

Public Document Pack

CABINET

Minutes of the meeting of the Cabinet held on Monday, 5 December 2022 at the Council Chamber - Council Offices at 10.00 am

Committee

Members Present:

Cllr W Fredericks	Cllr A Fitch-Tillett
Cllr V Gay	Cllr R Kershaw
Cllr N Lloyd	Cllr E Seward
Cllr L Shires	Cllr T Adams (Chair)
Cllr A Brown	

Members also attending:

Cllr C Cushing, Cllr N Dixon, Cllr J Rest, Cllr J Toye, Cllr E Withington

Officers in Attendance:

Chief Executive, Democratic Services Manager, Director for Communities, Assistant Director for People Services, Assistant Director for Finance, Assets, Legal & Monitoring Officer, Economic Growth Manager, Director for Resources / S151 Officer and Assistant Director for Sustainable Growth

75 MINUTES

The minutes of the Cabinet meeting held on 7th November were approved as a correct record and signed by the Chairman.

76 PUBLIC QUESTIONS AND STATEMENTS

None received.

77 ITEMS OF URGENT BUSINESS

None received.

78 DECLARATIONS OF INTEREST

Cllr L Shires declared a non-pecuniary interest in Agenda item 13: North Walsham Market Place Improvement Scheme. She informed members that she belonged to North Walsham Phoenix Group which had been awarded a Building Improvement Grant (BIG) as part of the Heritage Action Zone Scheme. She added that she was also the County Councillor for North Walsham.

79 MEMBERS' QUESTIONS

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

80 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

Cllr N Dixon, Chairman of the Overview & Scrutiny Committee confirmed that there were no recommendations to Cabinet from the November meeting.

81 FEES AND CHARGES 2023 - 2024

Cllr E Seward, Portfolio Holder for Finance & Assets, introduced this item. He explained that it was a statutory report which set out the fees and charges that would come into effect from April 2023. Cllr Seward asked that the car park designations for Sheringham (page 47) were amended to show Station Road as a resort category car park and Chequers as a coastal car park.

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

RESOLVED

To recommend to Full Council:

a) The fees and charges from 1 April 2023 as included in Appendix A.

b) That Delegated Authority be given to the Section 151 Officer, in consultation w Portfolio Holder for Finance and relevant Heads of Service, to agree those fees charges not included within Appendix A as required as outlined within the report

Reason for the Recommendations:

To approve the fees and charges as set out in the report that will have been used to support the 2023/24 budget process.

82 TREASURY MANAGEMENT HALF YEAR REPORT

Cllr E Seward, Portfolio Holder for Finance & Assets, introduced this item. He said that it provided mid-year information on the Council's treasury activity.

It was proposed by Cllr E Seward, seconded by Cllr L Shires and
RESOLVED to recommend to Full Council:

That Full Council approves the Treasury Management Half Yearly Update

Reason for the Recommendation:

To comply with Local government requirements on reporting treasury activity regularly

83 MANAGING PERFORMANCE QUARTER 2 2022/23

The Chairman, Cllr T Adams, introduced this item. He explained that this was a regular report that outlined the work that had been achieved in the previous quarter. He drew members' attention to the completion of 8 new affordable homes in Southrepps and explained that there would be a much lower number of completions overall in 2022/2023 due to the nutrient neutrality issue.

The Chairman said that significant time had been taken up during the early part of the second quarter finalising the Levelling Up Fund bids for Fakenham and Cromer. It was now anticipated that the outcome would be known by the end of the calendar year.

The Chairman referred to page 95 and queried the inclusion of the purple section of the pie chart for the Climate, Coast & Environment. He wondered if this was an

error.

Cllr E Seward referred to page 99, which referred to the completion of changing places facilities in Fakenham and Wells by June 2022. He said that the work at Wells would be completed shortly and in Fakenham it was likely to be June 2023.

Cllr A Fitch-Tillett said that she was disappointed that there was no table included for the Coast. The Chief Executive replied that it was an 'exceptions' report and that no commentary was a positive sign. He added that there was commentary regarding the Mundesley and Cromer coastal protection schemes included and the Coastal Transition Accelerator Programme (CTAP) would be covered in future reports.

The Chairman asked Cllr Fitch-Tillett if there had been an annual update to the Overview & Scrutiny committee on the work of the Coastal team. Cllr Fitch-Tillett replied that she was pleased to confirm that this had taken place in November.

It was proposed by Cllr T Adams, seconded by Cllr L Shires and

RESOLVED

To note the report and endorse the actions being taken by Corporate Leadership Team detailed in Appendix A – Managing Performance.

