

Report to Council

Community Centre – PWLB Loan



Parish Council Meeting

Friday 15th December 2023

1. Easton Community Centre - Project Summary

Easton is a small village of 624 homes. Through the Local Plan Easton is identified as a growth area and planning consent has been granted for 890 new homes in Easton, with the scheme additionally providing for the creation of a new village centre.

The construction of the new Community Centre for Easton is progressing well, achieving 'water-tight' on schedule in November 2023 and a likely completion date of March or April 2024.

The total build cost is now forecast to be c£2.6m, which is supported by the appraisal work and cost estimate undertaken by Richard Utting Associates (RUA). The increase in project costs is a direct result of the main contractor going into administration and new contracts being put in place.

2. Funding

The different funding streams originally identified to fund the new Community Centre are shown below, with any the additional requirement to be met from Parish Council reserves.

Community Centre Funding Streams Initially Identified

Parish CIL received	£592,124
Co-Investment Fund - Grant	£500,000
Greater Norwich Growth Board - Grant	£500,000
Community Infrastructure Fund - Loan	£500,000
Parish Council Reserves - balance	£520,000

Total funding	<u>£2,612,124</u>
---------------	-------------------

The Co-Investment Fund payment was received in full on 3rd July 2023 and the Greater Norwich Growth Board payment was received in full over two payments on 27th October and 2nd November 2023.

It was envisaged that the loan of £500,000. from South Norfolk Council's (SNC) Community Infrastructure Fund would be the last to draw on to reduce interest payments. An application was made following resolution to borrow being agreed by Easton Parish Council (EPC) at its meeting on 21st September 2023.

At SNC's Cabinet meeting on 4th December 2023 it was decided for the SNC not to provide the loan as to do so would result in SNC borrowing the money from the Public Works Loan Board (PWLb) to then pass on to EPC. Instead, SNC recommended that EPC borrows directly from the PWLB as this was a simple process, EPC would get a lower interest rate and had a very strong financial case.

3. Public Works Loan Board:

On the basis that interest rates are more likely to fall than raise further it is proposed to seek a variable interest rate.

Variable rate loans are repayable by one of two methods:

- Equal Instalments of Principal (EIP): equal monthly, quarterly or half-yearly instalments of principal together with interest on the balance outstanding at the time; or
- Maturity: monthly, quarterly or half-yearly payments of interest only with a single repayment of principal at the end of the term.

Option 1: Equal Instalments of Principal (EIP): equal monthly, quarterly or half-yearly instalments of principal together with interest on the balance outstanding at the time.

PWLB - EIP		Interest Rate		4.82%		
Year	Date	Loan Balance	Interest	Balance	Payment	Outstanding
1	2024	£500,000	£24,100	£524,100	£74,100	£450,000
2	2025	£450,000	£21,690	£471,690	£71,690	£400,000
3	2026	£400,000	£19,280	£419,280	£69,280	£350,000
4	2027	£350,000	£16,870	£366,870	£66,870	£300,000
5	2028	£300,000	£14,460	£314,460	£64,460	£250,000
6	2029	£250,000	£12,050	£262,050	£62,050	£200,000
7	2030	£200,000	£9,640	£209,640	£59,640	£150,000
8	2031	£150,000	£7,230	£157,230	£57,230	£100,000
9	2032	£100,000	£4,820	£104,820	£54,820	£50,000
10	2033	£50,000	£2,410	£52,410	£52,410	£0
Total		£500,000	£132,550	£2,882,550	£632,550	

With Option 1 interest will cost **£132,550** over the 10 year period, whilst the capital is paid off in equal instalments of £50,000 per year. Therefore, total cost of loan **£632,550**.

Option 2: Maturity: monthly, quarterly or half-yearly payments of interest only with a single repayment of principal at the end of the term.

PWLB - Maturity		Interest Rate		4.82%		
Year	Date	Loan Balance	Interest	Balance	Payment	Outstanding
1	2024	£500,000	£24,100	£524,100	£24,100	£500,000
2	2025	£500,000	£24,100	£524,100	£24,100	£500,000
3	2026	£500,000	£24,100	£524,100	£24,100	£500,000
4	2027	£500,000	£24,100	£524,100	£24,100	£500,000
5	2028	£500,000	£24,100	£524,100	£24,100	£500,000
6	2029	£500,000	£24,100	£524,100	£24,100	£500,000
7	2030	£500,000	£24,100	£524,100	£24,100	£500,000
8	2031	£500,000	£24,100	£524,100	£24,100	£500,000
9	2032	£500,000	£24,100	£524,100	£24,100	£500,000
10	2033	£500,000	£24,100	£524,100	£24,100	£500,000
Total		£500,000	£241,000	£5,241,000	£241,000	£500,000

With Option 2 interest will cost **£241,000** over the 10 year period, whilst there will need to be a one off payment after 10 years of £500,000. To repay the capital borrowed. Therefore, total cost of loan **£741,000**.

4. Budget & Affordability

The loan will put extra financial burden on EPC, although it will **not** require an increase in precept. Instead, the loan both interest and capital payments it will be funded through the growth of the village (an extra c890 homes) and EPC reserves from CIL payments and the sale of land.

Income	2023-24		2024-25
	Budget	Actual (YTD)	Budget
Precept	£22,488	£22,488	£25,926
Grants, Donations & Contracts	£1,085,513	£1,000,000	£270
Bank Interest	£300	£3,179	£2,000
Allotments	£615	£285	£615
Other Income	£430,359	£575,136	£18,152
PWLB	£0	£0	£0
From Reserves & Growth Fund	£0	£0	£89,380
Total Income	£1,539,276	£1,601,088	£136,342
Expenditure			
Electronic Communications	£400	£384	£450
Salaries and Training	£23,700	£16,526	£26,488
Accountts	£2,150	£1,911	£2,000
Office Costs	£390	£873	£740
Grants	£1,200	£2,425	£1,200
General Costs	£2,050	£2,764	£2,400
Professional Fees	£0	£22,587	£2,400
Subscriptions	£400	£316	£430
Playground Maintenance	£450	£0	£250
Grounds Maintainance	£5,425	£2,540	£5,600
General Maintenance	£1,600	£1,660	£1,800
Allotments	£570	£593	£615
Sam2	£120	£0	£120
Defibrillator	£100	£469	£200
Projects	£4,200	£30,600	£0
New Project - Community Centre	£1,500,000	£1,360,091	£0
Existing Loans	£0	£0	£0
PWLB Loan Repayment - New Project	£0	£0	£73,498
To Reserves & Growth Fund	£0	£0	£18,152
Total Expenditure	£1,542,755	£1,443,737	£136,342
Net Income / Expenditure	-£3,479	£157,351	£0

The value of the precept will grow due the exceptionally large number of new homes in the parish and generate extra funding for EPC. The forecast is illustrated in the table below.

