

# Overview & Scrutiny Committee



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Tuesday, 2 February 2021

A meeting of the **Overview & Scrutiny Committee** of North Norfolk District Council will be held **remotely via Zoom** on **Wednesday, 10 February 2021** at **9.30 am**.

At the discretion of the Chairman, a short break will be taken after the meeting has been running for approximately one and a half hours

## **PUBLIC ATTENDANCE AND PUBLIC SPEAKING – COVID-19**

*Please note that due to the Covid-19 restrictions, meetings of cabinet will be held remotely via Zoom video conferencing and live streamed on YouTube.*

*Public speaking:* If you wish to speak on an agenda item, please email [emma.denny@northnorfolk.gov.uk](mailto:emma.denny@northnorfolk.gov.uk) no later than 5.00 pm on the Thursday before the meeting and include a copy of your statement. You will have the opportunity to make your statement by video link but in the event that this is not possible, or if you would prefer, your statement will be read out by an officer.

This meeting will be broadcast live to YouTube and will be capable of repeated viewing. The entirety of the meeting will be filmed except for confidential or exempt items. If you attend the meeting and make a representation you will be deemed to have consented to being filmed and that the images and sound recordings could be used for webcasting/ training purposes.

Please note that Committee members will be given priority to speak during the debate of agenda items

**Emma Denny**  
**Democratic Services Manager**

**To:** Mr N Dixon, Ms L Withington, Mr H Blathwayt, Mrs W Fredericks, Mr P Heinrich, Mr N Housden, Mr G Mancini-Boyle, Mrs E Spagnola, Mr A Varley, Mr C Cushing, Mr A Brown and Mr P Fisher

All other Members of the Council for information.  
Members of the Management Team, appropriate Officers, Press and Public



**If you have any special requirements in order to attend this meeting, please let us know in advance**  
If you would like any document in large print, audio, Braille, alternative format or in a different language please contact us

## A G E N D A

**1. TO RECEIVE APOLOGIES FOR ABSENCE**

**2. SUBSTITUTES**

**3. PUBLIC QUESTIONS & STATEMENTS**

To receive questions / statements from the public, if any.

**4. MINUTES**

1 - 12

To approve as a correct record the minutes of the meeting of the Overview and Scrutiny Committee held on 13<sup>th</sup> January 2020.

**5. ITEMS OF URGENT BUSINESS**

To determine any other items of business which the Chairman decides should be considered as a matter of urgency pursuant to Section 100B(4)(b) of the Local Government Act 1972.

**6. DECLARATIONS OF INTEREST**

Members are asked at this stage to declare any interests that they may have in any of the following items on the agenda. The Code of Conduct for Members requires that declarations include the nature of the interest and whether it is a disclosable pecuniary interest.

**7. PETITIONS FROM MEMBERS OF THE PUBLIC**

To consider any petitions received from members of the public.

**8. CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER**

To consider any requests made by non-executive Members of the Council, and notified to the Monitoring Officer with seven clear working days' notice, to include an item on the agenda of the Overview and Scrutiny Committee:

Cllr A Brown requested that the Committee consider the viability of implementing a food waste collection service across the District.

**9. RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS**

To consider any responses of the Council or the Cabinet to the Committee's reports or recommendations:

At the meeting held on Monday 1<sup>st</sup> February 2021, Cabinet RESOLVED to accept the following recommendations from the Overview & Scrutiny Committee:

CAR PARK INCOME DATA - JULY - SEPTEMBER 2019 AND 2020

**RESOLVED**

1. That promotion of the Council's annual and seasonal parking permits is increased.
2. That consideration is given to reviewing potential opportunities for new car parking sites, where appropriate.
3. That consideration is given to offering limited free parking arrangements to encourage support of the District's high streets.

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

**RESOLVED**

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

## 10. MEDIUM TERM FINANCIAL STRATEGY 2022-2025

13 - 42

**Summary:** This report presents for approval the latest medium term financial plan and projections for the following three years to 2023/24.

**Options considered:** The Medium Term Financial Strategy for the forthcoming financial years must be set annually. The position now presented for approval is the culmination of work carried out by officers and Members over a number of months, details of which are provided within the report.

**Conclusions:** This report presents the latest financial projections for the following three financial years, 2022/23 to 2024/25, which have been produced based on a number of assumptions as detailed within the main body of the report and appendices and also reflects the provisional finance settlement announced on 17 December 2020. The report also outlines the risks facing the Council in forecasting future spending plans and resources.

**Recommendations:** **To recommended to Full Council that the Medium Term Financial Strategy is approved.**

### **Reasons for**

**Recommendations:** A Medium Term Financial Strategy must be approved each year

### **LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW**

*(Papers relied on to write the report and which do not contain exempt information)*

Outturn Report 2019/20, Medium Term Financial Strategy 2020/21  
2020/21 budget monitoring reports, O&S Draft Budget Review 2021/22.

Cabinet Member(s):	Ward(s) affected
Cllr Eric Seward	All

Contact Officer, telephone number and email: Lucy Hume, 01263 516246, [lucy.hume@north-norfolk.gov.uk](mailto:lucy.hume@north-norfolk.gov.uk)

**Summary:** This report sets out the Council's Capital Strategy for the year 2021-22. It sets out 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.

**Options Considered:** This report must be prepared to ensure the Council complies with the CIPFA Treasury Management and Prudential Codes.

**Conclusions:** The Council is required to approve a Capital Strategy to demonstrate compliance with the Codes and establishes the strategic framework for the management of the capital programme.

**Recommendations:** **To recommend to Full Council that;**  
**The Capital Strategy and Prudential Indicators for 2021-22 are approved.**

**Reasons for Recommendation:** Approval by Council demonstrates compliance with the Codes and provides a framework within which to consider capital investment decisions.

Cabinet Member(s)                      Ward(s) affected:  
Cllr E Seward                              All

Contact Officer, telephone number and email: Lucy Hume, 01263 516246, [lucy.hume@north-norfolk.gov.uk](mailto:lucy.hume@north-norfolk.gov.uk)

## 12. INVESTMENT STRATEGY 2021/2022

53 - 60

**Summary:** This report sets out details of the Council's investment activities and presents a strategy for the prudent investment of the Council's resources.

**Options Considered:** Alternative investment and debt options are continuously appraised by the Council's treasury advisors, Arlingclose and all appropriate options are included within this Strategy.

**Conclusions:** The preparation of this Strategy is necessary to comply with the guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG).

**Recommendations:** **To recommend to Council that The Investment Strategy is approved.**

**Reasons for Recommendation:** The Strategy provides the Council with a flexible investment strategy enabling it to respond to changing market conditions.

Cabinet Member(s)  
Cllr E Seward

Ward(s) affected:  
All

Contact Officer, telephone number and email: Lucy Hume, 01263 516246 [lucy.hume@north-norfolk.gov.uk](mailto:lucy.hume@north-norfolk.gov.uk)

13. **TREASURY MANAGEMENT STRATEGY 2021/2022**

61 - 76

**Summary:** This report sets out details of the Council's treasury management activities and presents a strategy for the prudent investment of the Council's surplus funds, as well as external borrowing.

**Options Considered:** Alternative investment and debt options are continuously appraised by the Council's treasury advisors, Arlingclose and all appropriate options are included within this Strategy.

**Conclusions:** The preparation of this Strategy Statement is necessary to comply with the Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services.

**Recommendations:** **To recommend to Council that the Treasury Management Strategy Statement is approved.**

**Reasons for Recommendation:** The Strategy provides the Council with a flexible treasury strategy enabling it to respond to changing market conditions and ensure the security of its funds, as well as secure borrowing at the best value.

Cabinet Member(s)                      Ward(s) affected:  
Cllr E Seward                              All

Contact Officer, telephone number and email: Lucy Hume, 01263 516246 [lucy.hume@north-norfolk.gov.uk](mailto:lucy.hume@north-norfolk.gov.uk)

**14. DELEGATED DECISIONS (JANUARY TO FEBRUARY 2021)**

77 - 80

**Summary:** This report details the decisions taken by Senior Officers under delegated powers from 1<sup>st</sup> January 2021.

**Options considered:** Not applicable.

**Recommendations:** **To receive and note the report and the register of officer decisions taken under delegated powers.**

**Reasons for Recommendations:** The Constitution: Chapter 6, Part 5, sections 5.1 and 5.2. details the exercise of any power or function of the Council where waiting until a meeting of Council or a committee would disadvantage the Council. The Constitution requires that any exercise of such powers should be reported to the next meeting of Council, Cabinet or working party (as appropriate)

**LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW**

*(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)*

Delegated decision forms – as completed by the relevant officer

Cabinet Member(s)	Ward(s) affected
All	All

Contact Officer, telephone number and email:  
Emma Denny, Democratic Services Manager, 01263 516010

**15. SHERINGHAM LEISURE CENTRE PROJECT UPDATE: FEBRUARY 2021**

81 - 84

To receive and note the update on the Sheringham Leisure Project.



**Summary:** The Managing Performance Report attached, as Appendix A will enable the Council to assess delivery against objectives detailed in the Corporate Plan Delivery Plan 2019-2023 and operational service performance. It gives an overview, assesses the impact that Covid-19 has had on both these aspects of Council performance, the actions being taken to address these issues and proposes any further action needed.

**Options considered:** Options considering action regarding performance are presented separately, issue by issue, to the appropriate Council Committee where committee approval is required.

**Conclusions:** With the second national Covid-19 lockdown in November 2020 (and subsequently the third lockdown from 4<sup>th</sup> January 2021), Coronavirus has continued to have a significant impact on the Council's capacity and ability to achieve all of the objectives in the Corporate Plan Delivery Plan 2019-2023 and some impact on service operational performance during Quarter 3 covering the period October to December 2020.

**Recommendations:** **That Overview and Scrutiny Committee resolves to note this report, endorse the actions being taken by Corporate Leadership Team detailed in Appendix A – Managing Performance and makes any recommendations to Cabinet it thinks necessary.**

**Reasons for Recommendations:** To ensure the objectives of the Council are achieved.

Cabinet Member(s)	Ward(s) affected
Cllr Sarah Bütikofer	All

Contact Officer, telephone number and email: Steve Blatch, Chief Executive

Email:- [steve.blatch@north-norfolk.gov.uk](mailto:steve.blatch@north-norfolk.gov.uk)

Tel:- 01263 516232

## WORK PROGRAMMES

**17. THE CABINET WORK PROGRAMME** 141 - 144

To note the upcoming Cabinet Work Programme.

**18. OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE** 145 - 152

To receive an update from the Scrutiny Officer on progress made with topics on its agreed work programme, training updates and to receive any further information which Members may have requested at a previous meeting.

**19. EXCLUSION OF THE PRESS AND PUBLIC**

To pass the following resolution, if necessary:

“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 paragraph \_ of Part I of Schedule 12A (as amended) to the Act.”

## 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

<b>Committee</b>	Mr N Dixon (Chairman)	Ms L Withington (Vice-Chairman)
<b>Members Present:</b>	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
<b>Other Members in attendance:</b>	Ms V Gay (Observer) Mr N Pearce (Observer) Mr E Seward (Observer) Mr J Toye (Observer)	Mr N Lloyd (Observer) Mr J Rest (Observer) Miss L Shires (Observer) Mrs A Fitch-Tillett (Observer)
<b>Officers in Attendance:</b>	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 15<sup>th</sup> 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 25<sup>th</sup> January, and it was hoped that iPad issues would be resolved by this point.

#### **RESOLVED**

**To note the Cabinet Work Programme.**

#### **132 OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE**

- 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

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## Medium Term Financial Strategy 2022-25

Summary: This report presents for approval the latest medium term financial plan and projections for the following three years to 2023/24.

Options considered: The Medium Term Financial Strategy for the forthcoming financial years must be set annually. The position now presented for approval is the culmination of work carried out by officers and Members over a number of months, details of which are provided within the report.

Conclusions: This report presents the latest financial projections for the following three financial years, 2022/23 to 2024/25, which have been produced based on a number of assumptions as detailed within the main body of the report and appendices and also reflects the provisional finance settlement announced on 17 December 2020. The report also outlines the risks facing the Council in forecasting future spending plans and resources.

Recommendations: **It is recommended that Full Council approve the Medium Term Financial Strategy**

Reasons for Recommendations: **A Medium Term Financial Strategy must be approved each year**

### LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

*(Papers relied on to write the report and which do not contain exempt information)*

Outturn Report 2019/20, Medium Term Financial Strategy 2020/21 – 2023/24, 2020/21 budget monitoring reports, O&S Draft Budget Review 2021/22.

Cabinet Member(s): Cllr Eric Seward	Ward(s) affected All
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Contact Officer, telephone number and email: Lucy Hume, 01263 516246, [lucy.hume@north-norfolk.gov.uk](mailto:lucy.hume@north-norfolk.gov.uk)

## **1 Introduction**

- 1.1 The Medium Term Financial Strategy (MTFS) is a strategic document that supports the delivery of the Corporate Plan outcomes. The MTFS establishes how the Council's priorities will be achieved by setting out the framework within which resources are available over the medium term and the financial challenges facing the Council in terms of future funding gaps. It is the method by which the Council plans translates its long-term goals into action by considering;
- Where the Council is now
  - Where the Council wants to be
  - What the Council's plans are to get there
- 1.2 The MTFS helps to ensure that the Council is 'doing the right thing' while taking account of internal strengths/weaknesses and external threats/opportunities. It should also provide a link between the Council's long-term service objectives and its financial capacity, which effectively asks the question 'can the strategic objectives be achieved within the available financial envelope?'
- 1.3 For the first time, the Medium Term Financial Strategy is presented in the same report as the Budget for approval, although this document has been separately prepared for Overview and Scrutiny, to allow them to consider it in addition to the Budget, which was pre-scrutinized in January 2021.

## **2 Corporate Plan – 'Where we want to be'**

- 2.1 In May 2019 a new Council was elected and has now adopted a new Corporate Plan which sets out the intent and ambition of the authority for the period 2019 – 2023 (which can be found [here](#)). The Corporate Plan provides the framework and context for the Council's service provision, project interventions and resource allocation (financial and staffing) for the period through to 2023. The Plan is subject to annual review to ensure that it continues to reflect the Council's priorities and objectives throughout the next four years in response to emerging trends, policy developments and legislation.
- 2.2 It reflects the essential needs and aspirations of our customers and communities and how we feel the Council can best use its resources to deliver services and outcomes that make a positive difference for everyone who lives in, works in or visits North Norfolk.
- 2.3 However, despite the District having a number of very positive attributes we also have some big challenges: – responding to environmental change, increasing housing supply, supporting economic growth, meeting the challenges of service delivery to rural communities and the needs of both our young people and a rapidly ageing population.
- 2.4 The Corporate Plan identifies six key themes where we would propose developing actions and allocating resources to respond to the challenges our district faces in the years to come as detailed below;
- Local Homes for Local Need
  - Boosting Business Sustainability and Growth
  - Climate, Coast and the Environment
  - Quality of Life
  - Customer Focus
  - Financial Sustainability



- 2.5 Planning for the future is challenging, especially given the broad range of services we provide, and the competing demands for increasingly scarce resources. All our services are committed to making improvements and finding savings, so that the Council remains efficient, effective and meets the day to day needs of the communities we serve. The purpose of the Corporate Plan is to focus on those priorities where we need to give specific attention. It will help us target better our dwindling capital and revenue resources and help direct and focus any bids for external grant support. The Plan also provides a framework against which we can assess our progress to support the needs of our customers and communities.
- 2.6 The Delivery Plan, which supports the objectives contained within the Corporate Plan, was approved by Full Council during 2020. This details how we will judge our performance; it will also be the means by which the Council agrees its improvement objectives. It includes the expected outcomes from each of the six key themes and be supported by a set of priority actions and measures through which the Council will undertake a self-assessment of the level of improvement made.
- 2.7 The Climate, Coast and Environment theme will help to ensure that the Council delivers on its Climate Emergency agenda and this element of the Corporate Plan will permeate and influence all of the other work stream and Delivery Plan themes so that it becomes embedded within the culture of the organisation. The Council will look to generate income from the Electric Vehicle Charging Points which have been installed in Council owned car parks across much of the District. Solar panels are also generating an income on the Council's main office block in Cromer. In addition to reducing the Council's running costs, these panels are projected to provide £10,000 per annum of income to support the Council's budget.
- 2.8 A number of the Delivery Plan projects will support the Climate Emergency agenda and the Council will try and ensure as far as possible that environmental considerations are built in to all areas of the Council's day to day business operations.
- 2.9 The Council is currently supporting its Climate Change agenda and motion on Climate Emergency by earmarking £330,000 from the Delivery Plan Reserve to facilitate the planting of 110,000 trees in the District. Two climate change officers are now in post and working on the draft Environment Charter and Action Plan. A further £150,000 is available within an earmarked reserve to support initiatives under this plan. Activities are likely to be related to:
- Monitoring and managing the Council's carbon footprint
  - Alternative Energy Projects
  - Biodiversity improvements
  - Electric Vehicle Charging
  - Waste reduction
  - Raising awareness and creating behaviour changes through community engagement
- 2.10 Underpinning the Corporate Plan is the day to day business that departments undertake and which will be reflected in departmental Service Plans. All Service Plans are linked to the Corporate Plan. These plans also include the performance measures by which the delivery of wider improvement activity can be managed. The Corporate Plan is a living document and will be regularly reviewed throughout its life to reflect changes in the local, regional and national context.

- 2.11 The priorities within the Corporate Plan were developed by talking with, and listening to the community, Elected Members, staff and other key stakeholders all of whom have helped to shape the content of the Plan.

### **Our Strategic Priorities 2019 – 2023**

- 2.12 The Delivery Plan includes a series of priority actions and measures that we will monitor to assess if we have made a difference. Progress and tracking against the identified actions and delivery of the outcomes will form a key part of the Council's performance management framework.

### **Investment in Priority Areas**

- 2.13 Whilst the overall level of the Council's resources is reducing it is important that a clear focus is maintained on matching funding to priorities. This will remain a key focus over the coming years to ensure the aspirations contained within the new Corporate Plan and the projects contained within the Delivery Plan are realised.

### **Our Vision**

- 2.14 In order to develop a long term plan, every organisation needs to set an aspiration of where the organisation is aiming to be in the future. This enables everyone to be united in a shared direction and purpose. The Council's aspiration is as follows:

***North Norfolk District Council – putting our customers at the heart of everything we do***

### **Our Values**

- 2.15 Our values represent the beliefs and expected behaviour of everyone working for North Norfolk District Council. Our values, which aim to support quality services, we;
- Respect everyone and treat everyone fairly
  - Are open and honest and listen
  - Strive to offer the best value for money service
  - Welcome new challenges and embrace change

### **'One Team' Team Approach**

- 2.16 In order to deliver high quality services, we need to have excellent teams to deliver them. We recognise that our staff are our most important resource at the heart of the services we provide. We are committed to investing in staff and their development so that we have well trained and supported employees, providing professional services and who are happy and motivated in their work. The One Team approach also includes Members to ensure we work closely together to deliver our priority outcomes and that their training needs are also met as part of their ongoing development.

### **3 Horizon Scanning**

- 3.1 There are various local and national pressures which will have an effect on the Council's budget and may represent a risk to the delivery of the Council's Corporate Plan. A SWOT analysis has been undertaken which can be found at Appendix F which categorises these pressures as either a strength, weakness, opportunity or threat with the following definitions:

Strength: Things that the Council does well

Weakness: Things the Council need to improve upon

Opportunity: Something that could contribute positively to the Councils Corporate Plan

Threat: Emerging risks to the Corporate Plan and/or budget

### **4 Our Future Financial Position – Projections 2022/23 – 2024/25**

- 4.1 The current projections over the Medium Term can be found at Appendix A. If we do nothing, we will have budget deficits which will greatly restrict our ability to deliver the Corporate Plan. We have the opportunity, now that we are forewarned, to develop a strategy to reduce the budget deficit in a sustainable way, which protects front line services as a priority and allows the Council to deliver on the key themes of the Corporate Plan.
- 9.1 Due to the ongoing COVID 19 response, a one-year Provisional Local Government Finance settlement was announced. This does not provide any certainty as regards the future of local government financing and, coupled with the delayed ongoing Fair Funding and business rates reviews, makes future years' projections incredibly difficult.
- 9.2 The forecast financial projections included at Appendix A make assumptions around future spending forecasts but have now been updated following receipt of the provisional settlement figures for 2021/22 and attempt to predict future income levels.
- 9.3 The assumptions around council tax funding reflect a year on year £4.95 increase in council tax in line with the current referendum principles although it should be noted that any decision regarding increases to council tax will be made annually in line with the budget setting process.
- 9.4 After allowing for these assumptions the overall position shows a balanced budget in 2021/22 with future deficits forecast in future years of around £1.7m in 2022/23 and beyond.
- 9.5 Further consultation is expected in respect of the Fair Funding Review and the new Business Rates Retention Scheme. The future year forecasts are based on the best available information at the current time and are cautious estimates.
- 9.6 The Provisional Local Government Finance settlement announcement has assumed that local authorities will increase council tax annually by either 2% or the £5 where the local authority is in the lowest quartile. NNDC is currently in the lowest quartile and the funding assumptions made in the settlement assume that there is an annual increase in council tax of £5 for each year of the settlement. As discussed above, the proposals for the 2021/22 financial year are for a £4.95 increase in Council Tax and the future forecasts assume this strategy is continued. However, if council tax were not to be

increased next year this would negatively impact on both the current forecast balanced budget for next year and the future years' deficits and the impact of which can be seen within the table below.

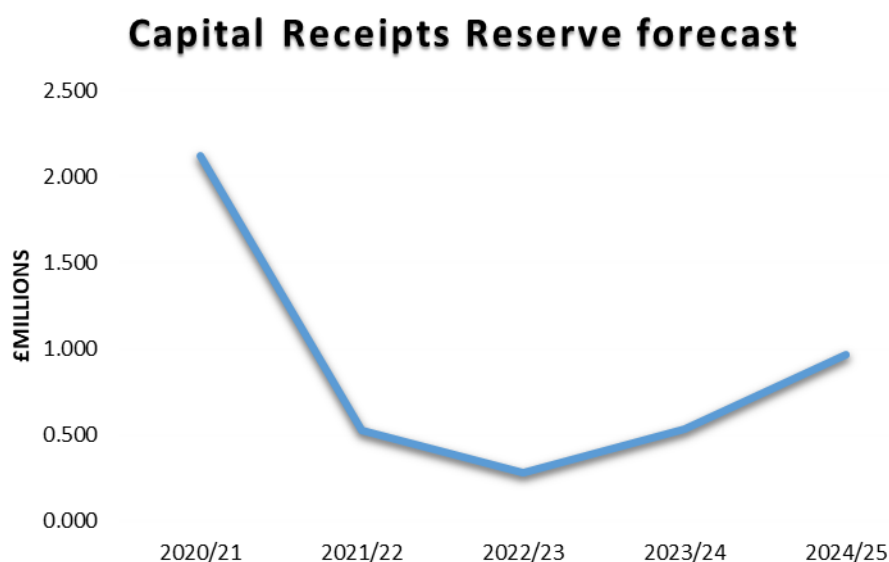
<b>Table 1 – Council tax projections</b>				
<b>Allocation</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	£	£	£	£
<b>Budget (surplus)/deficit</b>	<b>202,747</b>	<b>2,213,223</b>	<b>2,735,164</b>	<b>2,700,200</b>
<b>2021/22 - £4.95 increase</b>	(202,747)	(203,688)	(204,678)	(206,163)
<b>2022/23 - £4.95 increase</b>		(203,688)	(204,678)	(206,163)
<b>2023/24 - £4.95 increase</b>			(204,678)	(206,163)
<b>2024/25 - £4.95 increase</b>				(206,163)
<b>Total additional income from Council tax</b>	<b>(202,747)</b>	<b>(407,375)</b>	<b>(614,033)</b>	<b>(824,650)</b>
<b>Adjusted (surplus)/deficit</b>	<b>0</b>	<b>1,805,848</b>	<b>2,121,131</b>	<b>1,875,550</b>

- 9.7 The table above shows what impact **not increasing council tax** would have on the future year's deficit forecasts as the present assumptions within the MTFs and the budget are that council tax will be increased year on year. It should be noted that while the current referendum principle caps the maximum at £5.00 and proposed increase at this level would actually result in an increase of £4.95 as any increase has to be divisible by 9 due the way the calculations are undertaken and adjusted to represent Band D equivalent properties.
- 9.8 If these recommended council tax increases are not made over the period, the current forecast deficit of £1.9m for 2024/25 **would increase to £2.7m** and the Council would forgo council tax income of c£0.8m over the period based on the current forecasts.
- 9.9 In view of the Governments change in approach towards funding for Local Authorities with a greater emphasis on Council Tax rises, and the cumulative impact of grant reductions from RSG and New Homes Bonus, freezing council tax over the medium term is not an approach that can be recommended.
- 9.10 Recent feedback from MHCLG officers also suggests that, as the central government funding assumption is that Council's will be using their local income raising powers wherever possible, that those choosing not to do so are in effect not taking the future funding deficits seriously. They also indicated that this might indicate a lack of financial resilience in terms of future years. The advertised 4.5% increase in Councils Core Spending Power is completely reliant on Council Tax increases being made in full. Approximately 80% of the increase in Core Spending Power national for all authorities relies on this tax increase. Not taking advantage of this seriously hampers the Council's ability to balance its budget in the coming years of the Medium Term Financial Plan.
- 9.11 A sensitivity analysis and various forecasting scenarios which have supported this medium term forecast can be found at Appendix B.

## 5 Strategy for closing future budget gaps

### Savings Programme

- 5.1 A savings exercise was undertaken with officers and Members in November 2020. This identified several potential savings and initiatives to produce extra income. These items are now being reviewed by officers for feasibility. As part of this exercise, the Overview and Scrutiny Committee contributed ideas for savings and income generation. These are summarised at Appendix E, along with commentary on feasibility of implementation, next steps to be taken, and risks to implementation. It is important to note that none of these ideas have been agreed yet for implementation, they are in the investigation stage only. Cabinet may wish to consult more widely on the potential implementation of these proposals.
- 5.2 While many of these ideas are feasible, some represent significant Invest to Save projects (such as the acquisition of new car parks), and will require projects to be brought forward on a business case basis. It is not possible to say at this stage to put a figure to the income generating potential as it will depend on many variables which will not become apparent until individual projects come forward. The lead in time for these ideas due to the investment required is also likely to mean that implementation would not be possible until sometime during the 2022/23 financial year.
- 5.3 The authority has a dwindling level of capital receipts available to fund invest to save projects, although the Council does have some earmarked reserves (Asset Management Reserve, Capital Projects Reserve and, where appropriate, the Delivery Plan Reserve) which could be deployed to fund projects. Internal and External borrowing will be considered as part of a business case, but as both of these sources of borrowing put pressure on the Revenue budget in the form of interest payable and MRP, there would need to be an income stream sufficient to offset this for the project to be considered sustainable in the medium term.



- 5.4 As the long term effects of COVID on the services we deliver and the way we work as a team become apparent, there may be opportunities to create efficiencies through new ways of working.

## **Financial sustainability in the Corporate Plan**

- 5.5 Financial sustainability is one of the six key themes within the Corporate Plan and is fundamental to this strategy and setting balanced budgets in future years. The Delivery Plan contains several projects within the Financial Sustainability work stream which aim to deliver a Medium Term Financial Plan which does not rely on the use of reserves to balance the budget. Over the next 9 months, officers will work to implement a new process of Zero Based Budgeting and undertake a fundamental review of fees and charges, to ensure we have full cost recovery. Zero Based Budgeting will also allow the budget to be built in a way which reflects corporate priorities.
- 5.6 The Council has a good track record in delivering savings. The previous savings programme commenced in 2016/17 and now delivers an annual saving of approximately £744k. Over the coming months, officers and Members will deliver a new programme of savings covering the years of the current Medium Term Financial Plan to allow us to work towards a balanced budget.
- 5.7 Central Government have provided financial assistance to Councils over the last 12 months due to pressures on income and expenditure relating to COVID 19. A total of £1.7m has been received to date in the 2020-21 financial year over four tranches of funding. There is likely to be a further impact due to COVID over the period of the Medium Term Financial Plan. Officers are hopeful that financial assistance will continue to be provided centrally, but should this not be forthcoming the Council would have to implement in-year savings or draw from Reserves to balance the budget. If the current situation regarding gatherings and social distancing remains in place, it is likely that there would be significant savings to be had on travel and subsistence, mileage and staff training, which could be offset partially against any in year funding gap. Any remaining gap would ultimately need to be met from Reserves, and contingency reserves are held for this purpose. The strategy will be to minimise the need to draw on Reserves in an unplanned way through maximising the opportunities discussed within this section of the report.
- 5.8 Managers will be asked to assess the impact of a 10% funding reduction across all services as part of the 2022-23 budget process.

### **Being “business-like”**

- 5.9 There is an ever increasing need for Councils to take a more commercial and business-like approach to all elements of their business. Our ‘*Investing Approach*’ is currently under development, the successful delivery and implementation of this strategy will ultimately require a step change in the way that the Council thinks, acts and works in the future.
- 5.10 A more commercial approach will directly support the Council’s objective of becoming financially sustainable for the future and will form part of the Delivery Plan for this key theme. Part of the strategy development process will involve the identification and prioritisation of a number of internal and external projects which will consider income generation, efficiency and doing things differently. The focus will be on making every pound count for our residents, improving efficiency, investment and increasing social value.
- 5.11 The Local Government Association (LGA) are encouraging Councils to move towards a more commercial culture as a way of developing sustainable self-funding streams that reflect Council’s individual priorities and place shaping aspirations. Consequently, the Council needs to think about how it can maximise revenue and efficiencies moving

forwards – our *‘Investing Approach’* is a key part of this in order to deliver managed change that is right for North Norfolk. Any strategy needs to be considered in the context of our key corporate objectives, flowing from the new Corporate Plan and giving consideration to Member aspirations, our geographical location and demographics.

