

CABINET

Minutes of the meeting of the Cabinet held on Monday, 31 January 2022 at the Council Chamber - Council Offices at 10.00 am

Committee

Members Present:

| | |
|-------------------------|---------------------|
| Mrs S Bütikofer (Chair) | Mrs A Fitch-Tillett |
| Ms V Gay | Mr R Kershaw |
| Mr E Seward | Miss L Shires |
| Mr J Toye | |

Members also attending:

Officers in Attendance:

Chief Executive, Democratic Services Manager, Director for Resources/Section 151 Officer, Leisure & Locality Services Manager and Climate & Environmental Policy Manager

Also in attendance:

Press and Public

Apologies for Absence:

Mrs W Fredericks
Mr N Lloyd

192 MINUTES

The minutes of the meeting held on 5th January 2022 were approved as a correct record and signed by the Chairman.

193 PUBLIC QUESTIONS AND STATEMENTS

None received.

194 ITEMS OF URGENT BUSINESS

None received.

195 DECLARATIONS OF INTEREST

None.

196 MEMBERS' QUESTIONS

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

197 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

Cllr N Dixon, Chairman of the Overview and Scrutiny Committee informed Cabinet that the following recommendation had been made in relation to the review of car

parking charges:

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.

The Chairman thanked the committee for their input and said that Cabinet would consider the recommendation when the item was debated later in the meeting.

198 NET ZERO STRATEGY AND ACTION PLAN

In the absence of the Portfolio Holder for Environment, Cllr Fitch-Tillett, Portfolio Holder for Coast, introduced this item. Before reading out a statement from Cllr Lloyd, she said that as the Cabinet member responsible for the coast, she was only too aware of the problems caused by climate change. Just at the weekend, due to a rise in the sea level, the railings at Overstrand had been lost and at Hemsby the lifeboat could not get out due to a large number of rocks dispersed across the beach.

She then read out the following statement from Cllr N Lloyd:

‘It is my belief that addressing Climate Change is one of the most pressing problems threatening humankind and indeed all life forms on this Planet. Failure to limit our carbon emissions now will result in much higher mitigation costs later – not to mention the personal suffering that is predicted to ensue from rising sea levels and ever more extreme weather events. I believe that this is why tackling climate change has become a strategic priority for central Government.

Councils like our own will be key to reducing emissions nationally. We have an important role in leading others and we want to take residents with us on this journey. Addressing climate change at NNDC is a corporate activity that requires cooperation from all our departments. It can only be achieved by embedding a whole Council approach to tackling our carbon emissions.

In our Environmental Charter we pledged to reduce our carbon footprint to net zero by 2030. The Charter also pledged that we would measure and publish our carbon footprint and manage the carbon footprints of all our operational buildings.

This document sets out the pathway to de-carbonise our activities at NNDC by 2030 whilst also outlining the challenges that exist for North Norfolk as a whole with regard to tackling climate change.

It is an evidence-based document deliberately written in a way that our residents would understand. It sets out how much carbon we are emitting, where these emissions emanate, and it looks at how we might address those emissions. Of course, we have already begun tackling our carbon footprint which is evidenced in the document. It offers a glide path for this Council to reach net carbon zero by 2030.

It was important to me that the O&S committee were given early sight of this document before went to Cabinet. I would like to thank the Chair of O&S for

including it in an already busy agenda. I welcomed the early O&S feedback and I thank the committee for their positive contribution to the strategy, their initial recommendations will be adopted. Staff workshops have been held and I was very grateful that so many Senior Managers and Directors attended. Member training is underway with sessions held and more scheduled.

There will further opportunities to offer comments or questions on the strategy before and after the strategy comes before you at Cabinet today and I ask you to provide any further feedback you may have to our brilliant climate change Officers Annie and Nige, the Director for Place and Climate Change or myself.

