

Cabinet



Please Contact: Emma Denny

Please email: emma.denny@north-norfolk.gov.uk

Please Direct Dial on: 01263 516010

23rd June 2017

A meeting of the **Cabinet** of North Norfolk District Council will be held in the Council Chamber at the Council Offices, Holt Road, Cromer on **Monday 03 July 2017 at 10.00am**

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 wish to ask a question or speak on an agenda item are requested to arrive at least 15 minutes before the start of the meeting. It will not always be possible to accommodate requests after that time. This is to allow time for the Committee Chair to rearrange the order of items on the agenda for the convenience of members of the public. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel: 01263 516010, Email: democraticservices@north-norfolk.gov.uk

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 S Arnold, Mrs A Claussen-Reynolds, Mr N Dixon, Mr T FitzPatrick, Mr J Lee, Mrs J Oliver, Mr W Northam, Miss B Palmer, Mr R Price, Ms M Prior

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

Heads of Paid Service: Nick Baker & Steve Blatch
Tel 01263 513811 **Fax** 01263 515042 **Minicom** 01263 516005
Email districtcouncil@north-norfolk.gov.uk **Web site** northnorfolk.gov.uk

A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. MINUTES

(page 9)

To approve, as a correct record, the minutes of the meeting of the Cabinet held on 05 June 2017.

3. PUBLIC QUESTIONS

To receive questions 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

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.

6. MEMBERS QUESTIONS

To receive oral questions from Members, if any.

7. CONSIDERATION OF ANY MATTER REFERRED TO THE CABINET BY THE OVERVIEW AND SCRUTINY COMMITTEE OR COUNCIL FOR RECONSIDERATION

To consider matters referred to the Cabinet (whether by the Overview and Scrutiny Committee or by the Council) for reconsideration by the Cabinet in accordance with the provisions within the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules.

8. CONSIDERATION OF REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE

To consider any reports from the Overview and Scrutiny Committee, which may be presented by the Chairman of the Overview and Scrutiny Committee, and determination of any appropriate course of action on the issues so raised for report back to that committee

9. COUNCIL TAX SUPPORT WORKING PARTY

(page 17)
(EIA – p.20)

To receive the minutes of the Council Tax Support Working Party meeting of the 08 May 2017

10. ANNUAL REPORT 2016/17

(page 26)
Annual Report – electronic only

Summary: This report outlines the key elements of the Annual Report 2016/17 to be published for discussion and eventual approval and presents the key contents of the report. The Annual Report will present the delivery of the Annual Action Plan 2016/17 and show achievement against targets.

Options considered: Publish a text only version of the Annual Report.
Publish a version of the report suitable for a public audience.

Conclusions: The Annual Report 2016/17 concludes that North Norfolk District Council delivered the Annual Action Plan and delivered good and in some cases improving performance against performance indicator targets.

Recommendations: **1) That Cabinet note the contents of this report.**

**Cabinet
Decision**

2) That Cabinet give authority to the Leader of the Council and the Heads of Paid Service to approve the final public version of the report.

Reasons for Recommendations: To comply with the provisions of the Council Performance Management Framework and local government best practice.

Cabinet member(s): Cllr T FitzPatrick
Ward member(s) All
Contact Officer Helen Thomas
telephone 01263 516214
and e-mail: helen.thomas@north-norfolk.gov.uk

11. CROMER ADMIN BUILDINGS IMPROVEMENT WORKS

(page 30)

Summary: The Cromer office building is now 27 years old and works are required to address the roof glazing on the northern elevation of the building and also to undertake remedial works to the glulam beams. A recent energy efficiency survey has also recommended a number of improvements which would help reduce the financial costs of operating the building while also improving the carbon footprint.

Options considered: The Council could continue to operate the building without undertaking these improvements measures in the short-term but if not addressed the highlighted issues will only get worse and ultimately cost more to rectify in the future.

Conclusions: Due to the issues and risks highlighted within the report it is now recommended that the issues with the high level glazing and glulam beams are addressed. Further to this it is recommended that a series of energy efficiency measures are introduced which will lower the operating costs of the building and also reduce the carbon footprint.

Recommendations:

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Decision**

1. That Cabinet delegates to the Head of Finance and Assets to procure the works as described in the report.
2. That once the final tenders have been received in respect of the works that the necessary budget is drawn down from the capital programme budget, funded from capital receipts.

Reasons for
Recommendations:

To ensure that the building remains fit for purpose and provides a safe environment for staff and visitors.

Cabinet member(s):
Ward member(s)
Contact Officer
telephone
and e-mail:

Cllr J Oliver
All
Duncan Ellis
01263 516330
duncan.ellis@north-norfolk.gov.uk

12. CROMER PIER SURVEY AND WORKS

(page 36)

Summary:

Cromer pier is an iconic landmark structure within North Norfolk, attracting tens of thousands of visitors every year. Due to the age and nature of the structure it is recommended that a routine survey regime is introduced to inform capital works and repairs and maintenance requirements over the medium to long term.

Options considered:

The Council could continue with the current ad hoc survey arrangements. However it is felt that the regular survey regime being recommended will result in better asset management and ultimately lead to lower maintenance and repair costs as issues will be identified at an early stage.

Conclusions:

It is essential, due to the age of the structure and its environment, that regular inspections are undertaken along with maintenance and repairs, not only to ensure that it is safe for users but also to prolong the life of the pier structure.

Recommendations:

It is recommended that Cabinet;

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- agree to fund the 5 year rolling programme of surveys and that the estimated £150k costs are financed through the use of General Reserves
- agree to waive Standing Orders to allow consulting engineers Hemley Orrell Partnership (HOP) to be engaged to undertake the survey works

Reasons for
Recommendations:

On an aging coastal structure like Cromer pier, planned, ongoing, regular maintenance and repairs are essential to maintaining the safety of users and to prolong the life of the pier structure.

Cabinet member(s):
Ward member(s)
Contact Officer

Cllr J Lee
All
Duncan Ellis

telephone 01263 516330
and e-mail: duncan.ellis@north-norfolk.gov.uk

13. PROCUREMENT EXEMPTION REQUEST (page 41)
(Exemption request form – p.50)

Summary: This is a report to support the procurement exemption request which will enable the Authority to enter into a new contract with the existing supplier of the Revenues and Benefits software, associated support and maintenance.

Recommendations: **To grant an exemption from contract standing orders to enable the Authority to remain with the existing supplier of the Revenues and Benefits software, this being Civica UK Ltd.**

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Cabinet member(s): Cllr W Northam
Ward member(s): All
Contact Officer: Liz Codling
telephone: 01263 516061
and e-mail: liz.codling@north-norfolk.gov.uk

14. ENFORCEMENT BOARD UPDATE (page 56)

Summary: This report provides an update for Members on the work of the Enforcement Board over the past six months and also gives an assessment of progress made by the Board on the difficult enforcement cases since its inception.

At the time of writing, the Board has considered 145 cases, of which all but six have seen positive action.

In addition, the report highlights recent work to combine and improve certain enforcement functions across the Council and successes gained.

Conclusions: The Enforcement Board continues to make significant progress towards its objectives of dealing with difficult and long-standing enforcement cases and bringing long term empty properties back into use across all areas of the District, with both social and economic benefits to the community, and financial benefits to the Council.

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The Combined Enforcement Team are also making significant progress in dealing with the backlog of case.

Recommendations	That Cabinet notes the progress made by the Enforcement Board and the Combined Enforcement Team
Reasons for Recommendation	To ensure appropriate governance of the Council's enforcement activities
Cabinet member(s):	Cllr J Oliver, S Arnold
Ward member(s)	All
Contact Officer	Nick Baker
telephone	01263 516330
and e-mail:	nick.baker@north-norfolk.gov.uk

15. DIGITAL TRANSFORMATION UPDATE & FUNDING BID FOR INFORMATION SYSTEM (page 68)
(Appendix A – p. 77)

Summary: This report is brought to provide the seventh, six monthly update on progress within the Digital Transformation Programme (DTP), in accordance with the original Cabinet Resolution for the Programme.

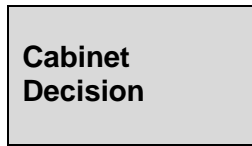
Overall, the technology infrastructure improvement programme continues to progress well. Significant deliveries in this period include the new Website and the Customer Contact System, although both continue to be developed on an incremental basis.

The Business Process Review (BPR) in Planning, continues to progress, with changes to key processes being rolled out on a phased basis. Then work is also progressing well on the BPR within the Environmental Health (EH) service.

In broad terms, the project timelines, expenditure and expected outcomes for the Programme are on track although the Planning BPR has taken much longer than anticipated to deliver.

Conclusion The Digital Transformation Programme business model remains viable and is broadly on track to deliver as planned

Recommendations	<p>1) That Cabinet notes the progress made on the Digital Transformation Programme.</p> <p>2) That Cabinet approves the release of £50,000 from the previously identified Digital Transformation funding to enable procurement of a Management Information System, along with the necessary third party consultancy support.</p>
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Reasons for Recommendations:	<p>1) To provide appropriate governance and oversight of the Digital Transformation Programme.</p> <p>2) To publicly detail the Council's plans in this area.</p>
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Cabinet Members: Cllr T FitzPatrick (IT) B Palmer (Customer Services)
Ward member(s) All
Contact Officer Sean Kelly, 01263 516276, sean.kelly@north-norfolk.gov.uk
telephone Nick Baker, 01263 516221, nick.baker@north-norfolk.gov.uk
and e-mail:

16. JOINT BACTON TO WALCOTT COASTAL MANAGEMENT SCHEME (page 85)

**** Exempt appendices** NOT FOR PUBLICATION – BY VIRTUE OF PARAGRAPH 3 OF PART 1 OF SCHEDULE 12A (AS AMENDED) OF THE LOCAL GOVERNMENT ACT 1972**
(page - 119)

Summary: The Bacton to Walcott Coastal Management Scheme is an opportunity for NNDC to work with the Bacton Terminal Operators to protect nationally important infrastructure and benefit local communities.

The proposed scheme will use Sandscaping, a UK first, to protect the terminal and enhance the coastal management of the villages. It involves the placement of a large volume of sand on the beaches in front of the Bacton Gas Terminal and down the coast to include Bacton village and Walcott (referred hereafter as the 'the Villages'). Over time this material is designed to erode and will move in a predominantly south easterly direction, not only mitigating the loss of sediment supply due to cliff protection, but even increasing sediment supply which has the potential to nourish beaches further down the coast. This sand is expected to increase beach levels which will extend the life of existing defences for the Villages.

Modelling indicates that Bacton Gas Terminal will be protected and the life of defences at Bacton village and Walcott will be increased. Furthermore, the scheme will enhance beaches which are an important characteristic of the location and for tourism.

A Development Agreement is being prepared between the Bacton Terminal Operators and NNDC whereby the Council (subject to conditions) will become the lead in the delivery of the consents, procurement and construction of the scheme. The agreement includes provisions whereby the Bacton Terminal Operators (subject to conditions) consider financing any funding gap for the Villages element of the scheme once the size of the gap is finalised.

The Development Agreement seeks to manage risks and liabilities of the project as far as possible for NNDC in an equitable way. In order for the scheme to be delivered (ideally in the summer of 2018) the Development Agreement needs to be finalised and approved to enable the scheme to progress.

Recommendations: That Cabinet's resolves:

- a) To delegate authority to Corporate Director with consultation with Portfolio Holder to**

**Cabinet
Decision**

finalise negotiation and agree a Development Agreement with the Terminal Operators whereby NNDC is the lead partner for the delivery of the scheme.

- b) To delegate authority to Corporate Director with consultation with Portfolio Holder to negotiate and agree a position with The Crown Estate and any other asset owners as required for the delivery of the scheme.**
- c) To agree to appoint personnel resources as appropriate for the delivery of the scheme, funded via Environment Agency Grant in Aid.**
- d) Commence the process for tendering the construction contracts with appointment subject to Development Agreement conditions precedent being delivered.**

Reasons for
Recommendations:

- To enable the scheme to progress in order to maximise the likelihood of timely construction to protect national gas infrastructure and communities.
- To maximise on opportunities for funding the villages element of the scheme which would otherwise be unlikely to be possible.

Cabinet Member: Cllr J Lee
Ward member(s) All
Contact Officer Rob Goodliffe
telephone 01263 516
and e-mail: robert.goodliffe@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

CABINET

Minutes of the meeting of the Cabinet held on Monday 05 June 2017 at the Council Offices, Holt Road, Cromer at 10.00am

Members Present:

Mrs A Claussen-Reynolds	Mr W Northam
Mr N Dixon	Miss B Palmer
Mr T FitzPatrick(Chairman)	Mr R Price
Mr J Lee	Ms M Prior

Also attending:

Mrs S Butikofer	Mr E Seward
Mrs P Grove-Jones	Mr R Shepherd
Mr N Pearce	Mrs K Ward
Mr R Reynolds	

Officers in Attendance:

The Corporate Directors, the Monitoring Officer, the Head of Finance and Asset Management, the Revenues Manager, the Democratic Services Team Leader and the Democratic Services Officer.

Also in Attendance: David Bale, Eastern Daily Press

The meeting began with a minute's silence to remember the victims of the terrorist attack on London Bridge on 3 June.

1. APOLOGIES FOR ABSENCE

Mrs S Arnold and Mrs J Oliver.

2. MINUTES

The minutes of the meeting held on 08 May 2017 were approved as a correct record and signed by the Chairman.

3. PUBLIC QUESTIONS

None

4. ITEMS OF URGENT BUSINESS

None

5. DECLARATIONS OF INTEREST

None

6. MEMBERS QUESTIONS

The Leader confirmed that Members could ask questions as each item arose.

7. CONSIDERATION OF ANY MATTER REFERRED TO THE CABINET BY THE OVERVIEW AND SCRUTINY COMMITTEE OR COUNCIL FOR RECONSIDERATION

None

8. CONSIDERATION OF REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE

None

9. MEMBERSHIP OF CABINET

The Leader announced that two new Members had been appointed to Cabinet. Mr J Lee had been appointed portfolio holder for Coastal Management and Mrs A Claussen-Reynolds had been appointed portfolio holder for Environmental Services. Mr N Dixon had been appointed Deputy Leader.

10. RECOMMENDATIONS FROM THE COUNCIL TAX SUPPORT WORKING PARTY

The report was introduced by the portfolio holder, Mr W Northam. He explained that the Council had last consulted regarding Council Tax Support prior to the April 2013 change from Council Tax Benefit to Council Tax Support. The current Council Tax Support scheme criteria were reflected within the current base budget. Any changes to the scheme would have a financial impact in that a less generous scheme would increase the Council Tax to be collected and a more generous would result in an increase in cost of the scheme but less Council Tax to be collected. The Working Party did not consider that Cabinet would approve a recommendation for an increase in costs at a time when the Council needed to challenge all areas of spend and had, therefore, proposed that the scheme should remain unchanged for 2018/19.

It was proposed by Mr W Northam, seconded by Mr T FitzPatrick and

RESOLVED

That the Council Tax Support scheme for North Norfolk remains unchanged for 2018/19

11. 2016/17 OUTTURN REPORT (PERIOD 12 BUDGET MONITORING REPORT)

The report provided a final budget monitoring position for the 2016/17 year and was introduced by the portfolio holder, Mr W Northam, who said that - because of good housekeeping - the Council was in a good outturn position with a final overall underspend on the revenue account of just over £671,000. This was after allowing transfers to Earmarked reserves for current and known commitments. Transfers to Earmarked Reserves had been made for the following:

- a) Where an underspend had occurred within a service, mainly due to the timing of work not being completed as planned, and by 31 March 2017, and also where no future budget existed or where there was a one-off commitment that continued into the 2017/18 financial year;
- b) Where external funding had been received in 2016/17 for which the expenditure had not yet been incurred;
- c) Where the 2016/17 budget allowed for expenditure to be funded from an Earmarked Reserve, but the spend had not yet been incurred as planned and therefore the funds remained in the Earmarked Reserve until 2017/18.

There were no major variances. The overall underspend reported showed a General Fund surplus of just over £173,000 with a further transfer from the Collection Fund in relation to Business Rates of £498,000 which gave the final underspend of £671,000. An underspend on Employee Costs was attributable to vacant posts and the senior management restructure that occurred midway through the year. There were savings from car parks in terms of the contract and additional income along with external income generated by Eastlaw which had been partly offset by a reduction in planning fees received.

The Council was keen to support the development of an apprenticeship scheme. Therefore the report recommended the transfer of £300,000 from the surplus of the year to the Organisational Development Reserve to support this initiative. The balance was recommended for transfer to the Asset Management Reserve to support the Council's asset commercialisation agenda. The General Reserve would remain above the recommended balance.

Mr E Seward asked if any consideration had been given to using some of the surplus to address the waiting list for garden refuse bins. The Corporate Director (NB) replied that it was his understanding that the Council was intending to fund an extra vehicle with the Contractor. He would ask the Head of Environmental Health to confirm this and to provide Mr Seward with a written reply.

It was proposed by Mr W Northam, seconded by Miss B Palmer and

RESOLVED to recommend the following to Full Council:

- a) **The provisional outturn position for the general fund revenue account for 2016/17;**
- b) **The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2017/18 budget;**
- c) **Transfer part of the surplus of £300,000 to the Organisational Development Reserve to support the development of the apprenticeship scheme with the balance of £371,399 being transferred to the Asset Management Reserve;**
- d) **The financing of the 2016/17 capital programme as detailed within the report and at Appendix D;**
- e) **The balance on the General Reserve of £2.332 million;**
- f) **The updated capital programme for 2017/18 to 2020/21 and the associated financing of the schemes as outlined within the report and detailed at Appendix E.**

12. TREASURY MANAGEMENT ANNUAL REPORT 2016/17

The report was introduced by the portfolio holder, Mr W J Northam. It set out the Treasury Management activities actually undertaken during 2016/17 compared with the Treasury Management Strategy for the year. The report had been prepared to ensure the Council complied with the CIPFA Treasury Management and Prudential Codes. Treasury activities for the year had been carried out in accordance with the CIPFA Code and the Council's Treasury Strategy.

Global political events in the last year had resulted in heightened market volatility but the Council's focus, when investing, had always been on security and liquidity rather than rates of interest. Mr Northam commended the prudent work of the Technical Accountant.

It was proposed by Mr W Northam, seconded by Mr N Dixon and

RESOLVED to recommend to Full Council:

That the Council be asked to RESOLVE that The Treasury Management Annual Report and Prudential Indicators for 2016/17 are approved.