### **Direct Property Investment**

- 5.12 The Secretary of State for Housing, Communities and Local Government has raised concerns about Councils becoming directly invested in property for income generation purposes with taxpayers’ money. It is his view that Councils do not have the expertise and resources to do this effectively, and are as such taking too great a risk with public funds. MHCLG guidance states that Councils should not borrow in advance of need to spend on service provision, and that taking on debt to fund property purchases, unless it is primarily for a service related objective, is not allowed. The recent change to the Public Works Loan Board’s lending terms specifically excludes Councils that have ‘debt for yield’ projects in their Capital Programme from borrowing for any purpose. This significantly restricts the commercial activity of Councils and removes a key potential income stream.
- 5.13 A programme of asset valuations and condition surveys are currently underway which will help us better understand the costs of maintaining and improving our asset base over the medium to long term to ensure that it remains fit for purpose. Assets will be used to deliver a service benefit and deliver income for the Council where appropriate.
- 5.14 Further direct investment in property will be considered where there are additional benefits over and above income generation, such as regeneration and supporting the local economy or housing initiatives in line with guidance from MHCLG.
- 5.15 Opportunities for the most efficient utilisation of the Council’s assets and maximising returns where appropriate are vital. Indirect property investments via treasury instruments, such as the purchase of pooled property funds, can potentially provide a return in terms of a regular income and growth in the value of the investment. Under the Treasury Management Strategy, the Council has made investments in a number of pooled funds which invest in property. One of these funds, the CCLA Local Authorities Pooled Property Fund, invests exclusively in various property assets with the aim of achieving a regular income and growth in the value of the investment.
- 5.16 In addition to these investments, the Council has agreed to provide capital expenditure loans to registered providers of social housing to facilitate the delivery of housing in the district, along with achieving an income return on its investment. The Council can choose to use its capital resources to finance a programme of asset investment which aims to deliver long-term revenue streams for the Council and work on an ongoing basis is required to identify the most appropriate projects. This strategy of direct property investment can ensure a secondary benefit to the district as it is possible to generate an economic growth benefit when the investment is located in North Norfolk. This is, however, more resource intensive to manage than externalising these investments.

### **Shared Services, collaboration and selling services**

- 5.17 It is possible that efficiencies could be achieved through joint procurement, shared service delivery and, where appropriate, selling services via arrangements such as East Law. Opportunities to do this will continue to be explored.

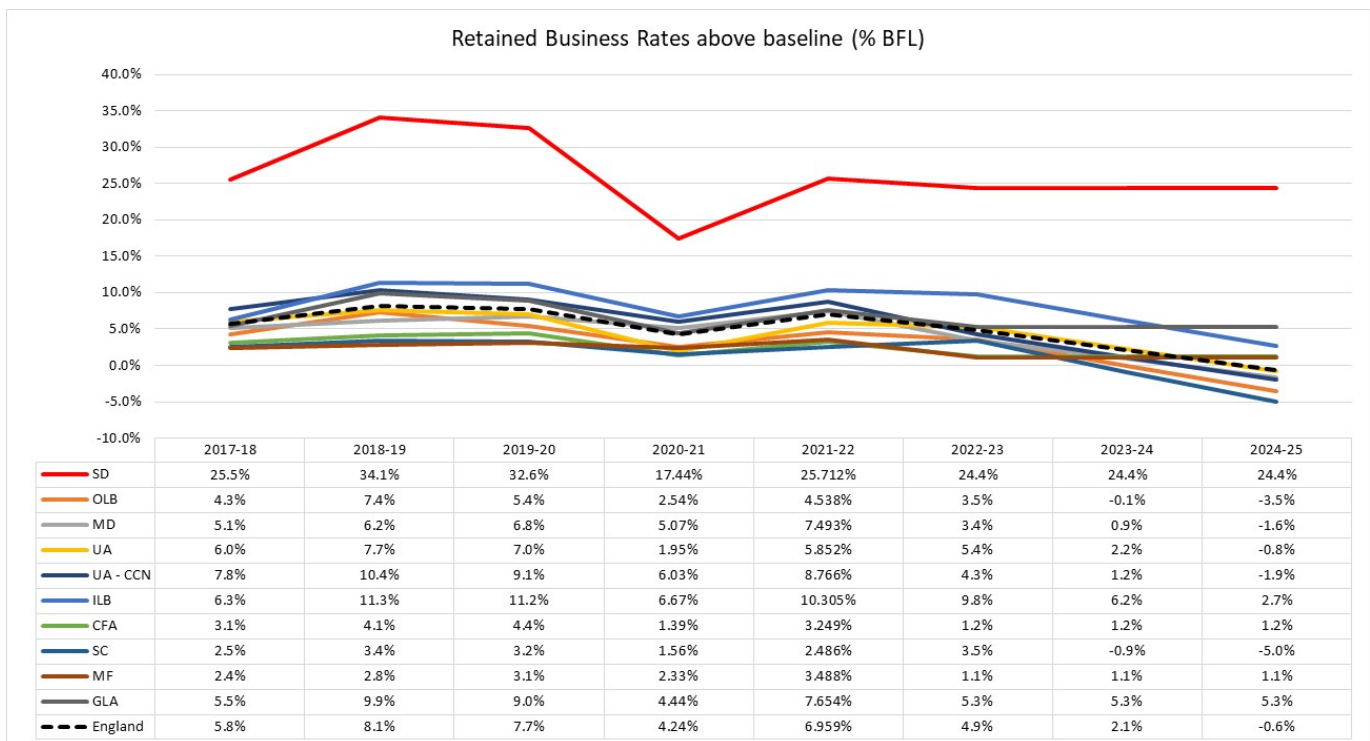
5.18 Identifying opportunities to work alongside other public sector partners and organisations to deliver services will continue, such as our successful partnerships with NCC Children’s Services, the Early Help Hub and the DWP in terms of shared office space and the One Public Estate agenda.

### Growing Business Rates and NHB

5.19 Under the previous allocation method of New Homes Bonus (NHB) there was a direct financial benefit to the Council from growth in homes through the NHB funding and through increasing the council tax base and additional income generated from council tax. Whilst new housing growth has an impact on the demand for local services, there will still be a net gain in terms of overall income for delivery while the NHB remains and subject to potential changes to the scheme. MHCLG seem committed to an incentive based scheme to promote house building, so it is possible that this will continue to be an important income stream for the Council, however, the benefit of the continuation of the scheme to North Norfolk will depend ultimately on how the scheme is developed.

5.20 For similar reasons growing the business rates base will have a direct impact on the level of business rates income retained locally. Equally, maintaining existing business rates remains a priority in that decline in business rates will reduce the amount of income retained.

5.21 Under the current Business Rates Retention Scheme, Shire District Councils keep a generous share of the above baseline growth. Retaining this under a new scheme will be an important request to make of MHCLG. The chart below shows the reliance of Shire Districts (SDs) on business rates compared to other types of authority.



### Council Tax

5.22 The increased flexibilities around council tax discounts and increases following the removal of the tax freeze grant in 2016/17 provides a further potential income stream.



Further review of the current level of discounts can also provide additional income, recommendations on the level of council tax discounts were reported in December 2020.

### **New opportunities**

- 5.23 Given the current uncertainties around the economy as a whole and changes to the Local Government funding mechanisms it will be essential to identify new opportunities to either increase income, increase efficiency through the redesign of services, explore new partnership models for service delivery etc and this will be one of the main challenges over the medium term.
- 5.24 While the Council's reserves do provide some level of comfort over the short term and could be used to address budget deficits this is not a sustainable financial strategy for the long term to rely on Reserves alone.

### **Lobbying and consultation**

- 5.25 The Council will continue to lobby central government in terms of increased funding allocations and relaxation/increased flexibility in terms of the council tax referendum principles which will be one of the things required if income raising and decision making is ever to be truly local. We will also continue to respond to all relevant consultations, in particular at the present time on relation to the Business Rates and Fair Funding Reviews.

## **6 Financial Implications and Risks**

- 6.1 A comprehensive financial risk assessment has been undertaken for the revenue and capital budget setting process to ensure that all risks and uncertainties affecting the Council's financial position are identified. These are reviewed each year as part of the refresh of both the MTFS and the budget. The key strategic financial risks to be considered in developing the budget for 2021/22 are included within the table below.
- 6.2 Medium term financial planning, set against a backdrop of severe reductions in Government funding, carries with it a significant element of risk. Many factors may impact on the figures presented here and themes have been highlighted where appropriate. Most significant are the potential revisions in Local Government finance policy, continual cuts to general grant and significant revisions to the New Homes Bonus and its ultimate replacement. Should there be a change in emphasis, particularly around the assessment of need (Fair Funding Review) and business rates funding, there may be further reductions compared with those presented within this report that would place further pressure on the council to deliver balanced budgets, without impacting on frontline services.
- 6.3 The long term effects of the COVID 19 pandemic are likely to negatively impact the Council's finances in many ways. Aside from the more obvious impacts regarding increased expenditure on community support and cleansing and reduced income in areas such as planning, car parking and trade waste, the end of the furlough scheme is likely to have longer term impacts on the ability of the Council to collect Council Tax and increase bad debts. Implications regarding increasing LCTS also reduces tax base growth for the next two to three years. Collectable Business Rates could be affected by businesses in the District failing due to social distancing measures and restrictions on opening. The extent and duration of restrictions in 2021/22 will be key to determining the size of the effect on the budget.

- 6.4 Beyond this, Government policy announcements can have large impacts on our finances. We will continue to monitor announcements from Government departments and work with service managers to assess any potential impact on the Council's services and budget.
- 6.5 Despite these risks, we will continue to plan effectively to strengthen our culture of strong financial management so that the Council can continue to meet its Corporate Plan priorities and provide the best possible services to the district. CIPFA's new Financial Management Code places a requirement on the Council to comply with a set of Financial Management Standards, by April 2022. The Council is currently working on an action plan to deliver this and build on its already positive culture of good financial management.

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Risk Management</b>
1. Future available resources less than assumed	Possible	High	Annual review of reserves and reserves policy to identify future resources. Assumptions on funding for 2021/22 and beyond are based on best estimates at this time. A prudent approach has been adopted based on previous years' experience as well as using regional network contacts to inform modelling.
2. Volatility of business rates funding given uncertainty around impact of appeals	Likely	High	Volatility of funding stream outside of council control but impact mitigated by establishment of specific earmarked reserve and financial monitoring framework. Modelling of potential impacts is used to inform internal financial planning. Unknown impacts of proposed additional reliefs for 2021/22.
3. Pay Awards, fee increases and price inflation higher than assumed	Possible	Medium	Impact of potential increases mitigated by central contingency budget for pay, price increases and care fees. Where pay awards have been agreed these will be factored into the future estimates.
4. Future spending plans underestimated	Possible	Medium	Service planning process identifies future budget pressures and these will inform the indicative budget forecasts. An effective budget monitoring framework is in place to identify in year and potential future cost pressures.
5. Anticipated savings/ efficiencies not achieved	Possible	High	Regular monitoring and reporting takes place but the size of the funding cuts increase the likelihood of this risk. Non-achievement of savings would require compensating reductions in planned spending within services. Greater scrutiny of savings has taken place since 2016/17 through the revenue monitoring process. History of delivery savings.

6. Revenue implications of capital programmes not fully anticipated	Unlikely	Low	Capital bid approval framework identifies revenue implications and links to Council priorities. Full analysis of revenue implications assessed and considered in scenario planning.
7. Income targets not achieved	Possible	Medium	Current economic climate likely to impact. Regular monitoring and reporting takes place. Full review of fees and charges scheduled for 2021/22 along with an annual review process.
8. Budget monitoring not effective	Unlikely	Medium	Regular monitoring and reporting in line with corporate framework. Action plans developed to address problem areas. Regular reports to Cabinet and to O&S. Track record of delivering budget and savings.
9. Exit strategies for external funding leasing/tapering not met	Possible	Medium	Regular monitoring and reporting. Government policy to remove ring fencing provides greater flexibility.
10. Loss of principal deposit	Unlikely	Medium	Limited by the controls in the Treasury Management Strategy which balance security of deposit over returns. Impact limited due to the strategy of a diverse portfolio with top rated institutions. It is the Council's policy to hold more volatile investments over a medium term time frame rather than using them for liquidity purposes, further reducing the risk that they will need to be sold at a price which represents a loss of principle.
11. Interest rates lower than expected	Unlikely	Low	Regular review, monitoring and reporting on interest rates. Prudent assumptions on likely interest rates for 2021/22 are incorporated into the budget. Interest rates are currently at historic lows; the likelihood of further reductions (or reductions into negative territory) remains low.
12. Collection rates for retained business rates and council tax lower than anticipated	Possible	High	Impact mitigated by the review of bad debt provisions and availability of reserves. Monitoring of Collection Fund is formally incorporated into the revenue monitoring process.
13. Financial budget impacts of the COVID 19 pandemic	Likely	Medium /High	Continue to work collaboratively with central government departments to monitor and forecast additional expenditure and reduced income caused by restrictions introduced to curb the transmission of COVID 19. It is not possible to predict exactly what restrictions will be in place during the 2021/22 financial year. If the national lockdown is in place past April, there is

			some risk to the budget figures. A prudent approach has been taken when forecasting income as part of the 2021/22 budget setting process.
14.Devolution/Unitary status –	Possible	Medium	Local Government reorganisation has been put on hold due to COVID 19. Officers and Members will keep a watching brief in respect of this but again at present no budgetary impact is being assumed.
15. All MTFS risks not adequately identified	Unlikely	Low	Council's Risk Management Framework ensures all operational and strategic risks are identified as part of the annual service planning process.

## 7 Conclusions

- 7.1 The Council is still currently projecting a deficit position from 2022/23 onwards. Forecasting the deficit allows the Council time to plan mitigating actions more effectively, meaning we are more likely to be successful without the need to rely on one-off funding from reserves.
- 7.2 It is still not clear how the various reviews will impact on local government funding, and these will have large impacts on the size of the future deficits. Section 10 of the report outlines the various opportunities we have to reduce the deficits. We do have the benefit of reserves should these be required to support and short term funding requirements.
- 7.3 Work will continue over the coming months to implement a process of Zero Based Budgeting, to ensure that the money the Council spends is deployed effectively and in support of the Corporate Plan objectives.

## 8 Sustainability

- 8.1 There are no sustainability issues as a direct consequence of this report.

## 9 Equality and Diversity

- 9.1 The Council is required to consider the equality duty in its decision-making and this includes the budget process. As part of any savings or investments the Council must consider how it can:
- Eliminate unlawful discrimination, harassment and victimisation;
  - Advance equality of opportunity between different groups; and
  - Foster good relations between different groups by tackling prejudice and promoting understanding.

- 9.2 There are no equality and diversity issues as a direct consequence of this report

## 10 Section 17 Crime and Disorder considerations

- 10.1 There are no crime and disorder considerations as a direct consequence of the report.

## General Fund Summary 2021/22 Base Budget

2019/20 Actuals	Service Area	2020/21 Base Budget	2020/21 Updated Base Budget	2021/22 Base Budget	2022/23 Projection	2023/24 Projection	2024/25 Projection
£		£	£	£	£	£	£
476,388	Corporate Leadership Team/Corporate	314,973	277,015	295,853	303,205	475,959	309,139
5,173,775	Community & Economic Development	4,456,448	4,728,178	4,974,582	4,537,117	4,401,285	3,664,303
726,739	Customer Services & ICT	769,811	912,091	735,221	1,040,801	1,050,660	1,055,473
4,855,952	Environmental Health	3,902,129	3,898,574	3,989,219	4,702,469	4,734,264	4,677,067
2,893,948	Finance and Assets	3,883,103	3,994,666	3,582,608	3,633,548	3,579,188	2,923,586
1,885,664	Legal and Democratic Services	1,606,069	1,637,068	1,788,830	1,814,309	1,822,282	1,845,963
2,743,779	Planning	2,379,017	2,270,404	2,454,181	2,636,457	2,528,944	2,532,596
<b>18,756,245</b>	<b>Net Cost of Services</b>	<b>17,311,550</b>	<b>17,717,996</b>	<b>17,820,494</b>	<b>18,667,906</b>	<b>18,592,582</b>	<b>17,008,127</b>
2,390,634	Parish Precepts	2,520,143	2,520,143	2,529,011	2,579,591	2,631,183	2,683,807
(1,793,786)	Capital Charges	(1,819,204)	(1,819,204)	(1,964,269)	(2,447,952)	(3,007,674)	(1,521,941)
(157,624)	Refcus	(842,667)	(842,667)	(977,167)	(777,167)	(300,000)	(300,000)
(1,234,833)	Interest Receivable	(1,310,977)	(1,310,977)	(1,014,929)	(1,120,671)	(1,120,923)	(1,207,725)
38,831	External Interest Paid	358,100	358,100	154,630	145,532	136,435	127,338
2,656,179	Revenue Financing for Capital:	4,892,728	3,399,967	614,741	477,167	0	0
	MRP - Waste Contract	0	0	744,000	744,000	744,000	744,000
(958,761)	IAS 19 Pension Adjustment	260,290	260,290	262,174	267,417	272,765	272,765
<b>19,696,885</b>	<b>Net Operating Expenditure</b>	<b>21,369,963</b>	<b>20,283,648</b>	<b>18,168,685</b>	<b>18,535,823</b>	<b>17,948,368</b>	<b>17,806,371</b>
<b>2019/20 Actuals</b>	<b>Contributions to/(from) Earmarked Reserves:</b>	<b>2020/21 Base Budget</b>	<b>2020/21 Updated Base Budget</b>	<b>2021/22 Base Budget</b>	<b>2022/23 Projection</b>	<b>2023/24 Projection</b>	<b>2024/25 Projection</b>
(1,176,214)	Capital Projects Reserve	(636,302)	(1,198,857)	0	0	0	0
(143,283)	Asset Management	(27,000)	(211,668)	(142,574)	(15,000)	(5,000)	0
(442,349)	Benefits	(253,801)	(284,800)	0	0	0	0
(1,000,000)	Broadband	0	0	0	0	0	0
21,053	Building Control	(44,441)	(44,441)	(28,876)	(28,906)	(28,906)	(28,906)
(363,720)	Business Rates Reserve	(27,068)	(157,058)	(18,000)	(18,000)	(18,000)	0
57,698	Coast Protection	(37,958)	(37,958)	(42,039)	0	0	0
(650,800)	Communities	(242,000)	(325,000)	(242,000)	(242,000)	0	0
0	Delivery Plan	2,379,266	2,355,706	(129,414)	(175,090)	(122,663)	(15,676)
(5,000)	Economic Development & Tourism	(10,000)	(10,000)	0	0	0	0
(120,000)	Elections	40,000	40,000	50,000	50,000	(110,000)	50,000
(24,381)	Enforcement Board	0	0	0	0	0	0
12,733	Environmental Health	0	0	0	0	0	0
72,368	Grants	(57,066)	(73,605)	(25,104)	(25,104)	(14,655)	0
(5,774)	Housing	(488,585)	(575,641)	(328,010)	(527,167)	0	0
19,246	Land Charges	0	0	0	0	0	0
67,428	Legal	(25,446)	(25,446)	(15,520)	0	0	0
(435,000)	LSVT	0	0	0	0	0	0
0	Major Repairs Reserve	0	0	89,859	280,000	280,000	280,000
(219,976)	New Homes Bonus Reserve	(225,460)	(25,773)	(97,471)	(120,000)	0	0
(45,434)	Organisational Development	(97,885)	(136,512)	(92,751)	(29,078)	0	0
(15,115)	Pathfinder	(20,500)	(20,500)	(21,627)	(3,417)	0	0
50,000	Planning Revenue	50,000	20,000	36,728	50,000	50,000	50,000
999,476	Property Investment Fund	(3,000,000)	(999,476)	0	0	0	0
(683,154)	Restructuring/Invest to save	(732,950)	(680,517)	(21,014)	0	0	0
(3,042)	Sports Facilities	0	0	0	0	0	0
53,839	Contribution to/(from) the General Reserve	(116,528)	(95,863)	(86,341)	(50,000)	(50,000)	0
<b>15,717,484</b>	<b>Amount to be met from Government Grant and Local Taxpayers</b>	<b>17,796,239</b>	<b>17,796,239</b>	<b>17,054,531</b>	<b>17,682,061</b>	<b>17,929,144</b>	<b>18,141,789</b>
<b>2019/20 Actuals</b>	<b>Service Area</b>	<b>2020/21 Base Budget</b>	<b>2020/21 Updated Base Budget</b>	<b>2021/22 Base Budget</b>	<b>2022/23 Projection</b>	<b>2023/24 Projection</b>	<b>2024/25 Projection</b>
(2,390,634)	Collection Fund – Parishes	(2,520,143)	(2,520,143)	(2,529,011)	(2,579,591)	(2,631,183)	(2,683,807)
(6,087,003)	Collection Fund – District	(6,305,671)	(6,305,671)	(6,456,213)	(6,718,024)	(6,974,884)	(7,268,406)
(5,995,311)	Retained Business Rates	(7,504,661)	(7,504,661)	(6,611,436)	(6,092,062)	(6,201,946)	(6,314,026)
0	Revenue Support Grant	(89,799)	(89,799)	(90,295)	0	0	0
(1,211,156)	New Homes bonus	(892,194)	(892,194)	(722,562)	(486,536)	0	0
0	Rural Services Delivery Grant	(483,771)	(483,771)	(507,661)	0	0	0
0	Lower Tier Services Grant	0	0	(137,353)	0	0	0
(33,380)	Non ring fenced Government Grants	0	0	0	0	0	0
<b>(15,717,484)</b>	<b>Income from Government Grant and Taxpayers</b>	<b>(17,796,239)</b>	<b>(17,796,239)</b>	<b>(17,054,531)</b>	<b>(15,876,213)</b>	<b>(15,808,013)</b>	<b>(16,266,239)</b>
<b>0</b>	<b>(Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,805,848</b>	<b>2,121,131</b>	<b>1,875,550</b>

## Appendix B – Assumptions underpinning the Medium Term Financial Forecasts and Sensitivity Analysis

This Appendix sets out for each of the Council's external funding streams the assumptions made when preparing the medium term financial forecasts.

The central case, the case on which the current budget projections are based, is explained here, along with other alternatives considered. These central cases will be regularly reviewed in light of Government announcements and consultation responses, and are subject to change following those. An update will be provided when appropriate.

### New Homes Bonus

Central Case – NHB will continue with one Year 11 payment (which attracts new legacy payments) in 2021/22 and a further two years of legacy payments in 2021/22 and 2022/23, and then finish.

#### Alternatives considered

1. The NHB could be discontinued after 2021/22. As there is no Spending Review in place covering the 2022/23 financial year, MHCLG technically do not have the budget in place to confirm that the NHB will continue for the final year of legacy payments in 2022/23. However, MHCLG have committed to these legacy payments, and we consider that there would be little appetite politically to stop these given how much Councils are relying on these payments to balance their budgets.
2. The NHB could continue for a further year into 2022/23. The scheme has already been extended twice as Local Government funding has been rolled over in one-year settlements, so there is a precedent for this. Previously Brexit negotiations and more recently the response to the COVID 19 pandemic had put plans for a new NHB system on hold. The likelihood of the NHB being extended for a further year is low, but if the energy of MHCLG is taken up by COVID in 2021/22 to the extent it was in 2020/21, this alternative becomes more probable. The timing of any consultation on a new system will give us clues as to how likely this will be. We have modelled the additional year's payment on the Year 11 payment to be received in 2021/22.

New Homes Bonus MTFP Scenarios					
Scenario	Financial Impact (£)				Probability (%)
	2021/22	2022/23	2023/24	2024/25	
<b>Central Case</b>	<b>(722,562)</b>	<b>(486,536)</b>	<b>0</b>	<b>0</b>	<b>80%</b>
Alternative 1	(722,562)	0	0	0	5%
Alternative 2	(722,562)	(615,536)	0	0	15%

### Council Tax

Central Case – The District portion of the Council Tax will be increased by £4.95 in each year of the MTFP. The taxbase growth over the next three years will be reduced due to the impact of COVID, due to slower property additions, higher levels of LCTS and a higher rate of non-collection.

#### Alternatives considered

1. No increase in Council Tax charge. Members may decide in the wake of the COVID crisis not to increase the District element of the Council Tax charge. This would

increase our funding deficits in future years and unbalance the budget for 2021/22. This option has not been recommended by officers.

2. Council Tax charge is increased by £10. The District Councils Network have lobbied for several years to allow District Councils to raise their charge by £10 rather than £5, a reflection of the fact that for many Councils a £5 increase does not generate significant amounts of income. This option is not considered likely as it would require a change in referendum principles to allow the Council to do this without triggering a referendum.
3. The taxbase growth could exceed expectations and continue the trend of pre-COVID taxbase growth. This seems unlikely in the short term, with the furlough scheme set to end and growth in the economy anticipated by the IFS to be slow.

Council Tax MTFP Scenarios					
Scenario	Financial Impact				Probability
	2021/22	2022/23	2023/24	2024/25	(%)
<b>Central Case</b>	<b>(6,551,054)</b>	<b>(6,756,101)</b>	<b>(7,014,650)</b>	<b>(7,276,698)</b>	<b>70%</b>
Alternative 1	(6,421,552)	(6,598,464)	(6,780,163)	(6,967,149)	20%
Alternative 2	(6,551,054)	(6,819,806)	(7,147,560)	(7,484,487)	10%

#### Revenue Support Grant

Central Case – Revenue Support Grant will continue in 2021/22 and then disappear, replaced by Retained Business Rates and backed by new funding formulae as part of the Fair Funding Review.

#### Alternatives considered

1. RSG could continue, but MHCLG have committed to the Fair Funding Review and replacing generic grant funding with Retained Business Rates. The continuation of RSG is only likely in the case of a further single year settlement. At the current time, we are expecting a multi-year settlement from 2022/23 as per MHCLG's advice, so do not consider this option likely. If COVID delays the next Government Spending Review, then this alternative position becomes more likely.

Revenue Support Grant MTFP Scenarios					
Scenario	Financial Impact (£)				Probability
	2021/22	2022/23	2023/24	2024/25	(%)
<b>Central Case</b>	<b>(90,295)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>85%</b>
Alternative 1	(90,295)	(90,295)	0	0	15%

#### Rural Services Delivery Grant

Central Case – Rural Services Delivery Grant will continue in 2021/22 and then disappear, replaced by Retained Business Rates and backed by new funding formulae as part of the Fair Funding Review.

#### Alternatives considered

1. RSDG could continue, but MHCLG have committed to the Fair Funding Review and replacing generic grant funding with Retained Business Rates. The continuation of RSG is only likely in the case of a further single year settlement. At the current time, we are expecting a multi-year settlement from 2022/23 as per MHCLG's advice, so

do not consider this option likely. If COVID delays the next Government Spending Review, then this alternative position becomes more likely.

Rural Services Delivery Grant MTFP Scenarios					
Scenario	Financial Impact (£)				Probability
	2021/22	2022/23	2023/24	2024/25	(%)
<b>Central Case</b>	<b>(507,661)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>85%</b>
Alternative 1	(507,661)	(507,661)	0	0	15%

#### Retained Business Rates

Central Case – We are assuming there will be a full baseline reset in April 2022, and that each future baseline reset will be a partial one. Baseline resets act to redistribute above baseline growth, so high growth authorities (like District Councils) would do better from this system than one of full resets. The Government are keen to reward Councils for growing their rates base, so this seems a reasonable position to take.

We have used the ‘spot’ methodology for modelling baseline resets, and indexed rather than floating tariffs.

#### Alternatives considered

1. Floating tariffs could be used rather than indexed ones. This would return every authority back to baseline and generate a surplus across the Business Rates Retention Scheme. It is likely that this surplus would be redistributed back to the sector pro rata to Baseline Funding Level. This would effectively remove the financial incentive for authorities to grow their rates base and invest in their local economy, so we consider this an unlikely scenario.
2. Subsequent baseline resets could also be full resets rather than partial ones. This would cause some uncertainty around future funding levels, which is contrary to what MHCLG are trying to achieve. The sector have lobbied heavily against the implementation of full resets. For these reasons we think this scenario is unlikely.

The figures in this table represent payments projected from the damping mechanism and form part of the Business Rates Retention income on the General Fund Summary.

Retained Business Rates MTFP Scenarios					
Scenario	Financial Impact (£m)				Probability
	2021/22	2022/23	2023/24	2024/25	(%)
<b>Central Case</b>	<b>0.000</b>	<b>(1.328)</b>	<b>(0.417)</b>	<b>0.007</b>	<b>80</b>
Alternative 1	0.000	(0.321)	0.018	0.019	10
Alternative 2	0.000	(1.328)	(0.417)	0.007	10

#### Fair Funding Implementation

Central Case – We are expecting that there will be a damping system in place from April 2022 and the introduction of the Fair Funding Review which will phase in changes to funding levels. Some individual authorities and types of authority more generally stand to lose a significant portion of funding from this review, and bringing in these changes abruptly could cause a structural funding problem for those Councils. When the system was last reset, a damping mechanism was in place (and still is), so we consider this to be a reasonable assumption.



