

## **CABINET**

**Minutes of the meeting of the Cabinet held on Monday, 28 February 2022 at the Council Chamber - Council Offices at 10.00 am**

### **Committee**

#### **Members Present:**

Mrs W Fredericks	Mrs A Fitch-Tillett
Ms V Gay	Mr R Kershaw
Mr N Lloyd	Mr E Seward (Chairman)
Miss L Shires	Mr J Toye
Mr T Adams	

#### **Members also attending:**

C Cushing  
N Dixon  
J Rest

#### **Officers in Attendance:**

Chief Executive, Democratic Services Manager, Director for Resources/Section 151 Officer, Democratic Services and Governance Officer - Scrutiny, Director for Communities, Assistant Director for Finance, Assets, Legal & Monitoring Officer and Leisure & Locality Services Manager

Cllr E Seward chaired the meeting as Cllr Adams had another engagement that may require him to leave before the end of the meeting.

### **209 MINUTES**

The minutes of the meeting held on 31<sup>st</sup> January 2022 were agreed as a correct record and signed by the Chairman.

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### **210 PUBLIC QUESTIONS AND STATEMENTS**

None.

### **211 DECLARATIONS OF INTEREST**

Cllr W Fredericks and Cllr L Shires declared a non-pecuniary interest in Agenda item 10: Leisure Contract – Proposed Renegotiation, as members of the Victory Swimming and Fitness Centre, North Walsham.

### **212 ITEMS OF URGENT BUSINESS**

The Leader, Cllr T Adams, said that in recognition of the escalating situation in Ukraine, it was proposed that Cromer Pier would be lit up in the colours of the Ukrainian flag within the coming days.

It was proposed by Cllr T Adams, seconded by Cllr J Toye and

RESOLVED

To illuminate Cromer Pier in support of the people of Ukraine

### **213 MEMBERS' QUESTIONS**

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

### **214 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE**

The Chairman of the Overview & Scrutiny Committee, Cllr N Dixon, informed Cabinet that there were no recommendations to report from the 9<sup>th</sup> February meeting.

### **215 RECOMMENDATIONS FROM CABINET WORKING PARTIES**

Resolved to receive the minutes of the meeting of the Cabinet Working Party for Projects held on 19 January 2022.

### **216 MUNDESLEY AND CROMER PHASE 2 COASTAL MANAGEMENT SCHEMES**

Cllr A Fitch-Tillett, Portfolio Holder for Coast, introduced this item. She explained that it provided an update regarding the development and progress of the Cromer Phase 2 and Mundesley Coastal Management Scheme. Phase 1 of the Cromer Coastal Protection Scheme was completed in 2013 and incorporated repairs following the 2013 storm surge. It sought to better protect 748 properties at risk from coastal erosion. The Mundesley scheme was granted technical and funding approval in 2018. Funding for this scheme was under the more recent Partnership Funding and therefore it included Environment Agency Funds, North Norfolk District Council capital allocation alongside contributions from Anglian Water and Mundesley Parish Council. This scheme sought to better protect from erosion risk 510 residential properties.

Cllr Fitch-Tillett drew members' attention to Recommendation C. She said that the Local Government SCAPE framework had been selected as the delivery mechanism for the construction of the scheme. This was currently being used effectively at the Lowestoft Flood Risk Management Scheme, which was being delivered by the Coastal Partnership East team.

Cllr W Fredericks, Local Member for Mundesley, seconded the proposals. She thanked officers for their hard work and the funding partners.

The Leader and Local Member for Cromer, Cllr T Adams, praised the level of engagement undertaken with third parties and said that it demonstrated the Council's commitment to shoreline management.

The Chairman invited members to speak:

Cllr N Dixon asked whether the proposals were intended to review or reaffirm the current scheme. He said that the rationale behind the decision was not clear.

Cllr A Fitch-Tillett replied that the Cromer scheme had been approved some time

ago. This report was bringing it together with the Mundesley scheme as that had not yet had Cabinet approval. She added that recommendations b, c and d were unique to the scheme for which approval was now sought.

The Coastal Manager confirmed that the report sought to reaffirm the existing scheme and to expedite it via appropriate delegation. He added that the Environment Agency was keen to see delivery of the scheme.

