

Cabinet



Please contact: Emma Denny

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Friday, 21 January 2022

A meeting of the **Cabinet** of North Norfolk District Council will be held in the Council Chamber - Council Offices on **Monday, 31 January 2022 at 10.00 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

Members of the public who have requested to ask a question or speak on an agenda item should arrive at least 15 minutes before the start of the meeting. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel:01263 516010, Email:emma.denny@north-norfolk.gov.uk.

Please note that this meeting is livestreamed:

<https://www.youtube.com/channel/UCsShJeAVZMS0kSWcz-WyEzg>

Anyone attending this meeting may take photographs, film or audio-record the proceedings and report on the meeting. Anyone wishing to do so should inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed.

Emma Denny
Democratic Services Manager

To: Mrs W Fredericks, Mrs S Bütikofer, Mrs A Fitch-Tillett, Ms V Gay, Mr R Kershaw, Mr N Lloyd, Mr E Seward, Miss L Shires and Mr J Toye

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

Chief Executive: Steve Blatch
Tel 01263 513811 **Fax** 01263 515042 **Minicom** 01263 516005
Email districtcouncil@north-norfolk.gov.uk **Web site** www.north-norfolk.gov.uk

A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. MINUTES

1 - 4

To approve, as a correct record, the minutes of the meeting of the Cabinet held on 05 January 2022.

3. PUBLIC QUESTIONS AND STATEMENTS

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

4. 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

5. DECLARATIONS OF INTEREST

5 - 6

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 (see attached guidance and flowchart)

6. MEMBERS' QUESTIONS

To receive oral questions from Members, if any

7. RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

The following recommendations were made to Cabinet by the Overview & Scrutiny Committee at the meeting held on 12 January 2022:

PRE-SCRUTINY: REVIEW OF CAR PARKING CHARGES

RESOLVED

1. To recommend to Cabinet that consideration is given to increasing car parking charges in-line with the following options:
 - Option 1 (b) – consideration of seasonal price increases for coastal car parks with prices tied to CPI inflation from date of previous increases.
 - Option 2 – consideration of season ticket price increase with prices tied to CPI inflation from date of previous increases.

8. NET ZERO STRATEGY AND ACTION PLAN

7 - 58

Summary: North Norfolk District Council's (NNDC) Corporate Plan commits to the delivery, and adoption, of an Environmental Charter and

Action Plan.

In May 2021 The Council adopted an Environmental Charter and, subsequently, began developing the 'Action Plan' element of this commitment.

This report presents the Draft Action Plan for achieving Net-Zero Carbon emissions by 2030 in the format of a Draft Net-Zero Strategy and Action Plan (referred to from here on in as the NZSAP).

The NZSAP also documents NNDC's existing pathway by providing carbon emission figures for the years 2018/2019, 2019/2020, and 2021/2022.

Options considered: **Option One:** To recommend adoption the Draft NZSAP. This option fulfils the Corporate Plan commitment to develop an Action Plan and provides a route map from which the Council will continue to address the Climate Emergency.

Option Two: To recommend not adopting the Draft NZSAP. This option however contradicts the Council's Corporate Plan objectives and commitments to addressing the Climate Emergency.

Option three: to recommend adopting an amended version of the Draft NZSAP. This could risk not achieving the carbon reduction outcomes and will necessitate alternative actions by which these might be achieved.

Conclusions: The NZSAP is a fundamental step in the Council's approach to dealing with the Climate Change Emergency declared in April 2019 and the subsequent net-zero 2030 target. Its significance stems from the fact that it outlines how a net-zero 2030 target can be achieved as well as reporting on The Council's existing emissions pathway for the years 2018/2019 through to 2020/2022.

The NZSAP is also an important internal, and external, document which clearly communicates The Council's commitment to environmental excellence and a net-zero carbon emissions future.

It is therefore recommended that the Council should adopt the NZSAP and in doing so commit to delivering the actions made within the NZSAP.