13. DEBT RECOVERY 2016/17

The report, which was introduced by the portfolio holder, Mr W Northam, was an annual report detailing the Council's collection performance and debt management arrangements for 2016/2017. The report included:

- A summary of debts written off in each debt area showing the reasons for write-off and values. The debt areas were Council Tax, Business Rates (NNDR) and Sundry Income (including Housing Benefit Overpayments).
- Collection performance for Council Tax and Non- Domestic Rates.
- Level of arrears outstanding
- Level of provision for bad and doubtful debts

The Council took all reasonable steps to collect monies due. The revenues and benefits team had collected 98.7% of Council Tax and 99.36% of NNDR according to year-end figures for 2016/17. The Council Tax figure was the highest percentage collected for the past 10 years and the second highest ever collected by North Norfolk District Council. The NNDR figure was the highest percentage collected for the past nine years and the second highest ever collected by North Norfolk District Council. The figures meant that the Council had beaten its collection targets of 98.5% and 99.2% respectively.

The main reason for debts being written off was because of a debtor going into liquidation or absconding. The Revenues Manager was asked by Cabinet to convey congratulations to his staff on their excellent achievement.

It was proposed by Mr W Northam, seconded by Mr J Lee and

RESOLVED

To approve the annual report giving details of the Council's write-offs in accordance with the Council's Debt Write-Off Policy and performance in relation to revenues collection.

14. PROCUREMENT OF WASTE AND RELATED SERVICES CONTRACT

In the absence of Mrs J Oliver, this item was introduced by the Leader.

Within the next two years, the Council's Waste and Related Services contract with Kier was due to end. A 3-phase "Ghost Bid" process had been undertaken to assess the Council's current and future contractual positions. The process had demonstrated that the Council was getting good value for money from the current contract but had identified a number of areas where changes to the services could deliver future

savings. The “Ghost Bid” process had also indicated that, over the last 8 years, there had been a number of examples of joint procurement where authorities had collaborated.

The Council had considered various options regarding procurement of the Waste and Related Services Contract:

- a) In-house delivery.
- b) Extension of the current contract for up to 8 years.
- c) Procure a new contract individually.
- d) Procure a new contract in partnership with other authorities in Norfolk.

However it was believed that the recommendations before Cabinet were the best options. The recommendations included:

- a) Procurement in partnership with Broadland District Council.
- b) The release of £80,000 from the General Reserve to fund professional support for the procurement process.
- c) Appointment of a joint Member and Senior Officer Board to oversee the process. (The terms of reference for this board were outlined in Appendix B of the report).

Mrs A Claussen-Reynolds, portfolio holder for Environmental Services said that it was an important contract and it was essential to explore every avenue.

Mr E Seward, who had been involved in the previous Waste and Related Services Contract procurement process said that he agreed with the process and the recommendations.

It was proposed by Mr T FitzPatrick, seconded by Mrs A Claussen-Reynolds and

RESOLVED

- 1. That Cabinet authorise the Corporate Director and Head of Paid Service (NB) to commence a formal procurement process for a new Waste and Related Services Contract.**
- 2. That, in order to deliver the best procurement outcomes in terms of value and quality, this process goes forward in partnership with Broadland District Council, with the options for two other Councils to be included, subject the relevant authorities also agreeing to joint working.**
- 3. That Cabinet approves the release of £80,000 from the General Reserve to fund the necessary external professional support for the procurement process.**
- 4. That a joint Member and Senior Officer Board is appointed to oversee the procurement process as outlined in Appendix B.**

15. LEISURE CONTRACT PROCUREMENT AND OPTIONS FOR THE SPLASH LEISURE FACILITY

In the absence of Mrs J Oliver, this item was introduced by the Leader.

The report had been to the Overview and Scrutiny Committee for pre-scrutiny on 17 May 2017. It confirmed progress towards a replacement for the Splash Leisure

Centre in Sheringham and informed Members about future action around the Council's Leisure Services Contract.

The Council was now at a point where it needed to decide on the approach to take regarding its current leisure contract and the long term future of the Splash facility in Sheringham. Various options had been examined with the most likely best option being an outsourced private contract. There was also a need to provide a replacement for the Splash Leisure Centre which was nearing the end of its useful life.

A range of options was available as to the contractual mechanism the Council decided to use to manage its leisure facilities, and a number of potential options for a future leisure facility on the Splash site. The recommendations before Cabinet were considered to be the best options.

Initial discussions showed that, as long as the Council took a commercial view of the property implications and opportunities which existed for the site, it should be possible to provide a new wet facility in Sheringham, at little additional cost to the existing revenue budget. For this to happen, however, it would be essential for the Council to also agree commercial terms for supporting development, both on its own, and on neighbouring land.

In order to provide the best procurement of a future Leisure Services Contract and a future leisure facility on the Splash site, external professional support would be required so that the project could move forward.

Ms M Prior, portfolio holder for Leisure and Culture, said that she was pleased to see that the process was going smoothly. The proposed Leisure Centre would be a wonderful facility for Sheringham. Mr R Shepherd, a Member for Sheringham, agreed. The facility would benefit not only Sheringham, but a wider area.

In response to a question from Mrs S Butikofer, it was confirmed that the next report would come first to the Overview and Scrutiny Committee for pre-scrutiny.

It was proposed by Mr T FitzPatrick, seconded by Ms M Prior and

RESOLVED

- 1. That delegated authority is given to the Corporate Director and Head of Paid Service (NB) to:**
 - a) Commence procurement of the Leisure Services Contract to run from April 2019; this to include appointment of external procurement and leisure consultancy support.**
 - b) Enter into formal property negotiations, including if necessary, a Joint Venture Company or similar vehicle, for the purpose of providing the necessary supporting and enabling development for a new leisure centre on the Splash site in Sheringham.**
- 2. That the Council's Property Development Partners, Gleeds, are instructed to undertake any necessary land assembly negotiations and develop detailed proposals for the procurement of a new leisure centre in Sheringham, along with any supporting development.**

3. That an appropriate consultant, with experience in similar work, is appointed to undertake a sport and active leisure feasibility study for a new facility to replace Splash.
4. That Financial Standing Orders are waived in respect of:
 - a) Appointing Gleeds for the work in Recommendation 2 above, as they have already been appointed to support the Council through a competitive process and;
 - b) appointing the leisure consultant for the work Recommendation 3 above, as the Council can rely on Sport England's views on previous experience in this area.
5. That a budget of £30,000 is provided from the General Reserve to fund the above work.
6. That a further report is received by Cabinet later in 2017 to approve the business case for construction of a new facility on the Splash site in Sheringham.

16. NORTH NORFOLK SPORTING CENTRE OF EXCELLENCE

The report was introduced by the portfolio holder, Ms M Prior.

One of the Council's five main corporate objectives was Health and Wellbeing. Within this the Council agreed a target to set up and deliver a sporting centre of excellence for the District. The North Norfolk Sporting Centre of Excellence had commenced delivery in October 2016. The programme, which had included 70 young people, had been very successful. All of the participants had improved. Many had been linked up with a local club that could provide the standard of coaching required for them to progress further. Some participants had been chosen to represent Norfolk in their sports and others had reached county standards.

The total spend for year one to date was £18,721, with another likely pitch hire payment which would bring this to £19,500.

The Leader told Members that other councils had shown interest in the scheme. The budget was minor and the scheme very worthwhile. Mrs A Claussen-Reynolds said that it was important to encourage young people to participate in sport.

It was proposed by Ms M Prior, seconded by Mrs A Claussen-Reynolds and

RESOLVED

1. To note the success of the project to date.
2. To approve continuation of the project into year two, with a budget of £19,000 to be allocated to deliver the scheme. This should be allocated via general reserves.

17. DEEP HISTORY COAST PROJECT

The report, which was introduced by Mr N Dixon – portfolio holder for Business and Economic Development and Tourism - included a decision for Full Council.

A substantial project had been developed, which proposed an integrated set of capital and revenue schemes, relating to the cliffed stretch of coast (between Weybourne and Cart Gap) which was rich in evidence of human habitation of our coast some 850,000 years ago and fossil relics of glacial geology. The project envisaged the coast as a 'living landscape museum' and a bid had been submitted to the Coastal Communities Fund (administered by the DCLG) for £2,010,000 to develop and implement it over the next two years. The funding application was unsuccessful, although there could be an option to make a further application at a later date.

All of the partners involved in the project's development had expressed disappointment about the outcome of the funding bid and had shown their continuing support for the project.

The report suggested other ways in which the project could be delivered and requested funding from the Council's Capital Reserves in order to deliver key aspects of it in a timely fashion.

Mr W Northam said that the Deep History Coast was an exciting project and that the Norfolk Museums Service had identified the stretch of coast between Weybourne and Cart Gap as – in international terms - a very important part of the coastline.

Mrs S Butikofer expressed disappointment that the funding bid had been unsuccessful but was pleased that Cabinet was taking the project forward.

Mr J Lee said that it was good, because of prudent financial management, that funds were available to take the project forward.

It was proposed by Mr N Dixon, seconded by Mr T FitzPatrick and

RESOLVED:

- 1. To authorise the Head of Economic & Community Development, in consultation with the Leader of the Council, to re-evaluate the project and engage further with local communities, town and parish councils, businesses and possible partners.**
- 2. To recommend to Full Council the authorisation of a sum of £500,000 from the Capital Reserve to implement some capital elements of the project, including a trail and improved facilities.**

The meeting ended at 10.37 pm

Chairman

COUNCIL TAX SUPPORT WORKING PARTY

Minutes of a meeting of the Council Tax Support Working Party held on 08 May 2017 in the Board Room, Council Offices, Holt Road, Cromer at 10.00am

Working Party: Mr T FitzPatrick, Mr M Knowles, Mrs A Moore, Mr W Northam and Mr D Young.

Officers in Attendance: The Head of Finance & Assets, the Benefits Manager and the Democratic Services Manager

1 TO RECEIVE APOLOGIES FOR ABSENCE

None

2 DECLARATIONS OF INTEREST

None

3 MINUTES

The minutes of the meeting held on 26 September 2016 were agreed and signed by the Chairman.

4 COUNCIL TAX SUPPORT - REVIEW OF 2018/19 SCHEME

The Chairman, Mr W Northam, began by proposing that the current council tax support scheme was continued for another year. He said that the case load had reduced from 11,193 in 2013 to 7757 in 2017 and the number of pensioners seeking support had reduced from 3161 to 2562. With the Council forecasting a balanced budget for 2018/19, Mr Northam felt that there was no need to review the scheme at the current time.

The Benefits Manager said that the collection rate for council tax remained high and was more manageable at the moment. Mr T FitzPatrick added that it was possible that a change to the scheme could even adversely affect the collection rate. Mr Northam acknowledged that this was a possibility.

Mr M Knowles said that he fully supported the proposal to continue with the current scheme. He was concerned about the negative publicity that could ensue if the scheme was changed. Mr Northam agreed, reminding members that if the scheme was changed the Council would have to consult with the public on the changes.

In response to a question from Mr D Young as to whether the Council should consult anyway due to the length of time since the scheme was introduced, the Benefits Manager replied that she wasn't sure but that other authorities that had maintained their schemes had not gone back out to consultation. Mr FitzPatrick suggested that the position was clarified by the Council's legal team, Eastlaw.

Mr D Young suggested that the Working Party could revisit the options set out in the agenda when the scheme was reviewed in a year's time. Mr Northam agreed.

The Benefits Manager said that if the Council went out to consultation there could be a choice as to where the money goes, however, the Council was not currently cutting other services to maintain the current level of support.

RESOLVED

To recommend to Cabinet that the Council Tax Support Scheme for North Norfolk remains unchanged for 2018/19.

The Meeting closed at 10.19 am

_____Chairman

EQUALITY IMPACT ASSESSMENT FORM

<p>What are you completing this impact assessment for? (Service, proposed budget cut, proposed restructuring etc)</p>	<p>From 1st April 2013 the Government abolished Council Tax Benefit (CTB) and replaced this with a local Council Tax Support (CTS) Scheme</p> <p>CTB was fully funded through Government subsidy, CTS is only in part funded through the Revenue Support grant received from the Department of Communities and Local Government (DCLG). Local Authorities have therefore received a reduction in funding and the shortfall has to be met by the Authority.</p> <p>Local Authorities were required to design a local CTS scheme or opt to use the default scheme based on CTB. The Authority is obliged to review the working age local scheme each year.</p> <p>The Government introduced a prescribed scheme for pensioners which entitled pensioner applicants to continue to receive up to 100% support. This has not changed.</p> <p>In designing and implementing the CTS scheme for working age, the amount of support awarded will depend on the scheme introduced by each Local Authority.</p>
<p>At what stage are you completing the impact assessment?</p>	<p>An Equality Impact Assessment was completed in 2012 when the Local Authority considered the proposed CTS scheme to be implemented in April 2013. A further Equality Impact Assessment was completed in June 2016 for the 2017/18 CTS scheme.</p> <p>This Equality Impact Assessment is to consider any impact on the recommendation of the CTS scheme remaining the same for 2018/19</p>

Section 1 – Aims & Objectives

Local Council Tax Support (CTS) was introduced in April 2013 as a replacement to Council Tax Benefit (CTB) which was a national welfare benefit. The changes were introduced by the Local Government Finance Act following the 2010 Spending Review as part of the Government's wider welfare reform programme which aimed to:

- Improve the incentives to work;
- Protect the most vulnerable people in society including full protection for pensioners previously on Council Tax Benefit;

EQUALITY IMPACT ASSESSMENT FORM

- Deliver fairness to people claiming benefits and to the taxpayer ensuring that resources are used more effectively;
- Make savings to the overall welfare bill as part of the deficit reduction strategy.

The CTS scheme is set out in Section 13A and Schedule 1A of the Local Government Finance Act 1992.

Applicants who are of pension age fall under the Government prescribed scheme and therefore may still retain maximum entitlement of 100% support.

Working age applicants are subject to the local scheme determined by the Authority. The aim of this equality assessment is to consider the impact of the 2018/2019 CTS scheme on working age Council Tax payers, who have a Council Tax liability for their home and are in receipt of low incomes.

The total amount and % of Council Tax expenditure awarded to pension age and working age applicants is shown below.

	31 st March 14 2013/14		31 st March 15 2014/15		31 st March 16 2015/16		31.3.17 2016/17	
	Expenditure £	%	Expenditure £	%	Expenditure £	%	Expenditure £	%
Working age CTS	2,756,294	36.64	2,680,540	37.74	2,790,797	39.73	2,663,549	40
Pension age CTS	4,767,549	63.36	4,422,241	62.26	4,233,957	60.27	4,076,234	60
Total	7,523,843		7,102,781		7,024,754		6,729,599	

Section 2A – Groups that may be affected by the proposed restructuring/budget cuts. (This could be the general population of North Norfolk or those from particular groups, disability, race, gender etc.)

The Council's scheme introduced in 2013/14 met the Government's default criteria and therefore was eligible for 1 year transitional funding. The scheme predominately reduced Council Tax support by 8.5%, which essentially meant that those of a working age depending on other criteria, would be required to pay 8.5% of their Council Tax liability, i.e. a discount of 91.5% rather than 100%. The initial scheme has been extended in this Authority to 2017/2018.

The proposed 2018/2019 working age scheme is to maintain the scheme introduced in 2013. The scheme will not therefore reflect changes made within Housing Benefit and the Pensioner Prescribed CTS scheme.

These changes would potentially reduce CTS entitlement for working age applicants and are not therefore being included in the proposed CTS scheme for 2018/2019. These include:-

- Removal of family premium
- Limiting temporary absence abroad from 13 weeks to 4 weeks
- Limiting the additional child premium to 2 children for new claims

EQUALITY IMPACT ASSESSMENT FORM

- Removal of Severe Disability Premium when Universal Credit includes the care element
- Reducing the backdate limit from six months to one month

The total % of CTS pensioner claims compared to the % working age claims is shown below.

	May 2014	May 2015	May 2016	April 2017
Working Age	44.50%	45.20%	45.93%	47.67%
Pension Age	55.50%	54.80%	54.07%	52.33%

Any savings in expenditure would be met by working age applicants. Below provides details of CTS working age claims by family type.

Family type	Number of claims June 17
Single households	1442
Couples	301
Families	622
Lone Parents	952
Total	3317

58% of the working age applicants are in receipt of an income related welfare benefit. 42% of working age applicants are therefore on other low incomes, including employment. (The 58% of working age applicants, in receipt of an income related benefit with no deductions for non dependants would receive maximum entitlement to CTS which is 91.5%)

Below provides details of the number of Council Tax accounts (not people) where the Council Tax liability was reduced by the award of CTS and the number of Council Tax liabilities which were fully supported (no Council Tax to pay) or partly supported (outstanding balance to be paid). Those that were fully supported were claims from pension age applicants, those that were partly supported were from working age and pension age applicants not entitled to 100% support.

Financial year	Council Tax accounts	Nothing to pay	Something to pay
2013/14	11193	3161	7875
2014/15	10740	3733	7627
2015/16	10171	2732	7439
2016/17	9620	2709	6911
2017/18	7757	2562	5195

EQUALITY IMPACT ASSESSMENT FORM

The majority of CTS working age applicants live in Council Tax band A and B properties as shown below as at April 2017.

A	B	C	D	E	F	G	H	I
3201	3171	1122	514	124	43	14	1	0

Based upon band A property in Cromer the below shows the annual amount of Council Tax to be paid if a working age applicant is entitled to the maximum amount of CTS

Financial Year	8.5% to Pay
2013/14	£87.55
2014/15	£88.79
2015/16	£89.00
2016/17	£91.72
2017/18	£95.53

(As the property band increases, so will the amount to be paid.)

A non mandatory question on the CTS application asks the applicant their ethnic background. May 2017 statistics confirm that of 8266 CTS claims 1989 declared the below. 76% did not complete the question.

White British	1934
White Irish	4
White any other background	30
Mixed white and black Caribbean	4
Mixed white and Asian	1
Mixed any other mixed background	1
Asian or Asian British Indian	3
Asian or Asian British Bangladeshi	1
Asian or Asian British any other Asian background	2
Black or black British African	1
Black or black British any other black background	1
Chinese	2
Other	5
Total	1989

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Section 2B – Groups within the restructuring service areas. (Employment details of staff, broken down by particular groups, disability, gender, race, age, faith and belief and sexual orientation)

Under the 2018/2019 proposed scheme working age applicants, in receipt of low incomes would continue to receive maximum support of 91.5% of their Council Tax liability.

The impact of CTS for working age households on low incomes is the continued financial pressure when already on a low income and further reductions being made to other welfare benefits for example Housing Benefit and Tax Credits. However this CTS scheme is not proposing to increase the 8.5% of the Council Tax liability to pay.

