

OVERVIEW & SCRUTINY COMMITTEE

Minutes of the meeting of the Overview & Scrutiny Committee held on Wednesday, 14 February 2024 in the Council Chamber - Council Offices at 9.30 am

Committee Cllr N Dixon (Chairman) Cllr M Batey

Members Present:

Cllr J Boyle	Cllr C Cushing
Cllr A Fletcher	Cllr M Hankins
Cllr V Holliday	Cllr N Housden
Cllr R Macdonald	Cllr L Vickers

Members also attending:

Cllr W Fredericks
Cllr P Heinrich
Cllr L Shires
Cllr J Toyne
Cllr L Withington

Officers in Attendance: Chief Executive, Director for Place & Climate Change, Director for Communities, Assistant Director for Finance, Assets, Legal & Monitoring Officer, Economic Growth Manager, Director for Resources / S151 Officer and Assistant Director for Sustainable Growth

119 APOLOGIES

An apology for absence was submitted by Councillors Garry Bull and Saul Penfold

120 SUBSTITUTES

There were no substitutes at the meeting.

121 PUBLIC QUESTIONS & STATEMENTS

None received.

122 MINUTES

Councillor Housden stated that in relation to Minute 114 Treasury Management Strategy his question on the Liquidity ratio was more about who set the ratio and if it was set by the Government and the Government decided to change it, what would be the effect of that change on the Council and the Council's investments and its wider investment portfolio.

Councillor Holliday updated the Committee on the work of the Homelessness Task and Finish Group and that it was starting to undertake some evidence gathering especially from external witnesses on the issues that were causing people to made homeless in North Norfolk. The group were looking for innovative solutions to

address those issues and improve the situation.

Councillor Cushing stated that he was yet to receive the details of where in the District the Shared prosperity fund had been spent he had asked for in respect of Minute 112 Managing Performance Quarter 2 2023/24. Councillor Heinrich, Portfolio Holder for Sustainable Growth advised that the work on providing that information was still ongoing and it would be passed on as soon as it was completed.

Resolved - the minutes of the meeting held on 24th January 2024 were approved as a correct record and signed by the Chairman subject to the alteration to Minute 114 Treasury Management Strategy to reflect that Councillor Housden question on the Liquidity Ratio was on who set the ratio and if it was set by the Government and the Government decided to change it, what would be the effect of that change on the Council and the Council's investments and its wider investment portfolio.

123 ITEMS OF URGENT BUSINESS

None received.

124 DECLARATIONS OF INTEREST

None received.

125 PETITIONS FROM MEMBERS OF THE PUBLIC

None received.

126 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER

None received.

127 RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS

The Democratic Services and Governance Officer advised that a recommendations tracker had been added to the agenda with the purpose of showing what the progress had been from the Committee's recommendations throughout the year.

128 REVENUE BUDGET 2024 - 2025

The Portfolio Holder for Finance, Estates and Property Services, Councillor Shires, presented a report on the Council's Draft Revenue Budget for 2024-25, along with proposed budget savings and use of Reserves used to set a balanced budget for 2024/25.

Councillor Shires drew the committee's attention to Table 2 Summary of Movements to Achieve Balanced Budget and that due to an additional £305,000 being received from the Government in its final Local Government Finance Settlement for 2024/25, the additional use of reserves to balance the budget for 2024/25 would now be

£111,000 and not £416,000.

Councillor Shires commented that in respect of the line in the table that said savings to be identified £250,000 she had mentioned this verbally at the last Overview and Scrutiny Committee and it had been added to the table for the last cabinet meeting.

Councillor Shires, in response to Councillor Holliday's question, stated that she and the Director of Resources was confident enough that the savings could be realised to put them into budget.

The Director of Resources advised in response to a question from Councillor Dixon on whether full council could approve a budget with savings yet to be identified, that it was common practise for local authorities to do so.

Councillor Shires commented in respect of Councillor Dixon's question about whether it was transparent for members of the public, that the budget was being prepared on what is best for the residents and in line with the council's plans for the years ahead. The budget was specific in detailing the savings in each service area.

Councillor Shires added that it was not fair to the staff or the public to consider the array of choices that the council had to make further savings without some funnelling down of the proposals.

The Assistant Director Finance Assets Legal as the Council's Monitoring Officer, responded to Councillor Dixon's question by saying that no budget can be completely free of risk and there needs to be assumptions made with a degree of uncertainty. Councillor Shires had indicated that there were savings to be made but were being worked on but had not been identified publicly due to personal data that could not be shared in public. At the full council meeting, there would be the Director of Resources report as required by legislation and with all these factors it was a lawful basis to consider them.

Following on from this, the Assistant Director Finance Assets Legal advised that each councillor would have a fiduciary duty at the full council meeting to consider all the information before them but didn't think there was an unlawfulness problem following all the information that had been provided at the meeting.

Councillor Shires advised that if the committee wanted to consider the £250,000 budget savings it would need to do that in an exempt information session of the committee as they contained confidential information.