Alternatives considered

1. MHCLG may wish to move to the new funding allocations, as they will be 'fairer', more quickly, and not damp changes to funding formulae.

The figures in this table represent payments projected from the damping mechanism and form part of the Business Rates Retention income on the General Fund Summary.

Fair Funding Review MTFP Scenarios					
	<i>Financial Impact (£m)</i>				<i>Probability</i>
<i>Scenario</i>	2021/22	2022/23	2023/24	2024/25	(%)
<b>Central Case</b>	<b>0.000</b>	<b>(1.328)</b>	<b>(0.417)</b>	<b>0.007</b>	<b>90</b>
Alternative 1	0.000	0.000	0.000	0.000	10

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/20 Expenditure	Updated Budget 2020/21	Updated Budget 2021/22	Updated Budget 2022/23	Updated Budget 2023/24	Updated Budget 2024/25
	£			£	£	£	£
<b>Boosting Business Sustainability and Growth</b>							
Rocket House	77,084	37,465	0	39,619	0	0	0
Local Property Investment Fund	1,000,000	524	999,476	0	0	0	0
Property Investment Company	0	0	0	0	0	0	0
Purchase of New Car Park Vehicles	60,000	45,000	15,000	0	0	0	0
Deep History Coast	869,777	854,777	15,000	0	0	0	0
Fair Meadow House Improvements	50,000	16,650	33,350	0	0	0	0
Fair Meadow House Annexe	55,000	0	55,000	0	0	0	0
Collectors Cabin	25,000	933	24,067	0	0	0	0
Cornish Way	170,000	2,426	30,000	137,574	0	0	0
Fakenham Connect	100,000	332	99,668	0	0	0	0
Bacton Car Park	60,000	592	59,408	0	0	0	0
North Walsham Heritage Action Zone	3,120,000	175	471,325	1,477,750	863,500	307,250	0
Public Convenience Improvements	600,000	197,577	402,423	0	0	0	0
Unit 1 & 2, Surf Lifesaving School, Cromer Promenade	55,000	0	0	55,000	0	0	0
Purchase of Property Services Vehicles	17,744	0	0	0	0	0	0
Car Park Ticket Machine Replacement Programme	275,000	0	0	85,500	110,000	79,500	0
Weybourne Car Park Public Convenience	16,000	0	0	16,000	0	0	0
	<b>6,550,605</b>	<b>1,156,449</b>	<b>2,204,718</b>	<b>1,811,443</b>	<b>973,500</b>	<b>386,750</b>	<b>0</b>
<b>Local Homes for Local Need</b>							
Disabled Facilities Grants	Annual programme	Annual programme	992,094	1,000,000	1,000,000	0	0
Parkland Improvements	100,000	13,124	86,876	0	0	0	0
Compulsory Purchase of Long Term Empty Properties	675,500	490,677	184,823	0	0	0	0
Shannoeks Hotel	477,887	53,152	424,735	0	0	0	0
Laundry Loke - Victory Housing	100,000	0	100,000	0	0	0	0
Community Housing Fund	2,098,261	574,384	569,543	477,167	477,167	0	0
Provision of Temporary Accommodation	670,560	173,613	496,947	0	0	0	0
Fakenham Extra Care	215,500	171,024	44,476	0	0	0	0
S106 Enabling	1,400,000	0	0	500,000	300,000	300,000	300,000
	<b>5,737,708</b>	<b>1,475,974</b>	<b>2,899,493</b>	<b>1,977,167</b>	<b>1,777,167</b>	<b>300,000</b>	<b>300,000</b>
<b>Climate, Coast and the Environment</b>							
Gypsy and Traveller Short Stay Stopping Facilities	1,417,533	1,388,576	28,957	0	0	0	0
Cromer Pier Structural Works - Phase 2	1,378,549	1,370,732	7,817	0	0	0	0
Cromer West Prom Chalets	655	655	0	0	0	0	0
Cromer Coast Protection Scheme	8,822,001	5,305,817	30,000	1,743,092	1,743,092	0	0
Coastal Erosion Assistance	90,000	41,203	48,797	0	0	0	0
Coastal Adaptations	247,493	0	247,493	0	0	0	0
Mundesley - Refurbishment of Coastal Defences	3,221,000	52,550	50,000	1,572,607	1,545,843	0	0
Cromer Pier - Steelworks and Improvements to Pavilion Theatre	1,315,883	1,215,883	100,000	0	0	0	0
Sea Palling Ramp	10,000	349	9,651	0	0	0	0
Bacton and Walcott Coastal Management Scheme	21,784,866	21,376,122	408,744	0	0	0	0
Replacement of Flood Gates at Cable Gap Bacton, The Ship Bacton & Walcott Post Office	45,500	0	45,500	0	0	0	0
	<b>38,333,480</b>	<b>30,751,887</b>	<b>976,959</b>	<b>3,315,699</b>	<b>3,288,935</b>	<b>0</b>	<b>0</b>
<b>Quality of Life</b>							
Holt Country Park Play Area	52,000	47,454	4,546	0	0	0	0
Steelwork Protection to Victory Pool and Fakenham Gym	27,500	33	0	27,467	0	0	0
Fakenham Gym	62,500	0	62,500	0	0	0	0
Splash Gym Equipment	1,013,000	376,698	636,302	0	0	0	0
North Walsham Artificial Grass Pitch	860,000	11,132	0	848,868	0	0	0

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/20 Expenditure	Updated Budget 2020/21	Updated Budget 2021/22	Updated Budget 2022/23	Updated Budget 2023/24	Updated Budget 2024/25
	£			£	£	£	£
Splash Leisure Centre Reprovision	12,697,000	2,829,974	5,867,287	3,999,739	0	0	0
Refurbishment of Chalets in Cromer and Sheringham	101,000	0	0	60,000	41,000	0	0
	<b>14,813,001</b>	<b>3,265,291</b>	<b>6,570,635</b>	<b>4,936,075</b>	<b>41,000</b>	<b>0</b>	<b>0</b>
<b>Customer Focus and Financial Sustainability</b>							
Administrative Buildings	1,565,678	1,515,678	50,000	0	0	0	0
Council Chamber and Committee Room Improvements	89,000	80,588	8,412	0	0	0	0
Environmental Health IT System Procurement	150,090	132,119	17,971	0	0	0	0
Purchase of Bins	646,895	406,895	80,000	80,000	80,000	0	0
User IT Hardware Refresh	275,000	106,622	58,378	55,000	55,000	0	0
Storage Hardware	60,000	42,433	17,567	0	0	0	0
Members IT	65,000	41,457	23,543	0	0	0	0
Back Scanning of Files	200,000	166,790	33,210	0	0	0	0
Electric Vehicle Charging Points	248,600	119,424	129,176	0	0	0	0
Waste vehicles	4,500,000	0	4,500,000	0	0	0	0
Housing Options System	20,000	650	19,350	0	0	0	0
Backup Network Upgrade	14,000	0	14,000	0	0	0	0
Cromer Office LED Lighting	60,000	0	0	60,000	0	0	0
Fire Wall Replacements	36,000	0	36,000	0	0	0	0
HR Information System - Implementation	0	0	0	0	0	0	0
Refurbishment of IT Training Room	15,000	0	15,000	0	0	0	0
Revenue & Benefits IT System Licences	101,000	0	101,000	0	0	0	0
Revenues & Benefits Civica (Open Revenues) System	0	0	0	0	0	0	0
Citizen App	45,000	0	45,000	0	0	0	0
Concerto Asset Management System	25,000	0	25,000	0	0	0	0
	<b>8,116,264</b>	<b>2,612,656</b>	<b>5,173,608</b>	<b>195,000</b>	<b>135,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL EXPENDITURE</b>	<b>73,551,057</b>	<b>39,262,258</b>	<b>17,825,413</b>	<b>12,235,384</b>	<b>6,215,602</b>	<b>686,750</b>	<b>300,000</b>
<b>Capital Programme Financing</b>							
Grants			2,533,592	5,096,449	4,762,435	209,750	0
Affordable Housing Contributions							
Other Contributions			0	500,000	300,000	300,000	300,000
Asset Management Reserve			184,668	137,574	0	0	0
Revenue Contribution to Capital (RCCO)			0	0	0	0	0
Capital Project Reserve			1,198,857	0	0	0	0
Other Reserves			2,016,442	477,167	477,167	0	0
Capital Receipts			2,524,567	2,024,454	676,000	177,000	0
Internal / External Borrowing			9,367,287	3,999,739	0	0	0
<b>TOTAL FINANCING</b>			<b>17,825,413</b>	<b>12,235,384</b>	<b>6,215,602</b>	<b>686,750</b>	<b>300,000</b>

Bid Title	Perm or One off	Prepared by	Sponsor	Total Estimated Project Costs	Estimated Costs				Funding Already Identified	Total Additional Funding Requested as part of Capital Budget	Annual Revenue Costs / (Income)	Comments
					2021/22	2022/23	2023/24	2024/25				
<b>Housing Strategy &amp; Delivery</b>												
S106 Enabling	P	Nicky Debbage/ Graham Connolly	Rob Young	1,400,000	500,000	300,000	300,000	300,000	1,400,000	0	0	Use of ring-fenced s106 commuted sums received in lieu of on-site affordable housing, to be used to enable affordable housing development.
<b>Leisure &amp; Locality Services</b>												
Car Park Ticket Machine Replacement Programme	O	Maxine Collis	Steve Blatch	275,000	85,500	110,000	79,500	0	0	275,000	0	To replace between 39 and 45 ticket machines over a likely two year phased installation plan. The ticket machines have reached their expected life span with increasing breakdowns and repairs. In addition, the technology in our current machines is now obsolete.
Refurbishment of NNDC Chalets in Cromer and Sheringham	O	Karl Read	Steve Hems	101,000	60,000	41,000	0	0	0	101,000	200	A full condition survey was undertaken in 2019. In response to this survey, there is now an urgent need to undertake a full refurbishment programme and upgrade to all chalets internally and externally. This work was needed in 2020, however due to Covid the works were postponed, and so the need to refurbish is now even greater.
<b>Property Services</b>												
Weybourne Car Park Public Convenience	O	Russell Tanner	Duncan Ellis	16,000	16,000	0	0	0	0	16,000	5,300	Installation of a cubicle waterless toilet at Weybourne Car Park to enhance facilities for users of this site.

Total Capital Project Bids

1,792,000	661,500	451,000	379,500	300,000	1,400,000	392,000	5,500
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392,000	To be funded from NNDC Resources
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Potential Revenue Implications:

Revenue Cost  
Investment Income Reduction and Minimum Revenue Provision  
Total Estimated Revenue Impact

2,750	5,500	5,500	5,500
2,750	5,500	5,500	5,500

## Reserves Statement 2021-22 onwards

Reserve	Purpose and Use of Reserve	Balance 01/04/20	Updated Budgeted Movement 2020/21	Committed but not allocated to Budgets 2020/21	Balance 01/04/21	Budgeted Movement 2021/22	Balance 01/04/22	Budgeted Movement 2022/23	Balance 01/04/23	Budgeted Movement 2023/24	Balance 01/04/24	Budgeted Movement 2024/25	Balance 01/04/25
		£	£	£	£	£	£	£	£	£	£	£	£
<b>General Fund - General Reserve</b>	A working balance and contingency, current recommended balance is £1.9 million.	<b>2,404,127</b>	(95,863)	(9,000)	<b>2,299,264</b>	(86,341)	<b>2,212,923</b>	(50,000)	<b>2,162,923</b>	(50,000)	<b>2,112,923</b>	0	<b>2,112,923</b>
<b>Earmarked Reserves:</b>													
Capital Projects	To provide funding for capital developments and purchase of major assets. This includes the VAT Shelter Receipt.	<b>1,303,796</b>	(1,198,857)		<b>104,939</b>	0	<b>104,939</b>	0	<b>104,939</b>	0	<b>104,939</b>	0	<b>104,939</b>
Asset Management	To support improvements to our existing assets as identified through the Asset Management Plan.	<b>954,190</b>	(211,668)		<b>742,522</b>	(142,574)	<b>599,948</b>	(15,000)	<b>584,948</b>	(5,000)	<b>579,948</b>	0	<b>579,948</b>
Benefits	To be used to mitigate any claw back by the Department of Works and Pensions following final subsidy determination. Timing of the use will depend on audited subsidy claims. Also included in this allocation are service specific grants for service improvements that have not yet been offset by expenditure.	<b>897,959</b>	(284,800)		<b>613,159</b>	0	<b>613,159</b>	0	<b>613,159</b>	0	<b>613,159</b>	0	<b>613,159</b>
Building Control	Building Control surplus ring-fenced to cover any future deficits in the service.	<b>212,481</b>	(44,441)		<b>168,040</b>	(28,876)	<b>139,164</b>	(28,906)	<b>110,258</b>	(28,906)	<b>81,352</b>	(28,906)	<b>52,446</b>
Business Rates	To be used for the support of local businesses and to mitigate impact of final claims and appeals in relation to business rates retention scheme.	<b>2,074,708</b>	(157,058)		<b>1,917,650</b>	(18,000)	<b>1,899,650</b>	(18,000)	<b>1,881,650</b>	(18,000)	<b>1,863,650</b>	0	<b>1,863,650</b>
Coast Protection	To support the ongoing coast protection maintenance programme and carry forward funding between financial years.	<b>238,293</b>	(37,958)		<b>200,335</b>	(42,039)	<b>158,296</b>	0	<b>158,296</b>	0	<b>158,296</b>	0	<b>158,296</b>
Communities	To support projects that communities identify where they will make a difference to the economic and social wellbeing of the area. Funded by a proportion of NCC element of second homes council tax.	<b>1,000,996</b>	(325,000)		<b>675,996</b>	(242,000)	<b>433,996</b>	(242,000)	<b>191,996</b>	0	<b>191,996</b>	0	<b>191,996</b>
Delivery Plan	To help achieve the outputs from the Corporate Plan and Delivery Plan.	<b>0</b>	2,355,706	(480,000)	<b>1,875,706</b>	(129,414)	<b>1,746,292</b>	(175,090)	<b>1,571,202</b>	(122,663)	<b>1,448,539</b>	(15,676)	<b>1,432,863</b>
Economic Development and Regeneration	Earmarked from previous underspends within Economic Development and Regeneration Budgets along with funding earmarked for Learning for Everyone.	<b>165,621</b>	(10,000)		<b>155,621</b>	0	<b>155,621</b>	0	<b>155,621</b>	0	<b>155,621</b>	0	<b>155,621</b>
Election Reserve	Established to meet costs associated with district council elections, to smooth the impact between financial years.	<b>3,000</b>	40,000		<b>43,000</b>	50,000	<b>93,000</b>	50,000	<b>143,000</b>	(110,000)	<b>33,000</b>	50,000	<b>83,000</b>
Enforcement Works	Established to meet costs associated with district council enforcement works including buildings at risk .	<b>112,973</b>	0	(7,872)	<b>105,101</b>	0	<b>105,101</b>	0	<b>105,101</b>	0	<b>105,101</b>	0	<b>105,101</b>
Environmental Health	Earmarking of previous underspends and additional income to meet Environmental Health initiatives.	<b>336,065</b>	(150,000)		<b>186,065</b>	0	<b>186,065</b>	0	<b>186,065</b>	0	<b>186,065</b>	0	<b>186,065</b>

## Reserves Statement 2021-22 onwards

Reserve	Purpose and Use of Reserve	Balance	Updated	Committed	Balance	Budgeted	Balance	Budgeted	Balance	Budgeted	Balance	Budgeted	Balance
		01/04/20	Budgeted	but not	01/04/21	Movement	01/04/22	Movement	01/04/23	Movement	01/04/24	Movement	01/04/25
		£	£	£	£	£	£	£	£	£	£	£	£
Environment Reserve	To fund expenditure relating to the Council's Green Agenda.	0	150,000		150,000	0	150,000	0	150,000	0	150,000	0	150,000
Grants	Revenue Grants received and due to timing issues not used in the year.	609,038	(73,605)		535,433	(25,104)	510,329	(25,104)	485,225	(14,655)	470,570	0	470,570
Housing	Previously earmarked for stock condition survey and housing needs assessment. Also now contains the balance of the Housing Community Grant funding received in 2016/17.	2,528,543	(575,642)		1,952,901	(328,010)	1,624,891	(527,167)	1,097,724	0	1,097,724	0	1,097,724
Land Charges	To mitigate the impact of potential income reductions.	308,526	0		308,526	0	308,526	0	308,526	0	308,526	0	308,526
Legal	One off funding for Compulsory Purchase Order (CPO) work and East Law Surplus.	196,119	(25,446)		170,673	(15,520)	155,153	0	155,153	0	155,153	0	155,153
Major Repairs Reserve	To provide provision for the repair and maintenance of the councils asset portfolio.	0	0		0	89,859	89,859	280,000	369,859	280,000	649,859	280,000	929,859
New Homes Bonus (NHB)	Established for supporting communities with future growth and development and Plan review*	292,207	(25,773)		266,434	(97,471)	168,963	(120,000)	48,963	0	48,963	0	48,963
Organisational Development	To provide funding for organisation development to create capacity within the organisation, including the provision and support for apprenticeships and internships.	269,041	(136,512)		132,529	(92,751)	39,778	(29,078)	10,700	0	10,700	0	10,700
Pathfinder	To help Coastal Communities adapt to coastal changes.	128,053	(20,500)		107,553	(21,627)	85,926	(3,417)	82,509	0	82,509	0	82,509
Planning	Additional Planning income earmarked for Planning initiatives including Plan Review.	159,684	20,000		179,684	36,728	216,412	50,000	266,412	50,000	316,412	50,000	366,412
Property Investment Fund	To provide funding for the acquisition and development of new land and property assets	999,476	(999,476)		0	0	0	0	0	0	0	0	0
Property Company	To fund potetial housing development and property related schemes	2,000,000			2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000
Restructuring & Invest to Save Proposals	To fund one-off redundancy and pension strain costs and invest to save initiatives. Transfers from this reserve will be allocated against business cases as they are approved. Timing of the use of this reserve will depend on when business cases are approved.	1,669,383	(680,516)		988,867	(21,014)	967,853	0	967,853	0	967,853	0	967,853
Sports Hall Equipment & Sports Facilities	To support renewals for sports hall equipment. Amount transferred in the year represents over or under achievement of income target.	2,640	0		2,640	0	2,640	0	2,640	0	2,640	0	2,640
<b>Total Reserves</b>		<b>18,866,917</b>	<b>(2,487,409)</b>	<b>(496,872)</b>	<b>15,882,636</b>	<b>(1,114,154)</b>	<b>14,768,482</b>	<b>(853,762)</b>	<b>13,914,720</b>	<b>(19,224)</b>	<b>13,895,496</b>	<b>335,418</b>	<b>14,230,914</b>

<b>Proposal</b>	<b>Feasibility and Constraints</b>	<b>Next Steps</b>	<b>Risks to implementation</b>
Planting trees as crops to generate income through sale of wood	Feasible to do under our current powers, but we are constrained in terms of the amount of Council land available to build up a large enough crop to make net income from. Needing to acquire land first would increase the payback period for this investment.	Investigate the potential of land already owned by the Council as a basis for generating a tree crop	No suitable land available  Land available all outside the Councils currently available budget
Make use of Green Investment Bonds to raise funds	This is within the Councils current powers to do, but will require some research as to the level of administration required.	Explore option with Councils Treasury Management Advisor.	Lack of uptake by the public limiting funds available for the Council to use
Tourist tax	This would require a change in primary legislation to implement so is currently not feasible	Lobby Government as to the benefits of allowing a tourist tax to be implemented	Legislation is not changed meaning this remains impossible to achieve
Increase of parking fees on a seasonal basis in peak areas	This is within the Council's current powers to do, and could be used to target primarily tourist areas. A large rise in one year is not likely to generate local support.	Investigate the potential additional income from a selection of car parks charging more over the summer months	Reduced usage due to increased fees  Local opposition from residents
Development of new Council car parks	The Council does not hold a large portfolio of land which is suitable for the development of new car parks, so would have to look at opportunities for acquiring land or acquiring ready-made car parks. This represents a significant financial barrier and would increase the payback period for the investment.	Investigate individual proposals for sites as they come forward	No suitable sites available  Cost of site conversation prohibitive  Competition with other car parks in the areas chosen  No overall increase in visitor usage, just spreads usage around

Increasing use of PV panels, to potentially include use over car parks	Feasible on new car parks, but could be prohibitively expensive to install on existing car parks.	Business cases will come forward for individual sites if the payback period is acceptable.	Capital costs too high to make implementation in some areas affordable
Charging for Public Conveniences in high tourism areas	Currently not feasible as there is no infrastructure in place to allow charging. There is a possibility to install it, but would come with a capital cost	Assess costs of installing charging infrastructure and calculate payback period. This can be used to inform a policy decision on charging for some public conveniences.	Infrastructure costs may be high  May increase 'toileting' in other areas to avoid a charge, creating clean-up costs and health and safety issues
Renting out of office space	Would possibly require condensing of staff within the building to provide areas which are rentable. Not feasible at the current time due to social distancing measures required in the office.	When social distancing eases, look at creating discrete areas of the office building capable of being rented out.	Office space not required for large tenants due to change in working practices following the COVID 19 pandemic  Large numbers of smaller tenants is harder and more expensive to manage, so would reduce net income generated
Promotion of use of Council Parking Permits	Feasible, parking permits are already in place	Look at how promotion might best reach residents to achieve greater uptake	Additional advertising not effective
Sublet staff canteen area to a catering business	Space is available, but the lack of certainty around future footfall due to the potential impact of COVID on the way we work may make this proposal less attractive to businesses. Possibility that there would be capital costs upfront	Assess the needs of the workforce within the building and make approaches to businesses if appropriate	Uptake of site may be poor  Rental achievable may be lower than hoped due to demand
Memorial forest/tree planting and benches	The space and land requirement for this could be prohibitive, but the idea is feasible providing	Investigate potential for land the Council already owns to support this, and what opportunities are	Maintenance of benches creating a strain on the revenue budget if not funded by initial contributions



	space could be acquired if needed.	available for land purchase if required. A business case showing a good payback period would be required if this route was chosen.	No land suitable for a price that makes this project economically viable  Poor uptake undermining business case
Recruitment processes to be reviewed to reduce expenditure where possible	Greater access to working at home may increase the pool of candidates available for positions at the Council, reducing the need for multiple recruitment processes for a single post.	The new working practices of the Council post-COVID will be used to assess the viability of this.	Remote working does not have the desired effect on our pool of candidates.
Paperless working expanded to more areas to reduce stationary and postage costs	Feasible in some services, others may have a statutory requirement to maintain paper working in some form	Review into services to identify further efficiencies	All feasible material efficiencies may already have been discovered
Use the Council Chamber as a court to allow local people better access and generate rental income	Potentially feasible, may come with prohibitive security or scheduling requirements	Further investigation into feasibility to be undertaken	Rental income achieved is outweighed by costs of security and administration

<u>Strengths</u>	<u>Weaknesses</u>	<u>Opportunities</u>	<u>Threats</u>
<ul style="list-style-type: none"> <li>• The Council have <b>skilled and experienced staff</b> needed to deliver the Corporate Plan objectives and a balanced budget</li> <li>• The Council has a <b>good track record of delivering savings</b> in line with a programme. Should this be required to balance the budget in the medium term, staff are in a good position to do this</li> <li>• The Council is part of <b>national benchmarking schemes</b> which allow best practice to be shared and trends in national pressures which might affect the Council to be identified early on</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Financial Management</b> at the Council needs improving if we are to meet the criteria of CIPFA's Financial Management Code. A culture of good financial management across all levels is needed, and financial sustainability must be integrated into every decision made.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Local Government Reorganisation</b> may present opportunities to work differently and provide joined up services</li> <li>• <b>Changes in workforce habits</b> may reduce the need for office space, travel and subsistence costs, and increase our access to qualified individuals who live all over the country who may be more likely to apply for jobs at the Council if remote working is embraced</li> <li>• <b>Low interest rates</b> mean borrowing is relatively cheap. If invest to save projects are needed to close the MTFS deficits, borrowing could be a cost effective way of funding some of these.</li> </ul>	<ul style="list-style-type: none"> <li>• The one year <b>Spending Round in 2020</b> means funding from central sources is uncertain in the medium term. The Council is reliant on this funding to balance the budget each year</li> <li>• The <b>Fair Funding Review</b> has the potential to drastically reduce the Council's funding streams, if more money is diverted to problem areas such as social care.</li> <li>• The <b>Business Rates Retention Review</b> may result in the Council retaining less above baseline growth, an income stream we rely on to balance our budget</li> <li>• <b>Local Council Tax Support Schemes</b> are currently funded through RSG which is disappearing. This represents a financial burden for the Council.</li> <li>• <b>Workforce costs</b> such as pay inflation continue to put</li> </ul>

			<p>pressure on the Councils budget</p> <ul style="list-style-type: none"> <li>• <b>Temporary Accommodation</b> costs continue to be high. The Council is working to reduce these by increasing the source of in-house temporary accommodation.</li> <li>• The <b>COVID 19 pandemic</b> represents a threat not only directly due to increasing costs and decreasing income, but also impacting the local economy, businesses and tourism. It will be months before the long term impact of the pandemic on the Council's MTFS can be assessed fully.</li> <li>• <b>The UK's relationship with the EU</b> is still uncertain in places. EU funding programmes have historically funded many projects in the Local Government sector, and this funding will now not be available</li> <li>• <b>Inflation</b> rates are low currently, but the Bank of England target rate is 2%. A</li> </ul>
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Appendix F – SWOT Analysis of current Budget and MTFS position

			<p>2% unfunded cost increase is significant in terms of impact</p> <ul style="list-style-type: none"><li>• <b>Low Interest Rates</b> mean the Councils investment portfolio does not provide the same level of contribution to the budget as in previous years</li></ul>
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## Capital Strategy 2021-22

- Summary:** This report sets out the Council's Capital Strategy for the year 2021-22. It sets out 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.
- Options Considered:** This report must be prepared to ensure the Council complies with the CIPFA Treasury Management and Prudential Codes.
- Conclusions:** The Council is required to approve a Capital Strategy to demonstrate compliance with the Codes and establishes the strategic framework for the management of the capital programme.
- Recommendations:** That Cabinet recommends to Full Council that;
- (a) The Capital Strategy and Prudential Indicators for 2021-22 are approved.
- Reasons for Recommendation:** Approval by Council demonstrates compliance with the Codes and provides a framework within which to consider capital investment decisions.

Cabinet Member(s)	Ward(s) affected: All
Contact Officer, telephone number and email: Lucy Hume, 01263 516246, lucy.hume@north-norfolk.gov.uk	

## 1 Introduction

- 1.1 The CIPFA *Prudential Code for Capital Finance in Local Authorities 2017* and *Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes 2017 Edition* require Local Authorities to publish a Capital Strategy each year. Under the provisions of the Local Government Act 2003, Local Authorities are required to operate within the guidance of the Prudential Code (the Code) with regard to capital investment decisions.

1.2 This Capital Strategy sets out the Council's approach and process to the deployment of capital resources in meeting the Council's overall aims and objectives. It also provides a strategic framework for the effective management and monitoring of the capital programme, within which the Council will work in formulating the strategies for individual services. It is a primary document for all capital decision making, together with the Corporate Plan and other strategies.

## **2 Capital Expenditure**

2.1 The Corporate Plan sets out what the Council intends to do between 2019 and 2023. It focuses on six priorities which will influence how we move forward:

- Local Homes for Local Need
- Boosting Business Sustainability and Growth
- Customer Focus
- Climate, Coast and the Environment
- Financial Sustainability and Growth
- Quality of Life

The Council's capital works can be used to help deliver these priorities.

2.2 All capital projects are considered and prioritised as part of the Council's overall budget process, with affordability in relation to the Medium Term Financial Strategy (MTFS) being a key issue. The revenue implications and funding of any approved bids are included within the Council's revenue budget forecasts to identify the resultant effects on future Council Tax levels.

2.3 The business case and options appraisal methodology is applied to all significant projects (those with a capital cost of over £50,000). The options appraisal should be undertaken by the relevant manager (project leader) initially.

2.4 The business case considers the full options appraisal as evidence to support the recommended option as required. The options analysis will cover elements such as risk, sensitivity and cost benefit analysis and will seek to identify the option that delivers maximum benefit at the lowest or most appropriate cost.

2.5 Projects that generate future income streams for the Council, for example industrial estates and other Commercialisation projects are also viewed positively within the evaluation process. The Asset Management Plan framework helps to identify these assets in order to ensure the revenue implications are again fully accounted for in the decision-making process for the disposal of assets.

- 2.6 The Current approved Capital Programme (as at December 2020) can be found as part of the Council's draft Budget papers (Appendix C1).