The public sector equality duties require that the Council, in carrying out its functions, has due regard to the need to promote equality of opportunity between:

- persons of a different race
- men and women
- persons with a disability and without

In addition, the Council's own policies state that reasonable adjustments or supportive measures should be considered to ensure equality of access and opportunity regardless of age, gender, maternity, pregnancy, gender reassignment, marriage, civil partnership, race, ethnicity, sexual orientation, disability, religion or belief.

The public sector equality duties also require the Council to:-

- promote good relations between people of different racial group

Race

There is no differential impact due to race

Sex/Gender

There is no differential impact due to sex/gender

Disability

The continuation of 91.5% maximum entitlement for the 2018/2019 CTS local scheme for disabled working age applicants is not to be reduced. Additional support provided by disregarding certain disability benefits, awarding disability premiums and applying nil non dependent deductions when certain disability benefits or criteria is met also continues.

Other financial support can be given by a discount due to severe mental impairment or disabled band relief.

Religious belief

There is no differential impact due to religious belief

Age

The Authority must administer the Government prescribed scheme for pension age applicants

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and implement and administer its own local CTS scheme for working age applicants. The impact of this on working age is considered in this assessment.

Sexual orientation

There is no differential impact due to sexual orientation.

Section 3 – Evidence and data used for assessment

DCLG completed an equality impact assessment in 2012 for the implementation of CTS.

All major precepting authorities were consulted on the implementation of the new CTS scheme.

NNDC fully consulted with the public and other stakeholders on a 2013/14 draft scheme. This scheme was self- financing and proposed prior to the Government's announcement of a preferred scheme with transitional funding for the first year.

The self funding CTS scheme proposed the removal of second adult rebate, reduction in savings limits, increased non- dependant deductions and a maximum entitlement of 70% for working age applicants. Whilst pension age applicants were protected under the prescribed scheme.

The consultation was comprehensive and encouraged a full response. Public consultation took place between 27th August 2012 and 14th October 2012.

The process included:-

- Mail-shot to 4,000 working age applicants in receipt of CTB
- Drop- in sessions
- Electronic and paper surveys
- Press and web publicity
- Consultation within the district and county wide with organisations that support a variety of groups.

It should be noted that all the figures provided in this assessment were gathered at a specific date and therefore may fluctuate. It should also be noted that caseload statics/expenditure is based on the claims/accounts at a specific date. (One continuous CTS claim may provide support on a number of different Council Tax accounts. Caseload statistics are the number of live claims at a specific date, not the number of claims made over the financial year.)

Section 4 – Conclusions drawn from consultation

The majority of respondents disagreed or strongly disagreed with the initial scheme that was proposed and consulted on. Comments received indicated that the proposed changes including maximum entitlement of 70% would cause financial hardship to many of the respondents.

Because the local scheme for working age applicants has not changed since implementation in April 2013 the Authority are not required to consult on the scheme. Any changes to the local scheme would require consultation.

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Section 5 – List any comments, criticisms or alternative approaches regarding the impact of the budget cut/restructuring that have arisen during the process.

The Authority is obliged to review its local CTS scheme each year. The CTS working party have taken into consideration a number of factors. These include the 2018/2019 budget position for the Authority, changes to Housing Benefit and the prescribed pensioner scheme, the impact of increasing the amount of Council Tax to be paid by low income working age households and the impact on any additional collection of Council Tax for the Authority.

The Council Tax working party is not proposing any changes to the existing CTS scheme for 2018/2019.

Section 6 – How will the assessment, consultation and outcomes be published and communicated?

The Equality Impact Assessment will be available on the NNDC website.

Completed: Elisabeth Codling

Date: 7th June 2017

Signed off:

Date:

ANNUAL REPORT 2016/17

Summary: This report outlines the key elements of the Annual Report 2016/17 to be published for discussion and eventual approval and presents the key contents of the report. The Annual Report will present the delivery of the Annual Action Plan 2016/17 and show achievement against targets.

Options considered: Publish a text only version of the Annual Report.
Publish a version of the report suitable for a public audience.

Conclusions: The Annual Report 2016/17 concludes that North Norfolk District Council delivered the Annual Action Plan and delivered good and in some cases improving performance against performance indicator targets.

Recommendations: **1) That Cabinet note the contents of this report.**
2) That Cabinet give authority to the Leader of the Council and the Heads of Paid Service to approve the final public version of the report.

Reasons for Recommendations: To comply with the provisions of the Council Performance Management Framework and local government best practice.

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) All	Ward(s) affected All
Contact Officer, telephone number and email: Helen Thomas, 01263 516214, Helen.thomas@north-norfolk.gov.uk	

1. Introduction

1.1 The draft Annual Report 2016/17 is attached electronically at Appendix A. This represents the culmination of the annual planning and reporting process which ensures that we manage the performance of the Council in a robust way. Publishing the Annual Report ensures that we comply with our

Performance Management Framework and presents information to the public so they may assess the Council's performance.

- 1.2 This Annual Report 2016/17 reports against the priorities as set out in "Corporate Plan 2015-2019" and the activities and targets set out in the Annual Action Plan 2016/17. The activities and targets set for 2016/17 were built into the Service Plans for 2016/17. This will be the first annual report on delivery of the 2015-2019 corporate plan.
- 1.3 As a key part of the Performance Management Framework the Annual Report provides the opportunity to;
 - Assess progress in achieving the objectives set out in the Corporate Plan,
 - Assess the overall impact of our actions over the past year, and
 - Assess the delivery of service plans.

2. Managing performance – the process for producing the annual report

- 2.1 Heads of Service and Service Managers are continually monitoring delivery of service plans and have provided an annual overview of key developments in their service.
- 2.2 The Council's performance in delivering the annual action plan and achieving targets has been monitored on a regular basis by Management Team and Cabinet and action taken to improve performance where necessary.
- 2.3 The final draft of the Annual Report and any comments from Overview and Scrutiny Committee at their meeting in July 2017 prior to the Leader and Head of Paid Service signing the document off for publication.

3. Content of the Annual Report

- 3.1 The Annual Report will consist of four elements:
 - 3.1.1 The Annual Report 2016/17
 - 3.1.2 Appendix 1 – Annual Action Plan 2016/17 report
 - 3.1.3 Appendix 2 – Performance against targets
 - 3.1.4 Appendix 3 – Workforce Profile
- 3.2 The Annual Report contains an overview for each of the 2015-2019 Corporate Plan Priorities together with a report on progress in delivering equalities objectives;
 - Jobs and the Local Economy
 - Housing and Infrastructure
 - Coast and Countryside
 - Health and Well-being
 - Delivering Service Excellence
- 3.3 It also contain a financial summary – this includes information on the Council's spend on revenue and capital for 2016/17, as will be reported to Cabinet, along with the source of funds for the year.

- 3.4 We are required by statute to publish our equalities objectives. This was done as in integrated part of the Annual Action Plan 2016/17. The Annual Report includes the progress made in delivering them. These equalities outcomes are identified throughout the Annual Report.
- 3.5 An appendix (1) containing a progress report for each activity in the Annual Action Plan 2016/17.
- 3.6 An appendix (2) showing performance against targets and/ or comparison to last year – The results for all the key performance indicators over the past year.
- 3.7 Workforce profile statistics 2016/17 appendix (3) (to be included in the final published version) – we are required by statute to publish these statistics and this is done through publishing them as an appendix to the Annual Report.

4. Publishing

- 4.1 The Annual Report is published on the Council's website.
- 4.2 We will not print hard copies except on request. Provision will be made to make versions of the report available in alternative formats on request
- 4.3 There is no longer a statutory requirement to publish an Annual Report. However, it is still considered to be best practice to do so and make the information available to the public in a timely way.

5. Conclusion

- 5.1 The Annual Report process provides an opportunity to assess the progress in delivering activities and achieving targets and provides the information necessary to conclude that North Norfolk District Council delivered the Annual Action Plan and delivered good and in some cases improving performance against performance indicator targets.

6. Implications and Risks

- 6.1 Failure to implement a robust performance management framework including an annual report that provides evidence of performance improvements, identifies areas that require corrective action, acknowledges achievements and builds on good practice could have a number of consequences. These may include:
 - Inaccurate or less effective decision-making
 - Inappropriate resource allocations
 - Reduced reputation arising from poor quality data or inaccuracy
 - Adverse comments from internal and external auditors

7. Financial Implications and Risks

- 7.1 There are no direct financial implications associated with this report. However, there are performance measures and targets, and activities included in the annual report, that are specifically related to finance. In addition, corrective action may have financial implications that would need to be made clear at the time any action is agreed. In addition, robust

performance management reduces the risk of failure and poor decision-making.

8. Sustainability

- 8.1 There are considerable actions being taken as a part of the delivery of services both to promote sustainable activity and to ensure that the Council delivers services in a sustainable way. In addition, the Annual Report itself will only be distributed in electronic form to reduce the need for printing.

9. Equality and Diversity

- 9.1 The workforce profile statistics published as an appendix to the Annual Report is a key tool demonstrating that the Council fulfills its equalities responsibilities as an employer or identify areas where action is needed.
- 9.2 The Annual Report has integrated within it the reporting of the delivery of equalities outcomes across the Council.

10. Section 17 Crime and Disorder considerations

- 10.1 There are no direct Section 17 Crime and Disorder implications from this report.

CROMER ADMIN BUILDINGS IMPROVEMENT WORKS

Summary: The Cromer office building is now 27 years old and works are required to address the roof glazing on the northern elevation of the building and also to undertake remedial works to the glulam beams. A recent energy efficiency survey has also recommended a number of improvements which would help reduce the financial costs of operating the building while also improving the carbon footprint.

Options considered: The Council could continue to operate the building without undertaking these improvements measures in the short-term but if not addressed the highlighted issues will only get worse and ultimately cost more to rectify in the future.

Conclusions: Due to the issues and risks highlighted within the report it is now recommended that the issues with the high level glazing and glulam beams are addressed. Further to this it is recommended that a series of energy efficiency measures are introduced which will lower the operating costs of the building and also reduce the carbon footprint.

- Recommendations:
1. That Cabinet delegates to the Head of Finance and Assets to procure the works as described in the report.
 2. That once the final tenders have been received in respect of the works that the necessary budget is drawn down from the capital programme budget, funded from capital receipts.

To ensure that the building remains fit for purpose and provides a safe environment for staff and visitors.

Reasons for Recommendations:

Cabinet Member(s) Cllr J Oliver	Ward(s) affected
Contact Officer, telephone number and email: Duncan Ellis, 01263 516330, duncan.ellis@north-norfolk.gov.uk	

1. Introduction

- 1.1 The Cromer office is the Council's main administrative office, the offices were constructed in 1990 and the majority of the Council's operational activities are undertaken from this location.
- 1.2 The Council also has a presence at Fakenham Connect and these premises are shared with Fakenham Town Council, Norfolk County Registrars and more recently the Department of Work and Pensions (DWP) and the Early Help Hub.
- 1.3 The Cromer office accommodates approximately 258 full time equivalent (FTE) district council staff (308 individual members of staff in total). Further to this there is provision for 50 desks on the first floor of the eastern wing (area previously occupied by Environmental Health) for Norfolk County Council (NCC) Children's Services and a further 12 desks for the Early Help Hub (area previously occupied by HR). From January 2016 a further 14 desks were provided on the ground floor of the east wing (area previously occupied by East Law) for DWP colleagues.
- 1.4 The revenue budget for 2017/18 for direct costs (staffing/premises/supplies and services) and direct income is £203k. This represents a direct cost of £786 per fte for NNDC.
- 1.5 The Council's Asset Management Plan (AMP) provides a forward looking strategic framework within which to manage the Council's property assets. It includes an assessment of the current stock condition and estimated costs of maintaining the assets in future years and covers both revenue and capital cost estimates.

2. Income generation

- 2.1 As part of the Council's Asset Commercialisation agenda officers have been working hard to try and maximise the use of space both at the Cromer office and also at Fakenham Connect.
- 2.2 The Government's 'One Public Estate' initiative is encouraging public authorities to co-locate and share assets wherever possible and the Council has embraced this and indeed has been delivering this agenda now for a number of years.
- 2.3 As mentioned above the Council has successfully delivered a number of co-location schemes both within the Cromer office and also over at Fakenham. In total these accommodation sharing arrangements will generate in excess of £150,000 per annum to help reduce the operational overheads of the administrative buildings at these locations.
- 2.4 Further to the revenue income that these arrangements will produce there are also a host of operational benefits to these various teams being co-located in the same buildings and it will help further develop cross-agency working and increase efficiency.

3. Condition survey

- 3.1 A detailed building condition survey was commissioned for the Cromer office back in 2011. The works were undertaken by specialist external consultants Daniel Connal Partnership who were engaged to undertake a full review of the structural, decorative, mechanical and electrical elements of the building and to compile a condition survey report. The main conclusions from the report were as follows;
- building was structurally sound and that it would remain fit-for-purpose as office accommodation even in the longer-term (25 year period)
 - in the medium-term measures should be considered and planned for the replacement of some key items of equipment, which in the event of failure would affect the operation of the building and services but also repair might not be readily available due to the age of the equipment
 - the consultant's overall 50-year outline forward plan to bring the items back to good repair, performing as intended to all design standards and criteria at full optimum efficiently, had a total costing of £1.315m, of which £606k related to mechanical and electrical plant and equipment.
 - at the time the initial prioritisation was £108k within 1-2 years, £449k years 3-5, £728k years 6-10 and £30k year 11 onwards
- 3.2 This report has been used as the basis for repair works to the building over the last 5 years. Significant investments have been made to;
- remodel the front reception
 - remodel the upper east wing to facilitate NNC Children's Services
 - remodel the lower east wing for the DWP staff
 - remove the redundant annexe building
 - provide additional car parking and resurfacing of existing facilities
 - re-carpet the building
 - upgrade the fire alarm systems
 - replace the boilers and flues
 - re-tank the planters
 - undertake canteen improvements
 - install a swipe card entry system
 - various other minor refurbishment and enhancement
- 3.3 There still however remain some significant areas of work to be undertaken.
- 3.4 The consultant's schedule of works and priorities was considered and fed into the Asset Management Plan. Of the items identified for immediate resolution, these were examined in detail and in some instances the priorities were adjusted as they were felt to be premature (full replacement of all carpet tiles being an example, although this work has now been undertaken). A number of the works identified have been completed as part of the ongoing maintenance programme.
- 3.5 The medium/longer-term proposals were incorporated within the Asset Management Forward Maintenance Plan which was not intended as a rigid list of works that must be carried out within the accounting periods proposed but to be used as a guide, highlighting works and expenditure which might fall due in that period.

- 3.6 Similarly the costs provided at the time were best estimates, the final costs for works would only be accurately ascertained once a tender/quotation exercise had been undertaken. These estimates were also only based on a visual inspection from the ground, upon further investigation estimated costs may increase due to further remedial works being required which again will only become apparent once contractors properly investigate and quote for the works.
- 3.7 When the current AMP was updated back in February 2015, a capital bid was also produced at that time for inclusion within the capital programme for any works identified in relation to the Cromer office that had not yet been completed and this totalled £918.5k. Included within this were significant schemes for the replacement of the roof glazing and capping and remedial works to the glulam beams.
- 3.8 It should be noted that the capital allocation was only agreed in principle and was subject to further business cases coming forward for elements of expenditure over £10k.

4. Future works

- 4.1 Two of the most significant elements of work highlighted by the condition survey were in relation to the high level glazing to the northern elevation of the roof and also the glulam beams.
- 4.2 One of the high level glazing panels suffered a failure recently and has now been replaced but this does highlight the need to replace the units which are now 27 years old. This would also enable the Council to address the historic issue of glare which is experienced in certain parts of the building during bright summer days as the replacement glass would be tinted to prevent this issue. In addition, modern glass is more thermally efficient and will also assist with reducing heat loss from the building.
- 4.3 The glulam beams form a fundamental part of the structural integrity of the building. The condition survey commissioned highlighted that some of the beams would need attention within the next few years and remedial works to one beam was undertaken during 2014.
- 4.4 The cost of all the works will be confirmed as part of the procurement process which it is proposed is now undertaken as soon as possible to enable the work to be completed before winter 2017/18.
- 4.5 Due to the buildings design one of the most significant elements of any repair costs to the roof relate to access, and scaffolding costs will be substantial. It therefore makes sense to address all the high level issues at the same time to ensure that the works are undertaken as efficiently as possible.
- 4.6 Programming of these works will also provide officers with an opportunity to assess the business case for provision of photovoltaic (PV) units on the roof which could significantly reduce the operational running costs of the building although this will be the subject of a further report and more detailed analysis. Major PV installations are now often undertaken via rope access from cranes rather than through the use of scaffolding which can get in the way so it is not felt that there are any particular efficiencies from combining these works with

the works to the windows/beams. Although these issues will be further discussed with contractors to establish the best operating method.

4.7 Further to these works a recent survey (May 2017) has been undertaken by Honeywell which looked at energy and carbon reduction solutions which could be implemented within the building. The purpose of the survey was to identify opportunities for sustainable savings that would reduce consumption and cost and bring energy performance on site as close to good practice indices as is possible. The findings were mainly focused on technological measures that can be taken as opposed to behavioural changes.

4.8 The following high level tables summarises the anticipated savings both in terms of financial cost and carbon savings;

Estimated annual savings				Estimated capital cost (£)	Payback period (years)
(£)	Combined Co2 (tonnes)	Electric (kWhe)	Gas (kWhg)		
£9,561	66.0	100,805	83,216	£37,237	3.9

4.9 On the basis of the financial and carbon savings highlighted above it is recommended that as part of the building works being recommended that these efficiency measures are also implemented. The annual estimated saving is just under £10k pa with a payback period of less than 4 years and this represents a 23% reduction in in overall energy consumption. The report recommends a series of 8 improvement measures but each will be considered on its merits prior to investment and include further lighting improvements, control improvements and time switches amongst other things.

4.10 The consideration of the potential PV installation will be the subject of a separate report and business case.

5. Implications and Risks

5.1 The condition survey highlighted the need to address the issue of the glazing and the glulam beams in the medium term and it is recommended that to obtain the best value that these works are now packaged together and tendered to achieve best value as both require access to the roof.

5.2 Addressing the high level glazing will remove the issue of glare which has been reported as an issue by staff for a number of years and will also remove the risk of more panels failing and potentially injuring someone.

5.3 The glulam beams will only get worse the longer they are left and the issue will become more costly to address if no action is taken.

6. Financial Implications and Risks

6.1 The financial impact will be dependent on the final tendered prices, but initially estimates fall well within the capital programme already allowed for the Cromer office building.

- 6.2 As discussed above the PV units will be the subject of a further report, taking into account capital investment and pay back from Feed In Tariff. Importantly an installation of this nature would be subject to planning approval.

