

OVERVIEW & SCRUTINY COMMITTEE

Minutes of the meeting of the Overview & Scrutiny Committee held on Wednesday, 13 January 2021 in the remotely via Zoom at 9.30 am

Committee Members Present: Mr N Dixon (Chairman) Ms L Withington (Vice-Chairman)

Mr H Blathwayt
Mr P Heinrich
Mr G Mancini-Boyle
Mr C Cushing
Mr P Fisher

Mrs W Fredericks
Mr N Housden
Mr A Varley
Mr A Brown

Other Members in attendance: Ms V Gay (Observer) Mr N Lloyd (Observer)

Mr N Pearce (Observer)
Mr E Seward (Observer)
Mr J Toye (Observer)

Mr J Rest (Observer)
Miss L Shires (Observer)
Mrs A Fitch-Tillett (Observer)

Officers in Attendance: Democratic Services and Governance Officer (Scrutiny), Chief Executive, Democratic Services Manager, Chief Technical Accountant, Head of Economic and Community Development and Programme & Projects Manager (PPM)

Also in attendance: Members of the Press

118 TO RECEIVE APOLOGIES FOR ABSENCE

Apologies were received from Cllr E Spagnola.

119 SUBSTITUTES

None.

120 PUBLIC QUESTIONS & STATEMENTS

None received.

121 MINUTES

Minutes of the meeting held on 15th December 2020 were approved as a correct record and signed by the Chairman.

122 ITEMS OF URGENT BUSINESS

None received.

123 DECLARATIONS OF INTEREST

None declared.

124 PETITIONS FROM MEMBERS OF THE PUBLIC

None received.

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

None received.

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

None to report.

127 CAR PARK INCOME DATA - JULY - SEPTEMBER 2019 AND 2020

Cllr E Seward – Portfolio Holder for Finance and Assets introduced the report and informed Members that in the first quarter of 2020/21, car parking income had been at 5-10% of its normal level, though most of the losses incurred had now been recovered by the income support scheme. It was reported that historically, approximately 75% of the Council's parking income came from car parks in Cromer, Sheringham, Holt and Wells, which remained evident through July to September. Some changes were noted, such as increased revenue in areas such as Weybourne and Cart Gap. Inland market town parking revenue was reported to be slightly down on the previous year, though limited free parking had been offered in Holt and North Walsham.

Questions and Discussion

- i. The Chairman sought clarification on whether any work had been undertaken to determine whether limited free parking had in any way boosted visits to town centres. The CE replied that it was difficult to determine whether free parking had increased visitor numbers, and noted that the decision not to change car parking fees for the coming year had already been made. He added that car parking revenue provided a significant revenue contribution for the Council's discretionary services, and cautioned that reducing fees could impact these services. It was noted that the reduced income for inland market towns could have been in-part the result of the limited free parking arrangements. It was confirmed that there was no objective evidence to suggest that free parking arrangement had increased visits to town centres, and it was noted that limited free parking was often already available at supermarkets.
- ii. Cllr W Fredericks stated that she was surprised to learn that the Council's parking permits were not better advertised to residents, as they provided a cheap alternative that would provide a more reliable form of income for the Council. She asked whether more could be done to promote their availability. The CE replied that the Council's parking permits did offer significant value for money with an annual permit costing £204, which allowed users to park at the majority of Council car parks for 60p per day. Cllr W Fredericks referred to seasonal permits and suggested that these should also be promoted to residents and tourists.
- iii. Cllr P Heinrich noted that there was very high demand at the Council's coastal car parks during the summer season, and suggested that whilst a tourism tax was not possible, consideration should be given to seasonal price increases to help fund discretionary services. He added that promoting the permits would also help residents to avoid any increased costs. Cllr P Heinrich referred to

free parking arrangements in town centres, and suggested that this option, as well as parking fees in general should be kept under review, with comparisons made to fees charged by similar authorities.