### **3 Medium and Long Term Funding Strategy**

- 3.1 There are a number of sources of funding available to the Council for capital schemes (capital grants/contributions, capital receipts, borrowing etc). Revenue funding is also available via a Revenue Contribution to Capital Outlay (RCCO), however it should be noted that the scope for using revenue resources for capital purposes is limited.
- 3.2 Funding from capital receipts is forecast for the next three years to ensure a level of internal resources is maintained and can support future projects. It should however be noted that these are only forecasts at the present time and anticipated balances at the end of the period are based on the current approved capital budget.
- 3.3 The current Capital Programme is funded from grants and contributions, capital receipts from the disposal of assets and from the Council's own reserves, internal and external borrowing. Whilst capital funding is available to invest in new assets or in improving existing assets, the impact on the revenue account due to the loss of investment income is always a key consideration.
- 3.4 The Council has access to short or long term borrowing if required to finance capital expenditure. Although business cases for new capital projects are modelled on the assumption that borrowing will be required (to reflect a 'worst case scenario' in terms of cost), the decision to borrow externally is ultimately a treasury one, and is made closer to the time when expenditure is actually incurred, taking into account available cash balances, the opportunity cost of investments, and the exposure to interest rate and credit risks.
- 3.5 Currently, the Council is expecting to borrow in future years to part fund the re-provision of Splash Leisure and Fitness Centre in Sheringham, and to provide waste collection vehicles for the new waste contract. Expenditure to date has been part funded through capital receipts, and part funded from internal borrowing. This borrowing may be externalised in the coming year due to the low interest rates.
- 3.6 It is a requirement of the new CIPFA code that the Council consider alternative means of financing if required. The Council is aware of the opportunities that may be realisable through a Private Finance Initiative (PFI). The Procurement Strategy includes guidance on appraising Private Public Partnerships in the context of service delivery, and emphasises that obtaining 'value for money' means choosing the optimum combination of whole life costs and benefits to meet the customer's requirements. This is not necessarily the lowest initial price option and requires an assessment of the ongoing revenue/resource implications as well as initial capital investment.

- 3.7 The Council recognises the importance of attracting ‘new money’ into the district and wherever possible supports match funding requests. When identifying and planning new schemes, the Council will try to maximise all external sources of finance without reducing the effectiveness of the scheme.

#### **4 Asset Management and Commercial Activities**

- 4.1 The Council has a diverse range of land and property held to meet its Corporate Objectives and values as outlined in the Council’s Corporate Plan. Land and property assets can play a key role in reducing Council budget deficits and generating both capital and revenue income. The Council can use its assets more effectively to meet tough financial targets both through reducing costs and generating income.
- 4.2 In the main the Council will adopt a “buy and hold” strategy for property investments. This is where the Council purchases an asset and lets it to generate revenue income, whilst retaining it for the long term. A long term investment is considered to be of 10 years and over. Whilst it cannot be guaranteed, in the long term a good overall rate of return is anticipated allowing for a cyclical property market.
- 4.3 In terms of development opportunities, the Council may seek to “buy and hold” assets for the medium term where it sees a strategic advantage of doing so, for example land assembly for town center regeneration or acquiring land to develop in a phased approach to minimise risk of oversupply and for cash flow purposes.
- 4.4 The Council may also seek to “buy and sell on” an asset in the short to medium term of between 1 – 5 years. For example, where there is opportunity to secure good terms or a low price enabling a surplus to be made from a sale or redevelopment.
- 4.5 Further information can be found in the Council’s Land and Property Acquisition Policy.
- 4.6 The Council seeks to achieve a spread of risk across a greater number of assets and by acquiring properties across the range of commercial property types, including: retail, leisure/tourism, office and industrial assets.
- 4.7 The Council has a small portfolio of commercial assets to rent within the district. These are identified within the Asset Management Plan as being held by the Council primarily for the purpose of generating income to support the Councils, revenue and capital budgets. Whilst generating income, returns and financial independence to support the delivery of services, there are a number of benefits to the Council, the community, tourist and business sector from the Council commercial portfolio including promoting strategic regeneration, increasing business rate and council tax income and supporting tourism.
- 4.8 Where assets are identified as being surplus to requirements and not achieving



required financial or service delivery performance targets, they can be considered for disposal to provide useable capital receipts, which can then be redirected to achieve the Council's objectives. Further information can be found in the Council's Disposal Policy.

4.9 The Council's Property Services Team has historically managed the Council property portfolio with support of the Finance team, Eastlaw and Economic Development. Different types of commercial property require different levels of resource to manage effectively. Business Centers with easy in and out terms, tend to be more management intensive due to the relatively high turnover of tenants, in comparison to the longer leases of industrial units, where typically tenants have responsibility for full maintenance/repairs and insuring.

4.10 Asset management undertaken includes:

- Rent collection and rent arrears management
- Service charge reviews and collection
- Building and grounds maintenance, testing of appliances and monitoring
- Tenant liaison
- Marketing and re-letting empty units
- Negotiating terms of rent reviews and new leases
- Expiry of leases, lease renewals and terminations
- Dilapidations

An increase to the portfolio will require additional resource to manage effectively which could be achieved by additional staff for internal management or appointing experienced commercial agents for external management. Assets held outside of the district would require external resource to manage the assets effectively. In the coming months, the Council will be undertaking surveys across its asset portfolio in order to identify areas for investment in terms of repairs and ongoing maintenance. This will inform future year's Revenue budgets and ensure the ongoing viability of the asset portfolio.

4.11 Successful delivery of the Council's vision for Capital investment relies on the skills and culture of the organisation being appropriate. Members, Statutory Officers, and those with decision making powers keep their relevant knowledge up-to-date through CPD schemes, workshops with treasury advisers and other relevant bodies and networking with other authorities to share best practice. Information is disseminated between parties within the organisation when appropriate.

## **5 Debt Management and MRP Statement**

5.1 Where a local authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as the Minimum Revenue Provision (MRP). There has been no statutory minimum amount to be applied since 2008, although the Local Government Act 2003 does require authorities to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision 2012, which is currently undergoing a revision,

subject to consultation.

- 5.2 The Guidance requires that the Council approve an Annual MRP Statement in advance of each financial year, and identifies a number of options for calculation of a prudent provision for MRP. Whilst there are four alternative methods available for this calculation, only two apply to new borrowing under the Prudential system for which no Government support is being given, i.e. borrowing which is intended to be self-financed.
- 5.3 All Council decisions made in relation to capital expenditure will be reviewed on their own merits and the most equitable treatment will be introduced in respect of the financing of these schemes. For the purposes of existing schemes and those proposed for the coming financial years where borrowing has been assumed, the Council will be applying the Asset Life Basis (Option 3 under the DCLG Guidance). This allows MRP to be charged to the revenue account across the estimated life of the assets that are being funded, in accordance with the regulations.
- 5.4 For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational.

## **5 Prudential Indicators**

- 5.1 Under the Prudential Code the Council is required to set and approve a range of performance indicators each year in line with the budget and Treasury Management Strategy, and to monitor them during the year. Under these arrangements local authorities are allowed to enter into borrowing to support capital spending as long as they are able to demonstrate that they can afford to do so.
- 5.2 *Authorised Limit for External Debt*

The Council has an integrated Treasury Management Strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council, and not just those arising from capital spending reflected in the CFR. The Council is required to set for the coming year and the following two financial years an authorised limit for its total gross external debt, separately identifying borrowing from other long term liabilities. The Authorised Limit sets the maximum level of external debt on a gross basis (i.e. excluding investments) for the Council. It is measured against all external debt items (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). The indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved Treasury

Management policy statement and practices. The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>
Authorised limit for borrowing	28.400	28.400	28.400	28.4000
Authorised limit for other long-term liabilities	3.000	3.000	3.000	3.000
<b>Authorised limit for external debt</b>	31.400	31.400	31.400	31.400

### 5.3 *Operational Boundary for External Debt*

The Council is required to set for the forthcoming financial year and the following two financial years an operational boundary for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. The Operational Boundary is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario, and without the additional headroom included within the Authorised Limit for unusual cash movements.

	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>
Operational boundary for borrowing	23.530	23.530	23.530	23.530
Operational boundary for other long-term liabilities	2.000	2.000	2.000	2.000
<b>Operational boundary for external debt</b>	25.530	25.530	25.530	25.530

### 5.4 *Capital Expenditure*

Local Authorities are required by the Prudential Code to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax. The Council is required to make reasonable estimates of the total capital expenditure that it plans to incur during the forthcoming year and at least the following two financial years.

	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25</b>
<b>Estimated</b>	12.219	6.215	0.686	0.300

<b>Capital Expenditure</b>				
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### 5.5 *Capital Financing Requirement*

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and financing. The Council is required to make reasonable estimates of the total capital financing requirement at the end of the forthcoming financial year and the following two years as shown in the table below. The total CFR indicated in the table relates in part to vehicles and equipment used on the Council's refuse and car park management contracts. These are recognized under IFRS accounting regulations which require equipment on an embedded finance lease to be recognized on the balance sheet. The CFR takes into consideration the Cabinet decision to provide loan advances to Registered Providers under the Local Investment Strategy. Although initially this will increase the CFR, the capital receipts generated by the annual repayments on the loans will be applied to reduce the CFR across subsequent years. This is a key indicator for prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>
CFR	15.130	14.110	13.090	12.070
Less: Other Debt Liabilities	0.000	0.000	0.000	0.000
<b>Estimated Capital Financing Requirement</b>	15.130	14.110	13.090	12.070

### 5.6 *Proportion of Financing Costs to Net Revenue Stream*

The Council is required to estimate for the following financial year and the following two years the proportion of financing costs to net revenue stream. This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The definition of financing costs is set out in the Prudential Code and is based on the costs net of investment income.

	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>
Financing cost (net)	(0.860)	(0.975)	(0.984)	(1.080)

Net Revenue Stream	17.149	15.911	15.863	16.291
<b>Ratio</b>	-5.02%	-6.13%	-6.19%	-6.63%

## 6 Links to other Strategies and Plans

6.1 The Council has fully integrated its Capital Strategy as part of its strategic financial planning process and this policy influences both the production of the MTFs and the capital and revenue budget planning process. The Strategy is also linked to the other main asset related policies, namely the Asset Management Plan, the Land and Property Acquisition Policy, the Commercial Property Strategy, the Land and Property Disposals Policy.

6.2 The Treasury Management Strategy details the Council's treasury management arrangements to manage the Council's cash flow, including the anticipated use of reserves, so as to maximise income from investments and minimise interest payments on borrowing, whilst minimising the risk to the Council's assets. This strategy can influence the potential receipts available for funding capital and will also directly inform any borrowing decisions for capital purposes.

6.3 The Procurement Strategy seeks to ensure that Value for Money is achieved in all of the Council's procurement decision-making activities and systems. The guidance should be applied by all Officers in conjunction with the requirements incorporated within the Council's Contract Standing Orders and Financial Regulations and has great relevance to preparing capital bids.

6.4 The Capital Strategy is also aligned with the Risk Management Strategy, and managers are required to consider risk when completing the standard business case pro-forma.

**7 Financial Implications and Risks** - The financial implications and risks of any capital investment will be included as part of the budget process and business case preparation in relation to individual schemes and proposals coming forward.

**8 Sustainability** – None as a direct consequence of this report.

**9 Equality and Diversity** - None as a direct consequence of this report.

**10 Section 17 Crime and Disorder considerations** - None as a direct consequence of this report.

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## North Norfolk District Council Investment Strategy 2021/22

Summary:	This report sets out details of the Council's investment activities and presents a strategy for the prudent investment of the Council's resources.
Options Considered:	Alternative investment and debt options are continuously appraised by the Council's treasury advisors, Arlingclose and all appropriate options are included within this Strategy.
Conclusions:	The preparation of this Strategy is necessary to comply with the guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG).
Recommendations:	That the Council be asked to RESOLVE that The Investment Strategy is approved.
Reasons for Recommendation:	The Strategy provides the Council with a flexible investment strategy enabling it to respond to changing market conditions.

Cabinet Member(s) Cllr E Seward	Ward(s) affected: All
Contact Officer, telephone number and email: Lucy Hume, 01263 516246	

### Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy meets the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

The Corporate Plan sets out what the Council intends to do between 2019 and 2023. It focuses on six priorities which will influence how we move forward:

- Local Homes for Local Need

- Boosting Business Sustainability and Growth
- Customer Focus
- Climate, Coast and the Environment
- Financial Sustainability and Growth
- Quality of Life

The Council's investments can be used to help deliver these priorities.

### **Treasury Management Investments**

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £34.8m and £46.2m during the 2021/22 financial year.

**Contribution:** The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

**Further details:** Full details of the Authority's policies and its plan for 2021/22 for treasury management investments are covered in a separate document, the treasury management strategy.

### **Service Investments: Loans**

**Contribution:** The Council may lend money to its suppliers, local businesses, local charities, housing associations, local residents and its employees to support local public services and stimulate local economic growth. The Council is currently lending to Broadland Housing Association at a commercial rate of interest to support the provision of affordable housing within North Norfolk. The income forms part of the Council's interest budget for the year and supports the delivery of Council services. In the 2016/17 financial year, the Council received a grant from Central Government to support community housing. It is the intention that part of this fund will form a loans fund to allow community initiative around housing to be supported and the income to be recycled. The rates of interest are likely to be below commercial rates and so represent soft loans. To date, no loans of this nature have been made from the fund.

**Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure



that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

*Table 1: Loans for service purposes in £ millions*

Category of borrower	31.3.2020 actual			2021/22
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Housing associations	2.896	0.003	2.893	£10m
<b>TOTAL</b>	<b>2.896</b>	<b>0.003</b>	<b>2.893</b>	<b>£10m</b>

Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts are shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

**Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding service loans by using advisors and quality financial press to assesses the market that the investment will be competing in, the nature and level of competition, along with expectations on how the market/customer needs will evolve over time, barriers to entry and exit and any ongoing investment requirements. The quality of advice is moderated by frequently subjecting the contracts to tender. Risk assessments include reference to credit ratings, but are not the sole indicator of risk used. Credit ratings are actively monitored by advisors and changes are relayed to the Authority using an alert system. Other information, such as credit default swaps, are used to assess risk.

### **Service Investments: Shares**

**Contribution:** The Council may invest in the shares of its suppliers, and local businesses to support local public services and stimulate local economic growth. At the present time, the Council does not hold these type of investments.

**Security:** One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

*Table 2: Shares held for service purposes in £ millions*

	31.3.2020 actual	2021/22

Category of company	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Subsidiaries	Nil	Nil	Nil	£5m
Suppliers	Nil	Nil	Nil	£5m
Local businesses	Nil	Nil	Nil	£5m
<b>TOTAL</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>£15m</b>

**Risk assessment:** The approach is very similar to that of the service loans, the Authority assesses the risk of loss before entering into and whilst holding shares by using advisors and quality financial press to assesses the market that the investment will be competing in, the nature and level of competition, along with expectations on how the market/customer needs will evolve over time, barriers to entry and exit and any ongoing investment requirements. The quality of advice is moderated by frequently subjecting the contracts to tender. Risk assessments include reference to credit ratings, but are not the sole indicator of risk used. Credit ratings are actively monitored by advisors and changes are relayed to the Authority using an alert system. Other information, such as credit default swaps, are used to assess risk.

**Liquidity:** The Council actively monitors the availability of cash, using established cash flow procedures to inform decisions around the maximum that may be committed over any given time horizon.

**Non-specified Investments:** Shares are the only investment type that the Authority has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Authority's upper limits on non-specified investments. The Authority has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

### **Commercial Investments: Property**

**Contribution:** The Council invests directly in local commercial property with the intention of making a profit that will be spent on local public services. The Council currently holds two main investment properties. The depot building at Grove Lane, which is rented out to a private sector developer and Fair Meadow House, a property used for short term holiday let accommodation. Fair Meadow House provides rental income for the Council, but also supports the tourist offer within North Norfolk.

*Table 3: Property held for investment purposes in £ millions*

Property	Actual	31.3.2020 actual	31.3.2021 expected
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	<b>Purchase cost</b>	<b>Gains or (losses)</b>	<b>Value in accounts</b>	<b>Gains or (losses)</b>	<b>Value in accounts</b>
Grove Lane Depot		0.014	0.391	-	0.391
Fair Meadow House	0.582	(0.076)	0.441	-	0.441
<b>TOTAL</b>	<b>0.582</b>	<b>(0.062)</b>	<b>0.832</b>	<b>-</b>	<b>0.832</b>

**Security:** In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

A fair value assessment of the Authority's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2020/21 year end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

**Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding property investments by using advisors and quality financial/property press to assesses the market that the investment will be competing in, the nature and level of competition, along with expectations on how the market/customer needs will evolve over time, barriers to entry and exit and any ongoing investment requirements. We have qualified staff that will consider the local market and also have a number of external advisors and agents who we seek advice from where appropriate. This also extends to national advice although the Council's current strategy is to invest within the local area. Risk assessments include reference to credit ratings, but are not the sole indicator of risk used. Credit ratings are actively monitored by advisors and changes are relayed to the Authority using an alert system.

**Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Authority maintains a balanced portfolio of investments, with short term investments allowing for faster liquidation should it be required.

### **Loan Commitments and Financial Guarantees**

Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Authority and are included here for completeness.

The Authority has not currently contractually committed to make any loans or guaranteed any loans and has no current plans to do this.

### **Proportionality**

The Authority plans to become dependent on profit generating investment activity to achieve a balanced revenue budget. Table 4 below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Authority is dependent on achieving the expected net profit from investments over the lifecycle of the Medium Term Financial Plan. Should it fail to achieve the expected net profit, the Authority will in the short term use available reserve balances to meet the shortfall, while a full review of service provision is undertaken.

*Table 4: Proportionality of Investments*

	<b>2019/20 Actual</b>	<b>2020/21 Forecast</b>	<b>2021/22 Budget</b>	<b>2022/23 Budget</b>	<b>2023/24 Budget</b>
Gross service expenditure	67.249	61.260	61.473	62.139	62.293
Investment income	1.295	1.372	1.015	1.120	1.120
Proportion	1.93%	2.24%	1.65%	1.80%	1.80%

### **Borrowing in Advance of Need**

Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Authority has chosen to follow this guidance.

### **Capacity, Skills and Culture**

**Elected members and statutory officers:** Members and Statutory officers attend regular training on Treasury Investment principles and have access to informed officers who are required to keep up with CPD requirements by their professional bodies. The individual business cases allow Members to assess individual assessments in the context of the strategic objectives and risk profile of the local authority; and enable them to understand how these decisions have changed the overall risk exposure of the local authority.

**Commercial deals:** The Council's Asset Management Plan is closely linked to the Corporate Plan and the Capital Strategy which contains the Prudential Indicators. We have qualified staff and support from external advisors to support with property transactions and negotiations. The Estates team are aware of the various strategy documents and the requirements contained therein, this also covers the prudential framework and the regulatory regime in which the Council operates and is

supplemented by external training and Continuing Professional Development where appropriate.

**Corporate governance:** Budgets for investment purchases are agreed by Full Council in line with corporate objectives. A £2m property investment fund was agreed in February 2018, after being subject to scrutiny by Members. Business Cases will either come forward to Cabinet (if not time sensitive) or an Asset Management Working Party, which is a cross-party subsection of the Overview and Scrutiny Committee. Treasury Investments are subject to governance checks through the agreement of the Treasury Strategy for the year, as well as half-yearly updates.

### **Investment Indicators**

The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

**Total risk exposure:** The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans.

*Table 5: Total investment exposure in £millions*

<b>Total investment exposure</b>	<b>31.03.2020 Actual</b>	<b>31.03.2021 Forecast</b>	<b>31.03.2022 Forecast</b>
Treasury management investment	43.888	68.469	36.894
Service investments: Loans	2.827	2.692	2.423
Commercial investments: Property	0.832	0.832	0.832
<b>TOTAL INVESTMENTS</b>	<b>47.547</b>	<b>71.993</b>	<b>40.149</b>
Commitments to lend	0.00	0.00	0.00
Guarantees issued on loans	0.00	0.00	0.00
<b>TOTAL EXPOSURE</b>	<b>48.768</b>	<b>45.712</b>	<b>43.581</b>

**How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing.

The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

*Table 6: Investments funded by borrowing in £millions*

<b>Investments funded by borrowing</b>	<b>31.03.2020 Actual</b>	<b>31.03.2021 Forecast</b>	<b>31.03.2022 Forecast</b>
Treasury management investments	Nil	Nil	Nil
Service investments: Loans	Nil	Nil	Nil
Commercial investments: Property	Nil	Nil	Nil
<b>TOTAL FUNDED BY BORROWING</b>	Nil	Nil	Nil

**Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

*Table 7: Investment rate of return (net of all costs)*

<b>Investments net rate of return</b>	<b>2019/20 Actual</b>	<b>2020/21 Forecast</b>	<b>2021/22 Forecast</b>
Treasury management investments	2.97%	1.97%	2.62%
Service investments: Loans	3.8%	3.8%	3.8%
Commercial investments: Property	3.72%	2.82%	5.12%

*Table 8: Other investment indicators*

<b>Indicator</b>	<b>2019/20 Actual</b>	<b>2020/21 Forecast</b>	<b>2021/22 Forecast</b>
Debt to net service expenditure ratio	Nil	Nil	Nil
Net Commercial income to net service expenditure ratio	0.16%	0.13%	0.24%

## Treasury Management Strategy Statement 2021/22

### Introduction

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

### External Context

**Economic background:** The impact on the UK from coronavirus, lockdown measures, the rollout of vaccines, as well as the new trading arrangements with the European Union (EU), will remain major influences on the Authority's treasury management strategy for 2021/22.

The Bank of England (BoE) maintained Bank Rate at 0.10% in December 2020 and Quantitative Easing programme at £895 billion having extended it by £150 billion in the previous month. The Monetary Policy Committee (MPC) voted unanimously for both, but no mention was made of the potential future use of negative interest rates. In the November Monetary Policy Report (MPR) forecasts, the Bank expects the UK economy to shrink -2% in Q4 2020 before growing by 7.25% in 2021, lower than the previous forecast of 9%. The BoE also forecasts the economy will now take until Q1 2022 to reach its pre-pandemic level rather than the end of 2021 as previously forecast. By the time of the December MPC announcement, a COVID-19 vaccine was approved for use, which the Bank noted would reduce some of the downside risks to the economic outlook outlined in the November MPR.

UK Consumer Price Inflation (CPI) for November 2020 registered 0.3% year on year, down from 0.7% in the previous month. Core inflation, which excludes the more volatile components, fell to 1.1% from 1.5%. The most recent labour market data for the three months to October 2020 showed the unemployment rate rose to 4.9% while the employment rate fell to 75.2%. Both measures are expected to deteriorate further due to

the ongoing impact of coronavirus on the jobs market, particularly when the various government job retention schemes start to be unwound in 2021, with the BoE forecasting unemployment will peak at 7.75% in Q2 2021. In October, the headline 3-month average annual growth rate for wages were 2.7% for total pay and 2.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up by 1.9% while regular pay was up 2.1%.

GDP growth rebounded by 16.0% in Q3 2020 having fallen by -18.8% in the second quarter, with the annual rate rising to -8.6% from -20.8%. All sectors rose quarter-on-quarter, with dramatic gains in construction (41.2%), followed by services and production (both 14.7%). Monthly GDP estimates have shown the economic recovery slowing and remains well below its pre-pandemic peak. Looking ahead, the BoE's November MPR forecasts economic growth will rise in 2021 with GDP reaching 11% in Q4 2021, 3.1% in Q4 2022 and 1.6% in Q4 2023.

GDP growth in the euro zone rebounded by 12.7% in Q3 2020 after contracting by -3.7% and -11.8% in the first and second quarters, respectively. Headline inflation, however, remains extremely weak, registering -0.3% year-on-year in November, the fourth successive month of deflation. Core inflation registered 0.2% y/y, well below the European Central Bank's (ECB) target of 'below, but close to 2%'. The ECB is expected to continue holding its main interest rate of 0% and deposit facility rate of -0.5% for some time but expanded its monetary stimulus in December 2020, increasing the size of its asset purchase scheme to €1.85 trillion and extended it until March 2022.

The US economy contracted at an annualised rate of 31.4% in Q2 2020 and then rebounded by 33.4% in Q3. The Federal Reserve maintained the Fed Funds rate at between 0% and 0.25% and announced a change to its inflation targeting regime to a more flexible form of average targeting. The Fed also provided strong indications that interest rates are unlikely to change from current levels over the next three years.

Former vice-president Joe Biden won the 2020 US presidential election. Mr Biden is making tackling coronavirus his immediate priority and will also be reversing several executive orders signed by his predecessor and take the US back into the Paris climate accord and the World Health Organization.

**Credit outlook:** After spiking in late March as coronavirus became a global pandemic and then rising again in October/November, credit default swap (CDS) prices for the larger UK banks have steadily fallen back to almost pre-pandemic levels. Although uncertainly around COVID-19 related loan defaults lead to banks provisioning billions for potential losses in the first half of 2020, drastically reducing profits, reported impairments for Q3 were much reduced in some institutions. However, general bank profitability in 2020 and 2021 may be significantly lower than in previous years.

The credit ratings for many UK institutions were downgraded on the back of downgrades to the sovereign rating. Credit conditions more generally though in banks and building societies have tended to be relatively benign, despite the impact of the pandemic.



Looking forward, the potential for bank losses to be greater than expected when government and central bank support starts to be removed remains a risk, suggesting a cautious approach to bank deposits in 2021/22 remains advisable.

**Interest rate forecast:** The Authority's treasury management adviser Arlingclose is forecasting that BoE Bank Rate will remain at 0.1% until at least the first quarter of 2024. The risks to this forecast are judged to be to the downside as the BoE and UK government continue to react to the coronavirus pandemic and the new EU trading arrangements. The BoE extended its asset purchase programme to £895 billion in November while keeping Bank Rate on hold and maintained this position in December. However, further interest rate cuts to zero, or possibly negative, cannot yet be ruled out but this is not part of the Arlingclose central forecast.

Gilt yields are expected to remain very low in the medium-term while short-term yields are likely to remain below or at zero until such time as the BoE expressly rules out the chance of negative interest rates or growth/inflation prospects improve. The central case is for 10-year and 20-year to rise to around 0.60% and 0.90% respectively over the time horizon. The risks around the gilt yield forecasts are judged to be broadly balanced between upside and downside risks, but there will almost certainly be short-term volatility due to economic and political uncertainty and events.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix A.

For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate of 2.38%, and that new long-term loans will be borrowed at an average rate of 1.24%.

## **Local Context**

On 31<sup>st</sup> December 2020, the Authority held £39.8m of treasury investments. This is set out in further detail at **Appendix B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

*Table 1: Balance sheet summary and forecast*

	<b>31.3.20 Actual £m</b>	<b>31.3.21 Estimate £m</b>	<b>31.3.22 Forecast £m</b>	<b>31.3.23 Forecast £m</b>	<b>31.3.24 Forecast £m</b>
General Fund CFR	2.143	10.971	13.957	12.943	11.929
Less: External borrowing *	0	0	(12.010)	(11.265)	(10.520)
<b>Internal borrowing</b>	<b>2.143</b>	<b>10.971</b>	<b>1.947</b>	<b>1.678</b>	<b>1.408</b>
Less: Usable reserves	-23.455	-16.840	-15.922	-15.269	-14.981
Less: Working capital	-15.410	-15.410	-15.410	-15.410	-15.410
<b>Treasury investments</b>	<b>36.722</b>	<b>21.279</b>	<b>29.385</b>	<b>29.000</b>	<b>28.983</b>

\*shows only loans to which the Authority is committed and excludes optional refinancing

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment.

The Authority is currently debt free although its capital expenditure plans do currently imply a need to borrow over the forecast period. Investments are forecast to fall as capital receipts are used to finance capital expenditure.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2021/22.

### **Borrowing Strategy**

The Authority currently has no borrowing, due to increased cash inflows associated with COVID related central government payments. This is a decrease of £7.5 million on the previous year, where short term loans were held as part of its strategy for funding temporary funding temporary shortfalls in cash flow. The balance sheet forecast in table 1 shows that the Authority expects to borrow up to £12.010m in 2021/22 to support the capital programme. The Authority may also borrow additional sums to pre-fund future capital years' requirements, providing this does not exceed the authorised limit for borrowing.

**Objectives:** The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

**Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2021/22 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The Authority has previously raised long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Authority intends to avoid this activity in order to retain its access to PWLB loans.

Alternatively, the Authority may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority may borrow further short-term loans to cover unplanned cash flow shortages.

**Sources of borrowing:** The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Norfolk Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

**Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

**Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

**Short-term and variable rate loans:** These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure

limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk (see section below).

**Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

### **Treasury Investment Strategy**

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's treasury investment balance has ranged between £32.4 and £107.2 million; the upper range extraordinarily high due to the COVID payments received from central government for local business grants. Investment balances levels are expected to return to prior year levels with an upper range level *circa* £40 million, but is unpredictable due to the continuing COVID situation.

**Objectives:** The CIPFA Code requires the Authority to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

**Negative interest rates:** The COVID-19 pandemic has increased the risk that the Bank of England will set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. Since investments cannot pay negative income, negative rates will be applied by reducing the value of investments. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

**Strategy:** Given the increasing risk and very low returns from short-term unsecured bank investments, the Authority aims to further diversify into more secure and/or higher yielding asset classes during 2021/22. A dwindling proportion of the Authority's surplus cash remains invested in short-term unsecured bank deposits, and money market funds. This diversification will represent a continuation of the current strategy.

**Business models:** Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its treasury investments by a business model of

collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

**Approved counterparties:** The Authority may invest its surplus funds with any of the counterparty types in table 2 below, subject to the limits shown.

