council.

9. Reasons for Recommendations

- 9.1. The Council's constitution requires the Chief Finance Officer to prepare and present to Cabinet and Full Council the Council's capital programme for approval.

10. Conclusions/Next Steps

- 10.1 Following Cabinet approval the report is presented to Full Council for approval as per the Councils constitution.

Areas of consideration comments

Section 151 Officer comments:

The Council programme as presented in the report maintains the principle of affordability over the Medium Term Financial Strategy, however, the scale of the capital programme as currently drafted is such that the Council would begin to approach its borrowing limits over the life of the proposed programme if other sources of finance were not available. The programme as presented does not pre-empt the realisation of capital receipts and only those receipts already received will be used as financing.

Monitoring Officer comments:

This report complies with Section 2 of the Budget and Policy Framework Procedure Rules in the Council's Constitution. The setting of the Budget (Capital Programme, Housing Revenue Account, General Fund and Council Tax) is a matter reserved to Full Council, having considered recommendations made by the Cabinet. Scrutiny Committee was given the opportunity to scrutinise the Budget, and make recommendations on the Budget to Cabinet, at its meeting on 18 January 2024

Equality, Diversity and Inclusion/EQIA:

There are no direct implications arising from this report.

Safeguarding:

There are no direct implications arising from this report.

Crime and Disorder:

There are no direct implications arising from this report.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

There are no direct implications arising from this report.

Residents and Businesses consultation/consideration:

External consultation has been conducted on a range of individual projects and programmes within the overall Capital Programme, and a number of programmes such as the Lowestoft Flood Risk Management Project and the Lowestoft Town Investment Plan feature programme boards which include key external stakeholders as part of their governance arrangements. The Scrutiny Committee also considered the Capital programme as part of the budget process at its meeting on 18 January 2024.

Appendices:

Appendix A	General Fund Capital Programme 2023/24 to 2027/28 Summary
Appendix B	General Fund Capital Programme Revisions 2023/24 to 2027/28
Appendix C	General Fund Capital Programme 2023/24 to 2027/28 extract of budget increases greater than £0.50m and budget decreases greater than £0.50m.
Appendix D	General Fund Capital Programme 2023/24 to 2027/28 New Projects
Appendix E	General Fund Capital Programme 2023/24 to 2027/28 Extract of Externally Funded Projects
Appendix F	HRA Capital Programme 2023/24 to 2027/28 Summary
Appendix G	HRA Capital Programme 2023/24 to 2027/28

Background reference papers:

None.

General Fund Capital Programme 2023/24 to 2027/28 Summary

SUMMARY - GENERAL FUND PROGRAMME	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	2023/24 to 2026/27	2023/24 to 2027/28
	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 New Budget	£000 Original Total	£000 Revised Total
MHCLG Grant Funding to Freeport East via ESC as Accountable Body	19,810	0	4,940	0	0	0	0	0	0	24,750	0
Communities, Leisure & Tourism	8,700	1,936	21,500	5,671	21,500	22,850	0	24,841	0	51,700	55,298
Corporate Services (formely ICT - Digital & Programme Management)	875	796	250	887	250	250	250	250	500	1,625	2,683
Corporate Services (formely Operations)	29,105	17,505	12,988	13,320	1,280	4,960	1,280	1,930	1,930	44,653	39,645
Economic Development & Transport	14,363	5,651	8,782	21,777	22,849	18,498	0	909	0	45,994	46,835
Community Health (formely Environmental Services & Port Health)	484	485	50	50	0	0	0	0	0	534	535
Resources & Value for Money (Formerly Financial Services)	0	400	0	315	0	0	0	0	0	0	715
Resources & Value for Money (Formerly General Fund Housing)	3,690	2,594	1,000	2,207	1,000	2,194	1,000	2,182	2,171	6,690	11,348
Resources & Value for Money - Long Term Debtors	5,000	0	0	0	0	0	0	0	0	5,000	0
Planning & Coastal Management	31,084	17,367	36,749	32,367	36,175	36,175	85,885	85,885	175	189,893	171,969
Total Capital Expenditure	113,111	46,734	86,259	76,594	83,054	84,927	88,415	115,997	4,776	370,839	329,028
Financed By:-											
Internal resources - reserves	6,309	7,229	1,350	2,637	800	1,250	800	1,250	1,500	9,259	13,866
Internal resources - borrowing	35,630	16,485	29,863	23,059	31,155	36,799	905	26,635	1,105	97,553	104,083
Grants	71,172	23,020	55,046	50,898	51,099	46,878	86,710	88,112	2,171	264,027	211,079
Total Financing	113,111	46,734	86,259	76,594	83,054	84,927	88,415	115,997	4,776	370,839	329,028

General Fund Capital Programme Revisions 2023/24 to 2027/28

MHCLG GRANT FUNDING TO FREEPORT EAST (via ESC as Accountable Body)	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Harwich	5,600	0	1,400	0	0	0	0	0	0	EG
Felixstowe	8,460	0	3,540	0	0	0	0	0	0	EG
Gateway 14	5,750	0	0	0	0	0	0	0	0	EG

Total Capital Expenditure	19,810	0	4,940	0	0	0	0	0	0	
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Financed By:-

Internal resources - Reserves	0	0	0	0	0	0	0	0	0	
Internal resources - borrowing	0	0	0	0	0	0	0	0	0	
Grants/contributions	19,810	0	4,940	0	0	0	0	0	0	
	19,810	0	4,940	0	0	0	0	0	0	

Project	Description
Harwich	Central Government Grant Funding to Freeport East via Principle (East Suffolk Council)
Felixstowe	Central Government Grant Funding to Freeport East via Principle (East Suffolk Council)
Gateway 14	Central Government Grant Funding to Freeport East via Principle (East Suffolk Council)

Funding Type Key:

CR Capital Receipt	EG External Grant
EB External Borrowing	ER Earmarked Reserve
EC External Contribution	IB Internal Borrowing

COMMUNITIES, LEISURE & TOURISM	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Felixstowe North - Garden Neighbourhood Regeneration Project (Leisure Centre)	1,000	0	16,500	1,000	17,500	16,500	0	17,500	0	EB
Felixstowe North - Garden Neighbourhood Regeneration Project (Leisure Centre Land Purchase & Access Road)	5,000	500	3,000	1,456	0	4,000	0	2,991	0	EB
Felixstowe North - Garden Neighbourhood Regeneration Project (Infrastructure)	0	0	2,000	0	4,000	2,000	0	4,000	0	EB
Felixstowe Sports Hub	0	250	0	0	0	250	0	250	0	IB
Deben Fields (Former Deben High School) Felixstowe (BC)	2,200	500	0	2,850	0	0	0	0	0	IB
Leisure Centres (South)	500	550	0	315	0	100	0	100	0	IB
Leisure Centre Lowestoft (Roof)	0	41	0	50	0	0	0	0	0	IB
Leisure Centres - Pool Covers	0	95	0	0	0	0	0	0	0	IB

Total Capital Expenditure	8,700	1,936	21,500	5,671	21,500	22,850	0	24,841	0
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Financed By:-

Internal resources - Reserves	0	0	0	0	0	0	0	0	0
Internal resources - borrowing	8,700	1,936	21,500	5,671	21,500	22,850	0	24,841	0
Grants/contributions	0	0	0	0	0	0	0	0	0
	8,700	1,936	21,500	5,671	21,500	22,850	0	24,841	0

Project	Description
Felixstowe North - Garden Neighbourhood Regeneration Project (Leisure Centre)	Provision of new leisure centre site including purchase of site and access road
Felixstowe North - Garden Neighbourhood Regeneration Project (Infrastructure)	Infrastructure development to enable housing development
Felixstowe Seafront Gardens Handrailing	Installation of handrailing
Felixstowe Sports Hub	ESC is working with key sports clubs in Felixstowe including, football, cricket, rugby and hockey in order to provide separate hubs in Felixstowe that each sport can develop and grow.
Deben Fields (BC)	Site Leisure provision
Leisure Centres South	Planned preventative maintenance works required to ensure the immediate running of the facility.
Leisure Centre Lowestoft (Roof)	Refurbishment of Leisure Centre roof to enhance the life of the asset and to protect against water ingress
Leisure Centre Pool Covers	Pool covers to increase energy efficiency and reduce loss of heat

CORPORATE SERVICES (formerly Digital & Programme Management)	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Corporate IT Requirements	450	571	250	350	250	250	250	250	500	ER
ESSL ICT	100	200	0	237	0	0	0	0	0	ER
CCTV replacement	325	25	0	300	0	0	0	0	0	IB

Total Capital Expenditure	875	796	250	887	250	250	250	250	500
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Financed By:-

Internal resources - Reserves	550	771	250	587	250	250	250	250	500
Internal resources - borrowing	325	25	0	300	0	0	0	0	0
Grants/contributions	0	0	0	0	0	0	0	0	0
	875	796	250	887	250	250	250	250	500

Project	Description
Corporate IT Requirements	Corporate refresh of hardware and updating of current systems
ESSL ICT	Purchase of hardware systems for ESSL use
CCTV	Safer Streets initiative

CORPORATE SERVICES (formerly Operations)	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Bath Tap Chalets, Felixstowe	500	100	0	400	0	0	0	0	0	IB
Cemeteries	380	88	0	300	0	0	0	0	0	IB
Cliff House, Felixstowe	900	194	0	800	0	0	0	0	0	IB
East Point Pavilion	0	100	0	95	0	0	0	0	0	IB
Estates Management	500	1,650	500	750	500	500	500	500	500	IB
Felixstowe Beach Village	1,500	1,589	0	0	0	0	0	0	0	IB
Felixstowe Ferry Car Park	150	150	0	50	0	0	0	0	0	IB
Felixstowe Garrison Lane Car Park	0	20	0	0	0	0	0	0	0	IB
Felixstowe Lighting	250	5	0	245	0	0	0	0	0	IB
Felixstowe Seafront Gardens Handrailing	0	5	0	10	0	0	0	0	0	IB
Felixstowe South - Public Realm and Martello Tower	2,000	0	2,000	1,000	0	2,980	0	0	0	IB
Fishing Hut Felixstowe	0	21	0	0	0	0	0	0	0	ER
Footway Lighting Works - Northern (cyclical replacement)	30	30	30	30	30	30	30	30	30	IB
Deben Fields (Former Deben High School) Felixstowe	500	50	0	0	0	0	0	0	0	IB
Lowestoft Beach Hut Block 2 to 5	100	0	0	20	0	0	0	0	0	IB
Lowestoft Victoria Terrace	150	75	0	75	0	0	0	0	0	IB
Lowestoft - car park enhancement (BCMC)	600	0	0	600	0	0	0	0	0	IB
Lowestoft - Property Purchase Hamilton Road	0	1,200	0	0	0	0	0	0	0	IB
Lowestoft - Property Wilde Street	0	750	0	0	0	0	0	0	0	IB
Newcombe Road Lowestoft	1,900	1,951	2,000	2,261	0	0	0	0	0	EB
Car Park Works	600	200	0	194	0	50	0	0	0	IB
Orford Road Felixstowe Access Ramp	0	6	0	0	0	0	0	0	0	IB

Play Areas (District wide)	300	200	200	200	200	200	200	200	200	IB
Public Conveniences Programme	500	285	0	725	0	0	0	0	0	IB
Railway Building - Lowestoft	1,700	500	308	1,540	0	0	0	0	0	EB
Ravine (Jubilee) Bridge	400	442	0	25	0	0	0	0	0	IB
Rotterdam Road Roof	300	405	0	0	0	0	0	0	0	IB
Seafront Gardens Beach Hut Sites & Relocations	0	495	0	0	0	0	0	0	0	IB
Southwold Caravan Site redevelopment	1,400	48	0	1,500	0	0	0	0	0	EB
Southwold Enterprise Hub	0	625	0	0	0	0	0	0	0	IB
Southwold Harbour Improvements	320	150	0	150	0	0	0	0	0	IB
Southwold Harbour - Visitor Moorings	100	150	900	0	0	0	0	0	0	IB
Southwold Harbour South Pier	6,000	0	6,000	0	0	0	0	0	0	EG
St Marys Church Woodbridge - Wall	0	4	0	140	0	0	0	0	0	IB
Operational Grounds Equipment	25	0	25	0	25	0	25	0	0	ER
Operational Vehicles/Equipment/Grounds Equipment/Assets	5,250	5,952	1,025	2,000	525	1,000	525	1,000	1,000	ER/CR/IB
Wheelie Bin purchase	0	0	0	200	0	200	0	200	200	IB
Barnards Way, Lowestoft	2,750	20	0	0	0	0	0	0	0	IB
Council Offices Leiston	0	20	0	0	0	0	0	0	0	IB
Woodbridge Model Boat Pond	0	25	0	0	0	0	0	0	0	IB

Total Capital Expenditure	29,105	17,505	12,988	13,320	1,280	4,960	1,280	1,930	1,930
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Financed By:-

Internal resources - Reserves	5,275	5,973	1,050	2,000	550	1,000	550	1,000	1,000
Internal resources - borrowing	17,830	11,532	5,938	11,320	730	3,960	730	930	930
Grants/contributions	6,000	0	6,000	0	0	0	0	0	0
	29,105	17,505	12,988	13,320	1,280	4,960	1,280	1,930	1,930

Project	Description
Bath Tap Chalets, Felixstowe	Structural works and refurbishment
Bawdsey Quay	Sewage system, clearance of car park and signage works
Cemeteries	Provision for Cemetery improvements across the district
Cliff House, Felixstowe	Development of site
East Point Pavilion	Redevelopment of the East Point Pavilion complex
Estates Management	A planned preventative maintenance list of works required on Council owned properties throughout the district
Felixstowe Beach Village	Construction and development of Felixstowe Beach Village
Felixstowe Ferry Car Park	Enhancement of site and sewage system
Felixstowe Garrison Lane Car Park	Enhancement of site
Felixstowe Lighting	Cyclical replacement of footway lighting
Felixstowe Seafront Gardens Handrailing	Installation of handrailing
Felixstowe South - Public Realm and Martello Tower	Development of South Seafront area and Martello Café Felixstowe
Fishing Hut Felixstowe	Rebuilding of fishing hut next to Felixstowe Pier that burnt down in 2019
Footway Lighting Works - Northern (cyclical replacement)	Cyclical replacement of footway lighting

Deben Fields	Purchase and development of former school site
Lowestoft Beach Hut Block 2 to 5	Replacement of beach hut wooden frontage
Lowestoft Victoria Terrace	Works on Victoria Terrace Beach Huts structure
Lowestoft Car Park enhancement (BCMS)	Enhancement works to car park
Lowestoft Hamilton Road	Purchase of site for regeneration
Lowestoft Wilde Street	Purchase of site for regeneration
Newcombe Road Lowestoft	Redevelopment of site to provide start up units
Car Park Works	Planned preventative maintenance works
Orford Road Felixstowe Access Ramp	Replacement of disabled access ramp near new café site
Play Areas (District wide)	Upgrade and refurbishment of district wide play areas
Public Conveniences Programme	Upgrade and refurbishment of district wide public conveniences
Railway Building - Lowestoft	Purchase and development of building contained within the Railway site
Ravine Bridge	Structural works and refurbishment works to part owned bridge
Rotterdam Road Roof	Replacement section of Rotterdam Road Depot Roof
Seafront Gardens Beach Hut Development	Development of Seafront Gardens site for new beach huts
Southwold Caravan Site redevelopment	Refurbishment of existing caravan site
Southwold Enterprise Hub	Capital investment
Southwold Harbour Improvements	Improvements to site
Southwold Harbour - Visitor Moorings	Visitor moorings enhancement
Southwold South Pier	Enhancement to the Pier Structure
St Marys Church Woodbridge - Wall	Refurbishment of closed church yard wall
Operational Grounds Equipment	Replacement lawn tractors/mowers
Operational Vehicles/Equipment	Purchase of Vehicles for operational use
Wheelie Bins purchase	Purchase of bins
Barnards Way, Lowestoft	8300m2 of undeveloped ESC land. Develop site for small industrial units including Service delivery of ESC services
Council Offices Leiston	Refurbishment to the fabric of the building to meet H&S requirement and to ensure asset remains watertight
Woodbridge Model Boat Pond	Refurbishment of model boat pond boundary posts and water treatment system

ECONOMIC DEVELOPMENT & TRANSPORT	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Towns Fund - Cultural Quarter (Phase 1)	3,690	285	5,160	8,554	15,220	15,035	0	476	0	EG/IB
Towns Fund -Station Quarter (Former Post & Sorting Office Inc. Sculpture)	2,300	340	1,000	3,035	0	127	0	433	0	EG/IB
Towns Fund - Historic Quarter	715	438	710	3,098	5,930	3,236	0	0	0	EG
Towns Fund - Port Gateway Improvement Project	2,470	2,469	145	181	0	0	0	0	0	EG
Towns Fund - Seafront Vision Delivery	719	801	470	747	0	0	0	0	0	EG
UKSPF	369	485	1,197	1,529	1,599	0	0	0	0	EG
Partnership Scheme in Conservation Areas (PSiCA).	100	0	100	200	100	100	0	0	0	EG
LUF - Seafront (Phase 3 BH)	4,000	833	0	4,433	0	0	0	0	0	IB/EG

Total Capital Expenditure	14,363	5,651	8,782	21,777	22,849	18,498	0	909	0
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Financed By:-

Internal resources - Reserves	0	0	0	0	0	0	0	0	0
Internal resources - borrowing	3,600	1,712	2,250	2,660	8,750	9,814	0	689	0
Grants/contributions	10,763	3,939	6,532	19,117	14,099	8,684	0	220	0
	14,363	5,651	8,782	21,777	22,849	18,498	0	909	0

Project	Description
Towns Fund	Towns Fund Grant investment of £24.9m in projects to regenerate the town, driving economic growth and acting as a catalyst for future investment, rising to £35.9m with the addition of matched funding (subject to ESC business case)
UKSPF	UK Shared Prosperity and Rural England Prosperity Funds - grant funding will support communities and place, supporting local business and people and skills
Partnership Scheme in Conservation Areas (PSiCA).	Partnership Scheme in Conservation Areas - grant available for capital projects in conservation areas
LUF - Seafront (Phase 3 BH)	Government Levelling Up Fund to support the continued investment and regeneration of Lowestoft Seafront

COMMUNITY HEALTH (formerly Environmental Services & Port Health)	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Port Health	484	485	50	50	0	0	0	0	0	ER

Total Capital Expenditure	484	485	50	50	0	0	0	0	0
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Financed By:-

Internal resources - Reserves	484	485	50	50	0	0	0	0	0
Internal resources - borrowing	0	0	0	0	0	0	0	0	0
Grants/contributions	0	0	0	0	0	0	0	0	0
	484	485	50	50	0	0	0	0	0

Project	Description
Port Health	Capital expenditure for the function of the Port Health Service

RESOURCES & VALUE FOR MONEY (formerly Financial Services)	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Romany Lane (previously STTS)	0	400	0	315	0	0	0	0	0	IB

Total Capital Expenditure	0	400	0	315	0	0	0	0	0	
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Financed By:-

Internal resources - Reserves	0	0	0	0	0	0	0	0	0	
Internal resources - borrowing	0	400	0	315	0	0	0	0	0	
Grants/contributions	0	0	0	0	0	0	0	0	0	
	0	400	0	315	0	0	0	0	0	

Project	Description
Romany Lane (previously STTS)	Remedial and improvement works to the Romany Lane site

RESOURCES & VALUE FOR MONEY(formerly General Fund Housing)	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Disabled Facilities Grant	1,000	2,594	1,000	2,207	1,000	2,194	1,000	2,182	2,171	EG
Local Authority Housing Fund (LAHF)	2,690	0	0	0	0	0	0	0	0	EG

Total Capital Expenditure	3,690	2,594	1,000	2,207	1,000	2,194	1,000	2,182	2,171	
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Financed By:-

Internal resources - Reserves	0	0	0	0	0	0	0	0	0	
Internal resources - borrowing	0	0	0	0	0	0	0	0	0	
Grants/contributions	3,690	2,594	1,000	2,207	1,000	2,194	1,000	2,182	2,171	
	3,690	2,594	1,000	2,207	1,000	2,194	1,000	2,182	2,171	

Project	Description
Disabled Facilities Grant	HIA Disabled Facilities Grant works
Local Authority Housing Fund (LAHF)	Central Government General Fund Housing Scheme

RESOURCES & VALUE FOR MONEY - LONG TERM DEBTORS	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
LATCO - Loan funding	5,000	0	0	0	0	0	0	0	0	IB

Total Capital Expenditure	5,000	0	0	0	0	0	0	0	0	
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Financed By:-

Internal resources - Reserves	0	0	0	0	0	0	0	0	0	
Internal resources - borrowing	5,000	0	0	0	0	0	0	0	0	
Grants/contributions	0	0	0	0	0	0	0	0	0	
	5,000	0	0	0	0	0	0	0	0	

Project	Description
LATCO	Loan to the LATCO for investment purposes

PLANNING & COASTAL MANAGEMENT	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	
Coast Protection - Minor Capital Works	175	275	175	240	175	175	175	175	175	IB
Navigation Markers	0	0	0	300	0	0	0	0	0	IB
North Denes Promenade	0	0	0	200	0	0	0	0	0	IB
Corton & North Corton Hybrid Scheme	7,000	0	7,000	0	0	0	0	0	0	EG
Lowestoft Flood Risk Management Project Phase 1 (Tidal Walls, Pluvial & Fluvial)	4,000	5,470	0	0	0	0	0	0	0	EG
Lowestoft Flood Risk Management Project Phase 2 (Tidal Gate) *	10,809	11,017	29,574	29,574	36,000	36,000	85,710	85,710	0	EG
Southwold Harbour Fender	0	0	0	53	0	0	0	0	0	IB/EG
Southwold Harbour North Wall (Phase 1 & 2)	0	605	0	2,000	0	0	0	0	0	ER/IB
Resilient Coasts Project	9,100	0	0	0	0	0	0	0	0	EG

Total Capital Expenditure	31,084	17,367	36,749	32,367	36,175	36,175	85,885	85,885	175
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Financed By:-

Internal resources - Reserves	0	0	0	0	0	0	0	0	0
Internal resources - borrowing	175	880	175	2,793	175	175	175	175	175
Grants/contributions	30,909	16,487	36,574	29,574	36,000	36,000	85,710	85,710	0
	31,084	17,367	36,749	32,367	36,175	36,175	85,885	85,885	175

Project	Description
Coast Protection - Minor Capital Works	The Coastal Management Team carries out a comprehensive programme of inspections which highlight when repair and maintenance works need to be carried out. This ensures that the defences are functioning correctly, extends the life of the assets and protects the public from potential hazards.
Navigation Markers	Replacement Sea Navigation Markers
North Denes Promenade	Safety works to promenade surface
Corton & North Corton Hybrid Scheme	This item is for ESC contribution to privately funded works to part remove and part rebuild in rock, defences to the north of Corton Village that were abandoned after failure in line with 2010 Shoreline Management Plan policy, plus allow managed realignment to take place to north of village, creating a new beach
Lowestoft Flood Risk Management Project Phase 1 & 2	A major project to construct a permanent tidal wall which will be built around the harbour to protect Lowestoft from future tidal surges, with a tidal gate located near to the Bascule Bridge to prevent surge
Southwold Harbour Fender	Southwold Harbour fender remedial works following damage to the fender which was originally constructed in 1992 as set out in the 3rd November 2020 Cabinet report
Southwold Harbour North Wall Phase 1 & 2	Urgent works needed to the Southwold North seawall to ensure its stability and is not breached.
Resilient Coast Projects	Flood and Coastal Resilience Innovation Programme funded by the Environment Agency

	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28
	£000	£000	£000	£000	£000	£000	£000	£000	£000
	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget
Total Capital Expenditure	113,111	46,734	86,259	76,594	83,054	84,927	88,415	115,997	4,776
Financed By:-									
Internal resources - Reserves	6,309	7,229	1,350	2,637	800	1,250	800	1,250	1,500
Internal resources - borrowing	35,630	16,485	29,863	23,059	31,155	36,799	905	26,635	1,105
Grants/contributions	71,172	23,020	55,046	50,898	51,099	46,878	86,710	88,112	2,171
	113,111	46,734	86,259	76,594	83,054	84,927	88,415	115,997	4,776

**General Fund Capital Programme 2023/24 to 2027/28 extract of budget increases greater than
£0.50m and budget decreases greater than £0.50m.**

2023/24 to 2027/28 - BUDGET INCREASES ABOVE £0.50M	Current Budget £000	Revised Budget 2023-24 to 2027-28 £000	Variance £000	Funding Type
Deben Fields (Former Deben High School) Felixstowe -Leisure Facility	2,350	3,350	1,000	IB
Disabled Facilities Grants	5,000	11,348	6,348	EG
Estates Management	2,493	3,400	907	IB
Felixstowe Sports Hub	135	750	615	IB
LUF - Seafront (Phase 3 BH)	4,600	5,266	666	IB/EG
Operational Vehicles/Equipment/Grounds Equipment/Assets	8,552	10,952	2,400	ER/CR/IB
Southwold Harbour North Wall Phase 2	462	2,605	2,143	IB
Totals	23,592	37,671	14,079	

2023/24 to 2027/28 - BUDGET DECREASES ABOVE £0.50M	Current Budget 2023-24 to 2027-28 £000	Revised Budget 2023-24 to 2027-28 £000	Variance £000	Funding Type
MHCLG Funding to Freeport East via ESC as Accountable Body - Harwich	7,000	0	-7,000	EG
MHCLG Funding to Freeport East via ESC as Accountable Body - Felixstowe	12,000	0	-12,000	EG
MHCLG Funding to Freeport East via ESC as Accountable Body - Gateway 14	6,000	0	-6,000	EG
Southwold Harbour South Pier	6,200	0	-6,200	EG
Barnards Way, Lowestoft	3,000	20	-2,980	IB
Local Authority Housing Fund (LAHF)	2,690	0	-2,690	EG
LATCO - Loan funding	5,000	0	-5,000	IB
Corton & North Corton Hybrid Scheme	7,000	0	-7,000	EG
Thorpeness (Externally Funded)	3,300	0	-3,300	EG
Resilient Coasts Project	9,004	0	-9,004	EG/IR
Totals	61,194	20	-61,174	

General Fund Capital Programme 2023/24 to 2027/28 New Projects

2023/24 to 2027/28 NEW PROJECTS	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	Funding Type
	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 Original Budget	
Lowestoft - Property Purchase Wilde Street	0	750	0	0	0	0	0	0	0	IB
Navigation Markers	0	0	0	300	0	0	0	0	0	IB
North Denes Promenade	0	0	0	200	0	0	0	0	0	IB
Wheelie Bin purchase	0	0	0	200	0	200	0	200	200	IB
Total Budgeted Expenditure	0	750	0	700	0	200	0	200	200	
Financed By:-										
Internal resources - Reserves	0	0	0	0	0	0	0	0	0	
Internal resources - borrowing	0	750	0	700	0	200	0	200	200	
Grants/contributions	0	0	0	0	0	0	0	0	0	
Total Financing	0	750	0	700	0	200	0	200	200	

General Fund Capital Programme 2023/24 to 2027/28
Extract of Externally Funded Projects

2023/24 to 2027/28 EXTERNALLY FUNDED PROJECTS	Total Budget 2023-24 to 2027-28 £000	External Funding £000	ESC Funding £000
Towns Fund - Cultural Quarter (Phase 1)	24,350	14,350	10,000
Towns Fund -Station Quarter (Former Post & Sorting Office)	3,935	2,935	1,000
Towns Fund - Historic Quarter	6,772	6,772	0
Towns Fund - Port Gateway Improvement Project	2,650	2,650	0
Towns Fund - Seafront Vision Delivery	1,548	1,548	0
UKSPF	2,014	2,014	0
Partnership Scheme in Conservation Areas (PSiCA).	300	300	0
LUF - Seafront (Phase 3 BH)	5,266	4,300	966
Disabled Facilities Grant	11,348	11,348	0
Lowestoft Flood Risk Management Project	167,771	167,771	0
Totals	225,954	213,988	11,966

HRA Capital Programme 2023/24 to 2027/28 Summary

SUMMARY - HRA PROGRAMME	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	2023/24 to 2027/28
	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 Original Budget	£000 Revised Budget	£000 New Budget	£000 Revised Total
Asset Investment	11,515	4,185	10,976	7,890	5,140	10,190	5,140	5,490	4,990	32,745
Acquisition & Development	15,929	9,816	9,282	21,178	7,000	7,479	7,000	6,523	4,183	49,179
Total Capital Expenditure	27,444	14,001	20,258	29,068	12,140	17,669	12,140	12,013	9,173	81,924
Financed By:-										
Internal resources - capital receipt	9,893	2,227	660	5,344	4,710	2,244	3,810	3,024	2,948	15,787
Internal resources - Housing Revenue Account	3,155	3,070	2,087	10,278	0	2,967	3,400	1,795	1,235	19,345
Internal resources - reserves	12,953	7,588	17,211	9,890	6,430	10,498	4,930	5,290	4,790	38,056
Grants	1,443	1,116	300	3,556	1,000	1,960	0	1,904	200	8,736
Total Financing	27,444	14,001	20,258	29,068	12,140	17,669	12,140	12,013	9,173	81,924

HRA Capital Programme 2023/24 to 2027/28

ASSET INVESTMENT	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28
	£000 Original	£000 Revised	£000 Original	£000 Revised	£000 Original	£000 Revised	£000 Original	£000 Revised	£000 Original
Bathrooms	200	200	200	100	200	100	200	150	150
Central Heating/Boilers	350	400	500	500	500	500	500	500	500
Consultancy Compliance requirements	480	1,158	0	1,170	0	750	0	750	250
Demolition	0	106	0	70	0	50	0	50	50
Disabled Works	180	70	180	180	180	180	180	180	180
Door entry & Warden Systems	100	348	0	0	0	0	0	0	0
Energy Efficiencies Work	100	100	500	100	500	100	500	100	100
Environmental Works	1	2	10	10	10	10	10	10	10
External Doors	10	50	20	250	20	250	20	250	250
Housing Redevelopment	2,357	0	0	2,100	1,000	0	1,000	0	0
Housing Repair Vans	0	112	500	200	210	200	210	200	200
Insulation	0	0	0	500	0	500	0	500	500
Kitchens - Programmed & Responsive	410	350	650	250	650	250	650	350	350
New accommodation Project	2,500	0	0	0	0	2,850	0	0	0
Reconversions	150	267	150	0	150	0	150	0	0
Re-Roofing	250	200	450	450	450	450	450	450	450
Retrofitting	2,400	0	2,700	500	1,000	500	1,000	500	500
Rewiring	300	250	250	250	250	250	250	250	250
Solar Panels	0	0	0	1,000	0	1,000	0	1,000	1,000
St Peters Court - Door replacement	276	484	0	0	0	0	0	0	0
St Peters Court - Fire Risk Compliance	378	75	0	0	0	0	0	0	0
St Peters Court - Internal Dec's	52	0	0	0	0	0	0	0	0
St Peters Court - Lift	600	3	0	0	0	0	0	0	0
St Peters Court - Remove Cladding & Change windows	140	0	4,846	0	0	0	0	0	0
St Peters Court - Shed area	50	0	0	0	0	0	0	0	0
St Peters Court - Sprinkler System	223	0	0	0	0	0	0	0	0
Windows & Facias	8	10	20	250	20	250	20	250	250
Total Budgeted Expenditure	11,515	4,185	10,976	7,890	5,140	10,190	5,140	5,490	4,990
Financed By :-									
Housing Capital Receipt	1,936	111	660	200	210	200	210	200	200
Housing Revenue Account	0	0	0	0	0	0	0	0	0
Housing Revenue Account Reserves	9,579	4,074	10,316	7,690	4,930	9,990	4,930	5,290	4,790
	11,515	4,185	10,976	7,890	5,140	10,190	5,140	5,490	4,990

Project	Description
Bathrooms	Replacement and improvements to bathrooms and layouts to the housing stock.
Central Heating/Boilers	A rolling programme has been established which provides replacement heating appliances, boilers and installation of full heating systems to the housing stock.
Demolition - Garage	Demolition of garages and construction of parking area
Disabled Works	These works provide disabled adaptations to the Council's housing stock to improve the living conditions of tenants, for example, the installation of flush floor showers, stairlifts etc.
Door Entry System - Park Road & The Hemplands	New door entry system
Energy Efficiency Works	Energy improvement works to properties, examples could be electrical improvements to blocks of flats to reduce energy consumption, more efficient heating systems, installation of over bath showers to reduce water usage etc.
Environmental Works	Works controlled by tenants for environmental improvements, examples could be additional estate parking, communal play improvements etc.
External Doors	A rolling programme provides replacement doors to the housing stock.
Housing Redevelopment	Redevelopment of identified sites for housing
Housing Repair Vans	Cyclical renewal of Housing vans
Insulation	Insulation improvement works including but not limited to loft and cavity wall top ups, virgin installs and associated works.
Kitchens - Programmed & Responsive	Replacement and improvements to kitchens and layouts to the housing stock.
New Accommodation Project	Fit for purpose accommodation for the Housing Team
Reconversions	example converting bedsits into 1 bed flats or adapting properties for specific needs of our tenants.
Re-Roofing	A rolling programme provides replacement roofs to the housing stock.
Retrofitting	This is unallocated budget specifically to contribute towards the energy efficiency of the HRA housing stock. As the stock condition surveys are completed, and works identified, this budget will be allocated to the specific requirements.
Rewiring	Rewiring to the housing stock.
Solar Panels	This is to investment in the instalment of new solar panels on appropriate housing stock to improve the energy efficiency of our tenants homes.
St Peters Court - Replacement Doors	Replacement door programme
St Peters Court - Fire Risk Compliance	Fire Assessment of the St Peters Court tower block
St Peters Court - Internal Dec's	Repair and renew internal services including redecoration
St Peters Court - Lift	Replacement of St Peters Court Lift

St Peters Court - Remove Cladding & Change windows	Removal of cladding and replacement of windows
St Peters Court - Shed area	Enhancement of shed area
St Peters Court - Sprinkler System	Installation of sprinkler system
Windows	A rolling programme provides replacement windows to the housing stock.

ACQUISITION AND DEVELOPMENT PROGRAMME	2023/24 £000 Original	2023/24 £000 Revised	2024/25 £000 Original	2024/25 £000 Revised	2025/26 £000 Original	2025/26 £000 Revised	2026/27 £000 Original	2026/27 £000 Revised	2027/28 £000 Original
New builds	15,929	8,556	9,282	21,178	7,000	7,479	7,000	6,523	4,183
Acquisitions	0	1,260	0	0	0	0	0	0	0
Total Budgeted Expenditure	15,929	9,816	9,282	21,178	7,000	7,479	7,000	6,523	4,183
Financed By :-									
Housing Capital Receipt	7,957	2,116	0	5,144	4,500	2,044	3,600	2,824	2,748
Housing Revenue Account	3,155	3,070	2,087	10,278	0	2,967	3,400	1,795	1,235
Housing Revenue Account Reserves	3,374	3,514	6,895	2,200	1,500	508	0	0	0
External Funding	1,443	1,116	300	3,556	1,000	1,960	0	1,904	200
	15,929	9,816	9,282	21,178	7,000	7,479	7,000	6,523	4,183

Project	Description
New builds	Provision of new housing
Acquisitions	Purchase of Housing stock

	2023/24 £000 Original	2023/24 £000 Revised	2024/25 £000 Original	2024/25 £000 Revised	2025/26 £000 Original	2025/26 £000 Revised	2026/27 £000 Original	2026/27 £000 Revised	2027/28 £000 Original
Programme Total	27,444	14,001	20,258	29,068	12,140	17,669	12,140	12,013	9,173



Committee	Cabinet
Date	06/02/2024
Subject	Housing Revenue Account (HRA) Budget Report 2024/25 to 2027/28
Cabinet Member(s)	Councillor Vince Langdon-Morris Cabinet Member with responsibility for Resources and Value for Money Councillor David Beavan Deputy Leader and Cabinet Member with responsibility for Housing
Report Author(s)	Amber Welham Finance Business Partner - Housing amber.welham@eastsoffolk.gov.uk
Head of Service	Lorraine Rogers Chief Finance Officer and Section 151 Officer lorraine.rogers@eastsoffolk.gov.uk
Director	Chris Bally Chief Executive chris.bally@eastsoffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not Applicable.
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Purpose/Summary

This report provides the relevant information to enable Cabinet to review, consider, and comment upon the Council's proposed 2024/25 to 2027/28 Housing Revenue Account (HRA) budget, before making recommendations to Council on 21 February 2024 as required under the Budget and Policy Framework.

As set out in the Council's Financial Procedure Rules, the Chief Finance Officer is responsible for preparing and submitting reports on revenue budgets to Cabinet and Council.

The 2024/25 budget and the indicative figures for 2025/26 to 2027/28 will be considered at the following Council meetings:

- Cabinet 2 January 2024
- Scrutiny Committee 18 January 2024
- Cabinet 6 February 2024
- Full Council 21 February 2024

The report details how rents and service charges are determined, and the proposed increases for 2024/25 are set out for approval.

The report also notes changes in welfare and benefits and the impact of external and internal requirements which have been considered when completing the budgets, and rents and service charges for 2024/25.

Recommendation(s)

That Cabinet to recommend that Council approves the following:

1. The draft HRA budget for 2024/25, and the indicative figures for 2025/26 to 2027/28;
2. Movements in HRA Reserves and Balances;
3. Proposed rent increase of up to 7.7%. In line with the Rent Standard September 2023 CPI + 1%.
4. Service charges and associated fees for 2024/25;
5. Rent and Service Charges to be charged over a 51-week period unless being used for Temporary Accommodation when a 53-week period will be applied, due to 2024/25 being a 53-week year.

To note the following:

6. Projected outturn position for 2023/24;
7. Changes affecting public and private sector housing and welfare;
8. Effects of the cost-of-living crisis to the HRA.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact

Continued Commitment to net zero by 2030.

Although the HRA stock is excluded from this target, it is still committed to improving the energy efficiency of its housing stock. The Social Housing (Regulation) Act 2023 which received royal assent on 20 July 2023 includes the provision for all social housing to have a minimum EPC of C by 2030.

Stock condition surveys are underway and budgeted to continue through 2024/25, which will help with planned programmes of work to target energy efficiency within the housing stock.

Budgets have been included within the HRA's capital programme for significant investment in its own stock to contribute towards this. This includes £1,000,000 per annum for instalment of solar panels where appropriate, £500,000 per annum replacing and improving windows and external doors, £500,000 for upgrades and replacement of loft and cavity wall insulation and associated works of properties, and a further contingency of £500,000 for other initiatives to help improve the energy efficiencies of the housing stock.

The combination of the stock condition surveys of all HRA stock, and the asset investments planned will help ensure the HRA achieves this goal.