I would like to thank officers for their hard work in bringing the net Zero Action Plan before us today. In addition, Net Zero East, a climate change consultancy, number crunched much of the data and provided independent scientific expertise, they did a great job for us.'

The Chairman invited Members to speak:

Cllr J Toye, Portfolio Holder for Planning, welcomed the strategy. He said that the Council had declared a climate emergency in 2019 and that the Environment Charter and now the Net Zero Strategy & Action plan demonstrated that the Council was committed to taking action and delivering on its agenda.

Cllr C Cushing referred to page 10, paragraph s4.2 which mentioned significant associated costs which had yet to be identified. He said that he felt it was remiss to set out a strategy with no costings and that the matter had been raised with the Portfolio Holder for Finance when the draft Budget was considered by the Overview & Scrutiny Committee. He asked whether a response would be provided when the budget was considered later in the agenda. Cllr Seward replied that the costs he was referring to went beyond the 2022/23 budget and the Council was exploring all funding options including grants and any funding incentives coming forward.

The Chairman of Overview & Scrutiny, Cllr Dixon, said that the committee had recommended one action in relation to the strategy – that briefings for members should be arranged. The committee felt that if the strategy was to be embraced by the Council and the towns and parishes, then it was important that members were fully acquainted with its contents. He said that he agreed with Cllr Cushing that the resourcing of it was a key component that would embed it. Otherwise it remain aspirational. He said that the near-term implications should be included in the budget projections and the medium term financial strategy (MTFS), so that members could convey the message about the of the strategy importance with conviction.

Cllr J Rest referred to page 14, bullet point 3, and asked if there was a figure for the revenue return for the feed-in tariff payments for the solar panels. The Chairman replied that a written response would be provided.

Cllr R Kershaw commented that it would be difficult to put an accurate costing on this at the current time and it was unrealistic. He said that Government had similar aspirations nationally but they had not fully costed them yet and the Climate Change Committee had commented on this, acknowledging that the aspirations were laudable but needed to be costed. He added that it would involve a change in lifestyle for people and it was challenging to put a figure on this.

It was proposed by Cllr A Fitch-Tillett, seconded by Cllr V Gay and

RESOLVED to recommend

That Full Council adopts the Net Zero Strategy and Action Plan.

Reason for the decision:

The NZSAP 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.

199 CROMER PIER PAVILION THEATRE - PIER MANAGEMENT CONTRACT

The Portfolio Holder for Leisure and Culture, Cllr V Gay, introduced this item. She began by saying that the Council owned Cromer Pier a Grade II listed structure. The report looked at the management contract for the pier in the context of ongoing uncertainty around the pandemic. Cllr Gay explained that the contract had been awarded in 2019 and the onset of the pandemic and periods of lockdown had presented considerable challenges for the Pavilion Theatre. The 2022 season currently remained uncertain and the paper set out a series of recommendations intended to ameliorate the situation.

Cllr Gay said that extending the contract for a further five years would give Openwide an opportunity to recover the additional costs incurred during the last two years. This could be supported with the Council exploring a risk-sharing approach by underwriting the costs of investment in the 2022 Seaside Special production. Doing so would acknowledge the challenges presented by the pandemic on the 2021 season and the continued uncertainty for 2022. She then said that responsibility for facilities in the Pavilion Theatre sat with the Council and it was proposed that £45k was set aside to upgrade the bar and food service area. Finally, it was proposed that the Council worked with Openwide to explore broadening the offer of the Pier, with the aim of attracting new audiences and visitors.

The Chairman invited members to speak:

Cllr J Rest referred to the current catering facility on the Pier and asked that a high standard was maintained. He said that there was excellent local produce available and this should be preferred choice – rather than 'dumbing down'. He said that it was a unique opportunity to provide something high quality. Cllr Gay replied that she understood that it was the recruitment of quality of staff that was causing the problem. It was a long standing issue that had been exacerbated by the pandemic.