*Table 2: Treasury investment counterparties and limits*

<b>Sector</b>	<b>Time limit</b>	<b>Counterparty limit</b>	<b>Sector limit</b>
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£6m	Unlimited
Secured investments	25 years	£6m	Unlimited
Banks (unsecured)	5 years	£2m	£5m
Building societies (unsecured)	5 years	£2m	£5m
Registered providers (unsecured)	20 years	£2m	£10m
Money market funds	n/a	£6m	£20m
Strategic pooled funds	n/a	£6m	Unlimited
Real estate investment trusts	n/a	£6m	£10m
Other investments	20 years	£2m	£5m

This table must be read in conjunction with the notes below

**Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

**Government:** Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

**Secured investments:** Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be

a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

**Banks and building societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

**Registered providers (unsecured):** Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

**Money market funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Authority will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

**Strategic pooled funds:** Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

**Real estate investment trusts:** Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

**Other investments:** This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Authority's investment at risk.

**Operational bank accounts:** The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £2 million per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

**Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

**Other information on the security of investments:** The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with

the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

**Investment limits:** The Authority has revenue reserves available to cover investment losses. In order that only an acceptable level of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £6 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

*Table 3: Additional investment limits*

	<b>Cash limit</b>
Any group of pooled funds under the same management	£15m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£6m per country

**Liquidity management:** The Authority uses purpose-built cash flow forecasting tools to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium-term financial plan and cash flow forecast.

### **Treasury Management Indicators**

The Authority measures and manages its exposures to treasury management risks using the following indicators.

**Security:** The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

<b>Credit risk indicator</b>	<b>Target</b>
Portfolio average credit score	6.0

**Liquidity:** The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount it can borrow each quarter without giving prior notice.



Liquidity risk indicator	Target
Total sum borrowed in past 3 months without prior notice	£10m

**Interest rate exposures:** This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£600,000
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£600,000

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

**Maturity structure of borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

**Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2021/22	2022/23	2023/24
Limit on principal invested beyond year end	£50m	£50m	£50m

### **Related Matters**

The CIPFA Code requires the Authority to include the following in its treasury management strategy.

**Financial derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Authority will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

**Markets in Financial Instruments Directive:** The Authority has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Authority's treasury management activities, the Chief Financial Officer believes this to be the most appropriate status.

### **Financial Implications**

The budget for investment income in 2021/22 is £1.0 million, based on an average investment portfolio of £39.4 million at an interest rate of 2.6%. The budget for debt interest paid in 2021/22 is £0.2 million, based on an average debt portfolio of £13.5 million at an average interest rate of 1.15%. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

To cover the risk of capital losses or higher interest rates payable in future years, a treasury management reserve has been established. Where investment income exceeds budget, e.g. from higher risk investments including pooled funds, or debt interest paid

falls below budget, e.g. from cheap short-term borrowing, available revenue savings will be transferred to the reserve.

### **Other Options Considered**

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Financial Officer, having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

<b>Alternative</b>	<b>Impact on income and expenditure</b>	<b>Impact on risk management</b>
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

## **Appendix A – Arlingclose Economic & Interest Rate Forecast – December 2020**

### **Underlying assumptions:**

- The medium-term global economic outlook has improved with the distribution of vaccines, but the recent upsurge in coronavirus cases has worsened economic prospects over the short term.
- Restrictive measures and further lockdowns are likely to continue in the UK and Europe until the majority of the population is vaccinated by the second half of 2021. The recovery period will be strong thereafter, but potentially longer than previously envisaged.
- Signs of a slowing UK economic recovery were already evident in UK monthly GDP and PMI data, even before the second lockdown and Tier 4 restrictions. Employment is falling despite an extension to support packages.
- The need to support economic recoveries and use up spare capacity will result in central banks maintaining low interest rates for the medium term.
- Brexit will weigh on UK activity. The combined effect of Brexit and the after-effects of the pandemic will dampen growth relative to peers, maintain spare capacity and limit domestically generated inflation. The Bank of England will therefore maintain loose monetary conditions for the foreseeable future.
- Longer-term yields will also remain depressed, anchored by low central bank policy rates, expectations for potentially even lower rates and insipid longer-term inflation expectations. There is a chance yields may follow a slightly different path in the medium term, depending on investor perceptions of growth and inflation, or the deployment of vaccines.

### **Forecast:**

- Arlingclose expects Bank Rate to remain at the current 0.10% level.
- Our central case for Bank Rate is no change, but further cuts to zero, or perhaps even into negative territory, cannot be completely ruled out, especially with likely emergency action in response to a no-deal Brexit.
- Gilt yields will remain low in the medium term. Shorter term gilt yields are currently negative and will remain around zero or below until either the Bank expressly rules out negative Bank Rate or growth/inflation prospects improve.
- Downside risks remain, and indeed appear heightened, in the near term, as the government reacts to the escalation in infection rates and the Brexit transition period ends.

	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
<b>Official Bank Rate</b>													
Upside risk	0.00	0.00	0.15	0.15	0.15	0.15	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Downside risk	0.30	0.40	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>3-month money market r.</b>													
Upside risk	0.05	0.05	0.10	0.10	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.10	0.10	0.15	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Downside risk	0.30	0.40	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>1yr money market rate</b>													
Upside risk	0.05	0.05	0.10	0.10	0.15	0.20	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Arlingclose Central Case	0.15	0.15	0.25	0.25	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Downside risk	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
<b>5yr gilt yield</b>													
Upside risk	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70	0.70
Arlingclose Central Case	0.00	0.00	0.05	0.10	0.15	0.20	0.20	0.20	0.25	0.25	0.25	0.25	0.25
Downside risk	0.40	0.45	0.50	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
<b>10yr gilt yield</b>													
Upside risk	0.30	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70	0.70
Arlingclose Central Case	0.25	0.30	0.35	0.35	0.40	0.40	0.45	0.45	0.50	0.55	0.55	0.55	0.60
Downside risk	0.50	0.50	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
<b>20yr gilt yield</b>													
Upside risk	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70	0.70
Arlingclose Central Case	0.70	0.70	0.75	0.75	0.75	0.80	0.80	0.85	0.85	0.85	0.85	0.90	0.90
Downside risk	0.30	0.30	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
<b>50yr gilt yield</b>													
Upside risk	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70	0.70
Arlingclose Central Case	0.60	0.60	0.65	0.65	0.65	0.70	0.70	0.75	0.75	0.75	0.75	0.80	0.80
Downside risk	0.30	0.30	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40

**PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%**

**PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%**

**Appendix B – Existing Investment & Debt Portfolio Position at 31/12/2020**

	<b>Actual Portfolio £m</b>	<b>Average Rate %</b>
<b>Total gross external debt</b>	<b>n/a</b>	<b>n/a</b>
<b>Treasury investments:</b>		
Money Market Funds	32.000	0.10%
Pooled funds	7.820	3.09%
<b>Total treasury investments</b>	<b>39.820</b>	<b>1.88%</b>
<b>Net debt</b>	<b>39.820</b>	

## Officer Delegated Decisions (January to February 2021)

Summary: This report details the decisions taken by Senior Officers under delegated powers from 1<sup>st</sup> January 2021.

Options considered: Not applicable.

Recommendations: **To receive and note the report and the register of officer decisions taken under delegated powers.**

Reasons for Recommendations: The Constitution: Chapter 6, Part 5, sections 5.1 and 5.2. details the exercise of any power or function of the Council where waiting until a meeting of Council or a committee would disadvantage the Council. The Constitution requires that any exercise of such powers should be reported to the next meeting of Council, Cabinet or working party (as appropriate)

### LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

*(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)*

Delegated decision forms – as completed by the relevant officer
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Cabinet Member(s) All	Ward(s) affected All
Contact Officer, telephone number and email: Emma Denny, Democratic Services Manager, 01263 516010	

## 1. Introduction

### 1.1 Officer delegated decision making process.

The officer delegated decision making process has been refreshed in light of the Covid-19 pandemic so that decisions that need to be made quickly can be. The reporting of decisions taken in this way has been strengthened, so it is clear that it is an officer decision that is being made, and the consultation requirements around those decisions. These decisions are available to the public through the website and are reported to Members through a weekly information bulletin. Key decisions are reported to Cabinet. The process for reporting and consulting on these decisions is contained in the Constitution at Chapter 6, 5.1 and 5.2 and the publication of these decisions is a legal requirement.

**2. The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020**

- 2.1 Following the outbreak of the Covid 19 pandemic, the Council had to realign its resources and the committee meeting cycle was reviewed and adapted to accommodate the business coming through. Committee meetings are being held remotely for the foreseeable future. All decisions taken under delegation from mid-March 2020 onwards are recorded on the Council's website: <https://www.north-norfolk.gov.uk/tasks/democratic-services/officer-delegated-decisions/>

**3. Consultation**

- 3.1 The Constitution requires that for the exercise of any power or function of the Council in routine matters falling within established policies and existing budgets, where waiting until a meeting of the Council, a committee or working party would disadvantage the Council, an elector or a visitor to the District, then the officer exercising the power must consult with the Leader, the relevant portfolio holder and if it relates to a particular part of the District, the local member.
- 3.2 For the exercise of any power or function of the Council, which in law is capable of delegation, in an emergency threatening life, limb or substantial damage to property within the District, the senior officer shall consult with the Leader or the Deputy Leader. The Covid 19 pandemic was considered to fall within this category.
- 3.3 Overview and Scrutiny Committee will receive the delegated decisions list at their meetings so they can fully understand why they were taken and assess the impact on the Council.

**4. Financial and Resource Implications**

As many of the decisions taken by officers under delegated powers were key decisions there is a financial impact. Details are outlined in the signed form.

**5. Legal Implications**

The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 require that all decisions, including those taken by officers, must state:

- The decision taken and the date it was made
- The reasons for the decision
- Details of options considered and rejected and the reasons why they were rejected
- Declarations of interest and any dispensations granted in respect of interests

Officers taking a decision under delegation are required to complete a form.

**6. Conclusion and Recommendations**

Several decisions, including key decisions, have been taken by senior officers under delegated authority during the Covid 19 pandemic. Each decision has been recorded and a summary is provided at Appendix A



**Recommendation:**

**Cabinet is asked to receive and note the register of officer decisions taken under delegation.**

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## Sheringham Leisure Centre: project update February 2021

Detailed information relating to any aspect of the project can be obtained from Robert Young (Senior Reporting Officer) or Kate Rawlings (Project Manager) and clarification of any aspect of the table's content can be provided at or following the meeting.

	<b>Forecast/ expected position</b>	<b>Current position</b>	<b>Notes/ comments</b>
<b>Time</b>	Completion of phases 1 & 2 of the project (completion of the new building, demolition of Splash and completion of car park) originally programmed to be 29 Aug 2021.	Delays in the completion date have been previously reported due to the compounding effects of site issues (infrastructure etc.), the poor weather earlier in the programme and then the impacts of COVID-19. The completion of the build of the new leisure centre (phase 1) is expected to be 12 <sup>th</sup> August 2021; however the demolition and finalisation of the project (phase 2) are currently programmed to be after that date (November 2021) but in accordance with previous decisions that part of the programme remains under review.	Minor delays had been reported (three weeks against the agreed revised programme) by the contractor, some additional delays to certain aspects of the build are expected but these are not part of the critical path and should not affect the building completion date.
<b>Budget</b>	£12,697,139	£12,832,942	<ul style="list-style-type: none"> <li>• No change to overall budget compared to that previously reported and since that time no invoices have yet been received.</li> <li>• The value engineering (VE) target has been met by the construction contractor, in order to achieve the identified savings at the contract stage.</li> <li>• Some consequential increases in professional fee costs may be incurred due to the programme delays - these will obviously depend upon the extent of the delays in completion and have yet to be calculated.</li> <li>• The construction contingency is currently £33,558 and client contingency is £50,000.</li> </ul>

<b>Issues log</b>		<p>No new issues have been identified further to those previously reported. The site is operating in a Covid-safe manner, with a zero tolerance on site for any breaches in safe practices so as to minimise the opportunity for the spread of disease on site; although with the higher rates of infection and the apparent transmissibility of the variants there is certainly more nervousness about the chance of infection.</p> <p>The current temporary closure of the Splash due to the tier 4 restrictions and the subsequent national lockdown is a trigger for the further review of the potential demolition date of the existing Splash building. This matter, the consequences and options are under urgent review.</p>	<p>As the build has progressed, technical design challenges have come about and as and when these impact on the programme or budget they will be reported.</p> <p>A business case relating to the potential options for earlier demolition of the existing Splash building is being undertaken. The impacts and options for of early demolition are being evaluated in a revised business case and an optimal programme for the phase 2 works will be determined.</p>
<b>Risk log</b>	<p>A risk log is being maintained. These are routinely monitored and revised, and controls are introduced to manage/ mitigate risks and provide assurance</p>	<p>The risks remain as previously reported. There are currently no known supplier issues, however we are aware that there may still be risks brought about by Covid and the risk of contractors' or sub-contractors' businesses or suppliers failing needs to be continually reviewed. The availability of materials and labour may be constrained by Covid restrictions or illness. There are no known impacts resulting from the end of the EU exit transition period but the situation will be continually monitored.</p>	<p>The risk log will be updated to take account of the current situation and any anticipated risks, with mitigation.</p>
<b>Project Governance</b>	<p>The Portfolio Holder (PH) is Cllr Virginia Gay, the Council's Senior Reporting Officer (SRO)</p>	<p>The project team and responsibilities remain unchanged and meetings and reporting are occurring as scheduled.</p>	<p>All project meetings have carried on more or less as normal – although held virtually.</p>

	<p>is Robert Young and the internal Project Manager is Kate Rawlings. Various other technical experts from within the Council are involved in the project as appropriate. The Council has procured the services of: an Employer's Agent, Project Manager and Cost Consultant (all provided by REAL Consulting); a Technical Architect (Saunders Boston Architects); and a Mechanical, Electrical and Pool Filtration Consultant (Silcock Dawson)</p>	<p>Meetings have largely been virtual, however, they have continued and regular site visits have also taken place, as appropriate.</p>	
<p><b>Communications</b></p>	<p>The Communications Plan covers:</p> <ul style="list-style-type: none"> <li>• Planned activities at key milestones</li> <li>• Responses to issues and events as they occur</li> <li>• Routine communications to interested parties (including via the <a href="#">website</a>)</li> </ul>	<ul style="list-style-type: none"> <li>• Progress on the site during the summer and autumn months was transformative and further opportunities to illustrate the progress on site and to showcase the new leisure centre will be sought.</li> <li>• The timelapse video is regularly updated and can be viewed at: <a href="https://www.north-norfolk.gov.uk/tasks/projects/timelapse-video/">https://www.north-norfolk.gov.uk/tasks/projects/timelapse-video/</a></li> <li>• Opportunities were being explored to use this substantial project to showcase the career opportunities that can arise. That is still being rethought, due to the current circumstances, and the various constraints that is imposing (resources and practicalities/ logistics), however we will work with the contractor in the coming months to identify appropriate ways to shine a light on the project and find ways to inspire young people.</li> </ul>	<ul style="list-style-type: none"> <li>• The website continues to be kept up-to-date as the key source of information although we are mindful of the concerns of members around this and are exploring way of addressing these.</li> <li>• Despite the difficult circumstances prevailing a communications plan will be devised to identify a suitable means of counting down to the completion of this very significant investment in health and wellbeing in the District.</li> </ul>



## Managing Performance Quarter 3 2020/2021

**Summary:** The Managing Performance Report attached, as Appendix A, will enable the Council to assess delivery against objectives detailed in the Corporate Plan Delivery Plan 2019-2023 and operational service performance. It gives an overview, assesses the impact that Covid-19 has had on both these aspects of Council performance, and the actions being taken to address these issues and proposes any further action needed.

**Options considered:** Options considering action regarding performance are presented separately, issue by issue, to the appropriate Council Committee where committee approval is required.

**Conclusions:** With the second national Covid-19 lockdown in November 2020 (and subsequently the third lockdown from 4<sup>th</sup> January 2021), Coronavirus has continued to have a significant impact on the Council's capacity and ability to achieve all of the objectives in the Corporate Plan Delivery Plan 2019-2023 and some impact on service operational performance during Quarter 3 covering the period October to December 2020.

**Recommendations:** **That Overview and Scrutiny Committee resolves to note this report, endorse the actions being taken by Corporate Leadership Team detailed in Appendix A – Managing Performance and makes any recommendations to Cabinet it thinks necessary.**

**Reasons for Recommendations:** To ensure the objectives of the Council are achieved.

### LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

*(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)*

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Cabinet Member(s) Cllr Sarah Bütikofer	Ward(s) affected All
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Contact Officer, telephone number and email: Steve Blatch, Chief Executive Email:- <a href="mailto:steve.blatch@north-norfolk.gov.uk">steve.blatch@north-norfolk.gov.uk</a> Tel:- 01263 516232
--

#### 1. Introduction

The current Performance Management Framework sets out that we should report performance to Cabinet and Overview and Scrutiny on a quarterly basis.

This report enables us to fulfil this requirement of the framework. More importantly however it ensures that all key activity within the Council is actively performance managed to ensure the Council's objectives are achieved.

## **2. Overview**

- 2.1 This report covers the third quarter of the 2020/21 reporting year – i.e. the period covering October, November and December 2020.
- 2.2 During this period, following a busy summer experienced across the District with large numbers of staycation tourists and day visitors to the District we began to move to more of a Business As Usual position. This saw slightly larger numbers of staff coming into the Council's offices and the Cabinet agreeing a list of priority objectives from the Corporate Plan Delivery Plan for the authority to work on and towards, recognising the capacity of the organisation directed to the COVID response over the preceding six months and an expectation of increased levels of infection during the winter.
- 2.3 Whilst the numbers of COVID cases in North Norfolk remained low throughout October, rising levels nationally saw the Government introduce a second England lockdown from 5<sup>th</sup> November – 2<sup>nd</sup> December, which whilst placing fewer demands on the Council than the first lockdown in terms of community support and direct support for shielding and vulnerable people, did see resources committed to paying out further business support grants, strategic partnership engagement and supporting preparations for vaccine programme delivery.
- 2.4 Then in December with rapidly rising levels of infection across the UK and in North Norfolk the Council responded with partners to discussions on tiering to reflect levels of infection, with different social distancing and other restrictions imposed and further business grant support mechanisms introduced.
- 2.5 The majority of the Council's staff have continued to work from home throughout Quarter 3, with the majority of customer service enquiries being fulfilled online and over the phone, with limited face-to-face appointments available at the offices. Throughout this period the Council delivered most of its regular services and continued delivery of its programmed meetings through the Democratic Services Team facilitating remote meetings.
- 2.6 Monitoring and reporting of both service and organisational performance outcomes throughout the quarter has seen progress made against some of the headline corporate objectives such as the appointment of the Environmental Policy Officer and Climate Change Projects Officer to develop the Council's commitments in declaring a Climate Emergency, acquisition of housing units to better meet the increasing need for Temporary Accommodation, continued good progress with the development of the new Sheringham Leisure Centre and securing status as an approved delivery partner of the Government's KickStart programme to provide structured work experience for young people not only in the Council, but in the wider local economy – so whilst a challenging period continued positive progress has been made by the Council in delivering against its stated priority objectives and in its sustained COVID response.

## **3. Contents of the Managing Performance Quarterly Report**



Chief Executive's Overview	Overview of the Chief Executive outlining the progress in achieving the corporate plan and managing services
Key	Key to delivery plan action symbols
Delivery Plan Overview	Dashboard showing the RAG status (Red, Amber, Green) of all Delivery Plan Actions
Key Priorities	Current actions for eighteen priority objectives upon which focus will be maintained in the coming months alongside the Council's ongoing response to the COVID situation. This report details the Cabinet's priorities given the current situation.
Local Homes for Local Need	Delivery Plan actions progress reports under the theme
Boosting Business Sustainability and Growth	Delivery Plan actions progress reports under the theme
Customer Focus	Delivery Plan actions progress reports under the theme
Climate, Coast and the Environment	Delivery Plan actions progress reports under the theme
Financial Sustainability and Growth	Delivery Plan actions progress reports under the theme
Quality of Life	Delivery Plan actions progress reports under the theme
Operational Performance	Overview for key performance indicators (KPIs) and management indicators and key for performance measure symbols
Performance Focus	This section of the report shows all the monthly and quarterly operational performance measures that are not achieving target, the explanation for that level of performance and any actions being taken. The performance levels shown are for the most recent three months for monthly data and the most recent quarter for quarterly measures.
All other performance measures	This section of the report shows performance for all other monthly and quarterly operational performance measures. The performance levels shown are for the most recent three months for monthly data and the most recent quarter for quarterly measures.

#### 4. Conclusion

With the second national Covid-19 lockdown in November 2020 (and subsequently the third lockdown from 4<sup>th</sup> January 2021), Coronavirus has continued to have a significant impact on the Council's capacity and ability to achieve all of the objectives in the Corporate Plan Delivery Plan 2019-2023 and

some impact on service operational performance during Quarter 3 covering the period October to December 2020.

**5. Implications and Risks**

Prompt action to deal with any performance issues identified by this report will reduce the risk to delivery of the Corporate Plan Delivery Plan 2019 – 2023 and delivery of high quality services. The recommendations of this report contained in Appendix A outline the action being taken to reduce or remove the risk of not delivering the Corporate Plan.

**6. Financial Implications and Risks**

Prompt action to deal with any performance issues identified by this report will reduce the financial risk to the Council.

**7. Sustainability**

There are no negative sustainability implications of this report.

**8. Equality and Diversity**

There are no negative equality and diversity implications of this report.

**9. Section 17 Crime and Disorder considerations**

There are no Section 17 Crime and Disorder implications of this report.

# Managing Performance

## Contents

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Key Priorities	4
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Boosting Business Sustainability and Growth	16
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Climate, Coast and the Environment	24
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# Managing Performance

## Quarterly Report Chief Executive's Overview

This report covers the third quarter of the 2020/21 reporting year – i.e. the period covering October, November and December 2020.

During this period, following a busy summer experienced across the District with large numbers of staycation tourists and day visitors to the District we began to move to more of a Business As Usual position. This saw slightly larger numbers of staff coming into the Council's offices and the Cabinet agreeing a list of priority objectives from the Corporate Plan Delivery Plan for the authority to work on and towards, recognising the capacity of the organisation directed to the COVID response over the preceding six months and an expectation of increased levels of infection during the winter.

Whilst the numbers of COVID cases in North Norfolk remained low throughout October, rising levels nationally saw the Government introduce a second England lockdown from 5 November – 2 December, which whilst placing fewer demands on the Council than the first lockdown in terms of community support and direct support for shielding and vulnerable people, did see resources committed to paying out further business support grants, strategic partnership engagement and supporting preparations for vaccine programme delivery.






Then in December with rapidly rising levels of infection across the UK and in North Norfolk the Council responded with partners to discussions on tiering to reflect levels of infection, with different social distancing and other restrictions imposed and further business grant support mechanisms introduced.

The majority of the Council's staff have continued to work from home throughout Quarter 3, with the majority of customer service enquiries being fulfilled online and over the phone, with limited face-to-face appointments available at the offices. Throughout this period the Council delivered most of its regular services and continued delivery of its programmed meetings through the Democratic Services Team facilitating remote meetings.

Monitoring and reporting of both service and organisational performance outcomes throughout the quarter has seen progress made against some of the headline corporate objectives such as the appointment of the Environmental Policy Officer and Climate Change Projects Officer to develop the Council's commitments in declaring a Climate Emergency, acquisition of housing units to better meet the increasing need for Temporary Accommodation, continued good progress with the development of the new Sheringham Leisure Centre and securing status as an approved delivery partner of the Government's KickStart programme to provide structured work experience for young people not only in the Council, but in the wider local economy – so whilst a challenging period continued positive progress has been made by the Council in delivering against its stated priority objectives and in its sustained COVID response.

Steve Blatch 31 December 2020.

## Actions Key

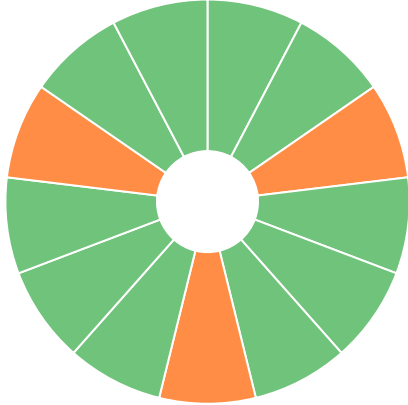
	The action may not be delivered, or may not deliver the planned outcomes, without intervention
	The action will be delivered but adjustments need to be made or the action may not be delivered as planned and/or may not deliver the planned outcomes
	The action is being delivered as planned
	The action has been completed as planned
<b>n/r</b>	Not relevant as the action has previously been completed or is not yet due to start.
	The Start date for the action is in the future
<b>not set</b>	The action is an ongoing activity throughout the life of the Corporate Plan so does not have a set Due Date
<b>?</b>	Missing information

# Delivery Plan 2019-2023



## Overview

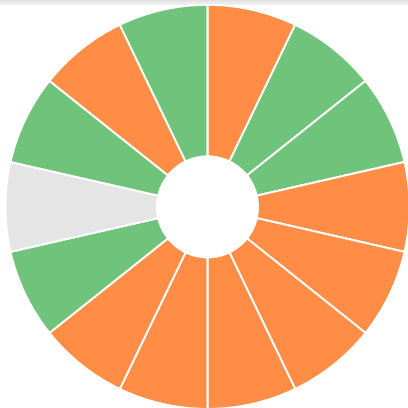
Local Homes for Local Need



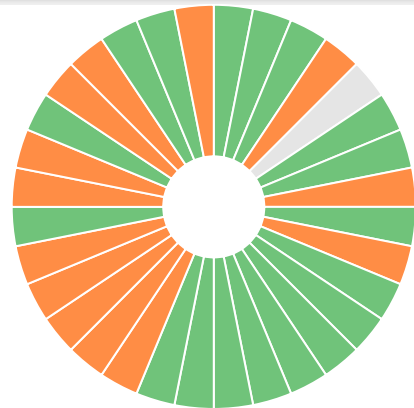
Boosting Business Sustainability and Growth



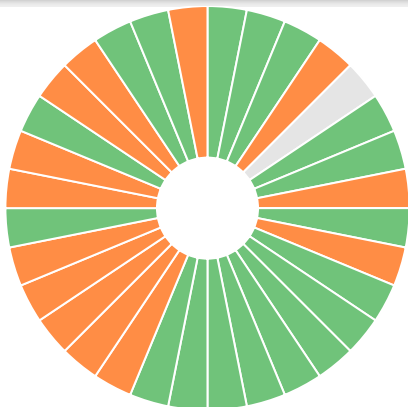
Customer Focus



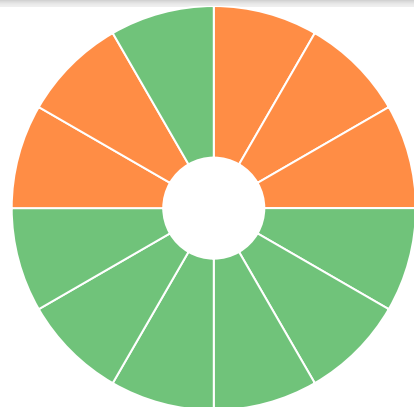
Climate, Coast and the Environment



Financial Sustainability and Growth



Quality of Life



## Key Priorities

There are a number of actions in the delivery plan that Cabinet have identified as essential to be delivered in order for the objectives in the Corporate Plan 2019 - 2023 to be achieved. Cabinet and Strategic Leadership Team will be concentrating on ensuring these actions are delivered over the next quarter. Please note the actions receiving this increased focus will change over time as actions are delivered and other key priority actions are identified.

### Latest Update



31/12/2020

<input checked="" type="checkbox"/> 1.1.1 Formulate policies and proposals (Local Plan) to facilitate the delivery of housing supply	Performance	★
	Comments	<p>In December 2020 government confirmed it would not be introducing the higher housing targets which had been suggested in the Planning White Paper. Instead it will continue with the approach which has been used to produce the draft Local Plan allowing for the document to be prepared and submitted for examination in the summer of this year. The Planning Policy and Built Heritage Working Party continues to make good progress on considering the representations made during the previous round of public consultation and the team are progressing the final elements of the evidence which supports the Plan.</p> <p>For the third consecutive year the Authority delivered its target number of homes meaning that it passed the governments Housing Delivery Test and will not be subject to any penalties for under delivery.</p>
	Owner	Mark Ashwell
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/08/2021
<input checked="" type="checkbox"/> 1.2.1 Formulate a new Housing Strategy	Performance	●
	Comments	Workshops to engage stakeholders planned for February and March 2021.
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 1.4.2 Investment in Temporary Accommodation	Performance	★
	Comments	07/01/21 The Council has been awarded £140,000 grant to help toward the purchase of four one-bed homes for single homeless (or at risk of homelessness). We must acquire properties by 31 March 2020. To date we have offers accepted on three properties and options for a fourth,
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 1.5.3 Explore acquisition of Victory Housing Trust properties for market rent in rural locations	Performance	★
	Comments	We are now able to use the model developed by Savills - the 100 homes model - to look at the financial impact of including some Victory Housing Trust disposals within the 75 homes proposed for Market Rent.
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 2.3.1 Growth Sites Delivery Strategy	Performance	★
	Comments	
	Owner	Stuart Quick
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	30/04/2021
<input checked="" type="checkbox"/> 2.5.1 Develop a	Performance	●



<input type="checkbox"/> mechanism for providing suitable support to business start-ups and micro businesses	Comments	This project is deferred whilst resources are focused on providing Covid-19 business grants and immediate business support
	Owner	Stuart Quick
	Stage	Deferred
	Start Date	04/02/2020
	Due Date	30/04/2021
<input checked="" type="checkbox"/> 2.5.2 Post Covid-19 support for Tourism	Performance	★
	Comments	<p>The Council has continued to maintain a good relationship with Visit North Norfolk throughout the pandemic and collaboration on messaging has been central to the response and recovery stages. This has helped keep the sector informed and encouraged greater collaboration and support for collective action. The Council has also liaised closely with NALEP on the establishment of the Recovery Plan for the visitor economy.</p> <p>The announcement of the third lockdown has created a natural hiatus in the immediate promotion of north Norfolk, in accordance with national restrictions to which peoples are asked to stay local. To help support tourism businesses over the coming months, NNDC established the North Norfolk Tourism Sector Support Grant. This £150k scheme will support businesses and consortium groups who have projects and initiatives to support the visitor economy or to help with winter adaptations. The subsequent announcement of the national restrictions in January may delay or impede some of these projects. However, recent conversations have suggested that many projects will still be deliverable and will support business recovery when restrictions are lifted.</p>
	Owner	Stuart Quick
	Stage	Not Started
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 2.7.1 Market towns initiative	Performance	★
	Comments	
	Owner	Emma Duncan
	Stage	Completed
	Start Date	04/02/2020
	Due Date	01/01/2021
<input checked="" type="checkbox"/> 3.1.2 Review and refine our Customer Strategy	Performance	★
	Comments	Following a meeting with the Portfolio Holder and Assistant Director for Business support it has been agreed to review the current customer services strategy taking account of best practice examples and produce a draft new strategy for internal consultation. It is planned for the draft to be ready by the end of February with a view to adopt the strategy by the end of Summer 2021. Therefore the due date needs to be amended from 31/12/2020 to 31/08/2021.
	Owner	David Williams
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 3.1.3 Develop an action plan and draft, adopt and publish Customer Charter	Performance	★
	Comments	<p>Following a meeting with the Portfolio Holder and Assistant Director for Business support it has been agreed to review the current customer services strategy taking account of best practice examples and produce a draft Customer Charter for</p>

31/12/2020

internal consultation. It is planned for the draft to be ready by the end of February with a view to adopt the strategy by the end of Summer 2021. Therefore the due date needs to be amended from 31/05/2021 to 31/08/2021.