Cllr C Cushing sought clarification of the timescale for the project, referencing recent press reports regarding erosion issues at Mundesley. Cllr Fitch-Tillett said that it was anticipated to start in the Autumn to ensure that there was no disruption during the main tourist season. She said that the issues with the slip at Mundesley were caused by groundwater rather than the sea. The Chairman added that there were also issues around consent from strategic partners and agencies to resolve before the works could commence.

It was proposed by Cllr A Fitch-Tillett, seconded by Cllr W Fredericks and

RESOLVED to

- a) Support the continued approach of the Mundesley and Cromer Phase 2 Coastal Management Schemes.
- b) Support of the appointment of Mott MacDonald to complete detailed design and consenting via the Dynamic Purchasing System and additional scope identified to complete the supporting Environmental Impact Assessments.
- c) Approve construction via the Local Authority SCAPE framework.
- d) Approve the submission of applications for consents and licences
- e) Delegate to Director of Place and Climate Change with Portfolio Holder consultation to approve quotations, tenders, funding applications, access agreements and contractual appointments/variations to allow for timely progression of the schemes

Reason for the decision:

To enable continued and timely progression for the Mundesley and Cromer Phase 2 Coastal Management Schemes.

## **217 LEISURE CONTRACT - PROPOSED RENEGOTIATION**

Cllr V Gay, Portfolio Holder for Leisure, introduced this item. She explained that the Council had been negotiating with its leisure management contractor, SLM regarding the future financial position of the leisure management contract between the two parties. Since the onset of the pandemic in March 2020, the Council had been providing financial support to SLM on an open book basis. Lockdown closures meant that a significant amount of income was lost and the recovery back to pre-Covid performance was still ongoing. Cllr Gay said that a 5 year extension of the contract was proposed. She concluded by referring members to section 3.1 of the report which set out how the Council would benefit from any surpluses in future years.

The Chairman invited members to speak:

Cllr J Rest referred to page 41, section 4.1 of the report and the reference to market demand being 'highly uncertain'. He asked whether the situation was too high risk. Cllr Gay replied that she agreed that the situation across the general leisure sector was uncertain but that in North Norfolk the outlook was very favourable. The Leisure and Locality Services Manager added that the contract negotiations had been extremely cautious. He said that two local facilities had recently closed which had boosted sales of membership to Council leisure centres.

Cllr N Dixon sought clarification regarding Option 2 and whether this would make a 15 year contract and if this was the case, would there be an opportunity to make any changes. Cllr Gay replied that this was not particularly lengthy for this type of contract. The Leisure & Locality Services Manager added that the contract was actually 12 years as it was essentially starting again after Covid, and would give the contractor an additional 5 years on the contract to help them recoup some of the losses incurred during the pandemic. He confirmed that there were opportunities for break clauses. He concluded that the contractor had agreed to take a reduced amount of profit out of the contract.

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

**RESOLVED**

That Cabinet agrees to a 5-year extension of the leisure contract

Reason for the decision:

To transfer the financial risk back to the operator with an improved financial reward over the length of the contract.

## **218 BUDGET MONITORING REPORT 2021/22 - PERIOD 10**

Cllr E Seward, Portfolio Holder for Finance, introduced this item. He began by drawing members' attention to the current forecast full year underspend of £414,439. He said that this was due to higher than anticipated car parking income and savings generated within the waste collection and disposal service.

The Director for Resources highlighted the variances to the budget set out within the report. He said that the Council had received £10m from the Government in the form of Covid grants which had resulted in a year to date underspend of almost £9m. The Council had received considerably more than anticipated early in the pandemic and had held the money in a reserve in anticipation of a request from Central Government to repay it. This had now been received. However, retaining the money for a lengthy period of time had helped with the Council's cashflow position in the last year.

Cllr Seward referred to the savings achieved on waste collection and asked for more detail. The Director for Communities explained that the bulk of it was down to the billing contract with the contractor, Serco. There had been an issue with the fixed core billing and invoices were not received from the waste contractor for a long time. This had now been resolved but there was no an issue with the variable monthly billing. Several factors were still being discussed and awaiting resolution. In response to Cllr Seward's query as to whether he was confident regarding the forecast £150k saving, the Director for Communities confirmed that he was.

Cllr Seward then asked about paragraph 5.4 and sought additional information on the reference to the Government's 'Sales, Fees and Charges Compensation scheme' and the investigation into the unexpected increased payment of £141,787. The Director for Resources replied that it was an income scheme based on a number of projections and there was an element that the Council had to cover itself. The Council had submitted a claim under the scheme and received £141k more than expected. Rather than assume this was correct, a request had been made to central government to check if it was correct. The outcome was still awaited.

