

CABINET

Minutes of the meeting of the Cabinet held on Monday, 8 July 2024 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 H Blathwayt
Cllr C Ringer	Cllr J Toye
Cllr A Varley	Cllr L Withington

Members also attending:

Cllr C Cushing
Cllr N Dixon

Officers in Attendance:

Chief Executive, Director for Resources / S151 Officer, Assistant Director for Finance, Assets, Legal & Monitoring Officer, Director for Communities, Estates and Asset Strategy Manager, Policy and Performance Management Officer, Estates Surveyor Trainee and Revenues Manager

Apologies for Absence:

Cllr A Brown

1 MINUTES

RESOLVED to approve the minutes of the Cabinet meeting held on 13 May 2024.

2 PUBLIC QUESTIONS AND STATEMENTS

None.

3 DECLARATIONS OF INTEREST

None.

4 ITEMS OF URGENT BUSINESS

None.

5 MEMBERS' QUESTIONS

The Chairman advised that members could ask questions as matters arose during the meeting.

6 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

There were no recommendations to Cabinet from the Overview & Scrutiny

Committee.

7 RECOMMENDATIONS FROM GOVERNANCE, RISK & AUDIT COMMITTEE

Cllr J Toye (former Chairman of the Committee) introduced this item and said that they were standard policies that had been reviewed, as required for audit purposes. It was proposed by Cllr J Toye, seconded by Cllr T Adams and

RESOLVED

1. To approve the Anti-money Laundering Policy.
2. To approve the Counter Fraud, Corruption and Bribery policy, as amended.

8 REPORTING PROGRESS IMPLEMENTING CORPORATE PLAN 2023-27 ACTION PLAN 2023-24

The Chairman introduced this item, saying that there had been appreciable progress since the last update. He referred members to the Action Plan and said that item 2 on the table, Waste Resources Strategy, was now amber and this was due to the national situation and current uncertainty around how this would progress. He then spoke about the Local Plan examination which had now moved from amber to green, now that the examination was complete. Referring to item 4, he drew members' attention to the Coastwise events that were taking place in the coming weeks. The Chairman then spoke briefly about some of the other key actions such as the Wells Neighbourhood Plan, the Cromer / Mundesley coast protection scheme, the Rural Strategy, which had been delayed due to the diversion of resources to the Fakenham Leisure project but which was now being progressed. He spoke about the construction of newly refurbished public toilet facilities and the challenges posed by delays caused by UK Power Network but said that the project would be delivered.

Item 12 referred to the successful, proactive work in encouraging residents to claim the benefits and financial support that they were entitled to. The Chairman praised officers for their work in ensuring success in this area. He went on to speak about the completion of 38 affordable homes in the district, despite the challenges posed by nutrient neutrality and said that discussions were ongoing with the County Council regarding the district's share of the increased second homes council tax levy.

In conclusion, he highlighted the items which had moved from amber to green and thanked the officers for their hard work in achieving this.

The Chairman invited members to speak:

Cllr J Toye referred to Item 17 – 'the Stalham High Street Task Force Action Plan' and said that he was pleased to see it was progressing well. He was concerned that the Place-making workshops had been cancelled twice due to lack of interest but he was working with Local Members to improve engagement and hoped to see these up and running soon.

Cllr C Cushing referred to Item 11 – 'Submit quality bids to available Government funding opportunities' and the Fakenham Leisure project. He said that due to the General Election, the Department for Levelling Up, Housing & Communities (DLUHC) had not yet signed the Memorandum of Understanding to release the grant money and he queried whether this should be reflected in the Action Plan. The Chairman replied that the Action Plan was a snapshot in time and if it needed updating at the time of the next report to Cabinet, then the RAG rating would be amended accordingly. He acknowledged that the funding was out of the Council's

hands but added that the additional funding towards the swimming pool should be welcomed.

The Chief Executive added that the report was for the period to 31st March 2024 and although the Action Plan for the first quarter of 2024/25 was largely complete, it would not be ready to be presented to the Overview & Scrutiny Committee until September. He added that following the election last week, he intended to contact the returning MP for the Broadland constituency to discuss how the Council could work with him to progress the project and push for the Memorandum of Understanding to be signed, to avoid a potential position of financial risk.