Owner David Williams

Stage In Progress

Start Date 04/02/2020

Due Date 31/05/2021

>  3.1.6 Digital By Design

Performance 

Comments Programme has been developed and assessment of initial activities undertaken. Specific initiatives will be defined to ensure improvements are delivered as early as possible.

Owner Sean Kelly

Stage In Progress

Start Date 01/06/2020

Due Date 31/03/2022

>  3.2.1 Undertake an annual Residents Survey

Performance 

Comments The PID has been presented to SLT. Discussions are now taking place with the Chief Executive. Leader and Portfolio Holder with regard to the development of this project.

Owner David Williams

Stage In Progress

Start Date 04/02/2020

Due Date 27/08/2021

>  3.4.1 Develop an Engagement Strategy

Performance 

Comments The Engagement Strategy was not one of the key priorities of the refined delivery plan agreed by Cabinet 5 October 2020 in light of the ongoing Covid-19 situation. Development of the strategy will be progressed in the coming months following the adoption of the Communications Delivery Plan. This work will be led by the Communications Team.

Owner Maxine Collis

Stage In Progress

Start Date 02/12/2019

Due Date 30/06/2021

3.4.6 Develop and Implement a Communications Strategy

Performance 

Comments Draft Communications Plan with Full Cabinet on Feb 1, 2021

Owner Joe Ferrari

Stage In Progress

Start Date 01/06/2020

Due Date 31/12/2021

>  4.3.1 Baseline carbon audit and carbon reduction action plan

Performance 

Comments The new Environmental Policy Officer who commenced employment with us in December 2020 has picked up this workstream and is in discussions with the Carbon Trust around updating their conclusions following which a detailed action plan will be delivered against which our progress can be measured.

Owner Robert Young





Stage In Progress

Start Date 04/02/2020

Due Date 31/10/2020






4.5.2 Plan tree planting

Performance 

<input type="checkbox"/> programme	Comments Owner Stage Start Date Due Date	Several more of the original leads were followed up in December and good progress was made. 3 volunteer tree planting days were held on Council owned sites with over 2000 trees planted, as well as 165 trees given away at Holt Country Park as part of a planned Tree Giveaway Event. A handful of leads were also generated at this event. No planting can take place as planned in January due to the third national Covid-19 lockdown. This will stall the number of trees going in the ground, but these projects will be completed when we are able. Colin Brown In Progress 01/06/2020 31/12/2020
<input checked="" type="checkbox"/> 4.5.4 Tree planting implementation	Performance Comments Owner Stage Start Date Due Date	 Several more of the original leads were followed up in December and good progress was made. 3 volunteer tree planting days were held on Council owned sites with over 2000 trees planted, as well as 165 trees given away at Holt Country Park as part of a planned Tree Giveaway Event. A handful of leads were also generated at this event. No planting can take place as planned in January which will stall the number of trees going in the ground, but these projects will be completed when we are able. Colin Brown In Progress 01/10/2020 28/02/2021
<input checked="" type="checkbox"/> 4.6.1 Installation of Electric Vehicle (EV) charging points	Performance Comments Owner Stage Start Date Due Date	 We now have all sites online apart from Fakenham and North Walsham. The engineers are visiting Fakenham at the end of January to assess the position and following that we will have a clearer picture regarding the 'go live' date. There is a requirement to identify a new site in North Walsham as Sainsbury have indicated that they are undertaking a review of their energy requirements across their portfolio and as such do not want the Council accessing their power supply at the current time. A review of sites is to be undertaken during February. Duncan Ellis In Progress 04/02/2020 30/06/2021
<input checked="" type="checkbox"/> 5.1.3 Trial zero based budgeting (ZBB)	Performance Comments Owner Stage Start Date Due Date	 After a discussion with the Strategic Leadership Team and Cabinet Members it was proposed that a zero based budgeting exercise will be undertaken throughout the autumn of 2021 to inform the setting of the 2021/22 budget. Duncan Ellis Not Started 04/02/2020 31/12/2021
<input checked="" type="checkbox"/> 5.3.2 Explore options for	Performance	



<input type="checkbox"/> investing in medical centre development/health care facilities	Comments	<p>Discussions are ongoing with the Norfolk and Waveney Clinical Commissioning Group. The most recent meeting with them was on 20 January 2021. At which time they shared with us a draft North Norfolk Locality Capacity Planning Report which will inform their future primary care network estates strategy. We have been invited to comment on the report in the context of the future growth of the district as proposed through the Local Plan and detailed proposals will be developed for future NHS funding from April 2021.</p> <p>This original objective proposed the Council exploring potential investment opportunities in new health care facilities in the district. The capital investment regulations around the Public Works Loans Board might mean that this isn't such an attractive proposition for the authority moving forward.</p>
	Owner	Steve Blatch
	Stage	Completed
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 5.3.3 Take a strategic approach to commercial development opportunities	Performance	
	Comments	<p>The purchase of 3 brand new industrial units at Hornbeam Road, North Walsham has been completed with professional marketing commenced seeking to secure potential interest. Discussion's with potential tenants.</p> <p>Purchase of 2 parcels of land for car parking are also nearing completion, whilst negotiations continue regarding vacant land at Holt.</p> <p>It was agreed in principle to commence the marketing of a residential property with redevelopment/refurbishment potential, seeking a disposal of the property subject to Cabinet approval once an offer has been received. The property is now on the market with viewings taking place, although the level of viewings is being impacted by covid restrictions over travel. Virtual viewings are taking place as an alternative arrangement. A review of a further property has been undertaken that has identified a possible disposal option and this is being considered.</p> <p>The disposal of enabling land at Sheringham is progressing with the purchasers undertaking a planning pre application process. Feedback has been provide and it is anticipated that a planning application will be submitted early 2021. The purchase is subject to a number of conditions including planning consent.</p> <p>Quotes are being obtained for the refurbishment of a small kiosk with the view to undertaking the necessary works to bring the property back into use for Spring/Summer season. The property will be marketed seeking bids from potential tenants. Further investigation is being undertaken to bring back into use other vacant property at Cromer including funding opportunities.</p> <p>The concession review has been undertaken, which has identified potential sites. These sites have been marketed with a number of bids received. Following the closing date the bids will be assessed and offers made to successful bidders, subject to usual governance procedures.</p>
	Owner	Renata Garfoot

	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2022
<input checked="" type="checkbox"/> 6.1.1 Undertake a Quality of Life Survey	Performance	
	Comments	Responsibility for the Quality of Life actions is under review as a result of the management restructure. A handover will be arranged once responsibility is confirmed.
	Owner	Phillip Rowson
	Stage	Not Started
	Start Date	04/02/2020
	Due Date	27/08/2021
<input checked="" type="checkbox"/> 6.2.1 Develop a Quality of Life Strategy	Performance	
	Comments	Responsibility for the Quality of Life actions is under review as a result of the management restructure. A handover will be arranged once responsibility is confirmed.
	Owner	Phillip Rowson
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	30/11/2020
<input checked="" type="checkbox"/> 6.3.1 Engage the local community to deliver the North Walsham Heritage Action Zone programme	Performance	
	Comments	<p>A number of activities are ongoing and upcoming, including:</p> <ul style="list-style-type: none"> <li>• The Cedars – a conditional survey has been produced to identify the costs of restoring the building to habitable use.. A scoping report is currently in development which will seek to identify a range of uses for the site/buildings.</li> <li>• An Invitation to Bid is presently out to tender to commission an organisation to design, develop and oversee the construction phase of the town centre placemaking</li> <li>• A Building Improvement Grant is presently in development. This scheme will support the repair and restoration of buildings, shop fronts and underutilised spaces</li> </ul>
	Owner	Stuart Quick
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2024
<input checked="" type="checkbox"/> 6.5.1 Develop the new leisure centre to replace the Splash at Sheringham	Performance	
	Comments	<p>Work continues in line with the current programme which would see completion of the new facility in August 2021 and the finalisation of the site in November 2021. Recent works completed include:</p> <ul style="list-style-type: none"> <li>• installation of glass on the entrance and reception areas</li> <li>• testing of the learner and main pools to ensure they hold water</li> <li>• installation of internal walls to form the gym, dance studio and spin studio</li> <li>• installation of the solar thermal panels which will help heat the showers</li> </ul>
	Owner	Kate Rawlings
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	12/08/2021
<input checked="" type="checkbox"/> 6.8.1 Commit to NNDC Blue Flag and Green Flag status	Performance	
	Comments	<p>Water company has again been invited to apply for all six Blue Flags for 2021, due to the excellent water quality classifications.</p>

31/12/2020

The green flag applications are currently being prepared for 2021

Owner Karl Read

Stage In Progress

Start Date 20/06/2020

Due Date 31/12/2020

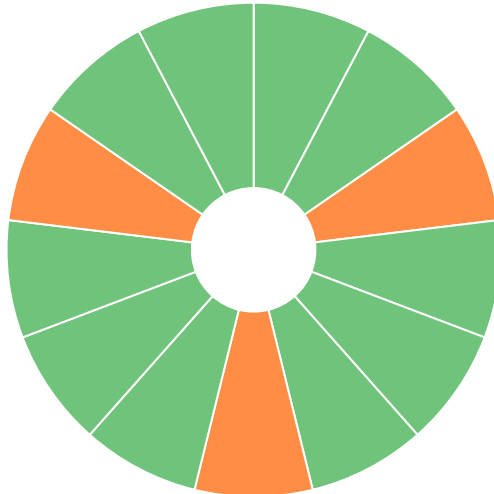
## Local Homes for Local Need

There is a significant local need for housing across the district. Enabling and facilitating new housing of the right type, quality and affordability will therefore, be a key priority for the Council and, working with a variety of partners, we will explore all available avenues to increase the supply of quality, affordable housing to address this need. We will also seek opportunities to improve the condition and environmental sustainability of existing housing stock. We will aim to ensure that new homes are of a high standard of design and built with a strong emphasis on environmental sustainability and therefore, more affordable to live in.

**Portfolio Holder: Cllr Greg Hayman**

**Senior Responsible Officer: Duncan Ellis**

 **Latest Update**



31/12/2020

<input checked="" type="checkbox"/> 1.1.1 Formulate policies and proposals (Local Plan) to facilitate the delivery of housing supply	Performance	★
	Comments	<p>In December 2020 government confirmed it would not be introducing the higher housing targets which had been suggested in the Planning White Paper. Instead it will continue with the approach which has been used to produce the draft Local Plan allowing for the document to be prepared and submitted for examination in the summer of this year. The Planning Policy and Built Heritage Working Party continues to make good progress on considering the representations made during the previous round of public consultation and the team are progressing the final elements of the evidence which supports the Plan.</p> <p>For the third consecutive year the Authority delivered its target number of homes meaning that it passed the governments Housing Delivery Test and will not be subject to any penalties for under delivery.</p>
	Owner	Mark Ashwell
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/08/2021
<input checked="" type="checkbox"/> 1.1.2 Action regarding brownfield sites	Performance	✔
	Comments	n/r
	Owner	Phillip Rowson
	Stage	Completed
	Start Date	04/02/2020
	Due Date	31/03/2020
<input checked="" type="checkbox"/> 1.2.1 Formulate a new Housing Strategy	Performance	●
	Comments	Workshops to engage stakeholders planned for February and March 2021.
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 1.2.2 Improve conditions and energy efficiency in private sector housing	Performance	★
	Comments	<p>Agreeing the interventions the Council will make will form part of the Housing Strategy which is now expected to complete by 30th June 2021. The deadline for this action should be moved back to coincide with the Housing Strategy. Good progress has been made with actions that support the delivery of this objective.</p> <ol style="list-style-type: none"> <li>1. The Building Research Establishment has completed a report on the condition of housing in the district.</li> <li>2. The Norfolk Warm Homes Partnership (which includes all Norfolk Districts) has been successful in securing £1.24 million of Green Homes Grant to help improve thermal efficiency of homes occupied by low income households.</li> </ol>
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 1.2.3 Seek to identify and analyse the condition of private sector housing stock	Performance	★
	Comments	
	Owner	Graham Connolly
	Stage	Completed



		31/12/2020
	Start Date	04/02/2020
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 1.2.4 Investigate the viability of methods to help reduce fuel poverty	Performance	★
	Comments	
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 1.3.1 Develop a business case for a housing company	Performance	●
	Comments	<p>Savills has updated their financial model to allow us to explore possible variations to the original 100 home model including:</p> <ol style="list-style-type: none"> <li>1. The impact of the existing and growing stock of temporary accommodation owned by the Council.</li> <li>2. The impact of purchasing VHT disposals.</li> <li>3. The inclusion of some shared ownership homes.</li> </ol> <p>The next stage is to model the various options and to report on the outcomes and whether there is a viable business case for a housing company.</p>
	Owner	Graham Connolly
	Stage	Completed
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 1.4.1 Developing and implementing a new Homelessness and Rough Sleepers Strategy and Action Plan	Performance	✔
	Comments	n/r
	Owner	Lisa Grice
	Stage	Completed
	Start Date	01/10/2019
	Due Date	30/06/2020
<input checked="" type="checkbox"/> 1.4.2 Investment in Temporary Accommodation	Performance	★
	Comments	07/01/21 The Council has been awarded £140,000 grant to help toward the purchase of four one-bed homes for single homeless (or at risk of homelessness). We must acquire properties by 31 March 2020. To date we have offers accepted on three properties and options for a fourth,
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 1.5.1 Investigate ways to support and assist affordable housing providers	Performance	★
	Comments	
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	28/02/2021
<input checked="" type="checkbox"/> 1.5.2 Explore ways to help households into owner-occupation	Performance	●
	Comments	<p>Registered Providers working in the district including Flagship, Broadland, Clarion and Housing 21 are bringing forward new shared ownership homes in 2020/21 and 2021/22. On some sites the limited availability of mortgage finance is slowing sales. However mortgage lending by the Council is unlikely to be the solution because the set up costs would be disproportionate to the likely number of mortgages (probably only single figures). We intend to gather further information from RPs about the problems with the shared ownership mortgage market to see if there are other interventions the</p>

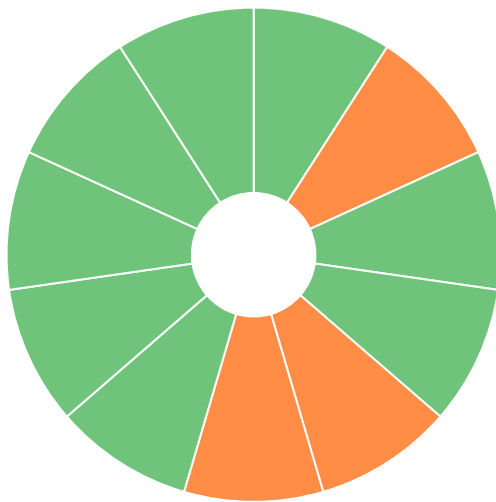
		31/12/2020
		Council could take to help.
	Owner	Graham Connolly
	Stage	Not Started
	Start Date	04/02/2020
	Due Date	28/02/2021
<input checked="" type="checkbox"/> 1.5.3 Explore acquisition of Victory Housing Trust properties for market rent in rural locations	Performance	★
	Comments	We are now able to use the model developed by Savills - the 100 homes model - to look at the financial impact of including some Victory Housing Trust disposals within the 75 homes proposed for Market Rent.
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 1.6.1 Deliver, with partners, 500 units of Housing-with-Care/ExtraCare	Performance	★
	Comments	The 66 home site in Fakenham will be ready to let soon (March) and the shared ownership homes are in process of being sold. We are looking for other sites with possibilities in North Walsham, Stalham and Wells under consideration.
	Owner	Graham Connolly
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2024

## Boosting Business Sustainability and Growth





The Council is ambitious in wanting to support a strong local economy and new job-creating investment which strengthens and broadens the business base and employment opportunities in the District.

**Portfolio Holder Lead: Cllr Richard Kershaw**  
**Senior Responsible Officer: Sean Kelly**

 Latest Update



		31/12/2020
<input checked="" type="checkbox"/> 2.1.1 Deliver the local plan, ensuring a sufficient focus on facilitating business development	Performance	★
	Comments	The Planning Policy and Built Heritage Working Party considered draft policies relating to employment land provision, tourism and retail developments at the Nov 2020 meeting and recommended a revised set of policies to Cabinet.
	Owner	Mark Ashwell
	Stage	Not Started
	Start Date	04/02/2020
	Due Date	31/08/2021
	<input checked="" type="checkbox"/> 2.2.1 Economic Growth Strategy (2020 - 2023)	Performance
Comments		Delayed due to Covid-19 pandemic. This will be reviewed by March 2021. The strategy will need to reflect the likely post-pandemic climate and support the restart and rebuild of the local economy. Therefore I recommend that the due date is amended from 30 September 2020 to 31 March 2021.
Owner		Stuart Quick
Stage		Waiting
Start Date		04/02/2020
Due Date		31/03/2021
<input checked="" type="checkbox"/> 2.3.1 Growth Sites Delivery Strategy		Performance
	Comments	
	Owner	Stuart Quick
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	30/04/2021
	<input checked="" type="checkbox"/> 2.4.1 Analyse evidence of local business needs and opportunities and engage local businesses	Performance
Comments		Covid-19 has had a significant impact on local businesses. A number of workstreams have been established in which the council is actively engaged and evidence is being acquired through. This includes a Business Impact Survey which was conducted between 12 May and 13 June which received 319 response. On 20 January the Council launched a further business survey, so that notable changes can be observed, to temperature check the current business sentiment in light of the further lockdown and to better understand the present needs of local businesses. This information may in part inform decision making around future business support schemes.
Owner		Stuart Quick
Stage		In Progress
Start Date		01/04/2020
Due Date		31/12/2021
<input checked="" type="checkbox"/> 2.4.2 Develop a range of engagement tools to build relationships with local businesses		Performance
	Comments	The focus of the Economic Growth Team has predominantly on delivering Government Covid-19 support grants and discretionary schemes for local business during the Covid-19 lockdown. The Council paid out a total of £60m to local businesses. For the immediate future, the focus will remain on supporting providing the Local Restrictions Grant/Additional Restrictions Grants and providing immediate business support as required.
	Owner	Stuart Quick
	Stage	Waiting
	Start Date	04/02/2020
	Due Date	31/01/2021

<input checked="" type="checkbox"/> 2.5.1 Develop a mechanism for providing suitable support to business start-ups and micro businesses	Performance	
	Comments	This project is deferred whilst resources are focused on providing Covid-19 business grants and immediate business support
	Owner	Stuart Quick
	Stage	Deferred
	Start Date	04/02/2020
	Due Date	30/04/2021
<input checked="" type="checkbox"/> 2.5.2 Post Covid-19 support for Tourism	Performance	
	Comments	<p>The Council has continued to maintain a good relationship with Visit North Norfolk throughout the pandemic and collaboration on messaging has been central to the response and recovery stages. This has helped keep the sector informed and encouraged greater collaboration and support for collective action. The Council has also liaised closely with NALEP on the establishment of the Recovery Plan for the visitor economy.</p> <p>The announcement of the third lockdown has created a natural hiatus in the immediate promotion of north Norfolk, in accordance with national restrictions to which peoples are asked to stay local. To help support tourism businesses over the coming months, NNDC established the North Norfolk Tourism Sector Support Grant. This £150k scheme will support businesses and consortium groups who have projects and initiatives to support the visitor economy or to help with winter adaptations. The subsequent announcement of the national restrictions in January may delay or impede some of these projects. However, recent conversations have suggested that many projects will still be deliverable and will support business recovery when restrictions are lifted.</p>
	Owner	Stuart Quick
	Stage	Not Started
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 2.6.1 Work with partners to identify skills deficiencies & monitor apprenticeships	Performance	
	Comments	<p>A draft north Norfolk Apprenticeship Survey was to be completed by December 2020. However, due to a committed focus on securing a local Kickstart programme, this is now anticipated for January 2021.</p> <p>The Council has been successful in it application to DWP to become a 'Gateway' organisation to deliver a local 'Kickstart' programme, This Government initiative is intended to support 16-24yr olds into work by providing a 6 month paid placement. Current figures indicate that NNDC will support at least 100 job placements over the coming months.</p>
	Owner	Stuart Quick
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 2.6.2 Nurture the concept of inclusive growth	Performance	
	Comments	<p>Delayed due to Covid-19 pandemic. This will be reviewed in March 2021 as the Covid-19 recovery plan is rolled out.</p> <p>The inclusive Growth Coalition is due to refresh the delivery plan, in the light of the consequences of the pandemic. It is considered even more important than ever, especially a renewed focus on skills; however, tangible progress locally has been stalled due to diversion of the team into Covid-19 response</p>

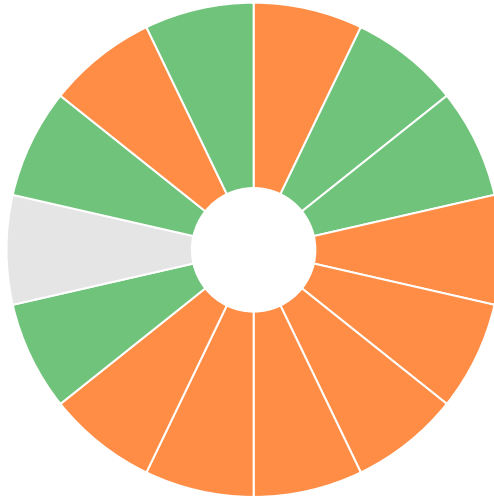
		31/12/2020
		activity.
	Owner	Stuart Quick
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2021
	<input checked="" type="checkbox"/> 2.6.3 Workforce development, skills and apprenticeship plan	Performance
Comments		Project objectives refined as part of the Covid-19 response and the launch by Government of the national KickStart programme. The District Council has registered as a delivery partner of this programme through the Economic Growth Team.
Owner		Stuart Quick
Stage		In Progress
Start Date		18/02/2020
Due Date		31/03/2021
<input checked="" type="checkbox"/> 2.7.1 Market towns initiative	Performance	★
	Comments	
	Owner	Emma Duncan
	Stage	Completed
	Start Date	04/02/2020
	Due Date	01/01/2021







## Customer Focus

We want our customers to be at the heart of everything we do and will strive to improve access to our services further through stronger community engagement, developing more formal mechanisms of inviting customer feedback and comment and, where possible and practical, seek to deliver our services at a more local level through strengthening partnerships with local Town and Parish Councils. The Council will seek further to improve democratic engagement and participation by people of all ages, but particularly through working with schools and colleges to ensure that the voice young people is heard and informs council decision-making.

**Portfolio Holder Lead: Cllr Sarah Butikofer**  
**Senior Responsible Officer: Emma Duncan**



### Latest Update



		31/12/2020
<input checked="" type="checkbox"/> 3.1.1 Undertake a Customer Contact Survey	Performance	
	Comments	This is not a key priority currently. The action has been deferred due to Covid-19.
	Owner	David Williams
	Stage	Deferred
	Start Date	04/02/2020
	Due Date	27/08/2021
<input checked="" type="checkbox"/> 3.1.2 Review and refine our Customer Strategy	Performance	
	Comments	Following a meeting with the Portfolio Holder and Assistant Director for Business support it has been agreed to review the current customer services strategy taking account of best practice examples and produce a draft new strategy for internal consultation. It is planned for the draft to be ready by the end of February with a view to adopt the strategy by the end of Summer 2021. Therefore the due date needs to be amended from 31/12/2020 to 31/08/2021.
	Owner	David Williams
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 3.1.3 Develop an action plan and draft, adopt and publish Customer Charter	Performance	
	Comments	Following a meeting with the Portfolio Holder and Assistant Director for Business support it has been agreed to review the current customer services strategy taking account of best practice examples and produce a draft Customer Charter for internal consultation. It is planned for the draft to be ready by the end of February with a view to adopt the strategy by the end of Summer 2021. Therefore the due date needs to be amended from 31/05/2021 to 31/08/2021.
	Owner	David Williams
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/05/2021
<input checked="" type="checkbox"/> 3.1.4 Customer focussed services staff training programme	Performance	
	Comments	This action has not started and will require discussions with the HR Manager and the completion of an initial draft project proposal. It is proposed that the training will be coordinated with the new Customer Service Strategy & Charter.
	Owner	David Williams
	Stage	Not Started
	Start Date	04/05/2020
	Due Date	31/07/2021
<input checked="" type="checkbox"/> 3.1.5 Monitor the implementation of the Customer Charter	Performance	
	Comments	The Customer Charter has not yet been developed or adopted so no monitoring of implementation can take place yet. The due date has been amended accordingly.
	Owner	Helen Thomas
	Stage	Not Started
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 3.1.6 Digital By Design	Performance	
	Comments	Programme has been developed and assessment of initial activities undertaken. Specific initiatives will be defined to ensure improvements are



		31/12/2020
		delivered as early as possible.
	Owner	Sean Kelly
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/03/2022
<input checked="" type="checkbox"/> 3.2.1 Undertake an annual Residents Survey	Performance	
	Comments	The PID has been presented to SLT. Discussions are now taking place with the Chief Executive. Leader and Portfolio Holder with regard to the development of this project.
	Owner	David Williams
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	27/08/2021
<input checked="" type="checkbox"/> 3.3.1 Benchmark service delivery against the LGA key themes and learn from best practice elsewhere	Performance	
	Comments	This work cannot be carried out yet as it is dependent on action 3.2.1 Undertake an annual Residents Survey in order to have the north Norfolk figures to compare against other councils. Due to Covid-19 it has been rescheduled to be completed by 27 August 2021. The completion date for this action has been reset to 30 September 2021.
	Owner	Helen Thomas
	Stage	Not Started
	Start Date	29/05/2020
	Due Date	30/09/2021
<input checked="" type="checkbox"/> 3.4.1 Develop an Engagement Strategy	Performance	
	Comments	The Engagement Strategy was not one of the key priorities of the refined delivery plan agreed by Cabinet 5 October 2020 in light of the ongoing Covid-19 situation. Development of the strategy will be progressed in the coming months following the adoption of the Communications Delivery Plan. This work will be led by the Communications Team.
	Owner	Maxine Collis
	Stage	In Progress
	Start Date	02/12/2019
	Due Date	30/06/2021
<input checked="" type="checkbox"/> 3.4.2 Establish Town & Parish Council Forum	Performance	
	Comments	
	Owner	Emma Denny
	Stage	In Progress
	Start Date	01/09/2019
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 3.4.3 Establish a Youth Council to give a stronger voice for younger people in Council decisions	Performance	
	Comments	n/r
	Owner	Emma Denny
	Stage	Deferred
	Start Date	01/07/2021
	Due Date	30/09/2020
<input checked="" type="checkbox"/> 3.4.4 Establish Environment Panels	Performance	
	Comments	The Climate Change Project Officer and the Environment Policy Officer posts have now been appointed to and these officers will be taking the Environment Forums forward. The Democratic Services Officer (MS) has met with both of them and it is agreed that they will hold a virtual Forum in February / March 2021. By moving to a virtual platform, it is hoped that

		31/12/2020
		attendance will increase and any concerns about transport to a physical venue will be addressed.
	Owner	Emma Denny
	Stage	In Progress
	Start Date	01/10/2019
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 3.4.5 Implement Online consultation feedback portals for key corporate projects/workstreams	Performance	
	Comments	Finance and IT have been working on the latest iteration of the software and have requested feedback from the accountancy team for each department. it is planned that latest data will be entered in January for use in February.
	Owner	Rob Holmes
	Stage	In Progress
	Start Date	01/10/2019
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 3.4.6 Develop and Implement a Communications Strategy	Performance	
	Comments	Draft Communications Plan with Full Cabinet on Feb 1, 2021
	Owner	Joe Ferrari
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2021

## Climate, Coast and the Environment

North Norfolk has an outstanding natural rural and coastal environment, which makes the District a fantastic place to live, work and visit – our natural environment underpins our appeal as a popular holiday destination. The district also has 80 Conservation Areas which recognise the strong character of the local built environment. The district is at the frontline of climate change and declared a Climate Emergency in April 2019 and committed resources to establish an Environmental Forum with the objective of informing the development and implementation of an Environmental Charter. In turn this will lay out how we will lead community adaptation and reduce the Council's impact on the environment.