Reason for the decision:

To ensure the objectives of the Council are achieved.

84 NORTH NORFOLK DISTRICT COUNCIL COST OF LIVING SUMMIT AND POSSIBLE FUTURE ACTIONS

The Chairman began by thanking officers for contributing to the event and it was very beneficial having the expertise from external organisations too. He said that key findings showed that 60% of people didn't know where to go for support with cost of living issues and this showed how important communication was. He concluded by saying that the Community Connectors were supporting in excess of 20 'warm hubs' across the District.

The Assistant Director for People Services explained that the report outlined the issues that arose out of the summit, adding that most of them could be achieved without any additional resource and by working in partnership with community organisations. Financial support had been requested for food hubs, so more work would be undertaken regarding this to see if it was a cost-effective and sustainable approach for the Council to take. The Chairman agreed, saying that further consideration was needed regarding the provision of any support across the District.

Cllr J Toye said that he was amazed by the agility of officers and how quickly they had adapted and responded to the cost of living crisis. He thanked them for their continued hard work.

Cllr L Shires echoed Cllr Toye's comments. She said that she was grateful for the way in which officers had responded to the Cost of Living Motion. She said that it was important to remember that 66% of people felt that their mental health had been impacted by the cost of living crisis. Several residents had spoken to her about their concerns for the winter and how they would manage to heat their homes. It was an appalling situation for people to be medicated against a situation that they were

powerless to prevent.

Cllr V Gay thanked officers for making the recording of the summit available as it made it accessible for a much wider audience.

The Chairman said that the Council would continue to monitor the cost of living crisis closely.

It was proposed by Cllr T Adams, seconded by Cllr L Shires and

RESOLVED

To consider the further actions identified and to decide which to develop further.

Reason for the decision

To support residents of the District during the cost of living crisis.

85 COMMUNITY ENGAGEMENT STRATEGY

Cllr V Gay, Portfolio Holder for Health & Wellbeing, introduced this item. She referred to the actions table and highlighted the way that the strategy fed through into democratic engagement. Other key measurements included increasing volunteering and work placements and these were all good outcomes for a community engagement strategy.

Cllr L Shires said that the strategy was predominantly customer focussed and it was based on what residents wanted and how they wanted North Norfolk to be. She thanked the Director for Communities for all his hard work in pulling the strategy together.

The Assistant Director for People Services, said that she had pulled together the responses that had been received as part of the consultation process, some of them had been excellent and had suggested different models of engagement which was helpful and would assist with learning and future development around working with partners and delivering the strategy.

Cllr J Rest referred to page 143 and the North Walsham Heritage Action Zone (HAZ) project. He said that there had been coverage of the scheme on local radio which indicated that people were not very supportive – which was not implied within the strategy. The Portfolio Holder for Sustainable Growth, Cllr R Kershaw, replied that a project of this scale would always cause some level of disruption. He said it was unfortunate that the interviewer had not asked for a Council representative to respond. He added that some of the issues experienced by businesses were caused by the wider economic problems and not the HAZ scheme.

Cllr L Shires said that there had been an extensive consultation process for the HAZ scheme and a number of groups had been formed, including the business group, and there had been several public meetings. There was also a stakeholder consultation group which included representatives from across the town. So, although there were a few vocal objectors to the scheme, the level of consultation and engagement should not be dismissed.

The Director for Communities said that the Council needed a consistent approach to community engagement. The strategy was about setting out the Council's activity along project lines. There would always be differences in opinion but as long as the criteria were clearly set out, members could make informed decisions. He concluded by saying that the action plan was a living and evolving document.

It was proposed by Cllr T Adams, seconded by Cllr L Shires and

RESOLVED

**To approve the Community Engagement Strategy.
To agree the content of the Action Plan.**

Reason for the Recommendations:

To clearly support the Customer Focus element of the Corporate Plan and Corporate Delivery Plan and to set a high-level framework which ensures that engagement is undertaken in a consistent and effective manner; to ensure that people feel well informed about local issues, have opportunities to get involved, influence local decision making, shape their area and allow us to continue to improve services they receive.

The action plan identifies activities which support the transition of the Strategy into delivery of engagement.

86 NORTH WALSHAM MARKET PLACE IMPROVEMENT SCHEME

The Portfolio Holder for Sustainable Growth, Cllr R Kershaw, introduced this item. He said that the earlier reference to the radio interview on the scheme was pertinent, because that had arisen due to the report being placed in the public domain. He agreed with Cllr Shires summary of the extensive consultation process for the scheme and said that it had been revised to accommodate the majority of views. He said that he firmly believed in the scheme. It had already generated additional business in the town. It was well known that there were some people who were not supportive but this was always the case for any large project.