The Director for Communities said that the Council had continued with the procurement process for the Fakenham project up to the Planning Permission grant phase. He said that there were a number of organisations that would be at financial risk if the project proceeded to the construction phase and this could not happen until funding was confirmed. He added that, with the ongoing delays, the completion date of March 2026 was now looking less likely and there would be discussions with the new Government to revisit this date. Until then, work would continue with as minimal risk as possible. The Chairman said that he was intending to attend the Local Government Finance Summit the following week and would press on the points raised above.

RESOLVED

To note the report.

9 OUTTURN REPORT 2023 - 2024

The Portfolio Holder for Finance & Assets, Cllr L Shires, introduced this item. She began by thanking the Finance Team for their hard work. She said that homelessness and the provision of temporary accommodation had impacted quite heavily on the Council's budget in 2023/24 and more funding had been allocated in the current budget to meet these costs.

The Director for Finance added that there was a projected deficit due to a shortfall in planning income, the impact of temporary accommodation and borrowing costs that had been incurred.

The Chairman invited members to speak.:

Cllr J Toye said that the monitoring of the budget was effective and welcomed efforts to improve the formatting of the reports to make it easier for members to understand. It was proposed by Cllr L Shires, seconded by Cllr T Adams and

RESOLVED to recommend to Full Council

- a) The provisional outturn position for the General Fund revenue account for 2023/24 (as shown in Appendix A);
- b) The transfers to and from reserves as detailed within the report (and Appendix C) along with the corresponding updates to the 2024/25 budget;
- c) The deficit of £0.937m relating to service overspends be funded from the General Reserve (£0.737m) and the Treasury Management Reserve (£0.200m);
- d) The balance on the General Reserve of £2.148m
- d) The surplus of £2.1m relating to retained business rates be transferred to the Business Rates Reserve;

- e) The financing of the 2023/24 capital programme as detailed within the report and at Appendix D.
- f) The updated capital programme for 2024/25 to 2026/27 and scheme financing as outlined within the report and detailed at Appendix E;
- g) The roll-forward requests as shown in paragraph 5.5.
- h) Approval of additional funding to cover capital project overspends of £0.429k as detailed in paragraph 6.7.

Reason for the recommendations:

To provide a draft outturn position for the General Fund, Capital Accounts and Reserves which will form the basis to produce statutory accounts for 2023/24. Also to provide a draft opening position for the financial year 2024/25.

10 TREASURY OUTTURN REPORT 2023/24

Cllr L Shires, Portfolio Holder for Finance & Assets, introduced this item. She thanked the officers for their work in producing this report. She reminded members that some borrowing had been undertaken but this had been outlined when the Treasury Strategy had been presented to members.

Cllr N Dixon referred to pages 92 and 93 of the agenda and Table 1, 'Prudential and Treasury Indicators'. He said that the forecast for capital expenditure in 2023/24 was £40,830m but in Table 2 (page 93) 'Capital Expenditure and Financing' the figure for 2023/24 was £40,840m. He asked which figure was correct. The Director for Finance replied that she would check the Budget report for the correct figure and report back to members.

RESOLVED

To recommend the outturn position to Full Council for approval, subject to amendment following clarification of figures in Table 1 and Table 2 (Appendix A).

Reason for the recommendation:

The Treasury Management activity for the year requires approval by full Council for the Council to comply with the CIPFA Treasury Management and Prudential Codes.

11 DEBT RECOVERY 2023 - 2024

Cllr L Shires, Portfolio Holder for Finance & Assets introduced this item. She thanked the Revenues Manager for his hard work in preparing the report. She explained that the report detailed the Council's collection performance and debt management arrangements for 2023/24 and included a summary of debts written off in each debt area showing the reasons for write-off and values, collection performance for Council Tax and Non- Domestic Rates, level of arrears outstanding and level of provision for bad and doubtful debts. In conclusion, she said that the target for collection of council tax was 98.2% and 93.7% was achieved. For business rates the target was 99.2 and the 99.29 was achieved.

The Chairman reiterated Cllr Shires comments and said that the collection rates continued to be impressive.