**Portfolio Holder Lead: Cllr Nigel Lloyd & Cllr Angie Fitch-Tillett**

**Senior Responsible Officer: Rob Young**

 Latest Update







		31/12/2020
<input checked="" type="checkbox"/> 4.1.1 Climate Champions	Performance	★
	Comments	New staff in post in mid-December and an Environment charter is being drafted for consultation. Anticipated to be adopted by June 2021.
	Owner	Annie Sommazzi
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	30/09/2021
<input checked="" type="checkbox"/> 4.1.2 Develop an action plan, draft, adopt and publish Environment Charter	Performance	★
	Comments	New staff in post in mid-December and an Environment charter is being drafted for consultation. Anticipated to be adopted by June 2021.
	Owner	Annie Sommazzi
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	30/06/2021
<input checked="" type="checkbox"/> 4.1.3 Promote energy efficiency and behavioural change towards greater sustainability	Performance	★
	Comments	Supported new Environmental Policy Officer's work to draft Environmental Charter; further support for tree-planting initiative.
	Owner	Joe Ferrari
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 4.1.4 Raise awareness of the environmental challenges and ambitions in the Environmental Charter	Performance	●
	Comments	On-going work to support Environmental Policy Officer in producing Environmental Charter and promoting it when appropriate through available NNDC channels. Regular meetings to discuss new engagement strategies with the public concerning charter and wider environmental issues.
	Owner	Joe Ferrari
	Stage	Not Started
	Start Date	01/09/2020
	Due Date	30/06/2021
<input checked="" type="checkbox"/> 4.1.5 Monitor and review the implementation of the Environmental Charter and Action Plan	Performance	▶▶
	Comments	n/r
	Owner	Robert Young
	Stage	Not Started
	Start Date	20/06/2021
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 4.2.1 Formulate a local plan that supports the transition to a low-carbon future	Performance	★
	Comments	<p>The draft Local Plan includes a suite of policies designed to contribute towards addressing the impacts of climate change including Coastal Management, flooding, building construction, locational controls over development (reducing the need to travel), electric charging points, net biodiversity gain, and support for renewable energy projects.</p> <p>Consultation on a revised version of the Plan is expected in the Spring of 2021 ahead of formal examination over the Summer.</p>
	Owner	Mark Ashwell
	Stage	In Progress








		31/12/2020
	Start Date	04/02/2020
	Due Date	31/08/2021
<input checked="" type="checkbox"/> 4.2.2 Protect and enhance the natural and built environment	Performance	★
	Comments	n/r
	Owner	Phillip Rowson
	Stage	Completed
	Start Date	04/02/2020
	Due Date	30/06/2020
<input checked="" type="checkbox"/> 4.3.1 Baseline carbon audit and carbon reduction action plan	Performance	●
	Comments	The new Environmental Policy Officer who commenced employment with us in December 2020 has picked up this workstream and is in discussions with the Carbon Trust around updating their conclusions following which a detailed action plan will be delivered against which our progress can be measured.
	Owner	Robert Young
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/10/2020
<input checked="" type="checkbox"/> 4.3.2 Carbon impact evidenced in processes for decision making and report writing	Performance	★
	Comments	
	Owner	Emma Denny
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	30/11/2020
<input checked="" type="checkbox"/> 4.3.3 Measure, monitor and report on the change in the Council's emissions and review action plan	Performance	●
	Comments	The consultants are due to be re-engaged to finalise the audit and a process for regular monitoring of progress will be established following the completion of the baseline report
	Owner	Annie Sommazzi
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 4.3.4 'Green energy' initiatives	Performance	★
	Comments	The Council is a partner in the Bacton SNS 2.0 Hydrogen energy feasibility, which is an important first step to identifying alternative low carbon energy opportunities for the future. The study is progressing well and is already yielding interesting data about energy demand and use in the area.
	Owner	Robert Young
	Stage	In Progress
	Start Date	01/09/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 4.4.1 Agree the vision and business plan for Coastal Partnership East	Performance	★
	Comments	The Business Plan structure is agreed with progression and development through the Coastal Partnership East management team and team meeting programme. The team is currently focusing on opportunities for funding to deliver key priority actions for communities, as such we will develop the Business plan by April 2021 as planned and will work with each LA in the meantime to ensure our work and activities feed into the Service and Corporate plans of each Council.

		31/12/2020
	Owner	Rob Goodliffe
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 4.4.2 Establish evidence of coastal change impacts, interpret and communicate this to policymakers	Performance	★
	Comments	Coastal Partnership East continue to fulfil a leading role through the chairmanship of the Anglian Coastal Monitoring Programme the development and delivery of coastal monitoring in the region. The team have played an active role as lead authority for Shoreline Management Plan 6 (Kelling Hard to Lowestoft Ness) in the national SMP Refresh process, the outputs and updated SMP guidance has recently been received and will be considered following the completion of other priority activities (e.g. IRF Expression of Interest). The published Government Policy Statement on Flood and Environment Agency Flood and Coastal Erosion Risk Management Strategy (summer 2020) has positive opportunities and is a shift in the right direction to reflect the needs of Coastal Risk Management Authorities (such as NNDC), CPE are engaging with discussions with the Environment Agency in the development of a national strategic action plan.
	Owner	Rob Goodliffe
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 4.4.3 Local coastal communities - adaptive responses to coastal change and resilience	Performance	★
	Comments	The Coastal Partnership East adaptation themed workstream is under development utilising the knowledge generated across the three CPE authorities and in conjunction with discussions with the national Coastal Network and Local Government Association Coastal Special Interest Group. The Business Plan theme will be based upon the CPE Expression of Interest to the Environment Agency Innovative Resilience Fund. If successful the fund may 'supercharge' the development of the Norfolk and Suffolk adaptation approach and provide opportunities for practical implementation and longer term approach development. The Coastal Loss and Innovative Funding and Finance (CLIFF) project, funded through NNDC, Defra, LGA Coastal SIG and Lewes District Council has begun its next phase (1b) where the shortlisted approaches will be explored further. This project is lining up with the insurance and finance sector to explore new and innovative financing and funding mechanisms to assist with funding adaptation. CLIFF is integrated into the IRF Expression of Interest. The Welsh LGA and Scottish Government are also interested in CLIFF and are involved with the Steering Committee and it fits well with the Government Flood and Coast Policy Statement and Environment Agency Strategy.
	Owner	Rob Goodliffe
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 4.4.4 Develop innovative coastal management approaches	Performance	★
	Comments	This action is integrally linked to other actions, please see actions: Local coastal communities - adaptive responses to coastal change and resilience and Establish evidence of coastal change impacts (e.g. from Shoreline Management

		31/12/2020
		Plans (SMPs), monitoring information and data gathering), interpret and communicate this to policy makers and stakeholders.
	Owner	Rob Goodliffe
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2023
<input checked="" type="checkbox"/> 4.4.5 Continue to implement local actions to manage the coast	Performance	★
	Comments	<p>Coastal Maintenance work continues, delivering actions from programmed inspections, responses from public reports and ongoing issues identified during coastal visits. Works include:</p> <ul style="list-style-type: none"> <li>• Overstrand concrete blocks revetment improvements (using block recycled from the gas terminal)</li> <li>• Overstrand - preparation for scheme to refurbish eastern sea wall</li> <li>• Bacton revetment repairs</li> <li>• Groyne markers repairs – Sheringham</li> <li>• H&amp;S signage and actions where required</li> <li>• Cromer sea wall surfacing repairs</li> <li>• Remedial works to steps going over the revetment at Sidestrand</li> <li>• Audit completed with Trinity House on Navigation Beacons Inspections</li> <li>• Inspections following windblown sand reports and actions following late September gales</li> <li>• Various repairs across system</li> </ul>
	Owner	Rob Goodliffe
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2023
<input checked="" type="checkbox"/> 4.4.6 Share best practice and seek to influence national policy	Performance	★
	Comments	<p>The Government Policy Statement on Flood and Environment Agency Flood and Coastal Erosion Risk Management Strategy published in the summer of 2020 has positive opportunities and is a shift in the right direction to reflect the needs of Coastal Risk Management Authorities (such as NNDC). CPE continue to engage and play a proactive role with LGA Coastal Special Interests Group, DEFRA and Environment Agency to seek to help to guide the national approach moving forwards.</p> <p>The current Innovative Resilience Fund expression of interest will seek to develop local best practice that can be share nationally. The Coastal Loss Innovative Funding and Finance project (CLIFF), developed by CPE, is leading a potentially national approach and will seek to provide opportunities locally and nationally for new working approaches and financial products.</p>
	Owner	Rob Goodliffe
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/05/2023
<input checked="" type="checkbox"/> 4.5.1 Share best practice and seek to influence national policy regarding coastal management	Performance	✔
	Comments	n/r
	Owner	Rob Goodliffe
	Stage	Completed
	Start Date	04/02/2020

		31/12/2020
	Due Date	31/05/2020
<input checked="" type="checkbox"/> 4.5.2 Plan tree planting programme	Performance	
	Comments	Several more of the original leads were followed up in December and good progress was made. 3 volunteer tree planting days were held on Council owned sites with over 2000 trees planted, as well as 165 trees given away at Holt Country Park as part of a planned Tree Giveaway Event. A handful of leads were also generated at this event. No planting can take place as planned in January due to the third national Covid-19 lockdown. This will stall the number of trees going in the ground, but these projects will be completed when we are able.
	Owner	Colin Brown
	Stage	In Progress
	Start Date	01/06/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 4.5.3 Tree planting - Engage communities to identify the optimal approach and garner support	Performance	
	Comments	The team have engaged with several different groups within the community to gauge the best approach to planting projects. The new climate change team are now producing a strategy for the project as a whole which will outline the approach to be taken. It is likely that there will be several different approaches taken given the vast array of different community groups and organisations who wish to be involved. This will be developed in the coming months.
	Owner	Colin Brown
	Stage	Not Started
	Start Date	01/06/2020
	Due Date	31/05/2021
<input checked="" type="checkbox"/> 4.5.4 Tree planting implementation	Performance	
	Comments	Several more of the original leads were followed up in December and good progress was made. 3 volunteer tree planting days were held on Council owned sites with over 2000 trees planted, as well as 165 trees given away at Holt Country Park as part of a planned Tree Giveaway Event. A handful of leads were also generated at this event. No planting can take place as planned in January which will stall the number of trees going in the ground, but these projects will be completed when we are able.
	Owner	Colin Brown
	Stage	In Progress
	Start Date	01/10/2020
	Due Date	28/02/2021
<input checked="" type="checkbox"/> 4.6.1 Installation of Electric Vehicle (EV) charging points	Performance	
	Comments	<p>We now have all sites online apart from Fakenham and North Walsham.</p> <p>The engineers are visiting Fakenham at the end of January to assess the position and following that we will have a clearer picture regarding the 'go live' date.</p> <p>There is a requirement to identify a new site in North Walsham as Sainsbury have indicated that they are undertaking a review of their energy requirements across their portfolio and as such do not want the Council accessing their power supply at the current time. A review of sites is to be undertaken during February.</p>
	Owner	Duncan Ellis
	Stage	In Progress



		31/12/2020
	Start Date	04/02/2020
	Due Date	30/06/2021
<input checked="" type="checkbox"/> 4.6.2 Assess demand/ growth in the use of electric vehicles and roll-out of further charging points	Performance	
	Comments	
	Owner	Robert Young
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	30/09/2021
<input checked="" type="checkbox"/> 4.6.3 Include policies on EV and EV infrastructure in the Local Plan and in asset management plans	Performance	
	Comments	The draft Local Plan includes EV policies.
	Owner	Mark Ashwell
	Stage	In Progress
	Start Date	28/02/2020
	Due Date	31/08/2021
<input checked="" type="checkbox"/> 4.6.4 Review staff/member travel policies and future options that will reduce emissions	Performance	
	Comments	Currently developing a revised car loan scheme, with improved rate for green vehicles. Also investigating season ticket loans for train travel, and green vehicle salary sacrifice purchase scheme.
	Owner	James Claxton
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	29/01/2021
<input checked="" type="checkbox"/> 4.6.5 Communicate the advantages and opportunities of using electric vehicles	Performance	
	Comments	This will form part of wider communications on environmental objectives, undertaken by the new environmental post holders
	Owner	Robert Young
	Stage	Not Started
	Start Date	04/02/2020
	Due Date	07/09/2021
<input checked="" type="checkbox"/> 4.7.1 Implement the waste contract	Performance	
	Comments	n/r
	Owner	Steve Hems
	Stage	Completed
	Start Date	04/02/2020
	Due Date	30/04/2020
<input checked="" type="checkbox"/> 4.7.2 Waste & cleansing contract - investigate going beyond the minimum necessary	Performance	
	Comments	
	Owner	Steve Hems
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 4.7.3 Targeted campaigns to reduce consumption and waste	Performance	
	Comments	During quarter 3, we have delivered to residents an updated collection calendar with information regarding the correct use of the recycling service and garden waste service for relevant subscribers. Whilst this is not a targeted campaign, it is an important tool in communicating with residents regarding our services. Content on the website has also been updated to ensure it is accurate and effective, however, little progress has been made on developing specific targeted communication

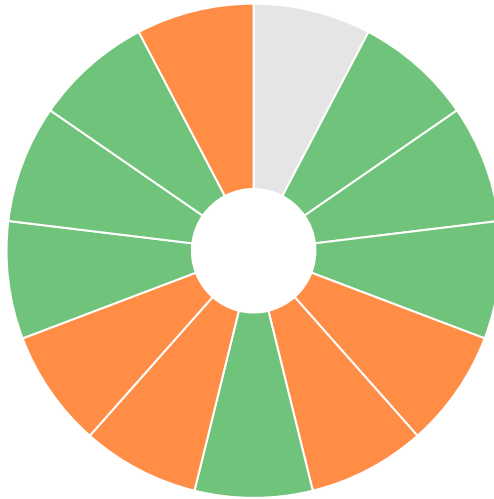
		31/12/2020
		campaigns during quarter 3.
		The profile and composition of waste we collect from households has inevitably changed as a result of the Covid-19 pandemic. Trends in waste management can take longer than a few months to become evident and things are likely to change further as government restrictions are lifted once again. In order to best target our resources, it would be prudent to keep a watching brief on how the situation develops during Q4 so that we have a full year of data during the Covid-19 situation and can then assess how best to proceed.
	Owner	Scott Martin
	Stage	In Progress
	Start Date	01/04/2020
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 4.7.4 Establish data collection systems analyses	Performance	★
	Comments	<p>Data collection systems are in place and functional. An initial residual waste composition analysis was undertaken in March 2020 and the results of this were made available in April 2020. The report from phase one showed that 10.5% of the residual waste analysed was material that could have been recycled in the green bins in North Norfolk.</p> <p>Other data we have for the year to date shows that we have a changing profile in terms of the waste that we collect. Total collection tonnages have remained broadly consistent, however, there has been a reduction in commercial waste and recycling but a similar increase in household waste and recycling tonnages. There has also been a significant increase in garden waste tonnage compared to previous years. These trends are continuing to be monitored in order to feed in to other workstreams in terms of targeted communications to residents.</p>
	Owner	Scott Martin
	Stage	Completed
	Start Date	01/06/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 4.7.5 Implement local community waste reduction measures	Performance	★
	Comments	<p>The new Community Fridge in Stalham has been progressing well and is almost ready to launch (just awaiting delivery of fridge). A suitable host site has been identified for a Community Fridge in Sheringham and discussions are ongoing. Officers are working to deliver a number of initiatives in Q4, including activities during 'Food Waste Action Week' in March.</p>
	Owner	Scott Martin
	Stage	Not Started
	Start Date	04/02/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 4.7.6 Investigate and implement reduced carbon footprint options within the waste contract	Performance	●
	Comments	
	Owner	Steve Hems
	Stage	In Progress
	Start Date	01/04/2020
	Due Date	30/04/2022

## Financial Sustainability and Growth

Looking forward the Council will need to be even more innovative in its approaches to maintaining and increasing service provision, building upon its record of robust financial management through identifying new sources of income, making sound investments and delivering high quality services in the most efficient way possible.

**Portfolio Holder Lead: Cllr Eric Seward**  
**Senior Responsible Officer: Duncan Ellis**

 Latest Update



		31/12/2020
<input checked="" type="checkbox"/> 5.1.1 Establish a baseline against which to review and control fees and charges	Performance	▶▶
	Comments	n/r
	Owner	Duncan Ellis
	Stage	Not Started
	Start Date	30/06/2021
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 5.1.2 Develop a public convenience policy	Performance	★
	Comments	The public convenience tender will now be reissued to include Wells, Fakenham (demolition and new modular build), refurbishment and Changing Places at the Leas in Sheringham and refurbishment at New Road, North Walsham. Architects SMG will be issuing revised drawings and scope of works. The tenders are due back on 3 February 2021.
	Owner	Duncan Ellis
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 5.1.3 Trial zero based budgeting (ZBB)	Performance	★
	Comments	After a discussion with the Strategic Leadership Team and Cabinet Members it was proposed that a zero based budgeting exercise will be undertaken throughout the autumn of 2021 to inform the setting of the 2021/22 budget.
	Owner	Duncan Ellis
	Stage	Not Started
	Start Date	04/02/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 5.1.4 Close loopholes which exist around Second Home Council Tax / Business Rate payments	Performance	★
	Comments	There are no further updates since the previous report, officers will feed in to any further consultations in respect of business rates as they are released.
	Owner	Duncan Ellis
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 5.1.5 Undertake service reviews to improve efficiency and reduce costs	Performance	●
	Comments	Zero Based Budgeting will be explored for the 2022-23 budget process. This has been delayed due to the COVID response and the reprioritisation of the Delivery Plan. A detailed plan covering the implementation of Zero Based Budgeting will be produced in the summer.
	Owner	Lucy Hume
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2022
<input checked="" type="checkbox"/> 5.2.1 Develop a Financial Sustainability Strategy	Performance	●
	Comments	Savings and Income generation workshop held with O&S Members. These ideas are being explored in addition to those generated by OMT and will inform the Financial Sustainability Strategy. Due to the COVID response and staff absences, this will now not be achieved by December 2020. I propose a new completion date of August 2021.
	Owner	Lucy Hume
	Stage	In Progress

	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 5.2.2 Review the Car Parking Policy	Performance	★
	Comments	Due to Covid-19 the preparation of the 2021/22 budget has not proposed any changes to car park charging for the forthcoming financial year.
	Owner	Duncan Ellis
	Stage	Deferred
	Start Date	04/02/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 5.2.3 Explore the opportunities to generate income from advertising and sponsorship	Performance	●
	Comments	At the present time capacity issues and the ongoing Covid response are hampering consideration of these opportunities. The Council also needs to be mindful of how this policy is delivered given the ongoing impact of the virus however this is an area that could significantly support business recovery.
	Owner	Duncan Ellis
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/08/2021
<input checked="" type="checkbox"/> 5.3.1 Develop a business case for a housing company	Performance	●
	Comments	n/r
	Owner	Graham Connolly
	Stage	Cancelled
	Start Date	04/02/2020
	Due Date	30/09/2020
<input checked="" type="checkbox"/> 5.3.2 Explore options for investing in medical centre development/health care facilities	Performance	★
	Comments	Discussions are ongoing with the Norfolk and Waveney Clinical Commissioning Group. The most recent meeting with them was on 20 January 2021. At which time they shared with us a draft North Norfolk Locality Capacity Planning Report which will inform their future primary care network estates strategy. We have been invited to comment on the report in the context of the future growth of the district as proposed through the Local Plan and detailed proposals will be developed for future NHS funding from April 2021. This original objective proposed the Council exploring potential investment opportunities in new health care facilities in the district. The capital investment regulations around the Public Works Loans Board might mean that this isn't such an attractive proposition for the authority moving forward.
	Owner	Steve Blatch
	Stage	Completed
	Start Date	04/02/2020
	Due Date	31/12/2020
<input checked="" type="checkbox"/> 5.3.3 Take a strategic approach to commercial development opportunities	Performance	★
	Comments	<p>The purchase of 3 brand new industrial units at Hornbeam Road, North Walsham has been completed with professional marketing commenced seeking to secure potential interest. Discussion's with potential tenants.</p> <p>Purchase of 2 parcels of land for car parking are also nearing completion, whilst negotiations continue regarding vacant land</p>

residential property with redevelopment/refurbishment potential, seeking a disposal of the property subject to Cabinet approval once an offer has been received. The property is now on the market with viewings taking place, although the level of viewings is being impacted by covid restrictions over travel. Virtual viewings are taking place as an alternative arrangement. A review of a further property has been undertaken that has identified a possible disposal option and this is being considered.


The disposal of enabling land at Sheringham is progressing with the purchasers undertaking a planning pre application process. Feedback has been provide and it is anticipated that a planning application will be submitted early 2021. The purchase is subject to a number of conditions including planning consent.

Quotes are being obtained for the refurbishment of a small kiosk with the view to undertaking the necessary works to bring the property back into use for Spring/Summer season. The property will be marketed seeking bids from potential tenants. Further investigation is being undertaken to bring back into use other vacant property at Cromer including funding opportunities.


The concession review has been undertaken, which has identified potential sites. These sites have been marketed with a number of bids received. Following the closing date the bids will be assessed and offers made to successful bidders, subject to usual governance procedures.

Owner	Renata Garfoot
Stage	In Progress
Start Date	04/02/2020
Due Date	31/03/2022

5.4.1 Explore options to expand Electric Vehicle Charging Points (EVCP) pilot

Performance	
Comments	Continuing installation and commissioning works. Looking to procure external consultant for next programme.
Owner	Russell Tanner
Stage	In Progress
Start Date	01/06/2020
Due Date	31/08/2021

5.4.2 Explore the potential for the installation of photo voltaics (PV) on the Council's assets

Performance	
Comments	This will form part of the actions that emanate from the Carbon Audit. A review of the opportunities at the new leisure centre site in Sheringham is to be investigated.
Owner	Robert Young
Stage	Not Started
Start Date	04/02/2020
Due Date	31/12/2020







## Quality of Life

North Norfolk is a wonderful place to live and work, with strong and vibrant communities and most of our residents enjoying a good quality of life. The Council and its partners are committed to improving the wellbeing of older people through social prescribing and promoting the development of Housing with Care / Extra Care provision where people can live independently for longer with opportunities for social interaction. The Council has a strong record of providing and supporting facilities and activities which improve local people's mental wellbeing and quality of life and, within the financial constraints the Council operates within, it is committed to maintaining and enhancing such facilities for the future as they form an essential element of the district's appeal as a place to live and visit.

**Portfolio Holder Lead: Cllr Virginia Gay**  
**Senior Responsible Officer: Phillip Rowson**

 Latest Update



		31/12/2020
<input checked="" type="checkbox"/> 6.1.1 Undertake a Quality of Life Survey	Performance	
	Comments	Responsibility for the Quality of Life actions is under review as a result of the management restructure. A handover will be arranged once responsibility is confirmed.
	Owner	Phillip Rowson
	Stage	Not Started
	Start Date	04/02/2020
	Due Date	27/08/2021
<input checked="" type="checkbox"/> 6.2.1 Develop a Quality of Life Strategy	Performance	
	Comments	Responsibility for the Quality of Life actions is under review as a result of the management restructure. A handover will be arranged once responsibility is confirmed.
	Owner	Phillip Rowson
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	30/11/2020
<input checked="" type="checkbox"/> 6.2.2 Implement the Quality of Life Strategy	Performance	
	Comments	After discussion of the Leader and CEO the due date for this action has been set to 31 December 2021. Please review this due date with your Head of Service (unless you are one), agree any necessary amendment and make the change in InPhase prior to the end of October.
	Owner	Phillip Rowson
	Stage	Not Started
	Start Date	02/11/2020
	Due Date	31/12/2021
<input checked="" type="checkbox"/> 6.3.1 Engage the local community to deliver the North Walsham Heritage Action Zone programme	Performance	
	Comments	<p>A number of activities are ongoing and upcoming, including:</p> <ul style="list-style-type: none"> <li>• The Cedars – a conditional survey has been produced to identify the costs of restoring the building to habitable use.. A scoping report is currently in development which will seek to identify a range of uses for the site/buildings.</li> <li>• An Invitation to Bid is presently out to tender to commission an organisation to design, develop and oversee the construction phase of the town centre placemaking</li> <li>• A Building Improvement Grant is presently in development. This scheme will support the repair and restoration of buildings, shop fronts and underutilised spaces</li> </ul>
	Owner	Stuart Quick
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/03/2024
<input checked="" type="checkbox"/> 6.4.1 Formulate and publish an accessibility guide	Performance	
	Comments	n/r
	Owner	Jane Wisson
	Stage	Completed
	Start Date	04/02/2020
	Due Date	31/03/2020
<input checked="" type="checkbox"/> 6.5.1 Develop the new leisure centre to replace the Splash at Sheringham	Performance	
	Comments	Work continues in line with the current programme which would see completion of the new facility in August 2021 and the finalisation of the site in November 2021. Recent works



31/12/2020

completed include:

- installation of glass on the entrance and reception areas
- testing of the learner and main pools to ensure they hold water
- installation of internal walls to form the gym, dance studio and spin studio
- installation of the solar thermal panels which will help heat the showers

Owner Kate Rawlings

Stage In Progress

Start Date 04/02/2020

Due Date 12/08/2021

6.6.1 Maintain and enhance the physical structure of Cromer Pier and a programme of events

Performance 

Comments

Hemsley Orrel Partnership (consultants) are currently preparing tender documents for issue later this month (January 2021).  
This is based on the completion of the recent rope access survey.

Owner Russell Tanner

Stage In Progress

Start Date 04/02/2020

Due Date 31/12/2021

6.7.1 Maintain the quality and accessibility of public conveniences

Performance 

Comments

Works tender is currently live for all four sites and is due back by the 29th January 2021.  
Contract to be awarded first week in February 2021 subject to budgetary availability.

Owner Russell Tanner

Stage In Progress

Start Date 04/02/2020

Due Date 31/10/2021

6.8.1 Commit to NNDC Blue Flag and Green Flag status

Performance 

Comments

We have once again been invited to apply for all six Blue Flags for 2021, due to the excellent water quality classifications.