Recommendations: To recommend the adoption of the Draft Net Zero Strategy and Action Plan.

Reasons for Recommendations: The NZSAP is a hugely important document as it outlines how a net-zero 2030 target can be achieved as well as reporting on NNDC's existing emissions pathway for the years 2018/2019 through to 2020/2022.

NNDC's Corporate Plan commits to delivering an Action Plan. Once approved the NZSAP will become an adopted Council document which will set the framework for achieving the Environmental Charter's Net Zero objective whilst simultaneously reinforcing NNDC's commitment to addressing the climate change emergency, which it declared in April 2019.

Cabinet Member: Cllr Nigel Lloyd
Ward(s) affected: District Wide

Contact Officer: annie.sommazzi@north-norfolk.gov.uk

9. CROMER PIER PAVILION THEATRE - PIER MANAGEMENT CONTRACT 59 - 66

Summary: This report provides members with an update in respect of the pier management contract operated by Openwide Coastal in the context of the ongoing uncertainty around the covid pandemic.

The report details the current arrangements for management of the contract of the Pier Pavilion theatre in Cromer, in the context of when the current contract was awarded in early 2019; and considers the changed circumstances, issues and risks being faced by the operator during the 2020 and 2021 seasons and looking into the future due to the Covid pandemic

The report details a number of options available to the council in seeking to support the current operator respond to these unprecedented circumstances in future years thereby maintaining the unique end of the pier show and other

theatre offering provided through the Cromer Pier Pavilion theatre.

Conclusions:

The Coronavirus pandemic, including periods of lockdown and subsequent restrictions during the twenty-two months since March 2020, and ongoing uncertainty for the arts sector through 2022 and beyond, has presented significant challenges to the Council's operating partner for Cromer Pier and Pavilion Theatre - Openwide Coastal.

Whilst Openwide has competently managed this challenging situation, this is not without significant risks to the business relative to the contract awarded by the Council in February 2019, and in order to secure its long term future it is appropriate for the Council to consider how it might work with the company to manage future risks in the operation of the Pavilion Theatre, if not the wider Pier offering.

Recommendations: Cabinet is therefore recommended to:-

- a) Agree now to the extension of the pier management contract at the end of its current ten-year term for five years to March 2033 (as allowed for under the contract) so that the additional costs / losses incurred by Openwide in supporting the contract over the past two years due to COVID might be recovered – i.e. Option 1 as detailed within Section 5 of the report.**
- b) Agree that the Council is prepared, in principle, to explore further with Openwide a risk-sharing approach in underwriting the costs of investment in the 2022 Seaside Special production recognising the challenges presented by the COVID pandemic on audience figures during 2021 and the continued uncertainty for the 2022 summer season given that planning and investment in the 2022 production is already underway - i.e. Option 3 as detailed within Section 5 of the report.**
- c) The Council agrees to make budgetary provision in the current financial year of up to £45,000 to upgrade the bar and food service area within the Pavilion Theatre**
- d) Agree that the Council works closely with Openwide to explore broadening the offer of the Pier as outlined in Options 4 and 5 of Section 5 of the report so as to**

attract new audiences, visitors and income to the Pier.

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| Cabinet member(s): Cllr Virginia Gay, Cabinet member for Health, Wellbeing and Culture | Ward(s) affected: Cromer Town / All given the significant of the Cromer Pier and Pavilion Theatre to the District's tourism offering |
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Contact Officer, telephone number, and e-mail:

Karl Read Leisure and Cultural Services Manager
Tel: 01263 516002
Email: Karl.Read@north-norfolk.gov.uk

10. CAPITAL STRATEGY 2022 – 2023

67 - 76

Summary: This report sets out the Council's Capital Strategy for the year 2022-23. 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 2022-23 are approved.

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

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| Cabinet Member(s) Cllr E 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

11. NORTH NORFOLK DISTRICT COUNCIL INVESTMENT STRATEGY 2022/23

77 - 84

- 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 Department of Levelling Up, Housing & Communities (DLUHC).
- 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.