Support, promote and implement Green Tech.

The investment in solar panel installation will also contribute towards the implementation of green tech. In addition, heat source pumps and other green initiatives are being fitted in appropriate properties.

Sustainable Housing

Deliver the right housing based on our communities' needs.

All housing development through the HRA are consulted with the housing needs team, to ensure it delivers the right types/size housing to meet the needs of the residents in that area.

Tackle fuel poverty and support new heating technologies.

As per above, the implementation of solar panels and heat source pumps contributes to delivering this goal. In addition to this, a passivhaus development at Deben Fields brings new initiatives to tackling fuel poverty.

Add to, improve and make better use of our housing stock.

The capital investment in housing development directly meets this goal by adding to the housing stock.

In addition to this, the capital investment of the asset investment programme is targeting the improvement of the housing stock.

	<p>The stock condition survey being carried out will provide data to then plan and make the best use of the housing stock.</p>
Tackling Inequalities	<p>Efficiently deliver benefits and grants to residents. Within the HRA there are 2 Financial Inclusion Officers to help support HRA tenants with their finances. Ensuring they are sign posted to the benefits they are entitled to, and to help them on their Universal Credit journey.</p> <p>Reduce health inequality and improve wellbeing. One of the new roles added to the HRA is a dedicated damp and mould inspector, to ensure HRA tenants are not being impacted by damp and mould in the home, which can affect tenants' health.</p> <p>Take action to improve community safety and reduce ASB. Within the HRA there is a dedicated Anti-Social Behaviour Officer to help, assist and support tenants experiencing ASB.</p>
Thriving Economy	<p>Community wealth building by working with local companies. Where possible, local companies are used for contracted work for repairs and maintenance and the housing development programme.</p>
Our Foundations / governance of the organisation	<p>Under the Self-Financing regime, the resources and spend of the HRA are based on local decisions. The HRA budget report uses all available reserves and balances to provide the best possible service to it's tenants, while ensuring it remains compliant, and financially sustainable.</p> <p>To ensure the HRA maintains its minimum working balance while delivering the strategic direction of East Suffolk Council, it is required to maximise rental income in 2024/25. A 7.7% rental increase is deemed essential to produce a balanced budget. The income for 2024/25 not only impacts on that financial year, but all years within the 30-year financial business plan.</p> <p>Setting a balanced budget is a statutory requirement, and the report will be considered at the following meetings:</p> <ul style="list-style-type: none"> • Cabinet 2 January 2024 • Scrutiny Committee 18 January 2024 • Cabinet 6 February 2024 • Full Council 21 February 2024

Justification for recommendations

1. Background

Self-Financing Arrangement

- 1.1. The HRA self-financing regime was introduced in April 2012. The Council had to take on a significant amount of debt (£68 million) in exchange for not paying future housing subsidy. This change is beneficial to the HRA over the long-term.
- 1.2. A 30-year financial business model is used to support the delivery of the HRA under the self-financing regime. It makes assumptions regarding the level of income available and the key risks facing housing service delivery within this timeframe. It also programmes in the due date for current borrowing to be repaid, whilst delivering the required service.
- 1.3. The HRA funds the costs of borrowing for the initial debt settlement. The Council has chosen to incorporate this debt into the Council's overall borrowing portfolio, creating a single pool and charging interest to the HRA in proportion to the debt it holds.
- 1.4. Originally the HRA had a 'borrowing cap' of £87.26 million imposed on it by Central Government, however this was removed in 2018 when Central Government issued a determination revoking the limit of indebtedness on the HRA. However, the HRA's borrowing capacity is still restricted to the operational boundary for external debt for the whole Council. The boundary is set at £173 million, which includes both the General Fund (GF) and the HRA. Therefore, consideration must be given to the Council's total borrowing and the requirements for borrowing by the GF, before considering increasing the current borrowing of the HRA.
- 1.5. As of 1 April 2023, the total debt of the HRA was £60.4 million (£58 million from the self-financing settlement and £2.4 million pre-self-financing).
- 1.6. During the budget period 2024/25 to 2027/28 a further £960,000 is due to be repaid in 2024/25 and £10 million in 2026/27. Both amounts have already been set aside in the debt repayment reserve and the Major Repairs Reserve.
- 1.7. Interest on all current HRA borrowing is fixed, therefore, the HRA will see a reduction in interest payments in the subsequent years of repayment.
- 1.8. The HRA spending plans, including its capital investment programme, are fully funded from existing resources. Therefore, there is currently no need to make use of any additional borrowing. However, any additional costs added to the budget in the future, will likely require additional borrowing, and the HRA will need to ensure it can service the interest payments as well as the principle borrowing.

Welfare Reform

- 1.9. **Universal Credit** (UC) was first introduced 11 years ago as part of 'The Welfare Reform Act 2012'. It is a single payment for working aged people who are looking for work or are on a low-income. It replaces housing benefit, working tax credit, child tax credit, income support, income-based jobseekers' allowance and income related employment and support allowance. It was rolled out in the district in 2015.
- 1.10. New claimants of UC have an initial wait time of five weeks before receiving their first payment, however if they are already receiving housing benefits, this will continue for the first two weeks of the claim process, reducing pressure on tenants.

- 1.11. **The benefit cap** has always been £20,000 per annum (outside of Greater London), since the introduction of the Welfare Reform Act 2012. However, from April 2023, Government increased the cap by 10.1% for the first time since its introduction. The current cap is £22,020 per annum, which provided claimants with a much-needed boost during a cost-of-living crisis. However, it has been confirmed this new cap will remain for 2024/25.
- 1.12. If new claimants' previous income was higher than the benefit cap, they are given a 'grace period' of nine months, easing the transition for the claimant.
- 1.13. Although the benefit cap is frozen, UC payments will increase by 6.7% (September CPI) from April 2024, up to the benefit cap.
- 1.14. **The Local Housing Allowance (LHA)** rates are used to calculate the amount of housing benefits a tenant can receive. These have been frozen for the past four years. However, it was announced in the Autumn Statement 2023 that the LHA rates will be reset in April 2024 to the 30th percentile of the local market rents of September 2023. This means the cheapest 30% of rents in the area should be affordable to people claiming UC or housing benefits.
- 1.15. **Under-Occupation Charge** (also referred to as the 'Bedroom tax') is a fixed cut to housing benefit or the housing element of UC received based on the number of spare bedrooms in the property. The charge only applies to working aged tenants renting from local authorities, registered housing associations or other registered social landlords and is set by Central Government. The cut is 14% for one spare room, or 25% for two or more spare rooms.
- 1.16. To help alleviate the pressure of this penalty, the Council's HRA offers the incentive called 'Cash-for-Moving.' This is a widely used scheme across councils to encourage tenants to downsize. Tenants can bid for a smaller property on Gateway to Home-Choice, and if successful the tenant could receive up to £2,000 depending on the number of bedrooms given up.
- 1.17. **The Right to Buy (RTB) Scheme** allows tenants to purchase their council house at a discounted rate. The maximum discount available is 70% or £96,000 (outside of Greater London) whichever is lower. This value is set by Central Government and increases in April each year by CPI.
- 1.18. In 2012, the Council entered into an agreement with the Secretary of state to retain a share of its RTB receipts to reinvest in the provision of new affordable homes. As of April 2021, the conditions of this agreement were updated by Central Government. The receipts can now fund up to 40% of investment in new affordable housing (previously only 30%) and they can now contribute to the delivery of shared ownership properties or first Homes, which they could not before.
- 1.19. On average the HRA loses 30 properties a year through RTB, and this is the assumption used within the 30-year business plan. However, for 2023/24 (as at 05 January 2024) only 12 properties have been sold through the scheme. This is a trend being seen by many other councils and is likely linked to increased living costs and high interest rates.
- 1.20. The implication of RTB sales is a reduction in dwelling rents received. The annual income lost through RTB is on average £140,000 per annum (year on year). RTB sales are considered when setting the dwelling income budget.

2. Introduction

Dwelling Rents and Service Charges

- 2.1. The 2020 Rent Standard is the Policy Statement for rents on social housing and has been in effect from 1 April 2020. It is the first-time Government have directed the Regulator of Social Housing to apply its Rent Standard to all social housing providers, including local authorities.
- 2.2. From 1 April 2020, all Registered Provider rents (including Local Authorities) must be charged in accordance with the Government Policy Statement on Rents for Social Housing. The Rent Standard, published by the Regulator of Social Housing in 2020 requires rents to be set in line with this policy statement.
- 2.3. The rent policy permits the Council to increase its rents for at least five years to 2024/25 by up to CPI for September of the previous year plus 1%. The Rent Standard also provides freedom to apply a lower increase or to freeze or reduce the rent if a registered housing provider chooses to do so.
- 2.4. There has been no indication from Government as to what social housing providers will be permitted to increase rents by from 2025/26. The budgets are working on the assumption of continuing with the same method as the past five years, however, this could be subject to change.
- 2.5. Due to high inflation, CPI was 6.7% in September 2023, which results in social housing landlords having the ability to increase rents by up to 7.7% (6.7% CPI + 1%). Government have confirmed there will be no rent increase caps, like they did for 2023-24.
- 2.6. The rent policy aims to strike a balance between the interests of existing social housing tenants who pay some or all their own rent, and the importance of ensuring that providers of social housing have sufficient income to manage and maintain their housing stock.
- 2.7. **Rent Setting** is different depending on the type of rent set. There are three types of rents used within the HRA. Social Rent, Affordable Rent and Shared Ownership, as well as a small number of leased properties.
The current breakdown of the stock by rent type as at 1 December 2023 is as follows:
Social Rent: 4,264
Affordable Rent: 119
Shared Ownership: 16
Leased: 11
Total: 4,410
- 2.8. **Social Rent** is described as all low-cost rental accommodation. Since 2001 social rents have been based on a formula set by Government. Annual updates to the formula calculations are published in November of the previous year.
- 2.9. Under the Rent Policy the initial rent may be set at a level no higher than formula rent plus rent flexibility. The formula rent takes account of relative property values, relative local earnings, and a bedroom factor, i.e. smaller properties should have lower rents. The formula rent is also subject to a rent cap. The rent cap applies a maximum ceiling on the formula rent. Therefore, if the formula rent is higher than the rent cap for a particular property, the rent cap must be used instead. The rent caps will increase each year by CPI (September of the previous year) plus 1.5%.

- 2.10. The Government's Rent Policy recognises that registered housing providers should have some flexibility over the rent set for individual properties, to take account of local factors. As a result, the Policy Statement contains flexibility to set rents at up to 5% above the formula rent (10% for supported housing). East Suffolk Council applies rent flexibility following approval by Full Council in January 2023.
- 2.11. The Government's Rent Policy states any social rents that exceed the flexibility level must not be increased by more than CPI (rather than CPI plus 1%) each year, until the rent is brought within the rent flexibility level. Also, the property must be re-let at the formula rent value (plus rent flexibility). If this arises when setting the HRA rents, the rent will be frozen or potentially reduced until it reaches the formula rent value. Such situations will be dealt with on a case-by-case basis.
- 2.12. **Affordable Rent** values were introduced in 2011 and must not exceed 80% of gross market rent (inclusive of service charges), i.e. rent for which the accommodation might reasonably be expected to be let in the private rented sector. The size, location and service provision must be taken into consideration.
- 2.13. Affordable rent is exempt from the social rent requirements of the Policy Statement. The Government expects new build properties to be let at affordable rent values. Affordable rent allows the Council to set rents at a level that are typically higher than social rents. The intention behind this flexibility is to enable local authorities to generate additional capacity for investment in new affordable homes. The Council is applying affordable rents to new build or purchased properties and can do so as it has an agreement in place with the Secretary of State. The agreement allows the Council to retain RTB receipts for investment in new affordable rented homes.
- 2.14. The private rented market can fluctuate from month to month. Therefore, the Council charges the Local Housing Allowance (LHA) rate for all affordable rents (inclusive of service charges). The LHA rate is less than 80% of market rent, but more than social rents. The LHA rate is the most a tenant can receive in benefits towards their rent, therefore anything charged over this value would need to be financed by the tenant's own resources, which could cause financial hardship and potential arrears.
- 2.15. An additional benefit to this approach ensures a consistent and fair approach to all tenants.
- 2.16. Affordable rents must not increase by more than CPI (September of the previous year) plus 1%. As with social rent setting, this is a ceiling and a lower increase, or to freeze or reduce affordable rents is permitted.
- 2.17. **Full Market Rent** can be charged by a social landlord from April 2015, where a social tenant has an annual household income of at least £60,000. This change allowed landlords to make better use of their social housing for properties rented to households with relatively high incomes. However, the HRA does not currently charge any tenants full market rent as very few tenants are in this position, and the cost to identify these tenants outweighs the benefit of the additional income.
- 2.18. **Shared Ownership Rent** is calculated at 2.75% of the share still owned by ESC. This is a nationwide calculation for the initial rent charged. Future year increases will follow the 2020 Rent Standard of the previous year's September RPI + 0.5%.
- 2.19. For any shared ownership properties acquired on or after 12/10/2023 must have future year rent increases in line with CPI + 1%.

- 2.20. **The Rent Period** the Council works on is a 50-week period. The 52-week rent value is converted to the slightly higher 50-week value, allowing tenants to have two 'rent free weeks' over the Christmas period. This helps tenants at an expensive time of year, and for those in arrears, can help them 'catch up.'
- 2.21. A small number of HRA properties are used as temporary accommodation. These properties are charged at the 52-week value as they will not be in the property for more than a year, and therefore would not benefit from the rent-free weeks.
- 2.22. Every five to six years there are 53 Mondays in the rent year. 2024/25 is a 53-week rent year. Tenants will need to be aware of this if in receipt of UC as this is based on a 52-week rent year and the Government have yet to release a statement as to whether this will be changed considering the 53-week rent year. However, in the past the Government have not made any allowances for this, and it is unlikely to change its stance on this now.
- 2.23. **Garage Rents** do not follow the same restrictions as dwelling rents. These are based on market research in the district and have been considered for approval by Cabinet as part of the 2024/25 Fees and Charges Report.
- 2.24. **Service Charges** are those charges payable by tenants to reflect additional services which may not be provided to every tenant, or which may be connected with communal facilities, e.g. communal facilities in sheltered accommodation (Grouped Homes).
- 2.25. Councils can review their service charges annually. Service charges should be sufficient to cover the cost of providing the service and are not governed by the same factors as rents. Therefore, not all service charges will necessarily increase each year, they will replicate the cost of the service provided. As set out in the Policy Statement, increases for service charges should be managed, where possible, within the limit on rent changes of CPI plus 1%. Exceptions to this include new charges or where services have been extended.
- Arrears**
- 2.26. 2022/23 had an increase on arrears from 2021/22 of £236,497.82. As at 31.03.23 arrears were 6.78% of total rents and charges raised. This was a 0.99% increase from the previous year.
- 2.27. The current arrears position as of 05 January 2024 is higher than the 2022/23 position. The total arrears are currently £1,600,763.56, an increase of £192,000.
- 2.28. Although the arrears position continues to rise, it is anticipated a high percentage of these arrears will be cleared due to the rents and service charge refund process (Over £1,000,000). Arrears are required to be cleared before tenants are entitled to a refund. Reducing these arrears should help with managing the remaining arrears in the future.
- 2.29. To further reduce the risk of arrears, new tenants are asked to pay rent in advance. The amount they pay is linked to how regularly they pay their rent e.g. if a tenant pays weekly, they will be required to pay one week in advance. As of 05 January 2024, the HRA holds £986,717.50 in rent in advance.

Repairs and Maintenance

- 2.30. The HRA repairs and maintenance (R & M) programme is split between capital and revenue. Revenue costs are to be funded from the revenue income derived from rents, whilst capital will be funded from the Major Repairs Reserve.
- 2.31. In recent years the budgets have been increased to consider the increase in material costs.
- 2.32. The HRA is currently undertaking a programme of essential safety inspections, primarily relating to fire safety and essential works identified during inspections. A report detailing the planned works was approved at Cabinet on 4 October 2022 and included in the 2023/24 budget setting. However, these increases to budget did not include provisions to meet the new Social Housing (Regulation) Act 2023 announced in July 2023.

Capital Programme

- 2.33. The HRA capital programme forms part of the Council's 'Capital Programme Report 2024/25 to 2027/28'. The HRA capital programme consists of capital budgets for 'Asset Investment' and 'Acquisition and Housing Development.'
- 2.34. The HRA capital programme will be funded via the rental income it retains, also referred to as 'Direct Revenue Financing' (DRF), the Major Repairs Reserve, Right-to-Buy (RTB) receipts, external funding and other capital receipts held.
- 2.35. The repairs and maintenance aspect of the capital programme forms part of the 'Asset Investment Programme.' This element of the capital programme is funded through the MRR.
- 2.36. The Asset Investment Programme not only covers repairs and maintenance, but also energy efficiency measures, fire safety, and redevelopment of existing housing stock.
- 2.37. The Acquisition and Housing Development element of the capital programme is the investment in purchasing and building new affordable housing to be held within the HRA. The current development programme has seen cost pressures associated with the increases across the construction industry.
- 2.38. As of the 31 March 2023, the Council's housing stock totalled 4,418. During 2023/24 there have been 12 RTB sales to date with more anticipated before the end of the year. However, there will be an additional 25 properties added to the stock through the acquisition and development programme giving a net increase to the stock levels for this year.
- 2.39. 2024/25 will then see a decrease in stock levels due to the decant and demolition of St Peters Court.
- 2.40. **Special Services** are made up of revenue costs for Sheltered Schemes, Warden services, caretakers and acquisitions and new build programme. As the acquisitions and new build programmes increases, the associated revenue costs also increase. These costs include for example, architect fees, consultant fees, warranty insurance, marketing, and staffing.

3. Proposal

Rents and service charges

Rent Setting

- 3.1. In accordance with the Rent Standard for 2020, rent increases for 2024/25 will be increased by the September 2023 CPI plus 1%. September CPI was 6.7%, which gives a proposed rent increase of up to 7.7%. Government have confirmed there are no rent increase caps in place for 2024/25.
- 3.2. Official guidance was released by Government on 04 January 2024, the formula rent (a nationwide calculation) will be increased by the September 2023 CPI plus 1% regardless of the rent increase applied to current tenants. The Council has no option on this, and it will affect new tenancies only.
- 3.3. ESC has a commitment to providing all tenants with a home at a decent home's standard, as well as investing in its existing housing stock to meet the Social Housing (Regulation) Act 2023, while building much needed new homes for those waiting on the housing register.
- 3.4. The balance between service provision and protecting current tenants have been carefully considered, and a rent increase of up to 7.7% for 2024/25 is proposed in this report.
- 3.5. The Government's increase to the LHA rate and ESC rent policy to cap affordable rents at the LHA rate will help with the affordability of the rent increase proposed.
- 3.6. Government released the indicative LHA rates for 2024-25 on 09 January 2024. The LHA rate has increased by more than 7.7%, and therefore affordable rents will have the same rent increases applied as social rents.
- 3.7. Rent setting takes place during February each year to ensure the most up to date rents are used as a base and reduces the chance of manual updates relating to properties re-let between February and March (before the new rent values apply).
- 3.8. Applying a 7.7% rent increase in 2024/25, gives an average rent increase of £6.92 per week for social rented properties and £8.23 for affordable rented properties. **Table A** below shows the current average weekly rent value and the anticipated average for both social and affordable rented properties in 2024/25.

Table A

Average Rent	Social Rents	Affordable Rents
2023/24 Average Rent (52 Week Value)	£89.86	£107.37
2024/25 Average Rent (52 Week Value)	£96.78	£115.61
Average Weekly Rent Increase (52 Week Value)	£6.92	£8.23

- 3.9. Due to the affordable rents being capped at the LHA rate, these rents have not seen a rent increase since the last time the LHA was increased, which was back in April 2020, which will be 4 years ago.
- 3.10. The average rent for the East of England as provided by the HomeLet statistics for December 2023 is £1,215 per month. This is the equivalent to £280.38 per week. This equates to ESC 2023/24 average social rent being just 32.04% and affordable rents being 38.29% of the average rents for the area.

- 3.11. The proposed 2024/25 ESC average social rent increases to 34.52% and affordable rents to 41.23% of the average rent charged in the area compared to December 2023. Both still significantly below the average.
- 3.12. The ESC average rent value will fluctuate slightly week-to-week, depending on the number of voids and re-lets during a month. However, the change will be minimum (a few pence different), and it is compared each year during December, giving a consistent approach.
- 3.13. Shared Ownership properties follow a slightly different set of guidance. Although the Shared ownership rent reform was introduced in October 2023, it only affects shared ownership properties purchased or built after this date, and therefore, does not impact on our current shared ownership properties.
- 3.14. Shared Ownership properties are to increase by Retail Price Index (RPI) plus 0.5% each year. The September 2023 RPI was 8.9%, giving an increase to rents of 9.4%.
- 3.15. Applying a 9.4% rent increase to shared ownership properties in 2024/25, gives an average rent increase of £17.54 per month. All Shared ownership properties are charged monthly as per the ESC rent policy. Their rents will vary depending on the valuation of their property and the percentage share bought. **Table B** below shows the current average monthly rent value and the anticipated average value for shared ownership properties in 2024/25.

Table B

Average Rent	Shared Ownership
2023/24 Average Rent (52 Week Value)	£186.56
2024/25 Average Rent (52 Week Value)	£204.10
Average Weekly Rent Increase (52 Week Value)	£17.54

- 3.16. Not increasing social and affordable rents by 7.7% or Shared ownership properties by 9.4% would put a financial strain on the HRA. With increasing demands and costs across all service areas, and the requirement for significant investment in the decarbonisation of the current housing stock and new build programme, the capital programme will suffer if rent increases are not utilised.
- 3.17. Due to the agreement ESC holds with the Secretary of State to retain its RTB receipts, the Council must invest in the provision of new affordable homes. However, the provision of new affordable housing is not a legislative or regulative requirement. If the Capital programme is required to reduce to balance the budget, the investment in new affordable housing would have to be reduced or removed. Any RTB receipts held would need to be gifted to other social housing providers as required by the agreement or returned to Government each year.
- 3.18. Although Government have not announced a new settlement on how rents will be set for the period 2025/26 to 2027/28, the budgets have been based on the same methodology as the previous five-year arrangement. An increase of the September CPI plus 1%. The Bank of England (BoE) CPI predictions plus 1% have been applied to these years.
- 2025/26 (BoE) CPI 2.4% plus 1%
 - 2026/27 (BoE) CPI 2.1% plus 1%

- 2027/28 (BoE) CPI 2.1% plus 1%

If the new settlement arrangement is announced before Full council, the report and budgets will be updated accordingly.

3.19. Other factors are also taken into consideration when calculating the dwelling rent budget for future years. Such as disposals through RTB's or asset management of underperforming stock, reconversions, new build developments and acquisitions.

3.20. The 2024/25 and future year income budgets take into consideration the decant and demolition of St Peters Court. This is a loss of £400,000 plus rent increases each year.

Service charges

3.21. The proposed service charges for 2024/25 are set out in Appendix C of this report. The costs of providing the services have been reviewed and set at a level to ensure that the costs are recovered. The HRA cannot make a profit on the service charges, these are purely to recover HRA costs.

3.22. Not all service charges, outlined in **Appendix C** will increase in 2024/25. This is due to contracts that run for more than one year for a fixed price.

3.23. The average grouped home service charge relates to services provided to sheltered schemes and communal utility costs. The proposed general service charge for grouped homes for 2024/25 is set at an average weekly charge of £19.31. This is an increase of £3.21 compared to 2023/24.

3.24. The average grouped home heating charge is based on the previous full year's cost and reflect the tenants use of utilities in their home. Due to using the previous year's full costs, tenants benefited from no major increases last year, however in fairness to all council tenants who pay for their own heating charges, the recharge should reflect the actual cost of their utility's usage. The proposed heating charge for 2024/25 is £23.71 per week (with 2 'rent free weeks'). This is an increase of £5.58 compared to 2023/24.

3.25. Due to the decant at St Peters Court, it was deemed inappropriate to increase any rents or service charges here, while tenants are waiting to be rehoused.

Garage Rents

3.26. Garage rents are also set out in Appendix C. For 2024/25 tenant's weekly garage rent is proposed to increase from £9.45 to £9.73, an increase of £0.28 on the 2023/24 charge. The proposed increased for non-tenant weekly garage rent is £13.63 from £13.23 (inclusive of VAT), an increase of £0.40 on the 2023/24 charge.

3.27. The Garage rents are based on local market research. Historically, ESC has charged particularly low garage rents, however they are now at a similar level as other Local Council providers. Garage rents form part of the Councils' annual fees and charges report to be considered by Cabinet on 2 January 2024.

Repairs and Maintenance

3.28. The repairs and maintenance revenue budget for 2024/25 has been set at £7.978 million, compared to a revised forecast of £6.781 million in the 2023/24 budget. An analysis of the repairs and maintenance revenue budget is set out in **Appendix D**.

3.29. The amounts included in the repairs and maintenance revenue budget are deemed sufficient to allow the Council to carry out all necessary major works and to maintain the decent homes standard in all its properties. It should also be sufficient to cover

significant levels of work on fire risk safety, compliance contract management and stock condition surveys for the entire HRA stock. The costs associated with the Government's target to ensuring all stock is EPC C or above by 2030 is within the HRA capital programme.

- 3.30. The 2024/25 budget includes increases to cover; additional compliance consultancy support, increased contract costs, extension of the stock condition survey to cover all housing stock, increased budgets to tackle damp and mould and increased staffing budgets relating to compliance management.
- 3.31. Increased revenue costs associated with the decant of St Peters Court fall under special services as part of non-sheltered scheme costs. The decant and demolition has had a £500,000 impact on the 2023/24 forecasted outturn position and increased the 2024/25 to 2025/26 budgets by approximately £1,000,000. These additional costs were approved as part of the report to Cabinet on 3 October 2023. Although over 30 years this was the best financial option, these costs were not included in the original budget.

Human Resources

- 3.32. The budget has been increased to cover staffing requirements of the HRA, with 15 new permanent posts being added in 2024/25 and 1 fixed term posts. This follows the addition of 8.75 new posts during the 2023/24 budgets setting.
- 3.33. The new permanent posts will help to meet the growing demands of all service areas following the introduction of the Social Housing (Regulation) Act 2023, covering services such as housing compliance, housing development, tenant engagement and data analysis.
- 3.34. The cost of these additional posts is £751,000 in 2024/25, increasing to £823,000 by 2027/28.
- 3.35. The HRA needs to increase capacity to meet the requirements of the Social Housing Regulation Act. Ideally, the service requires an additional 45 posts, at a cost of £1.8 million per annum, increasing to £2.05M by 2027/28. However, this cannot currently be afforded. Therefore, as per paragraph 3.34 £751,000 has been added to 2024/25 for 15 of these new posts to support some of the additional roles required. If there are further requirements for posts, which will be over the budget allowed, then a report will be presented to Cabinet for consideration.
- 3.36. The 1 additional fixed term posts is in relation to the decant of St Peters Court to support tenants requiring to be rehoused and was approved as part of the cabinet report 'Asset Review – St Peters Court, Lowestoft' on 3 October 2023.
- 3.37. Further changes to the staffing budgets are a result of the following:
- 2023/24 national pay award agreed.
 - In year vacancies.
 - Updating of job descriptions and regrading.

Other Budget Pressures and Savings

- 3.38. The acceptance of £4.2 million grant funding for the Brownfield Site Release Fund had additional costs associated with it. The total revenue impact was £518,000 between 2023/24 and 2025/26. Also, in addition to this, the HRA had to contribute a further £300,000 to the capital programme for the decontamination of the site.

3.39. Due to the size of the Deben fields new build development, the revenue costs associated with the build are much higher and outside of the existing budgets. Therefore, an additional £700,000 has been added to the budgets between 2024/25 and 2025/26.

3.40. Higher interest rates have given the HRA a boost on its interest income over 2023/24 and 2024/25, providing an additional £1.1 million, which will help contribute towards some of the budget pressures highlighted above.

Reserves and Balances

3.41. The HRA has earmarked reserves as well as the HRA revenue working balance (see section 11.19 in **Appendix A2** for details on the revenue working balance), and the Major Repairs Reserve. **Appendix E** shows the movement and balances of these reserves for the budget period 2023/24 to 2027/28.

3.42. **Brownfield Land Release Reserve** is a new reserve set up during 2023-24 for the grant funding received for the decontamination works at the former Sanyo site and will be spend in accordance with the grant agreement.

3.43. **HRA Debt Repayment Reserve** was set up in 2012/13. The viability of the self-financing regime depends ultimately on the Council acting prudently and in doing so, setting sufficient sums aside to meet its future liabilities. The transfer of funds to the Debt Repayment Reserve gives the Council flexibility around its future decisions for repaying the debt. The balance at 31 March 2028 is forecasted to be £3 million. This is after a planned repayment of a substantial debt instalment of £10 million in 2026/27. Payments into this reserve from 2027/28 will need to increase to meet the following instalment of £10 million due in 2031/32. Future debt repayment instalments will be funded by both the Debt Repayment Reserve and the MRR.

3.44. During 2024/25 the HRA has significant cost pressures. To avoid short-term borrowing and increases in interest payments it is planned to release £1.8 million of the debt repayment reserve back into the HRA revenue account to balance the budget. This will then be replenished between 2025/26 to 2027/28.

3.45. Any savings above the projected outturn for 2023/24 will be used to reduce the need to release funds from this reserve.

3.46. **HRA DHP Top-Up Reserve (also known as the hardship reserve)** was set up in 2012/13 with a fund of £500,000 taking the Welfare Reform Act 2012 into account. The reserve recognised the unexpected and exceptional difficulties tenants may face arising from these changes. Although the Act is now over ten years old, the financial difficulties tenants face has not faded.

3.47. This reserve was set up to 'top up' the Discretionary Housing Payments (DHP) made by the Council by the value used by HRA tenants, only if the total payments made were to exceed the value of the DHP grant received by the Council. To date, this has not been required. With increased Department for Work and Pensions (DWP) grant in recent years, it is unlikely to be required in 2023/24.

3.48. Due to the reserve not being required for its original purpose, discussions have been held, and the reserve is now being utilised for some staffing posts that will benefit our tenants when managing their finances. This includes a finance inclusion officer, and temporary staffing to guide tenants through their rents and service charge refund process as well as the decant at St Peters Court.

- 3.49. The balance is estimated to be £59,000 at 31 March 2028 and will continue to be utilised in future years.
- 3.50. **MMI Reserve** is the Municipal Mutual Insurance Reserve. This reserve covers any potential insurance claims relating to when the Council was covered by this insurer, and the new insurance providers will not cover such claims.
- 3.51. **Acquisition and Development Reserve** is used to transfer in potential underspends during a given financial year, to later fund the acquisition and new build capital programme. The reserve is planned to be utilised between 2023/24 and 2024/25.
- 3.52. **Major Repairs Reserve (MRR)** was set up following the introduction of the self-financing on 1 April 2012 and to meet changes in Accounts and Audit Regulations from 2012/13. Depreciation charged to the HRA is credited to the MRR and can be used to repay the principal elements of the HRA debt, as well as finance capital expenditure on the existing dwelling stock. There are plans to use the MRR to part fund the capital programme in each financial year. The balance at 31 March 2028 is projected to be a £7.436 million. The balance of this reserve is monitored through the 30-year financial business model to ensure it remains at a balance sufficient to fund capital programme repairs and contribute to debt repayment in future years.
- 3.53. The next debt repayment instalment of £960,000 in 2024/25 is planned to be financed by the MMR.
- 3.54. All reserves and balances are allocated to fund both the revenue and capital budgets, including repayment of debt in future years. Anything additional added to these proposed budgets will require borrowing to be taken out against the new build capital programme. However, this is subject to capacity in revenue budgets to cover additional interest payments and servicing new debt.

4. Financial Implications

- 4.1. A summary analysis of the budget movement is shown in **Table C**. This table is supported by **Appendix A1**, that gives a full breakdown of all budget changes between 2024/25 and 2027/28, with a brief explanation to the changes.

Table C

HRA MTFS Updates	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Additional Cost	8,518	3,371	1,763	2,102
Reduced Income	428	442	599	602
Additional Income	-1,690	-955	-858	-1,408
Saving	-327	-439	-903	-3,097
Use of Reserves	-4,390	-1,328	-1,283	-1,120
Net Movement Each Year	2539	1,091	-682	-681
New Movement over the period 2024/25 to 2027/28				2,267

- 4.2. The full HRA budget and relevant information can be seen in **Appendix A2**.
- 4.3. The proposed budgets remain financially sustainable for the HRA, however any unforeseen costs will need to be mitigated by in year savings to be identified. Close budget monitoring will be required.

5. Legal Implications

- 5.1. No Impact directly arising from this report.
- 5.2. The Housing Revenue Account (HRA) reflects the statutory requirement under Section 74 of the Local Government and Housing Act 1989 to account separately for local authority housing provision. It is a ring-fenced account, containing solely the costs arising from the provision and management of the Council's housing stock, offset by tenant rents, service charges and other income. The Council has a statutory responsibility to set a balanced HRA budget.
- 5.3. From 1 April 2020 the Government set out a new policy statement for rents on social housing (the Policy Statement). This was implemented through the Regulator for Social Housing rather than through legislation. The Government published a 'Direction to the Regulator' to set a Rent Standard, and the Regulator is required to have regard to this when setting its Rent Standard. For the first time, the Government has directed the Regulator to apply its Rent Standard to all registered providers, including local authorities.

6. Risk Implications

- 6.1. The HRA self-financing regime transferred the financial risk to the Council. The HRA manages this risk through prudent budgeting, careful financial management and adoption of a rolling 30-year financial business plan. The financial sustainability of the budget is managed by ensuring adequate funds are set aside to repay the debt and appropriate levels of working balances are available for any unforeseen costs. It also gives the HRA the opportunities to meet its business objectives whilst creating efficiencies and savings, giving added value for money.
- 6.2. The HRA budgets 2024/25 to 2027/28 (including a projected outturn for 2023/24) have been updated in the 30-year financial business plan, it shows the current requirements are financially sustainable if the proposed income levels are approved, and no further borrowing will be required at this point.
- 6.3. However, there are significant costs pressures on the HRA during the MTFS, and all reserves and balances have been utilised to fund the budget and capital programme. Adding any further costs will put the financial sustainability of the HRA at risk. Budget will need to be monitored closely and savings identified to cover any in year overspends.
- 6.4. A new HRA 30-year business plan has been purchased and updated with the new budgets. The new business plan provides improved data and financial sustainability indicators to further reduce the risk of future deficits.
- 6.5. In addition to this, significant investment has been made in Housing software to improve the service tenants receive and create delivery efficiencies within the repairs and maintenance service, which will help to improve performance against budget.

7. Options

- 7.1. **HRA Budget Setting:** The Housing Revenue Account Budget forms part of the Council's Budget and Policy Framework. The Council is required to set an annual budget and therefore no other options have been considered for this.
- 7.2. **Rent Setting:** Following four years of compulsory rent reduction, setting rents from 2020/21 below the maximum permitted under the Rent Standard is not recommended. However, the 2023/24 rents were set 1% below the Government cap of 7% to help alleviate financial pressures on our tenants. From 2024/25 it is not recommended to repeat this to ensure financial sustainability within the HRA.
- 7.3. The budgets work on the assumption of increasing rents by the September Consumer Price Index (6.7%) + 1% as per the Rent Standard. Government have confirmed there will be no rent cap for 2024/25 and Local Authorities are expected to follow the Rent Standard.
- 7.4. Other options include setting the rents at less than the September Consumer Price Index (6.7%) + 1%. However, this will have a negative impact on the HRA budget and 30-year business plan and is not recommended.

8. Recommendations

- 8.1. Cabinet to recommend that Council approves the following:
1. The draft HRA budget for 2024/25, and the indicative figures for 2025/26 to 2027/28;
 2. Movements in HRA Reserves and Balances;
 3. Proposed rent increase of up to 7.7%. In line with the Rent Standard September 2023 CPI + 1%.
 4. Service charges and associated fees for 2024/25;
 5. Rent and Service Charges to be charged over a 51-week period unless being used for Temporary Accommodation when a 53-week period will be applied, due to 2024/25 being a 53-week year.
- 8.2. To note the following:
6. Projected outturn position for 2023/24;
 7. Changes affecting public and private sector housing and welfare;
 8. Effects of the cost-of-living crisis to the HRA.

9. Reasons for Recommendations

- 9.1. This report brings together all relevant information to enable Members to review, consider and comment upon the Council's Housing Revenue Account budgets, the proposed rental increase, service and other charges and movements in reserves and balances, before making final recommendations to Full Council on 21 February 2024. This report also forms the basis of Scrutiny Committee's review of the Budget at its meeting on 18 January 2024 as required under the Budget and Policy Framework.
- 9.2. To advise Members of the wider housing and welfare changes that will impact on future service delivery.

10. Conclusions/Next Steps

- 10.1. The HRA budget set for 2024/25 to 2027/28 makes full use of all balances and reserves to provide the best possible service to tenants, make improvements to the existing housing stock to meet the goal of EPC C by 2030 while remaining compliant with the Regulator for Social Housing and deliver much needed additional affordable housing.
- 10.2. This is only possible by increasing rents in line with the Government guidance of the September CPI (6.7%) + 1%. Social rents are considerably less than affordable rents, which are capped at the LHA rate. The LHA rate is set to increase in April 2024, meaning all rents should remain affordable for all tenants.
- 10.3. Although this is a balanced budget, work will continue to be done to identify efficiencies and savings where possible to ensure tenants receive value for money and the HRA remains financially sustainable.
- 10.4. The report will next be presented to Full Council on 21 February 2024 for consideration and approval.

Areas of consideration comments

Section 151 Officer comments:

As per the Constitution, it is the Chief Finance Officers responsibility to present Cabinet with the budget for the Medium-Term Financial Strategy (MTFS), to be approved by Council.

The HRA budget report is compliant with the constitution by delivering a financially sustainable budget that does not go into deficit.

The report will be presented to Council on 21 February 2024.

Monitoring Officer comments:

This report complies with Section 2 of the Budget and Policy Framework Procedure Rules in the Council's Constitution. The setting of the Budget (Capital Programme, Housing Revenue Account, General Fund and Council Tax) is a matter reserved to Full Council, having considered recommendations made by the Cabinet. Scrutiny Committee was given the opportunity to scrutinise the Budget, and make recommendations on the Budget to Cabinet, at its meeting on 18 January 2024.

Equality, Diversity and Inclusion/EQIA:

An Equality impact assessment has been completed for setting the HRA budgets and proposed rent setting for 2024/25, EQIA568922876.

There is potential for a negative impact on low-income households if rents are increased. However, measures have been put in place to support these tenants if this should happen. Affordable rents are capped at the LHA rate which is the most a tenant can receive for the housing element of benefits. This should mean the rents are affordable to all.

