

CABINET

Minutes of the meeting of the Cabinet held on Monday, 5 June 2023 at the Council Chamber - Council Offices at 10.00 am

Committee

Members Present:

Cllr W Fredericks (Deputy Chair)	Cllr L Shires
Cllr T Adams (Chair)	Cllr A Brown
Cllr H Blathwayt	Cllr P Heinrich
Cllr C Ringer	Cllr A Varley
Cllr L Withington	

Members also attending:

Cllr C Cushing

Officers in Attendance:

Chief Executive, Democratic Services Manager, Assistant Director for Finance, Assets, Legal & Monitoring Officer, Director for Resources / S151 Officer, Assistant Director for Sustainable Growth and Environmental Services Manager, the Planning Policy Manager

1 MINUTES

The minutes of the Cabinet meeting held 6th March 2023 were agreed as a correct record and signed by the Chairman.

2 PUBLIC QUESTIONS AND STATEMENTS

None received.

3 DECLARATIONS OF INTEREST

Cllr L Shires declared an interest regarding Agenda item 8. She said that she was part of a group that had received a grant from Nourishing Norfolk for a community supermarket.

4 ITEMS OF URGENT BUSINESS

None received.

5 MEMBERS' QUESTIONS

The Chairman advised Members that they could ask questions throughout the meeting as matters arose.

6 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

There were no recommendations from the Overview & Scrutiny Committee to Cabinet.

7 NOURISHING NORFOLK PROGRAMME

The Chairman said that following previous announcements and the Cost of Living Summit, he was pleased to confirm that funding of £60,000 would be released to support the development of food hubs across the District. He said that regular progress updates would be provided to monitor the use of the funding. He added that facilities had already opened in Wells and Sheringham and there were plans to open more in North Walsham, Cromer and Stalham.

Cllr W Fredericks thanked the Leader for bringing this forward. She asked if it was a one-off payment. The Chairman replied that it was a one-off payment to start the provision, after which it would become self-sustaining in those locations.

8 TEMPORARY LETTING ACCOMMODATION - GOVERNMENT CONSULTATION

The Chairman invited Cllr A Brown, Portfolio Holder for Planning & Enforcement, to introduce this item.

Cllr Brown explained that the report sought Cabinet's support to agree a response on behalf of the Council to two consultations proposing to introduce new regulations in relation to the use of dwellings as temporary letting accommodation. He said that it had 'crept upon' the Council over the election period. He said that it was long overdue. It was in reference to short term holiday lets and second homes registration and explained that the current system for logging second homes in the District was quite ad hoc and used a number of methods. Therefore, a mandatory national registration scheme was welcomed and it would assist with planning in the District and help identify where the majority of second homes were located. He said that it was curious that it didn't extend to second homes and change of use in terms of planning. It was also odd that it was a cheap option to roll out the permitted development system across the country. He said that economies of scale had clearly come into play. Cllr Brown concluded by saying that the proposals were broadly welcomed and it was likely that the outcome would not come into effect for a while, probably not until the next Government was in place.

The Chairman invited the Planning Policy Manager to speak. He said that there were two proposals, related to each other.

1. Registering holiday accommodation
2. New change of use requirement for some types of holiday accommodation

He said that it was disappointing that the consultation largely side-stepped the issue of second homes. The fact it specifically referred to temporary letting accommodation, meant that second home-owners who did not let out their homes, would sit entirely outside the registration scheme and the change of use requirement. He said it was possible that there would be a further, separate consultation on second home issues. He concluded that broadly, the Council was supportive of the proposals.

The Chairman sought clarification that the Government was seeking to introduce a new change of use category for some temporary letting accommodation but that this would be dealt with via permitted development, without permission. The Planning Policy Manager replied that the Government was intending to alter the change of use class order to say that temporary letting accommodation would require planning permission but then introducing a nationwide permitted development right to grant permission. The mechanism for Local Authorities to go through to secure control would be to serve an Article 4 Direction which removes the permitted development allowance granted by Government. He said that the Council's response had

requested a straightforward route for introducing the need for planning permission for the change of use of a property.

The Chairman said it was recognised that holiday lets brought value to the District and acknowledged that they contributed to the local economy. He asked if there was value in the proposals without additional policies in the National Planning Policy Framework (NPPF) allowing local authorities to set a ceiling on the number of holiday lets. He said a locally controlled number was the key.

The Planning Policy Manager agreed saying that there were two stages. The first was to allow control to be exercised locally through the need for planning permission. The second was to determine how to exercise these controls via planning policy. He said that at some point members would have to consider what policies to apply and whether to set thresholds in some parts of the District, such as the Area of Outstanding Natural Beauty (AONB). Such decisions should be made locally not nationally.