	Homes	New(a)	Total	Tax Base(b)	Precept p/h(c)	Precept	Additional(d)
2022 Baseline	624			483	£41.55	£20,069	
2023 Baseline	624	58	682	528	£42.59	£22,488	
2024	682	156	838	591	£43.87	£25,926	£3,438
2025	838	138	976	688	£45.18	£31,090	£8,602
2026	976	38	1014	715	£46.54	£33,270	£10,782
2027	1014	38	1052	742	£47.94	£35,552	£13,064
2028	1052	40	1092	770	£49.37	£38,011	£15,523
2029	1092	40	1132	798	£50.85	£40,585	£18,097
2030	1132	40	1172	826	£52.38	£43,280	£20,792
2031	1172	40	1212	854	£53.95	£46,100	£23,612
2032	1212	40	1252	883	£55.57	£49,050	£26,562
2033	1252	40	1292	911	£57.24	£52,135	£29,647
Total		668	1292	911			£170,117

Assumptions & Notes

(a) New build completions based on 2023/ 24 actuals, catch up in 2024 & a linear delivery and the remaining 150 homes to be built between 2033 to 2036.

(b) Tax Base (band D) based on 2023 & 2034 percentage of total homes in 2022 & 2023 - mix may change over time.

(c) Precept charge p/h (per/home band D) with the usual 3% annual increase applied.

(d) Additional income to Parish Council from new homes.

5. Borrowing Approval

The proposal, at SNC's recommendation, is for EPC to resolve to seek the approval from the Secretary of State for Levelling Up, Housing & Communities (DLUHC) to borrow £500,000. over a 10 year period from the PWLB. **As EPC will NOT increase the council tax precept for the purpose of the loan repayments** then it must add the additional sentence into the resolution to borrow for the official record:

RESOLUTION

It was RESOLVED to seek the approval of the Secretary of State for Levelling Up, Housing and Communities to apply for a PWLB loan of £500,000. (five hundred thousand pounds) over the borrowing term of 10 years for the Easton Community Centre. The annual loan repayments will come to around £71,145. It is not intended to increase the council tax precept for the purpose of the loan repayments.



Department for Levelling Up,
Housing & Communities

Minutes & Online Announcement

At the XXXXXX Parish Council meeting of (INSERT DATE), it was RESOLVED to seek the approval of the Secretary of State for Levelling Up, Housing and Communities to apply for a PWLB loan of £XXXXXX over the borrowing term of XX years for (INSERT PURPOSE OF LOAN). The annual loan repayments will come to around £XXXXXX.



Will you increase council tax precept for the purpose of the loan repayments?

YES

It is also intended to increase the council tax precept for the purpose of the loan repayments by XX% which is the equivalent of an additional £XX a year. This will be subject to a precept increase consultation.

NO

It is not intended to increase the council tax precept for the purpose of the loan repayments.

6. Risks

1. Application is unsuccessful – **IMPACT HIGH** - which will result in construction of new Community Centre being put on hold until CIL funds are received.
2. Interest rates can go up or down. By not fixing the interest rate and going for a variable interest rate payments could be higher – **IMPACT MEDIUM** - Will result in extra draw on reserves.
3. Nutrient neutrality delays Persimmon development – **IMPACT LOW** - loan period of 10 years allows a contingency of 3 years on South Norfolk Council dates and 5 years on Persimmon construction dates. Initial funds of c£250.000 due within next 2 or 3 years.

Report to Council Supporting Information

Community Centre – PWLB Loan

Contents

1	Background	8
2	Timeline	10
3	Public Consultation	11
4	Draft Minutes Parish Council Meeting 15 th December 2023.....	13
5	Annual Governance Statement 2022/23	16
6	AGAR Accounting Statements 2022/23	17
7	Budget v Actuals 2023-24	18
8	Budget 2024-25 & Five Year Financial Plan	19
9	Costings & Affordability	20
10	Secured Funding	20
11	Reserves & Other Capital	20
12	Plan B	22
12	The Grapevine Magazine	24

1. Background

Planning consent has been granted for 890 new homes in Easton, with the scheme additionally providing for the creation of a new village centre, incorporating a new village hall. The s106 legal agreement associated with the planning permission reserves an area of 0.16ha for the construction of a Community Centre.

The Easton Neighbourhood plan (ENP) has Community Facilities, as one of the Themes, and details about the new Community Centre.

ENP Policy 1: New Village Centre - specifically outlines the expectations of the new Community Centre.



DECLARATION OF RESULT OF POLL

Easton

Neighbourhood Planning Referendum

I, Julia Tovee-Galley, being the Deputy Counting Officer at the above referendum held on Friday 1 September 2017, do hereby give notice that the results of the votes cast is as follows:

Question	Votes Recorded	Percentage
Do you want South Norfolk District Council to use the Neighbourhood Plan for Easton to help it decide planning applications in the neighbourhood area?		
Number cast in favour of a Yes	381	96 %
Number cast in favour of a No	15	4 %

The number of ballot papers rejected was as follows:	Number of ballot papers
A want of an official mark	0
B voting for more answers than required	0
C writing or mark by which voter could be identified	1
D being unmarked or wholly void for uncertainty	0
E rejected in part	0
Total	1

Electorate: 1113 Ballot Papers Issued: 397 Turnout: 35%

And I do hereby declare that more than half of those voting have voted in favour of the Neighbourhood Plan.