Safeguarding:

There is no negative impact on Safeguarding related to this budget.

Crime and Disorder:

There is no negative impact on Crime and Disorder related to this budget.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

The budget does not add any significant impacts on the corporate services of the Council. However, it is worth noting, that withing the HRA budget, the HRA pays a support recharge to the General Fund for the corporate services it used. Therefore, the budget has taken into account the work required from other services and has been reflected in this recharge.

Residents and Businesses consultation/consideration:

Tenants will be informed in writing of any changes to their rent and service charges one month before they take effect, including reference to 2024/25 being a 53-week rent year. Tenants will have the opportunity to speak to their rent officer or the HRA's financial inclusion officers if they have any concerns.

Appendices:

Appendix A1	Budget changes to the financial period 2024/25 to 2027/28
Appendix A2	HRA 2024/25 to 2027/28 Budget – inclusive of 2023/24 forecast position
Appendix B	Summary of Headings on Chart of Accounts
Appendix C	HRA Service and other charges
Appendix D	HRA Repairs and Maintenance Revenue Budget
Appendix E	HRA Balances and Reserve Summary
Appendix F	HRA Budget Key Assumptions

Background reference papers:

Date	Type	Available From
November 2023	Budget Working Papers	Financial Services
November 2023	Bank of England Monetary Policy Report November 2023	Bank rate maintained at 5.25% - November 2023 Bank of England
November 2023	September 2023 CPI	Consumer price inflation, UK - Office for National Statistics
December 2023	HomeLet average rent Statistics	Average Rents in The East of England Average Rental Prices 2023 HomeLet Rental Index
9 January 2024	Increase in LHA rate from April 2024	Indicative Local Housing Allowance rates for 2024 to 2025 - GOV.UK (www.gov.uk)
9 January 2024	Limit on annual rent increase 2024-25 from April 2024	Limit on annual rent increases 2024-25 – from April 2024 (accessible version) - GOV.UK (www.gov.uk)
July 2023	Social Housing (Regulation) Act 2023	Social Housing (Regulation) Act 2023 (legislation.gov.uk)

Budget changes to the financial period 2024/25 to 2027/28

Table D

HRA Budget update	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Description
Additional Cost					
Direct Revenue Financing - source of finance for capital programme	4,418	1,600	0	0	Increase due to changes in Capital programme. Some Capital Grants and Reserve movements contra against these.
St Peters Court - Decant and Demolition	735	48	0	0	Revenue costs associated with the decant and demolition of St Peters Court (excludes staffing).
St Peters Court - Decant and Demolition (Staffing)	24	0	0	0	Additional Staffing Requirements during decant of St Peters Court.
Housing Development Programme	647	0	0	0	Additional revenue costs associated with Housing development. 1 x Damp & Mould Officer, 1 x Operational Lead: Housing Maintenance support, 1 x Senior Development Officer, 1 x Contract Manager - Electrical, 0.4 x Disabled Adaption Manager, 0.5 Policy & Project Officer, 2 x Capital Project Officers and Assistant Project Officer, 1 x Operational Lead: Investment and Ownership, 1 x Housing Officer, 1 x Resident Liaison Officer, 2 x Schedulers, 1 x Tenant Engagement Officer, 1 x Neighbourhood Manager. Also staff pay awards. 2027/28 base is 2026/27 budget.
Additional Staffing Requirements	751	758	795	1,037	
Brownfield Land Release Revenue costs	496	22	0	0	Planning fees and project management of Brownfield Release. Costs to be recovered through land sale at end of project.
Consultancy costs	372	75	50	0	External consultancy costs relating to HRA compliance.
Repairs and Maintenance service cost increase	298	402	415	428	Increase Material costs, increased cost of services and additional compliance works previously approved at cabinet.
running of schemes (sheltered and non- sheltered)	245	203	207	208	Increases in utilities bills for all schemes.
Stock Condition Survey	229	0	0	0	Extend contract for stock condition surveys to cover all HRA stock. Contract to continue from 2023-24 to 2024-25.
Rents, rates and other charges	130	19	0	0	Estimated Council Tax on voids at St Peters Court until demolition.
Depreciation charge	0	121	164	284	Depreciation is linked to the capital programme.
Insurance Premiums	36	44	51	58	External impact, insurance premiums have increased across the Council.
Provision for Bad Debt	35	21	19	16	Increase on provision for bad debt following the rent refunds processed.
Digital Transformation Programme	64	20	24	33	Increase in investment in analytical software and digital transformation programme.
Travel Expenses	16	16	16	16	Increase in travel costs with increased staff, vacancies filled and increased office working.
Tenant Engagement	11	11	11	11	Vacancy filled, increase investment in tenant engagement.
Corporate Subscriptions	11	11	11	11	Housing Ombudsman increased annual fee.
	8,518	3,371	1,763	2,102	
Reduced Income					
Dwelling Rent income	412	426	440	453	Decant of St Peters Court.
Interest on cash balances	0	0	142	136	Forecasted reduced HRA balances in 26/27 & 27/28.
Non Dwelling Income (Leases and Wayleaves)	8	8	8	8	Reduced income due to demolition of St Peters court.
Reimbursement of costs	5	5	5	5	Reduced external use of Choice Based Letting Service.
Non Dwelling Income (Garage Rents)	3	3	4	0	Reduced number of Garages.
	428	442	599	602	

Additional Income					
Dwelling Rent income	-1,017	-635	-675	-1,198	7.7% increase applied to 2024/25. 2027/28 base is 2026/27 budget. BOI predicted CPI + 1% for 2025/26 to 2027/28.
Interest on cash balances	-299	-139	0	0	Increase in average interest received in 24/25 & 25/26.
Service charges and facilities income	-171	-176	-178	-204	Increase to recover costs of services.
Capital Grants and Contributions	-157	0	0	0	Homes England funding towards specific housing development. Contra against increase in DRF.
Contribution towards expenditure	-41	0	0	0	Reserve contribution to specific development sites.
Leaseholders Charges for Services	-5	-5	-5	-5	Improved recharging to leaseholders.
Non Dwelling Income (Garage Rents)	0	0	0	-1	27/28 base is 2026/27 budget. 3% increase applied.
	-1,690	-955	-858	-1,408	
Savings					
Direct Revenue Financing - source of finance for capital programme	0	0	-501	-2,465	Use of Capital Receipts in future years. 2027/28 base is 2026/27 budget.
Support recharge from General Fund to HRA	-205	-185	-179	-137	Support recharges reviewed to reflect the services used by the HRA.
Interest Payable and similar Charges	0	0	0	-302	Interest to reduce in 27/28 following repayment of debt instalment.
Housing Development Programme	0	-156	-91	-56	Revenue costs associated with Housing Development to reflect capital programme requirements.
Dwelling Rent Write-offs	-50	-50	-50	-50	Dwelling rent write off budget to reduce due to rent and service charges refunds.
Depreciation charge	-53	0	0	0	Depreciation is linked to the capital programme.
St Peters Court - Decant and Demolition - Staffing	-9	-37	-39	-39	Savings from posts currently filled by agency relating to St Peters Court.
St Peters Court - Decant and Demolition	0	0	-20	-20	Savings from removing the running costs of St Peters court (excludes staffing).
HRA Contribution to Treasury Management	-10	-11	-12	-17	Contribution reduces inline with HRA share of cash balances
Rents, rates and other charges	0	0	-11	-11	Once redevelopment programme progresses, charges for associated properties/sites will be removed.
	-327	-439	-903	-3,097	
Use of Reserves					
Debt Repayment Reserve	-1,800	200	450	1,150	Use of balance 24/25 to cover in year expenses. To be replenished between 25/26 to 27/28.
Brownfield Land Release Reserve	-1,000	-1,500	-1,704	0	Use of reserve to contra against increase in DRF. - Kirkley Water Front Decontamination.
Acquisition and Development Reserve	-1,486	0	0	0	Use of reserve to contra against increase in DRF. - Development Programme.
Hardship/DHP Top up Reserve	-104	-28	-29	-30	To extend agency cover for rent officers and fund a financial inclusion officer post.
	-4,390	-1,328	-1,283	1,120	
Net Total Movements	2,539	1,091	-682	-681	
	Net Total Movements between 2024/25 and 2027/28			2,267	

11.1 Table D details the changes across each financial year, with a brief description for the change. All changes have been put through the 30-year business plan to ensure the financial viability of the HRA. There is no adverse effect to the long-term financial position of the HRA by making these changes, and no requirement to take on additional borrowing at this stage. However, if the proposed dwelling rent increase of 7.7% is not adopted, or further growth is added to the budgets, borrowing against the new build capital programme will be required or potentially reducing/removing the new build programme.

HRA 2024/25 to 2027/28 Budget – inclusive of Projected outturn for 2023/24

11.2 Table E summarises the 2024/25 budget through to 2027/28, with a projected outturn position for 2023/24. A brief description for each heading can be found in **Appendix B**.

Table E

	2023/24 Budget £'000	2023/24 Projection £'000	2023/24 Movement £'000	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000
Income							
Dwelling Rent	(20,634)	(20,411)	223	(22,136)	(22,440)	(23,040)	(23,550)
Non-Dwelling Rent	(184)	(175)	9	(177)	(181)	(185)	(190)
Service & Other Charges	(732)	(750)	(18)	(911)	(924)	(946)	(972)
Leaseholders Charges for Services	(10)	(20)	(10)	(15)	(15)	(15)	(15)
Contribution towards Expenditure	(57)	(234)	(177)	(74)	(33)	(33)	(33)
Reimbursement of Costs	(68)	(80)	(12)	(64)	(64)	(64)	(64)
Capital Grants and Contributions	-	(4,926)	(4,926)	(157)	-	-	-
Interest Income	(276)	(1,083)	(807)	(575)	(415)	(134)	(140)
Total Income	(21,961)	(27,679)	(5,718)	(24,109)	(24,072)	(24,417)	(24,964)
10% of total income	(2,196)	(2,768)	(572)	(2,411)	(2,407)	(2,442)	(2,496)
Expenditure							
Repairs & Maintenance	6,935	6,786	(153)	7,938	7,715	7,866	8,012
Supervision & Management	3,724	3,862	138	4,024	3,973	4,079	4,203
Special Services	2,705	3,660	959	5,052	2,961	2,956	2,984
Rents, Rates and other Charges	143	188	45	243	131	101	102
Movement in Bad Debt Provision	-	(220)	(220)	34	21	19	16
Contribution to CDC	92	92	-	92	92	92	92
Capital Charges	4,191	4,206	15	4,633	5,100	5,397	5,511
Interest Charges	2,106	2,106	-	2,066	2,026	2,026	1,724
Revenue Contribution to Capital	3,400	6,040	3,011	6,555	3,400	3,199	1,235
Transfer to Earmarked Reserves	(38)	481	519	(4,430)	(1,328)	(1,283)	1,120
Total Expenditure	23,258	27,201	4,314	26,207	24,091	24,452	24,999
Movement in the HRA balance	1,297	(478)	(1,404)	2,098	19	35	35
HRA Balance carried forward	(3,066)	(4,841)	(1,775)	(2,743)	(2,724)	(2,689)	(2,654)

Highlights regarding 2023/24 revised position – Table E

Income

11.3 The reduction in dwelling rent is in relation to the decant of St Peters Court and delays in the new build development programme.

11.4 The small variation in non-dwellings is due to the reduction in the number of garages.

11.5 The small variation in service charges is minimal compared to the size of the budget.

11.6 The increased income on leaseholder charged is due to improved processes on recharging.

11.7 The increase on contribution to expenditure is a combination of:

- Refund on Stamp Duty Paid on properties for social housing over the last 4 years.

- Unexpected funding from the Government towards the new burdens of customer satisfaction measures.
- Additional contributions towards to project management of decontamination of the former Sanyo site.

11.8 Reimbursement on costs includes a one-off recharge for work completed in 2022-23.

11.9 Additional funding received in Capital Grants relates to:

- £4.2 million for the Brownfield release fund.
- £250,000 Suffolk County Council contribution towards the purchase of 2 properties for Homes for Ukraine's.
- £473,000 Homes England funding towards Milton Road new build development.

11.10 Increased interest income due to increased cash balances in year and higher interest rates.

Expenditure

11.11 Saving on Repairs and Maintenance in relation to in year vacancy savings.

11.12 Increased costs on Supervision and Management are in relation to implementation of new ICT software and agency staff for the rents and service charge refund process.

11.13 Increased costs on Special Services are due to the decant and demolition of St Peters Court, Consultancy fees and additional revenue costs associated with the Deben Fields Development.

11.14 The increase in rents, rates and other charges are increased Council Tax payments on void properties in St Peters Court.

11.15 The saving on Bad Debt Provision is based on the knowledge that rent arrears will be reduced due to the rents and service charge refund process.

11.16 The slight change to the Capital charges is the depreciation charge. This is transferred to the Major Repairs Reserve.

11.17 The increase in Revenue contributions to Capital are partly covered by the additional grant funding received (section 11.9), and the use of the acquisition and development reserve.

11.18 The increase to earmark reserves represents all earmark reserve movements that can be seen in detail on appendix E.

2024/25 to 2027/28 Budgets

11.19 **Table E** demonstrates a projected healthy HRA working balance at 31 March 2024. The balance is planned to be drawn down in financial years 2024/25, to make best use of the funds, but always maintaining the required 10% minimum. Best practice is considered to have a minimum working balance that approximates to 10% of the total income received in one year.

11.20 There is a separate provision already set aside in previous financial years to cover all anticipated refunds through the rents and service charge refund process. This process will not impact on the proposed budgets.

SUMMARY OF HEADINGS ON CHART OF ACCOUNT

Income.

- **Dwelling Rent;** Rental income from tenants for housing (Including Housing Benefits).
- **Non-Dwelling Rent;** Rental income for garages, and any other assets rented out by the HRA.
- **Services and other Charges;** Service Charges and nonspecific income.
- **Leaseholder's charges for services;** Recharges to Leaseholders for works and services.
- **Contributions towards expenditure;** External contributions towards expenditure.
- **Reimbursement of costs;** Rechargeable works to a third party.
- **Interest Income;** Interest received on cash balances held by the HRA.

Expenditure.

- **Repairs and Maintenance;** General Repairs and Maintenance to all housing stock.
- **Supervision and Management;** Costs associated with running the HRA, e.g. tenant's services, office-based staff, IT etc.
- **Special Services;** Sheltered schemes, warden costs, property acquisitions, redevelopment/decarbonisation, and new development revenue costs.
- **Rents, Rates, and other Charges;** Council Tax charges for void properties and Business Rates.
- **Movement in Bad Debt Provision;** Bad debt provision is to hold funds to cover debt (arrears) that are unlikely to be recovered by the HRA. Current Bad Debt provision is at £872k.
- **Contribution to CDC;** CDC is Corporate & Democratic Core costs. This is the HRA's contribution towards these.
- **Capital Charges;** Depreciation charged to HRA assets. (This is transferred to the Major Repairs Reserve. This can fund capital work or contribute to paying down the debt).
- **Interest Charges;** The interest payments relating to HRA borrowing.
- **Revenue contribution to Capital;** Capital expenditure is large repairs work such as 'replacing a kitchen' or building new properties. These are funded from either the HRA 'Revenue Contribution,' receipts held through the sale of assets (e.g. Right to Buy Properties), or other reserves and contributions.
- **Transfer to Earmark Reserves;** The HRA has several reserves, but the one used most frequently is the Debt Repayment Reserve. Money is transferred to this reserve each year to pay off the debt held by the HRA.

HRA SERVICE AND OTHER CHARGES

The following charges are based on a 50 week collection year. Under current policies, the following increases/(Decreases) in charges are proposed for 2024/25.

	Average Weekly Charge 2023/24 £	Average Proposed Weekly Charge 2024/25 £	Average Weekly Increase/ (Decrease) £
Grouped Homes Service Charges (average):			
General Service Charge	16.10	19.31	3.21
Heating Charge	18.13	23.71	5.58
Communal Water Charge	1.71	2.29	0.58
Support Charge	3.33	3.33	0.00
Laundry	3.90	3.90	0.00
Caretaker:			
St Peter's Court	7.15	7.15	0.00
Dukes Head Street	5.30	5.45	0.15
Chapel Court	3.75	3.86	0.11
Servicing:			
Septic Tank Emptying/Servicing	5.83	6.12	0.29
Flue Maintenance	2.53	2.71	0.18
Grounds Maintenance (average) *	1.39	1.42	0.03
* Cost vary depending on size of land to maintain.			
Other:			
Communal Area Cleaning Service (average) **	2.55	2.67	0.12
** Cost vary depending on number and size of communal areas.			
Garage Rents:			
Tenants	9.45	9.73	0.28
Non Tenants (net of VAT)	11.03	11.36	0.33 (13.63 inclusive of VAT)

HRA REPAIRS & MAINTENANCE REVENUE BUDGETS

	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28
	Approved	Forecast				
	Budget	Outturn	Budget	Budget	Budget	Budget
	£	£	£	£	£	£
Responsive Maintenance						
Supervision and Management (See note 1 below)	2,365,500	2,745,800	2,997,200	3,069,300	3,088,500	3,094,900
Compliance Consultancy	120,000	110,500	196,700	0	0	0
Compliance Contract Management (See note 2 below)	331,500	356,400	647,600	691,600	716,900	737,900
Jobbing Repairs	1,350,000	1,050,000	1,100,000	1,152,500	1,207,600	1,265,500
Loft and Cavity wall Insulation (See note 3 below)	50,000	35,000	0	0	0	0
Tenant Paint Allowances	40,000	25,000	31,500	33,100	34,800	36,500
Relet Repairs (Voids)	925,000	755,000	807,500	846,900	888,200	931,600
Asbestos - Removal	80,000	155,000	150,000	150,000	150,000	150,000
Asbestos - Testing	95,000	35,000	60,000	60,000	60,000	60,000
Legionella	10,000	35,000	50,000	50,000	50,000	50,000
Internal Communal Areas (See note 4 below)	60,000	0	60,000	60,000	60,000	60,000
Solid Fuel and Heating Repairs	33,000	33,000	34,500	36,100	37,800	39,500
Electrical Testing & Repairs	200,000	200,000	200,000	200,000	200,000	200,000
Emergency Lighting	0	80,000	35,000	35,000	35,000	35,000
External Decoration (See note 4 below)	100,000	40,000	150,000	150,000	150,000	150,000
Roof and PVC Panelling Cleaning (See note 5 below)	25,000	0	0	0	0	0
Fire Fighting Equipment and Detection	17,000	62,000	20,000	20,000	20,000	20,000
Fire Risk Assessments	9,800	20,000	37,400	27,900	17,400	11,800
Fire Alarm Servicing	0	23,300	24,000	24,700	25,400	26,200
Solar Panel and Sprinkler Servicing	0	6,200	7,300	8,400	6,000	7,000
Installation of CO2 detectors (See note 6 below)	0	23,700	0	0	0	0
Stock Condition Survey (See note 7 below)	0	155,000	229,000	0	0	0
Lift servicing, maintenance and installation	55,000	54,000	56,700	58,400	60,200	62,000
Disabled Adaptations	30,000	45,000	30,000	30,000	30,000	30,000
Door Porter and Security Systems	20,000	25,000	20,000	20,000	20,000	20,000
Environmental Works/Energy Efficiency software	7,500	7,500	7,500	7,500	7,500	7,500
Drainage and Pumping Stations	9,600	9,600	9,600	9,600	9,600	9,600
Mutual Exchange	10,000	10,000	10,000	10,000	10,000	10,000
Rechargeable Works - Incl's Leaseholder Properties	40,000	40,000	40,000	40,000	40,000	40,000
Servicing Contracts & Repairs	486,000	469,000	536,000	552,000	568,500	585,500
Total Responsive Maintenance	6,469,900	6,606,000	7,547,500	7,343,000	7,493,400	7,640,500
Planned Maintenance	£	£	£	£	£	£
Chimneys	20,000	10,000	10,000	10,000	10,000	10,000
External Walls, Boundary and retaining walls	60,000	35,000	60,000	60,000	60,000	60,000
Canopy's and Porches	15,000	0	0	0	0	0
Paths / Hardstanding	250,000	50,000	180,000	180,000	180,000	180,000
Outbuildings	40,000	10,000	20,000	20,000	20,000	20,000
Structural / Damp / Drainage / etc (See note 4 below)	80,000	70,000	160,000	160,000	160,000	160,000
Total Planned Maintenance	465,000	175,000	430,000	430,000	430,000	430,000
Total HRA Housing Repairs	6,934,900	6,781,000	7,977,500	7,773,000	7,923,400	8,070,500

Notes:

Note 1 - Supervision and Management of the Repairs and Maintenance Team, unrecoverable cost, stock and equipment.

Note 2 - New Contract Compliance Team managing compliance contracts including fire safety.

Note 3 - Previously a £50,000 revenue budget held. This has been replaced with a £500,000 Capital Budget to focus investment in this area.

Note 4 - Programme of works being worked up during 2023-24 to be implemented from 2024/25 onwards.

Note 5 - Roof cleaning to be combines with external dec works. Not required to be held separate.

Note 6 - Fitting of CO2 Detectors - most of the work was completed in 2022-23, remaining balance paid in 2023-24.

Note 7 - Work planned for 2022-23, now being completed in 2023-24, and contract extended into 2024-25 to cover the whole HRA Stock.

Appendix E

HRA BALANCE AND RESERVE SUMMARY

HRA WORKING BALANCE

	Closing Balance 31/03/23		2023/24 Movements		Closing Balance 31/03/24		2024/25 Movements		Closing Balance 31/03/25		2025/26 Movements		Closing Balance 31/03/26		2026/27 Movements		Closing Balance 31/03/27		2027/28 Movements		Closing Balance 31/03/28	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
HRA Working Balance	-4,363	(478)	0	-4,841	-	2,098	-2,743	0	19	-2,724	-	35	-2,689	-	35	-2,654						-2,654
10% Requirement	-2,085			-2,167			-2,338			-2,366			-2,429			-2,482						-2,482

HRA EARMARKED RESERVES

	Closing Balance 31/03/23		2023/24 Movements		Closing Balance 31/03/24		2024/25 Movements		Closing Balance 31/03/25		2025/26 Movements		Closing Balance 31/03/26		2026/27 Movements		Closing Balance 31/03/27		2027/28 Movements		Closing Balance 31/03/28	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Debt Repayment Reserve	-13,000	-	-	-13,000	-	1,800	-11,200	(200)	-	-11,400	(450)	10,000	-1,850	(1,150)	-	-3,000						-3,000
HRA DHP topup Reserve	-499	-	209	-290	-	144	-146	-	28	-118	-	29	-89	-	30	-59						-59
MMI Reserve	-60	-	-	-60	-	-	-60	-	-	-60	-	-	-60	-	-	-60						-60
Acquisition & Development Reserve	-5,000	-	3,514	-1,486	-	1,486	-	-	-	-	-	-	-	-	-	-						-
Brownfield Land release Reserve	0	(4,204)	-	-4,204	-	1,000	3,204	-	1,500	1,704	-	1,704	-	-	-	-						-
Brampton Sinking Fund	-2	(1)	-	-3	(1)	-	-4	(1)	-	-5	(1)	-	-6	(1)	-	-7						-7
Total HRA Earmarked Reserves	-18,561	-4,205	3,723	-19,043	-1	4,430	-14,614	-201	1,528.00	-13,287	-451	11,733	-2,005	-1,151	30	-3,126						-3,126

HRA CAPITAL RESERVE

	Closing Balance 31/03/23		2023/24 Movements		Closing Balance 31/03/24		2024/25 Movements		Closing Balance 31/03/25		2025/26 Movements		Closing Balance 31/03/26		2026/27 Movements		Closing Balance 31/03/27		2027/28 Movements		Closing Balance 31/03/28	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
HRA Major Repairs Reserve	-15,780	(4,174)	4,074	-15,880	(4,605)	8,404	-12,081	(5,073)	10,498	-6,656	(5,370)	5,290	-6,736	(5,490)	4,790	-7,436						-7,436

HRA BUDGET KEY ASSUMPTIONS

The following key assumptions have been made in the budgets.

Income	2024/25	2025/26	2026/27	2027/28
Dwelling rents annual increase (see paragraph 3.19)	7.7%	3.4%	3.1%	3.1%
Allowance for voids - % of total rent roll	1.3%	1.3%	1.3%	1.3%
Garage rents annual increase	3.0%	3.0%	3.0%	3.0%
Charges for services & facilities annual increase *	N/A	3.00%	3.00%	3.00%
Write-off allowance **	£0	£50,000	£50,000	£50,000
Number of dwellings lost through Right To Buys (RTB's)	15	30	30	30
Number of dwellings lost to demolition	0	90	0	0
Number of new dwellings added to the stock	25	81	20	31
Average interest rate on HRA balances	4.00%	3.00%	3.00%	2.00%

Expenditure

Bad Debt Provision

Due to the rents and service charge refunds an assumption has been made that there will be a reduction in the bad debt requirement during 2023/24, and then a small increase has been added for future years. This will be revised each year.

* The 2024/25 service charges have varying increases, see Appendix C. 3% has been applied to future years inline with increased budget costs.

** No write-off allowance is included in 2024/25 while the rent and service charge audit is being carried out and potential refunds are to be processed.



Committee	Cabinet
Date	06/02/2024
Subject	Southwold Harbour Management Committee – Budget 2024/25
Cabinet Member	Councillor David Beavan Deputy Leader and Cabinet Member with responsibility for Housing
Report Author & Head of Service	Kerry Blair Head of Operations Kerry.blair@eastsoffolk.gov.uk
Director	Kate Blakemore Strategic Director Kate.blakemore@eastsoffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Purpose/Summary

The purpose of this report is for the Southwold Harbour Management Committee (SHMC) to present to Cabinet a recommended Budget for 2024/25.

Recommendation(s)

That Cabinet:

1. Recommends that Full Council approves the 2024/25 Budget for Southwold Harbour, and the Caravan Site and Campsite in Appendix A, as recommended by the Southwold Harbour Management Committee, as part of the overall Council budget at its meeting on 21 February 2024.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	The SHMC must act in the best interests of the Port, which includes ensuring its long-term sustainability and success. Environmental factors are taken into account in the decisions which the SHMC makes.
Sustainable Housing	No impact.
Tackling Inequalities	An Equalities Impact Assessment (EqIA) is not required in respect of this report.
Thriving Economy	The wider representational base of the SHMC and the Advisory Group provides greater opportunities for engagement within our Communities and enables them to contribute to the running of an important local asset. The Governance arrangements support plans to develop or renovate the built environment of the Southwold Harbour Lands, to attract inward investment and tourism, maximise its economic development and support the delivery of infrastructure.
Our Foundations / governance of the organisation	A surplus on the Harbour Account is ringfenced for the Harbour and can only be used to fund Harbour activities. For example, to fund revenue and capital projects and year-end deficits on the Harbour Revenue Account.

Justification for recommendations

1. Background

- 1.1. The Terms of Reference of the Harbour Management Committee state that the Committee will review and then recommend an annual budget, (including rental charges and central re-charges to the Council) to the Cabinet.
- 1.2. A schedule of 2024/25 charges and dues for the Harbour, and the Campsite and Caravan Site was considered by the Committee on 9 November 2023 and approved by Cabinet on 2 January 2024.

2. Introduction

- 2.1. The Southwold Harbour Management Committee considered the Draft 2024/25 Budget at its meeting on 18 January 2024. This is provided in Appendix A. Having reviewed and commented upon the draft budget for next year, it was unanimously agreed by the Committee to recommend the 2024/25 draft budget to Cabinet.
- 2.2. The Committee reviewed the 2023/24 Quarter 3 budget monitoring report at the same meeting.

3. Proposal

- 3.1. For Cabinet to recommend that Full Council approves the 2024/25 Budget for Southwold Harbour, and the Caravan Site and Campsite.

4. Financial Implications

- 4.1. A surplus on the Harbour Account is ringfenced for the Harbour and can only be used to fund Harbour activities. For example, to fund revenue and capital projects and year-end deficits on the Harbour Revenue Account.

5. Legal Implications

- 5.1. There are no legal implications.

6. Risk Implications

- 6.1. There are no risk implications.

7. Options

- 7.1. Recommending an annual budget to Cabinet is a requirement under the Southwold Harbour Management Committee's Terms of Reference.

8. Recommendations

- 8.1. That Cabinet recommends that Full Council approves the 2024/25 Budget for Southwold Harbour, and the Caravan Site and Campsite, as recommended by the Southwold Harbour Management Committee.

9. Reasons for Recommendations

- 9.1. The Terms of Reference of the Harbour Management Committee state that the Committee will review and then recommend an annual budget, (including rental charges and central re-charges to the Council) to the Cabinet.

10. Conclusions/Next Steps

- 10.1. The budget will be approved by Full Council on 21 February 2024 as part of the Council's overall General Fund budget setting for 2024/25. The Council has a statutory duty to set a balanced budget for the coming year.

Areas of consideration comments

Section 151 Officer comments:

This report fulfils the SHMC responsibilities in respect of recommending an annual budget to Cabinet.

Monitoring Officer comments:

No further comments.

Equality, Diversity and Inclusion/EQIA:

No implications.

Safeguarding:

No implications.

Crime and Disorder:

No implications.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

No implications.

Residents and Businesses consultation/consideration:

The Southwold Harbour Management Committee considered the draft Budget for 2024/25 at its meeting on 18 January 2024.

Appendices:

Appendix A	Southwold Harbour Management Committee Draft Budget 2024/25 Report
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Background reference papers:

None.

SOUTHWOLD HARBOUR MANAGEMENT COMMITTEE

Thursday, 18 January 2024

Subject	DRAFT BUDGET 2024/25
Supporting Officer	Kerry Blair Head of Operations kerry.blair@eastsoffolk.gov.uk

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
Wards Affected:	Southwold

Purpose and high-level overview

Purpose of Report:

This report presents to the Committee the draft Budget for 2024/25 for recommendation to the Cabinet.

Recommendation:

That having reviewed and commented upon the draft 2024/25 Budget for the Harbour Account (Appendix B), The Southwold Harbour Management Committee recommended it to Cabinet.

Impact Assessment

Governance:

None directly arising from this report.

Environmental:

None directly arising from this report.

Equalities and Diversity:

None directly arising from this report.

Financial:

This is covered in Section 2 below.

Legal:

None directly arising from this report.

Risk:

None directly arising from this report.

Harbour Business Plan Priorities

To be added when the plan is in place.

East Suffolk Council Strategic Plan Priorities

Select the themes of the Strategic Plan which are supported by this proposal:		
T01	Growing our Economy	<input checked="" type="checkbox"/>
T02	Enabling our Communities	<input checked="" type="checkbox"/>
T03	Maintaining Financial Sustainability	<input checked="" type="checkbox"/>
T04	Delivering Digital Transformation	<input type="checkbox"/>
T05	Caring for our Environment	<input checked="" type="checkbox"/>

Background and Justification for Recommendation

1 Background facts

1.1	The Terms of Reference of the Harbour Management Committee state that the Committee will review and then recommend an annual budget, (including rental charges and central re-charges to the Council) to the Cabinet.
1.2	A schedule of 2024/25 charges and dues for the Harbour, and the Campsite and Caravan Site was considered by the Committee on 9 November 2023 and presented to Cabinet on 2 January 2024.

2 Current position

2.1 **Appendix A** provides an overall summary for the 2024/25 draft budgets for Southwold Harbour and the Caravan Site and Campsite, plus future year budgets to 2026/27. The summary in **Appendix A** also presents a combined position which is shown below.

Southwold Harbour and the Caravan and Campsite Income & Expenditure Budget for MTFS Period 2024-25 - 2027-28

Outturn 2021-22	Outturn 2022-23		Budget 2023-24	MTFS 2024-25	MTFS 2025-26	MTFS 2026-27
£(91,337.02)	£(95,339.00)	Mooring Fees/Harbour Dues	£(94,000.00)	£(94,000.00)	£(94,000.00)	£(94,000.00)
£(75,243.50)	£(56,491.00)	Property Lettings	£(60,000.00)	£(60,000.00)	£(60,000.00)	£(60,000.00)
£(332,994.15)	£(361,037.37)	Touring Fees	£(295,000.00)	£(295,000.00)	£(295,000.00)	£(295,000.00)
£(217,622.90)	£(290,345.80)	Static Caravan Fees	£(297,000.00)	£(297,000.00)	£(297,000.00)	£(297,000.00)
£2,033.83	£(169,310.83)	Other Fees & Charges	£(122,400.00)	£(122,400.00)	£(122,400.00)	£(122,400.00)
£(715,163.74)	£(972,524.00)	Total Income	£(868,400.00)	£(868,400.00)	£(868,400.00)	£(868,400.00)
£258,319.02	£322,262.00	Employee Expenses	£477,900.00	£462,700.00	£472,300.00	£480,100.00
£140,817.33	£219,867.00	Premises Expenses	£257,300.00	£247,200.00	£248,700.00	£250,800.00
£190,397.07	£180,309.00	Supplies & Services	£150,100.00	£150,100.00	£150,100.00	£150,100.00
£589,533.42	£722,438.00	Total Cost	£885,300.00	£860,000.00	£871,100.00	£881,000.00
£(125,630.32)	£(250,086.00)	Total Direct Income/Expenditure	£16,900.00	£(8,400.00)	£2,700.00	£12,600.00
£105,800.00	£105,600.00	Support Recharges	£109,800.00	£130,000.00	£132,800.00	£135,800.00
£105,800.00	£105,600.00	Total Indirect Income/Expenditure	£109,800.00	£130,000.00	£132,800.00	£135,800.00
£(19,830.32)	£(144,486.00)	TOTAL INCOME STATEMENT	£126,700.00	£121,600.00	£135,500.00	£148,400.00

The budget for 2024/25 includes additional planned maintenance work following a condition survey of all Council assets during 2022/23.

Employee expenses reflect the recent changes in staffing structure.

There are no other significant changes to the budget for next year to highlight.

Internal Support Recharges are covered in Section 2.2 below.

2.2 Internal Support Recharges

Internal Support Recharges is the cost of the Council's support services to Southwold Harbour and the Campsite and Caravan Site. The costs are recharged at the end of the year, on a basis that reflects the use of those services, using the same methodology applied across other Council services. Following the establishment of the Southwold Harbour Management Committee in 2021, it is considered appropriate for these recharges to be reviewed annually for budget setting. This is to ensure the overall recharge reflects the Council's support to the new arrangements and is reasonable.

The below table shows the draft budget for 2024/25 support recharges.

Internal Support Recharges for Southwold Harbour and Caravan and Campsite

Support Recharge	2024/25 Budget	
Accounting Services	£16,800	Covers transactional processing, budget monitoring, budget setting and reporting.
Corporate Expenses (Democratic Services, Comms, Health & Safety, Internal Audit)	£8,800	This is based on a percentage of officer time supporting the service area. For 2024/25 this is Democratic Services and Health and Safety.
Customer Services	£20,000	Based on usage of the call centre and website etc.
Estates/Asset Management	£800	This is based on a percentage of officer time supporting the service areas.
Human Resources	£38,100	Fixed charge per person. This covers all of the HR function (recruitment, payroll, etc).
ICT	£36,800	ICT is also a fixed charge per person to cover the kit that is used plus the systems and tech support and infrastructure and license fees.
Legal Services	£4,000	Legal record their time.
Senior and Corporate Management	£4,700	Proportion of Head of Operations.
Total	£130,000	

Appendix B and C provides the detail budgets for 2024/25 for the Harbour and the Caravan Site and Campsite.

