



## CABINET

Tuesday, 06 September 2022

|                           |   |
|---------------------------|---|
| <b>Subject</b>            | Southwold Harbour– Draft Budget Monitoring Report Quarter 4 2021/22   |
| <b>Report by</b>          | Councillor Maurice Cook<br>Cabinet Member with responsibility for Resources   |
| <b>Supporting Officer</b> | Lorraine Rogers<br>Deputy Chief Finance Officer<br><a href="mailto:Lorraine.rogers@eastsuffolk.gov.uk">Lorraine.rogers@eastsuffolk.gov.uk</a> |

|                               |      |
|-------------------------------|------|
| Is the report Open or Exempt? | OPEN |
|-------------------------------|------|

|   |           |
|---|-----------|
| Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information. | N/A       |
| <b>Wards Affected:</b>  | Southwold |

## Purpose and high-level overview

**Purpose of Report:**

The purpose of this report is for the Southwold Harbour Management Committee (SHMC) to report to Cabinet the draft outturn position for the year ending 31 March 2022.

**Options:**

Reporting on performance against budget is a requirement under the Southwold Harbour Management Committee's Terms of Reference.

**Recommendation:**

That Cabinet notes the Budget Monitoring Report Quarter 4 2021/22 as reviewed by the Southwold Harbour Management Committee.

## Corporate Impact Assessment

**Governance:**

None arising directly from this report.

**ESC policies and strategies that directly apply to the proposal:**

East Suffolk Strategic Plan

**Environmental:**

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.

**Equalities and Diversity:**

An Equalities Impact Assessment (EqIA) is not required.

**Financial:**

This is summarised in Section 2 of the report and detailed in **Appendix A and A1**.

**Human Resources:**

None arising directly from this report.

**ICT:**

None arising directly from this report.

**Legal:**

None directly arising from this report.

**Risk:**

None arising directly from this report.

**External Consultees:**

The attached report was presented to the Southwold Harbour Management Committee for review at its meeting on Thursday 14 July 2022.

## Strategic Plan Priorities

| Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal:<br>(Select only one primary and as many secondary as appropriate)  |  | Primary priority                    | Secondary priorities                |
|--|--|-------------------------------------|-------------------------------------|
| <b>T01</b>   | <b>Growing our Economy</b>                                   |                                     |                                     |
| P01  | Build the right environment for East Suffolk                 | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| P02  | Attract and stimulate inward investment                      | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P03  | Maximise and grow the unique selling points of East Suffolk  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| P04  | Business partnerships  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P05  | Support and deliver infrastructure                           | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| <b>T02</b>   | <b>Enabling our Communities</b>                              |                                     |                                     |
| P06  | Community Partnerships                                       | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P07  | Taking positive action on what matters most                  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P08  | Maximising health, well-being and safety in our District     | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P09  | Community Pride  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| <b>T03</b>   | <b>Maintaining Financial Sustainability</b>                  |                                     |                                     |
| P10  | Organisational design and streamlining services              | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P11  | Making best use of and investing in our assets               | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| P12  | Being commercially astute                                    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| P13  | Optimising our financial investments and grant opportunities | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| P14  | Review service delivery with partners                        | <input type="checkbox"/>            | <input type="checkbox"/>            |
| <b>T04</b>   | <b>Delivering Digital Transformation</b>                     |                                     |                                     |
| P15  | Digital by default   | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P16  | Lean and efficient streamlined services                      | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P17  | Effective use of data  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P18  | Skills and training  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P19  | District-wide digital infrastructure                         | <input type="checkbox"/>            | <input type="checkbox"/>            |
| <b>T05</b>   | <b>Caring for our Environment</b>                            |                                     |                                     |
| P20  | Lead by example  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P21  | Minimise waste, reuse materials, increase recycling          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P22  | Renewable energy   | <input type="checkbox"/>            | <input type="checkbox"/>            |
| P23  | Protection, education and influence                          | <input type="checkbox"/>            | <input type="checkbox"/>            |
| <b>XXX</b>   | <b>Governance</b>  |                                     |                                     |
| XXX  | How ESC governs itself as an authority                       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| <b>How does this proposal support the priorities selected?</b><br><p>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, maximise its economic development and support the delivery of infrastructure.</p> |  |                                     |                                     |

## Background and Justification for Recommendation

| 1 Background facts |   |
|--------------------|---|
| 1.1                | The Terms of Reference of the Southwold Harbour Management Committee (SHMC) state that the Committee will monitor performance against approved budgets and take appropriate action where this is required, and that the Committee will make a six monthly and annual report to the Cabinet reporting on performance against budget. |
| 1.2                | The Terms of Reference also state that the Committee will review and then recommend an annual budget, (including rental charges and central recharges to the Council) and an annual schedule of charges and dues for the Harbour, both to be determined by the Cabinet.   |

| 2 Current position |  |
|--------------------|--|
| 2.1                | The Budget Monitoring Report for the year ending 31 March 2022 and considered by the SHMC at its meeting on 14 July 2022, is attached as <b>Appendix A and A1</b> .  |
| 2.2                | Both the Harbour and the Caravan and Camping Sites produced a net surplus position at the end of the year on direct income and expenditure, £129k and £307k respectively and exceeded the budget forecasts. Due to a good summer season, it ensured income levels were maintained and contributed to the recovery from covid restrictions in place at the beginning of the year.   |
| 2.3                | Covid support funding is reflected in the Caravan and Camping Site figures, with £112k for compensation for loss of income and £30k for additional costs incurred for the hire of portable showers and toilets.  |
| 2.4                | Further detail is provided in <b>Appendix A and A1</b> .   |
| 2.5                | <p>The unconfirmed minutes for this item from the Southwold Harbour Committee meeting on 14 July 2022 is provided below.</p> <p>The Committee received report ES/1213 of the Deputy Chief Finance Officer, the purpose of which was to provide the committee with an overview of the draft outturn position for the year ending 31 March 2022. The Deputy Chief Finance Officer summarised the report. As discussed under the Annual Report, income from the Harbour and Caravan and Campsite were both in a surplus despite the continued impact of Covid. Spending across within premises, supplies and services was slightly under budget, and this would be looked at in more detail to see what could be changed for the next year. The Deputy Chief Finance Officer stated that going forward there would be a need to closely monitor areas such as utilities where costs were expected to rise. The provision in the budget for support services was highlighted, and the Deputy Chief Finance Officer confirmed that this was to cover support services costs to the Harbour such as IT and Finance. The same methodology was applied across the Council and was not particular to the Harbour. There being no questions, on the proposal of Councillor Rivett seconded by Mr Musgrove it was by a unanimous vote,</p> <p><b>RESOLVED</b></p> <p>That the Harbour Management Committee, having reviewed the Draft Budget Monitoring Report for Quarter 4 2021/22, report this to Cabinet.</p> |

### 3 How to address current situation

|     |   |
|-----|---|
| 3.1 | For Cabinet to note the Budget Monitoring Report Quarter 4 2021/22 as reviewed by the Southwold Harbour Management Committee. |
|-----|---|

### 4 Reason/s for recommendation

|     |   |
|-----|---|
| 4.1 | To fulfil both the Cabinet's and the Southwold Harbour Management Committee's responsibilities in respect of budget monitoring. |
|-----|---|

## Appendices

### Appendices:

|                    |  |
|--------------------|--|
| <b>Appendix A</b>  | Southwold Harbour Management Committee Budget Monitoring Report Quarter 4 2021/22                    |
| <b>Appendix A1</b> | Southwold Harbour Management Committee Budget Monitoring Report Quarter 4 2021/22 – Financial Detail |

### Background reference papers:

None