Dated 1 September 2017

Sandra Dinneen
Counting Officer

The ENP was ‘made’ (adopted) on 1st September 2017 following a referendum vote in which it achieved a 96% YES vote.

This demonstrates the community support for the new Community Centre.

The ENP is currently undergoing its review. To support the review process and engage local residents and stakeholders a community event was held on Saturday 4th March 2023.

The feedback from the event and the public consultation (13th February and 27th March 2023) was extremely positive. No negative comments were received about the new Community Centre or Policy 11 of the ENP.

Easton Parish Council (EPC) is delivering a multi-use Community Centre (with off-road parking) off Marlingford Road in Easton, which enhances recreational provision, promotes social integration, and creates a thriving sustainable community. Construction is well advanced, see below.

Physical outputs from the project include:

- 565sqm community centre and will contain a multi-use hall of 17.8m x 12.5m x 6.1m internal height which allows for a large catalogue of sports uses.
- flexible office spaces; library area; kitchen facilities; changing facilities; bar facility and meeting area (144sqm).
- 19 standard car parking spaces, 3 disabled car parking spaces & storage for 16 cycles (with electrical cycle charging).
- EV charging capacity (22kw) for up to 20 EV points, with 7 installed at the project opening.

- The centre is also designed to be a relief centre able to operate off grid for an extended period creating resilience to the community and beyond and has been designed and intended to serve as a blue light office base where facilities will be usable 24/7.



This project will significantly improve and expand the community facilities available to residents not only in Easton but the wider area (as is accessible by public transport and an improved planned Long Water junction for vehicles and pedestrian/cycles and the smaller villages and parishes surrounding the area).

Planning permission was granted on 13th September 2022 (South Norfolk Council Application No. 2021/2168) and construction of the Community Centre started on site in January 2023.

As a result of the main contractor going into administration and new contracts having to be negotiated the total project costs have increased from £1.9m to £2.6m, which is supported by the appraisal work and cost estimate undertaken by Richard Utting Associates (RUA). A degree of value engineering sees the current cost estimate for completion as £2,492,358. including £150,000 of contingency.

At SNC's Cabinet meeting on 4th December 2023 it was decided for the SNC not to provide funds ahead of receiving the future CIL payments as it was said by SNC to do so would result in SNC borrowing the money from the Public Works Loan Board (PWLb) to then pass on to EPC.

Instead, SNC recommended that EPC borrows directly from the PWLB, as this was a simple process and EPC had a very strong financial case.

2. Timeline

- October 2016 to March 2017: Easton Neighbourhood Plan community consultation events and Grapevine Magazine.
- 1st September 2017: Easton Neighbourhood Plan referendum.
- 13th September 2022: Planning Permission.
- 4th October 2022: Application for Co-Investment Grant.
- January 2023: Commencement on site.
- March 2023: Community consultation event Easton Neighbourhood Plan review.
- July 2023: received Co-Investment Grant funding of £500,000.
- 21st September 2023: Parish Council Meeting resolve to apply for Community Infrastructure loan of £500,000.
- October 2023: Application to Community Infrastructure Loan.
- November 2023: Grapevine Magazine.
- November 2023: received Greater Norwich Growth Board Grant funding of £500,000.
- December 2023: Grapevine Magazine.
- 4th December 2023: South Norfolk Council Cabinet Meeting - requesting Easton Parish Council to apply directly to PWLB.
- 4th December 2023: Initial contact made with NALC for support & process.
- 15th December 2023: Easton Parish Council resolve to apply to Secretary of State DLUHC for PWLB loan of £500,000.
- March 2024: Community Centre scheduled completion.
- April 2024: Community Centre scheduled opening.

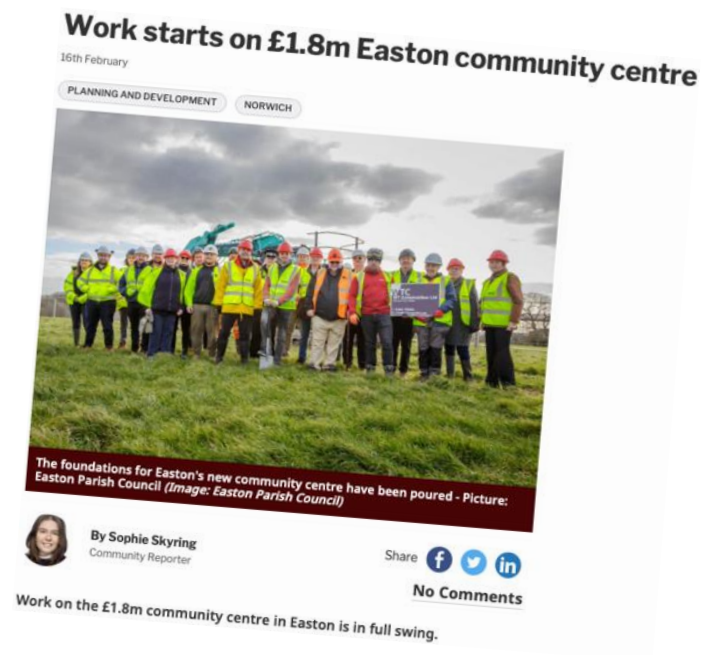
3. Public Consultation

Since the initial idea of a new village centre for Eason the community have been regularly informed and updated on the project. Easton Parish Council employs the services of the PR agency Four <https://fouragency.co.uk> to communicate and write press releases.