3 How to address current situation

- | | |
|-----|--|
| 3.1 | For the Committee to review the draft budget for 2024/25 and to recommend to Cabinet. |
| 3.2 | The budget will be approved by Full Council on 21 February 2024 as part of the Council's overall General Fund budget setting for 2024/25. The Council has a statutory duty to set a balanced budget for the coming year. |

4 Reason/s for recommendation

- | | |
|-----|--|
| 4.1 | To fulfil the Committee's responsibilities in respect of recommending an annual budget to Cabinet. |
|-----|--|

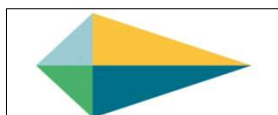
Appendices

Appendices:

Appendix A	Draft Budget Summary for 2023/24 and MTFS Period 2024/25 to 2026/27
Appendix B	Detailed Draft Budget for 2023/24 and MTFS Period 2024/25 to 2026/27 (Harbour)
Appendix C	Detailed Draft Budget for 2023/24 and MTFS Period 2024/25 to 2026/27 (Caravan and Camp Site)

Background reference papers:

None



Southwold Harbour Income & Expenditure Budget for MTFS Period 2024-25 - 2027-28

Outturn 2021-22	Outturn 2022		Budget 2023-24	MTFS 2024	MTFS 2025	MTFS 2026-27	Notes
£(91,337.02)	£(95,339.00)	Mooring Fees	£(94,000.00)	£(94,000.00)	£(94,000.00)	£(94,000.00)	Daily Mooring Fees, Electricity and Fuel, revenue is not guaranteed
£(75,243.50)	£(56,491.00)	Property Lettings	£(60,000.00)	£(60,000.00)	£(60,000.00)	£(60,000.00)	
£(132,780.50)	£(158,600.00)	Other Fees & Charges	£(110,200.00)	£(110,200.00)	£(110,200.00)	£(110,200.00)	
£(299,361.02)	£(310,430.00)	Total Income	£(264,200.00)	£(264,200.00)	£(264,200.00)	£(264,200.00)	
£100,720.51	£102,986.00	Employee Expenses	£130,300.00	£107,900.00	£110,200.00	£112,100.00	Maintenance for Mooring Platforms
£18,347.35	£27,464.00	Premises Expenses	£34,300.00	£32,900.00	£29,700.00	£30,000.00	
£51,693.68	£96,052.00	Supplies & Services	£62,900.00	£62,900.00	£62,900.00	£62,900.00	
£170,761.54	£226,502.00	Total Cost	£227,500.00	£203,700.00	£202,800.00	£205,000.00	
£(128,599.48)	£(83,928.00)	Total Direct Income/Expenditure	£(36,700.00)	£(60,500.00)	£(61,400.00)	£(59,200.00)	
£32,300.00	£35,500.00	Support Recharges	£36,800.00	£42,200.00	£43,200.00	£44,400.00	
£32,300.00	£35,500.00	Total Indirect Income/Expenditure	£36,800.00	£42,200.00	£43,200.00	£44,400.00	
£(96,299.48)	£(48,428.00)	TOTAL INCOME STATEMENT	£100.00	£(18,300.00)	£(18,200.00)	£(14,800.00)	

Southwold Caravan and Campsite Income & Expenditure Budget for MTFS Period 2024-25 - 2027-28

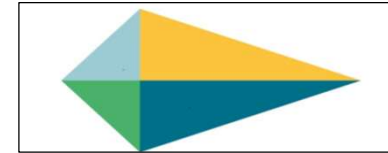
Outturn 2021-22	Outturn 2022		Budget 2023-24	MTFS 2024	MTFS 2025	MTFS 2026-27	Notes
£(332,994.15)	£(361,037.37)	Touring Fees	£(295,000.00)	£(295,000.00)	£(295,000.00)	£(295,000.00)	Touring Fees for 2021-22 were particularly buoyant due to the relaxation of COVID Rules and the weather COVID Refunds 2021-22 includes a COVID grant of £100,303
£(217,622.90)	£(290,345.80)	Static Caravan Fees	£(297,000.00)	£(297,000.00)	£(297,000.00)	£(297,000.00)	
£134,814.33	£(10,710.83)	Other Fees & Charges	£(12,200.00)	£(12,200.00)	£(12,200.00)	£(12,200.00)	
£(415,802.72)	£(662,094.00)	Total Income	£(604,200.00)	£(604,200.00)	£(604,200.00)	£(604,200.00)	
£157,598.51	£219,276.00	Employee Expenses	£347,600.00	£354,800.00	£362,100.00	£368,000.00	Vacant Southwold Manager post in 2022-23, now filled Utilities
£122,469.98	£192,403.00	Premises Expenses	£223,000.00	£214,300.00	£219,000.00	£220,800.00	
£138,703.39	£84,257.00	Supplies & Services	£87,200.00	£87,200.00	£87,200.00	£87,200.00	
£418,771.88	£495,936.00	Total Cost	£657,800.00	£656,300.00	£668,300.00	£676,000.00	
£2,969.16	£(166,158.00)	Total Direct Income/Expenditure	£53,600.00	£52,100.00	£64,100.00	£71,800.00	
£73,500.00	£70,100.00	Support Recharges	£73,000.00	£87,800.00	£89,600.00	£91,400.00	
£73,500.00	£70,100.00	Total Indirect Income/Expenditure	£73,000.00	£87,800.00	£89,600.00	£91,400.00	
£76,469.16	£(96,058.00)	TOTAL INCOME STATEMENT	£126,600.00	£139,900.00	£153,700.00	£163,200.00	

Southwold Harbour and the Caravan and Campsite Income & Expenditure Budget for MTFS Period 2024-25 - 2027-28

Outturn 2021-22	Outturn 2022		Budget 2023-24	MTFS 2024	MTFS 2025	MTFS 2026-27	Notes
£(91,337.02)	£(95,339.00)	Mooring Fees/Harbour Dues	£(94,000.00)	£(94,000.00)	£(94,000.00)	£(94,000.00)	
£(75,243.50)	£(56,491.00)	Property Lettings	£(60,000.00)	£(60,000.00)	£(60,000.00)	£(60,000.00)	
£(332,994.15)	£(361,037.37)	Touring Fees	£(295,000.00)	£(295,000.00)	£(295,000.00)	£(295,000.00)	
£(217,622.90)	£(290,345.80)	Static Caravan Fees	£(297,000.00)	£(297,000.00)	£(297,000.00)	£(297,000.00)	
£2,033.83	£(169,310.83)	Other Fees & Charges	£(122,400.00)	£(122,400.00)	£(122,400.00)	£(122,400.00)	
£(715,163.74)	£(972,524.00)	Total Income	£(868,400.00)	£(868,400.00)	£(868,400.00)	£(868,400.00)	
£258,319.02	£322,262.00	Employee Expenses	£477,900.00	£462,700.00	£472,300.00	£480,100.00	
£140,817.33	£219,867.00	Premises Expenses	£257,300.00	£247,200.00	£248,700.00	£250,800.00	
£190,397.07	£180,309.00	Supplies & Services	£150,100.00	£150,100.00	£150,100.00	£150,100.00	
£589,533.42	£722,438.00	Total Cost	£885,300.00	£860,000.00	£871,100.00	£881,000.00	
£(125,630.32)	£(250,086.00)	Total Direct Income/Expenditure	£16,900.00	£(8,400.00)	£2,700.00	£12,600.00	
£105,800.00	£105,600.00	Support Recharges	£109,800.00	£130,000.00	£132,800.00	£135,800.00	
£105,800.00	£105,600.00	Total Indirect Income/Expenditure	£109,800.00	£130,000.00	£132,800.00	£135,800.00	
£(19,830.32)	£(144,486.00)	TOTAL INCOME STATEMENT	£126,700.00	£121,600.00	£135,500.00	£148,400.00	

Budget 2022-23 - 2025-26

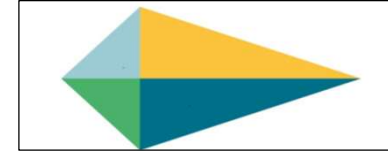
23514 - Southwold Harbour
Harbours and Yacht Stations
Communities, Leisure and Tourism
Peter Simmons
Kerry Blair



Account Code & Description	Budget	MTFS	MTFS	MTFS	Notes
	2324B £	2425I £	2526P £	2627E £	
Direct Income & Expenditure					
Income					
67191 General Vatable Sales 20%	£(20,000.00)	£(20,000.00)	£(20,000.00)	£(20,000.00)	Mooring Fees
67444 Vatable Leisure Activity Fees	£(74,000.00)	£(74,000.00)	£(74,000.00)	£(74,000.00)	Harbour Dues
67466 Vatable Staff Costs Recovered	£(800.00)	£(800.00)	£(800.00)	£(800.00)	Internal Staff , between Harbour and Campsite
67481 Vatable Energy Costs Recovered 5%	£(31,400.00)	£(31,400.00)	£(31,400.00)	£(31,400.00)	Electricity/Diesel
67491 General Vatable Fees & Charges	£0.00	£0.00	£0.00	£0.00	
67615 Exempt Leisure Activity Fees	£0.00	£0.00	£0.00	£0.00	
67791 General Outside Scope Fees & Charges	£0.00	£0.00	£0.00	£0.00	
67815 Vatable Property Lettings	£(6,000.00)	£(6,000.00)	£(6,000.00)	£(6,000.00)	Storage
67835 Exempt Property Lettings	£(60,000.00)	£(60,000.00)	£(60,000.00)	£(60,000.00)	Rent Fisherman's Huts etc
67838 Exempt Wayleaves & Easements	£0.00	£0.00	£0.00	£0.00	
Total Cust & Client Receipts	£(192,200.00)	£(192,200.00)	£(192,200.00)	£(192,200.00)	
Total Grants & Contributions	£0.00	£0.00	£0.00	£0.00	
Total Recharges/Other Income	£(72,000.00)	£(72,000.00)	£(72,000.00)	£(72,000.00)	
TOTAL INCOME	£(264,200.00)	£(264,200.00)	£(264,200.00)	£(264,200.00)	
Expenditure					

Budget 2022-23 - 2025-26

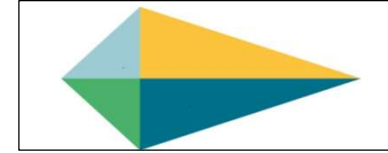
**23514 - Southwold Harbour
Harbours and Yacht Stations
Communities, Leisure and Tourism
Peter Simmons
Kerry Blair**



Account Code & Description	Budget	MTFS	MTFS	MTFS	Notes
	2324B £	2425I £	2526P £	2627E £	
71111 Basic Pay	£66,500.00	£67,800.00	£69,100.00	£70,500.00	
71121 Overtime	£10,700.00	£11,200.00	£11,500.00	£11,500.00	
71151 Employers National Insurance	£8,100.00	£8,400.00	£8,600.00	£8,800.00	
71161 Employers Superannuation	£19,300.00	£19,700.00	£20,200.00	£20,500.00	
Total Direct Employee Expenses	£104,600.00	£107,100.00	£109,400.00	£111,300.00	
71312 Recruitment Advertising	£0.00	£0.00	£0.00	£0.00	
71321 Technical Training	£25,000.00	£0.00	£0.00	£0.00	
71331 Employee Insurances	£700.00	£800.00	£800.00	£800.00	
Total Other Employee Expenses	£25,700.00	£800.00	£800.00	£800.00	
72111 Building Services - Planned Maintenance	£4,400.00	£3,500.00	£0.00	£0.00	
72114 Building Services - Responsive Maintenance	£10,000.00	£10,000.00	£10,000.00	£10,000.00	
72131 Vandalism	£1,000.00	£1,000.00	£1,000.00	£1,000.00	
72135 Asbestos	£200.00	£0.00	£0.00	£0.00	
72136 Legionella	£500.00	£0.00	£0.00	£0.00	
72211 Electricity	£7,200.00	£7,200.00	£7,200.00	£7,200.00	
72214 Gas	£0.00	£0.00	£0.00	£0.00	
72217 Oil	£0.00	£0.00	£0.00	£0.00	
72311 Rents Payable	£0.00	£0.00	£0.00	£0.00	
72317 Business Rates	£7,500.00	£7,700.00	£7,900.00	£8,200.00	
72411 Water	£300.00	£300.00	£300.00	£300.00	
72414 Sewerage Charge	£0.00	£0.00	£0.00	£0.00	
72511 Cleaning Materials	£1,200.00	£1,200.00	£1,200.00	£1,200.00	
72527 Other Cleaning Services	£0.00	£0.00	£0.00	£0.00	

Budget 2022-23 - 2025-26

23514 - Southwold Harbour
Harbours and Yacht Stations
Communities, Leisure and Tourism
Peter Simmons
Kerry Blair



Account Code & Description	Budget	MTFS	MTFS	MTFS	Notes
	2324B £	2425I £	2526P £	2627E £	
72711 Fire Insurance	£2,000.00	£2,000.00	£2,100.00	£2,100.00	
72817 Other General Premises Expenses	£0.00	£0.00	£0.00	£0.00	
Total Premises Expenses	£34,300.00	£32,900.00	£29,700.00	£30,000.00	
73114 Repairs & Service	£1,200.00	£1,200.00	£1,200.00	£1,200.00	
73231 Insurance	£400.00	£400.00	£400.00	£400.00	
Total Transport Expenses	£400.00	£400.00	£400.00	£400.00	
74111 Health and Safety	£13,500.00	£13,500.00	£13,500.00	£13,500.00	H&S Signs, PAT Testing, Fire Extinguisher Service
74114 Furniture and Equipment	£3,200.00	£3,200.00	£3,200.00	£3,200.00	
74117 Machine Repair & Maintenance	£2,000.00	£2,000.00	£2,000.00	£2,000.00	Tractor Service
74121 Materials For Resale	£30,000.00	£30,000.00	£30,000.00	£30,000.00	Red Diesel for Resale
74213 Clothing & Uniforms	£400.00	£400.00	£400.00	£400.00	
74335 Internal Printing	£0.00	£0.00	£0.00	£0.00	
74346 External Printing	£0.00	£0.00	£0.00	£0.00	
74357 Stationery	£300.00	£300.00	£300.00	£300.00	
74402 Insurance Premiums	£0.00	£0.00	£0.00	£0.00	
74414 Consultants	£0.00	£0.00	£0.00	£0.00	
74425 Legal Fees	£0.00	£0.00	£0.00	£0.00	Tax on Diesel
74491 Bank Fees	£0.00	£0.00	£0.00	£0.00	Credit Card Machine
74492 Other Ext Provided Services	£1,800.00	£1,800.00	£1,800.00	£1,800.00	
74515 Postages	£600.00	£600.00	£600.00	£600.00	
74526 Telephone Calls/Data/Broadband	£1,200.00	£1,200.00	£1,200.00	£1,200.00	
74548 Hardware Maintenance	£0.00	£0.00	£0.00	£0.00	
74570 Software Maintenance	£0.00	£0.00	£0.00	£0.00	

Budget 2022-23 - 2025-26

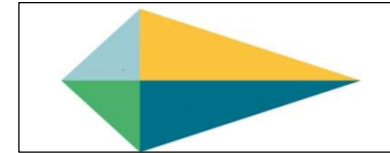
**23514 - Southwold Harbour
Harbours and Yacht Stations
Communities, Leisure and Tourism
Peter Simmons
Kerry Blair**



Account Code & Description	Budget	MTFS	MTFS	MTFS	Notes
	2324B £	2425I £	2526P £	2627E £	
74717 Subsistence	£0.00	£0.00	£0.00	£0.00	
74811 Grants & Contributions Expenditure	£0.00	£0.00	£0.00	£0.00	
74992 Miscellaneous Other Services	£0.00	£0.00	£0.00	£0.00	
Total Supplies & Services	£53,000.00	£53,000.00	£53,000.00	£53,000.00	
78611 Internal Recharges	£9,500.00	£9,500.00	£9,500.00	£9,500.00	
Total Recharges/Other expenditure	£9,500.00	£9,500.00	£9,500.00	£9,500.00	
TOTAL DIRECT EXPENDITURE	£227,500.00	£203,700.00	£202,800.00	£205,000.00	
TOTAL DIRECT INCOME AND EXPENDITURE	£(36,700.00)	£(60,500.00)	£(61,400.00)	£(59,200.00)	
Support Services	£42,200.00	£43,200.00	£44,400.00	£44,400.00	
Total Support Services	£42,200.00	£43,200.00	£44,400.00	£44,400.00	
78112 Depreciation Charge	£0.00	£0.00	£0.00	£0.00	
78128 Revaluation Losses	£0.00	£0.00	£0.00	£0.00	
Total Capital/Other Adjustments	£0.00	£0.00	£0.00	£0.00	
No. Name					
71221 Supn - Reverse Cash Payments	£0.00	£0.00	£0.00	£0.00	
71231 Supn - Current Service (Pension)	£0.00	£0.00	£0.00	£0.00	

Budget 2022-23 - 2025-26

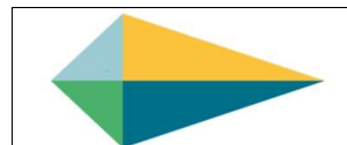
23514 - Southwold Harbour
 Harbours and Yacht Stations
 Communities, Leisure and Tourism
 Peter Simmons
 Kerry Blair



Account Code & Description	Budget	MTFS	MTFS	MTFS	Notes
	2324B £	2425I £	2526P £	2627E £	
Total Pension Fund Adjustments	£0.00	£0.00	£0.00	£0.00	
TOTAL INDIRECT EXPENDITURE	£42,200.00	£43,200.00	£44,400.00	£44,400.00	
TOTAL INCOME STATEMENT	£5,500.00	£(17,300.00)	£(17,000.00)	£(14,800.00)	

Budget 2022-23 - 2025-26

23707 - Southwold Caravan and Camping Site
 Caravan and Camping Sites
 Communities, Leisure and Tourism
 Peter Simmons
 Kerry Blair



Account Code & Description	Budget 2223B £	MTFS 2324I £	MTFS 2425P £	MTFS 2526E £	Notes
Direct Income & Expenditure					
Income					
67191 General Vatable Sales 20%	£0.00	£0.00	£0.00	£0.00	
67194 General Vatable Sales 5%	£(9,000.00)	£(9,000.00)	£(9,000.00)	£(9,000.00)	
67292 General Zero Rated Sales	£0.00	£0.00	£0.00	£0.00	
67393 General Exempt Sales	£0.00	£0.00	£0.00	£0.00	
67444 Vatable Leisure Activity Fees	£0.00	£0.00	£0.00	£0.00	
67491 General Vatable Fees & Charges	£(3,200.00)	£(3,200.00)	£(3,200.00)	£(3,200.00)	
67691 Exempt General Fees & Charges	£0.00	£0.00	£0.00	£0.00	
67751 Cash Over/Short	£0.00	£0.00	£0.00	£0.00	
67791 General Outside Scope Fees & Charges	£0.00	£0.00	£0.00	£0.00	
67811 Vatable Land Rents	£(592,000.00)	£(592,000.00)	£(592,000.00)	£(592,000.00)	Touring Fees £295,000 Static Caravans £297,000 (Includes an allowance for vacant sites)
67813 Vatable Land Rents 5%	£0.00	£0.00	£0.00	£0.00	
Total Cust & Client Receipts	£(604,200.00)	£(604,200.00)	£(604,200.00)	£(604,200.00)	
	£0.00	£0.00	£0.00	£0.00	
Total Grants & Contributions	£0.00	£0.00	£0.00	£0.00	
68611 Internal Recharges Income	£0.00	£0.00	£0.00	£0.00	
Total Recharges/Other Income	£0.00	£0.00	£0.00	£0.00	
TOTAL INCOME	£(604,200.00)	£(604,200.00)	£(604,200.00)	£(604,200.00)	
Expenditure					

71111 Basic Pay	£199,800.00	£204,900.00	£210,100.00	£214,300.00
71121 Overtime	£17,000.00	£17,000.00	£17,000.00	£17,000.00
71151 Employers National Insurance	£22,400.00	£23,100.00	£23,800.00	£24,400.00
71161 Employers Superannuation	£54,200.00	£55,500.00	£56,800.00	£57,800.00
71171 Contract Staff	£52,000.00	£52,000.00	£52,000.00	£52,000.00
Total Direct Employee Expenses	£345,400.00	£352,500.00	£359,700.00	£365,500.00
71331 Employee Insurances	£2,200.00	£2,300.00	£2,400.00	£2,500.00
Total Other Employee Expenses	£2,200.00	£2,300.00	£2,400.00	£2,500.00
72111 Building Services - Planned Maintenance	£12,500.00	£4,400.00	£7,400.00	£7,400.00
72114 Building Services - Responsive Maintenance	£40,000.00	£40,000.00	£40,000.00	£40,000.00
72131 Vandalism	£1,000.00	£1,000.00	£1,000.00	£1,000.00
72135 Asbestos	£300.00	£0.00	£0.00	£0.00
72136 Legionella	£2,000.00	£0.00	£0.00	£0.00
72138 Pest Control	£700.00	£700.00	£700.00	£700.00
72211 Electricity	£87,100.00	£87,100.00	£87,100.00	£87,100.00
72214 Gas	£7,600.00	£7,600.00	£7,600.00	£7,600.00
72317 Business Rates	£47,700.00	£49,200.00	£50,600.00	£52,200.00
72411 Water	£10,800.00	£11,000.00	£11,300.00	£11,500.00
72414 Sewerage Charge	£0.00	£0.00	£0.00	£0.00
72511 Cleaning Materials	£8,000.00	£8,000.00	£8,000.00	£8,000.00
72521 Refuse Collection	£0.00	£0.00	£0.00	£0.00
72527 Other Cleaning Services	£0.00	£0.00	£0.00	£0.00
72612 Grounds Maintenance - Variations	£0.00	£0.00	£0.00	£0.00
72617 Grounds Maintenance - Other	£2,300.00	£2,300.00	£2,300.00	£2,300.00
72711 Fire Insurance	£1,400.00	£1,400.00	£1,400.00	£1,400.00
72712 Engineering Insurance	£300.00	£300.00	£300.00	£300.00
Total Premises Expenses	£221,700.00	£213,000.00	£217,700.00	£219,500.00
73111 Fuel	£100.00	£100.00	£100.00	£100.00
73114 Repairs & Service	£1,200.00	£1,200.00	£1,200.00	£1,200.00
73222 Car Allowances - Lump Sum	£0.00	£0.00	£0.00	£0.00
Total Transport Expenses	£1,300.00	£1,300.00	£1,300.00	£1,300.00
74111 Health and Safety	£15,000.00	£15,000.00	£15,000.00	£15,000.00
74114 Furniture and Equipment	£3,200.00	£3,200.00	£3,200.00	£3,200.00
74117 Machine Repair & Maintenance	£2,000.00	£2,000.00	£2,000.00	£2,000.00

74121 Materials For Resale	£17,000.00	£17,000.00	£17,000.00	£17,000.00
74127 General Purchases	£0.00	£0.00	£0.00	£0.00
74131 Equipment Hire	£2,200.00	£2,200.00	£2,200.00	£2,200.00
74213 Clothing & Uniforms	£600.00	£600.00	£600.00	£600.00
74335 Internal Printing	£0.00	£0.00	£0.00	£0.00
74346 External Printing	£0.00	£0.00	£0.00	£0.00
74357 Stationery	£1,000.00	£1,000.00	£1,000.00	£1,000.00
74391 Other Office Expenses	£0.00	£0.00	£0.00	£0.00
74414 Consultants	£0.00	£0.00	£0.00	£0.00
74491 Bank Fees	£1,000.00	£1,000.00	£1,000.00	£1,000.00
74492 Other Ext Provided Services	£1,500.00	£1,500.00	£1,500.00	£1,500.00
74515 Postages	£500.00	£500.00	£500.00	£500.00
74526 Telephone Calls/Data/Broadband	£1,200.00	£1,200.00	£1,200.00	£1,200.00
74537 Hardware Purchases	£0.00	£0.00	£0.00	£0.00
74548 Hardware Maintenance	£0.00	£0.00	£0.00	£0.00
74559 Software Purchases	£0.00	£0.00	£0.00	£0.00
Total Supplies & Services	£45,200.00	£45,200.00	£45,200.00	£45,200.00
	£0.00	£0.00	£0.00	£0.00
Total Third Party Payments	£0.00	£0.00	£0.00	£0.00
76131 Settlement Of Complaints	£0.00	£0.00	£0.00	£0.00
Total Transfer Payments	£0.00	£0.00	£0.00	£0.00
78611 Internal Recharges	£42,000.00	£42,000.00	£42,000.00	£42,000.00
Total Recharges/Other expenditure	£42,000.00	£42,000.00	£42,000.00	£42,000.00
TOTAL DIRECT EXPENDITURE	£657,800.00	£656,300.00	£668,300.00	£676,000.00
TOTAL DIRECT INCOME AND EXPENDITURE	£53,600.00	£52,100.00	£64,100.00	£71,800.00
Support Services	£87,800.00	£89,600.00	£91,400.00	£91,800.00
Total Support Services	£87,800.00	£89,600.00	£91,400.00	£91,800.00
TOTAL INDIRECT EXPENDITURE	£87,800.00	£89,600.00	£91,400.00	£91,800.00
TOTAL INCOME STATEMENT	£141,400.00	£141,700.00	£155,500.00	£163,600.00



Committee	Cabinet
Date	06/02/2024
Subject	2023/24 Quarter 3 Financial Performance Report
Cabinet Member	Councillor Vince Langdon-Morris Cabinet Member with responsibility for Resources and Value for Money
Report Author(s)	Danielle Patterson Finance Business Partner/Acting Finance Planning Manager Danielle.patterson@eastsoffolk.gov.uk
Head of Service	Lorraine Rogers Chief Finance Officer & Section 151 Officer Lorraine.rogers@eastsoffolk.gov.uk
Director	Chris Bally Chief Executive Chris.bally@eastsoffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable.
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Purpose/Summary

This report provides an overview of Council's Financial performance, comparing the actual expenditure and income position at the end of Quarter three (April – December 2023), to the approved General Fund budget for 2023/24 for both Revenue and Capital.

The report provides a summary of the Housing Revenue Account's (HRA) Revenue and Capital Position at the end of December 2023, which includes a forecast position of reserves.

This report summarises details of the key risks highlighted within 2023/24, which may lead to future General Fund and HRA financial implications over the duration of the Medium Term Financial Strategy (MTFS).

Recommendation(s)

That Cabinet:

1. Notes the Council's financial position for the period April – December 2023 against the profiled General Fund budget, and the forecast position for the end of the year.
2. Notes the approved budget change variations following the original 2023/24 budget approval in February 2023 and the impact on the General fund for 2023/24.
3. Notes the areas of financial risk identified, the impact of which is reflected in the Medium-Term Financial Strategy.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	For 2023/24, the Council holds a revised budget in the region of £3.143m for Environmental Services and Port Health. £1.545m supports Environmental Protection. This includes resourcing to help co-ordinate and support the delivery of the Council's commitment to net Zero by 2030.
Sustainable Housing	For 2023/24, the Council holds a Housing Services revised budget of £5.460m. Budget provisions include the use of Rough Sleeper Initiative and Homelessness Prevention grant to support the prevention of homelessness within the district. Actual Homelessness expenditure for the period April to December 2023 totals £2.719m, offset by income and grant received of £2.527k. Grant received must be utilised by 31 st March 2024.
Tackling Inequalities	For 2023/24, the Council holds a revised budget in the region of £3.963m for Communities, which includes Community Safety and Anti-Social Behaviour. The need to address and reduce anti-social behaviour is an ambition of the Strategic Plan. Budget revisions in year include

	<p>an increase to the staffing budget to ensure this service is adequately resourced on a permanent basis going forward.</p> <p>2023/24 includes the creation of a new Health & Wellbeing service area, including actuals which reflect the receipt of £0.463m grant funding in year.</p>
<p>Thriving Economy</p>	<p>2023/24 reflects the first operational year following the incorporation of ESSL following the termination of the joint venture between East Suffolk Council and Norse.</p> <p>Economic Development and Regeneration budgets have been revised from £2.393m to £3.172m, an uplift of £0.779m. Expenditure supports Town Development projects, Landguard and the Heritage Action Zone scheme.</p> <p>Projects aim to improve the economic viability of our towns and encourage enterprise, innovation and creativity throughout the district as detailed within the Strategic Plan.</p> <p>ICT budgets include extended projects such as Smart Town, aimed at providing extend Wi-Fi coverage in markets - Saxmundham, Leiston, Lowestoft, Aldeburgh and Halesworth.</p>
<p>Our Foundations / governance of the organisation</p>	<p>Budget monitoring demonstrations repetitive good governance procedures, ensuring financial sustainability is maintained and ensuring the Council's resources are closely monitored ensuring value for money is achieved.</p> <p>East Suffolk Council policies and strategies which directly apply are as follows:</p> <ul style="list-style-type: none"> • Our Direction 2028 • East Suffolk Strategic Plan • East Suffolk Medium Term Financial Strategy • Capital Programme • Housing Revenue Account • East Suffolk Treasury Management Strategy and Treasury Management Policy • Annual Governance Statement • Finance Procedure Rules • Financial Management Code

Justification for recommendations

1. Background

- 1.1. Budget Monitoring is a vital review process ensuring that the Council remains financial sustainable and monitors the Council's ongoing financial pressures, along with its ability to achieve its longer-term goals outlined within the Strategic plan for both current and future years.
- 1.2. The detail provided, reviews the actual expenditure and income position at the end of December 2023 and provides variance commentary to support any differences year to date.
- 1.3. Monitoring is also completed for the Council's Capital programmes, reviewing, capturing and identifying the impacts of in year changes, along with future risks as a result of a changing economic climate.

2. Introduction

- 2.1. This report compares the actual expenditure and income position at the end of Decembers 2023 to the profiled General Fund budget for 2023/24, which was approved in February 2023 along with the approved budgets changes year to date.
- 2.2. Budget Monitoring will be continually completed throughout the financial year alongside the Corporate Leadership Team and Responsible Officers for each service and is aimed at ensuring the underpinning objective of value for money is achieved, ensuring spending remains economic, efficient, and effective.
- 2.3. The original General Fund base budget for 2023/24 was approved by Cabinet in February 2023 and reflected a balanced budget. Approved budget changes totalling £2.518m have been made in year, resulting in a revised budget of £52.753m. The General Fund summary included within **Appendix A** forecasts the financial position for the 2023/24 financial year to result in a surplus of 0.263m.
- 2.4. Forecasts aim to capture both the key cost pressures impacting both the current financial year, along with any unexpected favourable movements which may occur. Key variances include the impact of the 2023/24 pay award and increased insurance premiums due to inflation, along with income reductions in some areas due to current economy conditions. These movements are offset by favourable variances such as additional income expected from treasury investments due to favourable rates and ad hoc items such as the repayment of overpaid non-business VAT in relation to a predecessor Council, Waveney District Council, for the provision of leisure services.
- 2.5. Appendices A and B provide narrative on significant variances identified from the budget monitoring process carried out between Finance and Services for General Fund service

income and expenditure. The narrative provided aims to supply further information enabling the Authority to monitor its resources for the current and future financial years.

- 2.6. The General Fund Monitoring analysis detailed within **Appendix B** provides a high-level monitoring position at 31 December 2023, excluding Port Health. However, it should be noted that this position includes grants, contributions and income balances which may have been received in advance of projected spend and therefore does not provide a true reflection of the forecast outturn position for 2023/24. This is provided in **Appendix A**.

3. Proposal

- 3.1. Finance continues to support and work alongside services and Head of Service to monitor the ongoing financial position, ensuring the Council remains financial sustainable and budgets continue to correctly inform the Medium-Term Financial Strategy (MTFS).

4. Financial Implications

- 4.1. Detailed financial analysis and commentary is included within **Appendix A** - Quarter 3 Budget Monitoring Report 2023/24 and **Appendix B** - General Fund Quarter 3 Budget Monitoring, and commentary 2023/24.
- 4.2. This report highlights the significant variances including those that are highly likely to result in a full year impact for 2023/24. In addition, the Council continues to be subject to the wider impact of uncertainty of future inflationary changes and demand for some services due to economic conditions.
- 4.3. The overall position for 2023/24 will continue to be monitored throughout the remainder of the financial year and will be reported to the Corporate Leadership Team and Members accordingly.

5. Legal Implications

- 5.1. There are no legal implications identified.

6. Risk Implications

- 6.1. Monitoring ensures the operational activity following the annual budget setting process is regulated, highlighting any key financial differences as a result of unplanned events. Financial pressures and risks have been detailed within **Appendix A**, highlighting the forecasted key material impacts within the current financial year, along with future years captured within the Medium-Term Financial Strategy (MTFS).
- 6.2. Increased financial pressures on the Council's resources result in increased demand of the Council's reserves to mitigate the overall impact.

7. Options

- 7.1. In year quarterly monitoring provides an overview of the Council's financial position for the period April – December 2023, capturing approved budget changes in the year to date. No further approval is required, but note should be taken of the key impacts and forecast changes which may impact the overall outturn position for the 2023/24 financial year.

8. Recommendations

- 8.1. It is recommended for Cabinet to note the following:
- The Council's financial position for the period April – December 2023 against the profiled General Fund budget, and the forecast position for the end of the year.
 - The approved budget change variations following the original 2023/24 budget approval in February 2023 and the impact on the General fund for 2023/24.
 - The areas of financial risk identified, the impact of which is reflected in the Medium-Term Financial Strategy.

9. Reasons for Recommendations

- 9.1. Continuing review of the Council's budgets following the annual budget setting is a key part of ensuring the Council's activities remain sustainable and deliver value for money.

10. Conclusions/Next Steps

- 10.1. The original General Fund base budget for 2023/24 was approved by Cabinet in February 2023 and reflected a balanced budget. Approved budget changes totalling £2.518m have been made in year, resulting in a revised budget of £52.753m. The General Fund summary forecasts the financial position for the 2023/24 financial year to result in a surplus of 0.263m.
- 10.2. Port Health actual spend for April to December 2023 totals £0.397m, against a revised budgets of £0.966m. Forecast outturn for the 2023/24 financial year is a deficit of £0.530m.
- 10.3. The 2023/24 Housing Revenue Account budget forecast reflects a surplus of £0.107m, compared to the approved deficit budget of £2.020m, a positive movement of £2.127m.
- 10.4. The 2023/24 Capital programme spend year to date totals £25.738m, against a revised budget of 46.734m.

Areas of consideration comments

Section 151 Officer comments:

Quarterly reporting on projected income and expenditure compared with the budget, is a requirement of the Council's Finance Procedure Rules.

Monitoring Officer comments:

This report complies with Section 2 of the Budget and Policy Framework Procedure Rules in the Council's Constitution.

Equality, Diversity and Inclusion/EQIA:

An Equality Impact Assessment is not required as the recommendations of this report do not require changes in policy and service delivery.

Safeguarding:

There are no direct implications arising from this report.

Crime and Disorder:

There are no direct implications arising from this report.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

There are no direct implications for Corporate Services directly arising from this report.

Residents and Businesses consultation/consideration:

There are no direct implications arising from this report.

Appendices:

Appendix A	Quarter 3 Budget Monitoring Report 2023/24
Appendix B	General Fund Quarter 3 Budget Monitoring and Commentary 2023/24

Background reference papers:

None.

East Suffolk Council
Quarter 3 Budget Monitoring Report
For the period 1 April 2023 - 31 December 2023



Quarter 3 Budget Monitoring Report

For the period 1 April 2023 - 31 December 2023

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Quarter 3 Budget Monitoring Report

1. General Fund

1.1 Quarter 3 Budget Monitoring Overview

The summary in **Figure 1** below presents a comparison of the original budget for 2023/24 and the projected outturn. The Approved Budget changes presented represent budget changes approved by Cabinet and Council since the Original Budget was approved in February 2023, plus additional staffing changes via the Request For Resources approvals. Variances to the Approved Budget are in-year impacts (costs and savings) which have been identified to date. As of Quarter 3, the projected forecast for year end is a small surplus of approximately £0.263m. Key variances include the impact of the 2023/24 pay award and increased insurance premiums, along with income reductions in some areas due to current economy conditions. These movements are offset by favourable variances such as additional income expected from treasury investments. Further details on the variances are provided in **Appendix A1**.

Figure 1 – Quarter 3 General Fund Budget Variances

Quarter 3 General Fund 2023-24 Budget Forecasts						
Key Changes	Original Budget 2023/24	Approved Budget Changes (Non Staffing)	Approved Budget Changes (Staffing)	Approved Budget 2023/24	Forecast Variance to Approved Budget Changes 2023/24	Forecast Outturn 2023/24
Service Area	£'000	£'000	£'000	£'000	£'000	£'000
Senior and Corporate Management	2,630		4	2,634		2,634
Economic Development and Regeneration	2,393	777	2	3,172		3,172
Financial Services and Other Financial Transactions	64		(17)	47	(28)	19
Revenue and Benefits	3,130			3,130	(34)	3,096
Digital and Programme Management	3,461		(6)	3,455		3,455
Internal Audit Services	673		20	693		693
Human Resources	1,068		73	1,141		1,141
Procurement	210			210		210
Legal and Democratic Services	2,940	15	7	2,962		2,962
Planning and Coastal Management	4,932	(24)	(9)	4,899		4,899
Customer Experience Strategic Management	2,523	4		2,527		2,527
Operations	14,926	213	179	15,318	200	15,518
Communities	3,211	494	258	3,963		3,963
Health and Wellbeing	0			0		0
Environmental Services and Port Health	3,003	9	131	3,143	50	3,193
Housing Services	5,071	(604)	993	5,460		5,460
Cross Cutting Items:						
Direct Staffing and Contract - establishment changes				0	(297)	(297)
Inflation				0	100	100
Net Cost of Service	50,234	884	1,635	52,753	(9)	52,744
Non-Cost of Service Expenditure Adjustments (e.g. DRF,MRP)	(1,160)			(1,160)	179	(981)
Other Operating Expenditure (e.g. Parish Precepts, Levies)	7,346			7,346		7,346
	0					
Financing and Investment Net Income and Expenditure	(808)			(808)	(1,593)	(2,401)
Non-Specific Grant Income (e.g. NHB, Section 31 Grant)	(483)			(460)		(460)
Net Movements on Reserves	(5,977)	(804)	(918)	(7,699)	71	(7,628)
Net Budget Expenditure After Reserve Movements	49,152	80	717	49,972	(1,352)	48,620
Financed By:						
Council Tax Income (District Council)	(16,367)			(16,367)		(16,367)
Council Tax Income (Town & Parish Precepts)	(7,095)			(7,095)		(7,095)
Share of (Surplus)/Deficit on Collection Fund - Council Tax	(344)			(344)		(344)
Business Rates	(22,560)			(22,560)	268	(22,292)
Government Support Grants (RSG, Lower Tier, Rural Services, etc.)	(2,785)			(2,785)		(2,785)
Total Financing	(49,151)	0	0	(49,151)	268	(48,883)
Budget Gap / (Budget Surplus)	0	80	717	821	(1,084)	(263)

* approved supplementary budgets to be funded from reserves.

Quarter 3 Budget Monitoring Report

1.2 Income from Fees and Charges

The apportioned Fees and Charges income budget at the end of December 2023, excluding Port Health totals £14.444m, compared to actual income received of £23.397m, a favourable variance of £8.953, with two thirds of this estimated to be income in advance.

Fees and Charges budgets are reviewed annually as part of the wider budget setting process and should not be viewed in isolation. Overall budgeted income assumptions are based on supporting the Council's cost of providing the service and therefore do not represent surplus income.

Fees and charges budgets are significantly subjected to seasonal changes and fluctuations in demand. Some notable areas such as Licensing, Camping and Caravan Sites and Industrial Estates are also impacted by the date of billing and therefore may receive income in advance of budget profiles.

Appendix B identifies and explains key Fees and Charges variances between the income received and apportioned 2023/24 budget at the end of December 2023 and provides commentary on significant variances identified from the budget monitoring process.

1.3 Establishment Costs

The total 2023/24 General Fund direct staffing budget (excluding Contract Staff) approved in February 2023 totalled £32.074m. Following approved in year resource requests the budget has been revised to £33.501m, reflecting budget growth totalling £1.426m. Assumptions include basic pay plus on-costs (Employer National Insurance and Superannuation), excluding Port Health.

The pay award for 2023/24 was agreed in November 2023 for all scale points up to and including Band 11, reflecting an average increase of 3.88%. Chief Executive pay uplift was also agreed at 3.5%. The overall impact of the agreed award was in excess of the current budget assumption and resulted in an additional £0.525m budget requirement from General Fund and £0.154m from the HRA. In addition, the Chief Officer pay award was accepted at 3.5%, resulting in a saving of £0.008m, against an original 4% budget assumption. Base budgets have not been revised to reflect the increase over and above the original assumptions, therefore direct staffing variances will include the above impact.