Cllr C Cushing referred to page 49 and the industrial units at Hornbeam Road, North Walsham. He asked about the projected loss of £45k in rental income. Cllr Seward replied that it was due to the units not being leased during the current financial year, however, he was pleased to say that all three units were now about to be let at a good return.

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

RESOLVED to

Note the contents of the report and the current budget monitoring representation.

Reason for the decision:

To update members on the current budget monitoring position for the Council.

## **219 MANAGING PERFORMANCE QUARTER 3 2021/2022**

The Chairman invited the Chief Executive to introduce this item. He began by saying that Council services had continued to operate during the third quarter of 2021/22, despite rising levels of Covid infections. The uncertainty caused by the spread of the new variant had impacted on many hospitality businesses at a critical time of year and saw the Government announce further grant support for the sector which resulted in an increased number of calls to Customer Services. Environmental Health, Economic Growth and the Revenues Teams. He drew members' attention to the changes that would be made to the report from quarter three onwards, including the incorporation of the Delivery Plan revisions agreed in late 2021 and the provision of benchmarking data for comparison with similar councils, following a request from Overview and Scrutiny Committee.

The Chairman invited members to speak:

Cllr C Cushing referred to page 99 which provided an overview of 'Local homes for Local need'. He said the amount of incomplete information suggested that there was very little being done in this area. The Portfolio Holder for Housing, Cllr W Fredericks, replied that most of the actions being undertaken related to the current quarter rather than quarter 3. She referred Cllr Cushing to page 149 for a list of actions that had already been completed under this theme. The Chief Executive added that it was a dynamic system of reporting and following the adoption of the new housing strategy in 2021, it had been updated to reflect the new objectives. A similar approach had been taken for the climate change dashboard. Previous progress in these areas had been banked and was still available to access.

The Policy and Performance Manager explained that most of the new objectives were in grey. Start dates had been allocated but had not yet commenced. She

added that all planned activity was now included within the report and appendices.

Cllr J Toye said that he found the inclusion of benchmarking data to be very helpful.

It was proposed by Cllr T Adams, seconded by Cllr N Lloyd and

RESOLVED to

Note the report and endorse the actions being taken by the Corporate Leadership Team detailed in Appendix A.

Reason for the decision:

To ensure the objectives of the Council are achieved.

## **220 NNDC TOWN & PARISH COUNCIL ENGAGEMENT FORUM**

The Chairman invited the Democratic Services Manager to introduce this item. She explained that several meetings had been held since 2019 on an informal basis and it was proposed that the process for engagement should now be formalised and supported by agreed terms of reference. Following feedback from town and parish council clerks, it was suggested that meetings were held on a quarterly basis via Zoom.

Cllr V Gay said that the forum was a good way of engaging with the town and parish councils and she was supportive of the proposals.

Cllr N Dixon asked whether there were any examples of success for similar projects at other local authorities. The Democratic Services Manager replied that she had looked at several models across the country and based the terms of reference on those which were well established. She said that she would provide details in writing to Cllr Dixon. Cllr Dixon asked if examples of forums that had been successful for a number of years could also be provided.

Cllr C Cushing asked whether minutes would be taken at the forum meetings. The Democratic Services Manager confirmed that they would. She added that NNDC members were welcome to attend the meetings.

The Chief Executive said that the proposals built on the previous forums that had been held and provided a practical way forwards for engaging with 121 town and parish councils across a large geography. He said that the Council needed to be more responsive and the opportunity to hold the meetings remotely would allow more clerks to engage and the relationship to develop. He referred to the Local Plan Regulation 19 consultation and said that the forum would be a good conduit for clear consistent messaging on key areas such as this.

It was proposed by Cllr L Shires, seconded by Cllr J Toye and

RESOLVED

That Cabinet approves the establishment of a quarterly engagement forum with town and parish council representatives

To approve the terms of reference set out at Appendix A

Reason for the decision:

To support engagement with local communities, including town and parish councils, as set out in the Corporate Plan 2019 – 2023.

**221 EXCLUSION OF PRESS AND PUBLIC**

**222 PRIVATE BUSINESS**

The meeting ended at 10.48am.

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Chairman