Outlined below are the main activities and key dates:-

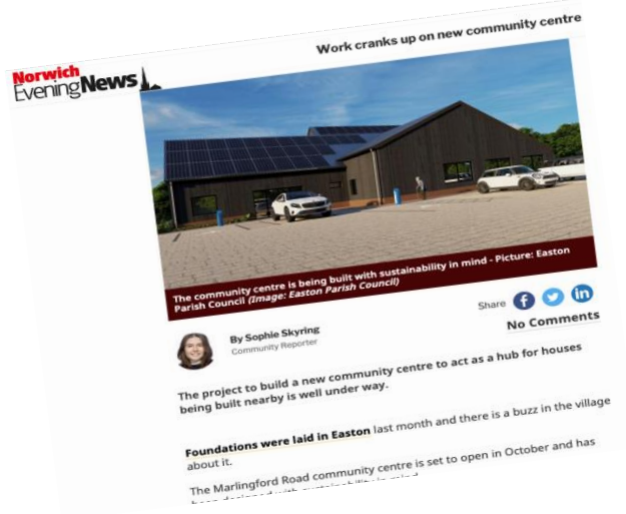


- New Community Centre dedicated website <https://eastoncommunitycentre.co.uk>
- The Grapevine Magazine: monthly since 2016
- Easton Parish Council meetings, minutes & website. <https://eastonparishcouncil.co.uk>
 - Loan application decision meeting of 21st September 2023.
 - PWBL resolution meeting 4th December 2023.
- Easton Neighbourhood Plan 2017 & Policy 11.
- Easton Neighbourhood Plan Review event March 2023.
- Many press releases produced by PR company FOUR. With articles appearing in Eastern Daily Press & Eastern Evening News. See below links for some of the press coverage:-



<https://www.eveningnews24.co.uk/news/23324413.work-starts-1-8m-easton-community-centre-near-a47/>

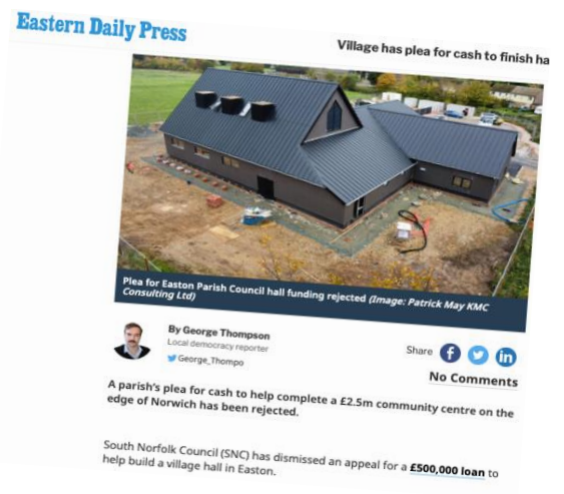
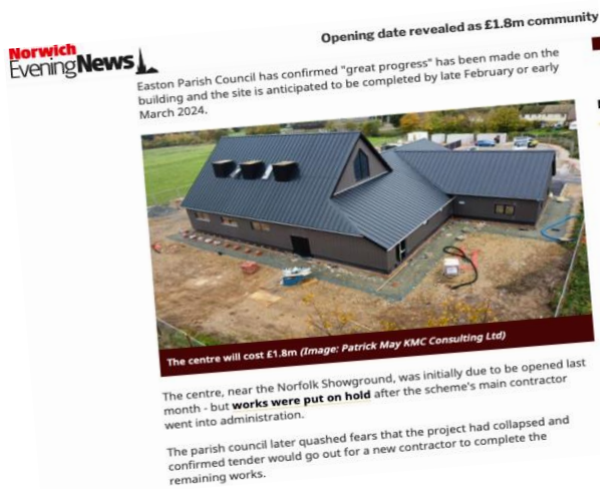
<https://www.eveningnews24.co.uk/news/23357557.new-easton-community-centre-work-sees-council-plant-trees/>



<https://www.eveningnews24.co.uk/news/23603536.work-starts-new-1-8m-community-centre-easton/>



<https://www.eveningnews24.co.uk/news/23926599.easton-community-centre-open-near-norwich-spring-2024/>



<https://www.edp24.co.uk/news/23966623.easton-villages-2-5m-community-centre-cash-bid-rejected/>

4. Draft Parish Council Minutes: 15th December 2023

Easton Parish Council

The Village Hall, Marlingford Road, Easton, Norfolk NR9 5AD

Email: clerk@eastonparishcouncil.co.uk

Tel: 07879379181 www.eastonparishcouncil.co.uk

Minutes of the meeting of Easton Parish Council Held on Friday, 15 December 2023 at 1.00pm at The Village Hall, Marlingford Road, Easton

Present:

Cllr P Milliken – presiding
Cllr D Lewis
Cllr P McCarter

In attendance:

Gina Lopes, Acting Clerk to Easton Parish Council
3 x public

2023/030) Apologies for absence

Apologies for absence were received and accepted from Cllr Moye.

2023/031) Declarations of interest

None received.

2023/032) Continued Delegated powers and quarterly meeting schedule

On the motion of Cllr Milliken, seconded by Cllr Lewis, it was

RESOLVED to continue with previously delegated powers and quarterly meeting schedule.

ACTION: ALL CLLRS/CLERK/RFO

2023/033) Suspension of meeting for Public Participation

On the motion of Cllr Milliken, seconded by Cllr McCarter, it was

RESOLVED to suspend the meeting to invite members of the public to speak – see “Public Participation Notes”.

2023/034) Minutes of the meeting held 21 September 23

On the motion of Cllr McCarter, seconded by Cllr Milliken, it was

RESOLVED to accept and approve the minutes of the meeting held on 21 September 2023 as a true and accurate record.

2023/035) County & District Councillor’s Report

NCC & SNC Cllr Dewsbury confirmed she had submitted a written report in the previous month. There were a few additions which included the following –

- ☐ The date of the election of the SNC Leader has been changed to save costs
- ☐ Norwich Western Link road is going ahead and full funding in place
- ☐ Fire Service accommodation is being changed as more women are coming in to the Service. The HQ is by the Police at Wymondham but still a separate force
- ☐ Noted traffic was diverted from the A47 when there was recent flooding and there have been several flooding incidents historically on A47. Reminder to farmers to keep ditches clear.

EPC MINS 15012.23

Easton Parish Councillors expressed thanks to the team at SNC who had achieved the full funding to progress the Norwich Western Link Road.

2023/036) Budget & Precept 2024 to 2025

The draft budget was considered and discussed.

On the motion of Cllr Milliken seconded by Cllr Lewis, it was

RESOLVED to accept and approve the budgeted figures for financial year 2024/25 to a total of £25,926.36 remainder of expenditure to be taken from Easton Growth Fund.

The suggested precept request would be a 3% increase on last year and would result in an increase of £1.28 per household per annum.