- iv. Cllr N Housden suggested that given the increased demand for parking in coastal areas, should the Council be looking at options to increase its provision, if only for the tourism season. He added that parking income was a source of significant revenue for the Council, and efforts should be made to take advantage of this.
- v. Cllr H Blathwayt raised concerns that there were issues of tourism overload in popular areas, and cautioned that encouraging more visitors could be detrimental for residents.
- vi. The CE stated that the Council had recently created additional parking facilities in Bacton under a leased arrangement with the landowner. He added that there was also a desire amongst residents in Walcott for additional parking to avoid congestion on the main road, and though a temporary car park had been established, discussions with the Parish Council continued to identify a permanent site.
- vii. The Chairman summarised three potential recommendations, including the promotion of the Council's parking permits, continuing to review parking charges, and reviewing opportunities for the expansion of parking facilities, where appropriate.
- viii. Cllr L Withington thanked officers for the report and stated that she was in favour of continuing to review the Council's parking charges. She proposed that she would like future reviews to include consideration of how the Council could support town centres.
- ix. In response to a question from Cllr N Pearce, it was confirmed that a two tier pricing structure was in place, with inland car parks fees lower than those in coastal areas.
- x. The four aforementioned recommendations were proposed by Cllr L Withington and seconded by Cllr P Heinrich.

RESOLVED

- 1. To recommend to Cabinet that promotion of the Council's annual and seasonal parking permits is increased.**
- 2. To recommend to Cabinet that consideration is given to reviewing potential opportunities for new car parking sites, where appropriate.**
- 3. To recommend to Cabinet that consideration is given to offering limited free parking arrangements to encourage support of the District's high streets.**
- 4. That the Committee continues to monitor car parking usage and fees on an annual basis, including a comparison of charges with neighbouring coastal authorities.**

128 2021/22 BASE BUDGET & PROJECTIONS FOR 2022/23 TO 2023/24 AND MEDIUM TERM FINANCIAL STRATEGY

Cllr E Seward – Portfolio holder for Finance and Assets introduced the report and informed Members that the budget remained a work in progress whilst financial settlements figures remained outstanding. He added that whilst some figures could be subject to change, at present there was a balanced budget for the 2021/22 financial year. Cllr E Seward referred to future years in appendix A, and stated that rather than an increase in the net cost of services, forecasted deficits were predominantly caused by the ongoing uncertainty of financial support from Central Government, which had been deferred as a result of Covid-19.

Questions and Discussion

- i. The Chairman sought clarification that the MTFs had been combined with the budget report, and noted that there was only limited references to the MTFs. The CTA replied that the MTFs would be presented in full alongside the main budget report in February. She added that it would focus on future year forecasts and the risks to those figures, as well as the proposals for addressing future deficits.
- ii. Cllr C Cushing noted that Covid-19 was mentioned as a risk within the report, but suggested that there was no clear plan identified to continue to address the financial impact of the pandemic going forward. He added that there had been a significant depletion of reserves from £18.8m to £14.5m, and that there were no detailed savings or invest to save proposals outlined within the report. Cllr C Cushing stated that whilst in previous years substantial deficits had been resolved once financial settlement figures were confirmed, he had concerns that relying on this could lead to complacency. Cllr E Seward replied that he would not be complacent with the Council's finances, and was aware of the risks facing the Council in the future. He added that once the budget was complete, work would begin to review the costs of all departments, making an early start on the followings year's budget to identify savings. Cllr E Seward stated that once there was more certainty on the level of Central Government support available in the coming years, then it would be easier to plan the level of savings required. In response to comments on the depletion of reserves, Cllr E Seward stated that he was comfortable with this spending, and suggested that the Council should not be holding reserves indefinitely, as they were earmarked for specific expenditure. He added that the Council was in a comfortable position with its reserves, and as a result, was happy to use them to improve services for residents.
- iii. The CTA referred to comments regarding the ongoing financial risks of Covid and stated that whilst Government support had been forthcoming, it was not yet expected to continue beyond the first quarter of the 2021/22. On savings proposals, the CTA stated that the budget was already balanced without having to implement savings, though a number of proposals had been put forward that the Finance Team were evaluating. She added that as soon as this work was complete, the proposals would be shared for discussion. On reserves, it was noted that the spending related to earmarked reserves, which was expected for the completion of projects. The CTA stated that the general reserve remained above the minimum recommend figure, which was a good sign for the Council. Future deficits were discussed, and the CTA noted that significant efforts had been made to outline these figures, which gave the Council time to mitigate the risks.