Cllr Kershaw explained that the original budget had been drawn up in 2020 and a lot of change had happened since then, including a pandemic and an economic crisis. He said that the Project Manager had had the foresight to pre-purchase a lot of the construction materials which had already saved a considerable amount of money. He reminded members that costs for the Kings Lynn HAZ scheme had increased by 48%, whereas the North Walsham scheme had increased by 18%.

Cllr E Seward said it was important to remember why the scheme had commenced. North Walsham Town Centre had been in decline for some time and to arrest this decline, there was a need to improve the environment of the town centre. There had been small projects undertaken in the past which had not been done properly. He went on to say that there were a small number of individuals on social media which said certain things about the project which had not truth in them. He gave the example of the travel hub and false comments that had suggested that the buses would not be able to turn and they would hit the bus shelters. This had not happened and since its opening, it was now a welcome improvement to the town.

Regarding inflation, Cllr Seward said that as Finance Portfolio Holder, he was concerned about escalating construction costs. It was a struggle faced by all

councils but it must be remembered that the cost increases for this project were relatively low compared to others. He concluded by saying that, as a resident of the town, he was confident that the project would be completed and it would be done properly. Ultimately, people would say what a success it was.

Cllr N Lloyd said that he had been a resident of North Walsham for 40 years and during that time he had seen huge change – including housing growth and the closure of some businesses. Very little had been spent on the town and a project of this scale was well overdue. He said that Church Slope looked wonderful now. It was very unfortunate that there were a few, very vocal people who seemed to get all the media attention.

Cllr N Dixon said that he had no issue regarding the merits of the scheme or the impact of cost inflation on the purchase of construction materials. His main concerns focussed on governance and project management. The Overview & Scrutiny Committee had taken an interest in following the project and a report had been presented in September 2022 and several recommendations had been made. It came back in October with a more informed report. He said that the committee had spent some time discussing cost increase, labour shortages and how these were reflected in the Council's risk register. The Committee had asked what the contingency fund was comprised of and specific information about this had been requested. However, it had never been provided. He went onto say that he had been surprised to see this latest report coming through to Cabinet requesting the substantial sum of £400,000. There had been no indication at the October meeting of the Overview & Scrutiny Committee that there was a shortfall in funding and it made the discussion about contingency funds even more relevant now. He said that he was very concerned that there had been no mention of this in October and he found it hard to believe that it was not on the horizon at all. It raised questions about the standard of governance and project management.

Cllr Dixon said that the report presented to members gave no detail at all about what the additional £400,000 would be comprised of. He asked how the contingency fund had been spent as again, no detail had been provided. He concluded by saying that £400,000 would have a huge impact on the Business Rates reserve as it held £600,000 in total. The Chairman asked that the information regarding the contingency fund was provided to the Overview & Scrutiny Committee as soon as possible.

Cllr R Kershaw commented that a lot had changed politically at national Government level since September, including a rapid rise in interest rates.

The Assistant Director for Sustainable Growth apologised for not providing the contingency data to the Overview & Scrutiny Committee. He said that the Market Place scheme works began in September and he had been focussing on working with the Quantity Surveyor and contractors regarding laying rates and this kind of detail informed the level of contingency. He explained that the scheme was a grand master plan exercise for North Walsham and there had never been a fixed scheme designed with a costed and fixed budget. This meant that the project was much more fluid because they were trying to do as much as possible with the funding available. In effect, this report was the contingency. The Council now wanted to do more with the project than the funding allowed. He concluded that he would provide a budget breakdown to the Overview & Scrutiny Committee.

Cllr L Shires referred to section 3.6 of the report and said it provided more detail on the costs.

Cllr C Cushing said that when the previous report came to Overview & Scrutiny Committee in September, it was essentially an 'apple pie' paper with just generic costs and no specific detail included. He said that for a project of this size, he would expect an in-depth breakdown of costs along with an explanation.

Cllr E Seward said that when the budget for this project was conceived in 2019/20, it was fixed, with certain funding allocations coming from various sources. Since then, the economic situation had changed considerably and the assumption that the budget would cover all the required works was just no longer feasible.