On the motion of Cllr Milliken, seconded by Cllr McCarter, it was

RESOLVED to make a precept application of £25,926.00

ACTION: CLERK/RFO

2023/037) Application to Public Works Loan Board

There was a recent meeting with South Norfolk Council (SNC) attended by Cllr Milliken and Cllr Lewis. The report sent to SNC Cabinet was a result of CIL payments several months ago and many items were not clear. The SNC Cabinet were now in a position where they would have to borrow the money to provide the funds to Easton Parish Council (EPC) and it was felt better for EPC to make a direct application themselves.

Mr Vincent, Planning Consultant was invited to outline the Public Works Loan Board (PWLb) application process and his report presented to Easton Parish Councillors.

There was a lengthy discussion and it was confirmed that whilst a loan was required to enable completion of the new Community Centre, CIL money would cover the costs of the loan including interest once it was received. There would be no increase in the precept to facilitate the loan. Cllr McCarter asked for a clear statement to be made available to residents so they would understand this loan was not a burden on them and this was agreed. It was also confirmed the report presented would be made available to the public for transparency and general information.

On the motion of Cllr Milliken, seconded by Cllr Lewis it was

RESOLVED to seek the approval of the Secretary of State for Levelling Up, Housing and Communities to apply for a PWLB loan of £500,000. (five hundred thousand pounds) over the borrowing term of 10 years for the Easton Community Centre. The annual loan repayments will come to around £71,145. It is not intended to increase the council tax precept for the purpose of the loan repayments.

ACTION: RFO/CLERK/ALL CLLRS

2023/038) Finance matters

a) Payment lists to-date & Statement of Accounts –

On the motion of Cllr McCarter, seconded by Cllr Lewis, it was

RESOLVED to approve and accept the list of payments dated 1 September to 12 December 2023 to a total of £833,060.70

On the motion of Cllr McCarter, seconded by Cllr Lewis, it was

RESOLVED to approve and accept the Statement of Accounts dated 12 December 2023 to a total of £351,245.03

b) Grass cutting service & contract –

Cllr McCarter had met with Norse and they had submitted a quote. It was noted this was higher than the current contractors who only got paid for work they had actually done. It was felt best to review the grass cutting and grounds maintenance service in the Spring.

c) SLCC – Conference/training –

The Acting Clerk, Gina Lopes, had received a National Award from the Society of Local Council Clerks for her outstanding voluntary services to the profession. She had also been voted as President Elect of the Society of Local Council Clerks (SLCC) and would be President next October. Councillors noted these achievements and confirmed the Clerk was an asset to Easton.

On the motion of Cllr Milliken, seconded by Cllr Lewis, it was

RESOLVED to approve the payment of the Clerk's attendance at SLCC Practitioner's Conference to a total of £360 +VAT.

It was confirmed a bursary of £200 had been received from the SLCC by Easton towards costs of a previous Conference the Clerk had attended.

On the motion of Cllr Milliken, seconded by Cllr McCarter, it was

RESOLVED to approve a part payment of £100 towards the Clerk's SLCC membership fees.

ACTION: RFO/CLERK

2023/039) Updates & any urgent business

a) New Community Centre -

Cllr Milliken confirmed the build was progressing well, much of the inside had been plastered and the second part of the floor screeding would be done in January. The project should be completed in March 2024.

b) Any other updates or urgent correspondence

Thanks & Condolences –

Councillors expressed their condolences and thanks to the late Mr and Mrs Cossey who had both died very recently. All present acknowledged the great contribution they had made and many years of service given to the community of Easton. They will both be greatly missed.

The Chairman wished everyone a Happy Christmas and closed the meeting at 2.45pm

Public Participation Notes

The Chairman invited members of the public to speak and comments received included the following –

A resident voiced his strong objection to the response made by Easton Parish Council to his planning application – the Chairman advised this matter had already been concluded several months ago and was not for further discussion

5. Annual Governance Statement

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

EASTON PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2023, that:

	Agreed		Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

17/05/2023

and recorded as minute reference:

2023/013 (c) (i)

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Clerk

www.eastonparishcouncil.co.uk

6. Accounting Statement

Section 2 – Accounting Statements 2022/23 for

EASTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	44,678	577,639	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	19,580	20,069	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	887,920	403,105	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	19,569	22,914	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	354,970	645,940	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (+) Balances carried forward	577,639	331,960	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	577,639	331,960	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March - To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	245,629	253,835	The value of all the property the authority owns - it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)			✓	The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

Mr Wood

Date 17/05/2023

I confirm that these Accounting Statements were approved by this authority on this date:

17/05/2023

as recorded in minute reference:

2023/013 c) ii

Signed by Chairman of the meeting where the Accounting Statements were approved

Bayle

Annual Governance and Accountability Return 2022/23 Form 3
Local Councils, Internal Drainage Boards and other Smaller Authorities*

Page 5 of 6

7. Budget v Actuals 2023 – 24

Income	2023-24				Comments
	Budget	Actual (YTD)	YE Outrun	Variance	
Precept	£22,488	£22,488	£22,488	£0	
Grants, Donations & Contracts	£1,085,513	£1,000,000	£1,000,000	£85,514	South Norfolk Council initial Grant offer over stated.
Bank Interest	£300	£3,179	£3,500	-£3,200	Interest rates have increased.
Allotments	£615	£285	£615	£0	
Other Income	£430,359	£575,136	£675,136	-£244,777	Orbit s106 £100k & VAT refund £159k
PWLB	£0	£0	£500,000	-£500,000	Increase project costs.
From Reserves & Growth Fund	£3,479	£0	£18,525	-£15,046	Initial 3 months loan interest.
Total Income	£1,542,755	£1,601,088	£2,220,264	-£677,509	