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

12. NORTH NORFOLK DISTRICT COUNCIL TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23

85 -100

- 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 CIPFA
- Recommendations:** That the Council be asked to RESOLVE that The Treasury Management Strategy is approved.
- Reasons for Recommendation:** The Strategy provides the Council with a flexible investment strategy enabling it to respond to changing market conditions, and ensures the Council complies with CIPFA

guidance.

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

13. FEES AND CHARGES 2022-23

101 - 122

Summary: This report recommends the fees and charges for 2022-23 that will come into effect from April 2022.

Options considered: Alternatives for the individual service fees and charges now being proposed will have been considered as part of the process in arriving at the fees presented within the report.

Conclusions: The fees and charges as recommended have been used to inform the income budgets for the 2022/23 budget.

Recommendations: That Cabinet agree and recommend to Full Council: a) The fees and charges from 1 April 2022 as included in Appendix A. b) That Delegated Authority be given to the Section 151 Officer, in consultation with the Portfolio Holder for Finance and relevant Heads of Service, to agree those fees and charges not included within Appendix A as required as outlined within the report

Reasons for Recommendations: To approve the fees and charges as set out in the report that will have been used to support the 2022/23 budget process.

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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| Current fees and charges |
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| Cabinet Member(s) Cllr E 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

Summary:

1. In the Budget on 27 October 2021 the Chancellor announced the Government would award a 50% Retail Hospitality and Leisure Discount for properties up to a cash limit of £110,000 per business for the 2022/23 financial year.

2. In the Budget on 27 October 2021 the Chancellor announced the Government would extend Supporting Small Business Relief (SSB) for another year until 31 March 2023. This is for businesses that had a Rateable Value (RV) increase from 1 April 2017 caused by the revaluation and consequently lost Small Business Rates Relief or Rural Rate Relief. This relief to be awarded will limit any increase in the rates to £600 per year.

3. In the Budget on 27 October 2021 the government announced that it would extend the current transitional relief scheme and for one year to the end of the current revaluation cycle. The scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).

3. On 25 March 2021 the government announced it would make available a discretionary fund to North Norfolk DC to support businesses for one year only for the period 1 April 2021 to 31 March 2022 affected by COVID-19 but not eligible for existing support linked to business rates. The COVID-19 Additional Relief Fund (CARF) of £1,580,862 will be allocated relief as agreed by the Norfolk councils working party.

4. On 27 January 2020, the Financial Secretary to the Treasury made a Written Ministerial Statement announcing additional business rates measures that will apply from 1 April 2020 including the extension of the £1,500 business rates discount for office space occupied by local newspapers that will apply for an additional 5 years until 31 March 2025. The scheme will be available to local newspapers that occupy office space. Under the scheme, eligible local newspaper businesses will continue to receive up to a £1,500 discount on their bill for the 2022/23 financial year.

5. The 2016 Autumn Statement confirmed the doubling of rural rate relief available to eligible businesses from 50% to 100%. The Government subsequently set out their intention to amend the relevant primary legislation to require local authorities to grant 100% mandatory rural rate relief. Following the decision not to reintroduce the Local Government Finance Bill, for 2018/19 the Government expects local authorities to continue to use their discretionary relief powers to grant 100% rural rate relief to eligible ratepayers in 2022/23, as they have done previously.

The Government expects local authorities to use their discretionary relief powers to grant these reliefs. All the above will be compensated in full for our loss of rates income because of these changes. This compensation except the CARF will be paid by section 31 grant and calculated based on the returns that the council makes under the rates retention scheme.

The Council's Discretionary Rate Relief Policy has been revised to reflect these changes.

Conclusions: The policy has been updated to reflect the extended schemes announced and includes guidelines as to how the schemes are to be implemented and the financial implications on the authority.

Recommendations: That Cabinet recommends to Full Council that the Revenues Manager has delegated authority to make decisions up to the NNDC cost value of £2k as indicated in Appendix A.