Councillor Housden proposed the exclusion of the press and public to enable the committee to discuss those budget savings proposals that could include exempt information. The proposal was seconded by Councillor Vickers and agreed by the Committee who then went into a private session.

Following that discussion, the Committee then returned to the meeting being held in public.

Councillor Shires in response to a question from Councillor Cushing stated that some budget proposals would require budget consultation such as proposal Res 33 extension to the Meadow Car Park.

Councillor Shires commented in response to Councillor Cushing's further question, that the council's consultation process wasn't just for the sake of consultation but

were meaningful and for that item consultation would go through the planning process.

Councillor Shires clarified that the capital bids for 2024/25 had been to Cabinet as the current proposals but there was some uncertainty over some of the proposals, so it was not the final list. There would also need to be consideration given to any potential changes in project costs for any of the schemes over the next twelve months.

The Director of Resources advised that full council at its meeting on 21 February 2024 would have the opportunity to approve which of the new capital bids should go into the Council's Capital Programme.

Councillor Shires in response to a question from Councillor Dixon asked what information the Committee wanted in a Medium-Term Financial Strategy. The Director of Resources advised that the information set out in the report met the principles set by The Chartered Institute of Public Finance and Accountancy (CIPFA).

Councillor Dixon stated that it would be worthwhile for the Committee to understand the guidance from CIPFA, and it agreed that the committee would undertake further work on looking at the CIPFA guidance, refining it and then advising on how that could be applied to the Council's own strategy.

The Director of Resources advised, in response to Councillor Housden's question on the changes in earmarked reserves for the Delivery plan shown on the table on page 25 of the agenda, that this was due to the external contracts involved with this coming to an end.

The Director of Resources advised, in response to Councillor Housden's question, that the General Fund Reserve was £2.4m out of all the Reserves the Council held that totalled £14.5m.

The Director of Resources advised, in response to Councillor Hankin's question, that there was a predicted increase of 1% each year in the Council tax base due to projected increase in new housing development.

Councillor Shires added that the council had done some work in getting homes, whether holiday lets or were long term empty properties, back into residential usage so that they were eligible for Council Tax.

The Democratic Services and Governance Officer commented that the role of local members in finding additional empty properties that could be brought back into use would be areas explored by the Homelessness Task and Finish group.

Recommendation – that (A) the Overview and Scrutiny Committee considered the list of proposed savings, the use of reserves and the setting of a savings target and made no additional recommendations to full Council on the combination to include in the Budget for 2024/25 for full Council to consider when it meets on 21 February 2024 to set a balanced budget for 2024/25, subject to noting that due to an additional £305,000 being received from the Government in its final Local Government Finance Settlement for 2024/25, the additional use of reserves to balance the budget for 2024/25 would now be £111,000 and not £416,000,

(B) the Overview and Scrutiny Committee reviewed the proposed Capital Programme and new capital bids and made no changes to the list set out in the report, and

(C) further work be undertaken by the committee on what the Council's Medium Term Financial Strategy could look like in the future.

129 LOCAL ECONOMIC STRATEGY & ACTION PLAN

Councillor Heinrich, Portfolio Holder for Sustainable Growth, presented a report on a draft Economic Strategy and Action Plan (2023-2027) that sets out the approach and actions the Council will undertake to support delivering against the 'Investing in Our Local Economy and Infrastructure' objective in the Council's Corporate Plan and in supporting the growth of the local economy over the next four years.

Councillor Heinrich stated the key thing the strategy needed to be was flexible and adaptable especially with a fluid national economic picture and a forthcoming general election.

Councillor Heinrich added that he wanted the council to move forward by creating an environment in which business could thrive, where new businesses could flourish, inward investment is nurtured, and innovation and creativity are welcomed.

Councillor Heinrich in response to a question from Councillor Boyle commented that he thought the national economic situation would be the biggest barrier to achieving the strategy. There was a need for the government to produce an industrial strategy that included rural areas.

The Assistant Director Sustainable Growth responded to Councillor Holliday's question stated that if you wanted to define a future unique selling point for North Norfolk that could be the Green Industry Sector to include renewable energy, hydrogen capture and storage and ensuring that there is a transition for jobs in traditional industries to green ones. There could also be an opportunity to look at innovation in nature based solutions that are currently been trialled in North Norfolk.

The Economic Growth Manager added that it would be good for the Council to concentrate on its economic strengths and the Council could grow its brand of Sustainable Tourism and build a narrative around that and the beautiful environment and heritage in the district.

The Assistant Director Sustainable Growth replied to Councillor Holliday's question that there was some further work to be done to understand the value of other sectors to the local economy beyond that work already done on the Tourism sector. This could in the form of dossier that would provide relevant information to help those companies who were thinking of relocating to North Norfolk.