Cllr C Cushing sought clarification on the expected cost if the Council opted for a risk-sharing approach and underwrote the cost of investment in the 2022 Seaside Special. Cllr Gay replied that the estimated cost was £300k – which indicated the amount for a 50% share. The Chief Executive confirmed this, saying that Openwide was looking for an investment on an 'open book' basis, if the show couldn't run for another season (July to September 2022). The main issue would be around the size of the audiences and possible Covid related restrictions.

Cllr Cushing how the risk would be quantified and who would undertake the assessment. The Chief Executive replied that it would be on open book principles, so the Council would understand the investment made by Openwide, ticket sales and pricing. He added that there were regular contract meetings between the Council and Openwide and any information provided would be assessed by the Council's Finance team.

Cllr N Dixon said that he was mindful that the contract that was in operation had been running for a few years and that it had been agreed when it was re-awarded to Openwide in 2019 that some fundamental changes would be made but that due to the pandemic, there had not been the opportunity to try them out. He added that he too had some concerns regarding the risk-sharing proposals but he did recognise that the pier was a facility that was much appreciated and valued. Cllr Gay replied that any decisions taken under delegation would be reported back to members. She said that in previous years, the Council had provided a large subsidy to the Pier Theatre. This was no longer the case. She concluded by saying that the Seaside Special was unique – the last of the traditional seaside variety shows and it was the responsibility of the Council to continue to protect it.

The Chairman said that good progress had been made on the pier becoming self-sufficient but it had to be recognised that Covid had had an impact. The Chief Executive agreed, saying that the Council was attempting to anticipate any possible problems and build in likely support at the start of the financial year.

It was proposed by Cllr V Gay, seconded by Cllr J Toye and

RESOLVED

- a) To 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) To agree, 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) 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) To agree to working 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.

Reason for the decision:

For the Council to work with the company to manage future risks in the operation of the Pavilion Theatre.

200 CAPITAL STRATEGY 2022 - 2023

The Portfolio Holder for Finance & Assets, Cllr E Seward, introduced this item. He explained that the report set out the Council's Capital Strategy for year 2022-23, whilst providing the strategic framework for the effective management and

monitoring of the capital programme.

It was proposed by Cllr E Seward, seconded by Cllr R Kershaw and

RESOLVED

To recommend to Full Council that:

The Capital Strategy and Prudential Indicators for 2022-23 are approved.

Reason for the decision:

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

201 NORTH NORFOLK DISTRICT COUNCIL INVESTMENT STRATEGY 2022/23.

The Portfolio Holder for Finance & Assets, Cllr E Seward, introduced this item. He explained that the report set out details of the Council's investment activities and presented a strategy for the prudent investment of the Council's resources.

It was proposed by Cllr E Seward, seconded by Cllr R Kershaw and

RESOLVED

To recommend to Full Council that the Investment Strategy is approved.

Reason for the decision;

The Strategy provides the Council with a flexible investment strategy enabling it to respond to changing market conditions.

202 NORTH NORFOLK DISTRICT COUNCIL TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23

The Portfolio Holder for Finance & Assets, Cllr E Seward, introduced this item. He explained that the report set out details of the Council's treasury management activities and presented a strategy for the investment of the Council's resources.

Cllr N Dixon said that it was hard to differentiate between the Investment and Treasury strategies and he wondered whether they could be combined in the future. The Chief Technical Accountant replied that each strategy complied with a separate piece of guidance and that was why they were issued on an individual basis. She said that she would make enquiries to see if it was possible to combine them in the future.

Cllr J Rest commented that the Council's Treasury advisor, Arlingclose, had been in place for many years. He asked if there were alternative providers available. The Chief Technical Accountant replied that the Council did go out to tender periodically but that the market was very limited.

RESOLVED

To recommend to Full Council that The Treasury Management Strategy is approved.

Reason for the decision:

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.

203 FEES AND CHARGES 2022-23

The Portfolio Holder for Finance & Assets, Cllr E Seward, introduced this item. He said that officers would be asked to re-check the details of the proposed changes ahead of the recommendations going to Full Council.

