

OVERVIEW & SCRUTINY COMMITTEE

Minutes of the meeting of the Overview & Scrutiny Committee held on Wednesday, 22 January 2025 in the Council Chamber - Council Offices at 9.30 am

Committee Members Present:	Cllr N Dixon (Chairman)	Cllr S Penfold (Vice-Chairman)
	Cllr P Bailey Cllr J Boyle Cllr A Fletcher Cllr P Heinrich Cllr L Vickers	Cllr M Batey Cllr C Cushing Cllr M Hankins Cllr V Holliday
Members also attending:	Cllr Andrew Brown Cllr Lucy Shires Cllr Liz Withington	Portfolio Holder for Planning and Enforcement Portfolio Holder for Finance, Estates & Property Services Portfolio Holder for Community, Leisure & Outreach
Officers in Attendance:	Assistant Director for Finance, Assets, Legal & Monitoring Officer, Director for Resources/S151 Officer and Democratic Services & Governance Officers	

236 APOLOGIES FOR ABSENCE

The Committee noted that Cllr N Housden was absent from today's meeting.

237 PUBLIC QUESTIONS & STATEMENTS

None received.

238 MINUTES

Minutes of the meeting held on 11th December 2024 were approved as a correct record and signed by the Chairman.

Matters arising

230 PETITIONS FROM MEMBERS OF THE PUBLIC

- ❖ **Delete:** Cllr Cushing agreed with Cllr Penfold on the need for accurate data around the usage of the data; and
- ❖ **Delete:** Cllr Cushing agreed with Cllr Penfold on the need for accurate data around the usage of the toilets.

233 FEES & CHARGES 2025/2026

- ❖ **Noted** that in regard to the waste collection fees the data would be considered by the Committee on the 18th of March meeting before going to Full Council on 25th March.

239 ITEMS OF URGENT BUSINESS

None received.

240 DECLARATIONS OF INTEREST

None declared.

241 PETITIONS FROM MEMBERS OF THE PUBLIC

None declared.

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

None declared.

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

None declared.

244 TREASURY MANAGEMENT STRATEGY REPORT 2025/26

The Portfolio Holder for Finance, Estates & Property Services presented a report that set out (i) the Council's Treasury Management Strategy for the year 2025/26; (ii) details of the Council's Treasury Management activities and presents a strategy for the prudent investment of the Council's resources; and (iii) the Council's approach to the deployment of capital resources in meeting the Council's overall aims and objectives.

Questions Responses and Discussion

The main points of the discussion are outlined as follows:

The Committee **noted** that:

- ❖ this item is before the committee today because it was not available for the meeting of the Governance, Risk and Audit Committee on the 3rd of December 2024.

- ❖ under the provisions of the Local Government Act 2003, Local Authorities are required to comply with the guidance of the Prudential Code with regard to capital decisions. It being a requirement that any proposed changes to the 2025/26 prudential indicators are approved by Full Council. Therefore, it is recommended that Full Council should approve the Treasury Management Strategy 2025/26 to ensure that the Council is compliant with the Prudential Codes.
- ❖ in regard to any existing council debt following local government reorganisation, it will be the responsibility of the North Norfolk District Council to manage its budgets. The devolution and local government reorganisation would not change this, and any debt would be transferred to the new body following the reorganisation in Norfolk.
- ❖ financial scrutiny is an important element of the overall scrutiny process. If the Council's services are to be run economically, efficiently and effectively, then North Norfolk District Council must make best use of the scarce resources allocated to it. This requires sensible financial planning, transparent processes for resource allocation, robust fiscal controls and strong budgetary and performance monitoring. In all of these areas, financial scrutiny adds value in challenging how the Council makes best use of the public money they receive. Therefore, it is important as to how the data is presented to the Committee to be sure that councillors have the complete picture.
- ❖ North Norfolk District Council needs to borrow at favourable rates to fund significant capital projects whilst keeping the overall financial burden manageable by accessing low interest rates, which is crucial given the limited revenue sources and increasing demands for services.
- ❖ in regard to devolution and local government reorganisation whilst there are still a lot of unknowns about the overall future shape of local government finances it is assumed that the day-to-day impact on local residents would not increase. However, North Norfolk District Council needs to look prudently at both the immediate and longer-term future safety and prosperity of residents in Norfolk. Therefore, it was agreed that the Leader of North Norfolk District Council should engage with other district council leaders to agree a collective approach to central government seeking its advice and guidance on the impact of devolution and local government reorganisation on the financial stability of the county of Norfolk.

The Chairman **MOVED** and Overview and Scrutiny committee **RESOLVED** to recommend that:

1. Full Council approve the Treasury Management Strategy 2025/26; and further recommended
2. The Leader of North Norfolk District Council engages with other district council leaders to agree a collective approach to central

government seeking its advice and guidance on the impact of devolution and local government reorganisation on the financial stability of the county of Norfolk.