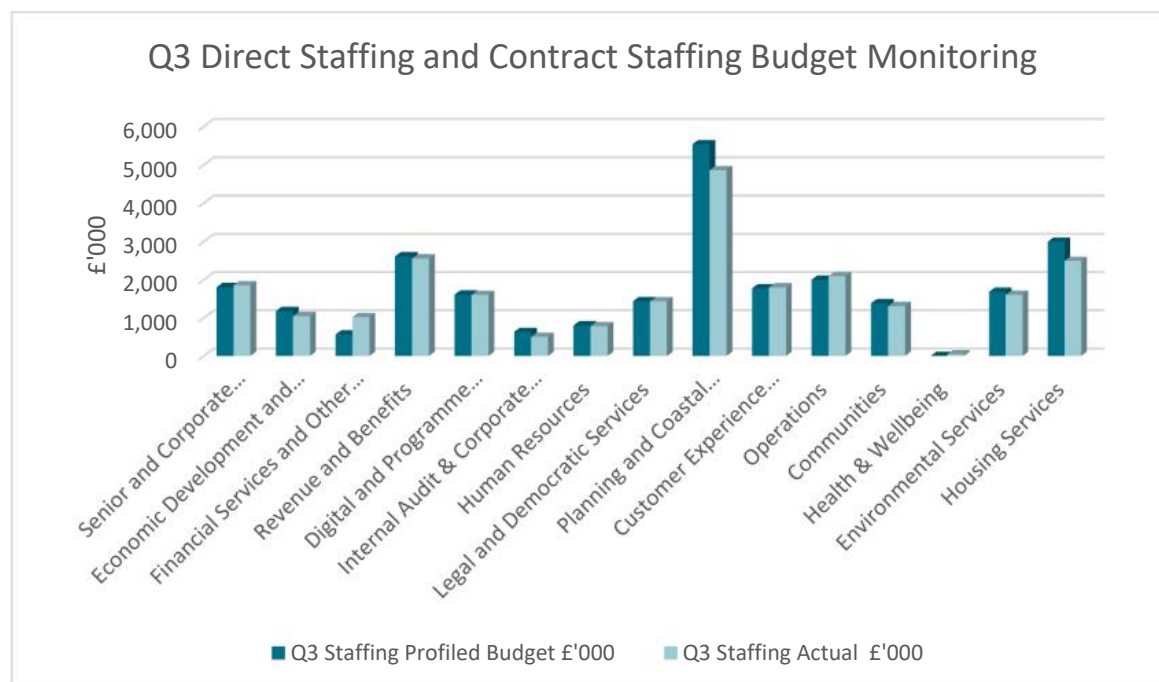
The cumulative employee turnover for General Fund for the period April to December 2023 is 7.01%, which is reduced in comparison to the turnover figure for the same period within 2022/23 of 11.13%. Employee turnover is the total number of leavers as a percentage of the average head count of employees over the period. In financial terms, turnover will result in underspends against direct employee related budget, for example pay, NI and pension when posts become vacant up to the point of recruitment. Turnover savings will also be accrued from restructuring and where there have been significant delays in-between a post becoming vacant and then being filled.

The annual budget also includes a provision for vacancy allowance of £1.267m (approximately 3.8% of the general fund staffing budget for 2023/24).

Quarter 3 Budget Monitoring Report

For Quarter 3, the apportioned approved direct staffing budgets for the General Fund (excluding Port Health & including Contract Staff) totals £26.033m, against actual expenditure to the end of December of £25.014m an underspend variance of £1.019m. A further breakdown is detailed within Figure 2.

Figure 2 – Quarter 3 Direct Staffing and Contract Staffing Budget Monitoring



Appendix B identifies and explains key direct staff and contract staff variances against profiled budget for the period April to December 2023.

Figure 3 below provides a forecast on General Fund staffing costs for the year which does suggest staffing costs to be above budget, this is primarily driven by the anticipation of the pending pay award exceeding the budget assumption.

Figure 3 – General Fund Staffing Forecast – Direct Staffing and Contract Staffing

General Fund Staffing forecast for the year – direct staffing and contract Staffing	£'000
Staffing Budget for 2023/24	
Direct Staffing Budget	33,501
Contract Staffing Budget	763
Less Vacancy Allowance	(1,267)
Total Budget	32,997
Forecast for the year, based on Quarter 3 actual (Q3*4/3)	32,300
Plus allowance for vacancies in Q3 but will be filled the remainder of the year	400
Total Forecast	32,700
Forecast variance on staffing costs for the year, as at Quarter 3 - overspend/(underspend)	(297)

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1.4 Service Grants and Contributions Received

Service grant funding is a vital contributing part of ensuring the Council remains financially sustainable, with assumptions being factored into the approved service budgets for receipt and use of grants to support projects and services within 2023/24.

Figure 4 details the overall service grant position to the end of December 2023. Grants received can be subject to conditions and therefore can be impacted by time limitations or restrictions regarding its application. Subject to whether conditions apply, restrictions can also impact the treatment of grants within the financial statements. Some grants may be identified as received in advance and can be utilised in year of its receipt or carried forward to support services/project in futures years.

Included within the 2023/24 budget, approved service grant budgets totalled income of £62.686m, with £51.809m relating to Housing Benefit Subsidy for Housing Benefit payments (approx. 83%).

Figure 4 – Service Grants and Contributions Received 2023/24

Quarter 3 Service Grant and Contributions Received	2023/24 Revised Budget	Q3 2023/24 Profiled Budget	Q3 2023/24 Actual	Q3 Variance
	£'000	£'000	£'000	£'000
Senior and Corporate Management	(292)	(219)	(1,004)	(785)
Economic Development and Regeneration	(1,844)	(1,031)	(1,685)	(655)
Financial Services and Other Financial Transactions	(2)	0	582	582
Revenue and Benefits	(51,809)	(454)	(676)	(222)
Digital and Programme Management	(8)	0	5	5
Internal Audit & Corporate Investigations	0	0	0	0
Human Resources	(11)	0	7	7
Procurement	(5)	0	0	0
Legal and Democratic Services	0	0	(179)	(179)
Planning and Coastal Management	(1,987)	(1,488)	(2,232)	(744)
Customer Experience Strategic Management	(1)	0	0	0
Operations	(1,979)	(1,449)	(1,537)	(88)
Communities	(1,174)	(1,012)	(2,012)	(999)
Health & Wellbeing	(67)	(50)	(463)	(413)
Environmental Services	0	0	(17)	(17)
Housing Services	(3,507)	(3,305)	(4,155)	(851)
Total for Services	(62,686)	(9,007)	(13,366)	(4,359)

Appendix B highlights key grant and contribution variances year to date and provides supporting commentary indicating the overall impact within the current financial year.

1.5 Income Generated from Land and Property

Income generated from land and property provide a return to the Council from rental and lease income streams whilst supporting the local economy and regeneration in the district. Due to the nature of these assets they are however subject to fluctuations in the economic environment.

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The 2023/24 net approved budget for industrial estates and miscellaneous land and property is £0.365m. This includes income totalling £1.579m and offset by total expenditure of £1.214m. Actuals year to date, is reflecting a favourable net variance of £0.313m. However, this is partly as a result of income being received in advance due to annual and quarterly billing.

Key variances are captured within **Appendix B** and are being monitored throughout the year, including the impact on rental income following the collapse of Wilko, forecast to adversely impact rental income by £0.120m. This is partly mitigated by an increased rental assumptions (£0.100m) following the lease of the East Suffolk House Annex within 2023/24.

1.6 Council Tax and Business Rates Income

Council Tax income variances in-year will appear in the collection fund deficits or surpluses in the following year. As a result of this, income recognised in year for Council Tax will be in line with the budget.

Business Rates income is forecast to be £0.192m up on the original budget due to current estimates on the Pooling Benefit, but this is offset by revised tariff adjustments in year of £0.460m, with the overall movement resulting in a reduction of £0.268m. **Figure 5** below summarises Council Tax and Business Rates income for the current year.

Figure 5 – 2023/24 Council Tax and Business Rate Income Forecast

	Original Budget 2023/24 £000	Variances to Approved Budget 2023/24 £000	Forecast Outturn as at Quarter 3 2023/24 £000
Council Tax Income (District Council)	(16,367)		(16,367)
Share of (Surplus)/Deficit on the Collection Fund (Council Tax)	(344)		(344)
Business Rates Income (incl. Section 31 Grant)	(21,089)	268	(20,821)
Business Rates Surplus/Deficit on Collection Fund	(981)		(981)
Business Rates - Enterprise Zone	(490)		(490)

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1.7 Budget Risk/Implications within 2023/24

For 2023/24, there have been increased financial pressures impacting several services currently operating, potentially resulting in future budget implications for the current financial year, along with future years captured within MTFS. Whilst some cannot yet be quantified or quantified with a degree of certainty, it is important for them to be highlighted. **Figure 6** below highlights some of the material areas of potential impact.

Figure 6 - Budget Implications to be Monitored

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Asset Management Rent Review.	Council income budgets from assets.	Potential to increase the income to the Council. This will need to be quantified and captured in the update of the Council's MTFS into 2024/25 budget setting.	2023/24 and future years
Capital Programme.	Revenue implications from capital programme revisions.	Additional revenue costs to the General Fund - Direct revenue financing, use of reserves, capital charges to revenue, revenue costs to support delivery of capital projects and income generation from capital projects.	On-going
ESSL.	General Fund, HRA and capital programme.	Service investment for ESSL. Council budgets are continually monitored and revised to reflect changes to the management fee to ESSL and some services brought back in-house. Recognition of service investment and improve plan for ESSL and costs pressures in the operations environment, e.g. pay and inflation.	Current year and future years.
Inflation.	General Fund, HRA and Capital Programme.	Increasing costs, such as contracts fees, subscriptions, purchases, and utilities.	Current year and future years.
National pay award for 2024/25.	Council staffing costs.	Current budget assumption is for a 3% increase for Council staffing in 2024/25. Based on the pay settlements for the current year and last year,	2024/25 and future years.

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Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
		these have been above current budget assumptions.	
Norse.	Profit share income.	Settlement of 2022/23 profit share (Accrued income £0.560m) and April-June 2023/24 (Budgeted £0.074m). The actual position for the period of April – June 2023 reflects a loss of £0.271m.	Current year.
Recruitment difficulties.	Particular area of specialism.	Agency and contract costs may be required which can be more costly. Current forecasts show this being absorbed in existing budgets.	Ongoing.
Treasury Management Investment income.	General Fund and HRA income.	With higher rates of interest this is providing favourable returns on treasury management investments.	Current year and the next 2-3 years.
Workforces pay pressure/grade inflation.	Council staffing costs.	Increased staffing costs. Annual staffing vacancy allowance in the budget is at risk.	Ongoing.

Quarter 3 Budget Monitoring Report

2 Port Health (General Fund Memorandum Note)

2.1 Port Health Quarter 3 Budget Monitoring Overview

Port Health is a cost recovery operational service which operates within the wider General Fund.

Figure 7 below provides a Quarter 3 monitoring summary, comparing actuals year to date against the apportioned budgets to the end of December 2023. The summary also includes budget forecasts for the 2023/24 budget year, following any changes that have occurred in year.

Figure 7 – Quarter 3 Port Health Budget Monitoring

Port Health Quarter 3 Variances	Original Budget 2023/24 £'000	Q3 Original Budget 2023/24 £'000	Q3 Actual 2023/24 £'000	Q3 Variance 2023/24 £'000	Forecast Outturn based on Q3 Actuals 2023/24 £'000	Variance Forecast to Original budget 2023/24 £'000	Note
Income							
Income through fees and charges	-5,749	-4,312	-4,626	-314	-6,168	-419	1
Total Income	-5,749	-4,312	-4,626	-314	-6,168	-419	
Expenditure							
Direct Expenditure	800	600	355	-245	474	-326	2
Operational Expenditure	6,236	4,677	4,668	-9	6,224	-12	3
Total Expenditure	7,036	5,277	5,023	-254	6,698	-339	
Cross Cutting Items:							
Net Cost of Service	1,287	966	397	-568	530	-757	4

Notes:

1. The increase in revenue relates to an increase in NAO consignments due to the festive period. The number of jobs related to trade income have increased due to seasonal events coming up in Quarter 3 and actual income is above budget as at the end of Quarter 3. Income is forecast to be up by £0.419m against budget at the financial year end if that trend continues.
2. A reduction in sampling costs was negotiated, mid-year, with one of the Analysts.
3. The operational expenditure is underspent at the end of quarter 3 by £0.009m.
4. As at the end of Quarter 3 the service was running at a cost of £0.397m. If this trend continues the forecast outturn will be a cost of £0.530m, which would be £0.757m less than the budgeted cost position of £1.287m.

Quarter 3 Budget Monitoring Report

Port Health Reserve

Port Health currently holds a 2023/24 opening reserve balance of £3.669m and is forecast to allocate £1.470m towards supporting the service within the current year. **Figure 8** provides a breakdown of reserves over the Medium-Term Financial Strategy (MTFS) and the allocation details are provided below.

- **Planned Future Revenue Spending** – This is an unallocated balance, to be used to mitigate financial impacts out of our control.
- **Planned Future Capital Spending** – to provide Port Health revenue funding to support capital expenditure, e.g., vehicles and ICT equipment.
- **ICT** – This balance will hold surpluses from the PHILIS operation to build funds for reinvestment in the service, both revenue and capital.
- **Grants/Funding Carried Forward** – External funding received for projects spanning financial years.

Figure 8 – Quarter 3 Port Health Reserve Forecast

Reserves	Actual April 2023 £'000	MTFS April 2024 £'000	MTFS April 2025 £'000	MTFS April 2026 £'000	MTFS April 2027 £'000	MTFS April 2028 £'000
Port Health - Planned Future Revenue Spending	3,034	1,564	738	337	0	0
Port Health - ICT	478	0	0	0	0	0
Total Earmarked Reserves	3,513	1,564	738	337	0	0

2.2 Port Health Budget Areas to be Monitored

Port Health is subject to increased financial pressures in year, as a result of external regulation and other factors outside the control of the authority, which may impact its overall financial outturn for 2023/24. **Figure 9** details the significant risks and implications identified within the current year.

Figure 9 – Budget Implications to be Monitored

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Border Target Operating Model.	Port Health & Support Services.	Introduction of EU charges to be delivered resulting in expansion of the operations service.	Introduction estimated from March 2024.
Cost of Service.	Port Health.	Currently the service is running at a cost. This position was updated as part of the budget setting process and continues to be closely monitored, with Finance and Port Health working together.	Ongoing.

Quarter 3 Budget Monitoring Report

3. Housing Revenue Account (HRA)

3.1 HRA Quarter 3 Budget Monitoring Overview

The Housing Revenue Account (HRA) is the ring-fenced rent 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 and should ensure it is able to remain self-financing, along with operating in accordance with the guidelines and rent policies provided.

The 2023/24 HRA budget forecast reflects a surplus of £0.107m, compared to the approved deficit budget of £2.020m, a positive movement of £2.127m.

Figure 10 below presents a comparison of the Original Budget for 2023/24 and the forecast position as at Quarter 3.

There has been one approved change by Cabinet during 2023/34. This is the approval of the decant and demolition of St Peters court. The impact on the 2023/24 budget is a deficit of £0.723m. The remaining variances to the approved budget are in-year impacts (costs and savings) which have been identified to date. This currently improves the movement of the HRA Working Balance by £2.127m.

Key variance impacting budgets in year are highlighted below:

Cost Pressures:

- Estimate for current year pay award £0.160m.
- Inflationary pressure from utility costs, estimated at £0.250m.
- Additional Revenue Costs associated with Housing Development estimated at £0.355m.
- Additional consultancy costs associated with the implementation of digital Transformation, estimated at £0.120m.

Additional Income/Savings:

- The HRA also benefits from a share of the additional interest income currently forecast. This is estimated at £0.807m.
- In year vacancy savings estimated at £0.140m.
- Recharge to General Fund for services provided, estimated at £0.250m.
- Credit to Bad Debt provision due to rent arrears to be cleared by the rents and service charges refunds at £0.220m.
- Reduced revenue contributions to the capital programme due to increased contributions and delays in the programme at £1.226m.
- Increased use of reserves at £0.170m.
- Improved recharging to leaseholders at £0.010m.
- Increased contributions towards costs associated with the Kirkley Waterfront project at £0.177m.
- One off additional income for works completed in 2022/23 at £0.012m.

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Figure 10 – Quarter 3 HRA Budget Variances

	Original Budget 2023/24 £'000	Approved Budget Changes 2023/24 £'000	Comments	Approved Budget 2023/24 £'000	Variance to Approved Budget 2023/24 £'000	Forecast Outturn 2023/24 £'000
Income						
			Reduced income in relation to			
Dwelling Rent	(20,634)	223	Decant of St Peters Court.	(20,411)		(20,411)
Non-Dwelling Rent	(184)			(184)		(184)
Service & Other Charges	(732)			(732)		(732)
Leaseholders Charges for Services	(10)			(10)	(10)	(20)
Contribution towards Expenditure	(57)			(57)	(177)	(234)
Reimbursement of Costs	(68)			(68)	(12)	(80)
Interest Income	(276)			(276)	(807)	(1,083)
Total Income	(21,961)	223		(21,738)	(1,006)	(22,744)
Expenditure						
Repairs & Maintenance	6,935			6,935		6,935
Supervision & Management	3,724			3,724	120	3,844
Special Services	2,705		Revenue costs associated with the decant and demolition of 455 St Peters Court.	3,160	355	3,515
Rents, Rates and other Charges	143		Additional void costs in relation to decant of St Peters 45 Court.	188		188
Movement in Bad Debt Provision	-			-	(220)	(220)
Contribution to CDC	92			92		92
Capital Charges	4,191			4,191		4,191
Interest Charges	2,106			2,106		2,106
Revenue Contribution to Capital	3,400			3,400	(1,226)	2,174
Transfer to/from Earmarked Reserves	(38)			(38)	(170)	(208)
Total Expenditure	23,258	500		23,758	(1,141)	22,617
Cross Cutting Items:						
2023/24 Pay Awards					160	160
2023/24 Vacancies in year					(140)	(140)
Inflation - Utilities					250	250
Support Recharges					(250)	(250)
Movement in the HRA balance	1,297	723		2020	(2,127)	(107)

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3.2 HRA Reserves

In addition to the HRA Working Balance the HRA holds Earmarked Reserves. **Figure 11** below, provides a forecast of HRA Reserves and balances as at Quarter 3.

Figure 11 – Quarter 3 HRA Reserve Forecast

Reserves	Actual April 2023 £'000	Forecast April 2024 £'000	Forecast April 2025 £'000	Forecast April 2026 £'000	Forecast April 2027 £'000	Forecast April 2028 £'000
HRA Working Balance	4,363	4,470	2,390	2,378	2,446	2,533
HRA Earmarked Reserves						
Debt Repayment Reserve	13,000	13,000	11,200	11,400	1,850	3,000
DHP Top Up Reserve	499	290	201	173	144	114
MMI Reserve	60	60	60	60	60	60
Housing Development Reserve	5,000	1,486	0	0	0	0
Brownfield Land Release Reserve	0	4,204	3,204	1,704	0	0
Brampton Sinking Fund	2	3	4	5	6	7
Total of HRA Revenue Earmarked Reserves	18,561	19,043	14,669	13,342	2,060	3,181
Capital Earmarked Reserves (Major Repairs Reserve)	15,780	15,862	12,063	6,638	6,718	7,418

The DHP (Discretionary Housing Payments) Top Up Reserve was established in 2012/13 with the introduction of the Welfare Reform Act 2012. To date there has not been a requirement to top up the DHP, therefore it is being utilised to provide a Financial Inclusion Officer to help tenants in financial hardship and additional staffing to support the decant of St Peters Court and the processing of the Rents and Service Charge refund process.

An additional reserve has been set up for the £4.2 million Brownfield Land Release Fund received for the decontamination of land at the Kirkley Waterfront, Lowestoft (former Sanyo and Survitec sites). The reserve will be monitored to ensure expenditure is compliant with the grant conditions.

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3.3 HRA Capital Programme

Figure 12 below includes actual spend on the capital programme from April to December 2023, and the revised budgets to be approved as part of the Capital Programme Report going to Full Council on 21 February 2024.

Figure 12 - Review of HRA Capital Spend from April 2023 to December 2023, and Forward Budgets

HRA	2023/24 £000 Original Budget	2023/24 £000 Actuals to 31 December 2023	2023/24 £000 Variance to Original Budget	2023/24 % Budget Spent	2023/24 £000 Projected Outturn	2024/25 £000 Revised Budget	2025/26 £000 Revised Budget	2026/27 £000 Revised Budget	2027/28 £000 Revised Budget	Total Revised Capital Budget over MTFS £000
Asset Investment Programme	9,905	2,486	- 7,419	25%	4,203	7,890	10,190	5,490	4,990	32,763
Acquisition and Development Programme	24,036	5,932	- 18,104	25%	9,816	21,178	7,479	6,523	4,183	49,179
Total Budget	33,941	8,418	- 25,523	25%	14,019	29,068	17,669	12,013	9,173	81,942

The HRA Capital Programme is split into 2 areas of focus:

Asset Investment Programme - There is still significant work taking place on data collection to inform future planning of this work, with added pressure to become EPC C across all housing stock by 2030. The revised budgets take into consideration required fire safety works that are ongoing as well as the recently approved Cabinet decision to decant and demolish St Peters Court.

Acquisition and New Development Programme - All developments budgeted for are progressing, however some of the 2023/24 budgets have been reprofiled into the next financial year.

3.4 HRA Budget Areas to be Monitored

Overall, the HRA is subject to increased financial pressures and continues to consider the priorities and objectives which have been derived from the Council's Strategic objectives, the investment requirements for the existing stock, along with the needs of current and future tenants. In addition, the HRA must take into consideration and comply with the new Social Housing (Regulation) Act 2023 coming into force from April 2024, increasing the responsibilities and requirements for all social housing providers. **Figure 13** below highlights some key cost pressures within 2023/24.

Figure 13 – Budget Implications to be Monitored

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Utility Cost inflation	Council owned properties.	Increased running costs of Council properties. Currently estimate £250k for the HRA.	Current and future years.
Other inflationary pressures on materials, supplies and services.	Council contracts (revenue and capital).	Increased contract cost and supplies and services across the HRA.	Current and future years.
Workforces pay pressure/grade inflation.	HRA staffing costs.	Increased staffing costs.	Current and future years.

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Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Housing Regulation and compliance requirements.	Increase in housing service requirements.	Increased and improved services across housing, increased staffing, and ICT to meet Regulator of Social Housing requirements.	Current and future years.
Fire Safety Requirements.	Repairs and Maintenance (Revenue and Capital).	Additional fire safety requirements in flats and sheltered schemes. Increase investment in housing stock and consultancy.	Current and future years.

4. Treasury Management

4.1 Investments

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. Both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

On 13 December 2023 the Bank Of England's Monetary Policy Committee voted by a majority of 6-3 to maintain the bank base rate at 5.25%. Three members preferred to increase the bank rate by 0.25% .

Short-dated cash rates are around 5.2% for 3 month rates (4.1%, 6 April 2023) and 12-month rates around 5.55% (4.4%, 6 April 2023). The rates on the Treasury's Debt Management Account Deposit Facility (DMADF) currently range between 5.12% and 5.19% (4% to 4.1%, 6 April 2023).

The Council's investment portfolio in the short term is looking healthy with the prospect of increased returns on investments. The investment income budget of £1.6m has been exceeded. The forecast for 2024/25 is that an additional £1.4m of additional investment income will be achieved.

Figure 14 and **Figure 15** below provide a summary of ESC total portfolio over time.

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Figure 14 – ESC Total Investment Portfolio as at 31 December 2023 £120.08m

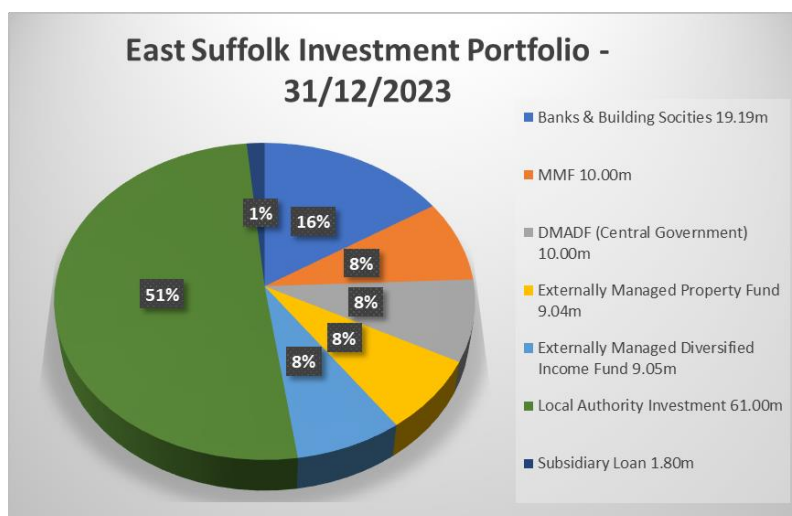
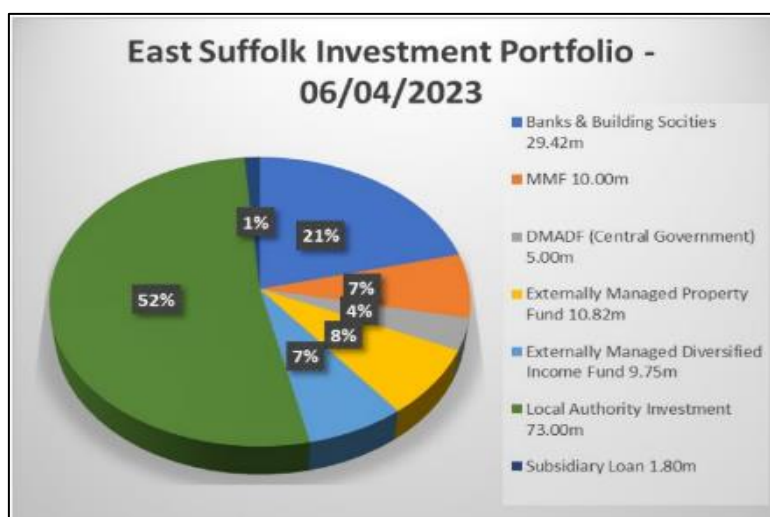


Figure 15 – ESC Total Investment Portfolio as at 6 April 2023 £139.79m



4.2 Borrowing

Existing borrowing held by the Council is at fixed rates and is therefore not impacted by the current interest rate changes. **Figure 16** and **Figure 17** below detail ESC Loan portfolio as at 31 December and the repayment profile over the next 10 years.

Figure 16 – ESC Total Loan Portfolio as at 31 December 2023 £65.49m

Loans Portfolio:	31/12/2023
General Fund - Fixed Rate Maturity	2,602,853
General Fund - Fixed Rate EIP	2,480,000
HRA - Fixed Rate	60,402,634
HRA - Variable Rate	0
Total	65,485,487

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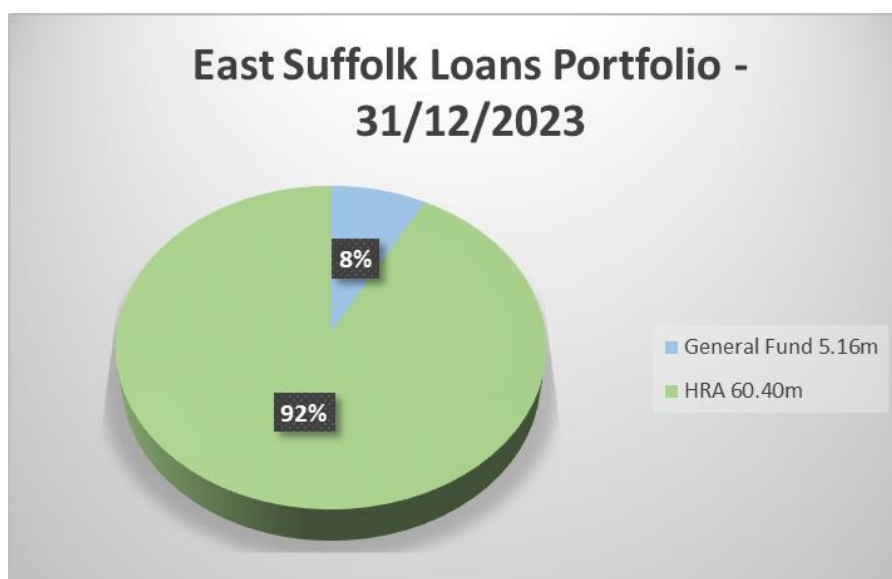


Figure 17 – ESC Loan Repayment Profile over the next 10 years as at 31 December 2023

Fund	Amount to be Repaid £'000	Loan Interest Rate	Maturity Date
From 2023 to 2028			
HRA & GF	2,005	Fixed 8.375%	September 2024
HRA	10,000	Fixed 3.01%	March 2027
From 2029 to 2034			
HRA	10,000	Fixed 3.3%	March 2032

5. General Fund Reserves

5.1 The unallocated General Fund balance is £6.0m with no forecast use at this current time in the current year or over the MTFS.

5.2 Earmarked Reserves

The Council holds several General Fund Earmarked Revenue Reserves which have been established to meet known or predicted commitments, and to hold balances of grants and external funding which is committed to future year spend. The Council reviews these reserves to ensure the levels continue to be appropriate and if no longer required, are returned to the General Fund.

The total balance of General Fund Earmarked Reserves was £48.06m as of 1 April 2023. Earmarked Reserves are categorised as follows.

- **Grants/Funding Carried Forward** – this is external funding the Council has received for specific purposes and is drawn down from reserves when spend is incurred.

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- **Planned Future Revenue Spending** – Council funding has been set aside for specific service areas and/or projects.
- **Planned Future Capital Spending** – this is revenue funding set aside to provide funding for the capital programme.
- **Risk Based** – Council funding has been set aside for unforeseen budget pressures and fluctuations in budget areas of volatility. Risk Based Reserves is primarily made up of the following two reserves;
- **The Business Rate Equalisation Reserve** - this the main reserve within this group. This reserve is primarily held to provide a source of funding for future uncertainty in the reform of the business rates system. .. The balance on this reserve at 1 April 2023 was £15.2m.
- **In-Year Savings Reserve** - which is primarily used to address budget gaps and unforeseen budget pressures arising in year and future years. The balance on this reserve at the start of this financial year was £3.2m.

The total balance of General Fund Earmarked Reserves was £48m as of 1 April 2023. **Figure 18** below provides a summary of the current reserve position over the current MTFS.

Figure 18 – General Fund Earmarked Reserve Forecast

East Suffolk General Fund Reserves	Opening Balance 1st April 2023	MTFS April 2024	MTFS April 2025	MTFS April 2026	MTFS April 2027	MTFS April 2028
	£'000	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves:						
Grants/Funding Carried Forward	5,883	3,986	3,253	2,840	2,838	2,837
Planned Future Capital Spending	1,148	2	343	727	1,106	1,505
Planned Future Revenue Spending	16,676	12,603	10,689	10,019	9,520	9,814
Port Health	3,513	1,564	738	337	0	0
Risk Based	19,675	21,192	18,139	16,988	17,008	17,028
Covid Reserve	1,165	0	0	0	0	0
Total Earmarked Reserves	48,060	39,347	33,162	30,911	30,472	31,184

The Planned Future Revenue Spending Reserves contains some key individual reserves which are used to fund future budget gap pressures and projects and initiatives to support the delivery of the Strategic Plan. These are detailed in **Appendix A2**.

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6. Capital Programme - General Fund

Capital budgets are approved for the life of the project which can span more than one financial year. Any capital budgets for a project that remain unspent at the end of the financial year are carried forward to the following year for project continuity. Similarly, with projects that are ahead of the original profile, budgets can be brought forward.

Figure 19 below includes actual spend on the capital programme from April to December 2023, along with the future year's budgets. It should be noted that the budget amounts have been revised during the Councils budget setting process during quarter 3 and will be presented at Full Council in February 2024 for approval having been present to the Scrutiny Committee and Cabinet during January and February 2024.

Figure 19 - Review of Capital Spend from April 2023 to December 2023, and Forward Budgets

SUMMARY - GENERAL FUND PROGRAMME	2023/24	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	2023/24 to 2026/27 £000	2023/24 to 2027/28 £000
	Original Budget	Revised Budget	Actuals to December 2023	Original Budget	Revised Budget	Original Budget	Revised Budget	Original Budget	Revised Budget	New Budget	Original Total	Revised Total
MHCLG Grant Funding to Freeport East via ESC as Accountable Body	19,810	0	0	4,940	0	0	0	0	0	0	24,750	0
Communities, Leisure & Tourism	8,700	1,936	589	21,500	5,671	21,500	22,850	0	24,841	0	51,700	55,298
Corporate Services (formerly ICT - Digital & Programme Management)	875	796	306	250	887	250	250	250	250	500	1,625	2,683
Corporate Services (formerly Operations)	29,105	17,505	11,557	12,988	13,320	1,280	4,960	1,280	1,930	1,930	44,653	39,645
Economic Development & Transport	14,363	5,651	80	8,782	21,777	22,849	18,498	0	909	0	45,994	46,835
Community Health (formerly Environmental Services & Port Health)	484	485	493	50	50	0	0	0	0	0	534	535
Resources & Value for Money (Formerly Financial Services)	0	400	62	0	315	0	0	0	0	0	0	715
Resources & Value for Money (Formerly General Fund Housing)	3,690	2,594	1,755	1,000	2,207	1,000	2,194	1,000	2,182	2,171	6,690	11,348
Resources & Value for Money - Long Term Debtors	5,000	0	0	0	0	0	0	0	0	0	5,000	0
Planning & Coastal Management	31,084	17,367	10,896	36,749	32,367	36,175	36,175	85,885	85,885	175	189,893	171,969
Total Capital Expenditure	113,111	46,734	25,738	86,259	76,594	83,054	84,927	88,415	115,997	4,776	370,839	329,028

The financing of the capital programme impacts on the revenue budgets, via;

- Direct Revenue Financing
- Earmarked revenues
- Borrowing costs - interest costs and Minimum Revenue Provision (MRP)
- Project support costs and on-going revenue costs, e.g. repairs and maintenance
- Some projects generate revenue income streams.