It was proposed by Cllr L Shires, seconded by Cllr T Adams and

RESOLVED to recommend to Full Council to

1. approve the annual report which details the Council's write-offs, in accordance with the Council's Debt Write-Off Policy and performance in relation to revenues collection.
2. approve the suggested change to the delegated authority as shown in appendix 2 for write offs (increase team leaders' authorisation levels from £4k to £5k which is line with other authorisations).

Reason for the recommendations:

The recommendations ensure the Council makes best use of its staff resources and manages its finances to ensure best value for money.

12 HOUSING BENEFIT DEBT RECOVERY REPORT - 1ST APRIL 2023 TO 31ST MARCH 2024

Cllr W Fredericks, Portfolio Holder for Housing & Benefits introduced this item. She thanked officers for their hard work in supporting residents in financial distress. She said that this had increased in recent months with housing benefit not reaching rent levels in the district. The process would change once universal credit came into force and it would then be harder to reclaim any housing benefit overpayments.

The report set out a summary of the work undertaken by the team, including housing benefit debt recoveries performance, a summary of overpayment levels and recovery type and known risks to performance.

It was proposed by Cllr W Fredericks, seconded by Cllr H Blathwayt and

RESOLVED to recommend to Full Council:

To approve the annual report giving details of Housing Benefit Overpayment debt recovery in accordance with the Council's Debt Recovery Policy, Write-Off Policy, and Housing Benefit Overpayment Recovery Policy.

Reason for the recommendation:

Recommendation is to approve the annual report in relation to Housing Benefit Overpayment recovery and to approve the continued use of legislated recovery methods to ensure income maximisation for the council.

13 ROCKET HOUSE, CROMER - PROPOSED NEW LONG TERM LEASE AGREEMENT

Cllr L Shires, Portfolio Holder for Finance & Assets, introduced this item. She explained that the purpose of the report was to obtain a market valuation for the property for rental. Once this was obtained, the Council would work with the prospective tenants to negotiate a final figure.

The Surveyor added that the Rocket House café lease was due for renewal in 2025 and the market valuation would provide a good basis to renegotiate this lease too. The Chairman invited members to speak.

Cllr J Toye said that he was pleased that the project was being assessed on a holistic basis, rather than just the financial gain.

It was proposed by Cllr L Shires, seconded by Cllr J Toye and

RESOLVED to

1. Delegate authority to the Asset Strategy Manager (ASM) to arrange for an independent rental valuation of the space previously occupied by the RNLI so as to inform future negotiations for the long-term lease of these parts of the Rocket House building.
2. Request that the ASM undertakes additional enquiries as to the social, economic or environmental factors, as detailed in the General Disposal Consent Order 2003, prior to agreeing a new long-term lease with the RNLI.
3. Delegate authority to the ASM to enter into negotiations for the long-term lease of the premises
4. To prepare a further report to Cabinet once negotiations with the RNLI are finalised to:
 - Ensure Cabinet are satisfied that one or more of the General Disposals Consent Order 2003 criteria is met,
 - Inform the outcome of negotiations as to rent proposed,
 - Inform of the proposed lease Heads of Terms

Reason for the recommendations:

To provide an opportunity to the RNLI tenant, subject due governance and successful negotiation, to return to the building, under a long-term lease following completion of repairs.

14 LEASES FOR THE FAKENHAM LEISURE AND SPORTS HUB PROJECT

Cllr L Shires, Portfolio Holder for Finance and Assets explained that to deliver the Fakenham Leisure and Sports Hub project, legal agreements were required to secure the land and transfer the Leisure Centre Operator's rights and obligations to the new facilities. The report outlined the legal agreements required to deliver the project and sought approval to enter into those legal agreements.

Cllr C Cushing thanked Fakenham Town Council for their cooperation and engagement on this project. The Chairman agreed.

It was proposed by Cllr L Shires, seconded by Cllr L Withington and

RESOLVED to approve:

- Surrender of the lease for the existing leisure centre site to enable the new lease to be entered into.
- To enter into a new 99-year Lease with Fakenham Town Council for the site, which is required to develop the proposed extended leisure centre and 3G all-weather pitch.