Expenditure	2023-24				Comments
	Budget	Actual (YTD)	YE Outrun	Variance	
Electronic Communications	£400	£384	£400	£0	
Salaries and Training	£23,700	£16,526	£23,700	£0	
Accountts	£2,150	£1,911	£2,150	£0	
Office Costs	£390	£873	£1,000	-£610	Additional printing costs & new laptop.
Grants	£1,200	£2,425	£2,425	-£1,225	Additional support to local clubs - Good Companions Club, Easton Football Club & Easton Bowls Club
General Costs	£2,050	£2,764	£2,764	-£714	Playground inspection & training
Professional Fees	£0	£22,587	£30,000	-£30,000	Support & advice to resolve SNC issues.
Subscriptions	£400	£316	£400	£0	
Playground Maintenance	£450	£0	£450	£0	
Grounds Maintenance	£5,425	£2,540	£5,425	£0	
General Maintenance	£1,600	£1,660	£1,600	£0	
Allotments	£570	£593	£593	-£23	
Sam2	£120	£0	£120	£0	
Defibrillator	£100	£469	£469	-£369	Additional maintenance costs.
Projects	£4,200	£30,600	£30,600	-£26,400	New equipment at Bawburgh Road Play area & delay in VH revamp underspend.
New Project - Community Centre	£1,500,000	£1,360,091	£2,000,000	-£500,000	Additional costs due to main contractor going into administration.
Existing Loans	£0	£0	£0	£0	
PWLB Loan Repayment - New Project	£0	£18,525	£18,525	-£18,525	Initial 3 months loan interest.
To Reserves & Growth Fund	£0	£0	£99,643	-£99,643	Replacing reserves draw down for Community Centre
Total Expenditure	£1,542,755	£1,462,262	£2,220,264	-£677,509	
Net Income / Expenditure	£0	£138,826	£0	£0	

Reserves (including CIL)

£331,960

Cost per household

£43.87

2022-24 rate per household was £42.59.

Workings & Checks

Income

Other Income					
Insutance	£0	£1,111	£1,111	-£1,111	Insurance claim
Donations	£0	£19	£19	-£19	
VAT Refund	£0	£158,960	£158,960	-£158,960	VAT refund on Community Centre Project
Contracts	£200	£245	£245	-£45	
CIL	£414,487	£414,486	£414,486	£0	
ETR	£13,246			£13,246	Easton Transition Reserve - not expected to be used in 2023-24
CRF Transfer	£1,350			£1,350	COVID Recovery Fund - not expected to be used in 2023-24
CHF Transfer	£1,077			£1,077	Colleague Heights - not expected to be used in 2023-24
Orbit			£100,000	-£100,000	Reimbursement of EPC for off-site play equipment
Training		£315	£315	-£315	
Sub Total	£430,359	£575,136	£675,136	-£244,777	
Precept	£22,487	£22,488	£22,488	-£1	
Allotments	£615	£285	£0	£615	
Bank Interest	£300	£3,179	£3,179	-£2,879	Interest rates have increased.
Co-Investment Grant		£500,000	£500,000	-£500,000	Grant received from SNC July 2023
Grant ECC		£500,000	£500,000	-£500,000	Grant received Greater Norwich Growth Board November 2023
Total Income	£453,762	£1,601,088	£1,700,803	-£1,247,041	

8. Budget 2024-25 & Five Year Financial Plan

5-Year Financial Plan							
	2024-25 Budget	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029 - 30 Forecast	Assumptions
Income							
Precept	£25,926	£31,090	£33,270	£35,552	£38,011	£38,011	Annual increase of 3%.
							Grant to be sourced for projects. 2024 has education grant to support Nursey. 2029 has Neighbourhood Plan Review grant from Locality.
Grants, Donations & Contracts	£50,270	£270	£270	£270	£270	£10,000	
Bank Interest	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	
Allotments	£615	£650	£650	£650	£650	£650	Balanced with costs.
Other Income	£18,152	£246,100	£0	£228,520	£152,347	£380,867	CIL payments.
PWLB	£0	£0	£0	£0	£0	£0	
From Reserves & Growth Fund	£189,380	£71,088	£83,343	£81,611	£63,858	£61,448	Nursery Project. PWLB loan repayment.
Total Income	£286,342	£351,198	£119,533	£348,602	£257,135	£492,975	
Expenditure							
Electronic Communications	£450	£475	£485	£495	£505	£515	Small increase over period.
Salaries and Training	£26,488	£29,500	£31,000	£33,000	£35,000	£37,000	Upward pressure on salaries continues.
Accountts	£2,000	£2,100	£2,100	£2,200	£2,200	£2,300	Small increase over period.
Office Costs	£740	£750	£750	£800	£800	£850	Small increase over period.
							Additional support to new Clubs & associations linked to a growing community.
Grants	£1,200	£2,000	£1,200	£2,000	£1,200	£2,000	
General Costs	£2,400	£2,600	£2,600	£2,600	£2,600	£2,600	Small increase over period.
							Neighbourhood Plan review due 2029. Ongoing need for legal & planning advice.
Professional Fees	£2,400	£3,000	£3,000	£3,000	£3,000	£13,000	
Subscriptions	£430	£450	£450	£450	£450	£450	Small increase over period.
Playground Maintenance	£250	£300	£300	£300	£300	£300	Small increase over period.
Grounds Maintainance	£5,600	£6,000	£6,000	£6,000	£6,000	£6,000	Small increase over period.
General Maintenance	£1,800	£2,000	£2,000	£2,000	£2,000	£2,000	Small increase over period.
Allotments	£615	£650	£650	£650	£650	£650	Small increase over period.
							No increase in maintenance cost. Seek grant funding when replacement required.
Sam2	£120	£120	£120	£120	£120	£120	
							No increase in maintenance cost. Seek grant funding when replacement required.
Defibrillator	£200	£200	£200	£200	£200	£200	
							Funding and grants will be sought as new projects come forward.
Projects	£150,000	£0	£0	£0	£0	£0	
							Completed 2024. Trust to run & maintain.
New Project - Community Centre	£0	£0	£0	£0	£0	£0	
Existing Loans	£0	£0	£0	£0	£0	£0	
PWLB Loan Repayment - New Project	£73,498	£71,088	£68,678	£66,268	£63,858	£61,448	Loan repayment completed 2034.
To Reserves & Growth Fund	£18,152	£229,965	£0	£228,520	£138,253	£363,542	
Total Expenditure	£286,342	£351,198	£119,533	£348,603	£257,136	£492,975	
Net Income / Expenditure	£0	£0	£0	£0	£0	£0	
Reserves (including CIL)	£356,143	£396,728	£325,641	£470,818	£527,461	£827,146	
Annual cost per household	£45.18	£46.54	£47.94	£49.37	£50.85	£52.38	

9. Costings & Affordability

- Section 7 illustrates the budgets costs against the actual year to date and forecast year end overrun.
- Section 7 explanations have been given for all the significant variations.
- It is anticipated that a total of £99,643. will be added to EPC's reserves.
- The Budget for 2024 – 25 was agreed at the EPC meeting on 15th December 2023, see page 2 Section 4 and page 17 section 7.
- There is a 3% increase in the Precept to cover the increasing costs, although not to fund the PWLB loan.
- The annual cost per household (band D) increases by £1.31 for the year 2024 -25 (an increase from £43.87 to £45.18).