Q3 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Summary									
Key Changes	Original Budget 2023/24 £'000	Approved Budget Changes (Non Staffing)		Approved Budget Changes (Staffing)		Approved Budget 2023/24 £'000	Forecast Variance to Approved Budget 2023/24		Forecast Outturn 2023/24 £'000
Service Area	£'000	£'000	Comments	£'000	Comments	£'000	£'000	Comments	£'000
Senior and Corporate Management	2,630			4	£4k Additional provision following Secretariat grading review.	2,634			2,634
Economic Development and Regeneration	2,393	777	£30k Budget Carry forward requests*, £15k additional provision to fund the management of Nature Reserve following handover. £271k Landguard*, Additional budgets following funding to support UKSPF, Shared careers administrator (LEP) and Town Development work.	2	£2k Addition following management grading review.	3,172			3,172
Financial Services and Other Financial Transactions	64			(17)	(£11k) virement of Corporate Apprentice budgets, (£6k) Surplus balance of hours reduction.	47	(28)	£270k Profit share loss - Increased waste disposal costs and pending the 2023/24 pay award. £298k Return of overpaid non-business VAT claim relating to Waveney DC for Sports and Leisure.	19
Revenue and Benefits	3,130					3,130	(34)	Additional Admin grant income.	3,096
Digital and Programme Management	3,461			(6)	£28k Additional resource requirements partly funded by additional ESSL recharge income (£34k) virement of Corporate Apprentice budgets.	3,455			3,455
Internal Audit Services	673			20	£20k Increased following grading review.	693			693
Human Resources	1,068			73	£7k increased provision to support intake of additional interns, £66k virement of Corporate Apprentice budgets.	1,141			1,141
Procurement	210					210			210
Legal and Democratic Services	2,940	15	£15k Carry Forward to support additional member development.	7	£7k Legal team grading review.	2,962			2,962
Planning and Coastal Management	4,932	(24)	£17k Carry Forward* provision to support planning policy examiner fees, £6k to fund additional work within the Aldeburgh & Walberswick conservation area*. Resilient coasts projec &. Revised Land Drainage maintenance budget and funding.	(9)	£2k Provision for temporary resource, Support by Community Infrastructure Income (CIL), (£11k) virement of Corporate Apprentice budgets.	4,899			4,899
Customer Experience Strategic Management	2,523	4	Carry forward provision to support training requirement.*			2,527			2,527
Operations	14,926	213	£100k provision for additional contribution towards Leisure Centre utility costs*, £16k Suffolk Wildlife Trust Annual Contribution - Cabinet approved 03/10/2023, £21k provision to support additional training needs of the Marine Safety management System. £61k Works to Sanyo Site*, £15k RNLI Contribution to Lowestoft Lifeboat.	179	£29k Asset Management re-banding and maternity cover, £150k Assets Mgt - Interim Support*.	15,318	200	£200k Parking Services income forecast to be underbudget, £45k additional income New Lease Agreement for Martello Café Felixstowe, £66k EPP budget pressure, £41k additional income Mutford Lock, £120k reduction of rental income following Wilco bankruptcy & ESH Annex £100k.	15,518

Q3 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Summary									
Key Changes	Original Budget 2023/24 £'000	Approved Budget Changes (Non Staffing)		Approved Budget Changes (Staffing)		Approved Budget 2023/24 £'000	Forecast Variance to Approved Budget 2023/24		Forecast Outturn 2023/24 £'000
Service Area	£'000	£'000	Comments	£'000	Comments	£'000	£'000	Comments	£'000
Communities	3,211	494	£420k Suffolk Public Mental Health Programme, Communities Digital Access funding and £62k Enabling Communities (ECB)*, £298k Communities Partnerships* & 95k Community development* & £15k Early Help Hub & Community Intervention budgets.	258	£184k Early Help Hub amendments*, £74k to support the approved extension of Officers with Community Intervention & Anti Social Behaviour.	3,963			3,963
Health and Wellbeing	0					0			
Environmental Services and Port Health	3,003	9	Carry Forward £6k Carry forward* supporting £9k Air quality equipment purchases.	131	£123k Environmental Protection staffing changes approved by Full Council in 2022/23. £8k Food and Safety team re-bandings.	3,143	50	£50k Contaminated Land Project.	3,193
Housing Services	5,071	(604)	£226k Homelessness Prevention grant funding to support service demand and East Suffolk Lettings. £378k Private Sector housing expenditure and funding to support the Handy Man service, Winter Warm packs & Cadent funded works.	993	£162k Posts supported by Homelessness Prevention funding. £85k Staffing requirement to support the setting up of East Suffolk Letting. £131k Stepping Homes staffing costs, £615k Pathfinder Private Sector Housing staffing*.	5,460			5,460
Cross Cutting Items:									
Direct Staffing and Contract - establishment changes						0	(297)	Current forecast, allowing for some vacancies to be filled in the year.	(297)
Inflation						0	100	Insurance premiums increase.	100
Net Cost of Service	50,234	884		1,635		52,753	(9)		52,744
Non-Cost of Service Expenditure Adjustments (e.g. DRF,MRP)									
Direct Revenue Financing (DRF)	1,229					1,229			1,229
Revenue provision for the repayment of debt (MRP)	1,743					1,743	(21)	Underspend on 2022/23 Capital Programme.	1,722
Recharges to the Housing Revenue Account (HRA)	(1,421)					(1,421)	200	Review of Recharges between HRA and GF.	(1,221)
Bad Debt Provision	(14)					(14)			(14)
Other Accounting Adjustments	25					25			25
REFCUS	(2,721)					(2,721)			(2,721)
Other Operating Expenditure (e.g. Parish Precepts, Levies)									
Town & Parish Precepts	7,095					7,095			7,095
Levies	251					251			251

Q3 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Summary									
Key Changes	Original Budget 2023/24	Approved Budget Changes (Non Staffing)	Approved Budget Changes (Staffing)	Approved Budget 2023/24	Forecast Variance to Approved Budget Changes 2023/24	Forecast Outturn 2023/24			
Service Area	£'000	£'000	Comments	£'000	£'000	Comments	£'000	Comments	£'000
Financing and Investment Net Income and Expenditure									
Interest Payable	366			366					366
Interest Receivable	(1,680)			(1,680)	(2,400)	Additional interest income due to increasing rates.			(4,080)
HRA Share of Interest Payable & Receivable	120			120	807	HRA share of additional investment income.			927
Other Financing Charges	386			386					386
Non-Specific Grant Income (e.g. NHB, Section 31 Grant)									
New Homes Bonus	(447)			(447)					(447)
S31 Grant				0					0
Capital Grants	(36)			(13)					(13)
Other Non-Specific Grants	0			0					0
Net Movements on Reserves									
Use of Reserves for Services/Projects/Corporate	(4,592)	(546)	£455k Communities ECB, Digital Access and Partnerships. Carry forwards £91k, £17k Economic regeneration projects, £13k Economic Development EELGA Funding and additional feasibility study support, £6k Environmental Protection Air Quality, £3k Contaminated Land, £6k Abandoned Vehicles, £22k Democratic Services & £4k Customer Service Training, £3k Heritage events for armed forces day, £17k Planning.	(5,138)					(5,138)
Use of Reserves for In-Year Pressures	0	(258)	£100k provision for additional contribution towards Leisure Centre utility costs, £61k Sanyo Site works, £94k Economic Development & Regeneration Enterprise Zone and Town Project. £3k Environmental Air Quality.	(1,176)					(1,176)
Use of Covid-19 Reserve	(1,153)			(1,153)	(12)	Adjustment to use of reserve based on 2022/23 outturn.			(1,165)
Use of Reserves to Balance the Budget	0			0					0
Capital Reserves	(232)			(232)	83	Adjustment to use of reserve based on 2022/23 outturn.			(149)
Net Budget Expenditure After Reserve Movements	49,152	80		717	(1,352)				48,620

Q3 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Summary		Approved Budget Changes (Non Staffing)		Approved Budget Changes (Staffing)		Forecast Variance to Approved Budget Changes 2023/24		Forecast Outturn 2023/24	
Key Changes	Original Budget 2023/24	£'000	Comments	£'000	Comments	Approved Budget 2023/24	£'000	Comments	£'000
Service Area	£'000	£'000		£'000		£'000	£'000		£'000
Financed By:									
Council Tax Income (District Council)	(16,367)					(16,367)			(16,367)
Council Tax Income (Town & Parish Precepts)	(7,095)					(7,095)			(7,095)
Share of (Surplus)/Deficit on Collection Fund - Council Tax	(344)					(344)			(344)
Business Rates	(22,560)					(22,560)	268	Pooling Benefit latest update due to appeal provisions changes across Pool members & Tariff adjustment in year.	(22,292)
Government Support Grants (RSG, Lower Tier, Rural Services, etc.)	(2,785)					(2,785)			(2,785)
Total Financing	(49,151)	0		0		(49,151)	268		(48,883)
Budget Gap / (Budget Surplus)	0	80		717		821	(1,084)		(263)

* approved supplementary budgets to

Q3 – General Fund Planned Revenue Spend Reserve Forecast

Planned Future Revenue Reserve	Opening Balance	MTFS	MTFS	MTFS	MTFS	MTFS
	1st April 2023	April 2024	April 2025	April 2026	April 2027	April 2028
	£'000	£'000	£'000	£'000	£'000	£'000
Air Quality	6	3	3	3	3	3
Budget Carry Forward Requests	163	72	72	72	72	72
Building Control	516	462	408	355	301	247
Business Rates Pilot	912	910	784	784	784	784
Business Rates SPSL	1,010	791	425	425	425	425
Climate Change	14	14	14	14	14	14
Coastal Management	379	324	324	324	324	324
Active Suffolk	781	816	536	370	123	111
Customer Services	326	326	126	126	126	126
District Elections	239	79	199	319	440	(1)
Deployment of Flood Barrier	88	88	88	88	88	88
Economic Development	31	30	30	30	30	30
Economic Regeneration	87	23	5	5	5	5
Empty Properties and Houses in disrepair	240	235	230	226	221	217
Enterprise Zone	625	858	769	891	1,110	1,327
Environmental Protection	68	0	0	0	0	0
Food Safety	90	90	90	90	90	90
Growth Programme	64	64	64	64	64	64
Homelessness Mortgage Rescue	27	39	38	37	37	37
Individual Electoral Registration (IER)	438	388	338	288	238	188
Indoor Leisure	68	18	18	18	18	18
Key Capital Programme	67	31	31	31	31	31
Land Charges	150	100	50	50	50	50
Landguard	179	(0)	(0)	(0)	(0)	(0)
New Homes Bonus (NHB)	5,439	3,936	3,105	1,818	669	619
RES - Planning Policy	171	167	157	157	157	157
Private Sector Housing	82	72	55	48	41	34
RES - Planning	400	335	270	205	140	75
Renovation Grants	479	374	282	190	98	6
Southwold Harbour	144	210	255	319	373	426
Strategic Plan Delivery	0	0	900	1,659	2,438	3,237
Transformation - Core	0	0	7	7	7	7
Transformation - Digital	298	240	13	5	0	0
Transformation - Environmental	656	543	47	47	47	47
Transformation - Financial Sustainability	2,437	963	955	955	955	955
Total	16,676	12,603	10,689	10,019	9,520	9,814

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Appendix B - General Fund Quarter 3 Budget Monitoring and Commentary 2023/24

Senior and Corporate Management

Corporate and Democratic Management	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	(110)	(110)	0	0	0	Recharge income to support overheads incurred in relation to Freeport East.
Gross Direct Expenditure:						
Direct Staffing	0	0	0	5	5	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	1	1	0	2	1	No significant variance.
Other Non Service costs	492	492	407	32	(375)	Underspent of Audit fees not yet invoiced due to external audit delays, 2020/21 £50k, 2021/22 £70k, 2022/23 £30k , 2022/23 £74k and 2023/24 assumption of £235k are currently outstanding. Grants and Contributions overspend (£4k) in relation to Suffolk Museums Partnership (SMP). Corporate subscriptions underspend year to date (£38k).
Net Direct Expenditure/(Income) Total:	382	382	407	39	(368)	

Directors and PA's	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	(0)	(0)	(0)	0	0	
Recharges/Other Income	0	0	0	(2)	(2)	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	914	918	688	671	(17)	Secretariat underspends reflect a balance of hours current held vacant year to date.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	14	14	7	6	(1)	No significant variance.
Other Non Service costs	8	8	6	4	(3)	No significant variance.
Net Direct Expenditure/(Income) Total:	936	940	701	679	(22)	

Growth Programme Partnership	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	(277)	(277)	(208)	(989)	(781)	Suffolk Growth funding will be utilised in year to support the project, which includes Suffolk Inclusive Growth Investment Fund (SIGIF) providing contributions to local organisations and Contain Outbreak Management Fund (COMF) to support businesses recovering from COVID-19. Any surplus funds will be utilised to support project activity in future years as receipt in advance.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	128	128	96	120	24	Direct staffing costs fully funded in year by external funding. Administration costs will be reduced within Quarter 4 following the end of fixed term contracts.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	1	1	0	32	31	Variance as a result of unbudgeted contract settlement. Project fully funded by contributions above.
Other Non Service costs	138	138	103	597	494	Suffolk Growth project activity fully funded by grant above.
Net Direct Expenditure/(Income) Total:	(10)	(10)	(8)	(240)	(232)	
Heads of Service	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	(15)	(15)	(11)	(15)	(4)	£15k received from the NHS per annum to support the head of Communities role.
Recharges/Other Income	0	0	0	(4)	(4)	LATCO Contributions for Head of Operations (£2k) and Head of Digital & Programme Management (£2k).
Gross Direct Expenditure:						
Direct Staffing	1,312	1,312	984	1,030	46	Overspend includes settlement, accrued holiday and pay-in-lieu payments for Head of Service.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	18	18	8	14	6	Qualification training for Head of Housing (£3k).
Other Non Service costs	8	8	6	14	8	No significant variance.
Net Direct Expenditure/(Income) Total:	1,323	1,323	987	1,039	52	
Total Senior and Corporate Management (Excl Support Services & Capital Adjustments):	2,630	2,634	2,087	1,516	(571)	

Economic Development and Regeneration

Economic Development	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	No significant variance.
Grants & Contributions (Service Grant Funding)	(541)	(1,571)	(772)	(1,049)	(277)	UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) funding all received in advance.
Recharges/Other Income	(1,000)	(599)	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	705	755	566	463	(103)	Town Development posts have been reduced, but extended to end of 2024/25 so overall spend same (funded by BR SPSL). Asset Economic Development Office post vacant April - June (now filled). Cultural Development Officer 3 year post filled Feb 2024 but vacant April - January.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	23	22	14	8	(5)	No significant variance.
Other Non Service costs	1,837	2,589	1,659	1,025	(634)	UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) payments committed or allocated but not yet paid. Cultural Development budget unspent but newly appointed post will manage this fund.
Net Direct Expenditure/(Income) Total:	1,024	1,196	1,466	447	(1,019)	

Economic Funding	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	173	173	130	108	(21)	Funding Officer post has been vacant, but now appointed to.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	3	3	1	0	(1)	No significant variance.
Other Non Service costs	7	7	7	26	20	Changing Places grant paid (from grant received).
Net Direct Expenditure/(Income) Total:	183	183	138	135	(3)	

Economic Regeneration	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	(103)	(59)	(44)	(222)	(178)	£120k Lowestoft Place Bid received from Suffolk County Council. North Heritage Action Zone Partnership Scheme in Conservation Area and Buildings At Risk funding received.
Recharges/Other Income	(100)	(100)	0	0	0	Capital grant from DLUHC for Jubilee Parade.
Gross Direct Expenditure:						
Direct Staffing	608	549	412	407	(5)	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	15	15	9	16	7	No significant variance.
Other Non Service costs	777	1,203	632	689	56	Project variations year to date. Project spend will be monitored closely throughout the year against budget.
Net Direct Expenditure/(Income) Total:	1,197	1,608	1,008	889	(119)	

Economic Regeneration Towns Fund	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	(149)	(214)	(214)	(414)	(200)	DLUHC paid additional Capacity Grant in advance.
Recharges/Other Income	0	0	0	0	0	Capital funding for Towns Fund projects.
Gross Direct Expenditure:						
Direct Staffing	60	60	45	29	(16)	No significant variance.
Contract Staff	89	0	0	0	0	
Other Employee Expenses	1	2	1	1	(0)	
Other Non Service costs	0	123	92	641	549	Capital spend on Towns Fund projects.
Net Direct Expenditure/(Income) Total:	0	(30)	(76)	257	333	

Landguard	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(47)	(45)	(34)	(45)	(11)	Rent for café received quarterly in advance.
Grants & Contributions (Service Grant Funding)	(4)	(0)	(0)	(0)	(0)	
Recharges/Other Income	(50)	(89)	(29)	0	29	Parking income to be transferred from central pot at year end.
Gross Direct Expenditure:						
Direct Staffing	66	36	27	38	11	Staff now transferred to Trust.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	1	1	0	0	0	
Other Non Service costs	24	312	236	272	37	Payment of car parking and café income taking place quarterly rather than at year end.
Net Direct Expenditure/(Income) Total:	(11)	215	200	265	65	
Total Economic Development and Regeneration (Excl Support Services & Capital Adjustments):	2,393	3,172	2,736	1,994	(743)	

Financial Services and Other Financial Transactions

Financial Services	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(24)	(24)	0	0	0	Income as a result of the Service Level Agreement between the Council and East Suffolk Services Limited.
Grants & Contributions (Service Grant Funding)	(2)	(2)	0	22	22	Freeport 2022/23 recharge accrual to be offset within 2023/24.
Recharges/Other Income	0	0	0	(0)	(0)	
Gross Direct Expenditure:						
Direct Staffing	1,439	1,421	1,066	955	(111)	Underspend year to date partly mitigated by contract staff to support the current need of the service following vacancies in year. The majority of vacancies are forecast to be filled by the end of 2023/24.
Contract Staff	0	0	0	65	65	Contract staff costs incurred to support the current demand of the service, following direct management staff vacancies. Spend in year partly offset by underspends above.
Other Employee Expenses	25	25	13	12	(2)	No significant variance.
Other Non Service costs	47	47	48	55	7	No significant variance.
Net Direct Expenditure/(Income) Total:	1,484	1,467	1,127	1,108	(19)	

Other Financial Transactions	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	(113)	(113)	(113)	(52)	61	Repayment to the Capital programme Private Rental Sector (PRS).
Gross Direct Expenditure:						
Direct Staffing	(1,267)	(1,267)	(501)	0	501	Vacancy Saving balance in year.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	(50)	(50)	0	(7)	(7)	No significant variance.
Net Direct Expenditure/(Income) Total:	(1,430)	(1,430)	(614)	(59)	556	

Partnership Profit	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	560	560	This is the reversing accrual for 2022-23 Profit Share agreement. Joint venture position for the period of April – June 2023 reflects a loss of £0.271m.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	0	0	0	0	0	
Net Direct Expenditure/(Income) Total:	0	0	0	560	560	

Treasury Management	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	10	10	13	0	(13)	Annual treasury advisory services charge not yet received.
Net Direct Expenditure/(Income) Total:	10	10	13	0	(13)	
Transactions (Excl Support Services & Capital Adjustments):	64	46	526	1,609	1,084	

Revenue and Benefits

Housing Benefits	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(1,314)	(1,314)	(986)	(810)	176	The position year to date reflects less Housing Benefit Overpayments recovered, offset by subsidy returned within 2023/24.
Grants & Contributions (Service Grant Funding)	(51,335)	(51,335)	(454)	(627)	(174)	New Burdens Grant Income due to be passed over to Anglian Revenue Partnership.
Recharges/Other Income	0	0	0	(23)	(23)	22-23 Homelessness Prevention contribution towards Housing Benefit Subsidy loss.
Gross Direct Expenditure:						
Direct Staffing	1,743	1,743	1,307	1,299	(8)	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	13	13	2	1	(2)	No significant variance.
Other Non Service costs	53,080	53,080	32,489	24,536	(7,954)	Rent Allowances and Housing Benefit payments less than budget.
Net Direct Expenditure/(Income) Total:	2,186	2,186	32,359	24,375	(7,984)	

Tax Collection Cost	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(411)	(411)	0	(0)	(0)	Year end calculation when Council Tax is reconciled. Last Financial year totalled £434,519. Outturn position Forecast for 2023/24 is £411k.
Grants & Contributions (Service Grant Funding)	(474)	(474)	0	(48)	(48)	Care Leavers Contribution 2022/2023.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	1,746	1,746	1,309	1,261	(49)	Vacant Post.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	19	19	7	7	(0)	
Other Non Service costs	64	64	29	37	8	No significant variance.
Net Direct Expenditure/(Income) Total:	944	944	1,345	1,256	(89)	
Total Revenue and Benefits (Excl Support Services & Capital Adjustments):	3,130	3,130	33,704	25,631	(8,073)	

Digital and Programme Management

ICT	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(93)	(93)	(10)	(1)	9	Reduced income in relation to printing services provided to other small organisations due to reduced demand.
Grants & Contributions (Service Grant Funding)	(8)	(8)	0	5	5	Freeport 2022/23 recharge accrual to be offset within 2023/24.
Recharges/Other Income	0	0	0	(16)	(16)	Staff time recharge for the support provided during the ESSL transformation period year to date to the end of June 2023.
Gross Direct Expenditure:						
Direct Staffing	2,157	2,151	1,613	1,603	(10)	£32k direct staffing underspend following vacancies in year relating the increase in resource required to deliver the increase work associated with ESSL. Vacancies reflected have now been recruited. Underspend partly offset by increased overtime (£21k) as a result of work conducted out of hours to support updates etc.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	29	29	12	9	(3)	No significant variance.
Other Non Service costs	1,376	1,376	1,024	1,110	86	£86k overspend as part of the Smart Towns project to be funded by reserves within 2023/24. Forecast Nil general fund impact.
Net Direct Expenditure/(Income) Total:	3,461	3,455	2,640	2,710	71	
Total Digital and Programme Management (Excl Support Services & Capital Adjustments):	3,461	3,455	2,640	2,710	71	

Internal Audit Services

Internal Audit & Corporate Investigations	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(205)	(205)	(103)	(74)	29	Income budget reflects the recharges to other organisations for the provision of Audit services. Budget variance as a result of an over estimated budget due to the ICT Auditor budget remaining vacant and therefore not forecast to be recharged. Income forecast to be approx. £190k.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	819	839	630	502	(128)	Underspend in year reflects vacancies of hard to recruit posts, which have been activity advertised. Some underspend in year will be offset by external resource to support the demands of the service, such as ICT audit services.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	30	30	17	17	(0)	No significant variance.
Other Non Service costs	29	29	22	19	(3)	No significant variance.
Net Direct Expenditure/(Income) Total:	673	693	566	463	(103)	
Total Internal Audit & Corporate Investigations (Excl Support Services & Capital Adjustments):	673	693	566	463	(103)	

Human Resources

Human Resources	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(107)	(107)	(0)	(0)	0	Income as a result of the Service Level Agreement between the Council and East Suffolk Services Limited.
Grants & Contributions (Service Grant Funding)	(11)	(11)	0	7	7	Freeport 2022/23 recharge accrual to be offset within 2023/24.
Recharges/Other Income	0	0	0	(32)	(32)	Staff time recharge for the support provided during the ESSL transformation period year to date to the end of June 2023.
Gross Direct Expenditure:						
Direct Staffing	998	1,071	803	784	(19)	Vacancies in year relating the increase in resource required to deliver the increase work associated with ESSL. The majority of vacancies reflected were recruited within quarter one. Additional posts are budgeted to be supported by the Transition reserve, followed by ESSL recharges/SLA from July 2023.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	120	120	86	128	42	Overspend relating to £17k Recruitment advertising & £10k Medical fee expenses which are partly as a result of historic budget assumptions which do not reflect the revised contract agreement. £18k Council Corporate training overspend due to increased demand in year.
Other Non Service costs	67	67	(22)	31	53	£3k legal fee overspend relating to HR contract amendments and legal advice. £6k overspend relating to East Suffolk's contribution to Suffolk Safeguarding. Overspends offset by £26k budget profile relating to Payroll charges from Suffolk County Council.
Net Direct Expenditure/(Income) Total:	1,068	1,141	867	918	50	
Total Human Resources (Excl Support Services & Capital Adjustments):	1,068	1,141	867	918	50	

Procurement

Procurement	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(46)	(46)	0	0	0	Income as a result of the Service Level Agreement between the Council and East Suffolk Services Limited.
Grants & Contributions (Service Grant Funding)	(5)	(5)	0	0	0	
Recharges/Other Income	0	0	0	(6)	(6)	£2.5k contribution to support Pathfinder. £3.6k Staff time recharge for the support provided during the ESSL transformation period year to date to the end of June 2023.
Gross Direct Expenditure:						
Direct Staffing	228	228	171	168	(4)	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	18	18	13	4	(9)	Underspends relating to training budgets following training delays.
Other Non Service costs	14	14	10	3	(8)	No significant variance.
Net Direct Expenditure/(Income) Total:	210	210	194	168	(26)	
Total Procurement (Excl Support Services & Capital Adjustments):	210	210	194	168	(26)	

Legal and Democratic Services

Democratic Services	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(0)	(0)	(0)	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	702	702	527	349	(178)	Direct Officer underspends total £29k within Committee Administration, including management vacancies from Period 3 (vacancy recruited to September 2023). Members expenses department reflects an underspend of £149K based on a combination of vacancies and variance to budget on Member on Costs.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	36	51	36	31	(5)	No significant variance.
Other Non Service costs	706	706	529	551	22	£14k admin underspend offset by £41k members allowance and special responsibility allowance variance year to date.
Net Direct Expenditure/(Income) Total:	1,444	1,459	1,091	930	(161)	

Electoral Services	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(5)	(5)	(4)	(1)	2	No significant variance.
Grants & Contributions (Service Grant Funding)	0	0	0	(170)	(170)	External government contribution totalling £107k, to support Electoral Register works and costs arising from reoccurring elections and £33k received to support District Elections. £30k income received to support Felixstowe and Beccles by-elections. Income received following Neighbourhood Planning Referendums.
Recharges/Other Income	(45)	(45)	(34)	(7)	27	
Gross Direct Expenditure:						
Direct Staffing	534	534	318	489	171	Staffing overspend following the additional casual staff requirement to support the demand of the re-occurring election period. Overspend relating to the casual staff requirement is forecast to be support by reserve.
Contract Staff	15	15	0	0	0	
Other Employee Expenses	8	8	4	16	11	Overspend in relation to rental of community spaces to support the demand of the re-occurring elections. Increased spend over budget is forecast to be supported by reserves. £137k Postage and £70k External Printing overspend reflecting increased requirements to support the ongoing election. Overspend above budget are forecast to be supported by reserves. Increased equipment spend year to date totalling £11k to be supported by reserve in year.
Other Non Service costs	287	287	118	364	246	
Net Direct Expenditure/(Income) Total:	795	795	403	690	287	

Legal	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(80)	(80)	(56)	(40)	16	Income relating to demand lead ad hoc legal services. Income is forecast to be reduced within 2023/24 due to legal services no longer being provided to the Broads Authority.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	476	483	362	298	(64)	Underspends in year reflect vacancies of hard to recruit specialised posts. Underspends year to date are offset by increased contract staff spend.
Contract Staff	25	25	19	84	65	Locum Lawyer contract charges incurred to support the demands of the service following difficult to recruit direct staff vacancies. Charges over and above the current budget provision are support by direct staff vacancies year to date.
Other Employee Expenses	18	19	11	5	(6)	No Significant Variance.
Other Non Service costs	363	362	271	360	88	Legal Fees £73k overspent year to date.
Net Direct Expenditure/(Income) Total:	803	809	608	707	99	

Licensing	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(440)	(440)	(440)	(656)	(216)	Income received is higher than expected due to the annual nature of billing, therefore meaning that some actual income is received in advance and will be subject to a year end adjustment.
Grants & Contributions (Service Grant Funding)	0	0	0	(8)	(8)	Receipt of grant from DLUHC to support service operation.
Recharges/Other Income	0	0	0	(0)	(0)	
Gross Direct Expenditure:						
Direct Staffing	282	282	211	214	2	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	14	14	9	8	(1)	No significant variance.
Other Non Service costs	44	44	33	32	(0)	
Net Direct Expenditure/(Income) Total:	(100)	(100)	(187)	(410)	(224)	
Total Legal and Democratic Services (Excl Support Services & Capital Adjustments):	2,940	2,962	1,916	1,917	1	

Planning and Coastal Management

Building Control	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(944)	(944)	(656)	(595)	61	Staff Recharges of £25k invoiced in Quarter 4, income should come in on budget by year end.
Grants & Contributions (Service Grant Funding)	0	0	0	(5)	(5)	No significant variance.
Recharges/Other Income	(2)	(2)	(2)	(2)	(1)	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	964	964	723	654	(69)	Vacant Posts.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	74	74	51	49	(3)	No significant variance.
Other Non Service costs	106	106	79	73	(6)	No significant variance.
Net Direct Expenditure/(Income) Total:	197	197	195	173	(22)	

Coastal Management	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	26	26	Staff time not charged out to Alde & Ore Estuary Trust - staffing under budget to mitigate this variance.
Grants & Contributions (Service Grant Funding)	(143)	(1,839)	(1,340)	(2,195)	(855)	Resilient Coasts Grant from Environmental Agency.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	1,150	1,286	965	822	(143)	Vacant post year to date. Recruitment has been successful within Quarter 4.
Contract Staff	47	300	225	87	(138)	Staffing for Resilient Coasts project - recharged from GYBC - this is funded through the Resilient Coast Grant from Environmental Agency.
Other Employee Expenses	38	38	23	27	4	No significant variance.
Other Non Service costs	487	1,783	1,343	773	(571)	Resilient Coast spending profile - will be spent by year end.
Net Direct Expenditure/(Income) Total:	1,579	1,568	1,217	(461)	(1,677)	

Planning	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(2,376)	(2,381)	(1,590)	(8,950)	(7,360)	Includes £7.3m for Sizewell C obligations, £4.7m of which to be passed to third parties, remainder to be rolled into 2024/25 if unspent. Remaining variance mostly due to Land Charges budget being reduced to reflect HM Land Registry migration, but target date for completion now Oct 2024.
Grants & Contributions (Service Grant Funding)	(120)	(148)	(148)	(32)	116	Neighbourhood Plan Grants not yet claimed/received.
Recharges/Other Income	(3)	(3)	(2)	(40)	(38)	Variance relates to CIL receipts (ESC is allowed to retain 5% of these for admin costs but those are included in 'fees and charges' above).
Gross Direct Expenditure:						
Direct Staffing	4,842	4,833	3,625	3,271	(354)	Planning Support actively recruiting - now backfilling vacant posts. Turnover of staff in wider Planning team also leads to vacancy savings.
Contract Staff	0	0	0	26	26	Temporary resource being funded by vacancy savings.
Other Employee Expenses	140	140	85	66	(20)	Training budgets not yet spent (£9k committed).
Other Non Service costs	680	700	495	780	285	Appears overspent due to CIL allocations for other parties (income for which is included in other income above), which are not budgeted.
Net Direct Expenditure/(Income) Total:	3,164	3,141	2,465	(4,880)	(7,345)	

Rights of Way	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(15)	(15)	(11)	(16)	(5)	No significant variance.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	(1)	(1)	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	(0)	
Other Non Service costs	7	7	6	8	2	No significant variance.
Net Direct Expenditure/(Income) Total:	(8)	(7)	(5)	(9)	(4)	
Total Planning and Coastal Management (Excl Support Services & Capital Adjustments):	4,932	4,899	3,872	(5,176)	(9,048)	

Customer Experience Strategic Management

Communications	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(11)	(11)	0	0	0	Income as a result of the Service Level Agreement between the Council and East Suffolk Services.
Grants & Contributions (Service Grant Funding)	(1)	(1)	0	0	0	
Recharges/Other Income	(3)	(3)	(2)	(1)	1	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	273	273	205	214	10	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	3	3	1	2	1	No significant variance.
Other Non Service costs	50	50	38	30	(8)	Publication of two annual East Suffolk Magazines.
Net Direct Expenditure/(Income) Total:	311	311	242	246	4	

Customer Services	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(7)	(7)	(5)	0	5	Budget assumption based on historic ticket sales. No income is forecast for the 2023/24, with the budget removed in subsequent years.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	2,098	2,098	1,574	1,584	11	Both Customer Operations and Experience have been successful in recruiting into operational vacant posts going forward, the remaining management vacancy currently under review.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	20	27	11	14	3	No significant variance.
Other Non Service costs	100	98	73	34	(39)	£15k Telephone and Broadband underspend year to date due to delays in charges. £17k Software budget pending software review.
Net Direct Expenditure/(Income) Total:	2,212	2,216	1,653	1,633	(21)	
Total Customer Experience Strategic Management (Excl Support Services & Capital Adjustments):	2,523	2,527	1,895	1,878	(17)	

Operations

Admin Buildings	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(5)	(5)	(4)	(37)	(33)	Income received following new Lease agreement arrangement for The Annex, Melton.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	1,176	1,176	960	735	(225)	Underspend year to date pending quarter 3 charges from Vertas.
Net Direct Expenditure/(Income) Total:	1,171	1,171	956	698	(258)	

Arts, Heritage and Museums Development	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	8	8	8	1	(7)	This will be a variance to budget at year end, forecast to be result in a £7k benefit.
Net Direct Expenditure/(Income) Total:	8	8	8	1	(7)	

Asset Management	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(2)	(2)	(2)	(56)	(55)	Staff recharges and income from advertising on bus shelters - VAT Self billing.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	1,029	1,058	794	739	(55)	Vacant posts.
Contract Staff	0	150	113	192	79	Cover for vacant posts.
Other Employee Expenses	35	35	22	40	18	No significant variance.
Other Non Service costs	141	201	87	149	62	Cost for advertising on bus shelters - VAT self billing.
Net Direct Expenditure/(Income) Total:	1,203	1,442	1,014	1,063	49	

Beach	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(1,092)	(1,092)	(999)	(1,128)	(129)	Eastern Edge Beach Hut sales under budget £68k, Southwold Beach Hut income in advance £121k, Southwold should be over budget at year end by £25k.
Grants & Contributions (Service Grant Funding)	(4)	(4)	(3)	(2)	1	No significant variance.
Recharges/Other Income	0	0	0	0	0	Sale of Eastern Edge 5E.
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	85	85	66	75	10	No significant variance.
Net Direct Expenditure/(Income) Total:	(1,011)	(1,011)	(936)	(1,055)	(119)	

Caravan and Camping Sites	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(604)	(604)	(601)	(1,007)	(406)	Income in advance.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	191	191	143	133	(11)	Vacant Post.
Contract Staff	43	43	32	64	31	Contract cleaning staff - additional for the new toilet/shower block, also additional contract security costs - this will be a variance to budget - budget for 2024-25 will be increased.
Other Employee Expenses	2	2	1	15	14	Redundancy Cost.
Other Non Service costs	221	221	145	188	43	Utilities and responsive maintenance.
Net Direct Expenditure/(Income) Total:	(147)	(147)	(280)	(607)	(328)	

Cemeteries	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(353)	(353)	(265)	(283)	(19)	No significant variance.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	766	766	572	470	(101)	Underspend as a result of Planned Maintenance programme delays.
Net Direct Expenditure/(Income) Total:	413	413	307	187	(120)	

Concessions	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(115)	(115)	(106)	(137)	(31)	Income received in advance.
Grants & Contributions (Service Grant Funding)	0	0	0	(33)	(33)	Balance of Coastal Community funding for Martello Café - this is for snagging.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	16	16	11	(0)	(11)	No costs to date.
Net Direct Expenditure/(Income) Total:	(98)	(98)	(95)	(170)	(75)	

Emergency Planning	2023/24 Original Budget	2023/24 Revised Budget	Q3 2023/24 Profiled Budget	Q3 2023/24 Actual	Q3 Variance over/(under)	Q3 Variance Comments
	£'000	£'000	£'000	£'000	£'000	
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	74	74	57	71	15	No significant variance.
Net Direct Expenditure/(Income) Total:	74	74	57	71	15	

Events	2023/24 Original Budget	2023/24 Revised Budget	Q3 2023/24 Profiled Budget	Q3 2023/24 Actual	Q3 Variance over/(under)	Q3 Variance Comments
	£'000	£'000	£'000	£'000	£'000	
Gross Direct Income:						
Fees and charges	(17)	(17)	(13)	(10)	2	No significant variance.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	3	3	2	2	0	
Net Direct Expenditure/(Income) Total:	(14)	(14)	(10)	(8)	3	

Harbours and Yacht Stations	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(346)	(346)	(310)	(338)	(28)	Lease income in advance.
Grants & Contributions (Service Grant Funding)	0	0	0	(41)	(41)	Mutford Lock receipts received on an ad hoc basis based on use.
Recharges/Other Income	(72)	(72)	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	244	244	183	246	62	Variance reflects increased overtime year to date and back pay for 2021-22. This is forecast to be a year end variance. Budget will be increased in line with actual overtime paid.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	4	25	17	1	(17)	Pending Southwold harbour Management system training within 2023/24.
Other Non Service costs	239	239	175	154	(21)	No significant variance.
Net Direct Expenditure/(Income) Total:	69	90	66	21	(45)	

Indoor Leisure	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(354)	(354)	(265)	(391)	(126)	Profiling of the previous Leisure contract.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	689	789	519	181	(338)	Underspend due to outstanding supplementary energy invoices from Service providers.
Net Direct Expenditure/(Income) Total:	336	436	253	(211)	(464)	

Industrial Estates	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(620)	(620)	(465)	(646)	(181)	Income received in advance.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	52	52	34	32	(2)	No significant variance.
Net Direct Expenditure/(Income) Total:	(568)	(568)	(431)	(614)	(183)	

Leisure Strategy	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(8)	(8)	(6)	(20)	(14)	Contribution to Matlock Dale Play area. This is forecast to a be net nil variance.
Grants & Contributions (Service Grant Funding)	0	0	0	(83)	(83)	Play area contributions to support play area expenses within Other non service costs.
Recharges/Other Income	0	0	0	(7)	(7)	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	180	180	135	101	(34)	Vacant Post.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	6	6	4	10	6	No significant variance.
Other Non Service costs	353	353	264	369	105	Play area expenses.
Net Direct Expenditure/(Income) Total:	531	531	397	370	(27)	

Markets	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	1	1	1	1	(0)	
Net Direct Expenditure/(Income) Total:	1	1	1	1	(0)	

Miscellaneous Land	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(156)	(156)	(117)	(206)	(89)	Lease of Chamber Site at Pakefield £31.8k not budgeted and Income in advance.
Grants & Contributions (Service Grant Funding)	(36)	(36)	0	0	0	Estimate for year end is £36k, Section 106 income.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	105	121	96	92	(3)	No significant variance.
Net Direct Expenditure/(Income) Total:	(88)	(71)	(21)	(114)	(93)	

Miscellaneous Property	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(365)	(365)	(274)	(458)	(184)	Income in advance and back dated rent.
Grants & Contributions (Service Grant Funding)	(71)	(71)	(53)	(5)	48	variance to budget of £66k at year end - the operator has not created a surplus this financial year.
Recharges/Other Income	(332)	(332)	(249)	(199)	50	Wilko £255,000 lease income budget. Income reduced following Wilco bankruptcy.
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	1,042	1,042	758	807	49	Utilities one month in arrears & Commuted sum for the transfer of Bungay Office to Bungay Town Council.
Net Direct Expenditure/(Income) Total:	275	275	183	146	(37)	

Operational Management	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(9)	(9)	(7)	0	7	Budget reflects staff time to be re-charged. Year end variance of £8k.
Grants & Contributions (Service Grant Funding)	(1)	(1)	(1)	0	1	No significant variance.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	97	97	73	32	(41)	Vacant Post.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	3	3	2	(5)	(7)	Vacant Post.
Other Non Service costs	650	650	35	325	290	Costs associated within the creation of East Suffolk Services Limited prior to July 2023.
Net Direct Expenditure/(Income) Total:	741	741	102	352	250	

Outdoor Leisure	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(21)	(21)	(16)	(26)	(10)	Income received in advance.
Grants & Contributions (Service Grant Funding)	(3)	(3)	(2)	(15)	(13)	Section 106 income.
Recharges/Other Income	0	0	0	0	0	Section 106 income.
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	1	1	1	0	(1)	No significant variance.
Other Non Service costs	1,285	1,300	988	1,133	145	Revenue Expenditure Funded from Capital under statue (RefCus).
Net Direct Expenditure/(Income) Total:	1,262	1,277	971	1,092	121	

Parking Services	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(4,333)	(4,333)	(3,438)	(3,330)	108	Town Centre car parks income and fixed penalty notice income is down against budget.
Grants & Contributions (Service Grant Funding)	0	0	0	(218)	(218)	Grant income from Suffolk County Council for On Street Parking Places to be set up.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	314	314	236	248	12	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	11	11	7	7	0	
Other Non Service costs	2,827	2,827	2,242	2,157	(85)	Variance due to delayed planned maintenance.
Net Direct Expenditure/(Income) Total:	(1,180)	(1,180)	(952)	(1,135)	(183)	

Parks and Gardens	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(1)	(1)	(1)	(5)	(5)	No significant variance.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	1,272	1,272	927	951	24	Demolition/removal of BMX Park in Cavendish Park.
Net Direct Expenditure/(Income) Total:	1,271	1,271	926	945	20	

Public Conveniences	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(12)	(12)	(12)	(17)	(5)	No significant variance.
Grants & Contributions (Service Grant Funding)	(1)	(1)	(0)	(1)	(0)	
Recharges/Other Income	(10)	(10)	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	837	837	616	556	(60)	Utilities one month in arrears.
Net Direct Expenditure/(Income) Total:	815	815	603	538	(65)	

Public Shelters	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	32	32	24	4	(20)	Variance due to delays in planned maintenance.
Net Direct Expenditure/(Income) Total:	32	32	24	4	(20)	

Resort Activities	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(49)	(49)	(37)	(20)	17	Events Income under budget.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	183	183	135	127	(8)	No significant variance.
Net Direct Expenditure/(Income) Total:	133	133	98	107	9	

Street Scene	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	(190)	(190)	(190)	(220)	(31)	Service level agreement with Suffolk County Council for Verge Maintenance and Arboricultural services.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	2,290	2,290	1,709	1,572	(137)	Budget to support annual Invoice from Suffolk County Council for Utilities and maintenance. Variance due to profiling error.
Net Direct Expenditure/(Income) Total:	2,100	2,100	1,519	1,351	(168)	
Waste Management						
Gross Direct Income:						
Fees and charges	(2,668)	(2,668)	(2,634)	(3,264)	(631)	Green Waste Income received in advance.
Grants & Contributions (Service Grant Funding)	(1,675)	(1,675)	(1,200)	(919)	281	Waste Recycling Credits one month in arrears.
Recharges/Other Income	0	0	0	(0)	(0)	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	208	208	156	205	49	Two additional street scene officers approved via the request for resources process.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	654	654	489	1,298	809	Additional Refuse Freighter Hire and fuel cost in year.
Other Non Service costs	11,078	11,078	8,127	8,240	113	Additional Wheeled Bins costs in year.
Net Direct Expenditure/(Income) Total:	7,598	7,598	4,939	5,560	621	
Total Operations (Excl Support Services & Capital Adjustments):	14,926	15,318	9,697	8,594	(1,103)	

Communities

Community Development	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	(78)	(549)	(544)	(1,078)	(534)	£495K Holiday Activity funding received for 2023/24 and £143K brought forward from 2022/23 Holiday Activity Fund. £80K debtor for outstanding Interreg social prescribing claims due from Suffolk County Council.
Recharges/Other Income	(159)	(140)	(125)	(198)	(73)	£20k additional funding into the Ease the Squeeze programme. £53k of funding for Community Partnership projects.
Gross Direct Expenditure:						
Direct Staffing	850	1,132	850	791	(59)	Underspends due to vacancies year to date. £21K relating to the General Fund, £38K for externally funded roles.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	35	44	29	31	2	No significant variance.
Other Non Service costs	1,066	1,532	1,050	1,297	247	Additional expenditure on externally funded projects including the Holiday Activity Fund.
Net Direct Expenditure/(Income) Total:	1,714	2,020	1,260	843	(418)	