7. Sustainability

- 7.1 The recommended improvements to the roof glazing will significantly increase the thermal efficiency of the glass, which will be compliant with all current building regulation standards, and will in turn improve the thermal insulation of the overall building.
- 7.2 This, in conjunction with the other efficiency improvements recommended within the Honeywell report will have a significant impact on the energy consumption within the building (estimated at over 25% when combined with the glazing) which will not only result in cashable savings but also achieve a reduction in the carbon footprint of the building.

8. Equality and Diversity

- 8.1 There are no equality and diversity implications directly resulting from the recommendations or options considered in this report.

9. Section 17 Crime and Disorder considerations

- 9.1 There are no Crime and Disorder implications directly resulting from the recommendations or options considered in this report.

10. Conclusions

- 10.1 Due to the issues and risks highlighted above it is now recommended that the issues with the high level glazing and glulam beams are addressed.
- 10.2 It is considered that best value will be achieved by packaging the works for the glazing and the treatment of the glulam beams together and any other associated high level works will also be considered at the same time so that all of these issues can be addressed as efficiently as possible.
- 10.3 It is also recommended that as part of the building improvements that the additional efficiency measures highlighted within the Honeywell survey are also progressed which will not only achieve cashable savings but also significant improvements to the energy efficiency of the building and in turn a reduction in the Council's carbon footprint.
- 10.4 Further consideration will be given to the installation of PV panels providing that the business case is positive.

CROMER PIER SURVEY AND REMEDIAL WORKS

- Summary: Cromer pier is an iconic landmark structure within North Norfolk, attracting tens of thousands of visitors every year. Due to the age and nature of the structure it is recommended that a routine survey regime is introduced to inform capital works and repairs and maintenance requirements over the medium to long term.
- Options considered: The Council could continue with the current ad hoc survey arrangements. However it is felt that the regular survey regime being recommended will result in better asset management and ultimately lead to lower maintenance and repair costs as issues will be identified at an early stage.
- Conclusions: It is essential, due to the age of the structure and its environment, that regular inspections are undertaken along with maintenance and repairs, not only to ensure that it is safe for users but also to prolong the life of the pier structure.
- Recommendations: It is recommended that Cabinet;
- agree to fund the 5 year rolling programme of surveys and that the estimated £150k costs are financed through the use of General Reserves
 - agree to waive Standing Orders to allow consulting engineers Hemley Orrell Partnership (HOP) to be engaged to undertake the survey works
- Reasons for Recommendations: On an aging coastal structure like Cromer pier, planned, ongoing, regular maintenance and repairs are essential to maintaining the safety of users and to prolong the life of the pier structure.

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)

John Dosser and Partners survey report (1990)

Hemley Orrell Partnership (HOP) survey report (2010)

Hemley Orrell Partnership (HOP) maintenance strategy survey report (2010)

Cabinet Member(s) Cllr J Lee	Ward(s) affected All
Contact Officer, telephone number and email: Duncan Ellis, 01263 516330, duncan.ellis@north-norfolk.gov.uk	

1. Introduction

- 1.1 A full structural survey and analysis of the pier was completed in 1990 by the consulting engineers John Dosser and Partners (later to become Robert Stone Associates [RSA]) and subsequently another major survey was completed 20 years later in 2010 by consulting engineers Hemley Orrell Partnership (HOP).
- 1.2 Following both inspections major works were initiated to renew, refurbish and replace many structural members and Pier decking to bring the Pier structure back to a satisfactory standard.
- 1.3 In their March 2010 report, HOP reported on the condition of the Pier which gave initial guidance on immediate works needed and suggested a 10 year maintenance program along with options and procurement routes. They also made recommendations for a cyclic maintenance regime to inform and adjust the maintenance approach, as is inevitably required for such a unique and ageing asset.
- 1.4 The principal technical concerns in both 1990 and 2010 related to:
 - a) general deterioration of the deck and below deck structural steelwork caused by continued corrosion
 - b) localised timber decay problems, much of which is concealed (below deck) at Cromer resulting in areas being very hard to identify
 - c) scour and abrasion to supporting legs has been identified as a problem
 - d) more general maintenance of the bracing system including at all levels; column collars, horizontal and diagonal ties and their individual connecting systems
- 1.5 Unfortunately following the completion of the major works and for various reasons a long term maintenance works programme was never initiated.

2. 2012/13 Works

- 2.1 Following the 2010 report a £1.3m capital improvement scheme was procured by NNDC in 2012/13. It significantly improved the overall condition of the pier and in particular made large improvements to much of the open deck areas which were previously causing problems for NNDC in terms of dealing with slips and trips and associated maintenance hazards and inspection costs.
- 2.2 The introduction for the first time of galvanised steel work (with appropriate planning consents) to replace ordinary mild steel (and protective paint system) will make a significant reduction in the long term maintenance requirement.

- 2.3 This last scheme of work also saw the introduction of 'rope access' which has revolutionised the manner in which these works are undertaken by eliminating the requirement to erect costly temporary staging/scaffold. Although there is an increase in the hourly skilled labour rate this is more than offset by not being required to fund any temporary works but also shortening the works programme.
- 2.4 Importantly both reports recommended the Council complete an initial survey to develop a works programme and a longer term maintenance strategy to address the short, intermediate and longer term issues. In order to complete this task the Council needs to appoint a firm of specialist consulting engineers who have the appropriate skills to assess the requirements as well as develop a works programme and a longer term maintenance plan, the latter will be managed and implemented by Council staff.

3. Engineering Consultant Competencies

- 3.1 In order to procure the services of an appropriately skilled consultancy officers feel that the following competencies must be demonstrated as a minimum;

- knowledge and experience of working in a marine environment and above tidal waters
- knowledge and experience of dealing with the Marine Management Organisation (MMO) and other statutory licencing authorities including planning departments
- examples of completed works on a least three 'seaside' Piers
- are able to demonstrate a good general experience of working on historical structures and listed buildings including their refurbishment
- design and specialist knowledge of the steel, cast iron and timber elements
- practical experience of working with and coordinating diving operations
- practical experience of working with contractors undertaking works using rope access techniques

- 3.2 In addition to these core competencies they should also be able to adequately demonstrate;

- engineers should have demonstrable experience of working in confined spaces and have the relevant qualifications
- knowledge and experience of working with local authority engineers, planners and conservation personnel
- the in depth resources; financial, engineering and managerial expertise and capacity to implement a significant project

4. Future survey regime

- 4.1 The last pier consultant tender process undertaken by the Council in 2009 was won by HOP. That £1.3m piece of work saw them design and manage the most significant pier works contract in the last twenty years.
- 4.2 Importantly the completed the works included the first major underwater pier leg foundation refurbishment for the last 37 years and the first major contract

completed using rope access techniques i.e. requiring no temporary scaffolding which sees a significant saving in costs. It should also be noted that HOP undertook the original survey works and will have credible records of the state of the structure at that time. They will also know which structural members that were not refurbished which will enable them to quickly and accurately identify the remaining members required to be replaced or refurbished.

- 4.3 HOP Consultants are currently employed by North Norfolk and several other local authorities to manage the various structures of their seaside Piers. They have in depth knowledge and experience of working on these structures and in the maritime environment.
- 4.4 It makes good sense to maintain this continuity and use their in depth knowledge, skills and experience to take the Pier works to the next stage by completing the next survey and producing costed maintenance works programme to take the Pier structure securely into the future.
- 4.5 HOP also undertook a further survey dated August 2015 to consider a longer term maintenance strategy for the pier decking and sub-structure. This report recommended that an annual survey inspection regime be introduced, with a major principle survey being undertaken every 5 years with annual interim surveys being undertaken in between the principle surveys.
- 4.6 Based on current officer estimates it is anticipated that the in depth principle survey report (required every 5 years) could cost in the region of £70K, with the lower level annual reports costing around £20k a year.
- 4.7 It is also felt that, due to the specialist and unique nature of the structure, and given HOP's previous experience with dealing with it and advising, that Standing Orders should be waived to enable HOP to be engaged to undertake the survey works.

5. Implications and Risks

- 5.1 On an aging coastal structure like Cromer pier, planned, ongoing, regular maintenance and repairs are essential to maintaining the safety of users and to prolong the life of the pier structure.
- 5.2 The Council does have in place a Measured Term Contract (MTC) for coastal works and this includes a regular visual pier decking inspection regime (carried out every 2 weeks) which is further supported by a 2 hour emergency call out procedure.
- 5.3 However the inspection regime now being recommended is significantly different to this and has a longer term focus on the pier decking and sub-structure condition.

6. Financial Implications and Risks

- 6.1 One of the challenges in the current financial climate is how to fund surveys and works of this nature as there is currently no budgetary provision for these surveys to be undertaken.

- 6.2 However as outlined above it is essential, due to the age of the structure and its environment, that regular inspections are undertaken along with maintenance and repairs, not only to ensure that it is safe for users but also to prolong the life of the pier structure.
- 6.3 Based on the current cost forecasts is estimated that the initial detailed survey could cost in the region of £70k, with the interim surveys at around £20k each which would bring the total estimated cost of the survey work to c£150k (full survey plus follow up surveys for 4 years).
- 6.4 At the current time it is recommended that this cost is funded from General Reserves rather than being built into the base budget but further consideration will need to be given as to how the surveys will be funded over the longer term.

7. Sustainability

- 7.1 The introduction of the recommended survey regime and associated small remedial works budget will help to ensure the ongoing future of the pier and enable the Council to take a pro-active approach to the maintenance and monitoring of the pier structure.

8. Equality and Diversity

- 8.1 There are no equality and diversity implications directly resulting from the recommendations or options considered in this report.

9. Section 17 Crime and Disorder considerations

- 9.1 There are no Crime and Disorder implications directly resulting from the recommendations or options considered in this report.

10. Conclusions

- 10.1 It is essential, due to the age of the structure and its environment, that regular inspections are undertaken along with maintenance and repairs, not only to ensure that it is safe for users but also to prolong the life of the pier structure.

11. Recommendations

- 11.1 That a 5 year survey budget is agreed at an estimated cost of £150k to be funded from General Reserves. Any significant works identified through the survey process will need to be the subject of further capital bids while more general repairs and maintenance requirements will need to be met from existing maintenance budgets or transfers from reserves.
- 11.2 Furthermore that Standing Orders are waived to allow consulting engineers Hemley Orrell Partnership (HOP) to be engaged to undertake the survey works due to their knowledge and experience of the structure and previous works undertaken.

Summary: This is a report to support the procurement exemption request which will enable the Authority to enter into a new contract with the existing supplier of the Revenues and Benefits software, associated support and maintenance.

Recommendations: **To grant an exemption from contract standing orders to enable the Authority to remain with the existing supplier of the Revenues and Benefits software, this being Civica UK Ltd.**

Introduction

The existing Civica Revenues and Benefits system provides integrated functionality for the administration of Council Tax (CT), Non-Domestic (Business) Rates (BR), Housing Benefit (HB) and Council Tax Support (CTS). In brief, this enables the Authority to calculate and manage accounts and claims for CT, BR, HB, CTS. Issue bills, reminders, summons for CT and BR. Issue HB/CTS award notifications. Collect revenue for the Authority through CT, BR and HB overpayments, make payments for HB and apply discounts/support for CTS.

In addition to this functionality, the system also provides an integrated workflow and a document image management system.

Background

In 2011 North Norfolk District Council (NNDC) jointly with the Kings Lynn and West Norfolk Borough Council (KLWNBC) invited tenders for the contract to supply Revenues and Benefits software, associated licenses, ancillary consultancy, implementation and maintenance services. (At that time the Revenues and Benefits services in both Authorities were entering into shared working arrangements. Those shared arrangements have subsequently ended).

In 2011 the market consisted of three companies supplying suitable Revenues and Benefits software and systems. This has not changed.

Tenders were submitted, from Civica UK Ltd and Northgate Information Solutions. Following a rigorous process and strictly in accordance with procurement procedures, Civica was offered the contract to supply their Open Revenues system.

NNDC were using the Civica ARB system. This was an old green screen application, no longer being supported by Civica and was to be discontinued. KLWNBC were using Northgate.

Both Authorities therefore had to convert existing Revenues and Benefits systems to the new Civica Open Revenues system.

In addition to this NNDC were also required to convert its existing documents and work flow system from Comino (W2) to Open Revenues.

The conversion for NNDC had approximately a 5 month lead in time and the Authority were without any means to administer Revenues and Benefit services for 5 weeks during final implementation stages.

The conversion and implementation of a new system placed additional pressures on resources within the Authority. This resulted in reduced performance and increased Local Authority (LA) error and delay causing Housing Benefit overpayments. In addition to software costs the Authority incurred further financial expenditure and financial loss.

Agency staff were recruited at an approximate cost of £303k (for the period 1st June 2012 to 31st March 2013)

2012/13 LA error and delay caused HB overpayments to total £248k for which no additional subsidy was granted.

The contract for NNDC and KLWNBC is dated 16th January 2012 and originally expired 5 years from the system go live date following the conversion. The NNDC Open Revenues system went live in May 2012. However, it was later agreed on 12th September 2012 between the Authority and Civica that the commencement date should be amended to 1st October 2012.

The existing joint contract therefore expires on 30th September 2017. The contract is not extendable.

The software and licenses were jointly procured, the tender cost was £273k equally divided between NNDC and KLWNBC. Joint costs in the tender also included £202k for implementation, support, conversion and training. In addition £41k was paid jointly for annual support and maintenance for five years. See Civica tender response Appendix 1.

NNDC costs for five years (Excluding additional modules)

Software and licenses	£136,500.00
Implementation, support, conversion, training	£101,225.00
Support and maintenance	£102,500.00
Total	£340,225.00

There are currently 80 Authorities using Civica Open Revenues. This equates to 25% of the 326 District/ Metropolitan/London Boroughs/Unitary Authorities.

The Authority negotiated a number of options with Civica, KLWNBC and Eastlaw, to ascertain the best outcome for this Authority. The recommendation following these negotiations is that it was not feasible for NNDC to enter into a further joint contract with KLWNBC. However, for reasons included in this report it was crucial to remain with the same supplier and to enter into a solitary three year contract.

Implications and Risk

The quoted cost of a new three year contract with Civica is £162,174 (See Appendix 1).

The system is known to the Authority and used and supported by NNDC staff including IT System Administrators, Revenues, Benefits and Customer Service's staff. This involved full system training giving all members of staff experience on the use of the current system.

Since implementation, Civica have provided the required software to ensure that the Authority has not missed any key deadlines in service delivery.

Welfare changes have included. Council Tax Support, Local Housing allowance, RSL size restrictions, Benefit cap, Universal credit, removal of family premium and 3rd child restriction.

Revenues changes have included. Government Reports NNDR1 & NNDR3 including the retention rules, BR changes to discretionary rate reliefs, Government Reports CTB1 including New Homes Bonus Grants plus Changes to CT discounts for second homes, exemptions/discount changes for empty properties including empty home premiums.

Following the conversion and implementation of Open Revenues system a number of additional modules and functionality have been utilised. Some of these were included in the original costs; others have been purchased separately or have been funded by the Department of Work and Pensions (DWP).

All enhancements and additional modules have required resources from the Authority to test and implement. See Appendix 2 for details of additional enhancements and modules).

The Revenues and Benefits system is complex and holds a vast number of accounts, claims and documents. (Statistical information is shown in Appendix 3).

Working age Housing Benefit (HB) claims are reducing due to the National roll out of Universal Credit (UC) which includes a housing element for rent. In September 2015 the District fell under UC "live service". In March 2017 post code NR29 within the District implemented "full service" UC. From June 2018 "full service" UC will be introduced in the rest of the District. The current final national migration of HB to UC "full service" is currently scheduled to be completed by 2022/23.

- A full procurement and tender process was undertaken in 2011. The market has not changed. The Authority are within the EU Threshold to enter into a new 3 year contract with Civica.
- A tender document and a procurement process has not been started.
- It would be detrimental operationally and financially to convert to a new system with a new software provider. Performance will be adversely affected.
- The Authority does not have the resources or capacity to undergo a system conversion and would require additional support.
- The system is complex and the data base is large. A realistic future time scale and project management plan would be required if transferring and converting the existing system to another system.
- The current system is reliable and officers operating and maintaining the system have experience of it.
- The additional resources, work and costs associated with implementation of enhanced functionality and modules will be lost.

- From June 2018 “full service” UC will be introduced in the District. A contract of 3 years ending 1st September 2020 will maintain stability and resilience for the future, but is of a term that will allow a review of service delivery following UC take up.
- Poor performance would result in financial hardship and housing concerns for tenants and landlords, if HB was delayed or incorrectly paid. Collection of CT, BR & HB overpayments would suffer, leaving higher arrears to collect and customers with an increased threat of recovery.

Financial Implications and Risk

In the future the main source of funding for the Authority will be through Non-Domestic (Business) Rate retention. From 2020, the Authority will keep 100% of BR income and as a result of this other funding streams and grants will be reduced or ended. It is imperative that the Authority is able to maximize income through Non-Domestic (Business) Rates.

In order to achieve this, the service will require a robust system and staff that have the necessary experience to operate the system. If this is not the case there may be serious financial consequences for the Authority.

In addition to loss of performance a conversion to an unknown system will impact on the amount of CT revenue collected by the authority, an increase in Housing Benefit overpayments caused by delay and the loss of Housing Benefit subsidy.

To facilitate a conversion the Authority would require additional resources for project implementation, system set up, conversion, data matching, data cleansing, reconciliation and training and numerous other tasks associated with a conversion of this magnitude.

With regard to performance and limit financial risk if the Authority were to convert from the existing system, additional resources would be required. In terms of agency staff this is known to be costly and historically the Authority has also incurred the loss of subsidy due to errors made by Agency staff.

- The Authority needs to be in the best possible position to maximize income from Non-Domestic (Business) Rates changes.
- The additional operational loss in performance will have a direct financial impact in terms of loss of CT revenue collection, loss of HB subsidy and increase in HB overpayments.
- The additional resources required to undergo a conversion and maintain performance will incur costs in addition to the cost of a new system.
- To change systems again, only five years following a previous conversion, does not represent good value for money.
- Serious financial implications would result if the Authority put out to tender and converted from the current system at the present time. Expenditure would be significantly increased and income lost through loss of revenue and subsidy. HB overpayments and debt would increase.

Sustainability

4

This report is to support the decision to maintain the existing Revenues and Benefits system and to enter into a new three year contract with an exemption from the procurement and tender process.

A three year contract ending September 2020 will give the Authority time to review the position with regards to the roll out of Universal credit and how this impacts on diminished working age claims for Housing Benefit and potential increased administration of working age claims for Council Tax Support. It will also give the Authority time to review the position before the 2020 localisation of Non-Domestic (Business) Rates. The review will support new business and service needs and the processes that arise from this.