245 CAPITAL STRATEGY 2025-2026

The Portfolio Holder for Finance, Estates & Property Services presented a report that set out **(i)** the Council's Capital Strategy for the year 2025-26; and **(ii)** the Council's approach to the deployment of capital resources in meeting the Council's overall aims and objectives while providing the strategic framework for the effective management and monitoring of the capital programme.

Questions Responses and Discussion

The main points of the discussion are summarised as follows:

The Committee:

- ❖ **Indicated** that it would be helpful if Members had the background to those decisions and how best they could engage in that process in a constructive and positive way. Therefore, it was felt that a joint review should be undertaken with the Portfolio Holder for Finance, Estates & Property Services and the Director of Resources of the capital bids process to look at how the scrutiny function can meaningfully engage in this process from 2026/27.
- ❖ **Wanted** to look the Council's approach to Capital Bids process, and to understand how officers prepare bids as part of effective management of the Council's financial resources and to produce a coherent balanced budget that is realistic and reflects the Council's priorities and encourages the efficient and effective use of the Council's resources.
- ❖ **Noted** that the Capital Programme flows from a range of strategic documents e.g. the Capital Strategy; the Asset Management Plan (AMP); and the Medium-Term Financial Plan
- ❖ **Noted** that when preparing a bid for the Capital Programme, officers had to be able to evidence that the relevant strategic documents had been fully considered.
- ❖ **Noted** that it is essential that it can be evidenced that the Council's Financial Regulations and Standing Orders are adhered to at all times, and if in doubt, help and advice can be obtained from staff within the Resources Directorate.
- ❖ **Noted** that as part of the preparation of a Capital Programme bid, officers must prepare a business case, including an options appraisal which is suitable to the size and scale of the proposal. The Committee asked and received a copy of the Capital Bid Submission & Scoring

Form 2025-26 used by officers in preparing their business case.

The Chairman **MOVED** and Overview and Scrutiny committee **RESOLVED** to

1. **recommend** that Full Council approves the 2025/26 Capital Strategy and further requested:
2. **commence** a joint review, with the Portfolio Holder for Finance, Estates & Property Services and the Director of Resources, of the capital bids process to understand how it works and look at how it can effectively engage in this process from 2026/27.

Cllr Philip Bailey requested that the minutes show that he had voted "against" regarding recommendation 2.

246 CABINET REPORT BUDGET 2025/26

The Portfolio Holder for Finance, Estates & Property Services presented a report that presented the latest iteration of the budget for 2025/26, and it will need to be updated as more information becomes available **e.g.** the impact of the final Local Government Finance Settlement for 2025/26.

Questions Responses and Discussion

The mains points of the discussion are summarised as follows:

The Committee:

- ❖ **Noted** that the provisional Local Government Finance Settlement for 2025/26 announced on 18 December 2024 was a shock for the District Councils and County as they have received an inadequate settlement compared to metropolitan and unitary authorities in northern areas showing that Norfolk is losing out on funding.
- ❖ **Noted** that both the Rural Services Delivery Grant and the Recovery Grant had been abolished, and this funding was repurposed. The Council received £680,000 via a combination of both grants. A new Recovery Grant was introduced, however, rural authorities seemed to have lost out as they will receive a lower share of this. Which seems to indicate no understanding of the needs of rural places like north Norfolk although despite such challenges, the Council has **produced** a balanced budget this year.
- ❖ **Noted** that the Budget consultation is taking place on the Council's website currently for anyone to share their views. Consultation with Business Rates payers is also being undertaken. The results of both these consultations will be included in the report being presented to Full Council on 19th February 2025.
- ❖ **Noted** that in terms of staff absences that provision is made within the budget for the management of the cost of staff absenteeism.

The Chairman **MOVED** and Overview and Scrutiny committee **RESOLVED** that:

1. Cabinet considers the list of proposed savings and agree on which ones should be taken so that a balanced budget can be recommended to full Council.
2. an alternative option for balancing the budget should be agreed to replace savings not taken if there are any.
3. Cabinet agree that any additional funding announced as part of the final Local Government Settlement announcement be transferred to reserves.
4. Cabinet decides which proposed new capital bids should be recommended to full Council for inclusion in the Capital Programme.

247 OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE

The Committee received and noted the work programme and requested that an updated version should be submitted to the next meeting.

248 EXCLUSION OF THE PRESS AND PUBLIC

The agenda circulated contained no exempt/confidential business and there was therefore no requirement to exclude the press and public to allow for its consideration.

The meeting ended at 12:30 pm.

Chairman