That Cabinet recommends to Full Council that the Revenues Manager has delegated authority to make Covid-19 Additional Relief Fund (CARF) decisions as indicated in Appendix C.

That Cabinet notes this report and recommends to Full Council that the Rate Relief Policy is revised as indicated in Appendix A, B and C.

Reasons for Recommendations: The new policy will enable the Retail Hospitality and Leisure Discount, Supporting Small Business Relief, transitional relief scheme, COVID-19 Additional Relief Fund, the scheme for local newspaper discount and the Rural Rate Relief to be awarded discretionary

reliefs in 2019-20 onwards.

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| Cabinet Member(s) Cllr E Seward | Ward(s) affected All |
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Contact Officer, telephone number and email:

Sean Knight. Sean.Knight@north-norfolk.gov.uk 01263 516347

15. DRAFT MEDIUM TERM FINANCIAL STRATEGY 2023/26 INCLUDING BASE BUDGET PROJECTIONS 2022/23 153 - 216

Summary: To provide Members with the opportunity to discuss assumptions around Medium Term Financial Planning and the impact on NNDC finances.

Options considered: The Council is required by law to set a budget in advance of the financial year. The report to Full Council will present options for budget setting with respect to Council Tax and other items.

Conclusions: The Council is required to agree a budget in advance of each financial year. This is done in February of each year at Full Council, after meetings of Cabinet and Overview and Scrutiny. To aid the Committee, an early draft of the Medium Term Financial Plan is presented here for scrutiny and discussion.

Recommendations: **It is recommended that Cabinet agree and where necessary recommend to Full Council:**

- 1) **The 2021/22 revenue budget as outlined at Appendix A1;**
- 2) **The demand on the Collection Fund for 2021/22, subject to any amendments as a result of final precepts still to be received be:**
 - a. **£6,512,488 for District purposes**
 - b. **£2,579,591 (subject to confirmation of the final precepts) for Parish/Town Precepts;**
- 3) **The statement of and movement on the reserves as detailed at appendix D;**
- 4) **That £500,000 be transferred from the Business Rates Reserve to the Delivery Plan Reserve to support the delivery of the Council's corporate objectives;**
- 5) **The updated Capital Programme**

and financing for 2021/22 to 2023/24 as detailed at appendix C1;

- 6) The capital bids contained within Appendix C2, with delegated authority given to the Section 151 Officer in conjunction with the Portfolio Holder for Finance to decide on the most appropriate means of funding;
- 7) That Members note the current financial projections for the period to 2024/25;

Reasons for Recommendations: To recommend a balanced budget for 2021/22 for approval by Full Council.

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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| <i>Budget Monitoring Reports 2021/22</i> <i>Outturn Report 2020/21</i> <i>Medium Term Financial Strategy 2022-25</i> |
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| Cabinet Member(s) Cllr Eric Seward | Ward(s) affected All |
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Contact Officer, telephone number and email:
Lucy Hume, Chief Technical Accountant, 01263 516246

16. CAR PARK CHARGES REVIEW

217 - 250

Summary: Car parking income represents a significant income source to the Council and as such has a substantial contribution to make to the Council's longer term financial sustainability and helping to set and maintain a balanced budget.

There are significant costs associated with a range of Council services which support the tourism economy, with provision of public conveniences, foreshore activities, parks, open spaces and woodlands representing a combined annual revenue spend in excess of £2.2m. It is appropriate for the costs of these services to be met in part by various fees and charges as they form an integral part of the visitor experience. These are all discretionary areas of spend but help to ensure that our district remains a beautiful place both to live and work in but also to visit, it is however becoming increasingly difficult to support all of these areas in the current financial climate.

The current Medium Term Financial Strategy (MTFS) projections for future years are still projecting budget deficits of around £2.5m by 2025/26 in the midst of continuing uncertainty regarding the Fair Funding and Business Rates reviews. The Council must therefore consider all available options to generate additional income and reduce costs wherever possible.