- Surrender the current sub-lease to Leisure Centre Operator for the existing Leisure centre.
- Enter into a new Lease with Leisure Centre Operator for the redeveloped leisure centre for the duration of their leisure contact.
- Enter into short term legal agreements with the Leisure Centre Operator to allow them to continue occupation of existing leisure centre during the redevelopment works.
- Delegate approval to the Asset Strategy Manager to agree the exact terms of the above legal agreements.

Reason for the recommendations:

To facilitate the delivery of the Fakenham Leisure and Sports Hub project, approved at Full Council on the 20th of December 2023

15 NORTH WALSHAM FOOTBALL CLUB LEASE

Cllr L Shires, Portfolio Holder for Finance & Assets, explained that in July 2021 a report was presented to Cabinet to award a lease to North Walsham Football Club for 21 years. It was now necessary to award a 25 year lease to enable the football club to secure much needed funding for a 3G pitch. She added that the scope of the lease had been widened to support the football club in their aim to achieve financial sustainability via income generation.

It was proposed by Cllr L Shires, seconded by Cllr L Withington and

RESOLVED

To agree to a 25-year lease as outlined in the exempt appendix.

16 PROPERTY CROMER PROMENADE - RENT REVIEW

Cllr L Shires, Portfolio Holder for Finance & Assets introduced this item. She thanked officers for their hard work in achieving income for the Council, via lease negotiations.

It was proposed by Cllr L Shires, seconded by Cllr T Adams and

RESOLVED

1. To approve the proposed rental increase outlined in the exempt appendix.
2. To delegate authority to the Asset Strategy Manager to sign the rent review memorandum.

Reason for the recommendation:

To support the Council's Corporate Plan objective in managing the Council finances and contracts robustly.

To comply with the Council obligation under the Section 123 of the Local Government Act to achieve best value.

17 FAKENHAM INDUSTRIAL UNIT LEASE RENEWAL

Cllr L Shires, Portfolio Holder for Finance & Assets introduced this item. She explained that the lease for this industrial unit, owned by the District Council, was due for renewal. The tenant was an established business providing skilled jobs in the district. It was proposed that a new lease with the existing tenant at a higher rent was agreed and taken forwards.

It was proposed by Cllr L Shires, seconded by Cllr J Toye and

RESOLVED to approve

- A new lease with the existing tenant as per Option 1 detailed in the exempt appendix.
- Delegate approval to the Asset Strategy Manager to agree the exact terms of the above legal agreement.

Reason for the recommendations:

- Granting a new lease at the property will secure the Council's revenue income from the property at a market rent ensuring best value is achieved in line with the Council obligation under the Section 26 of the Local Government Act.
- Granting a new lease at the property will provide security to the tenant's business and secure skilled jobs in the district.

18 SEASONAL OVERFLOW CAR PARK - GOLD PARK, MUNDESLEY

Cllr L Shires, Portfolio Holder for Finance & Assets introduced this item. She explained that officers had been working on this for 12 months to achieve a position where the Council could move forward. She said that there had not previously been a formal agreement in place and the Council was keen to ensure that the best value was obtained. The proposal was that a short-term licence would be issued and use of the car park would be monitored, ahead of agreeing final terms.

Cllr W Fredericks thanked officers for their hard work on this. She welcomed two years of monitoring as this would accommodate the coastal works which were taking up some of the car park usage. Cllr

It was proposed by Cllr L Shires, seconded by Cllr W Fredericks and

RESOLVED to agree

- A short-term licence as detailed in Option 1 of the exempt appendix.
- Delegated authority to the Asset Strategy Manager to commence negotiation of terms for a new lease.

Reason for the recommendations:

A short-term licence agreement would allow the District Council to utilise a grassed area in the centre of the Gold Park public open space in Mundesley as overflow

parking from the adjoining surfaced District Council owned Beach Road Pay and Display car park during peak periods when demand for parking is at its highest and provide data on the extent of usage to inform future decisions and equitable sharing of income between the District Council and the Landlord thereby ensuring that best value is achieved from the site.

19 EXCLUSION OF PRESS AND PUBLIC

20 PRIVATE BUSINESS

The meeting ended at 10.50 am.

Chairman