Equality and Diversity

This report does not raise any issues relating to Equality and Diversity

Crime and Disorder considerations

This report does not raise any issues relating to Crime and Disorder considerations.

Appendix 1 Costs

Civica Quote

NNDC	1 year	2 years	3 years
Licenses	£40,000	£50,000	60,000
Fixed cost support	£20,550	£41,100	61,650
Additional support for modules	£13,508	£27,016	£40,524
Total	£74,058	118,116	162,174

Original tender response

SECTION 4 – Tender Response Form

SUPPLIERS NAME CIVICA UK LIMITED

SUPPLIER'S ADDRESS FAIRFAX HOUSE, 20-22 LONDON ROAD, NEWBURY,
BERKSHIRE, RG14 1JX

CONTACT NAME RAY BOWERS

CONTACT TELEPHONE NUMBER 07768 803714

PRICES MUST BE IN £ STERLING AND MUST EXCLUDE VAT

Section	Detail	Purchase or one/off cost £	Annual Licence £	Annual Maintenance	Total Cost over 5 years
Functions	Integrated Revs & Bens Software including all necessary licences	60,000 (150 conc users)		32,000	220,000
	Document Management	8,000		5,000	33,000
	Web customer & customer self-service / assisted interface	5,000		3,000	20,000
Interfaces		included			
Implementation & Support		107,100			107,100
Data Conversion: -		52,000			52,000
	Council Tax – 6 years NNDR – 2005 list onwards Benefits - 2 ½ years EDM – All current documents				
	Train the Trainers training	43,350			43,350
	Remote working as specified in GR14 in Volume 1 of the specification	included			
	TOTAL	275,450		40,000	475,450

Appendix 2

Modules and additional functionality.

Council Tax Support. This replaced Council Tax Benefit from 1st April 2013 and is now local scheme. Local Authorities are responsible for their own schemes for working age customers. Pensioners fall under a Government prescribed scheme.

Automated transfer of Local Authority Data (ATLAS). This enables the uploading of files from the DWP into the Benefit system for auto processing of DWP and Her Majesty's Revenue and Customs (HMRC) Tax Credit changes.

Civica HBOP module. This was implemented in Decemebr 2013. This allows the management and recovery of Housing Benefit overpayments to be maintained within the

same system and avoids the need to transfer and reconcile to a separate debtor system. This was a recommendation by Audit.

Civica Open Access module. This was implemented January 2015 . This is the on-line “My Bills and Benefits” functionality which allows customers to self serve, notify certain changes, or receive e-bills or e-notifications. 1234 customers are registered on my Bill & Bens. A corporate objective is to gain efficiencies through a digital transformation programme of which self service and automation is key. Currently 2,000 customers have on line accounts and 1,420 customers receive C T and BR bills.



Housing Benefit subsidy enhancement tool. This enables the Authority to provide detailed reports to our auditors in order to complete testing of selected claims for subsidy audits. This has reduced the loss of extrapolated subsidy expenditure.

Payment Deduction Programme (PDP). This has recently been implemented and is a two way automated interface between the Authority and DWP Debt management team. Clerical and manual documents were no longer available from 1st August 2016.

Appeals module. This is to assist with the management and administration of Housing Benefit appeals

Single Housing Benefit Extract (SHBE) derivation tool. This is to extract information from the SHBE file and data cleanse if required. This is a monthly file the Authority sends to the DWP containing HB/CTS details. NNDC performance is recorded from this file and records are data matched.

CTB/CTS forecasting tool. This enables the Authority to produce a variety of different permutations to present to members when the working party are considering the future Council Tax Support scheme and the outcomes of these.

Open Executive. This is a reporting functionality which provides information on performance and workload.

Enterprise Zone module. This is to enable the system to correctly recognise properties within the Authorities two enterprise zones and to allow for the correct and effective administration of those accounts concerned.

Council Tax Forecasting module. This will allow greater and enhanced interrogation of the system with less reliance on system generated reporting. The resultant bespoke reports will allow us to effectively respond to such enquiries as Freedom of Information requests with less time expended in doing so. It also allows us to forecast changes when considering changes to discounts/exemptions.

Non Domestic (Business) Rates Forecasting module. This will allow same functionality as above forecasting module.

Revenues QA Module. This module will allow the Revenues team to establish rigorous quality checking procedures as expected by successive auditors and will drive up the standard of working by the team.

Universal credit (UC) Discretionary Housing Payment (DHP) module. This is currently being implemented and allows a UC applicant to claim DHP on line. The request is automatically placed in workflow and parts of the financial details auto populated.

HBLIAB. This is not yet implemented. This can be used to automate certain Council Tax Support updates or create actions upon receipt of changes being made to Council Tax liabilities.

Appendix 3

Open Revenues statistical information.

Volume details obtained August 2016 :-

- CTAX accounts – 164,828 (This includes live and historic accounts)
- NDR accounts – 20,850 (This includes live and historic accounts)
- Live HB claims – 6266
- Live CTS claims – 8066
- Historic HB claims – 10,552
- Historic CTB/CTS claims – 13,197
- Electronic workflow documents held – 468,668 (Note. Items received between 11th November 2011 to 20th August 2016. This may include internal work items for example decision and diary notes. Over 1,745 days this gives a daily average of 269

documents added per day. It excludes benefit notifications and Revenues bills, reminders etc.)

Exemption request form and guidance notes

Procurement exemption request and authorisation form

<i>Exemption reference number</i>		<i>Originating Officer</i>	Elisabeth Codling Benefits Manager
		<i>Service Area</i>	Revenues and Benefits
<i>Potential acquisition details:</i>			
Supply of integrated Revenues and Benefits software, licences and support.			
Administration of Council Tax, Non- Domestic (Business) Rates, Housing Benefit, Council Tax Support. Integrated electronic document image and work flow. Reporting and management information functionality.			
Current software and associated support and maintenance are provided by Civica UK Limited.			
<i>Supplier: (1)</i>		<i>Quantity/ Value</i>	<i>Description</i>
<i>a</i>	Civica	£162,174.00	Existing supplier
<i>b</i>	Northgate Information Solutions		Would require conversion
<i>c</i>	Academy		Would require conversion
<i>Reason for exemption: (2)</i>			
F. Where the Cabinet considers it desirable on commercial grounds to accept a quotation from a supplier already engaged by the Council on a project provided that further services have a connection with the original project and that the price is not more than 50% of the original contract sum.			
The software/ licences and conversion were jointly tendered at £475,450 with additional joint cost of £41,000 per annum for annual support and maintenance for five years. The total cost for the Authority was £340,225.			
The cost of 3 year software/ licences, annual support and maintenance is quoted as £164,174.			
Extenuating and special circumstances which are included in this request and supporting papers.			
<i>Expected Annual Value</i>	£	74,058.00	Cost of a one year contract
<i>Expected Life of Contract</i>		3 years	
<i>Expected value over life</i>	£	162,174.00	Reduced cost of a three year contract
<i>Consultations: (3)</i>			
Consultation included:-			
Revenues / Benefits Managers and Team Leaders, Section151 Officer/ Procurement Officer, Head of Legal services, Customer Service Manager,			

Exemption request form and guidance notes

Head of Business Transformation and ICT, representatives from Kings Lynn Borough Council. (KLWNBC)

The outcome was that it was not feasible to enter into a further joint agreement with KLWNBC.

Pending the full roll out of UC in 2018 there are significant service operational, financial and risk management advantages in implementing an interim contract with the current supplier.

A conversion would be financially and operationally detrimental. Impacting on customers, performance (including delays in administration of Housing Benefit incurring the loss of Housing Benefit subsidy and increase in overpayments). Reduction in revenue collected through Council Tax and Business rates.

It would not represent good value to change suppliers at this time.

Financially and operationally a new system would be very high risk.

Progress to date (4)

The reprocurement of the Revs & Bens System had been delayed pending the outcome of potential shared services arrangements with GYMBC.

The existing 5 years contract expires on 30th Sept 2017. There is no extension clause in the contract.

Negotiations have been held with KLWNBC and with Civica to consider a further joint contract.

Legal Services have advised that NNDC are able to enter into a separate 3 year contract and seek this exemption request to approve this approach.

Quotes have been obtained from Civica with a breakdown of options, including joint and separate costs over a period for one to five years.

Extensive resources would be required if the exemption is not granted, to tender and procure a new system. Further and additional resources and costs would be required to convert, install and operate an unfamiliar new system.

Suppliers contacted: (5)

There are only three suppliers in the market.

Following an extensive tender process in 2012 with KLWNBC only Civica and Northgate submitted tenders. (KLWNBC were previously with Northgate).

A further tender on the same criteria is therefore unlikely to result in a different outcome and any savings would be lost on conversion cost, additional resources, reduced performance and collection.

Exemption request form and guidance notes

Additional functionality has been purchased and implemented. This includes Council Tax support module, on line “My Bills and Benefits” and Revenues Forecasting tools, Enterprize zone Module and a Quality assurance module.

Critical factors: **(6)**

The cost of a 3 year contract for NNDC falls within the current EU procurement threshold of £164,146.00.

The current contract ends 30th September 2017 and cannot be extended. A tender document and a procurement process has not been started.

It would take a number of months to prepare and implement a system conversion. Staff would require training. The Authority does not have the current resources or capacity to facilitate a conversion at this time.

It is not practical, cost effective or acceptable to convert a crucial and complex system to an alternative supplier at this time.

From June 2018 “full service” UC will be fully introduced in the District.

A three year contract which ensures the availability and stability of the current system will enable a full review of the requirements for a system which supports the new business rules and processes which will arise from UC.

Financial risk, due to the increase of expenditure and loss of income should the Authority put out tender and converted from the current system.

Background papers: **(7)**

Supporting report provided separately.

Recommendation: **(8)**

Exemption from Contract Standing Orders to enable the Authority to remain with the same Revenues and Benefit software supplier (Civica).

It is appropriate, beneficial and best value to agree to waive the requirement to put out to tender, invitations for a new contract.

Agreement for NNDC to enter into a new 3 year contract (without the requirement to tender) in accordance with NNDC procurement rules.

Comments: **(9) Please see separate paper attached.**

<i>Originating Officer signature:</i>		<i>Date:</i>	
<i>Member of Corporate Leadership Team signature</i>		<i>Date:</i>	

Exemption request form and guidance notes

<i>Decision taken:</i> (10)			
<i>Approval (*delete as applicable):</i> (11) Yes/ No (*) Officer/Cabinet (*)			
<i>Chief Finance Officer/Deputy (Procurement) signature</i>		<i>Date:</i>	
<i>Monitoring Officer</i>		<i>Date:</i>	
<i>To be reported at year end as part of the Monitoring Officer's Annual Report.</i>			

Exemptions - guidance notes

The exemption request form contains a number of cells that are self explanatory. However other cells require some explanation to ensure a consistency of approach when using the form.

1.	Please provide a list of the suppliers that can supply the goods or service this exemption request refers to. It will be helpful to the assessors if you can complete the quantity and value fields and offer a brief description to support the potential use of these suppliers.
2.	The reason for the exemption is a fundamental part of the request. Below the categories identified in the Procedure Rules highlight eight areas (a to h) where exemptions can be sought. Please refer to the particular categories that this request addresses.
3.	It is anticipated that you will have consulted a number of interested parties in developing this request. Please indicate which parties were consulted and with what result.
4.	Sometimes the movement on exemption requests has to be progressed urgently. It would be helpful if, in this section, you could indicate where you are in the overall process including the current state of discussion with potential suppliers and colleagues within the Council (e.g. ICT, Legal etc.)
5.	At number 1 above you indicated which supplier(s) were included in your request. Please use this section 5 to expand on the description in section 1 above.
6.	In many cases there will be elements of the exemption decision that need to reflect on the relative importance of the case in terms of criticality. This section should be used to draw attention to such issues (e.g. time scale, health and safety, legal stipulations etc.).
7.	Please take the opportunity offered by this section to refer to any background evidence you may have to support the exemption request or reinforce elements contained in your argument.
8.	This section gives you, and your Strategic Director the opportunity to state the recommendation you are seeking to put before the assessors.
9.	The comments section provides scope for Officers to insert details as to context and background of the request that are not fully discussed elsewhere in the form.
10.	It is important that your request for exemption is dealt with expeditiously.

Exemption request form and guidance notes

	This section of the form provides a formalised record of the decision of the assessor and should be provided to you as soon as possible after the decision is made. Please note that except in exceptional circumstances it will be preferable to refer the matter to Cabinet for formal consideration and you may, therefore, receive two notifications (1 = Officer determination; 2 = Cabinet determination). It will be the cabinet determination that is the final decision on your request.
11.	This is a “yes/ no” section of the request form and reflects the final decision.

Important consideration

Paragraph 10.2 of the Contract Procurement Rules makes it clear that where procurement is the result of collaboration it must comply with the lead Authority's Contract Procedure Rules the procurement is deemed to comply with NNDC's 'Rules such that no exemption would be required.

Exceptions

It is acknowledged that the market place or extenuating circumstances do not always allow the full procurement procedures to be followed. Subject to compliance at all times with European procurement rules, contracts can also be entered into in the following circumstances:

- (a) For the supply of goods or services where there is only one supplier and no acceptable alternative, following consultation with the Procurement Officer.
- (b) For the extension, addition to or maintenance of existing buildings, works plant or equipment, where the Cabinet has decided that this can only be done satisfactorily by the original supplier.
- (c) As part of a consortium (where the Council is not the lead authority).
- (d) A contract that has been tendered by a central government body (the Office of Government Commerce) or Framework contracts such as the Eastern Shires Purchasing Organisation (ESPO).
- (e) Where there is an urgent Health and Safety requirement, subject to the prior approval of the Council's Health and Safety Officer and the relevant Director.
- (f) Where the Cabinet considers it desirable on commercial grounds to accept a quotation from a supplier already engaged by the Council on a project provided that further services have a connection with the original project and that the price is not more than 50% of the original contract sum.
- (g) For loans arrangements.
- (h) On behalf of another authority where the agency agreement provides that the procurement rules of that authority are to be followed.

Date: May 2015

Review Date May 2017

ENFORCEMENT UPDATE

Summary: This report provides an update for Members on the work of the Enforcement Board over the past six months and also gives an assessment of progress made by the Board on the difficult enforcement cases since its inception.

At the time of writing, the Board has considered 145 cases, of which all but six have seen positive action.

In addition, the report highlights recent work to combine and improve certain enforcement functions across the Council and successes gained.

Conclusions: The Enforcement Board continues to make significant progress towards its objectives of dealing with difficult and long-standing enforcement cases and bringing long term empty properties back into use across all areas of the District, with both social and economic benefits to the community, and financial benefits to the Council.

The Combined Enforcement Team are also making significant progress in dealing with the backlog of case.

Recommendations **That Cabinet notes the progress made by the Enforcement Board and the Combined Enforcement Team**

Reasons for Recommendation To ensure appropriate governance of the Council's enforcement activities

<i>Cabinet Member(s)</i>	<i>Ward(s) affected</i>
<i>Cllr Judy Oliver – Enforcement Cllr Sue Arnold – Planning</i>	<i>All Wards</i>

Contact Officer, telephone number and email: Nick Baker, Corporate Director 01263 5162218 nick.baker@north-norfolk.gov.uk

ENFORCEMENT UPDATE

1. Introduction

1.1 Enforcement Board

This is the ninth, half yearly progress update on the work of the Enforcement Board, which was set up to tackle difficult, often longstanding enforcement issues, and to provide an additional focus on complex Long Term Empty homes cases.

The cases deal often involve a range of the Council's services and the Board is tasked with bringing a focus to each case, by ensuring all of the Council's regulatory and enforcement powers are considered, in order to bring about the most effective resolution to the issue at hand. In addition, as was expected, there has been some learning across service areas regarding better use of data and intelligence and also best use of all the enforcement powers available to the Council.

In terms of empty homes there remains a number of issues arising which provide good reason to act. As well as the obvious social advantage, of utilising as much of the District's housing stock as possible, thereby maximising housing provision and reducing local blight, many long term empty properties attract New Homes Bonus to the Council when brought back into use.

Furthermore, empty properties; not only houses, but commercial premises and land; continue to cause blight to the local neighbourhood in communities across the district.

Within the district, there are also a number of companies and individuals whose business activities, especially around property ownership, but also in the areas of environmental pollution, planning and conservation, landlord and tenant relations and council tax evasion; have a very negative effect on the local economy and/or cause risk to others.

The Enforcement Board continues to enable a more effective approach to be taken in respect of these problems. As well as allowing, in some cases, a range of enforcement powers to be used in a combined manner to solve a problem, the Board has been able to focus on the most appropriate solution.

Dealing with difficult cases in this way has positively encouraged more innovative approaches to the use of the Council's legislative powers. Whilst this may give rise to additional risk, much work has been done to ensure enhanced governance, with significant support from officers in both legal and finance teams.

As a result of lessons learnt through the Enforcement Board activities, a new Planning Enforcement Policy was introduced last year, and at the same time, a new combined Enforcement Team was formed to deliver a more positive enforcement approach to property related Council Tax issues and Planning Enforcement cases.

Whilst Members do not routinely sit at meetings of the Enforcement Board, because of legal sensitivities around enforcement decisions; where decisions have a wider implication and/or risk, CLT and or relevant members are involved in the decision making process. Other decisions are taken under officer delegated powers.

In addition to the six monthly update to Cabinet, Council Members and Group Leaders are kept informed of progress on cases being dealt with by the Board on a fortnightly basis.

2. Progress update

2.1 Enforcement Board

The Board has continued to meet regularly to ensure that good progress continues to be made across the full range of cases under consideration.

Since the last update the Board has brought about a change of owner in eight of the long-term properties and in all cases the new owners have either commenced or committed to undertaking work to return these properties into occupation. A further five properties have been added to the Board's caseload. There has been significant progress made in all cases but the properties in Oak Street Fakenham, Helena Road Walcott and Crimond in Norwich Road, Cromer stand out as prime examples of the progress that can be made through the Board's Intervention.

All but two of the properties that gained approval to begin a Compulsory Purchase (CPO) process have changed hands but the two properties in Stirling Road are awaiting a final decision by the Secretary of State for CPO having progressed to the decision stage without receiving objections.

More details of the majority of current cases are provided in Appendices 1 and 2.

2.2 Long Term Empty Homes (LTEs)

At June 1, the number of LTEs in the District stood at 609, an increase of 9 on the same period last year but a reduction of 14 on the previous month. The increase coincides with removal of Council Tax discounts for property owners but to prove a link more investigation behind the numbers will be carried out. The number of LTEs has overall reduced from 628 when the Combined Enforcement Team was established on the 1st April 2016 but in recent times, this has plateaued to around 600.