- iv. The Chairman noted that though the budget presented was a draft, the ongoing financial implications of Covid meant that the Council had to identify savings proposals as a contingency, especially if Government support was expected to end in the 2021/22 financial year. Cllr E Seward replied that it could be expected that many Council's would apply pressure to Central Government if financial support was still required in the second quarter of 2021/22. He added that work would also start early to identify savings in the next financial year, which could be implemented to help mitigate and deficit or impacts. The Chairman suggested that it would be helpful to have contingencies in place and ready if this situation were to occur.
- v. Cllr N Housden referred to national commentary that suggested Council Tax increases should be deferred until next year, and asked to what extent requests for Council Tax support increased during the pandemic. He then referred to potential growth in unemployment following the end of the furlough scheme, and suggested that when combined with Council Tax increases, this could create a further drain on Council resources that would require savings proposals to address. On Council Tax increases Cllr E Seward replied that in previous years Central Government had provided a grant to Councils to avoid increases, and suggested that if something similar was offered, then the Council would take it. He added that the District's rise in Council Tax of 1.99% was less than both the Police Authority and County Council, and noted that Central Government had allowed Council's to spread recovery costs for the loss of collection rates over several years. The CTA stated that Council Tax support had risen significantly over the past year, and this was expected to increase further, along with the potential for increased bad debts once the furlough scheme came to an end. She added that changes to the tax base had been taken into consideration, with reductions made to account for the losses caused by increased Council Tax support and missed payments. It was noted that the Council was also part of a national benchmarking scheme to monitor these impacts. The CTA stated that Central Government expected Council's to implement tax rises to increase core spending powers, though the alternative option of using reserves remained available.
- vi. Cllr A Brown referred to food waste collection services, and asked whether it would be possible, given the requirement to increase the Council's recycling figures, for a report to be prepared to consider potential implementation of this service. The CE noted that food waste collection had been included as a costed option within the original waste contract, and added that in response to the Government's new waste strategy, significant representations had been made from rural authorities on the costs of food waste collection in relation to the benefits. Cllr A Brown noted that in other districts collections had been trialed in areas of higher population density first, which could help to determine viability.
- vii. Cllr L Withington said she was encouraged to see that a balanced budget had been presented under the current circumstances, and added that she was confident that savings would be made. She stated that it was important that services were retained for local residents, and raised concerns that a significant reduction in core spending power for local authorities would have to be covered by tax rises. Cllr L Withington encouraged Members to lobby for greater support from Central Government to avoid these increases. She added that it was encouraging to see earmarked reserves being spent to deliver important projects.

- viii. Cllr G Mancini-Boyle referred to food waste collection and noted that Broadland District Council had placed service over cost to implement their own scheme.
- ix. Cllr W Fredericks asked how much income NNDC received from Council Tax, to which Cllr E Seward replied that the Council received 10p per pound, with approximately 75% going to NCC. It was noted that a number of Town and Parish Councils had also recently requested significant increases to their precepts.
- x. The Chairman sought clarification of the extent to which the budget would be balanced by the use of reserves. Cllr E Seward replied that there was no money being taken from the general reserve, and that any reserves being used were for earmarked programmes such as the infrastructure fund or the sustainable communities fund. He added that there was no intention to use reserves to balance the budget, unless absolutely necessary. The Chairman noted an approximate £96k reduction in reserves and asked for clarification on how this would be spent. The CTA replied that the £86k was to fund a specific project and was not being used to plug a budget funding gap.
- xi. Cllr C Cushing proposed that it would be helpful if more detail and information could be provided on the impact of Covid-19 on the budget and reserves, as well as identifying savings proposals and investment opportunities for future years.
- xii. Cllr W Fredericks proposed that the Council continue to lobby Central Government for greater certainty of future funding arrangements. Cllr C Cushing reminded Members that the District had two MPs that could provide greater lobbying power.
- xiii. Cllr N Housden suggested that the Committee should recommend that savings plans are clearly identified. Cllr L Withington added that it could be helpful to add a timescale to this request, with plans to be included in the more detailed MTFS expected in February.
- xiv. The recommendations were proposed by Cllr C Cushing and seconded by Cllr W Fredericks.