Cllr H Blathwayt said that he was supportive of the 30 day option rather than 60 or 90 days. He said he couldn't see the sense in limiting camping on a field to 28 days but allowing homes to be let for 60 or 90 days.

Cllr W Fredericks thanked officers for their work on this. She said that it was a half-hearted attempt to put something out into the public domain on holiday lets.

It was proposed by Cllr A Brown, seconded by Cllr T Adams and

RESOLVED

To respond to the consultations as outlined in Appendix A to the report

Reason for the decision:

To support government proposals to introduce a more effective regulatory framework for the use of dwellings for purposes other than as principal residences and hence give local authorities better tools to manage the potential impacts of such uses.

9 MANAGING PERFORMANCE QUARTER 4 AND CUMULATIVELY FOR 2022/2023

The Chairman introduced this item. He explained that the report provided an overview of progress towards achieving the objectives in the Corporate Plan and wider corporate performance around core service delivery during the year. He said that good progress was being made and he was pleased to confirm that the dispute between Serco and Unison had now been resolved and the focus was now on service improvement, carbon reduction and revenue growth.

He said that there were currently 65 households in temporary accommodation, reflecting ongoing challenges regarding housing issues. The works in North Walsham town centre were now reaching a conclusion ahead of schedule and the Cedars and the public toilets were nearing completion too, with works commencing on the lokes soon.

There were no adverse Ombudsman decisions in 2022/2023 which was to be welcomed. Work was underway on the next carbon-busting project as well as the

sea defence schemes.

He welcomed continued funding for the Community Connector team and said that their work was very well received.

The Chairman concluded by saying that planning performance continued to be exemplary.

It was proposed by Cllr T Adams, seconded by Cllr W Fredericks and

RESOLVED

To note the report and endorse the actions being taken by the Corporate Leadership Team as detailed in Appendix A.

Reason for the decision:

To ensure that the objectives of the Council are met and service performance is monitored.

10 PURCHASE OF TWO ADDITIONAL REFUSE COLLECTION VEHICLES

Cllr C Ringer, the Portfolio Holder for IT, Environmental Services & Waste, introduced this item. He began by explaining that the report outlined the requirement for allocation of capital funding for the purchase of two new refuse collection vehicles for the commercial and garden waste collection services delivered by Serco on behalf of the Council. The additional vehicles would bolster the ability to provide extra capacity, following an increase in demand for both trade and garden waste collection. It would be funded via a combination of borrowing, residual capital budget, plus a revenue contribution of £50k. There was also a buffer for inflationary pressure. It was hoped to use Serco's pre-allocated build slots to ensure that the vehicles were built soon and would be in use by the end of the year. He added that the Council was continuing to explore how to access sources of HVO fuel from ethical providers and it was hoped that these avenues would also be in place soon.

The Environmental & Safety Manager confirmed that the Council was currently in dialogue with Serco regarding HVO fuel and the vehicles could run on it with no additional conversion costs.

The Chairman invited members to speak:

Cllr C Cushing said that the process for the setting of the Annual Budget required all departments to submit bids for large scale projects and he queried why the purchase of these waste vehicles had not been included in the Budget for this year. The Director for Resources replied that she did not know why a capital bid was not submitted, it was possible that at the time of the budget setting, officers did not realise that additional vehicles were required. The Chairman added that garden waste collection was currently increasing by 1500 requests a year and with the limited availability of build slots for vehicles, the Council needed to act quickly to ensure that capacity could be maximised as soon as possible.

Cllr L Shires, Portfolio Holder for Finance & Assets, said that she welcomed Cllr Cushing's question and she shared his concerns about requesting such a large sum of money so soon after the budget had been agreed. She said that she had a number of questions.

- Section 2.3 – prices being valid for a limited time – could a specific timescale be provided
- Section 2.6 £200k per year was listed for garden waste, could clarity be provided on the £500k for trade waste – was this annually or over a 5 year period.
- Section 3.1 – doing nothing resulting in a deteriorating service, no timeline was provided. An indication of when this would start would be helpful.
- Section 11.1 – how are we estimating demand if we are already at capacity
- Section 11.2 – which financial year is it anticipated that borrowing would ‘land’ in

The Environmental & Safety Manager said that quotes were valid for 1 – 2 months. To provide context, he explained that, when similar vehicles were ordered in 2020, they were £50k less than the current price. Regarding the £500k for trade waste, he said that it was a total budget increase from 5 years ago.