The green flag applications are currently being prepared for 2021

Owner Karl Read

Stage In Progress

Start Date 20/06/2020

Due Date 31/12/2020

6.9.1 Deliver the first Mammoth Marathon

Performance 

Comments

Given the continued uncertainty regarding Covid restrictions, there remains a high level of uncertainty whether the marathon will take place in 2021

Owner Karl Read

Stage In Progress

Start Date 04/02/2020

Due Date 16/05/2021

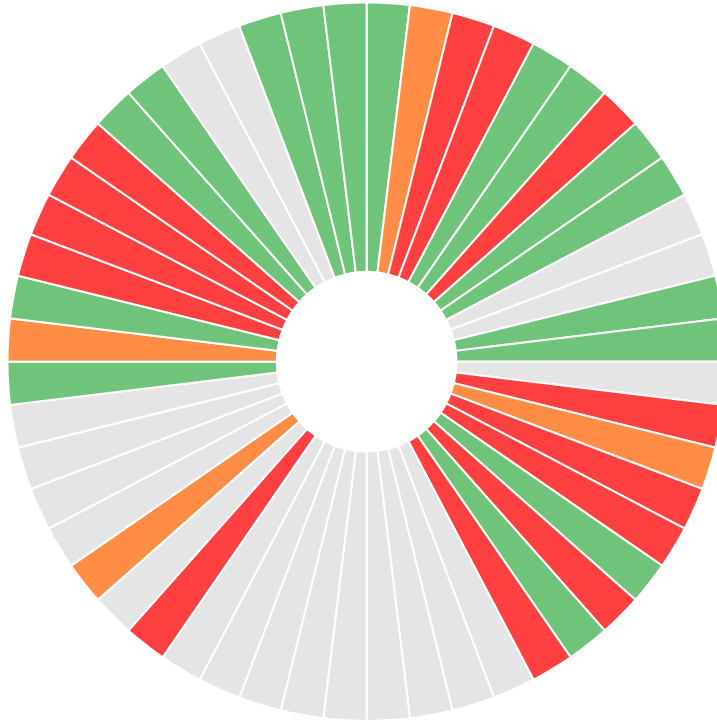
6.10.1 Identify new

Performance 

<input type="checkbox"/> opportunities for funding to implement and promote the Quality of Life Strategy	Comments	Responsibility for the Quality of Life actions is under review as a result of the management restructure. A handover will be arranged once responsibility is confirmed.
	Owner	Phillip Rowson
	Stage	Not Started
	Start Date	02/11/2020
	Due Date	31/03/2021
<input checked="" type="checkbox"/> 6.11.1 Community support initiatives review	Performance	★
	Comments	<p>Information and advice is being offered to Town &amp; Parish Councils as well as community groups in respect of funding, new services and support that is available to both the organisation and the local community.</p> <p>NNDC worked closely with Town &amp; Parish Councils as well as local voluntary organisations during the Covid 19 pandemic to provide support and help to vulnerable residents. Financial support for Covid 19 was specifically available to these organisations and they were proactively supported and encouraged to apply for this funding.</p>
	Owner	Sonia Shuter
	Stage	In Progress
	Start Date	04/02/2020
	Due Date	31/12/2020

# Operational Performance

## Overview



### Key

Performance	Direction of Change
Performance better than target	Value Increasing (Smaller is Better)
Performance just off target	Value Decreasing (Smaller is Better)
Performance worse than tolerance	Value Increasing (Bigger is Better)
No information	Value Decreasing (Bigger is Better)
Missing comparator	No change
No actual value	
- Measure is a quarterly measure so there is no data reported for this month	

# Performance Focus

This section of the report shows all the monthly and quarterly operational performance measures that are not achieving target, the explanation for that level of performance and any actions being taken. The performance levels shown are for the most recent three months for monthly data and the most recent quarter for quarterly measures,

## Latest Update

		Dec 2020
AS 003 Occupancy rate of Council-owned rental properties - Concessions	Performance	▲
	Actual (Period)	46.15
	Target	80.00
	Direction of change	↯
	Owner	Renata Garfoot
	Comments	A number of concessions licences have come to an end resulting in available pitches. These pitches are currently going through a tender process which will see the percentage of sites dramatically improve at the next reporting cycle.
AS 004 Percentage of rent arrears on all debts 90 days and over	Performance	▲
	Actual (Period)	42.29
	Target	5.00
	Direction of change	▼
	Owner	Renata Garfoot
	Comments	
BC 001 Building Control income (£)	Performance	▲
	Actual (Period)	18,293.00
	Target	31,666.00
	Direction of change	↯
	Owner	Stuart Tate
	Comments	
CS 001 Number of complaints	Performance	▲
	Actual (Period)	25
	Target	17
	Direction of change	↯
	Owner	Jane Wisson
	Comments	During the last three months we have seen a reduction in complaints although still higher than last year – there isn't a specific service area or trends we can identify
EG 010 Number of businesses engaged via business support events	Performance	▲
	Actual (Period)	0
	Target	50
	Direction of change	↯
	Owner	Stuart Quick
	Comments	
EP 001b Percentage of responses to fly-tipping (private land) complaints within 2 working days	Performance	▲
	Actual (Period)	50.00
	Target	80.00
	Direction of change	→
	Owner	Emily Capps
	Comments	
EP 001c Percentage of responses to fly-tipping (public land) complaints within 2 working days	Performance	▲
	Actual (Period)	53.85
	Target	80.00
	Direction of change	↯
	Owner	Emily Capps
		Page 131

		Dec 2020
	Comments	The Environmental Protection Team is currently operating with a reduced number of staff. Two senior Environmental Protection Officers are on maternity and adoption leave. Whilst we advertised to back fill these positions we were unable to find a suitably qualified candidate. The team have also been heavily involved in the Council's response to the Covid-19.
FS 001 PM 32 Average number of days revenue outstanding (Debtor Days)	Performance	▲
	Actual (Period)	88.0
	Target	41.0
	Direction of change	↗✘
	Owner	Jeny Carroll
	Comments	Active debt collection has been suspended unless advised to do so by the specific departments. Gentle payment reminders have been sent out where services have not been suspended as a result of Covid-19.
HS 001 Number of affordable homes built	Performance	▲
	Actual (Period)	6
	Target	25
	Direction of change	↘✘
	Owner	Nicky Debbage
	Comments	Current delivery is behind target, however, the projected delivery for the whole year is well above target (195 against a target of 100) with most completions due towards the end of the year.
LE 010 Number of Adult Visitors to Parks and Countryside Events	Performance	▲
	Actual (Period)	0
	Target	140
	Direction of change	→
	Owner	Karl Read
	Comments	Due to Covid-19 no events were held in 2020.
LE 011 Number of Child Visitors to Parks and Countryside Events	Performance	▲
	Actual (Period)	0
	Target	270
	Direction of change	→
	Owner	Karl Read
	Comments	Due to Covid-19 no events were held in 2020.
LE 012 Total number of Visitors to Parks and Countryside Events	Performance	▲
	Actual (Period)	0
	Target	410
	Direction of change	→
	Owner	Karl Read
	Comments	Due to Covid-19 no events were held in 2020.
LE 013 Income from events organised at Country Parks	Performance	▲
	Actual (Period)	0.00
	Target	1,290.00
	Direction of change	→
	Owner	Karl Read
	Comments	Due to Covid-19 no events were held in 2020.

## All other performance measures

This report shows performance for all other monthly and quarterly operational performance measures. The performance levels shown are for the most recent three months for monthly data and the most recent quarter for quarterly measures











Latest Update














		Dec 2020
AS 001 Occupancy rate of Council-owned rental properties - Industrial		★
	Actual (Period)	94.74
	Target	85.00
	Direction of change	→
	Owner	Renata Garfoot
	Comments	
AS 002 Occupancy rate of Council-owned rental properties - Retail		●
	Actual (Period)	76.92
	Target	78.00
	Direction of change	→
	Owner	Renata Garfoot
	Comments	
AU 001 - Percentage of Priority 1 (Urgent) audit recommendations completed on time		?
	Actual (Period)	
	Target	100.00
	Direction of change	?
	Owner	Lucy Hume
	Comments	
AU 002 - Percentage of Priority 2 (Important) audit recommendations completed on time		?
	Actual (Period)	
	Target	70.00
	Direction of change	?
	Owner	Lucy Hume
	Comments	
AU 004 - Percentage of audit days delivered		?
	Actual (Period)	
	Target	83.00
	Direction of change	?
	Owner	Lucy Hume
	Comments	
BE 027 Average time for processing new claims (housing benefit and council tax support)		★
	Actual (Period)	16.00
	Target	20.00
	Direction of change	↗
	Owner	Trudi Grant
	Comments	
BE 028 Speed of processing: change in circumstances for housing benefit and CT support claims		★
	Actual (Period)	11.00
	Target	14.00
	Direction of change	→
	Owner	Trudi Grant
	Comments	
CL 002 Number of Ombudsman referral decisions		★
	Actual (Period)	0
	Target	3



		Dec 2020
	Direction of change	→
	Owner	Steve Blatch
	Comments	The investigation process restarted during the summer of 2020 but no decisions have been received to date.
CL 003 Number of Ombudsman referral decisions successful outcomes for the Council		★
	Actual (Period)	0
	Target	0
	Direction of change	→
	Owner	Steve Blatch
	Comments	
DM 024 (24m) Percentage of non-major planning applications determined within time period		★
	Actual (Period)	90.02
	Target	80.00
	Direction of change	↕
	Owner	Sarah Ashurst
	Comments	
DM 025 (24m) Non-Major - Quality: Percentage of the total number of decisions allowed on appeal		★
	Actual (Period)	0.93
	Target	10.00
	Direction of change	↕
	Owner	Sarah Ashurst
	Comments	
DM 025 (n24m) - Non-major - Quality: Number of decisions allowed on appeal within time period		n/a
	Actual (Period)	16
	Target	
	Direction of change	✗
	Owner	Sarah Ashurst
	Comments	
EG 009 Grants awarded (£)		★
	Actual (Period)	175,390.00
	Target	0.00
	Direction of change	✗
	Owner	Stuart Quick
	Comments	
EG 011 Number of businesses supported		★
	Actual (Period)	95
	Target	50
	Direction of change	✗
	Owner	Stuart Quick
	Comments	
EP 001a Percentage of responses to nuisance complaints within 2 working days		●
	Actual (Period)	77.27
	Target	80.00
	Direction of change	✗
	Owner	Emily Capps
	Comments	

		Dec 2020
HO 006 Numbers on the housing waiting list		n/a
	Actual (Period)	2,817
	Target	
	Direction of change	
	Owner	Lisa Grice
	Comments	
HO 007 Numbers on the Housing Register		n/a
	Actual (Period)	428
	Target	
	Direction of change	
	Owner	Lisa Grice
	Comments	
HO 008 Numbers on the Housing Options Register		n/a
	Actual (Period)	1,932
	Target	
	Direction of change	
	Owner	Lisa Grice
	Comments	
HO 009 Numbers on the Transfer Register		n/a
	Actual (Period)	457
	Target	
	Direction of change	
	Owner	Lisa Grice
	Comments	
HR 007 Working days lost due to sickness absence - whole authority days per FTE		
	Actual (Period)	1.47
	Target	1.50
	Direction of change	
	Owner	James Claxton
	Comments	
HS 002 Number of affordable homes granted planning permission		n/a
	Actual (Period)	157
	Target	
	Direction of change	
	Owner	Nicky Debbage
	Comments	
HS 005 Number of grants awarded from the North Norfolk Sustainable Communities Fund		n/a
	Actual (Period)	8
	Target	
	Direction of change	
	Owner	Sonia Shuter
	Comments	The North Norfolk Sustainable Communities Fund Panel met on 7th December 2020 to consider applications over £1,000 and under £15,000. Eleven new applications totalling £115,527.99 were presented to the Panel plus an application that had previously been deferred. The Panel recommended that funding totalling £52,377.94 was awarded to seven projects. Two

		Dec 2020
		applications were deferred and three refused. A grant award of £1,000 had also been to the under £1,000 grant fund.
HS 006 Amount of funding investment from the North Norfolk Sustainable Communities Fund		n/a
	Actual (Period)	53,377.94
	Target	
	Direction of change	✗
	Owner	Sonia Shuter
	Comments	The North Norfolk Sustainable Communities Fund Panel met on 7th December 2020 to consider applications over £1,000 and under £15,000. Eleven new applications totalling £115,527.99 were presented to the Panel plus an application that had previously been deferred. The Panel recommended that funding totalling £52,377.94 was awarded to seven projects. Two applications were deferred and three refused. A grant award of £1,000 had also been to the under £1,000 grant fund.
HW 003 Number of Disabled Facilities Grants completed		n/a
	Actual (Period)	8
	Target	
	Direction of change	✗
	Owner	Karen Hill
	Comments	
HW 004 Number of Disabled Facilities Grants approved		n/a
	Actual (Period)	2
	Target	
	Direction of change	✗
	Owner	Karen Hill
	Comments	
HW 005 Average Disabled Facilities Grant spend (£)		n/a
	Actual (Period)	59,613
	Target	
	Direction of change	n/a
	Owner	Karen Hill
	Comments	
IT 001 Number of transactions made via the Council website		?!
	Actual (Period)	
	Target	
	Direction of change	?
	Owner	Rob Holmes
	Comments	
LE 004 Participation at Council Sporting Facilities		★
	Actual (Period)	21,299
	Target	21,299
	Direction of change	✓
	Owner	Karl Read
	Comments	
LS 003 Legal Services fee income (£)		★
	Actual (Period)	12,854.00



		Dec 2020
	Target	6,000.00
	Direction of change	
	Owner	Emma Duncan
	Comments	
LS 004 Percentage of Freedom of Information (FOI) Requests responded to within 20 working days		
	Actual (Period)	89.58
	Target	90.00
	Direction of change	
	Owner	Emma Duncan
MJ 001 (24m) - Percentage of major planning applications determined within time period		
	Actual (Period)	82.35
	Target	60.00
	Direction of change	
	Owner	Geoff Lyon
MJ 002 (24m) - Major - Quality: Percentage of the total number of decisions allowed on appeal		
	Actual (Period)	0.00
	Target	10.00
	Direction of change	
	Owner	Geoff Lyon
MJ 002 (n24m) - Major - quality: Number of decisions allowed on appeal		n/a
	Actual (Period)	0
	Target	
	Direction of change	
	Owner	Geoff Lyon
PL 001 Planning income (£)		
	Actual (Period)	78,910.00
	Target	66,792.00
	Direction of change	
	Owner	Phillip Rowson
PP 002 Number of homes granted planning permission (all tenure types)		n/a
	Actual (Period)	1,099
	Target	
	Direction of change	
	Owner	Mark Ashwell
RV 009 Percentage of Council Tax collected		
	Actual (Period)	8.87
	Target	8.50
	Direction of change	
	Owner	Sean Knight

		Dec 2020
	Comments	Council Tax collection is 81.62%, compared to target of 82.00%. This is a shortfall of 0.38% compared to last month's shortfall of 0.75%. This equates to a shortfall of £290,647.82 compared to the previous month's shortfall of £578,792.83. Our performance has improved substantially compared to the previous month because of the increase in recovery work.
RV 010 Percentage of non-domestic rates collected		★
	Actual (Period)	8.75
	Target	8.00
	Direction of change	↓
	Owner	Sean Knight
	Comments	NNDR collection is 85.03% compared to target of 84.00%. This is in excess of our target by 1.03% compared to last month's which was in excess of 0.28%. This equates to an excess of £133,027.84 compared to the previous month's excess of £37,401.50. Our performance has improved substantially compared to the previous month because of the increase in recovery work.

		Dec 2020
CE 001 Number of very long term empty homes (2 years or more as at 1st day of each month)		!
	Actual (Period)	158
	Target	
	Direction of change	↓
	Owner	Bob Wade
	Reporting to Members Comments	There are a number of intervention strategies designed to prevent properties from being empty for this long and encouraging owners to bring very long-term empties back into use. The Combined Enforcement Team monitors some of these properties. The monitoring of these properties was reduced because of the pandemic and social distancing, not allowing properties to be visited and other priority work e.g. setting up and paying the business grant payments. We were however able to continue with serving completion notices to help increase the tax base which will increase New Homes Bonus. Long Term Empty Property Reviews have re-commenced and the decision to increase the levy charge for properties that have been empty for ten years or more is likely to have an affect from April 2021.
CE 003 Number of long term empty homes (6 months or more as at 1st day of each month)		!
	Actual (Period)	496
	Target	
	Direction of change	↓
	Owner	Bob Wade
	Reporting to Members Comments	There are a number of intervention strategies designed to prevent properties from being empty and encouraging owners to bring very long-term empties back into use. The Combined Enforcement Team monitors some of these properties. The monitoring of these properties has reduced with the extra work created by the pandemic.

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**North Norfolk District Council**  
Cabinet Work Programme  
For the Period 01 February 2021 to 31 March 2021

Decision Maker(s)	Meeting Date	Subject & Summary	Cabinet Member(s) Lead Officer	Corporate Plan Theme	Status / additional comments
<b>February 2021</b>					
Cabinet	01 Feb 2021	Property Transactions	Nicky Debbage Renata Garfoot	<i>Financial Sustainability</i>  <i>Local Homes for Local Need</i>	 Possible exempt information
Cabinet	01 Feb 2021	Decisions taken under delegated authority	All Emma Denny <i>Democratic Services Manager</i>		
Cabinet	01 Feb 2021	Communications Strategy	<b>Sarah Butikofer</b> Joe Ferrari <i>Communications &amp; PR Manager</i>	<i>Customer Focus</i>	
Cabinet	01 Feb 2021	Loan – Homes for Wells	<b>Greg Hayman</b> Graham Connolly	<i>Local Homes for Local Need</i>	  Possible Exempt information
Scrutiny	13 Jan 2021	2021/22 Base Budget and Projections for 2022/23 to 2023/24	<b>Eric Seward</b> Duncan Ellis <i>Head of Finance</i>	<i>Financial Sustainability</i>	Pre-Scrutiny
Cabinet	01 Feb 2021				
Council	24 Feb 2021				



Key Decision – a decision which is likely to incur expenditure or savings of £100,000 or more, or affect two or more wards. (NNDC Constitution, p9 s12.2b)

\* Schedule 12A of the Local Government Act 1972 (As amended by the Local Authorities (Access to Information) (Exempt Information) (England) Order 2006)

**North Norfolk District Council**  
Cabinet Work Programme  
For the Period 01 February 2021 to 31 March 2021

February 2021					
Cabinet	01 Feb 2021	Capital Strategy 2021/2022	Eric Seward Lucy Hume Chief Technical Accountant	Financial Sustainability	
Scrutiny	10 Feb 2021				
Council	24 Feb 2021				
Cabinet	01 Feb 2021	Treasury Strategy 2021/2022	Eric Seward Lucy Hume Chief Technical Accountant 01263 516246	Financial Sustainability	
Scrutiny	10 Feb 2021				
Council	24 Feb 2021				
Cabinet	01 Feb 2021	Investment Strategy 2021/2022	Eric Seward Lucy Hume Chief Technical Accountant 01263 516246	Financial Sustainability	
Scrutiny	10 Feb 2021				
Council	24 Feb 2021				
March 2021					
Scrutiny	10 Feb 2020	Managing Performance Q3	Sarah Butikofer Steve Blatch Chief Executive	Customer Focus	Pre-Scrutiny
Cabinet	15 Mar 2021				
Cabinet	15 Mar 2021	Budget Monitoring Period 10	Eric Seward Duncan Ellis Head of Finance & Assets 01263 516243	Financial Sustainability	
Scrutiny	24 Mar 2021				





Key Decision – a decision which is likely to incur expenditure or savings of £100,000 or more, or affect two or more wards. (NNDC Constitution, p9 s12.2b)

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**North Norfolk District Council**  
Cabinet Work Programme  
For the Period 01 February 2021 to 31 March 2021

Cabinet	15 Mar 2021	Project Governance & Management Framework	Sarah Butikofer Steve Blatch Chief Executive	Financial Sustainability	
Cabinet	15 Mar 2021	Use of Section 106 Sums to deliver new affordable homes in the District	Greg Hayman Nicky Debbage	Local Homes for Local Need	 Possible exempt information
Cabinet	15 Mar 2021	Property Transactions	Eric Seward Greg Hayman Nicky Debbage Renata Garfoot	Financial Sustainability  Local Homes for Local Need	 Possible exempt information
April 2021					
Scrutiny	24 Mar 2021	Equality & Diversity Policy	Sarah Butikofer Steve Blatch	Customer Focus	Pre Scrutiny
Cabinet	12 Apr 2021				
Council	28 Apr 2021				



Key Decision – a decision which is likely to incur expenditure or savings of £100,000 or more, or affect two or more wards. (NNDC Constitution, p9 s12.2b)

\* Schedule 12A of the Local Government Act 1972 (As amended by the Local Authorities (Access to Information) (Exempt Information) (England) Order 2006)

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## OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2020/21

Meeting	Topic	Lead Officer / Member	Objectives & desired outcomes	Time cycle
<b>May 2020</b>				
Cabinet Scrutiny	<b>NNDC Covid-19 Response</b>	Sarah Butikofer Steve Blatch	To review the NNDC response to the Covid-19 pandemic	
Cabinet Scrutiny	<b>Covid-19 2020/21 Budget Impact Report</b>	Eric Seward Duncan Ellis	To review the impact of the Covid-19 pandemic on the Council's 2020/21 budget	
Scrutiny	<b>Review of delegated decisions</b>		To review any delegated decisions that have been made as a result the Covid-19 Pandemic	
<b>July</b>				
Cabinet Scrutiny	<b>NNDC Transition from Response to Recovery Coronavirus Pandemic</b>	Steve Blatch Sarah Bütikofer	To brief Members on NNDC's transition from the response to the recovery stage of the Covid-19 Pandemic	
Cabinet Scrutiny	<b>Review of Delegated Decisions</b>	Emma Denny	To allow Members an opportunity to review decisions taken under delegated authority	
Scrutiny	<b>Sheringham Leisure Centre Project Update</b>	Rob Young Virginia Gay	To update Members on the status of the Sheringham Leisure Centre Project	Quarterly
Scrutiny	<b>Market Town Initiative - Interim Update</b>	Matt Stembrowicz Richard Kershaw	To update Members on the current status of MTI projects in relation to the impact of Covid-19	Requested by Chairman
<b>August</b>				
Cabinet Scrutiny Council	<b>Debt Management Annual Report</b>	Eric Seward Sean Knight	To review the Report and make any necessary recommendations to Council	Annual
Cabinet Scrutiny Council	<b>Treasury Management Annual Report</b>	Eric Seward Duncan Ellis	To make recommendations to Council	Annual
Cabinet Scrutiny Council	<b>Financial Impact Covid-19</b>	Duncan Ellis Eric Seward	To review any budget revision suggestions in relation to the financial impact of Covid-19	
Cabinet Scrutiny	<b>Review of Delegated Decisions</b>	Emma Denny	To allow Members an opportunity to review decisions taken under delegated authority	

## OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2020/21

Meeting	Topic	Lead Officer / Member	Objectives & desired outcomes	Time cycle
<b>September</b>				
Cabinet Scrutiny Council	<b>Out-turn report/Budget Monitoring P4</b>	Eric Seward Duncan Ellis	To make any recommendations to Council	Annual
Cabinet Scrutiny	<b>NNDC Actions in the Recovery Phase of the Coronavirus Pandemic</b>	Steve Blatch Sarah Butikofer	To review the Councils actions in relation to the recovery from Covid-19	
Cabinet Scrutiny	<b>Delegated Decisions</b>	Emma Denny Sarah Butikofer	To review Officer delegated decisions	Monthly
Cabinet Scrutiny Council	<b>North Walsham Town Centre Public Realm Improvements</b>	Rob Young Richard Kershaw	To inform the Committee of a substantial draw down of funds for a significant project	
Cabinet Scrutiny	<b>Sheringham Leisure Centre Options</b>	Rob Young Virginia Gay	To review options for the existing Splash facility	Requested by Committee
<b>October</b>				
Cabinet Scrutiny	<b>Delivery Plan Re-prioritisation</b>	Steve Blatch Sarah Butikofer	To review and comment on the re-prioritised Delivery Plan	
Cabinet Scrutiny	<b>Performance Management Q1</b>	Helen Thomas Sarah Butikofer	To review Council performance	Quarterly TBC
Scrutiny	<b>Work Programme Setting</b>	Matt Stembrowicz Nigel Dixon	To agree items for the Work Programme for the remainder of the municipal year	Annual
<b>November</b>				
Cabinet Scrutiny	<b>Budget Monitoring P6</b>	Eric Seward Duncan Ellis	To review the budget monitoring position	Periodical
Scrutiny	<b>Waste Contract Monitoring</b>	Nigel Lloyd Steve Hems	To review the performance of the new waste contractor	Six Monthly
Cabinet Scrutiny	<b>Delivery Plan: Income Generation &amp; Savings Pre-Scrutiny</b>	Sarah Butikofer Duncan Ellis	To pre-scrutinise the administration's income generation/cost saving proposals <b>(Workshop)</b>	Requested by Committee
Cabinet Scrutiny Council	<b>Council Tax Discount Determinations 2020/21</b>	Lucy Hume/Eric Seward	To determine the Council Tax discounts for 2020/21	Annual
Cabinet Scrutiny Council	<b>Treasury Management Half-Yearly Report</b>	Eric Seward Lucy Hume	To consider the treasury management activities	Six Monthly

## OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2020/21

Meeting	Topic	Lead Officer / Member	Objectives & Desired Outcomes	Time cycle
<b>December</b>				
Cabinet Scrutiny	<b>Performance Management Q2</b>	Sarah Butikofer Steve Blatch	To review Council performance	Quarterly
Scrutiny	<b>Sheringham Leisure Centre Update</b>	Rob Young Virginia Gay	To receive an update on the progress of the Sheringham Leisure Centre Project.	Quarterly
Cabinet Scrutiny Council	<b>Fees &amp; Charges</b>	Eric Seward Duncan Ellis	To review the Council's fees and charges	Annual
Scrutiny	<b>Scrutiny Panels – Terms of Reference</b>	Matt Stembrowicz Nigel Dixon	To review and approve the Scrutiny Panel Terms of Reference	Requested by Committee
Cabinet Scrutiny	<b>NNDC Covid-19 Current Phase Actions/Response Report</b>	Steve Blatch Sarah Butikofer	To continue to monitor the Council's actions in response to the Covid-19 Pandemic.	
<b>January 2021</b>				
Cabinet Scrutiny Council	<b>2021/22 Base Budget and Projections for 2022/23 to 2023/24</b>	Eric Seward Duncan Ellis	To review the proposed budget and projections	Annual
Scrutiny	<b>NNDC Public Car Park Usage</b>	Steve Blatch	To review the usage patterns of NNDC's public car parks	Requested by the Committee
Cabinet Scrutiny	<b>Communications Strategy</b>	Joe Ferrari Sarah Butikofer	To review the Council's communications strategy	
Scrutiny	<b>Sheringham Leisure Centre Update</b>	Rob Young Virginia Gay	To receive an update on the progress of the Sheringham Leisure Centre Project.	Monthly
<b>February</b>				
Cabinet Scrutiny Council	<b>Medium Term Financial Strategy</b>	Eric Seward Duncan Ellis	To review the Medium Term Financial Strategy	Annual – before 2021/22 Budget
Cabinet Scrutiny Council	<b>Treasury Strategy 2020/21</b>	Eric Seward Lucy Hume	To review the treasury management activities and strategy for the investment of surplus funds	Annual
Cabinet Scrutiny Council	<b>Capital Strategy</b>	Eric Seward Lucy Hume	To review the deployment of capital resources to meet Council objectives & framework for management of the capital programme	Annual
Cabinet Scrutiny Council	<b>Investment Strategy</b>	Eric Seward Lucy Hume	To review the Council's Investment Strategy for the year 2020-21	Annual

## OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2020/21

Scrutiny	<b>Sheringham Leisure Centre Update</b>	Rob Young Virginia Gay	To receive an update on the progress of the Sheringham Leisure Centre Project.	Monthly
Scrutiny Cabinet	<b>Performance Management Q3</b>	Sarah Butikofer Steve Blatch	To review Council performance	Quarterly
<b>March</b>				
Scrutiny	<b>Crime &amp; Disorder Briefing</b>	Nigel Dixon Matt Stembrowicz	PCC and district Superintendent to provide a briefing on tackling domestic abuse during the Covid-19 Pandemic.	Annual
Cabinet Scrutiny	<b>Budget Monitoring P10</b>	Eric Seward Duncan Ellis	To review the budget monitoring position	
Scrutiny	<b>Sheringham Leisure Centre Update</b>	Rob Young Virginia Gay	To receive an update on the progress of the Sheringham Leisure Centre Project.	Monthly
Scrutiny Cabinet	<b>Equality &amp; Diversity Policy</b>	Steve Blatch Sarah Butikofer	To review the draft Equality & Diversity Policy	Requested by Council
<b>April</b>				
Cabinet Scrutiny	<b>Enforcement Board Update</b>	Nigel Lloyd	To receive an update Enforcement Board cases – inc how to raise concerns, resourcing of team and overview of properties	Six-monthly
Scrutiny	<b>Sheringham Leisure Centre Update</b>	Rob Young Virginia Gay	To receive an update on the progress of the Sheringham Leisure Centre Project.	Monthly

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Meeting	Topic	Lead Officer / Member	Objectives & Desired Outcomes	Time cycle
<b>Pending Items/To be Confirmed</b>				
Cabinet Scrutiny Council	<b>Affordable Housing Strategy</b>		Pre-Scrutiny of the affordable housing strategy	Potential Panel Item
Scrutiny	<b>Development Planning Performance Review</b>		Review of service over five year period against national performance framework	Potential Panel item – Spring 2021
Scrutiny	<b>Monitor resource implications for Homelessness Strategy</b>			Potential Panel Item
Scrutiny	<b>Website design/functionality</b>		To review the functionality of the Council's website	Requested by the Committee
Cabinet	<b>Annual Action Plan TBC?</b>	Sarah Bütikofer		Annual

## OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL WORK PROGRAMME 2020/21

Scrutiny Council		Helen Thomas		
Scrutiny Council	<b>Overview &amp; Scrutiny Committee Annual Report 2018/19</b>	Matt Stembrowicz	Committee to approve and recommend to Council	Annual
Scrutiny	<b>Market Towns Initiative Monitoring/Process Review</b>	Matt Stembrowicz Richard Kershaw	To monitor the implementation of successful MTI applicants and review the funding process	Requested by the Committee – Upon project completion
Scrutiny	<b>Council Asset Maintenance (Preventative) Maintenance Strategy</b>		To review the Council's Asset Maintenance schedule	Requested by the Committee
Scrutiny	<b>Ambulance Response Times/First Responders Briefing</b>		Continue to Monitor work of NHOSC	Requested by the Committee - NHOSC
Scrutiny	<b>Climate Change Strategy/Declaration of Climate Emergency</b>	Nigel Lloyd	Review of actions in response to climate change	Potential Panel Item
Scrutiny	<b>Economic Development Strategy</b>		Review strategy	Potential Panel Item
Scrutiny	<b>North Walsham Heritage Action Zone Project Monitoring</b>		To monitor progress of the NWHAZ project	Requested by Committee

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<p><u>12. DRAFT COMMUNICATIONS STRATEGY</u></p> <p><b>RESOLVED</b></p> <p>1. To commend the draft strategy to Cabinet for approval.</p> <p><b>ACTIONS</b></p> <p>1. For SLT to consider the potential for the Council to create advertising revenue.</p> <p>2. For the Communications Manager to consider utilising the ‘Next Door’ app to promote the Council’s communications</p>	<p>O&amp;S Committee</p> <p>SLT</p> <p>Communications Manager</p>	<p>December Meeting</p> <p>February 2021</p> <p>February 2021</p>
<p><u>13. SHERINGHAM LEISURE CENTRE PROJECT UPDATE: DECEMBER 2020</u></p> <p><b>RESOLVED</b></p> <p>1. To note the report.</p> <p><b>ACTIONS</b></p> <p>1. Officers to review use and inclusion of example Excel spreadsheet provided for improved budget monitoring.</p> <p>2. To request that demolition cost estimates of the existing Splash site be included in the next update.</p>	<p>Assistant Director for Sustainable Growth</p>	<p>February 2021</p>