Councillor Heinrich in response to a question from Councillor Dixon stated that there was a an Invest North Norfolk website and the Council needed to promote itself online but there work to be done make it more visible for the public to access, Councillor Heinrich in response to a question from Councillor Housden stated that the Council didn't have money to directly invest for businesses and that a National Investment Bank might get around the reluctance of commercial banks to invest in local schemes. Any government money that has been time limited has already gone out to businesses.

The Assistant Director Sustainable Growth stated in response to Councillor Hankins question that the Local Economic Partnership's (LEP) powers has been transferred to the two county Councils in their area. The Council was administering some of the Shared Prosperity and Rural England Schemes from the New Anglia Growth hub that was set up by the LEP and that will transition to the County Council. The Council though did currently have funding for diversification, community and other investment programs that require match funding.

Councillor Heinrich in response to a question from Councillor Housden commented that the main concern of employers was the shortage of staff as in the main young people from North Norfolk don't tend to come back to the area once they go to university due to jobs not paying enough or being sufficiently challenging.

The Economic Growth Manager added that the number one comment from businesses is the recruitment and retention of staff. There was a programme with Norfolk County Council Future Skills Now to work with business to understand what the long-term issues are and then working on the solutions to create a pathway to support businesses.

Councillor Heinrich in response to a question from Councillor Cushing confirmed that the Council worked closely with the County Council and that the strategy was intended to be a living document. It was intended with Cabinet approval to produce a shorter summary of the document.

The Assistant Director Sustainable Growth in response to a question from Councillor Housden advised that the Invest North Norfolk website had sections on business support, grants, funding, loans, community grants and funding from the council and elsewhere that are updated frequently.

Councillor Withington, Portfolio Holder for Community, Leisure and Outreach, in response to a question stated there was an action in the strategy to develop a cultural and creative sector strategy to help those arts and culture based businesses in North Norfolk to grow and develop their potential. There has also been work started to get museums to work more closely together.

Recommended – that (A) that an appendix to the full strategy and action plan be produced to show all the different sectors to the economy in North Norfolk and when available information be provided in the document that sets out the value of each sector to the local economy, and

(B) the strategy part is extracted from the full document into a shorter summary form that could be more quickly read.

130 WASTE CONTRACT UPDATE

The Director for Communities presented a report that provided an update on the performance of the Council's waste, grounds maintenance and street cleansing contract.

The Director for Communities stated that completion of rounds on the scheduled day of collection remained high. Most daily reports now show 100% completion rates of rounds and missed collection reporting showed a continuation of an improving trend across all collection areas.

The Director for Communities in response to a question from Councillor Dixon stated

that the setting up a website to report any missed bins disruption/incompletions was being progressed and he would provide a written update to the committee.

The Director for Communities in response to a question from Councillor Housden on the modelling of costs by the Department for Environment, Food and Rural Affairs (Defra) for the new requirement to provide a food waste collection service to all households and certain businesses would require an entirely separate collection scheme with new additional smaller vehicles.

The Director of Resources advised that the projected additional cost of this for the Council could range from £1.04m-£1,8m less £0.716m and would incur an annual revenue cost to the council of between £46k-£155k Minimum Revenue Provision costs plus the interest costs on external borrowing. It was not currently within the Council's Capital Programme but once the costs were confirmed they would need to be approved by full council.

The Chief Executive in response to a question from Councillor Cushing on the route and round reorganisation leaflet will go out to residents between Monday 4 and Thursday 28 March, an article explaining the reasons for the changes will be in the Council's outlook publication which will be delivered during the week starting on 11 March and the new rounds will commence on Monday 8 April.

Recommended – that (A) Given the current performance levels and the arrangements in place, to monitor performance and the gap analysis, through the governance structures within the contract that further updates on performance are only made to Overview and Scrutiny committee if, in the view of the Authorised Officer (Director for Communities) for the contract, performance has dropped to a level that is of significant concern or that progress on the gap analysis items is not adequate,

(B) the Overview and Scrutiny Committee provide scrutiny of the progress made in planning, implementing, and embedding the round reorganisation on a regular basis, and

(C) full Council be requested to agree to write a letter to Department for Environment, Food and Rural Affairs setting out the evidence associated with the shortfall in allocation and the anticipated capital costs that the Council will incur in relation to food waste collection.

131 OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE

The Democratic Services and Governance Officer advised that in respect of the Scrutiny Training that the Committee had requested, three specialist providers had now submitted their proposals for the training. It was proposed that the Committee Chair and Vice Chair would consider those proposals and confirm which provider should be used with the intention that the training would be in mid to late March.

Resolved that the Committee Chair and Vice Chair agree the proposals for the Scrutiny training to be held in mid to late March 2024.

132 EXCLUSION OF THE PRESS AND PUBLIC

Cllr Housden proposed exclusion of the press and public in order to discuss those budget savings proposals that could include exempt information. The proposal was seconded by Cllr Vickers.

RESOLVED

That under Section 100A(4) of the Local Government Act 1972 the press and 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 1, 2, and 3 of Part I of Schedule 12A (as amended) to the Act.

The meeting ended at 1.00 pm.

Chairman