Serco were currently providing additional vehicles and this was tied into their current waste collection round reorganisation process, for which they had borne the costs. It was intended that a similar process would be followed for garden waste collection rounds later in the year and this was one of the reasons that this was going forwards now. Serco had not undertaken a review of the garden waste rounds at the point when a capital bid could have been submitted in time for the budget setting process. Cllr Shires commented that the reorganisation was intended to streamline the service and make it more environmentally friendly but if this had led to requiring additional vehicles, she was not convinced that the reorganisation of garden waste services would not also result in requiring additional vehicles. The Environmental & Safety Manager replied that the requirement for additional vehicles was purely down to customer growth. It was not possible to serve all of the additional customers with the current number of vehicles. Regarding the collection of trade waste, Serco had miscalculated the impact of trying to include some of this on the domestic rounds and this had caused some of the capacity issues, which had led to the loss of customers.

The Director for Resources replied to the question regarding borrowing and confirmed that it would be a year after the vehicles were purchased. It would be internal borrowing as this was how other vehicles had previously been purchased. It was anticipated that revenue income would cover the borrowing costs. In response to a further question from Cllr Shires, she confirmed that borrowing would commence in 2025/26.

Cllr Shires asked about projections for growth and sought clarification on whether this was due to increases in price or an increase in customers, she added that there were no projections for future increases in income included in the report. In conclusion, she said that a large part of the business case seemed to be missing.

The Environmental & Safety Manager said that customers for garden waste had increase by 1500 every year. Regarding trade waste, it was a competitive market and prices had been raised recently. This had led to the loss of some customers but the Council’s reputation for reliability had meant that the customer base had remained relatively stable, however, with reduced capacity this was no longer the case, and it was increasingly likely that more customers would opt to leave the service if capacity did not improve soon.

The Chief Executive said that the decision needed to be seen in the context of the

Council's service provision and the anticipated statement by Government about waste strategy moving forward. He said that the purchase of the vehicles was a sound investment and it would strengthen and protect the Council's service delivery. He added that for the reasons outlined in the report and subsequently by the Environmental & Safety Manager, it was considered to be a good investment at this time and the advice was to proceed.

Cllr P Heinrich asked when Serco had identified the need for these vehicles. He then asked whether the service could be delivered without these vehicles. The Environmental & Safety Manager replied that he believed that the service could not be delivered reliably and to the expected standard without these additional vehicles. He added that Serco had had instability in their local management in the last 12 – 18 months and this had impacted on how they had approached the matter and consequently it only came to light as a serious request after the budget had been agreed for this year. Cllr Heinrich replied that the constant churn in managers at Serco gave him cause for concern. He said how could the Council be confident that what was being proposed would actually work. The Environmental & Safety Manager replied that officers had assessed it closely and fully supported the proposals.

Cllr A Brown commented that there was a good case for the proposal going to Governance, Risk & Audit Committee (GRAC) and he queried why this had not been considered. He said that interest rates were quite volatile and he wondered what mitigation was in place if the Council proceeded and borrowing rates increased. The Director for Resources replied that the current rate for external borrowing would be 5.09% from the Public Works Loan Board (PWLb). However, it was hoped that it could be covered via internal borrowing so that interest rates would not be a concern, other than lost income from investments.

Cllr Brown asked whether the anticipated increase in income would cover the loss of investment income. The Director for Resources confirmed that this was the case.

Cllr Brown said that he felt there was a risk to the Council financially and that it should go to GRAC for consideration. The Chief Executive confirmed that there was an upcoming meeting of GRAC if members wished it to be included on the agenda for that meeting. Cllr Brown proposed that the risk elements of the proposal were considered at the next meeting of the Governance, Risk & Audit Committee. This was seconded by Cllr Shires and supported by Cabinet.

Cllr Shires asked whether the new vehicles would be shared across the partnership. The Environmental & Safety Manager replied that the only vehicle that was shared was for clinical waste collection as this was such a small, specialist service.

It was proposed by Cllr T Adams, seconded by Cllr C Ringer and

RESOLVED

To recommend to Full Council an addition to the Capital programme of £385,000 to purchase two new refuse collection vehicles and that the £385,000 be added to the residual £65,000 that is left over from the original budget to purchase refuse vehicles from 2019 to date.

That Cabinet recommend to Full Council that the purchase be funded by borrowing of £335,000 and a revenue contribution of £50,000.

That Governance, Risk & Audit Committee assesses the risk element of the proposals at the meeting on 13th June 2023

Reasons for the decision:

To ensure the Council can meet customers' expectations and provide a service that can keep up with the continuing increase in demand for garden and commercial waste collection services. To ensure statutory duties around waste collection can be fulfilled. To support the future growth in revenue generating services.