It was proposed by Cllr E Seward, seconded by Cllr J Toye and

RESOLVED:

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

Reason for the decision:

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

204 RATE RELIEF POLICY

The Portfolio Holder for Finance & Assets, Cllr E Seward, introduced this item. He explained that the report set out changes and extensions to several government schemes that provided discretionary rate relief to businesses. Approval was sought to give delegated authority to the Revenues Manager for some matters and to adopt the revised Rate Relief Policy.

It was proposed by Cllr E Seward, seconded by Cllr J Toye and

RESOLVED:

To recommend 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.

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

To recommend to Full Council that the Rate Relief Policy is revised as indicated in Appendix A, B and C.

Reason for the recommendation:

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.

205 DRAFT MEDIUM TERM FINANCIAL STRATEGY 2023/26 INCLUDING BASE BUDGET PROJECTIONS 2022/23

The Portfolio Holder for Finance & Assets, Cllr E Seward, introduced this item. He clarified that the first recommendation referred to Appendix A not Appendix A1.

Cllr Seward began by saying that the Council had continued to maintain services and had seen some growth. Overall the finances were sound. He said that the Government had only given local authorities a provisional settlement and the final one was still awaited. There was a similar position regarding the level on non-domestic rates that the Council could retain for 2022-2023. A decision had not yet been announced. However, it was not anticipated that there would be a surplus on the level awarded last year.

Cllr Seward said that a rise in council tax of 1.99% (£5.00) was recommended. He added that NNDC was in the lower 25% quartile in the level of tax it raised. The bulk of council tax collected went to the County Council and the Police authority.

Cllr Seward said that there were uncertainties ahead. The Council needed to raise income £15.9m. Currently, income received from the Government was £1.9m. They also controlled the level of business rates that could be retained – currently £7.2m. In addition, local authorities were currently in the fourth year of a one year settlement agreement, which meant that there was no certainty about income streams in the future. He added that the worst case scenario was that up to 33% of the £9.1m of Government determined funding could be lost. If that happened, then the Council could not continue to maintain its services. So, even by adopting a prudent course, caution must be exercised. This was why options such as increasing some parking charges were being explored.

Cllr Seward concluded by saying that he did not believe that a one year settlement was an appropriate way for local government services to be run and it was a matter that should be aired and discussed more widely.

It was proposed by Cllr E Seward, seconded by Cllr L Shires and

RESOLVED

To agree and recommend to Full Council:

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) The updated Capital Programme and financing for 2021/22 to 2023/24 as detailed at appendix C1;**
- 5) The capital bids contained within Appendix C2;**
- 6) That Members note the current financial projections for the period to 2024/25;**

Reason for the decision:

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

206 CAR PARK CHARGES REVIEW

The Portfolio Holder for Finance & Assets, Cllr E Seward, introduced this item. He began by thanking the Overview & Scrutiny Committee for their input and the officers for their work in preparing the report. He said that the last review of car parking charges had taken place in 2016 and that any proposed changes would come into effect from July 2022. Cllr Seward said that the Council had a tourist economy which involved significant costs to run and maintain. This ranged from the provision of public conveniences and the maintenance and operation of Cromer Pier, foreshore activities, parks, open spaces and woodlands. Together this represented a combined revenue spend in excess of £2.2m. It was therefore appropriate for the costs of these services to be met in part by various fees and charges as they formed an integral part of the visitor experience. He then spoke about the forecast deficit of £2.5m for 2024/25. All options for raising income must therefore be considered.

Cllr Seward said that Cabinet was mindful of the increase in the cost of living and the impact on local families and it was therefore proposed to support the recommendation of the Overview & Scrutiny Committee to limit any increase in car parking charges in line with the consumer price index (CPI) rate of inflation.