2.3 Difficult Enforcement Cases

As mentioned above, the Enforcement Board was also charged with dealing with a number of cases which are more complex in nature and range from properties causing long term or significant blight, as opposed to merely being empty, through to people with large and potentially deliberate debts to the Council, and often illegal business activities, that cause for example, a high risk of pollution. Three such examples are shown below:

- The Council continues to maintain pressure on the owners of the Old Shannoeks Hotel site in Sheringham to ensure the site is brought back into use. The Council has a live Planning Application in respect of re-development of the site which will support any future CPO should the current owner not progress its own re-development.
- Sutton Mill - The Council undertook enforcement work to ensure that imminent dangers presented by the Mill's structure were removed and has also maintained pressure on the owners to ensure that the Mill is restored to an appropriate standard given its national status as a Grade 2* Listed Building. As a result, the

Society for the Protection of Ancient Buildings is currently investigating the possibility of purchasing the entire site and embarking on a wider project to allow purchase and preservation of the Mill itself.

- Tattersett – The Council is continuing with enforcement action regarding the unlawful storage of tyres at Tattersett. In an extremely complex situation of ownership but where the owner has shown no willingness to remove the tyres, a wide range of legal action is now being considered.

Many of the case examples are summarised in Appendices 1 and 2 attached, although some are not in the public domain because of associated legal issues; albeit members have been advised of these on a confidential basis.

2.4 Combined Enforcement Team

2.4.1 The Combined Enforcement Team (CET) is now fully resourced and continues to make significant progress on Planning Enforcement cases and property level Council Tax enforcement. There is an important reputational risk issue in this work, as historically, the Council has had a very poor reputation around planning enforcement which is now being addressed.

2.4.2 Progress since the inception of the team has been positive, as follows:

- The clear priorities identified for future action have enabled a number of cases to be quickly resolved, with continued focus on getting control of all new cases in Planning, LTE's and those nearing Completion in respect of Revenues enforcement.
- Of the backlog of 183 Planning Enforcement cases outstanding at 1st April 2016:
 - 105 cases have been closed
 - Of the remaining 78 cases, 23 have been actively progressed and 55 cases in the early stages of investigation.
- In the 13 months since the team was set up, 351 new cases were received and at any time, have a live caseload of approximately 250.
- Planning Enforcement training has been provided to the CET, Members and other staff who are involved in these cases to give a wider understanding. This training was provided by our Planning Enforcement consultant to ensure a consistency in our approach.
- The temporary post in the team, previously funded by Planning Reserve resources, has been further extended using underspends from related service areas. This additional resource enables the team to manage the incoming work more effectively and continue to deal with cases from the historical backlog. In order to maintain this level of progress being made by the team, it will be necessary to consider prolonging this temporary post arrangement or potentially making the post permanent.
- The focus of the Combined Enforcement Team on Revenues has mainly been on large scale developments, thus helping to maximise the Council Tax

collection. The Visiting Officer is also undertaking individual development inspections to ensure that properties are brought into banding in a timely manner thus ensuring that Council Tax collection is maximised.

- Additional support from a data matching agency is also being sourced to ensure we can prioritise Revenues enforcement issues without creating further administrative work for the combined team.

2.4.3 Looking forward, enhanced mobile working, enabling complainants to raise issues direct via the website, and better links across the Council's databases is still a priority and will provide further efficiencies. This will link closely to the ongoing Business Process Reviews in both Planning and Environmental Health.

In addition, as the Team becomes fully trained, then a wider range of work will be able to be undertaken in each case, with less need to hand the case up to officers with higher levels of expertise.

However, this is still some way off, and with the pressures of dealing with the historical backlog, as well as high levels of incoming new work, there will inevitably be further delays in the short to medium term.

3. Future Working

3.1 The work of the Enforcement Board has given rise to closer working between those teams across the Council who are involved in enforcement work. Wider powers of delegation have been utilised for certain Notices and there is better sharing of information across some of the databases operated internally. This will further improve with the wider integration of IT systems as part of the Digital Transformation Programme.

It is likely that the Combined Enforcement Team will also have an impact, with potential for a wider working across a range of cases where an initial assessment is required, especially on a property based issue.

In addition, we are currently looking at the potential crossover of property related inspection activities around, Planning Policy and Revenues completions, to see if there is scope for a more combined approach to these.

3.2 In addition, some of the work driven by the Enforcement Board has increased the pressure on some service areas and the Combined Enforcement Team enables a more efficient use of resources and provides additional capacity in these areas.

Where necessary, the Enforcement Board Reserve or other funding will be utilised to provide additional, external expertise, to help resolve some cases, such as those being passed to our external Planning enforcement consultant for completion to formal action stage. The initial allocation of £20,000 has seen significant progress towards resolving the cases already referred. However, it is considered that further funding will be allocated from the Enforcement Board Reserve and it should be noted that much of this expenditure will be non-recoverable.

3.3 The potential for Compulsory Purchase still exists, where all reasonable legal powers have been exhausted and, as expected, cases which require this level of action have come forward, with other potential CPOs currently under consideration.

Since the last update, Cabinet has approved action to allow applications for CPO in a number of cases, with a significant capital budget approved for this purpose. As yet, none of these cases have progressed as far as the CPO application stage but all have seen significant progress, as follows:

- 55 and 56 Beeston Common, Sheringham – New owner has been in touch to discuss renovation plans and properties occupied from 20 April 2017
- Shannocks Hotel, Sheringham – Planning application being considered to support CPO application should this be necessary
- 37 Beeston Road, Sheringham – Property is now sold and has been occupied since 17 March 2017
- 2/2a Stirling Road, Sculthorpe – Awaiting final decision by Secretary of State
- 33 Oak Street, Fakenham – Now sold and renovation works started
- Crimond, Norwich Rd, Cromer – Derelict building demolished and Planning Application received for new dwelling
- Eastview, Helena Road, Walcott - Property sold at Auction and major modernisation and renovation underway
- 4 Breck Lane, West Barsham – Property sold and renovation works underway.

3.4 A high profile for the work of the Board and Combined Enforcement Team continues to be maintained with the local media. This ensures that all property owners are made aware of the Council's intention to take action wherever appropriate and that local communities are aware that issues they are raise with the Council are being addressed.

4. Performance Management

4.1 Local members have continued to be kept informed of cases being taken forward in their wards and Group Leaders are also being kept informed of all cases. This continues to be well received.

4.2 Where appropriate, Town and Parish Councils are also kept informed of progress and, where there is an obvious legal risk or implication, the relevant Portfolio Holder is also informed, as well as the local member and CLT.

4.3 With regards to the Combined Enforcement Team, the team are now fully operational and work continues to progress well.

5. Financial Implications and Risks

5.1 The work of the Enforcement Board is partly driven by the need to maximise revenue from both Council Tax, Business Rates and for Long Term Empty Properties, the New Homes Bonus Scheme. Significant contributions have already been made by bringing properties back into use and/or back into Council Tax banding and since 2016/17 CTB1 Government Return there has been an increase of 291 properties to the tax base in the years the Board has been working, through the development of more integrated systems we now have.

However, it is recognised that our efforts should be focused more on the early interventions on many properties rather than higher levels of intervention in lower numbers and this is a focus for the Combined Enforcement Team.

- 5.2 As has been stated above, a number of the properties being dealt with are of historical importance, or give rise to local blight, and therefore an expectation from local communities for the Council to resolve the issues, with accompanying reputational risk if we do not act.
- 5.3 It is however, also important that we act sensitively in some cases, and that we adhere to our own Enforcement Policies in terms of proportionality of approach and public interest.
- 5.4 There is also a reputational risk involved, if we lose legal action. Whilst this can be mitigated by good process, evidence gathering, etc, we are seeking to be innovative in our use of legal powers and we may not always win the case at hand.

The use of the Council's powers in different ways will almost certainly cause some complaint from those who have not previously seen direct action from the Council in respect of the issues concerned.

It is therefore essential that we ensure both the technical and legal processes used are sound and that, in terms of our reputation, our rationale for action is clearly understood.

- 5.5 There is, in some cases, a risk of not being able to recover the costs to the Council involved in some enforcement work, such as officer and legal costs, and where works in default are undertaken. However, these risks are being mitigated as far as possible, through management of the work involved and ensuring that the correct legal processes are followed during any action taken.

In addition, where necessary, valuation advice is taken to ensure that there is enough value in a site against which to provide proceeds of an enforced sale if necessary to recover costs.

In addition, it should be noted that all expenditure allocated to the Enforcement Board Reserve is approved by both the s151 Officer and the Corporate Director.

- 5.6 The Enforcement Board Reserve covers the costs of dealing with these cases and in general, most of the costs concerned are recovered. However, as we continue with formal action on a number of cases, some work is simply not recoverable and both members and key senior officers will be consulted in such circumstances.
- 5.7 There has been the need for significant additional legal input to the cases and although much of the cost is recovered, this has been underwritten by the Reserve.

6. Sustainability

The only sustainability implications directly resulting from this report are around better use of existing housing stock, as opposed to new build and therefore the potential use of green field sites.

7. Equality and Diversity

There are no equality and diversity implications directly resulting from the recommendations or options considered in this report.

8. Section 17 Crime and Disorder considerations

Some of the work being undertaken by the Board has a direct link to criminal activity, around deliberate Council Tax avoidance. In addition, a number of empty properties have been associated with anti-social behaviour, which of course will be removed when properties are brought back into use.

9. Conclusions

- 9.1 The Enforcement Board continues to make significant progress towards its objectives of dealing with difficult and long-standing enforcement cases and bringing long term empty properties back into use across all areas of the District, with both social and economic benefits to the community, and financial benefits to the Council.
- 9.2 The Combined Enforcement Team continues to make good progress on dealing with the backlog of historic planning enforcement cases and with maximising Council Tax Revenue from LTE, renovated and new properties.

Appendix 1

Key Activity on Long Term Empty Properties (as at June 2017)

Note: this is not an exhaustive list of cases, as some issues are otherwise sensitive and therefore not for publication.

Property	Issues	Action
55 and 56 Beeston Common, Sheringham	Dilapidated, overgrown garden Empty for over 10 years	Following enforcement action and threat of CPO, the properties have now both sold at Auction and discussions are ongoing regarding renovation
33 Oak Street, Fakenham	Empty since previous owner's death in 2008 Property dilapidated but capable of being renovated.	Following threat of CPO the property has now been sold and renovations ongoing
Trafalgar Court, Mundesley	Prominent former hotel converted into flats A number of flats unoccupied since 2010 Eyesore property in prime location on coast road.	Enforcement Board involvement over three years has seen significant internal and external improvements, now nearing completion and awaiting confirmation that final two flats have been completed
Leighton House, 11-13 St Mary's Road, Cromer	Significant residential property in extremely dilapidated condition detracting from neighbourhood amenity Unfit for habitation Previous pest infestations	Works underway to improve property
Laurel Cottage, Little London, Town Close Lane, Corpusty	Remaining cottage of a pair, empty since 1990s	Following threat of action, new tenancy expected shortly following protracted connection works from Anglian Water
Crimond, Norwich Rd, Cromer	Long term empty home in dilapidated condition detracting from amenity of local area and Council Tax issues	Following service of Notice, property demolished and planning application received for new dwelling on site
2 and 2a Stirling Road, Sculthorpe	Unfinished 'new build' properties, empty	Secretary of State has now authorised that the CPO can be

	since 1990s.	confirmed
37 Beeston Road, Sheringham	Empty for 10 years Neighbour complaints received regarding damp.	Following threat of CPO, property now sold – check occupancy
21 Alfred Road, Cromer	Long Term Empty property since 2005	Sold at auction. Major investment by new owner and currently temporarily let with a view to permanently letting next year
28 Church Street, Northrepps	Long Term Empty property	Property auctioned and now being renovated Enforcement Board monitoring renovation works
40 Larners Hill, Northrepps	Long Term Empty property for approximately 3 years	Property sold at auction following pressure from Enforcement Board in relation to potential CPO. Currently, being renovated by new owner
4 Sculthorpe Lodge, Breck lane, West Barsham	Property out of banding since 2007 Long history of inaction to renovate.	Following threat of CPO, property sold at auction in April 2017. Current owner is undergoing major programme of renovation
East View, Helena Road, Walcott	Property empty since 2013	Sold and major renovation works underway for complete modernisation programme whilst still retaining character of old railway carriage
25 Holt Road, Langham	Dilapidated, Long Term Empty Property	Undergoing renovation works and safety work to secure gable end by current owners responding to pressure by Enforcement Board
7-9 Bridewell Street	Long term dilapidated, listed building	Following non-compliance with Listed Building of Notice, urgent repairs undertaken in default and owners invoiced. Likelihood of wider non-urgent repairs now needing to be done but will require CPO or voluntary arrangement with owners in order to secure Council's position on costs.

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Appendix 2

Key Activity in Non-Residential Cases Considered (as at June 2016)

Note: this is not an exhaustive list of cases, as some issues otherwise sensitive and therefore not for publication.

Property	Issue	Action
Tyre Storage Tattersett Business Park	Long term storage of c600,000 tyres, giving rise to environmental risk.	Enforcement Notice served requiring Removal works to be started by June 2017 and preparations for legal already underway in case of non-compliance Enforcement action, prosecution, injunction and works in default are being considered
Star Yard, Fakenham	Dilapidated garage in dangerous condition detracting from neighbourhood amenity	Work is progressing well
Buildings adjacent to 4A Market Street, North Walsham	As a result of work above, numerous property defects exposed to neighbouring properties which will detract from local amenity.	Informal letter from the Council led to all property agents/owners contacting the authority and are looking to work together to undertake works but no work has started as yet. The Council is preparing to serve a Community Protection Notice Warning letters to all parties
Sutton Mill	Potentially Dangerous structure that is dilapidated and also of important historic status as a Listed Building	The new owners have submitted applications for Planning Permission and Listed Building Consent to regularise the existing situation and to reinstate the cap, stocks and fantail. Subject to Historic England's agreement, these should be approved shortly The Council undertook enforcement work to ensure that imminent dangers presented by the Mill's structure were removed and has also maintained pressure on the owners to ensure that the Mill is restored to an appropriate standard given its national status as a Grade 2* Listed Building. As a result, the Society for the Protection of Ancient Buildings is currently investigating the possibility of purchasing the entire site and embarking on a wider project to allow purchase and preservation of the Mill itself
Former	Long term empty	The Council continues to maintain

Shannoeks Hotel, Sheringham	property in poor condition in prime location.	pressure on the owners of the Old Shannoeks Hotel site in Sheringham to ensure the site is brought back into use. The Council has a live Planning Application in respect of re-development of the site which will support any future CPO should the current owner not progress its own re-development.
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Digital Transformation Programme (DTP) Update

Summary: This report is brought to provide the seventh, six monthly update on progress within the Digital Transformation Programme (DTP), in accordance with the original Cabinet Resolution for the Programme.

Overall, the technology infrastructure improvement programme continues to progress well. Significant deliveries in this period include the new Website and the Customer Contact System, although both continue to be developed on an incremental basis.

The Business Process Review (BPR) in Planning, continues to progress, with changes to key processes being rolled out on a phased basis. Then work is also progressing well on the BPR within the Environmental Health (EH) service.

In broad terms, the project timelines, expenditure and expected outcomes for the Programme are on track although the Planning BPR has taken much longer than anticipated to deliver.

Conclusion The Digital Transformation Programme business model remains viable and is broadly on track to deliver as planned.

- Recommendations
- 1) **That Cabinet notes the progress made on the Digital Transformation Programme.**
 - 2) **That Cabinet approves the release of £50,000 from the previously identified Digital Transformation funding to enable procurement of a Management Information System, along with the necessary third party consultancy support.**

- Reasons for Recommendations:
- 1) To provide appropriate governance and oversight of the Digital Transformation Programme.
 - 2) To publicly detail the Council's plans in this area.

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)

DTP project plans

Cabinet Member(s) Cllr T FitzPatrick (IT and Digital Transformation) Cllr B Palmer (Customer Services)	Ward(s) affected All
Contact Officer, telephone number and email: Sean Kelly, 01263 516276, sean.kelly@north-norfolk.gov.uk Nick Baker, 01263 516221, nick.baker@north-norfolk.gov.uk	

Digital Transformation Programme (DTP) Update

1. Introduction

1.1 Members will recall that the Digital Transformation Programme (DTP) was approved by Cabinet in October 2013. Fundamentally, the Programme set out to achieve two key objectives. Firstly, improving customer service, for both internal and external customers; and secondly, being more efficient in the way we work, in order to drive financial savings, the stated target for which was £375,000 pa.

It was agreed that six monthly progress reports would be submitted, along with updates on the workstreams within the Programme as these were developed. This is the latest of those updates, covering the period January 2017 – June 2017

1.2 The Programme set out to deliver a range of IT foundation projects, on which later transformational changes to the Council's business could be built. These changes would be identified through a series of service level and process reviews across the Council and then implemented to take advantage of the IT investments already made.

1.3 The guiding principles of the Programme are as follows:

- Making our processes digital by default, but with alternative access channels where appropriate
- Building in automated features wherever possible, to enable customers to self-serve as far as possible
- Developing an integrated IT platform, thus enabling better sharing of information and data across the Council, and ensuring that our digitised systems are seamless to the user
- An assumption, that the “front office”, or Customer Services, function will become wider, thus ensuring that as many contacts are dealt with as efficiently as possible, at the first point of contact.

- 1.4 Whilst the original resolution committed a Programme budget of £1.4m over five years (revised to c£1.6m with the addition of other projects), this was conditional upon individual projects subsequently being brought forward to Cabinet with a business case for the release of the required budget.

From the good progress made so far, it is clear that the Programme will greatly improve customer service and is expected to deliver revenue savings in excess of £375k a year as originally planned. These savings continue to be realised as improvements are made. In addition, a number of other benefits will arise from better use of customer and management information, which should drive further savings, as yet to be identified.

- 1.5 Members approved a Business Case for the release of funds for a temporary post to support GIS. In addition, a Business Case for the release of further funds to delivery an improved Management Information System form part of this report.

- 1.6 In order to ensure the continued progress within the DTP and to ensure the benefits are sustained in the future, IT resources need to be maintained in balance with the increased workload and reliance on IT. In order to mitigate this risk, the establishment of the IT Team has been increased by one post to provide additional capacity in the Infrastructure Team. The two Web Developer Apprenticeships have proved a successful method of providing “home grown” IT skills which otherwise would be difficult to recruit.

- 1.7 Many of the technology and infrastructure improvements initially identified as enablers to business process improvement have now been delivered and are being utilised not only in the BPR of Planning and Environmental Health, but also in many smaller scale improvements in departmental processes. The technology landscape is one of continual change and needs ongoing review to ensure we are utilising digital technology to deliver continual improvements in service quality and efficiency.