Community Safety	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	(4)	(4)	£2.5k received for Anti Social Behaviour Awareness week. £1k contribution to Community Safety. £1.5k contribution to SPSL Community Safety Partnership.
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	1	1	No significant variance.
Other Non Service costs	13	13	10	7	(3)	No significant variance.
Net Direct Expenditure/(Income) Total:	13	13	10	5	(5)	

Active Suffolk	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(45)	(45)	(34)	(16)	18	Educational courses self funded so will have corresponding reduction in expenditure.
Grants & Contributions (Service Grant Funding)	(625)	(625)	(469)	(889)	(420)	Additional external funding received in year to finance new projects and extension of projects.
Recharges/Other Income	(18)	(18)	(13)	(102)	(89)	Additional internal funding for new projects or to extend current projects.
Gross Direct Expenditure:						
Direct Staffing	655	655	492	472	(19)	Vacancy savings.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	23	23	14	14	0	
Other Non Service costs	246	246	186	325	139	Additional internal recharge income resulting in additional expenditure. Funding for new projects or extending current projects.
Net Direct Expenditure/(Income) Total:	237	237	176	(197)	(372)	

Lowestoft Rising	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	(45)	(45)	Income received without confirmation at budget setting. This will clear in Quarter 4.
Recharges/Other Income	(20)	(20)	(20)	(33)	(13)	Additional contributions from Holiday Activity Fund, East Suffolk Council and Enabling Communities budgets.
Gross Direct Expenditure:						
Direct Staffing	58	58	43	46	3	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	1	1	0	0	0	
Other Non Service costs	23	14	11	24	13	Additional Cultural Education successful grants issued than expected.
Net Direct Expenditure/(Income) Total:	61	53	35	(8)	(43)	

Revenue Grants	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	(3)	(3)	Community Partnerships member training, corresponding external recharge side on member development budget.
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	1,186	1,641	1,293	653	(640)	Delay in spending due to new administration being elected and therefore allocation of budget and spend to projects being delayed.
Net Direct Expenditure/(Income) Total:	1,186	1,641	1,293	650	(643)	
Total Communities (Excl Support Services & Capital Adjustments):	3,211	3,963	2,774	1,293	(1,481)	

Health & Wellbeing

Healthy Behaviours	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	(67)	(50)	(463)	(413)	New service therefore income received before services conducted and staff appointed. Strength and Balance project received £100k from Suffolk & North East Essex Integrated Care Board (ICB) to deliver services from 1st October 2023. Additional £70k received for set up costs and initial mobilisation. Feel good Suffolk project received £287k from Suffolk County Council to deliver ongoing services previously named One Life Suffolk contracted until 2026/27.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	47	47	Request for resource for additional staff not completed before budget period.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	1	1	No significant variance.
Other Non Service costs	0	67	50	45	(5)	No significant variance.
Net Direct Expenditure/(Income) Total:	0	0	0	(370)	(370)	
Total Health & Wellbeing (Excl Support Services & Capital Adjustments):	0	0	0	(370)	(370)	

Environmental Services

Public Health	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	(17)	(17)	2022/23 COMF carry forward that has now been fully spent.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	0	0	0	0	
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	0	
Other Non Service costs	0	0	0	17	17	2022/23 COMF carry forward that has now been fully spent.
Net Direct Expenditure/(Income) Total:	0	0	0	0	0	

Environmental Protection	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(64)	(64)	(41)	(67)	(26)	Demand lead Public burial income. Variance due to fluctuations of service need.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	(5)	(5)	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	1,278	1,400	1,050	1,005	(46)	Vacancy Savings.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	56	56	36	48	12	No significant variance.
Other Non Service costs	144	153	117	120	3	No significant variance.
Net Direct Expenditure/(Income) Total:	1,413	1,545	1,161	1,100	(61)	

Food and Safety	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(23)	(23)	(17)	(20)	(3)	Additional income on export certificates and skin piercing licences.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	838	847	635	602	(33)	Vacancy Saving arising from vacant Lead Food officer.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	45	45	28	31	3	No significant variance.
Other Non Service costs	15	15	11	8	(3)	No significant variance.
Net Direct Expenditure/(Income) Total:	875	884	657	621	(36)	
Total Environmental Services (Excl Support Services & Capital Adjustments):	2,288	2,428	1,819	1,722	(97)	

Housing Services

Homelessness	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(317)	(551)	(370)	(401)	(31)	Bed & Breakfast income contras against costs.
Grants & Contributions (Service Grant Funding)	(1,523)	(2,069)	(2,044)	(2,120)	(76)	Additional Rough Sleeper Initiative (RSI) and Homelessness Prevention grant funding received in year. To be spent by 31ts March 2023.
Recharges/Other Income	0	(211)	(9)	(6)	4	No significant variance.
Gross Direct Expenditure:						
Direct Staffing	1,587	1,656	1,212	980	(232)	Vacancy being covered by contract staff, and the rest are externally funded vacant posts.
Contract Staff	0	217	173	176	4	No significant variance.
Other Employee Expenses	33	33	18	23	5	No significant variance.
Other Non Service costs	1,365	2,130	1,406	1,540	134	Use of additional external funding and reprofiling of staff savings on external funding.
Net Direct Expenditure/(Income) Total:	1,144	1,205	385	192	(193)	

Housing Enabling	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	0	0	0	0	0	
Grants & Contributions (Service Grant Funding)	0	0	0	(827)	(827)	Local Authority Housing Fund. Grant to be returned in full to DLUHC due to no longer being viable.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	0	13	10	0	(10)	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	0	0	0	0	(0)	
Other Non Service costs	373	373	0	296	296	Use of Housing Community Fund, no impact on General Fund bottom line.
Net Direct Expenditure/(Income) Total:	373	386	10	(530)	(540)	
Private Sector Housing	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(353)	(713)	(519)	(352)	167	Contra against additional income on Grants and Contributions. No significant variances affecting the General Fund. Most income is in relation to externally funded projects. These are charges to other Local Authority's for such schemes they benefit from.
Grants & Contributions (Service Grant Funding)	(177)	(1,438)	(1,260)	(1,208)	52	additional income is for repaid Renovation grants, which will fund in year spend and top up reserve.
Recharges/Other Income	(2)	(114)	(104)	(129)	(25)	This forms part of reserve movement and will not impact on the General Fund budget.
Gross Direct Expenditure:						
Direct Staffing	1,395	2,127	1,595	1,305	(291)	These are externally funded vacant post. Little impact on General Fund.
Contract Staff	0	13	10	32	22	Contract staff are externally funded, no impact on General Fund.
Other Employee Expenses	51	91	62	102	40	Training costs that are externally funded. No impact on General Fund.
Other Non Service costs	2,641	3,903	2,814	2,773	(41)	Slight saving on externally funded spend. Expected to come in against budget in Quarter 4.
Net Direct Expenditure/(Income) Total:	3,554	3,870	2,597	2,523	(74)	
Total Housing Services (Excl Support Services & Capital Adjustments):	5,071	5,460	2,992	2,185	(807)	

Port Health

Port Health Authority	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(5,749)	(5,749)	(4,312)	(4,644)	(333)	The increase in revenue relates to an increase in Non Animal Origin (NAO) consignments due to the festive period.
Grants & Contributions (Service Grant Funding)	0	0	0	(334)	(334)	£298K DEFRA funding to fund the Border Force team in 2023/24. £22K from the Food Standards Agency to fund the secondment of the Port Health manager. £15k from the Food Standards Agency towards 2023/24 projects.
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	4,699	4,699	3,524	3,259	(265)	£27K underpend on Operations arising from various vacancies, £138K under on Port Health Business Support due to a revision to a restructure that was included in the original budget set resulting in savings. £28k under on the Port Health Management staffing budget due to vacancy savings. £98K under on the Border Force staffing arising from vacancies within the team. £15K over on Compliance due to the extension of the fixed term Health and Safety advisor role.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	53	53	19	51	32	Additional recruitments costs and officer professional subscription costs.
Other Non Service costs	111	111	1,087	963	(124)	Reduction in analyst fees for samples due to changes in legislation impacting on what is required to be sampled and checked.
Net Direct Expenditure/(Income) Total:	(886)	(886)	318	(705)	(1,024)	

SCPHA ICT	2023/24 Original Budget £'000	2023/24 Revised Budget £'000	Q3 2023/24 Profiled Budget £'000	Q3 2023/24 Actual £'000	Q3 Variance over/(under) £'000	Q3 Variance Comments
Gross Direct Income:						
Fees and charges	(534)	(534)	(534)	(332)	202	Loss of Philis Licence customers due to the delay in Brexit and bringing in EU checks.
Grants & Contributions (Service Grant Funding)	0	0	0	0	0	
Recharges/Other Income	0	0	0	0	0	
Gross Direct Expenditure:						
Direct Staffing	1,608	1,608	1,206	1,197	(9)	No significant variance.
Contract Staff	0	0	0	0	0	
Other Employee Expenses	13	13	3	12	9	No significant variance.
Other Non Service costs	515	515	386	705	318	Increase in software maintenance costs year to date.
Net Direct Expenditure/(Income) Total:	1,602	1,602	1,061	1,582	520	
Total Port Health (Excl Support Services & Capital Adjustments):	715	715	1,380	876	(503)	
Total for Services (Excl Support Services & Capital Adjustments):	50,234	52,753	69,665	47,929	(21,736)	



Committee	Cabinet
Date	06/02/2024
Subject	The Suffolk Coast Business Plan 2024-27
Cabinet Member	Councillor Sarah Whitelock Cabinet Member with responsibility for Communities, Leisure & Tourism
Report Author(s)	Paul Wood Head of Economic Development & Regeneration paul.wood@eastsoffolk.gov.uk
Head of Service	Paul Wood Head of Economic Development & Regeneration paul.wood@eastsoffolk.gov.uk
Director	Andrew Jarvis Strategic Director andrew.jarvis@eastsoffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable.
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Purpose/Summary

ESC jointly established The Suffolk Coast Destination Management Organisation (DMO) with representatives of the local tourism sector in 2012. Since this time the Council has agreed rolling 3 year funding agreements to support the delivery of the DMO's Business Plan which has contributed significantly to sustainably growing the visitor economy in East Suffolk. The current business plan is due to expire in March 2024 and the purpose of this report is to present to Cabinet the new plan which will cover 2024-27 period.

The DMO has provided brand and destination marketing services, performed well delivering excellent visitor information website services, a growing membership base, engaged in energy projects tourism mitigation, and highly effective individual and joint marketing campaigns. It continues to provide advice and guidance to the sector as it recovers from the unprecedented economic shock that pandemic trading restrictions caused.

Recommendation(s)

That Cabinet:

Approve funding of £182k to support the delivery of The Suffolk Coast's new 3 year business plan covering the period April 2024 to March 2027.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	Not applicable.
Sustainable Housing	Not applicable.
Tackling Inequalities	Not applicable.
Thriving Economy	<p>The new DMO Business Plan supports the following priorities:</p> <p>Support Responsible Tourism and the visitor economy The DMO's mission is to promote East Suffolk as a visitor destination and support tourism businesses within the district. Furthermore, a specific aim is to increase tourism in the shoulder seasons to ensure sustainable tourism growth.</p> <p>Encourage investment in East Suffolk's Key Sectors Tourism is one of East Suffolk's key sectors with a value of £680m and accounting for 14% of total employment in the district. The promotion of tourism and business support for the visitor economy facilitates further investment in this sector.</p>

	<p>Increase the economic viability of our towns East Suffolk’s market and coastal towns have a heavy reliance on tourism and by promoting and growing the value of visitor economy, the DMO’s business plan supports increasing the vitality of these towns.</p> <p>Ensure our residents can benefit from national infrastructure projects The DMO will have a key role in mitigating the impacts on the visitor economy from the major energy projects being developed on the East Suffolk coast. This will involve significant additional investment in tourism assets that will not only benefit visitors but also residents.</p>
<p>Our Foundations / governance of the organisation</p>	<p>Not applicable.</p>

Justification for recommendations

1. Background

- 1.1 The East Suffolk visitor economy is one of the district’s key sectors in terms of the scale of its business base, economic value and employment. In 2022 it had a total value of £680m and accounted for 14% of total employment. As such it is recognised that to sustainably grow the sector, and as a major asset owner in resort areas, ESC has a key role in supporting its development.
- 1.2 ESC established The Suffolk Coast DMO in collaboration with the local tourism industry in 2012. This was based on the recognition that to maximise the economic opportunity that the visitor economy represents to the district, the public and private sector need to work in partnership. Since 2012 the DMO’s activity has focused on marketing and promoting the Suffolk Coast as a visitor destination, providing advice and guidance to local tourism businesses, and researching the potential impact of major energy developments on the visitor economy.
- 1.3 The DMO has been partly funded by ESC since its inception and raises additional revenue from membership fees and advertising. It has steadily built up its membership base to 250 tourism businesses from across the district. ESC funding is based on the DMO producing a three-year business plan setting out its activities to sustainably grow the local visitor economy. This report considers the DMO’s new business plan covering the 2024-27 period.

- 1.4 ESC has provided £55k of funding annually to the DMO over the last three years (2021-24). In return for this funding, the DMO delivers high value destination marketing services for the whole district, provides a strong and effective web and social media presence, works effectively on joint campaigns with other Suffolk and Norfolk DMOs and Visit Suffolk, provides tourism specific business support and has grown its membership base to 250 during the difficult post-covid recovery phase for the tourism sector. The membership comes from a mix of towns, resorts and rural areas across the district, reflecting the diverse nature of East Suffolk's tourism offer.
- 1.5 The DMO also facilitates networking within the tourism sector as well as with public bodies such as ESC. This includes the DMO hosting a highly regarded annual conference which brings together over 150 organisations to hear from a range of local, regional and national speakers on how to ensure resilience and sustainable growth within their businesses.

2. Introduction

- 2.1 East Suffolk Council has contributed substantially to the continued, sustainable growth and success of the visitor economy in East Suffolk through its support of its key destination marketing partner - The Suffolk Coast Destination Management Organisation (DMO). The DMO's work underpins this hugely important sector by contributing to key elements of ESC's current and former strategic plans and is also a key driver within the East Suffolk Tourism Strategy, namely 'Provide excellent destination marketing services' through developing relationships with key partner organisations.
- 2.2 The new DMO business plan has been produced in the context of the visitor economy continuing to recover from the impact of Covid restrictions, cost of living/ cost of doing business crisis, major energy projects being developed within East Suffolk's tourism destinations and changes to the sub-regional/ regional destination marketing landscape. The new plan reflects the opportunities and challenges these developments represent and the need to adapt activity accordingly to continue to deliver the aim of sustainably growing the local visitor economy.
- 2.3 The current funding agreement with the DMO delivers business plan outcomes that support the sustainable growth and development of the visitor economy in East Suffolk. In addition, ESC also provides officer time to support the development of funding bids, advising on major decisions, and overseeing/ monitoring performance etc. The current funding agreement expires in March 2024.
- 2.4 The DMO is led by a board of professional business leaders who all provide their time free of charge and is supported by a marketing and membership management team it employs directly. Board members include representatives from Adnams, Snape Maltings / Britten Pears Arts, The Hotel Folk, ESC, The Yeo Group, Attain Solutions Ltd and Suffolk and Essex Coast & Heaths National Landscapes.

2.5 The DMO makes highly effective use of digital platforms to promote the district as a tourism destination. The Suffolk Coast website attracts over 801,000 annual visits, the DMO has a combined social media (Instagram, Facebook and X) audience of over 48,000 and has 30,000 email subscribers for its monthly enews broadcast with an impressive open rate of 27%. These usage statistics make The Suffolk Coast one of the highest performing DMOs in the region.

3. Proposal

3.1 It is proposed that ESC commit to funding the DMO for a further three year period (April 2024 – March 2027) at £182k. The 2024-27 business plan (see Appendix A) sets out the DMO's proposed tourism promotion activity which includes the use of ESC funds. The key element of their activity will be the marketing and promotion of the Suffolk coast as a visitor destination. The main route to market will be via TSC website (www.thesuffolkcoast.co.uk) and various social media channels.

3.2 The aim of the DMO, as demonstrated through its new business plan, is to support the sustainable growth of a responsible tourism economy through data driven marketing and providing tourism businesses with new routes to market. A key objective in growing sustainable tourism is by focussing on boosting growth in the shoulder seasons i.e. the autumn and spring.

3.3 The focus of DMO activity during the 2024-27 period will be:

- Destination marketing via campaigns, TSC website and social media.
- Work collaboratively with the regional DMO network to deliver regional destination campaigns which benefit the local visitor economy.
- Supporting the delivery of the Sizewell C tourism mitigation programme.
- Supporting the transition of regional tourism support structures.
- Provide a forum for East Suffolk tourism businesses to engage with key public sector partners and identify key challenges and opportunities in the local visitor economy.
- Host an annual DMO conference.

4. Financial Implications

4.1 The proposal is for ESC to contribute £182k to the DMO over the next three financial years (2024-27). This represents a 10% increase on the previous three-year funding agreement. This increase is deemed proportionate as it represents the first increase in funding to the DMO since 2015. During this time the DMO have absorbed increases in costs by increasing alternative revenue streams, however during the course of the current business plan inflation has been recorded at its highest rate for over 30 years, as such this proposed increase in funding is appropriate.

5. Legal Implications

- 5.1 If approved, a partnership agreement will be drafted between the DMO and ESC setting out the funding contribution and the activity the DMO will deliver in return.
- 5.2 The financial assistance ESC is proposing to provide does not amount to a subsidy under the Subsidy Control Act 2022.

6. Risk Implications

- 6.1 The DMO Business Plan supports ESC's objectives of growing the local tourism sector sustainability and in a way which benefits residents as well as visitors. Without ESC's funding and influence on tourism investment, we put at risk the opportunity to promote growth in this sector in a sustainable fashion and achieve the priorities within Our Direction 2028.

7. Options

- 7.1 To approve continued investment in the DMO by providing core funding for the period 2024-27.
- 7.2 To provide a reduced amount of funding than is being proposed, leading to a reduction in the ability to support the Council's objectives around tourism development and promotion.
- 7.3 To provide no funding, which would lead to the closure of the DMO, no destination marketing function for the East Suffolk visitor economy and a hugely reduced engagement with the tourism sector. Furthermore, this would severely reduce our ability to mitigate the impact on the visitor economy of the Sizewell C and other major energy developments.

8. Recommendations

- 8.1 That Cabinet approve funding of £182k to support the delivery of The Suffolk Coast's new 3 year business plan covering the period April 2024 to March 2027.

9. Reasons for Recommendation

- 9.1 The DMO is the Council's main route to market for promoting East Suffolk as a visitor destination. Tourism is a key sector for East Suffolk as demonstrated by its overall economic value, business base and employment. Without the DMO, the Council would have no ability to engage in destination marketing for the district, would not have a business led organisation / membership base with which to engage and would be severely limited in its programmes to mitigate the impact of the Sizewell C and other major energy developments taking place in the district. For these reasons the relatively modest investment over three years will enable ESC to deliver on all its priorities relating to the visitor economy as set out within the new strategic plan.

10. Conclusions/Next Steps

- 10.1 By approving continued ESC investment in the DMO, the Council will enable the organisation to maintain its high value destination marketing of East Suffolk and continue to provide invaluable business support advice to the local visitor economy sector. The DMO are keenly aware of ESC's priorities for tourism as set out within the new strategic plan and through this new funding agreement they will provide even more focus on sustainably growing the local tourism sector, ensuring that tourism investment benefits residents as well as visitors and support the district in maximising the local benefit from NSIPs.

Areas of consideration comments

Section 151 Officer comments:

The 2024/25 budget and the following two years have been updated with a £182k (in total) budget to accommodate the recommendation of this report. Subject to this request being approved, the budget provision will be approved as part of the Budget report to Full Council on 21 February 2024.

Monitoring Officer comments:

No additional comments.

Equality, Diversity and Inclusion/EQIA:

Equality Impact Assessment EQIA577622562 undertaken which shows a positive impact on the socio-economic protected characteristic

Safeguarding:

Not applicable.

Crime and Disorder:

Not applicable.

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

Budget provision has been made to support this proposal. No further implications.

Residents and Businesses consultation/consideration:

Not applicable.

Appendices:

Appendix A | The Suffolk Coast DMO Business Plan 2024-27

Appendix B | What is The Suffolk Coast Destination Management Organisation?

Background reference papers:

None.



Executive Summary

The Suffolk Coast DMO (TSC) is one of the ¹highest performing tourism marketing organisations in the region across Suffolk and Norfolk. Since its inception in 2012, it has become a highly respected organisation by East Suffolk's tourism businesses, representing excellent value for money by delivering impactful, data driven marketing campaigns to promote the destination, offering robust support to its members and the wider tourism industry, and consistently providing quality content and up to date information for visitors to the area.

Over the next 3 years, factoring in additional income from SZC, TSC will look to increase membership income by 20%, increase advertising revenue by 31% and increase marketing activity by 27%. It will grow membership from 250 to 300, and through its exemplary reputation with tourism businesses in East Suffolk and the wider area, will be a powerful representative for the sector, strengthening relationships with all stakeholders and individuals alike. The business plan and funding proposal presents a scenario with the implications of the development of SZC in the area.

TSC has a proven track record in operating strategically, ²demonstrating its ability to be flexible and adapt quickly and efficiently to market forces, vital qualities needed to navigate the next three years and onwards, which will see the development of multiple Nationally Significant Infrastructure Projects in the area. Whilst NSIPs will have a major impact on the area, TSC is keenly aware of the opportunity that exists to promote East Suffolk to a wider domestic audience, positioning it as a highly attractive alternative to other popular areas such as Devon, Cornwall and the Southwest, helping to mitigate some impacts of the NSIPs.

TSC understands the importance of developing tourism sustainably. It will continue working closely with Suffolk & Essex Coast & Heaths National Landscape to protect the destination, alongside supporting the

¹ Based on website sessions and social media audiences of DMO's and other tourism organisations in Suffolk and Norfolk

² All marketing campaigns are data driven with clear KPIs that are met or exceeded.

tourism industry to thrive, by producing and promoting stunning imagery and inspirational content to encourage visitors to fall in love with, respect, protect and enjoy the wonderful landscapes, culture and sensitive environments that make up our beautiful destination.

1. Mission, Purpose, and Achievements to Note

- 1.1. TSC was initially established in 2012 with a simple aim - to support responsible tourism and the visitor economy, through data driven marketing, and to serve its membership by providing businesses with new routes to markets. The goal has always been to grow the visitor economy sustainably, by boosting tourism in the shoulder seasons.
- 1.2. TSC has successfully marketed the destination over the last 12 years through the development of an industry leading website www.thesuffolkcoast.co.uk, with over 801,000 visits per year, an engaged list of over 30,000 consumer facing subscribers, excellent social media communications with an audience of over 48,000, and targeted advertising activity. In addition, our involvement with the National Significant Infrastructure Projects, managing communications of the Covid-19 crisis, and providing support for and contributing to the Norfolk and Suffolk DMO coalition, has increased the presence and authority of the organisation. We are proud of our achievements and continue to be a dynamic, creative, and trustworthy organisation, well respected by East Suffolk's tourism businesses and organisations.
- 1.3. The research conducted by TSC in 2019 on 'The Energy Coast Implications, impact & opportunities for tourism on the Suffolk Coast' demonstrated that whilst The Suffolk Coast is in a highly competitive market for days out and holidays, even amongst its key near regional audience of those living in a 90-minute radius, there is a very clear opportunity to increase visit consideration through targeted marketing campaigns.
- 1.4. Amongst a nationally representative sample of those living within a 90-minute radius of the area, base consideration for visiting the Suffolk Coast for holidays/days out in the future was 26%. That was less than for the Norfolk Coast, 32%, although still higher than for the Essex Coast, 20%. Cornwall and Devon were the most considered destinations, on a par with Norfolk and Suffolk, even within the near regional market. There is a very clear opportunity to increase visit consideration through targeted marketing campaigns.

How do we view the future?

- 1.5. TSC's continued aim is to support and encourage a thriving visitor economy in East Suffolk, through delivering data and insight driven campaigns. Over the next three years, alongside our core activity, TSC is perfectly positioned to be the marketing delivery partner for destination campaigns associated with the SZC Tourism Fund and other mitigation funds relating to NSIPs.
- 1.6. TSC acknowledges that the way the Visitor Economy is managed at both Local, County and National levels is experiencing change. With the disbanding of LEPs, County Devolution Deals and the emerging LVEP structure, TSC is well placed to support the transitions that are taking place and will continue to work closely with all relevant stakeholders to ensure the success of any new models put into place.
- 1.7. Over the coming years, East Suffolk will see the development of multiple energy NSIPs. It is vital that TSC engages now with new visitors before the main impact of these projects takes place. We must build allegiance through brand awareness to reassure both existing and new visitors that irrespective of the level of development, the Suffolk Coast has plenty to offer a wide and diverse audience.

2. What are we asking for?

- 2.1 To deliver the important work identified in this document, TSC requires the security of core funding each year from East Suffolk Council as laid out in the 3-year financial model attached. Previously East Suffolk Council's core funding has not had inflationary increases, this has been absorbed by TSC. Our proposal shows an overall increase in the annual contribution of 10% across the 3 years.
- 2.2 TSC is a trusted authority and has willingly taken on additional responsibility whilst continuing with its core marketing function. Working more closely with East Suffolk than at any point in the organisation's 12-year history TSC is recognised and widely respected as the official tourism organisation for the destination. We wish for this to continue.
- 2.3 Over the past four years, along with our members, we have had to ride wave after wave of problems and disruptions. Covid, followed by the fuel supply crisis, then soaring inflation, interest rate increases and extraordinary weather events. Throughout these troubles TSC has remained steady, flexible, and able to respond with effective solutions to help the visitor economy. We want to continue to be the go-to place for our members looking for help and vital support.
- 2.4 TSC has reflected the commencement of Sizewell C in this proposal. TSC is part of the SZC Tourism Working Group and is ideally placed to be the marketing delivery partner for destination campaigns associated with the SZC Tourism Fund. Whilst we are awaiting a final investment decision, details of the date of commencement, and allocation of the Tourism Fund, we recognise it is imperative to factor in the SZC Tourism Fund to this proposal, and the impact this will have on marketing the destination to support impacted businesses, organisations, and communities.

3. TSC Team

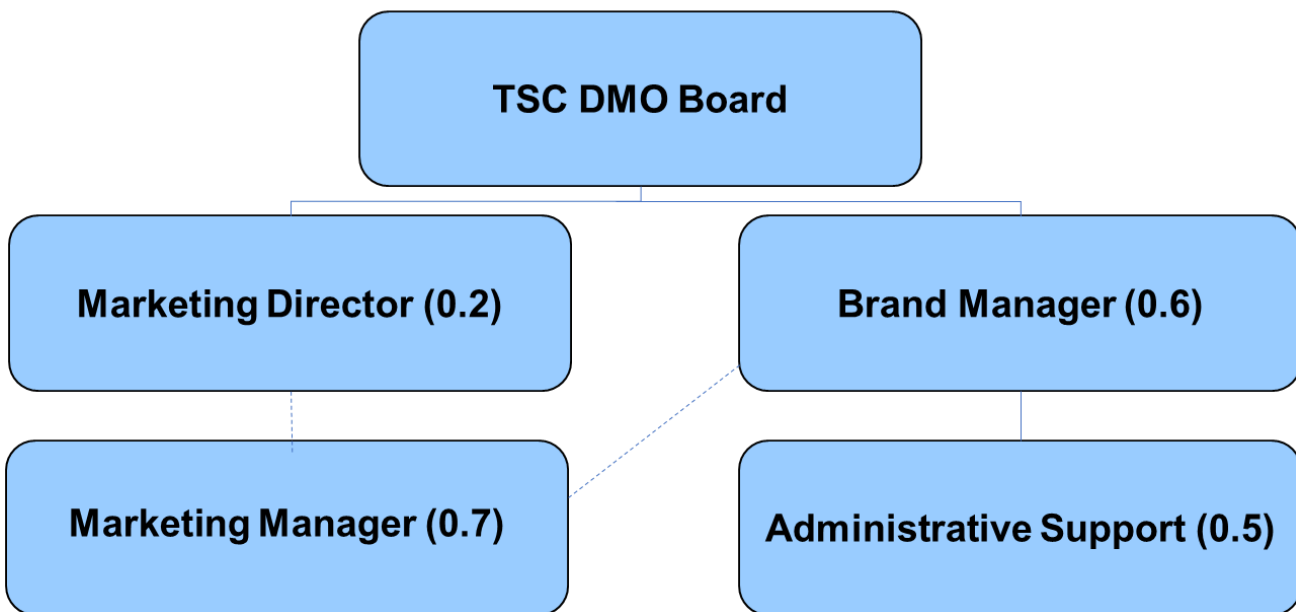
3.1 TSC currently has an experienced volunteer board of Directors and a small but hugely skilled executive team.

3.2 The board has representatives from Adnams Plc, Britten Pears Arts, The Hotel Folk, The Yeo Group, and Attain Solutions Ltd. The four annual board meetings are attended by officers from East Suffolk Council and Suffolk & Essex Coast & Heaths National Landscapes.

3.3 The executive team currently comprises Annie Willey (Brand Manager, 0.6), Julian Evans (Marketing Director, 0.2), Beccie Amer (Marketing Manager, 0.7) and Shelley Spring (Administrator, 0.5). This totals 2.0 FTE roles. We have illustrated in this proposal how the organisation’s structure would change, when the SZC Tourism Fund Marketing Manager role commences. We would like this post to sit within TSC to ensure maximum marketing support is delivered to impacted businesses, organisations, and communities.

3.4 TSC Current Organisational Structure

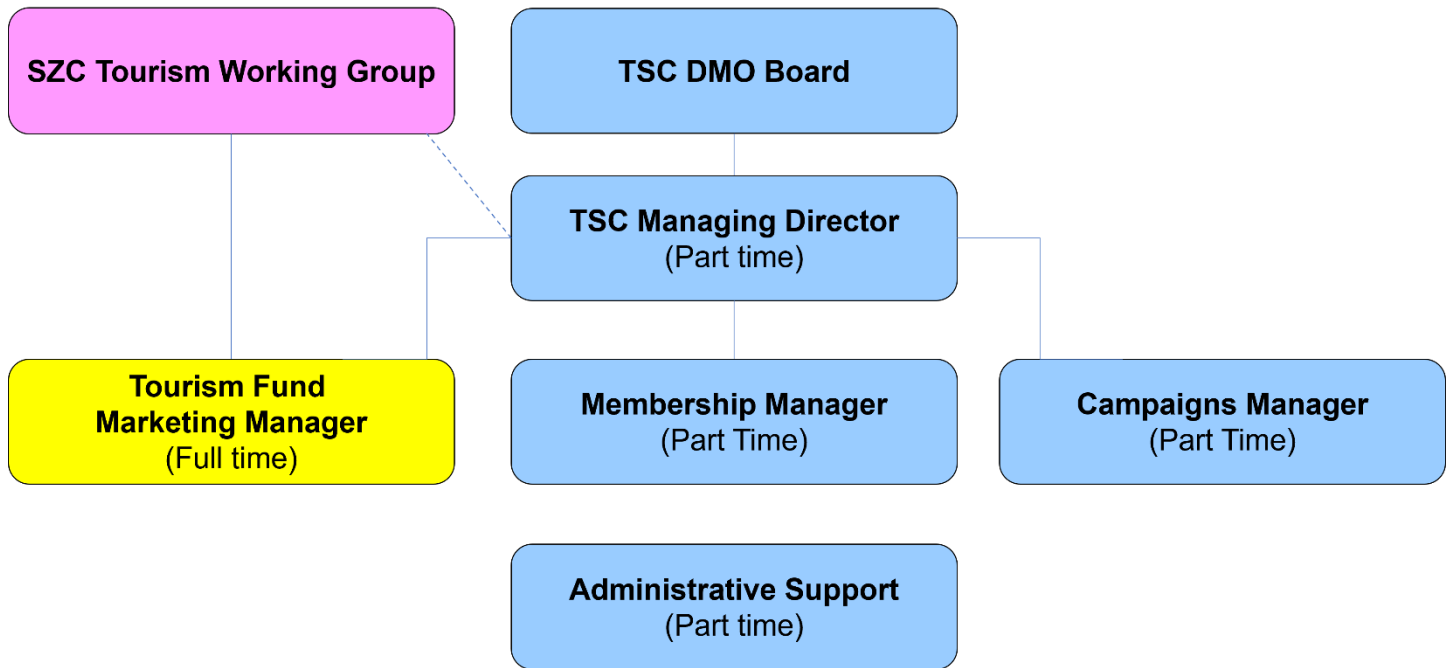
The Suffolk Coast DMO Current Structure



3.5 Proposed new structure with SZC Tourism Fund Resource

Conversations are ongoing between ESC and the DMO as to how the Tourism Fund Marketing Manager post should integrate with the DMO. TSC's preferred structure would be a complete review of the staffing structure, with the creation of a new Managing Director role. Although the cost of this restructure is not included in the budget, TSC wishes to continue conversations with working group colleagues to use SZC Tourism Fund budget to achieve the restructure.

The Suffolk Coast DMO Structure including SZC Tourism Fund Resource



4. Membership

4.1 TSC's current membership stands at 250 tourism businesses and organisations, and despite the challenging economic climate, our retention rate is high at 93% and membership continues to grow. TSC's target across the 3 years is to achieve 300 members in the year 2026 – 2027.

4.2 The annual membership fee is currently £131 + VAT, this has increased over a three-year period from £110 + VAT. TSC's membership offer is among the best value for money in the region, it operates a simple structure, where members have access to the same benefits from being able to add website offers, events, update listing pages, be curated into our website and social media content, feature in relevant town guides and other blogs. They are kept up to speed with tourism industry news, funding opportunities and information from East Suffolk Council and other stakeholders around net zero, sustainability, diversity, audience insights and data. In addition to the standard services provided through membership, members can enhance the visibility of their business by sending us their news and content and tagging us on social media. They can also take advantage of advertising opportunities which provide additional revenue for TSC.

4.3 Membership reflects the following split of businesses by primary activity across the sector; 44% accommodation, 33% visitor attractions, 14% hospitality and local food and drink producers, with the remaining 8% including retail, weddings and tourism associations. As TSC's marketing activity increases, its audiences will grow, it will become more visible to both visitors and tourism businesses, which in turn will increase membership. We envision growth in membership numbers across all sectors, including secondary spend providers.

5. Sources of income and core costs

The operational costs for TSC to function at the same level as demonstrated in recent years are c£143k.

The core costs should be covered in the following ways, as outlined in the financial attachment.

5.1 East Suffolk Council's core grant funding is crucial to the viability of TSC, accounting for 45% of core income in 2023/24 dropping to 39% for 2026/27 (not including SZC Tourism Fund income). (It represented 60% of core income in 2019).

5.2 Membership fees, which require significant effort to manage, currently provides c.25% of TSC's annual income in 2023/24, rising to 31% in 2026/27.

5.3 The team has continued to work hard to raise additional sums through advertising revenues, and in 2022 introduced new packages which help income generation. This provides c.16% of TSC's annual income in 23/24, rising to 21% in 2026/27.

5.4 ESC has provided other funding for conferences, and the highly successful 'Festival and Events Fund' which allows TSC to support local activities with high quality marketing services.

5.5 Funding from the SZC Tourism Fund to TSC has been modelled at £200K per annum, (although this could fluctuate year to year depending on the activity agreed through the Tourism Working Group and documented in the Annual Tourism Implementation Plan). The £200K does not include costs associated with the Tourism Fund Marketing Manager post documented in the Deed of Obligation. It covers focused promotion of the destination as determined by the Annual Tourism Implementation Plan and other associated DMO costs.

5.6 All marketing and campaign activity will be driven by data and insights, which it is assumed will be sourced through the £71K per year, specified in the Deed of Obligation for research and monitoring of the Tourism Fund.

6. Marketing Activity

6.1 A core strength of TSC is the knowledge and skills available to support marketing activity within the executive team. The current team are contracted on a freelance basis, and all run their own businesses specialising in print and digital advertising, social media, SEO, PR, website development, content

delivery, and event management. TSC delivers results without engaging expensive advertising agencies.

6.2 The primary marketing focus in the three-year plan is to continue to work on TSC website and audience engagement through social media and email channels, this is covered in the core DMO costs.

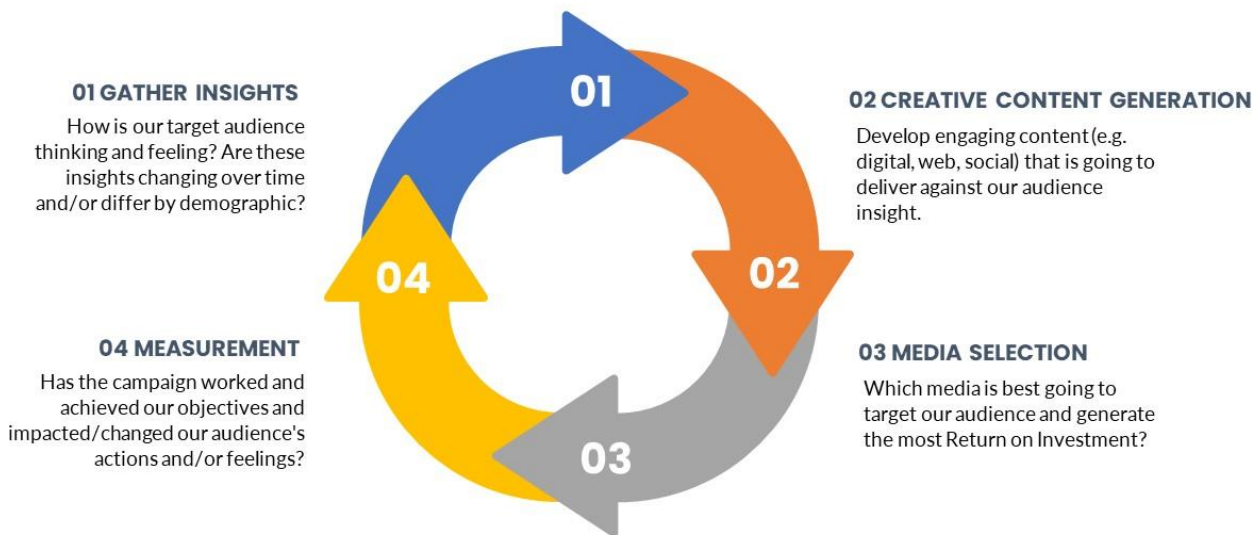
6.3 In addition to this work, TSC will be the conduit to deliver the Festival and Events Marketing Support funding for East Suffolk Council, this has proven to be an incredibly successful method of supporting local events that attracts new visitors to the region. The support for this is covered within the core costs of TSC.

6.4 We will continue to be a key player in the DMO coalition to ensure that East Suffolk gets the best output from their contribution to the marketing activity, driven through Visit East of England. The support for this is covered within the core costs of TSC and will continue through in the three-year plan.