RESOLVED

- 1. To recommend to Cabinet that the Council continues to lobby for greater certainty on future levels of funding support from Central Government.**
- 2. To recommend to Cabinet that efforts are continued to identify potential savings options within the 2021/22 budget and the Medium Term Financial Strategy.**

ACTIONS

- 1. That food waste collection be added for discussion under item 8 on the next meeting's agenda.**

The CM introduced the report and informed Members that the draft strategy sought to build on and replace the strategy agreed in 2017. He added that the proposals within sought to achieve a number of objectives which included increasing the audience and reach of the Council's various communications platforms, modernising the content of communications, and improving the Council's communications with external media outlets. Furthermore, the strategy would also look to constructively review internal communications, improve communications coverage of Council meetings, and provide more effective support for Members and Officers. Finally, the CM stated that the strategy also outlined efforts to maintain the current high standard of Covid Communications, and would also seek to improve the Council's graphic design capabilities that were currently being outsourced.

Questions and Discussion

- i. Cllr W Fredericks stated that there had already been an evident improvement in the use and content of the Council's social media, and asked whether it would be possible to use paid posts for greater reach. The CM replied that there was space within the Communications budget for this and the Team were looking at promoting some specific posts. He added that the costs were relatively low, and this could therefore be used to increase reach and subsequently grow the Council's online audience.
- ii. Cllr L Withington stated that she felt that Members had a large role in promoting the Council, but this did not appear to be emphasized, and asked for greater Member involvement in the strategy. She added that it would be useful for training to be provided to facilitate this approach, and questioned whether the social media targets outlined in the strategy were too low. The CM replied that the targets were reasonable based on the existing numbers, and would require 40-50% growth each year. He added that the current combined reach was approximately 10k-12k from a population of approximately 110k. It was noted that the main way to build social media channels was to deliver more interesting content, and whilst the Council was restricted in the variety of content it could produce, video content and infographics would be crucial to building the Council's following. On Members' involvement in the strategy, the CM stated that he had recommended that a review of the existing media policy take place, to highlight and encourage positive use of social media for Members. He added that he would be happy to reinforce this within the strategy, in order to help Members promote the Council.
- iii. Cllr C Cushing questioned whether an in-house graphic designer could offer the same level of service as an external provider, and suggested that the latter may have greater resource. The CM replied that since losing the last in-house graphic designer, the Council had used various external suppliers at significant cost. He added that using multiple agencies also presented the risk of a lack of consistency in approach, as well as delays in communicating and agreeing designs. Finally, it was noted that external agencies would be unlikely to provide an out of hours service without significant additional cost, and on balance, it was deemed that an internal post would be preferential.
- iv. Cllr N Housden stated that the number of interactions with posts on the Council's social media platforms was very limited, and asked how this would be improved. He then asked whether any means of generating income for the Council had been considered. The CM replied that the interaction with posts was lower than desired, and this would be a significant challenge for the Team. He added that a number of measures, which included improving the quality of

content would be taken to address this. In terms of generating revenue via the Council's channels, the CM stated that it was not a primary concern of the strategy, and that at present, the low traffic meant that this would not provide significant income. Cllr N Housden said that he had googled Splash and noted that the most recent article appeared to be almost a year old, and suggested that the Council's website needed to be updated more frequently as a key element of the strategy. The CM replied that there had been more recent updates published on the Council's website, and stated that he would look into why the article had been listed as the most recent post.

- v. The CE referred to points made regarding the role of Members in promoting the Council, and stated that it was important that Members were able to help promote objective corporate messages. On dated posts, it was noted that the impact of Covid had placed significant demand on the Team, which would be resolved in due course.
- vi. The Chairman noted that a review of the media policy would require discussion at the Constitution Working Party. He then asked whether the CM was satisfied that he had the resource to meet the aims of the strategy, and whether there would be any performance measures put in place. The CM replied that he was confident in his Team's ability to achieve objectives outlined, and suggested that the employment of a graphic designer would take the Team a step further. In regards to performance monitoring, it was stated that social media was the easiest way to monitor traffic and reach, though work could also be done to monitor use and interactions with the Council's website. The CM added that he would continue to report back on what the strategy had achieved, and noted that whilst social media was not the sole focus of the Council, digital interaction was generally seen as the 'future' for communications, which meant that it had to remain a primary feature of the strategy.
- vii. Cllr N Housden asked that consideration be given to achieving a revenue stream from the Council's channels. The CE stated that he would take this forward as an action for consideration.
- viii. Cllr W Fredericks noted that there had been an increase in residents using the next door platform, and asked whether the CM could consider using the platform as a means to further promote the Council's messages.
- ix. It was proposed by Cllr G Mancini-Boyle and seconded by Cllr W Fredericks to commend the draft strategy to Cabinet for approval.