10. Secured Funding

Other secured funding for this project.

Co-Investment Grant ¹	- £ 500,000.
Greater Norwich Growth Board Grant ²	- £ 500,000.
Easton Parish Council Investment ³	- £ 520,000.
Community Infrastructure Level (CIL) ⁴	- £ 592,124.
 TOTAL funding already received	 - £2,112,124.

As the new Community Centre is the main and only significant project of size for the Village over the next 5 years. The Parish Council are, rightly, wanting to allocate as much CIL funding to this project to prevent CIL Regulation 59(E) becoming a problem for the parish resulting in a requirement to payback.

Paragraph: 151 Reference ID: 25-151-20190901 (Revision date: 01 09 2019)

If a parish or town council does not spend its levy share within 5 years of receipt, or does not spend it on initiatives that support the development of the area, the charging authority may require it to repay some or all of those funds to the charging authority (see [regulation 59E](#) for details).

11. Reserves & other Capital

The Parish Council's had reserves totalling £331,960. As at 31st March 2023. Full details on this are available on the Scribe report – Reserve Balances - on page 21.

¹ To be reclaimed against money spent.

² To be reclaimed against money spent.

³ A capital reserve loan to be recovered when all CIL payments are received from phase 3 & 4.

⁴ Community Infrastructure Levy receipt from Phase 1 of Persimmon development.

Easton Parish Council
Reserves Balance up to 31st Mar 2023
2022-2023

<u>Reserve</u>	<u>OpeningBalance</u>	<u>Transfers</u>	<u>Spend</u>	<u>Receipts</u>	<u>CurrentBalance</u>
Capital					
Original surplus from b/fwd					0.00
Sam 2 Maintenance			15.00		-15.00
Allotments 2018/19	596.28		1,026.99	650.00	219.29
Safeguarding Neighbourhood PI					0.00
Projects Play areas + Traffic cal					0.00
New Allotments	2,500.00				2,500.00
Easton Transition Reserve (ETF)		30,000.00			30,000.00
CIL Receipts		177,637.06			177,637.06
Total Capital	3,096.28	207,637.06	1,041.99	650.00	210,341.35
Earmarked					
College Heights	16,308.04		10,921.46		5,386.58
New Village Hall	490,299.90		473,343.21		16,956.69
CLT Grant Funds	0.41				0.41
Emergency Plan	0.49				0.49
Graveyard fund	1,472.00				1,472.00
Bus shelter					0.00
New Clerk Training					0.00
Defibrillator	171.15		50.00		121.15
Jubilee Playground donations					0.00
Easton Covid Recovery Fund	8,300.00		1,500.00		6,800.00
Total Earmarked	516,551.99		485,814.67		30,737.32
TOTAL RESERVE	519,648.27	207,637.06	486,856.66	650.00	241,078.67
GENERAL FUND					90,881.37
TOTAL FUNDS					331,960.04

12. Plan B Scenario

Hypothetically, if Easton Parish Council were to face any future financial difficulty, outlined below are the options available as to how it would go about honouring the new loan repayments.

a) Call upon Parish Council Reserves

Easton Parish Council has a healthy position with its reserves following years of careful financial management and the sale of land for development.

In the 5-Year Financial Plan, see section 8, it outlines how it is anticipated that the Council's reserves will fluctuate from 2024 through to 2029. As the 5-Year Financial Plan already includes likely known expenses, including the next big project – the pre-school Nursery, the remaining funds could be draw upon, as summarized below, if needed.

	5-Year Financial Plan					
	2024-25	2025-26	2026-27	2027-28	2028-29	2029 - 30
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
Reserves (including CIL)	£356,143	£396,728	£325,641	£470,818	£527,461	£827,146

The Parish Council has already received just under £600,000 in CIL funding and over the coming five years the Council is expected to receive over aa further £1m in Community Infrastructure Levy funding.

Based on current levy rates plus the 7% levy rate increase for 2024 (All-in Tender Price Index published by the Royal Institution of Chartered Surveyors) and the schedule of instalments South Norfolk Council allow, the funds are shown below:-

CIL Instalments (based on Persimmon dates, see email

15% 60 days from commencement

15% 270 days from commencement

20% 540 days from commencement

50% 720 days from commencement

	Phase 2	Phase 3 & 4
	£36,915	£114,260
	£36,915	£114,260
	£49,220	£152,347
	£123,050	£380,867
Phase Total CIL	£246,100	£761,733
Total CIL		£1,007,833

Persimmon Homes are currently on site and concluding Phase 1. The commencement dates of Phases 2, 3 and 4 of the Persimmon Homes development are confirmed in the email from in the Head of Planning, Persimmon Homes, see page 21.

From: Sherman, Debi debi.sherman@persimmonhomes.com
Subject: RE: Easton Development Phases 2,3 & 4
Date: 28 November 2023 at 12:43
To: Shaun Vincent shaun.vincent@abzag.com

DS

Hello Shaun

Many thanks for your email. We are happy to help the Parish Council where we can.

In terms of our current anticipated dates for Phases 2 and 3&4 I can advise that based on our current trajectory, which I am sure you will appreciate is subject to market fluctuations, we propose the following:

Phase 2 – We are currently forecasting completions in the 1st half of 2025, which means a start on site in the latter part of 2024. I can further advise that we intend to make an amended submission for Phase 2 either at the end of this year or early in 2024. We are finalising our NN solution, which is necessary to accompany our revised scheme. We hope to secure our reserved matters approval by Spring 2024.