Car park charges have not been increased since July 2016. This report considers the current car park fees and charges and provides the Cabinet with an opportunity to consider changes to the fee structure as appropriate.

At their meeting on 12 January 2022 Overview and Scrutiny Committee were provided with an opportunity to pre-scrutinise the officer report to consider the range of potential options prior to any consideration by Cabinet and the recommendations from the Committee are therefore now included within this report for further consideration.

Options considered:

A number of options are considered within the report as follows;

1. Do nothing – the Council could opt to do nothing and not change the current fees and charges.
2. Alternatively the report considers a number of different proposals to fee structures for potential introduction from July 2022.

Conclusions:

As one of the Council's largest external income sources, car parking charges have a significant contribution to make in terms of the Council's financial sustainability in the medium to long term. Financial Sustainability and Growth is one of six key themes within the Corporate Plan and links directly with objective 2.2 of the Delivery Plan.

The Council incurs significant levels of expenditure on discretionary service areas which help to ensure that our district remains a beautiful place both to live and work in but also to visit, it is however becoming increasingly difficult to support all of these areas in the current financial climate. These costs cover a range of Council services which support the tourism economy, from provision of public conveniences, maintenance and operation of Cromer pier, foreshore activities, parks, open spaces and woodlands which represent a combined annual revenue spend in excess of £2.2m. It is appropriate therefore for the costs of these services to be met in part by various fees and charges as they form an integral part of the visitor experience.

There are clearly multiple variations on the possible

range of pricing options and initiatives for car parks. Due to the nature of parking charges and for simplicity it is best to make any increases to the nearest 10p. Even a relatively modest annual increase of 3.5% from 2016 would have increased the hourly charge at our 'Coastal' car parks from £1.50 per to £1.84 (unrounded) by April 2022.

To ensure that this and other key income streams are given enough focus in terms of growth, improvement and efficiency to support the Council's medium and longer term budget position and to strengthen day to day car park management to minimise losses by more timely resolution of machine breakdowns etc, Cabinet are invited to consider and comment on the issue of resource for improved management of the service.

The Overview and Scrutiny Committee have pre-scrutinised the officer report and their recommendations are included as part of this updated report for further consideration by Cabinet.

Recommendations: Cabinet considers the options and proposals contained within this report and make recommendations to Full Council on;

- **the preferred way forward in terms of pricing changes so that these changes can be considered as part of the budget setting process for 2022/23 and inform the future financial strategy;**
- **changes to car park designations as outlined within the report;**
- **implementing any new pricing changes from July 2022 and instigating the Car Park order (CPO) consultation process;**
- **budgetary provision of £25k to cover implementation costs resulting from any changes.**

Reasons for Recommendations:

Car parking income represents a significant income source to the Council and as such has a substantial contribution to make to the Council's longer term financial sustainability and helping to set and maintain a balanced budget.

Car parking income needs to be considered against the context of our discretionary service provision which people value but which is often difficult to charge for, such as we public conveniences, the seafront environment and Blue Flag beaches, beach lifeguards, additional street cleansing, litter bins etc. It is becoming increasingly more difficult for the Council to continue to provide these services at the level expected by local residents, businesses and tourist visitors from Council Tax payers alone.

Further to this it is not fair or equitable across the District as a whole and doesn't operate under the 'user pays' principle.

Car park charges have not increased since July 2016, there are a number of options that Members need to consider in relation to any potential changes to the car park fees and charges so that any alterations can be implemented through a new Car Park Order (CPO). Members of the Overview and Scrutiny Committee were given the opportunity to pre-scrutinise the officer report ahead of consideration and their recommendations are included now for further consideration.

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 Eric Seward | Ward(s) affected; All |
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Contact Officer, telephone number and email: Duncan Ellis, 01263 516330, duncan.ellis@north-norfolk.gov.uk

17. EXCLUSION OF PRESS AND PUBLIC

To pass the following resolution:

“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs _ of Part I of Schedule 12A (as amended) to the Act.”

18. PRIVATE BUSINESS