RESOLVED

- 1. To commend the draft strategy to Cabinet for approval.**

ACTIONS

- 1. For SLT to consider the potential for the Council to create advertising revenue.**
- 2. For the Communications Manager to consider utilising the 'Next Door' app to promote the Council's communications**

Cllr V Gay – Portfolio Holder for Leisure, Culture and Wellbeing introduced the report and thanked officers for including the additional financial details. Apologies were given that Metnor were not able to attend to provide an update themselves, though a visual presentation of progress would be provided by the PPM. It was noted that the timescale and budget of the project remained unchanged from December. Cllr V Gay referred to the issues log, and noted that Metnor had taken great efforts to ensure the site remained free of infection to continue work on site. She added that no new issues had been identified, and as a result of the November lockdown surveys had been carried out on the existing facility, with no concerns raised. It was noted that the advent of a third lockdown meant that a further evaluation of an early demolition would be undertaken, with the results to be presented at the next meeting. Cllr V Gay stated that the additional financial information showed committed spend, and that the current overspend had not changed. She added that the project was approximately halfway though in terms of cost, and in relation to comments on communications, there was more up to date information available on the website.

Questions and Discussion

- i. The Chairman asked whether the £136k overspend meant that the contingency funds had been spent. Cllr V Gay stated that it was her impression that the contingencies were contained within the overspend and would not amount to an increased overspend. The Chairman sought clarification on whether the overspend was in addition to the existing contingency funds. The AD SG stated that the contingency funds were currently at £33.5k and £50k, and were still being drawn upon. It was noted that if any contingency remained at the end of the project then they could be used to offset the overspend, however it was anticipated that they would be spent.
- ii. Cllr N Housden asked for clarification on the current stage of construction, to which Cllr V Gay replied that the project remained on track for an August completion. Cllr N Housden asked whether the budgeted cost for demolition of the existing site could be included in the next report.
- iii. It was noted that a draft financial reporting spreadsheet had been prepared by Cllr N Housden, and this would be reviewed by officers in time for the next meeting.
- iv. A visual presentation of progress including a time-lapse video of construction was presented by the PPM. It was reported that significant progress had been made, and it was anticipated that the building would be watertight by the end of January.
- v. Cllr N Pearce noted that there appeared to be good adherence to health and safety on site and praised Metnor for their efforts.
- vi. Cllr J Rest referred to underwater cameras that had been mentioned during the design phase of the project, and asked whether these would still be included. The AD SG stated that these would be included and would supplement the work of lifeguards to minimise risk and support investigations, if any incidents were to occur.

RESOLVED

1. To note the report.

ACTIONS

1. Officers to review use and inclusion of example Excel spreadsheet provided for improved budget monitoring.
2. To request that demolition cost estimates of the existing Splash site be included in the next update.

131 THE CABINET WORK PROGRAMME

- i. The DSGOS stated that the cyclical items on the Cabinet Work Programme were already in place on the Committee's Work Programme. It was noted that the InPhase briefing was being scheduled to take place on the week commencing 25th January, and it was hoped that iPad issues would be resolved by this point.

RESOLVED

To note the Cabinet Work Programme.

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- i. The DSGOS stated that in addition to cyclical items expected for the next meeting, it was hoped that the Equality and Diversity Policy would be ready for pre-scrutiny. He added that there were several items such as the Enforcement Board update that could be brought forward in future months.
- ii. It was confirmed following a question from the Chairman, that the MTFs would come to the February meeting. The DSGOS noted that the request for a food waste collection report would be added to the next agenda under item 8, in order to agree the requirements.
- iii. It was confirmed following a question from Cllr N Housden, that the Splash update reports had returned to a monthly frequency.

RESOLVED

To note the Work Programme.

133 EXCLUSION OF THE PRESS AND PUBLIC

The meeting ended at 12.09 pm.

Chairman