Phase 3&4 – We are currently forecasting completions in 2027. Again we are dependent on making an amended submission and a NN solution for these phases. This will follow in due course, once Phase 2 is consented.

I hope this information is helpful. Let me know if there is anything else we can help with.

Kind regards

Debi Sherman | Head of Planning MRTPI MILM

Persimmon (Anglia) | Persimmon House, Bankside 100, Peachman Way, Broadland Business Park, Norwich, Norfolk, NR7 0WF

Direct line | 01603 977125 | **Mobile** | 07753 710081

Email | debi.sherman@persimmonhomes.com | **Web** | persimmonhomes.com | charleschurch.com



b) Selling of Parish Council land

A few years ago the Parish Council sold some land to Orbit Homes, who have developed the land and built 64 new homes.

The Council has the option to sell further land for development (the old Village Hall site) which would be likely to raise funds of c£400,000 at today's prices.

c) Mortgaging of old Village Hall or new Community Centre

Another option the Parish Council has in re-financing would be to mortgage either or both the old Village Hall and the new Community Centre.

d) Increasing the Precept

A further option, although least favoured by the Parish Council, would be to increase the Precept to finance the outstanding loan. Considering the other three options being readily available to the Council this option is unlikely.

13. The Grapevine

The Grapevine is the local free magazine that is delivered monthly to every home and business with Easton parish and the adjoining parishes.

Every month Easton Parish Council keeps the local community informed of key activities and events by writing an article to provide updates on projects, key decisions and things that are likely to impact on the local community.



On the next few pages is the article from the December 2023 magazine.

- As well as providing an update on the construction of the new Community Centre
- It also explains the funding of the new Community Centre and request for £500,000. loan.

Easton Parish Council

Your Parish Councillors:

Cllr Ben Moye – Chairman

**Cllr Peter Milliken –
Vice Chairman**

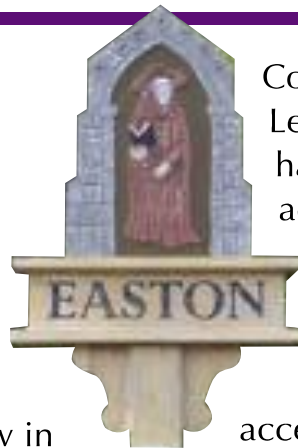
Cllr Peter McCarter

Cllr David Lewis

New Easton community centre

Easton parish councillors are pleased to confirm that great progress is being made on the new community centre. The roof is now finished, the doors and windows are now in and the cladding finished. The scaffolding came down today to reveal the building and we feel it looks great but there is much more to do. By the time you read this, the floor screed will have gone down and the first fix plumbing and electrics will have been completed.

We hope to open the community centre late February or early March – it will depend on obtaining the final highway permissions to create a suitable public entrance. This last year has been tough but we have overcome many challenges. We received a grant of £500,000 from South Norfolk Council and £500,000 from the Greater Norwich Growth Board. The rest of the money to pay for the hall is coming from the 25%



Community Infrastructure Levey (CIL) we receive as we have a Neighbourhood Plan adopted. Due to market conditions, the costs have increased and as such, we have applied to South Norfolk for access to our future CIL funds.

It is calculated that our future CIL receipts will total just over £1,000,000. We have asked for the sum of £500,000 and, with the CIL we have received over the last two years (£596,000), this will give us the funding to finish the project and leave us with funds for other projects within the community. Due to the legal framework surrounding CIL, it is important that as much as possible is allocated to large capital projects because the small print stated that what is not spent within five years of receipt will be clawed back by South Norfolk to go in their general pot. Our mission was to create a building that would reflect our rural roots and the building should look as if it was a based on a farm building, so we were pleased to



Things are progressing on the new community centre.

receive a complaint from a resident that they did not like the building because it looked like a farm building! We have achieved our goal but we know not everyone will like what we have achieved. More work to landscape the property is now underway. Please judge it when it is complete or,

even better, don't just sit back and complain – get involved in our community. Give up your free time to support the many activities that your community needs done. If you have some free hours a week, apply to become a parish councillor – full training is being offered.

Easton Parish Council

Easton PC clerk's new position

We are very pleased to advise that our clerk Gina Lopes is now the President elect of the Society of Local Council Clerk (SLCC) and will take office shortly. The SLCC is the professional body for local council clerks and senior council employees. Gina will remain the clerk for Easton while dedicating some of her time to her SLCC duties. I am sure the residents of Easton will join with us to congratulate Gina for the work that she has done and, as Gina moves forward, she will have a national platform to help promote and develop the Localism Act 2011 giving a bigger voice to local communities.

Orbit Homes

Orbit homes are on schedule to have 50% occupation by March 2024. We encourage residents who wish to rent or buy in Easton to put their name on the South Norfolk Council housing register. If residents have questions about eligibility either renting or shared ownership, please speak to South Norfolk council and don't be put off applying.

Speeding

The parish council is working hard to ensure our roads are safe by liaising with the police and Norfolk

County Council Highways to reduce speed in our area.

Due to the amount of speeding in the village, Norfolk police traffic enforcement team has designated our village a priority area and is continuing to deploy mobile speed cameras on Dereham Road.

We often receive reports of inconsiderate and sometimes illegal parking and recently, a resident highlighted further examples by providing photographs of individuals parking on the pavements around the village. Once we receive reports and images of this nature, they are immediately passed to the police if the vehicle is likely to cause an obstruction, and to Norfolk County Council Highways who may take enforcement action against the owners. Please note it is our duty to report these matters to the appropriate authority once we are made aware of them.

We ask residents not to park on the verges as it creates damage and can make the area look unsightly. Residents can report these and other highway issues direct to Norfolk County Council.

If you are interested in becoming a parish councillor, please email our clerk: clerk@eastonparishcouncil.co.uk

Easton Parish Council

Easton Parish Council

Village Hall
Marlingford Road
Easton
NR9 5AD

email: clerk@eastonparishcouncil.co.uk

© Copyright 2023 – Easton Parish Council