6.5 The outlook for the visitor economy on the Suffolk Coast will be greatly influenced by the energy NSIPs. TSC will continue with a flexible and reactive approach as plans are confirmed, something that the organisation has prided itself on delivering over the last three challenging years.

6.6 All marketing activity will be driven by data and insights as demonstrated in below.

Our Process towards Campaign Development



7. Regional and national networking

7.1 TSC has devoted time and energy into fostering strong local links with BIDs, the DMO coalition and town management groups in East Suffolk, Suffolk & Essex Coast & Heaths National Landscape, and the wider Suffolk area. We work closely with other industry organisations such as The Tourism Alliance, the National Coastal Tourism Academy, and VisitEngland to ensure our members' views are represented on many issues. We will continue to strengthen these relationships.

8. Local Visitor Economy Partnerships

8.1 Suffolk County Council and the district councils are undertaking a review of the visitor economy across Suffolk which will be completed early 2024. The review covers:

- the role that New Anglia LEP has in tourism now and the devolvement back into Suffolk County Council,
- the roles of the Suffolk DMO's, Visit Suffolk and Visit East of England
- The resources within the district councils and the plans for LVEPs (Local Visitor Economy Partnerships).

8.2 Any LVEP that is created for Suffolk could direct funding from VE to deliver a wide range of objectives.

8.3 Visit East of England are working with Norfolk County Council to create a Norfolk LVEP. VEE would like to see a joint Norfolk and Suffolk LVEP run by Visit East of England. TSC will support any emerging LVEP for Suffolk, whether it be for the county or across the wider region.

9 Key Performance Indicators 2024 to 2027

Please note the KPIs do not include those which will be developed in line with the Tourism Fund Implementation Plan, approved by the Tourism Fund Working Group.

9.1 Revenue

Increase membership numbers from 250 in 2023 to 300 by 2027

Increase advertising income from 16% to 20% of total revenue by 2027

9.2 Marketing Activity

When looking at marketing activity the most obvious measure is the number of sessions and page views for websites, and followers/likes for social media channels.

Setting KPI's that look at the top-level audience figures is not the right thing for the DMO to do. Our marketing activity over the next few years may require us to take a tactical approach to meet specific objectives. Any KPI that is focused on overall growth could conflict with a tactical approach because there is a huge difference in campaign strategy that would be applied.

9.2.1 Website

As the official tourism organisation for the Suffolk Coast and host of the website and social media platforms, we recognise the importance of growing these audiences to promote the visitor economy.

Rather than a focus on the total figure the KPI's should focus on organic traffic – this is the audience that we attract through content, creative posts, and SEO (search engine optimisation). This activity falls within the core work undertaken by the team and is not influenced by above the line spend on advertising.

The website figures may be influenced by changes to Google Search algorithms which can impact on the performance in search results. We can act quickly to this and in most cases counter any changes. To set the benchmark, we have taken the average organic traffic figure for the past three months, to develop an appropriate KPI, which does not include activity determined through Tourism Fund Implementation Plan.

This gives us a figure of 396,000 annual website sessions.

We would look to grow this figure by 5% a year.

- Year one 378,000 organic sessions
- Year two 397,000 organic sessions
- Year three 417,000 organic sessions

9.2.2 Social Media

With no planned spend on audience development across our social media platforms, outside of the activity determined through Tourism Fund Implementation Plan, we would look to see a modest, organic increase in fans and followers of 10% on Facebook and Instagram. Whilst we are still using X (Twitter) the platform is seeing a steady decline in users, this is reflected in our follower numbers, with our following not increasing throughout 2023. As a result, we will continue to use the platform to engage with journalists and other bodies, but will not track engagement singularly, any traffic from X will be incorporated into the organic traffic referrals from our social media platforms to the website.

To track engagement, we will continue to follow reach and profile visits on both Facebook and Instagram. Reach can be affected by ads activity, however, we would still look to see an increase of 10%.

Profile visits on both Facebook and Instagram can be likened to a website visit, so as we build our following, we would expect to see a year on year increase of profile visits of 10%.

Comparing our Facebook and Instagram profiles with that of other Norfolk and Suffolk DMOs, our aim is to remain in the top 3 accounts on both platforms, this includes Visit Great Yarmouth, Visit North Norfolk, Visit Suffolk and Visit Norfolk. Currently the only DMO on Facebook with a larger following than The Suffolk Coast is Visit Great Yarmouth and on Instagram, Visit North Norfolk and Visit Norwich.

Looking at organic traffic from social media to our website, we would expect to see a YOY increase of 10%.

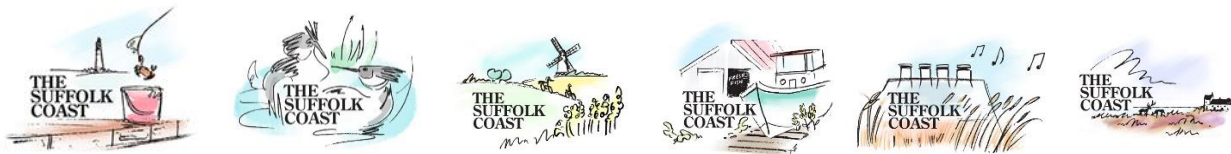
10 Budget 2024 to 2027

East Suffolk Council	£ 60,667	£ 60,667	£ 60,667
Membership income	£ 37,560	£ 42,620	£ 48,375
Festival & Events Funds	£ 6,000	£ 6,180	£ 6,489
Advertising income	£ 25,000	£ 28,000	£ 32,000
Conference income	£ 7,000	£ 7,500	£ 8,500
SZC Tourism Fund income	£ 200,000	£ 200,000	£ 200,000
TOTAL INCOME	£ 336,227	£ 344,967	£ 356,031
EXPENDITURE			
Human resource	£ 93,321	£ 97,054	£ 100,936
Marketing Director 8 hours/week 0.2	£ 12,842	£ 13,356	£ 13,890
Brand Manager 24 hours/week 0.6	£ 32,987	£ 34,306	£ 35,678
Marketing Manager 28 hours/week 0.7	£ 32,048	£ 33,330	£ 34,663
Administration support 21/week 0.5	£ 15,445	£ 16,063	£ 16,705
General and Office expenses	£ 7,429	£ 7,649	£ 7,957
Insurance	£ 481	£ 495	£ 510
Accountancy	£ 2,334	£ 2,404	£ 2,476
Bank Charges	£ 124	£ 127	£ 131
Online membership payment costs (Stripe)	£ 400	£ 410	£ 500
Office costs	£ 3,090	£ 3,183	£ 3,278
Mileage	£ 500	£ 515	£ 530
Expenses	£ 500	£ 515	£ 530
Computer Equipment	£ -		£ -
Marketing Activity	£ 35,270	£ 38,879	£ 43,445
Marketing Manager 32 hours/week - content, social & ad mgt	£ -	£ -	£ -
Generic TSC digital promotion above the line	£ -	£ -	£ -
Website - hosting and development	£ 4,120	£ 4,244	£ 4,371
Consumer enews communication	£ 3,600	£ 3,800	£ 4,000
Advertising Commission	£ 6,250	£ 7,000	£ 8,000
Advertising expenditure linked to paid member campaigns	£ 10,000	£ 11,200	£ 12,800
Membership support services	£ 800	£ 1,500	£ 2,000
Conference and networking	£ 6,000	£ 6,500	£ 7,500
Festival fund grants expenses	£ 4,500	£ 4,635	£ 4,774
Imagery/assets			
SZC Project Expenditure			
Destination campaign expenditure, including DMO associated costs	£ 200,000	£ 200,000	£ 200,000
TOTAL EXPENDITURE	£ 336,020	£ 343,582	£ 352,338
NET SURPLUS PROFIT	£ 207	£ 1,385	£ 3,693

NB These projections do not allow for any adjustments should the Tourism Fund Marketing Manager be integrated into the DMO e.g. creating a Marketing Director role.

Conclusion

Many thanks for reading! We know there is a lot of information here, the team are happy to answer any questions you may have. TSC is positive about the future of tourism in East Suffolk and is looking forward to the challenges ahead!



1 About the DMO

We are delighted to introduce you to the Suffolk Coast Destination Management Organisation (DMO) and its role in promoting tourism in East Suffolk. As a not-for-profit organisation formed in 2012 in response to cuts in Central Government spending on tourism, the DMO plays a crucial role in driving the visitor economy in the area.

The DMO's focus is on a ground-up approach, working with the local tourism industry to promote the destination through targeted marketing activity. We are committed to supporting local businesses and encouraging sustainable growth in the tourism sector.

The DMO is the official tourism organisation for East Suffolk. We have created the Suffolk Coast brand, through which we communicate a clear, consistent message, raising the profile of the Suffolk Coast, attracting visitors to the area - focusing on improving out of season trade, and working hard to support tourism businesses.

All income generated by the Suffolk Coast DMO is reinvested into promoting the area, this approach ensures that the organisation continues to attract visitors to the area, benefiting both the local economy and the overall tourism experience in East Suffolk.

2 The importance of tourism in East Suffolk

Tourism statistics from 'The Economic Impact of Tourism' annual report offer valuable insights into the economic significance of tourism in Suffolk and, more specifically, in East Suffolk. Here are some key points based on the most recent information for the year 2022:

2.1 Economic impact in Suffolk:

- In 2022, the total value of tourism in Suffolk reached an impressive £2.1 billion.

- East Suffolk, as a significant contributor, generated £680 million of that total figure. An increase of 46% in East Suffolk's total value of tourism from 2021.
- The tourism industry in East Suffolk supported 10,536 full-time equivalent jobs, constituting 14.2% of all employment in the area. This is higher than the overall figure for Suffolk which is 13.1% and illustrates how reliant East Suffolk is on the tourism industry.

2.2 Visitor numbers and activities in East Suffolk:

- Visitors to East Suffolk took over 12.2 million day trips, up 55% on 2021, highlighting the recovery post Covid, and popularity of the destination for day-trippers.
- Additionally, there were 622,000 overnight trips, up 30% on 2021, showcasing the appeal of East Suffolk as an overnight destination.

2.3 Impact of Covid-19:

- The Covid-19 pandemic had a severe impact on the national, regional, and local visitor economy, causing a substantial decrease in the value of tourism in East Suffolk in 2020.
- The decrease of 134% in the value of tourism, along with a reduction in full-time equivalent jobs to 6,537 (9.3% of all employment), shown in the 2020 report, underscores the challenges faced during that period.

2.4 Recovery and Resilience:

- Despite the significant setback due to the Covid-19 pandemic, the 2022 data shows a remarkable level of recovery, with East Suffolk now only 2% below the pre-Covid total value of tourism figure.
- This recovery demonstrates the strength of the tourism offer in East Suffolk and underscores the industry's importance to the overall economy.
- The Suffolk Coast DMO played a vital role in ensuring the local tourism industry was supported with accurate, timely information from the Government, East Suffolk Council and other organisations throughout the pandemic. It received high praise from its members, some of whom attributed their survival directly to the DMOs excellent communication.

3 The Suffolk Coast DMO team

The DMO team is small but perfectly formed, with a highly effective voluntary board of Directors, and a core staff of 4 freelance marketing experts, making up the resource of 2 full time equivalent posts. The organisation's strengths include:

3.1 Strategic leadership: The voluntary board of Directors comprising local tourism industry leaders brings valuable expertise and strategic insight to the DMO. Their leadership plays a crucial role in guiding the organisation and ensuring that it aligns with the needs and priorities of the tourism industry in East Suffolk. Current Directors include:

- David Scott, Chair - Chief Executive Officer, The Hotel Folk
- Harry Young – Chief Operating Officer, Britten Pears Arts
- Tim Yeo – Managing Director, The Yeo Group
- Nick Attfield – Director of Hospitality & Retail, Adnams Plc
- Julian Evans – Director, Attain Solutions
- Marie Webster-Fitch, Representative – East Suffolk Council
- Simon Amstutz, Representative – Suffolk & Essex Coast & Heaths National Landscapes

3.1 Industry expertise: The use of freelance marketing experts means that the DMO has access to a pool of professionals with specific skills in marketing and promotion. This targeted expertise can be instrumental in crafting effective campaigns and strategies to promote the Suffolk Coast as a tourist destination, without incurring the expense of engaging more expensive marketing agencies.

3.2 Efficient operation: With a small and focused team, the DMO operates with lower overhead costs, directing more resources toward its core mission of promoting and supporting the tourism industry in East Suffolk. It enables streamlined decision-making processes and the ability to quickly adapt to changing circumstances.

4 The official tourism website and social media platforms for East Suffolk

The DMO has worked hard to present the unique qualities of the area by developing a significant online presence for the Suffolk Coast. The website www.thesuffolkcoast.co.uk plays a crucial role as a gateway for visitors, providing them with up-to-date and comprehensive information about the area. The statistics speak for themselves and highlight the effectiveness of the DMO's online strategy in reaching a wide audience:

4.1 Website traffic: With over 801,185 annual website visits (April 2023), it's clear that the website is a popular, user friendly and reliable resource for those interested in exploring the Suffolk Coast. The user engagement on the website shows a strong interest in the content provided.

4.2 Social media reach: The DMO's presence on social media channels, including [Instagram](#), [Facebook](#), and [X](#), with a combined audience of over 48,000 further extends its reach. Social media platforms are valuable tools for promoting the destination, sharing engaging content, and interacting with the audience in real-time.

4.3 Email subscribers: The DMO has an engaged audience of over 30,000 subscribers to its monthly enews broadcast with an average open rate of 27%, which is a testament to the effectiveness of its communication strategy. Regular newsletters can help keep potential visitors informed about upcoming events, special offers, and other relevant information.

4.4 Content: The inclusion of diverse content including [town guides](#), [what's on calendars](#), [accommodation](#), [things to do](#), [experiences](#), [shopping](#), and [food and drink](#) listings sections, along with [special offers](#),

[feature blogs](#), [beautiful imagery](#) and [films](#) on the website, enhances its value for visitors and locals alike. Providing practical travel information and inspirational content ensures that visitors have a comprehensive resource for trip planning.

The DMO's emphasis on maintaining a strong online presence and engaging with its audience through various digital channels is the most effective approach in promoting and showcasing the destination to a broad and diverse audience.

5 Representing the tourism sector in East Suffolk

The DMO's involvement in diverse projects beyond traditional marketing underscores its commitment to the holistic development of the tourism industry in the area.

5.1 Advocacy and representation: The DMO engages in research and delivering reports to represent the views and interests of its membership. This involves addressing a wide range of projects, including infrastructure development, public transport, and major energy initiatives. By actively participating in discussions on these topics and issues, the DMO contributes to shaping policies and decisions that impact the tourism sector.

5.2 Collaboration with industry partners: The collaboration with various tourism organisations such as the [National Coastal Tourism Academy](#), [VisitEngland](#), [VisitBritain](#), [Visit East of England](#), [Visit Suffolk](#) and other DMOs is vital. Working closely with these organisations ensures that the Suffolk Coast's tourism industry has a strong presence and voice at both national and regional levels. This collaborative effort leads to the development of cohesive strategies and marketing activity that benefit the broader tourism ecosystem, as demonstrated by the development of a coalition of 14 DMOs across Suffolk and Norfolk during the pandemic, which delivered targeted marketing campaigns to support the industry.

5.3 Project diversity: The DMOs active representation of East Suffolk's tourism industry with various stakeholders and Nationally Significant Infrastructure Projects including Sizewell C, ScottishPower Renewables and National Grid Networks, ensures that businesses have a voice when it comes to the sustainable and responsible growth of the area, aligning tourism with broader economic and environmental considerations, whilst ensuring impacts on the visitor economy are monitored and mitigated wherever possible.

By actively engaging in this way, the DMO plays a crucial role in shaping policies and projects that contribute to the overall well-being of the Suffolk Coast.

6 How are we funded?

It's important to understand the funding model of the Suffolk Coast DMO, how we sustain its operation and support the tourism industry. The DMOs operating costs, enabling it to perform in line with the last 3 years, are £143,000 per annum. Core activity is funded through various income streams as highlighted below:

6.1 Partial funding by East Suffolk Council: The DMO receives financial support from East Suffolk Council, the amount of core funding provided over the last three years has been £55,000 per annum. This funding plays a crucial role in supporting the DMO's core operations and initiatives, enabling strong collaboration between the organisations.

6.2 Voluntary support from Board: the DMOs Board members, contributing their time and expertise, play a vital role in guiding the organisation and ensuring its strategic direction aligns with the needs of the tourism industry.

6.3 Membership fees: Membership fees contribute to the DMO's financial sustainability and demonstrate a commitment from industry members to actively participate in and benefit from the DMO's initiatives. The DMO has grown from a membership of 40 businesses to over 250 in the last 10 years, with a retention rate that runs at 94%. Current membership fees for 23/24, are among the lowest and best value of all tourism marketing organisations in the region at £131+VAT for the year, representing excellent value for money!

You can find out more about membership, what it includes and how businesses benefit, including video testimonies from existing members here <https://www.thesuffolkcoast.co.uk/join-us>

6.4 Advertising and sponsorship opportunities: Leveraging advertising and sponsorship opportunities on various platforms is a strategic move to diversify revenue streams. This approach not only supports the financial health of the DMO but also allows businesses to promote their products and services to a targeted audience interested in the Suffolk Coast. The DMO offers a range of advertising opportunities to suit all marketing budgets, which you can view here <https://www.thesuffolkcoast.co.uk/join-us>. We offer sponsorship opportunities through our annual industry conference which attracts more than 180 delegates annually.

By combining public funding, voluntary support, membership fees, and revenue from advertising and sponsorship, the Suffolk Coast DMO helps to mitigate financial risks, and provides the organisation with the resources needed to carry out its operation effectively.

7 Access to research and reports:

7.1 The availability of research and reports on the local visitor economy is crucial for stakeholders and businesses. The link provided on The Suffolk Coast website <https://www.thesuffolkcoast.co.uk/tourism-research-and-reports> serves as a valuable resource for accessing the latest information.

7.2 The recent investment in T-Stats by East Suffolk Council is a strategic move that reflects a commitment to utilising data-driven insights for assessing and monitoring the performance of the tourism industry in real terms. The Suffolk Coast DMO is working closely with East Suffolk Council to help recruit tourism

businesses to use T-Stats, which is a vital component of the platform's viability. Key points highlighting the significance of this investment include:

- **Data-driven decision-making:** T-Stats, as a tourism statistics system, provides a data-driven approach to understanding the performance of the tourism industry. By leveraging real-time data and analytics, decision-makers can make informed choices and develop strategies based on current trends and patterns.
- **Comprehensive industry assessment:** The use of T-Stats allows for a comprehensive assessment of the tourism industry. It goes beyond simple economic figures to provide a nuanced understanding of visitor behaviour, preferences, and the impact of various factors on the industry's performance.
- **Infrastructure project impact assessment:** T-Stats can play a crucial role in assessing the impact of infrastructure projects on the tourism sector. By analysing the data, authorities can gauge how developments such as energy projects, road improvements, public transport enhancements, or other projects influence visitor numbers, spending patterns, and overall industry dynamics.
- **Long-term planning:** The investment in T-Stats positions East Suffolk Council for effective long-term planning. By continuously monitoring and analysing tourism performance, the council can proactively respond to changing trends, identify opportunities for growth, and address challenges that may arise in the industry.
- **Adaptation to market dynamics:** The tourism industry is dynamic, influenced by factors such as global events, economic conditions, and consumer preferences. T-Stats provides a mechanism for East Suffolk Council to adapt to these dynamics, ensuring that strategies align with the evolving needs and expectations of visitors.

8 How do we view the future?

8.1 TSC's continued aim is to support and encourage a thriving visitor economy in East Suffolk, through delivering data and insight driven campaigns. Over the next three years, alongside our core activity, TSC is perfectly positioned to be the marketing delivery partner for destination campaigns associated with the SZC Tourism Fund and other mitigation funds relating to NSIPs.

8.2 TSC acknowledges that the way the Visitor Economy is managed at both Local, County and National levels is experiencing change. With the disbanding of LEPs, County Devolution Deals and the emerging LVEP structure, TSC is well placed to support the transitions that are taking place and will continue to work closely with all relevant stakeholders to ensure the success of any new models put into place.

8.3 Over the coming years, East Suffolk will see the development of multiple energy NSIPs. It is vital that TSC engages now with new visitors before the main impact of these projects takes place. We must build allegiance through brand awareness to reassure both existing and new visitors that irrespective of the level of development, the Suffolk Coast has plenty to offer a wide and diverse audience.

Committee	Cabinet
Date	06/02/2024
Subject	Application for Taxi Fare Increase for the south of the District
Cabinet Member	Councillor Jan Candy Cabinet Member with responsibility for Community Health
Report Author(s)	Martin Clarke Licensing Manager and Housing Lead Lawyer Martin.clarke@east Suffolk.gov.uk
Head of Service	Chris Bing Head of Legal and Democratic Services and Monitoring Officer chris.bing@east Suffolk.gov.uk
Director	Kate Blakemore Strategic Director kate.blakemore@east Suffolk.gov.uk

Key Decision?	No
Is the report Open or Exempt?	OPEN

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not Applicable
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Purpose/Summary

For the Cabinet to consider a proposal received from a group of licensed hackney carriage drivers in the South of the East Suffolk district for an increase to the hackney carriage fares tariff for the South of the district.

There are 3 options:

1. To approve the proposal for the increase to the hackney carriage fare tariff for the South of the district.
2. The Licensing Manager and Housing Lead Lawyer be granted delegated authority to determine any objection to the proposal arising out of the public consultation in consultation with the Cabinet Member with responsibility for Community Health.
3. Not to approve the proposal for the increase to the hackney carriage fare tariff for the South of the district and leave the current tariff in place.

Recommendation(s)

That Cabinet:

1. approves the proposal for the increase to the hackney carriage fare tariff for the south of the district.
2. grants delegated authority to the Licensing Manager and Housing Lead Lawyer to determine any objection to the proposal arising out of the public consultation in consultation with the Cabinet Member with responsibility for Community Health.

Strategic plan

How does this proposal support Our Direction 2028?

Environmental Impact	No Impact
Sustainable Housing	No Impact
Tackling Inequalities	No Impact
Thriving Economy	Approving the proposal for the increase to the hackney carriage fare will assist the drivers and operators, local drivers and businesses in running viable local businesses
Our Foundations / governance of the organisation	Licensing is a Council function exercised by Licensing Committee and Licensing Sub-Committees. The setting of fares and ranks is an executive function and any proposal approved by the Licensing Committee will need to be presented to a meeting of Cabinet

Justification for recommendations

1. Background

- 1.1. The Council is responsible for licensing hackney carriage and private hire drivers and vehicles, and private hire operators. It has the power to set and vary fares for hackney carriages under section 65 of the Local Government (Miscellaneous Provisions) Act 1976.
- 1.2. Section 55 of the Town Police Clauses Act 1847 prohibits the driver of a hackney carriage from charging more than the set fare.
- 1.3. If the Council proposes to make any changes to the existing fares it must publish a notice in a local newspaper, setting out the proposed variation. The notice must specify a date (not less than 14 days from publication), and manner by which any objections should be made and if no objections are received then the new fares will come into force on the date specified. The Council must consider any objections that have been made and have not been withdrawn.
- 1.4. The last increase to the hackney carriage fare tariff in the South of the district was in October 2020. Following consultation, it came into force in December 2020.
- 1.5. There are 2 hackney carriage fare tariffs for the district, a north and a south fare. On the 19th April 2021, following a consultation with the Hackney Carriage drivers and operators, the Licensing Committee decided to keep the 2 tariff system in place. The consultation response was overwhelmingly that they wished to keep the 2 separate fares in place.

2. Introduction

- 2.1. The current South fare tariff table is attached as **Appendix A**.

3. Proposal

- 3.1. The proposal for the increase to the South fare tariff has been presented by Mr Stokell on behalf of a number of licensed drivers:

In relation to Tariff 1 for journeys carried out between 5.30am and 10.30pm –

- There should be a 20p increase in the minimum fare and a reduction to 700 yards in distance. This would result in a minimum fare of £3.80, the current minimum fare is £3.60.
- There should be a reduction in the subsequent distance from 220 yards to 200 yards.

In relation to Tariff 2 for journeys carried out between 10.30pm and 5.30am

- There should be a 30p increase in the minimum fare and a reduction to 700 yards in distance. This would result in a minimum fare of £4.50, the current minimum fare is £4.20.

- There should be a reduction in the subsequent distance from 196 yards to 180 yards.

In relation to additional charges -

- Extra passengers – to increase the charge for extra passengers in excess of 3 from 20p to 30p
- Luggage – to increase the charge for use of the luggage compartment from 20p to 30p.

Mr Stokell’s proposal is attached at **Appendix B**.

3.2 The effect of the proposal is as follows:

Tariff 1:

Distance	Current Fare	Proposed Fare Flag-fall increase of 20p @ 200 yardage
987yds (proposed 700 yds)	£3.60	£3.80
1 mile	£4.60	£5.00
2 miles	£6.20	£6.80
5 miles	£11.00	£12.00
10 miles	£19.00	£20.80
15 miles	£27.00	£29.60
20 miles	£35.00	£38.40

Tariff 2:

Distance	Current Fare	Proposed Fare Flag-fall increase of 20p @ 180 yardage
987yds (proposed 700 yds)	£4.20	£4.50
1 mile	£5.20	£5.70
2 miles	£7.00	£7.70
5 miles	£12.40	£13.50
10 miles	£21.40	£23.30
15 miles	£30.40	£33.10
20 miles	£39.40	£42.90

3.3 The fare was requested due to increased costs including insurance, utility and licensing fees. Whilst an increase will result in a higher fare for passengers, it is submitted that the trade is best placed to know what the correct tariff as if the fare is set too high they will lose customers, too low and they will not be able to run a viable business.

3.4 The proposal was approved by Licensing Committee at their meeting on the 15th January 2024.

4. Financial Implications

- 4.1. No Impact

5. Legal Implications

- 5.1. The Council is responsible for licensing hackney carriage and private hire drivers and vehicles, and private hire operators. It has the power to set and vary fares for hackney carriages under section 65 of the Local Government (Miscellaneous Provisions) Act 1976
- 5.2. If the Council proposes to make any changes to the existing fares it must publish a notice in a local newspaper, setting out the proposed variation. The notice must specify a date (not less than 14 days from publication), and manner by which any objections should be made and if no objections are received then the new fares will come into force on the date specified. A copy of the notice shall also be deposited at the Council Offices for a period of 14 days from the date of first publication for public inspection at all reasonable hours and without payment. The Council will also contact all Hackney Carriage Drivers and Operators directly to consult with them. The Council must consider any objections that have been made and have not been withdrawn.
- 5.3. If no objection to a table of fares or variations is duly made within the period specified, or if all objections are withdrawn, the table of fares shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection, whichever date is the later.
- 5.4. If an objection is duly made and is not withdrawn, the Council shall set a further date, not later than two months after the first specified date, on which the table of fares shall come into force with or without modifications as decided by the Council after consideration of the objections.
- 5.5. Therefore if no objection is received then the table of fares into force on the date specified in the Notice. If an objection is received and not resolved the table of fares will be determined within 2 months of the date specified in the notice.

6. Risk Implications

- 6.1. No Impact

7. Options

- 7.1. To approve the proposal for the increase to the hackney carriage fare tariff for the South of the district.
- 7.2. Not to approve the proposal for the increase to the hackney carriage fare tariff for the South of the district and leave the current tariff in place.

8. Recommendations

- 8.1. That Cabinet approve the proposal for the increase to the hackney carriage fare tariff for the South of the district.

8.2 The Licensing Manager and Housing Lead Lawyer be granted delegated authority to determine any objection to the proposal in consultation with the Cabinet Member with responsibility for Community Health

9. Reasons for Recommendations

9.1. The last increase to the hackney carriage maximum scale of fares in the South of the district was approved by Licensing Committee in October 2020 and following consultation came into force in December 2020.

9.2 This proposal was approved by Licensing Committee at their meeting on the 15th January 2024.

9.3 To comply with the requirements to determine applications for an increase in a fare tariff in accordance with the Local Government (Miscellaneous Provisions) Act 1976.

9.4 To enable any objections or comments to be resolved, where appropriate to do so, without the delay of having to go back to cabinet.

10. Conclusions/Next Steps

10.1. If approved, the next step is to publish a notice in a local newspaper, setting out the proposed variation. The notice must specify a date (not less than 14 days from publication), and manner by which any objections should be made and if no objections are received then the new fares will come into force on the date specified. A copy of the notice shall also be deposited at the Council Offices for a period of 14 days from the date of first publication for public inspection at all reasonable hours and without payment. The Council will also contact all Hackney Carriage Drivers and Operators directly to consult with them. The Council must consider any objections that have been made and have not been withdrawn.

Areas of consideration comments

Section 151 Officer comments:

This proposal has no financial implications on the Council as this does not relate to fee and charge income collected by the Council.

Monitoring Officer comments:

Determining applications for increases in hackney carriage fares is an executive function to be exercised by the Cabinet.

Equality, Diversity and Inclusion/EQIA:

EQIA completed reference EQIA578306541

Safeguarding:

No Impact

Crime and Disorder:

No Impact

Corporate Services implications:

(i.e., Legal, Finance, Procurement, Human Resources, Digital, Customer Services, Asset Management)

No Impact

Residents and Businesses consultation/consideration:

To be carried out if approved by Cabinet.

Appendices:

Appendix A	The current South fare tariff table.
Appendix B	Mr Stokell's request for an increase to the hackney carriage maximum scale of fares in the South.

Background reference papers:

None.

Agenda Item 13

FARE TABLE ES/1846

SOUTH ZONE



3.60p	TARIFF 1 (05:30 – 22:30)
	For the first 800 yards (731.5m) or 4 minutes or part thereof or a combination of parts of such distance and time
20p	For each subsequent 220 yards (201.1m) or 32 seconds or a combination of parts of such distance and time
4.20p	TARIFF 2 (22:30 – 05:30)
	For the first 800 yards (731.5m) or 4 minutes or part thereof or a combination of parts of such distance and time
20p	For each subsequent 196 yards (179.2m) or 30 seconds or a combination of parts of such distance and time
20p	EXTRA CHARGES
	Additional Passengers - each additional passenger in excess of three (excluding infants in arms)
20p	Luggage - for use of the luggage compartment (no restriction on number of items)
	VEHICLE SOILING: a charge up to a maximum of £75.00 may be made for the soiling of a vehicle.
+50%	BANK HOLIDAYS
	For any hiring commenced between: <ul style="list-style-type: none"> • 04:00hrs on a Bank Holiday and 04:00hrs the next day • 14:00hrs and 24:00hrs on Christmas Eve and New Year's Eve • 00:01hrs and 24:00hrs on Bank Holidays in lieu of 25thDecember, 26th December and 1st January
+100%	CHRISTMAS DAY, BOXING DAY & NEW YEARS DAY
	For any hiring commenced between: <ul style="list-style-type: none"> 00:01hrs Christmas Day and 04:00hrs on the 27th December and 00:01 New Years Day and 04:00 on the 2nd January.

November 2020

Agenda Item 13

INCREASE IN COSTS AND POTENTIAL FARE INCREASE
ES/1846

I HAVE TODAY BEEN INFORMED THAT OUR INSURANCES WILL RISE BY A CONSIDERABLE AMOUNT ON RENEWAL IN DECEMBER. COUPLED WITH INCREASES IN COUNCIL FEES, UTILITIES AND OFF RENTS, WE WILL NEED TO ADD £3.00 PER SHIFT ACROSS THE BOARD. THIS IS THE FIRST INCREASE SINCE 2019.

THIS ALSO COINCIDES WITH THE LAST TIME YOU HAD A FARE INCREASE. AFTER CONSULTATION WITH THE COUNCIL, IT SEEMS THAT AN APPLICATION WILL BE FAVOURABLY RECEIVED.

ALTHOUGH THE DECISION IS YOURS, I RESPECTFULLY SUGGEST THAT THE FOLLOWING TARIFF CHANGES MAY BE ACCEPTABLE.

TARIFF 1:- £3.80 FOR THE FIRST 700 YARDS AND 3 MINUTES OR PART TIME & DISTANCE COMBINATION THEREOF. 20p FOR EACH SUBSEQUENT 200 YARDS AND 25 SECONDS AS ABOVE.

TARIFF 2:- £4.50 FOR THE FIRST 700 YARDS AND 3 MINUTES OR PART TIME & DISTANCE COMBINATION THEREOF. 20p FOR EACH SUBSEQUENT 180 YARDS AND 25 SECONDS AS ABOVE.

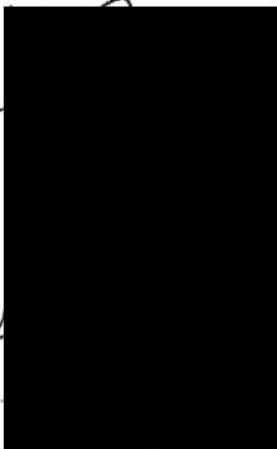
EXTRA CHARGES ADDITIONAL PASSENGERS AND LUGGAGE 30p

BANK HOLIDAYS AS EXISTING BUT TO INCLUDE EASTER SUNDAY +50%

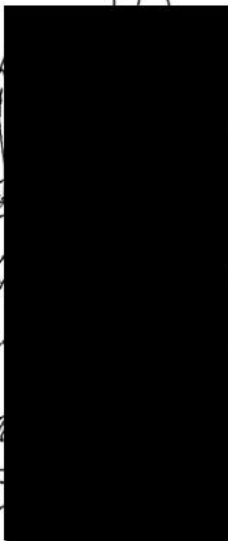
CHRISTMAS DAY BOXING DAY NEW YEARS DAY AS EXISTING +100%

SIGN IF AGREED

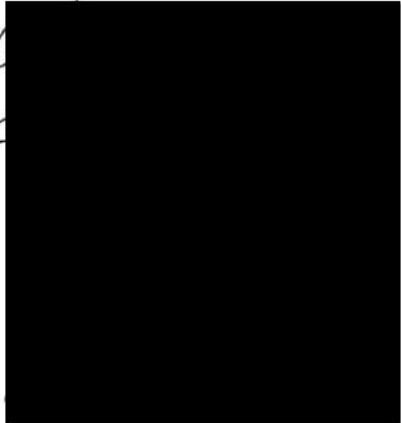
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Teresa Bailey

From: mikestokell@tst.tst
Sent: 30 October 2023 15:01
To: Teresa Bailey
Subject: fare increase
Attachments: t bailey attn 23.jpg

Hi Teresa

Please see attached, the signatures of the 17 licensed drivers plus myself who are requesting the fare increase. I have also spoken with Ian Pescott who has no objection and also Gary and Mandy from 1st for cabs.

The signatories are :-

- 1 Myself
- 2 J Simmons
- 4 J Parkinson
- 5 N Baxter
- 6 V Vickers
- 9 A Hussey
- 10 K Wright
- 11 J Ketteringham
- 12 Tanya Mayhew
- 14 A Goodchild
- 15 N Banham
- 16 I Lightfoot
- 17 O Lawrence
- 18 L Paredes
- 19 P Knappett
- 21 T Goodwin
- 22 S Cocks
- 26 A Mann

Kind regards

Mike

Click [here](#) to report this email as spam.

I HAVE TODAY BEEN INFORMED THAT OUR INSURANCES WILL RISE BY A CONSIDERABLE AMOUNT ON RENEWAL IN DECEMBER. COUPLED WITH INCREASES IN COUNCIL FEES, UTILITIES AND OFFICE RENTS, WE WILL NEED TO ADD £3.00 PER SHIFT ACROSS THE BOARD. THIS IS THE FIRST INCREASE SINCE 2019.

THIS ALSO COINCIDES WITH THE LAST TIME YOU HAD A FARE INCREASE. AFTER CONSULTION WITH THE COUNCIL, IT SEEMS THAT AN APPLICATION WILL BE FAVOURABLY RECEIVED.

ALTHOUGH THE DECISION IS YOURS, I RESPECTFULLY SUGGEST THAT THE FOLLOWING TARIFF CHANGES MAY BE ACCEPTABLE.

TARIFF 1:- £3.80 FOR THE FIRST 700 YARDS AND 3 MINUTES OR PART TIME & DISTANCE COMBINATION THEREOF. 20p FOR EACH SUBSEQUENT 200 YARDS AND 25 SECONDS AS ABOVE.

TARIFF 2:- £4.50 FOR THE FIRST 700 YARDS AND 3 MINUTES OR PART TIME & DISTANCE COMBINATION THEREOF. 20p FOR EACH SUBSEQUENT 180 YARDS AND 25 SECONDS AS ABOVE.

EXTRA CHARGES ADDITIONAL PASSENGERS AND LUGGAGE 30p

BANK HOLIDAYS AS EXISTING BUT TO INCLUDE EASTER SUNDAY +50%

CHRISTMAS DAY BOXING DAY NEW YEARS DAY AS EXISTING +100%

Hi Teresa,

Below is a notice I have posted on our drives board in the office. They are in the process of signing their agreement.

I know that you are keen to reconcile tariffs for both the North and South of the district. I cannot however, see how this can be achieved without seriously injuring our trade in Felixstowe. East Suffolk South, is currently ranked number 276, with a 2 mile fare charged at £6.20. East Suffolk North, is currently ranked number 20, with a 2 mile fare charged at £8.40. Reconciling the two halves of the district would result in an increase of 34% over and above 2 miles. This would effectively kill the business in Felixstowe which is the only part of the South with predominantly Hackney Carriages.

The North tariff also includes rate increases over the weekend from 2300 Saturday until 0700 Monday. This includes all of Sunday day and night which would seriously affect Church goers (particularly the elderly) and Sunday staff going to and from work for which they do not get paid extra. The extra passenger charge is 4 times the charge in the South. The only period when the South seem to be better off is over the Christmas Period and I really can't get my head round how Tariff 3 in the North was arrived at. Please bear in mind that most of the trade in the South are Private Hire and unaffected by set tariffs and, whilst we as a company currently have 3 Private Hire Drivers, that is so that they can learn and pass the Hackney test as soon as possible whilst learning on the job. All the rest of the trade in Felixstowe is Hackney. Please note also, that our PH vehicles are fitted with meters set at your current Hackney South tariff, which must be used for all journeys. This is to ensure that customers are always charged the same fares irrespective of the type of licensed vehicle used. Digitalized tracking and dispatch programs used by larger Private Hire operators allow for direct payment to the operator at the time of booking; a percentage is then taken and the rest is paid to the driver. We do not operate in this way, the drivers are paid in full by the customer to the driver, no commission is payable.

Licenses, Insurance premiums, Fuel and vehicle costs, especially have increased dramatically since our last increase. These costs have to be past on to the customer. I have calculated the bare minimum required to meet expected further increases particularly in Fuel bearing in mind the problems in the Middle East.

Kind regards

Mike