11 STALHAM HIGH STREET TASK FORCE

The Chairman opened this item by explaining the background to the report. He explained that Stalham had been selected as a suitable town for an investigation into the opportunities for improving the health, vitality and viability of its town centre. A successful application was made in 2022 for a government-funded scheme and the Council subsequently progressed the initiative. A meeting took place in March with the appointed consultants and relevant stakeholders and subsequently a report was prepared, entitled 'Unlocking Your Place Potential'. In the lead up to the preparation of the HSTF initiative, representatives of Stalham Town Council (STC) and Stalham Business Forum (SBF) were engaged to agree the scope of the activities. Through the 'Unlocking Your Place Potential' study, representatives of Stalham Neighbourhood Development Committee, the Museum of the Broads, New Anglia Local Enterprise Partnership and Norfolk County Council were involved, alongside officers and members from NNDC and representatives of STC and SBF. The Chairman said that it was important that this partnership approach was fostered, so that local priorities could be identified. There was still a lot of work to do but the report set out a path towards a defined project.

The Portfolio Holder for Sustainable Growth, Cllr P Heinrich, said that the High Streets Task Force report clearly set out the key issues that needed to be addressed which were capacity, leadership and partnership working. The focus now was on bringing all the key organisations and stakeholders together to hopefully agree on a shared view about what needed to be done in the town. He added that the Council had learned from the North Walsham Heritage Action Zone project and he believed that this project could benefit from that.

It was proposed by Cllr P Heinrich, seconded by Cllr T Adams and

RESOLVED

To endorse the findings of the UYPP report and agree to the following actions:

- Continue to work with interested organisations in Stalham to progress options for supporting its town centre and local businesses operating there
- arrange a meeting in the summer to discuss the findings of the HSTF investigation and to develop a scope for future actions by the relevant stakeholders
- host a workshop in Stalham on improving local capacity, leadership and partnerships led by a High Streets Task Force expert that will consider governance and place management partnership structures, with an awareness of identified needs and potential future responsibilities
- following the workshop, act on the recommendations to establish a partnership with a timetable and cycle of meetings suitable to prepare a joined-up plan and coordinate future delivery

- evaluate the scope for a 'Place Making Programme' workshop to follow on from the above actions.

Reasons for the decision:

To support the further exploration of ways for Stalham's town centre to be improved.

12 NORTH NORFOLK HYDROGEN STUDY

The Portfolio Holder for Sustainable Growth, Cllr P Heinrich, introduced this item. He began by explaining that increasing consideration was being given to the potential of the Bacton Energy Hub playing a major role in the UK's future energy security strategy as our national economy looks to transition to Net Zero, moving away from reliance on natural gas to sources of low carbon and renewable energy including hydrogen and carbon capture and storage. He said that the District Council therefore needed to understand the implications and opportunities presented for the future of the Bacton Energy Hub site through commissioning some research into how hydrogen production and carbon capture and storage might be accommodated on the site and understand the potential benefits which might be realised for the North Norfolk economy through such investments in terms of jobs, training, supply chains etc. The report therefore recommended that the District Council established a budget to commission some research reports into the future opportunities for the Bacton Energy Hub site. It would be a very hi-tech site with good potential for additional employment opportunities.

The Chief Executive said that by commissioning research into the future opportunities for the Bacton Energy Hub site, the Council could take an informed and proactive position in engaging with investors proposing investment at the site to produce hydrogen and in the storage of carbon in depleted offshore gas fields in the southern North Sea. He added that there were some public concerns regarding the production of hydrogen at the site and it was intended that the research would look at all project proposals for the site and that the Council could then take an informed position of the opportunities and implications of such proposals for Bacton. He added that there was no suggestion that hydrogen produced at the site would be used for local transport distribution.

Cllr A Varley, Portfolio Holder for Climate Change and Net Zero, said that it was an ambitious project that would enable the Council to lead the way on sustainable, renewable energy provision. It would also provide 'green' jobs in the future, which was to be welcomed.

It was proposed by Cllr A Varley, seconded by Cllr P Heinrich and

RESOLVED:

To establish an initial budget as detailed in the exempt appendix funded from the Corporate Plan Delivery Plan Reserve to commission a piece of independent research of the opportunities being proposed for the future of the Bacton Energy Hub site, particularly as a location for the production of hydrogen and the capture and storage of carbon, in order that the Council can take an informed position with respect to these significant proposals in support of the UK's Net Zero ambitions.

Reason for the decision:

To position North Norfolk strongly in respect of developing proposals for the Bacton

Energy Hub to make a significant contribution to the UK's Net Zero strategy and ambitions.

13 EXCLUSION OF PRESS AND PUBLIC

14 PRIVATE BUSINESS

The meeting ended at 11.03am

Chairman