- 1.8 In support of the programme, Cabinet has approved both the Communication Strategy and Customer Services Strategy in the past few months.

- 1.8.1 The Communication Strategy recommends an approach which not only drives communications into the digital arena, eg via the website and social media; but also the need for a far more promotional form of communications, in order to drive customers towards using digital channels for their business with the Council.

- 1.8.2 The Customer Services Strategy very much mirrors the Digital Transformation Programme in terms of responding to customer needs to transact business through digital channels and, at the same time, improving the Council’s efficiency in delivering services, therefore making financial savings.

The Strategy details a number of high volume transactions across a range of services which will be targeted by digital change to improve their efficiency. These have been appended to this report with a progress update for each area which shows the significant amount of progress which has been made in the customer service area of digital transformation.

2 General Progress to Date

Since the last update in December 2016, officers have been primarily focused on progressing the following projects:

- 2.1 The **Customer Contact Management** system is now live and despite a short period of instability immediately following go-live, is providing benefits in handling customer contacts with Customer Services and for the Revenues Team. The system will be rolled out further, initially to the Benefits Team and then to other services.
- 2.2 The **Geographical Information Systems** (GIS) project has suffered a small delay due to work to support the Boundary Commission Review and staff illness but is now progressing well.

Web based mapping is about to go live for internal use and will be followed by availability for public use in winter 2016/17. This will allow users of the Council's website to access information about specific locations and is a major building block for implementing the Planning BPR, giving both efficiency and customer service improvements.

In order to support the increased use of GIS, Members approved an additional member of staff on a two-year temporary contract and this post is currently being recruited to.

- 2.3 The **Back Scanning** project continues to reduce the size of the paper archives within the Council. In order to manage the completion of all scanning, a formal Digital Transformation Project has been initiated. This is being planned to ensure that the storage facility at Stonehill Way can be released at the end of the lease, which will deliver a significant annual revenue saving.
- 2.4 The **Agile Working** Policy has been formally approved and work continues to provide laptops and other portable devices as replacement for fixed PC's. This will facilitate improved flexible working for those jobs in the Council that have a current requirement for this. The deployment is also designed to encourage the improvement in business process efficiency and customer service by enabling activities and processes which are currently only available within the Council Offices to be made available
- 2.5 The new Website went live in January, including a significantly enhanced mechanism for users to raise queries and receive responses.

The work to review, update and migrate the less critical information will continue, as will the addition of further transactional services. The next major addition will be the ability to book and pay for the community based sports and activities, organised by the Council, which are currently hosted on an external website. The priorities for further services will be based upon operational and efficiency improvements that each change will bring.

As we continue to develop the **website**, it will allow us to offer more of our services online. In turn, this will deliver and support the Council's commitments etc contained in the Customer Services Strategy.

- 2.6 Initial scoping work for the **Management Information System** has been undertaken and a recommendation appears elsewhere in this report to provide for third party advice and assistance to deliver a solution. This will

allow relevant performance data to be easily provided at all levels of the organisation, thus driving improved working and efficiency.

- 2.7 Following the successful **Print Solution** equipment installation, the hybrid off-site mail solution, which will allow documents to be printed and posted off site at significantly lower costs than can be achieved internally, is being extended from July 2017. A pilot will allow trials to be undertaken to evaluate the best way of maximising the print and postage savings this facility will allow.
- 2.8 The **Electronic Document Management** IT infrastructure pilot is continuing in a number of areas to inform the future rollout across the whole Council during 2017/2018. Third party assistance is being procured to accelerate the rollout and realise the significant improvements and efficiencies this technology will facilitate.

3 Business Process Review

3.1 Implementation in Planning

- 3.1.1 Implementation of the outcomes of the BPR in Planning continues to progress with Parish Councils being converted to paperless working which will improve the timeliness of the information they receive and deliver significant efficiencies and savings.
- 3.1.2 The new pre-application advice service has been launched with an accompanying on-line request and payment system available on the Council's Website.

Initially this is for householder and minor planning applications but other Planning Application categories will be added in the coming months.

- 3.1.3 Paperless working within the Development Management(DM) team has been trialled and the issues this presents are being assessed to identify the most appropriate solution. When this is complete it will be implemented across DM.
- 3.1.4 The configuration of the Planning back office systems to allow totally automated working has been completed for both DM and Pre-Application processes. These will continue to be enhanced to ensure that many of the activities which currently require manual action are designed out, giving significant efficiencies, better service and improved customer information.
- 3.1.5 The enhancement of website functions to support changes in Planning business processes is continuing. Already the information on the website that will allow customers to self-serve has been reviewed and improved and this will support:
- customers to obtain better pre-application advice, thus allowing a higher level of valid applications to be received, thus improving service and efficiency
 - customers to pay for advice and applications, and to book appointments to meet with officers, thus creating efficiency and capacity, as well as improving customer service

- all stakeholders being able to view the progress of, and information related to, applications in which they are interested
- web based mapping facilities to give stakeholders better information about specific sites and link these to applications

Further work to improve the advice and functionality of the Planning related website pages will continue as the ongoing changes in Planning, Environmental Health and other services continue.

Upcoming enhancements include a web based tool to allow users to better identify any planning constraints on sites in which they are interested.

3.2 BPR in Environmental Health (EH) Service Area

- 3.2.1 The BPR of the Environmental Health Service area commenced in October 2016 and since that time there has been a detailed and comprehensive examination of the business process within the different teams that comprise the service.
- 3.2.2 Initial workshops with all staff from the Service have been undertaken. These workshops were facilitated by external consultants, to give additional capacity and to ensure consistency of approach. In addition, external support provides an objective, independent review of the current business processes within EH.
- 3.2.3 The outputs of the workshops and analysis of the current service have been analysed and the initial phases of improvement in service and efficiencies identified, based upon operational and early benefits realisation.
- 3.2.4 Many of the recent enhancements to the general IT infrastructure arising from the BPR in Planning will also be utilised to deliver improvements in EH. The new back office IT system which is currently being implemented in parallel to the BPR, will enable processes to be configured digitally, as the new system is installed.
- 3.2.5 Following the development of the improvement plan, a Business Case has been signed off which identifies future potential savings in the region of £175,000 per year. This will be phased in over the next two to three year and will depend on our update of all of the recommendations contained in the Business Case.

4 Proposed Future Work Activity

- 4.1 The projects detailed above, and those to come, will provide the focus for most of the digital work in the coming months. This will allow us to continue the parallel development of secure but flexible IT infrastructure and the improvement of business processes that is required to deliver. It will also enable digital and service changes designed to meet customer demands and expectations.
- 4.2 In addition, further work is being done on the way in which we interact with our customers designed to encourage the take up of the self-serve, on-line facilities. This will be delivered in a manner that fully recognises the Council's

responsibilities to not digitally exclude any individuals or groups that access the services provided by the Council.

The Council's Customer Services Strategy will continue to shape how we engage with customers, partners and the wider communities. This will enable customers to transact business better with the Council at times and by means which best suit them. In addition, we need to identify and deliver better communication and promotional approaches that encourage take up of digital services so that we maximise the return on investment in the underlying technology platform and systems.

4.3 Management Information System

4.3.1 The DTP provides for a work stream to deliver an enhanced Management Information System. Of the various options considered, Officers believe that it would be most appropriate to implement a common Microsoft reporting tool which can then be configured to report data contained in our various back office systems.

4.3.2 Data will then be presented in a common format which allows performance and activity data across the Council to be easily monitored and reported. In turn, this will ensure that performance and activity information is presented in a consistent manner, enabling effective management of resources and positive identification of service improvements and benefits realisation.

4.3.3. Initial scoping has been undertaken of available products and, as a result of the existing Microsoft Enterprise agreement, the most cost effective software platform to provide a Council-wide solution is likely to be Microsoft Power BI Platform.

4.3.4 Our approach to delivery will involve procurement of the software infrastructure and third party professional services to implement this system within the Council.

This will be delivered in a manner to maximize the skills and knowledge transfer of Council staff to enable them to support and further develop the system in a sustainable manner across the Council.

4.3.5 Initial soft market testing has indicated that the costs for the technology and third party assistance will total approximately £45,000 in order to complete the deployment across the Council. It is considered that a contingency of £5,000 is appropriate to cope with any unexpected additional costs.

It is estimated that support and maintenance costs for the solution will result in a small revenue increase of approximately £3,000 pa, which is within the estimates of the original DTP.

4.3.6 A recommendation appears elsewhere in the report to release the appropriate budget from the DTP budget.

5 Financial Implications

5.1 We are now into three and a half years into the five-year Programme as originally planned in terms of time and this is reflected in the overall budget.

Of the original £1.6m Programme budget, Cabinet has approved expenditure for £1.2m, of which £1.0m is now committed and £938,669 actually spent.

5.2 All major expenditure within the Programme is subject to a business case submitted for approval by Cabinet and since the last update in December 2016, there has been three such approvals confirmed including a Temporary GIS post, funding for the Environmental Health BPR team and a new Committee Management system.

5.3 In terms of ongoing revenue savings arising as a direct result of the Digital Transformation Programme, the following have been identified totalling in the region of £280,000 per annum:

- Planning Review
 - Staffing £92,000
 - Paperless Parish Council consultation £10,000
- Housing Administration £20,000
- Provision of multi-functional print devices £10,000
- Print Procurement
 - New printers/staffing reduction £90,000
 - Offsite Print and Post £50,000
(postage cost reduction)
- Reduced telephony costs £10,000

The savings detailed above are already being delivered and many others are now starting to be identified as our service processes change. It should be noted that some savings already identified in the budget are only enabled by the efficiencies driven by digital change.

6 Risks

6.1 The funding estimates were calculated over three years ago against the likely business requirements and estimated technology costs. Current indications are that, although some projects have been added to the scope of the Programme, the full range of planned deliverables and savings can be achieved within the current funding limits.

However, should business requirements alter significantly as a result of external legislative or other influences, there is a risk to Programme timescales and/or costs. This will be managed by change control processes, which will assess the impact on the project of all such external influences. Any such changes which significantly affect the Programme, or projects within it, will be referred to Cabinet.

6.2 Our inability to recruit specialist technical staff in IT and third party support for back office systems, in a timely manner, remains a cause for concern.

Recruitment to approved permanent and temporary posts for some technical staff may take an extended time, with negative implications for planned project timescales and therefore, the business benefits which they are planned to deliver or enable. This will be partially mitigated by adopting a flexible approach to securing appropriately skilled resources from a variety of internal and third party sources.

Linked to this is the baseline staffing establishment levels of relevant technically trained staff across a range of IT roles. As the Council places more reliance on a wider range of IT systems, it is essential that this issue is kept under review.

- 6.3 The Digital Transformation programme is a complex wide ranging project based upon a rapidly and continually evolving technology and business landscape. Consequently, there is a risk that the programme fails to deliver the planned outcomes.

In order to mitigate this risk, the programme and the projects within it will be managed using standard governance and programme management tools and techniques. This will include the tracking of the potential benefits and indeed, risks, through the life of each project, right through to delivery.

- 6.4 There is also a risk that stakeholders will be resistant to change, thus either delaying the programmes implementation or reducing its potential benefits. Whilst more and more business is being done via digital means, it is essential that as our services change towards a more digital method of delivery, these are widely and positively communicated to all stakeholders. This will form an essential part of the Service Plan for the Communications Team and will build on the Council's recently approved Communication Strategy.

However, the residual risk will be mitigated by a programme of communication, training and development for all stakeholders, in order to maximise uptake and use of the new methods of working.

- 6.5 Digital exclusion remains a risk, which the Council has committed to avoid wherever possible. We recognise some areas within the District have limited broadband coverage and some customers cannot access digital services for other reasons. We will therefore ensure people who do not have access to online services continue to be supported.

7 Equality and Diversity

- 7.1 Requirements will be included in all specifications for systems to ensure as far as possible they can be used by customers and staff with disabilities or those without the ability or connectivity to access services via a digital route.

- 7.2 In addition, it is accepted that some customers may not wish to use some of the services, which may become automated as part of the Business Transformation Programme. The Council will continue to provide mediated services where this is required by customers.

8 Section 17 Crime and Disorder considerations

- 8.1 There are no section 17 implications arising from the report.

9 Conclusion

- 9.1 The Digital Transformation Programme business model remains viable and is on track to deliver the planned efficiency and service improvement outcomes.

This appendix is taken directly from the Customer Services Strategy and under each section, an update is provided so that Members can track the progress to date in each Service Area. It should be noted that this part of the Customer Service Strategy relates directly to high volume services and will not cover the full range of activities undertaken by the Council which also needs some elements of digital change.

APPENDIX

Digital Services Information

We have listed below, the major service demand areas where we believe digital interaction with customers will drive better service for the customer and more efficient service delivery for the Council.

Customer Services – Contact Centre telephony

Service	No of requests 2015/16	Current No of Digital	Current % Digital	Target Digital	By
Telephone calls to contact centre	80,182	0	0%	50%	2018

By definition, our incoming telephone calls do not provide an automated digital solution for the majority of customer requests for service. Currently, customers can complete payments for Council Tax, Business Rates and Housing Benefit Overpayments through automated telephony service.

Our preference is to follow the ethos of digital by design so that customers can access our services 24/7 where and when it is convenient to them. We will continue to provide access to services via the telephone and will look to automate transactional processes where it is practical to do so.

However, our aim is to enable customers to channel shift 50% of our incoming calls to fully digital channels by the end of 2018 through the following means:

- We will go live with the new council website in 2016, giving customers much better access to information and the ability to transact business directly via digital means
- This will also provide better information for our Customer Service Team to deal with a wider range of subjects at a deeper level than previously and will free up capacity for our professional and technical teams to focus on the core business within services
- During late 2016, we will be installing a Customer Contact Centre, which will enable us to answer as many queries as possible through online channels, ultimately reducing the need for customers to either come into the council buildings, telephone the council or write to us
- The Contact Centre will allow analysis of all contacts to identify additional activities which can be enabled through the website
- An ongoing promotional campaign will direct customers to new facilities on the website to maximise take up

Update

- 1) The new website is now live with significantly improved search and navigation facilities. All relevant content has been reviewed, updated where necessary, and migrated to the new site. New self-service online services have been launched to order and pay for Car Park Season Tickets; Apply for Pre-Planning Application Advice and to improve communications between service users and the Council. Further similar facilities will be added as they become available.
- 2) Customer Services are now dealing with enquiries relating to Planning, Building Control, Environmental Health and a number of other smaller service areas and teams. The supporting information available to them is being updated and improved on an ongoing basis.
- 3) The Customer Contact System has been installed and commissioned with Customer Services and the Revenues Team. The Benefits team will be added in the near future and the system extended to all other areas that deal with customer enquiries. Further methods of communication including social media and “web chat” will be added in the near future. This will enable a consistent, managed view of all customer interactions to be delivered irrespective of where or how the contact is made
- 4) The reporting tools that come with the contact centre will provide an accurate picture of the services that users are trying to access. This will allow the prioritisation of the development of on-line services which are likely to be used the most and, hence deliver the largest efficiency savings.
- 5) Campaigns have been undertaken to migrate the Parish and Town Councils to paperless Planning Consultation and to enable easier Direct Debit payments. Other targeted campaigns will coincide with the rollout of new on-line services and facilities.

Environmental Health

Service	No of requests 2015/1	Current No of Digital	Current % Digital	Target Digital	By
Environmental Health	13,772				
- Environmental Services (incl.	8,588	103	0.9%	80%	2018
- Environmental Protection (incl. dogs,	1,832	19	1%	50%	2018
- Public Protection (including	2,348	0	0%	50%	2019
- Commercial (including, food safety, private	1,004	0	0%	50%	2018
- Garden Bin payments	18,750	0	0%	80%	2018

NB: the above table does not include for ad hoc service requests of fewer than 500.

The service dealt with 13,772 requests for service in 2015/16 of which less than 1% were digital. These were mainly reports of fly-tipping, littering and dog fouling, following an addition to our website in late 2015. We are focused on moving the majority of service requests to online channels through the following:

- We will undertake a service wide Business Process Review in Environmental Health during winter 2016/17 which will identify the priority areas for receipt of digital service requests, which automatically update the back office IT systems
- The ongoing development of the new website and Customer Contact Centre will jointly enable this
- We are procuring a new back office IT system for Environmental Health across autumn 2016 which will connect much better to the Customer Contact Centre and website, allowing requests for service to be dealt with more efficiently by officers
- During 2016 we are implementing Agile Working for Environmental Health which will allow officers to pick up requests for service wherever they are working
- We will work with our waste contractor to offer a fully integrated, online service direct to the customer for garden waste services

Update

- 1) We are progressing the service wide Business Process Review in Environmental Health. The first phase has established around 45 activities which will move the receipt of a range of issues to online web forms to automatically update the back office IT systems. Further review cycles will identify the priority areas for receipt of digital service requests.
- 2) We have procured a new back office IT system for Environmental Health which will provide a number of enhancements to improve functionality around mobile working and digital applications, thus allowing requests for service to be dealt with more efficiently by officers.
- 3) The Environmental office area has been re-configured to help drive Agile Working which will be supported by a roll out of mobile devices across 2017/18.
- 4) The new payments engine on the website will enable payments for garden waste services to be undertaken by the Council and not the contractor by the end of 2017. We will also promote payment via online services and direct debit from September 2017.

Revenues and Benefits

Service	No of Accounts 5/16	Current No of Digital	Current % Digital	Target Digital	By
Council TaxAccounts Access	54,123	1,234 (limited for checking only)	2.2%	15%	2018
Council TaxAccounts Payments by Direct Debit	54,123	38,612 (non-digital direct debit)	71% (partial digital)		2018
Changes in Circumstances Notifications	21,622	0	0	50%	2019

The service manages 54,123 accounts for Council Tax payments. We have a limited digital service which is used by just 1,234 customers, who have registered for a Bills and Benefits account which enables them to check on their Council Tax and Housing Benefit accounts.

We know customers want to pay via direct debit wherever possible with 38,612 (71%) paying through this method, although it is not yet digitised, this will allow people to better access this service.

In addition, the service deals with over 20,000 changes to people's circumstances in a year, none of which currently come via fully digital means.