Cllr Seward outlined the following proposed changes to car parking charges:

For standard tariff car parks, a charge of £1.20p for first two hours and 80 pence for each further hour, with a day rate of £6.00. there would be no change to the 30 minute rate. For resort tariff car parks, a charge of £1.50 for the first hour, £1.20p for each further hour, and a day rate of £8.50. There would be no change to the 30 minute charge.

For coastal tariff car parks the charge would be £1.80 per hour and a day rate of £8.50. For Holt Country Park, the charge would be increased to £2.30 per day. For all car parks, coaches would pay £12 for a 24 hour stay and £6.00 for a 4 hour stay.

Cllr Seward then spoke about changes to car park designations. It was proposed that Sheringham, Chequers car park would move to 'Coastal' from 'Resort' and that Sheringham, Station Road would move to 'Resort' from 'Coastal'. As mentioned previously, any changes would come into effect from July 2022.

Cllr Seward said that there was no proposal to increase season tickets. He said that Cabinet believed that it was important to help residents during the current challenging economic times. He said that over 80% of season ticket permits were purchased by residents of North Norfolk. A 24 hour / 7 day annual permit worked out at 55 pence a day, with a 3 hour annual permit working out at 15 pence if used once a day. It should also be acknowledged that these charges had effectively remained the same since 2009. To encourage an uptake in season tickets, it was felt that a promotional campaign should be undertaken and he proposed that this should be an additional recommendation. By comparison, Cllr Seward said a season ticket in the Great Yarmouth area was up to £780 a year and in Kings Lynn it was between £400 and £800 a year.

In conclusion, Cllr Seward said that North Norfolk's car park charges were amongst the lowest in the country for a tourism area and the proposed changes would ensure that the District remained competitive. He added that the Overview & Scrutiny Committee had also recommended that the current car park management arrangements were strengthened. He said that to do this properly, then a business case should be developed and brought back to Cabinet at a future date. Any proposals coming forward must be self-financing.

Cllr J Rest thanked Cabinet for not increasing annual season ticket charges. He said that in his own ward of Fakenham there were several new housing developments that did not have allocated parking and residents would have to buy a season ticket.

Cllr Cushing echoed Cllr Rest's comments regarding Fakenham. He said that he welcomed the support for a review of the current car park management arrangements.

The Chairman said that she wanted to remind people that the cost of a season ticket could be spread over quarterly, six monthly or annual payments.

Cllr V Gay thanked Cllr Seward for working in such an inclusive way. She said that car parking charges were always under consideration and there had been pressure to raise charges during the pandemic. However, the Council had taken the view that it should not take advantage of people who wanted to benefit from a trip to the North Norfolk coast.

It was proposed by Cllr E Seward, seconded by Cllr R Kershaw and

RESOLVED

To make the following recommendations to Full Council:

1. That the following pricing structure should be introduced:

Standard tariff car parks - £1.20p for first two hours, 80 pence for each further hour and a day rate of £6.00. No change to 30 minute rate.

Resort tariff car parks - £1.50 for the first hour, £1.20p for each further hour, and a day rate of £8.50. No change to 30 minute charge.

Coastal tariff car parks - £1.80 per hour and a day rate of £8.50

Holt Country Park - £2.30 per day

Coaches – 24 hour stay £12, 4 hour stay - £6

2. That the following changes to car park designations should be made:

Sheringham, Chequers car park moves to 'Coastal' from 'Resort' and that Sheringham, Station Approach car park moves to 'Resort' from 'Coastal'

3. The implementation of any new pricing changes from July 2022 and instigating the Car Park order (CPO) consultation process;

4. Budgetary provision of £25k to cover implementation costs resulting from any changes.

5. That a report is brought back to Cabinet setting out a promotional campaign to increase the take-up of car park season tickets

Reasons for the decision:

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.

207 EXCLUSION OF PRESS AND PUBLIC

208 PRIVATE BUSINESS

The meeting ended at 11.10 am.

Chairman