Cllr J Rest commented on the earlier reference to the quality of the Yorkshire stone used in a previous project in the town. He said that it had been purchased on the recommendation of a senior officer and wondered if there was a possibility of seeking compensation. Cllr Seward replied that this was being looked into as the stone was not of the high quality that would have been expected, given the cost. Cllr Gay said that she had queried the quality of the stone at the time and had been told that there was no issue. It was intended that it would be re-used as part of the HAZ scheme but it was not suitable as the quality was so poor. Cllr Gay then responded to Cllr Dixon's comments regarding the governance of the project. She said that it had received more attention than any other Council project.

Cllr Dixon said that as Chairman of Overview and Scrutiny Committee, he would like to request a breakdown of the additional £400,000 funding. It was in the interest of public transparency. He added that there must be an impact of taking so much money out of the Business Rates Reserve and this should be monitored. The Chief Executive replied that the Business Rates Reserve was historically generated at county level via a pooled mechanism. Previously it had been held by the County Council but two years ago it was agreed that the Districts should receive a share. He explained that no other projects would be impacted on or deprived of funding as the reserve was not currently allocated. The requirement was simply that it had to be spent on economic regeneration projects.

Cllr Seward reiterated that no other project would lose out by funding the Heritage Action Zone scheme. There were other projects that had been impacted by rising costs and inflation – such as the listed wall in Fakenham. Ultimately, the Council's capital programme would not be delivered if these rising costs were not addressed. He added that the HAZ scheme budget was being watched extremely closely and had been since its inception.

Cllr Dixon said that he was relieved to hear that no other earmarked project would be affected, although removing such a large sum of money from the reserve would still have an impact. He said that members should recognise that by 'plugging' one gap they were simply creating another. The Chief Executive reminded members that this was a recommendation to Full Council and that no binding decision or commitment was being made at this meeting.

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

RESOLVED:

To recommend to Full Council that £400,000 be allocated from the Business Rates Retention Reserve for the completion of the NWHHAZ place-making scheme.

Reason for the recommendation:

This recommendation is made in order to deliver the additional town centre improvements as part of the HSHAZ place-making scheme.

87 GO-GO DISCOVER MAMMOTH SCULPTURE (LUMI) LOCATION

Cllr V Gay, Portfolio Holder for Culture, introduced this item. She explained that, following the successful conclusion of the GO_GO Discover Sculpture Trail, as lead sponsor for the countywide trail, NNDC retained ownership of two sculptures, including 'Lumi' which was temporarily placed at the DHC discovery point at Cart Gap. Sheringham Museum had expressed an interest in hosting the sculpture permanently and it would accept Lumi on a gift or loan basis, allowing the Council to 'borrow' it for events such as Greenbuild in the future, if necessary. The sculpture was currently on display at the museum's entrance.

Cllr E Withington, said that, as local member for Sheringham, she would be delighted for it to be permanently hosted at the museum.

Cllr N Dixon asked if there would be any scope for the sculpture to be located at other locations across the District during the tourist season. Cllr Gay replied that this could be considered in the future, however, as yet no other places had expressed an interest. The sculpture was extremely heavy and required a low-loader to transport it as well as a proper base if it was to be sited outdoors.

Cllr L Shires said that she welcomed the request for it to be hosted safely at the Sheringham museum.

It was proposed by Cllr V Gay, seconded by Cllr N Lloyd and

RESOLVED

- 1. Lumi be donated to Sheringham Museum to display as part of its climate change and Deep History Coast collection;**
- 2. Delegation to finalise the arrangements is given to the Assistant Director for Sustainable Growth in consultation with the portfolio holder for Leisure, Wellbeing and Culture.**

Reason for the recommendation:

The sculpture would be a welcome and relevant addition to the Museum's collection, strengthening local links to the Deep History Coast. The museum is also able to offer a safe and secure location to display the sculpture and ensure its long-term maintenance

88 SUPPORT FOR UK100 AND ADEPT ENVIRONMENTAL INITIATIVES

Cllr N Lloyd, Portfolio Holder for Environment & Climate Change, introduced this item. He explained that it was recommended that the Council joined the UK100 network to share knowledge and collaborate on environmental issues. Doing so required a change to the wording of the Council's environmental charter, to reinforce the commitment to the wider district to assist decarbonisation. In addition, it was proposed that the Council demonstrated support for the ADEPT Blueprint to accelerate climate action and green recovery at local level, by the Portfolio Holder for Environment & Climate Change signing an online petition.

It was proposed by Cllr N Lloyd, seconded by Cllr R Kershaw and

RESOLVED

- **To make the suggested changes to the Environmental Charter**
- **To join the UK100 network**
- **That the portfolio holder for Environmental Services, Climate Change and Environment signs the online form showing support for ADEPT a Blueprint for accelerating climate action and a green recovery at the local level.**

Reason for the decision:

To access assistance from and show support for initiatives to help the Council meet its Net Zero targets

89 FORMER SHANNOCKS HOTEL SITE, SHERINGHAM

The Assistant Director for Planning introduced this item. He said there was a small error at section 2.3 of the report. It should state £10,000 not £50,000.

He went on to explain that this was a long-standing matter and the Compulsory Purchase Order (CPO) had been granted some time ago. The building had been demolished in June 2021 and no further work had been commenced to take forward the development of the approved new building. Work should have started by June 2022, with an extended date of 23rd November 2022. This date had now passed and with increasing public concern about the lack of progress made, it was felt that it was an appropriate time for the Council to consider whether it should exercise the CPO by serving the General Vesting Document on the site owner as soon as possible. He informed members that the deadline for completion of the new development was June 2023. It was therefore proposed that the Council proceeded with the CPO and took control of the site.

Cllr A Brown, Portfolio Holder for Planning and Enforcement, said that it was a myth that the CPO process was straightforward. It was extremely complex. He explained that this had begun in 2014 and if no action was taken by the Council now, it would run until 2024, when the CPO expired. That essentially meant Sheringham had been subjected to 10 years of blight on a prominent site on the seafront. It was time to take decisive action as it was clear that very little was being done by the owner to progress the development of the site.

Cllr E Withington, Local member for Sheringham, thanked officers for all their hard work. She said that the community was very appreciative, adding that the owner of the adjacent building was becoming increasingly concerned that no action was being taken.

Cllr R Kershaw commented that it was incumbent on the Council to act decisively and serve documents on the owner. It was a prime site in the town and could not be left any longer.

Cllr N Dixon said that he recognised the need for the Council to support and deliver effective planning enforcement, however, he was concerned that any action taken

could commit the Council to delivering the CPO and regenerating the site too. He asked whether the costs and risks had been robustly and reliably addressed in the Savills report (included in the exempt appendix)

The Assistant Director for Planning replied that Savills had provided an updated report to support this process in terms of the General Vesting Document. The process in terms of the Council becoming a developer was not confirmed at this stage. It was intended that the Council would take ownership of the site and then work with property experts to move the matter forward. It was possible that a further report would come to Cabinet, looking at a back to back project, limiting the risk, by using a partner as a developer for the site. The risk regarding the CPO was limited because there was a live, extant planning permission, for the redevelopment of the site for a mixed-use residential and commercial development.

Cllr Dixon said that he was reassured to some extent but said that he would prefer a precautionary approach was taken so that the Council did not find that costs were rapidly increasing and were faced with having to take hard decisions in the future as to how the project was delivered. He added that he appreciated that the Council had done what it could to mitigate any issues. He was just concerned that it could sit with NNDC to see the project right through to the end. Members had not seen a CPO being delivered before, so a cautious approach was understandable. The Assistant Director for Planning confirmed that it was very rare for a CPO to run its full term.

Cllr C Cushing sought clarification as to whether the figure would be disclosed to Full Council, as well as the estimated costs if the Council was to take control of the site, as it was potentially a major financial risk to the Council.

The Assistant Director for Planning replied that the unknowns were so significant and complex that it would be very difficult to provide an immediate oversight report. It was likely to be a report to cabinet at a later stage setting out opinions of property experts which would highlight all of the options and any associated risks.

Cllr J Toye commented that there would be risks to any venture of this scale. However, there was also the need to consider the risk of not taking any action. Proceeding with the CPO would send very strong signal.

Cllr J Rest said that it was important that projects were supported by details and all the options must be set out clearly. Decision making must open and risk averse and members must fully understand what they were being asked to do.

It was proposed by Cllr A Brown, seconded by Cllr R Kershaw and

RESOLVED

1. To confirm support for the serving of the General Vesting Document to take ownership of the site as soon as possible

2. To recommend to Full Council that it approves the addition of a capital budget of the valuation cost as set out at section 6 of the confidential appended report, and an additional £10,000 to cover the costs associated with the purchase of the property to be financed by the use of capital receipts, use of reserves and borrowing if required.

Reason for the decision:

To secure timely redevelopment of the site, in accordance with the previously

agreed Compulsory Purchase Order process, and the decision of the public inquiry to confirm the Order.

90 EXCLUSION OF PRESS AND PUBLIC

91 PRIVATE BUSINESS

The meeting ended at 11.32 am.

Chairman

This page is intentionally left blank