Our focus will therefore be on the following activities:

- **Through the enhanced website, enable and then promote online set up of direct debit payments through 2017/18**
- **Actively promote customers to sign up for an online account.** With a target of 15% of Council tax payers signed up to an online account by 2019
- **Provide and promote Digital Direct Debit set up and payments with all new payments being taken in this way by 2019**
- **Through the enhanced website, enable and promote digital notification of change of circumstances** to gain 50% of customer change of circumstances notifications via fully digital by 2019

Update

- **Enable all payments to be made via the new website online payment service from late 2016/17 including setting up of digital Direct Debits.** This would enable people to easily renew or order a season ticket 24/7 where and when it is convenient to them – and is cost-effective, with the online form automatically updating the management system in the back office

- 1) The work to enable digital direct debits has been commissioned and is currently being tested and will go live by the end of 2017.
- 2) We have already signed up 1,800 users for an online account from the customer base and are well on target for 15% by 2019.
- 3) A generic on-line payments form is currently in development and will go live by the end of 2017.
- 4) The webform to facilitate the online submission of change of circumstance notifications is currently being developed. First phase of the form will capture “move in” and “move out” notifications for Council Tax changes. Future versions will add other options in frequency of use order. The automated updating of the Revs & Bens systems will then be investigated to implement a true “end to end” digital process.

Property Asset and Leisure Services Property

Services

Service	Requests 2015/16	Current No of Digital	Current % Digital	Target Digital	By
Car Park Season Tickets	4,244	0	0%	80%	2018

Overall the service manages 4,244 requests for season tickets in a year and a smaller number of requests for beach chalets/huts and other bookings, all of which come through mediated channels. We will therefore:

Season tickets will still need to be posted out due to the hologram included on the tickets, but this would still be a more efficient and effective way to offer the service for those customers able to access online services. This service will provide automatic annual renewals for customers.

Enable all payments to be made via the new website online payment service from late 2016/17 including setting up of digital Direct Debits. This would enable people to easily renew or order a season ticket 24/7 where and when it is convenient to them – and is cost-effective, with the online form automatically updating the management system in the back office

Update
1) Renewing or ordering a season ticket 24 /7 via the new website online payment service for 2016/17 has been completed. Online booking of beach huts will be looked at later this year

Leisure Services

Service	Requests 2015/16	Current No of Digital	Current % Digital	Target Digital	By
Leisure bookings (Dual Use Sports Centres and Countryside events)	3,155	596	18.9%	95%	2018
Leisure Centres (via contractor)	57,425	11,470	19.9%	50%	Ongoing from 2019

The service has 3,155 bookings in a year, with the service taking 18.9% of these activity bookings online, with bookings going through Eventbrite, an external booking and payments system.

Update
1) Work is underway to replace the current system with the Council's new online payment engine by October 2017.

Planning

Service	Requests 2015/16	Current No of Digital	Current % Digital	Target Digital	By
Planning applications (major, minor and other searches)	1,596	851	53.3% (partial service)	80% (fully digital)	2018

The service dealt with 1,596 planning applications in 2015/16, of which 851 came via the national Planning Portal. However, whilst applications can currently be made via this digital route, there very limited ability to manage the many thousands of consultation responses on applications, or track their progress, via the website.

The ongoing Planning Service Business Process Review will fully automate the processing of Planning Applications, reduce delays for customers and will enable our customers to:

- complete their planning applications online
- make requests and pay for planning services eg pre-application advice, online
- view and comment on applications online
- track the progress of applications of interest to them

Update

- 1) Applicants are able to submit planning applications on line via the portal and this is being actively promoted.
- 2) Phase 1 of the new pre-application service went live on 1 June 2017.
- 3) The changes to enable stakeholders to view and comment on applications on line have enabled Town and Parish Councils to go paperless thus making significant efficiency savings and stakeholders now have limited ability to track the applications of interest to them.

Joint Bacton and Walcott Coastal Management Scheme – Scheme Proposal and Development Agreement

Summary:

The Bacton to Walcott Coastal Management Scheme is an opportunity for NNDC to work with the Bacton Terminal Operators to protect nationally important infrastructure and benefit local communities.

The proposed scheme will use Sandscaping, a UK first, to protect the terminal and enhance the coastal management of the villages. It involves the placement of a large volume of sand on the beaches in front of the Bacton Gas Terminal and down the coast to include Bacton village and Walcott (referred hereafter as the 'the Villages'). Over time this material is designed to erode and will move in a predominantly south easterly direction, not only mitigating the loss of sediment supply due to cliff protection, but even increasing sediment supply which has the potential to nourish beaches further down the coast. This sand is expected to increase beach levels which will extend the life of existing defences for the Villages.

Modelling indicates that Bacton Gas Terminal will be protected and the life of defences at Bacton village and Walcott will be increased. Furthermore, the scheme will enhance beaches which are an important characteristic of the location and for tourism.

A Development Agreement is being prepared between the Bacton Terminal Operators and NNDC whereby the Council (subject to conditions) will become the lead in the delivery of the consents, procurement and construction of the scheme. The agreement includes provisions whereby the Bacton Terminal Operators (subject to conditions) consider financing any funding gap for the Villages element of the scheme once the size of the gap is finalised.

The Development Agreement seeks to manage risks and liabilities of the project as far as possible for NNDC in an equitable way. In order for the scheme to be delivered (ideally in the summer of 2018) the Development Agreement needs to be finalised and approved to enable the scheme to progress.

Options considered:

Not progressing with the scheme – This Sandscaping scheme provides the only identified opportunity to deliver a large scale coastal management scheme to benefit the communities of Bacton and Walcott. It is a one off opportunity which will not be available once the

Bacton operators have finalised and delivered a scheme as many scheme costs are reduced and shared. At best not progressing a joint scheme would lead to a Bacton Terminal Only scheme with mitigation of down drift impacts (e.g. does not accelerate current trend of falling beach levels). At worst it will lead to Bacton Terminal scheme delays, resulting in the potential disruption of nationally important gas infrastructure with significant national damages. This option delivers no benefits to the Villages.

Seek to deliver an alternative scheme to protect the villages – An alternative option of rock placement was also considered alongside the Sandscaping option to deliver benefits to the Villages. A desk based assessment of rock options was completed for protection of the Villages frontage. Placed rock can provide certainty of protection (up to a point) from erosion, however, rock options across the frontage are costly with significant funding shortfalls and therefore are not considered viable. Such an approach is not wholly compliant with adopted Shoreline Management Plan policy, however, it was considered appropriate to investigate economic viability. Further additional flood management measures above this scheme for Bacton/Walcott Seafront are also being considered/delivered, these are progressing alongside the proposed scheme but are not detailed in this report.

Delaying a decision to finalise the Development Agreement, negotiate with landowners and progress with procurement – This option would lead to delays in the progression of consenting, development and delivery of the scheme. This delay extends the period in which the terminal is subjected to risk and also delays the time from which the communities would benefit from additional sediment. Delays may also impact on funding availability for the Villages scheme. Delaying decisions and scheme progression could have national reputational impacts.

Progressing with the scheme as recommended in this report – This option would enable NNDC to finalise the Development Agreement, begin the consenting process, negotiate with landowners as necessary and begin the procurement process. It provides an opportunity to maximize the likelihood of the funding gap for the villages element of the scheme to be financed. As with any major construction contract this option is not without risk, however, the final negotiation of the legal agreement and the detail of any future contracts will seek to minimise these risks to NNDC. Further work will also continue to identify possible methods of underwriting potential future financial risks should unexpected consequences occur.

Conclusions:

Following modelling and design work, all indications are

that the Bacton to Walcott Coastal Management (Sandscaping) Scheme will protect nationally important gas infrastructure and provide benefits to adjacent communities.

In order for the scheme to be eligible for Flood and Coastal Erosion Grant in Aid it will be necessary for a Risk Management Authority such as NNDC to lead the project. With NNDC leading the scheme, the Bacton Terminal Operators will be in a position to consider financing the remaining funding gap for the Village element of the scheme as well as the costs to protect the terminal.

The Development Agreement between NNDC and the terminal operators sets out their respective rights and obligations in relation to the works and in respect of which they wish to cooperate. It contains Conditions Precedent that are required to be met to enable NNDC to lead the delivery of the scheme (including procurement, consenting and construction) and the Terminal Operators to consider to meet any such funding gaps in the project once the value is finalised.

Although the methods of construction used to deliver such a scheme are well developed, the scale of this construction project is significant. There are risks to the delivery organisation and potential liabilities in the longer term operation of the scheme. The Development Agreement seeks to manage and mitigate risks to NNDC as far as possible and in a fair and open way with the terminal operators.

In order to deliver the scheme in the desired timeframe it is essential that the Environmental Impact Assessment process begins. This will include Public Information Events. In order for these to have a clear message it is necessary for the Development Agreement with the Terminal to be agreed, therefore it is recommended that Cabinet resolve to delegate the final negotiation and signing of the agreement.

A new offshore extraction site to provide sediment for the scheme was considered. This will not be pursued further and the required sediment will be provided from existing licenced marine extraction sites which will be determined through the tender and contract appointment.

The foreshore at Bacton is owned by The Crown Estate, NNDC's foreshore lease only extends to the Villages frontage. NNDC will be required to agree with The Crown Estate any licensing required to place the sediment and ownership of the newly created beach. It will also be necessary to discuss the proposal further with the other asset owners.

The scheme is developing at a pace and will require

increasing resources in order to progress delivery in the desired timeframes. It is recommended that a fixed term part time post, funded via the Environment Agency is agreed.

It must be noted that the scheme is subject to the granting of consents and licenses and will need to be considered in context with relevant environmental designations.

Recommendations:

Cabinet's resolves:

- a) To delegate authority to Corporate Director with consultation with Portfolio Holder to finalise negotiation and agree a Development Agreement with the Terminal Operators whereby NNDC is the lead partner for the delivery of the scheme.
- b) To delegate authority to Corporate Director with consultation with Portfolio Holder to negotiate and agree a position with The Crown Estate and any other asset owners as required for the delivery of the scheme.
- c) To agree to appoint personnel resources as appropriate for the delivery of the scheme, funded via Environment Agency Grant in Aid.
- d) Commence the process for tendering the construction contracts with appointment subject to Development Agreement conditions precedent being delivered.

Reasons for Recommendations:

- To enable the scheme to progress in order to maximise the likelihood of timely construction to protect national gas infrastructure and communities.
- To maximise on opportunities for funding the villages element of the scheme which would otherwise be unlikely to be possible.

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)

<i>Bacton to Walcott Coastal Management Final Report November 2015 (Confidential)</i>
<i>Bacton to Walcott Coastal Management Additional Investigations June 2016 (Confidential)</i>

Cabinet Member(s)	Ward(s) affected
Cllr. John Lee	Mundesley, Happisburgh, Waxham

Contact Officer, telephone number and email:

Rob Goodliffe, Coastal Manager, 01263 516321, Rob.Goodliffe@north-norfolk.gov.uk

1. Introduction

- 1.1 Bacton Gas Terminal supplies up to one third of UK gas supply and as such is nationally critical infrastructure. Over the past two and a half years North Norfolk District Council (NNDC) has worked with the operators of Bacton Gas Terminal, the Environment Agency and others to seek to develop a scheme which protects the terminal and benefits down drift communities.
- 1.2 The proposed Sandscaping approach draws on the learning from a successful Dutch example of coastal management and would be the first of its kind in the UK. There is a national government interest in the delivery of the scheme in order to protect gas supply whilst also demonstrating the innovative Sandscaping approach with public and private sector funding.
- 1.3 The scheme seeks to also deliver wider benefits to the adjacent down drift communities of Bacton and Walcott. These benefits will be realised by improving beach levels and by reducing the ongoing rate of falling beach levels in order to extend the operational life of the existing sea defences. Without the terminal scheme, no large scale coastal protection scheme has been identified as viable (under the National Flood and Coastal Erosion Risk Management (FCERM) approach) for the coastal frontage.
- 1.4 Government has confirmed, following clarifications sought by the gas operators and NNDC that there is no government funding for the protection of the terminal, therefore this will have to be funded privately. The Villages frontage is eligible for FCERM grant, however, significant partnership funding contributions are required.
- 1.5 Alternative coastal management options were considered in comparison with the Sandscaping scheme. Although some options could provide further confidence in defence, they are not considered economically viable due to significant funding gaps and they are not wholly supported by the adopted Shoreline Management Plan Policies. These options are outlined alongside the Sandscaping proposal in Appendix A.
- 1.6 Additional flood alleviation measures above those which the proposal will provide are being investigated or delivered at Bacton and Walcott, these are not detailed further in his report.
- 1.7 Due to limitations in the national approach to Coastal Adaptation (coastal management in the absence of continued sea defence maintenance), this option was not considered at this time, however, following the implementation of this scheme continued resources are required in developing such approaches across the East Coast and are expected to be required in the medium term on this frontage.
- 1.8 Please refer to 2016 October 31 Cabinet report titled Joint Bacton and Walcott Coastal Management Scheme for background, issues, policy, current management, approaches considered and scheme outline.

- 1.9 This report sets out scheme progress and a proposal following the October Cabinet, the Sandscaping proposal and seeks Cabinet approval for North Norfolk District Council (NNDC) to become the lead delivery partner in scheme consents/licences, procurement and construction for the joint scheme to protect the terminal and enhance the position of the villages. NNDC (or another Risk Management Authority) is required to lead the project in order to receive FCERM Grant in Aid. NNDC leading the project also opens the opportunity, subject to conditions being met, for the Bacton Gas Terminal operators to consider financing the funding gap for the Villages element of the scheme once the size of the gap is finalised.
- 1.10 The scheme will need to be delivered in the late spring/summer period and the target year for construction is currently 2018. It must be noted that this timeframe is very constrained and any delays are likely to impact of the programme therefore this will be kept under review.
- 1.11 There is national and international interest in the project and an expectation from central government that the Terminal will be protected in order to secure national gas supply.
- 1.12 The scheme is still subject to the necessary consent and licencing requirements being obtained.

Scheme Progression and Proposal

2. Investigations into a new Licenced Area for sediment extraction

- 2.1.1 The proposed Sandscaping scheme will require sediment (sand) to be sourced and extracted from the North Sea. There are existing extraction sites available offshore from Great Yarmouth and elsewhere.
- 2.1.2 An alternative extraction site for the required sediment was considered. Following investigation, it was decided that this option would not be pursued as the sediment available was of a fine grading which posed technical challenges to the longer term performance of the scheme whilst also creating uncertainty and increased risks during consenting. Therefore, the sediment required will be sourced from an already licenced marine extraction site which will be determined through the contract tendering and award process.

3. Design and Modelling

- 3.1.1 Design and modelling of the scheme has been led by Royal Haskoning DHV, a leading coastal engineering consultant with specialist modelling input from HR Wallingford, another leading coastal modelling specialist. Royal Haskoning DHV have also utilised the learning from the equivalent Dutch Scheme (Sand Motor (also known as Sand Engine), located on the coast near between Hook of Holland and The Hague, The Netherlands)), by involving Deltares / Delft University of Technology.
- 3.1.2 Three modelling techniques have been used in order to capture coastal processes, minimise uncertainty and to assist with designing the details of the scheme. This proposal has been modelled to a greater extent than other coastal schemes, however, there is always an element of

uncertainty as to the ultimate functional performance once construction has been completed.

- 3.1.3 Modelling has been completed in relation to the scheme's two main objectives: protection of the terminal and improvement of the beaches at the Villages (Bacton and Walcott). It has refined options to optimise performance of the Sandscaping scheme in consideration of sediment volume and wider constraints such as coastal processes and environmental designations.
- 3.1.4 The proposed scheme seeks to deliver a total of approximately 1.5 million m³ of sediment across the frontage between a location approximately 300m west of the terminal to Ostend Gap. The highest proportion of the scheme (the head) will be located in front of the terminal to provide the level of protection for this national asset and will be funded privately. The remaining sediment will form a tail from the terminal across the Villages frontage. There is potential to extend the tail of the placement further to include the cliff frontage at Coastline Village, this is being explored further.
- 3.1.5 Details of the scheme design will continue to be developed throughout the Environmental Impact Assessment process and also during the final contract appointment (in order to take advantage of any opportunities should they occur). Subject to funding there may be opportunities to increase the volume of sediment placed across the villages frontage and this opportunity will be kept open.
- 3.1.6 The scheme is designed to extend the operational life of the existing villages defences, estimates of the extended sea defence life is provided in Public Appendix B.
- 3.1.7 The scheme has been modelled with a sediment size to match the existing foreshore (average (d₅₀) of 0.350mm). There may be opportunities to increase the size of the sediment in order to slow movement, reduce beach losses and reduce the risk of windblown sand. This will be considered further as the scheme develops.
- 3.1.8 The nourishment of the beach, will erode over time (quite quickly to begin with). Much of the eroded material will feed and enhance the levels of the adjacent beaches, therefore a good proportion eroded from the placement in front of the terminal, is anticipated to nourish the beaches in front of Bacton and Walcott as coastal processes move the sediment across the frontage. The improved beaches then extend the expected life of the existing defences as well as protecting the coast in their own right.
- 3.1.9 Further details of anticipated beach levels over time is provided in Public Appendix C for indicative beach level information.
- 3.1.10 Wider benefits for the coast down drift (Happisburgh and on to Waxham Ward) are not identified in the modelling, however, due to coastal processes it is reasonable to assume that a proportion of this sediment will, over time, move across those frontages.
- 3.1.11 Work will continue to enhance and optimise the scheme.

4. Costs and Funding

- 4.1.1 Following modelling and design the estimated scheme costs for the proposed option is £17M, the enhanced scheme £18.7M. This includes, project and contract management, construction and optimism bias at 20% (Flood and Coastal Erosion Risk Management Guidance equivalent to a contingency). The estimate includes £4.8M to fund the villages element of the scheme.
- 4.1.2 The government will not fund the protection of the terminal and therefore this will need to be funded by the Bacton Terminal Operators.
- 4.1.3 The community element of the scheme is eligible for government FCERM Grant in Aid, however, as the area is largely rural, additional contributions must be identified to fund the scheme.
- 4.1.4 The current funding position for the villages element to the scheme:
- Flood and Coastal Erosion Risk Management Grant in Aid is estimated at being approximately £2.7M, an Outline Business Case is to be prepared and will require Environment Agency approval.
 - An additional £120,000 has been allocated to the scheme from Defra's Natural Flood Management Fund. A further approach for additional funding is being made.
 - No additional funds were identified for the scheme in the governments Autumn Statement.
 - £500,000 allocation from the Local Levy by the Regional Flood and Coast Committee
 - NNDC Full Council agreed Cabinets recommendation for a £500,000 contribution from North Norfolk District Council
 - A Business Case has been submitted to the New Anglia LEP, in order that it be considered for New Anglia's Growth Deal funding, from which at least £1m is sought.
 - NNDC and the project team continue to seek additional funds, this includes potential NERC funded monitoring projects and EU Horizon 2020 opportunities.
 - Other local funding opportunities also need to be explored.
 - It should be noted that the Development Agreement includes provisions that the Bacton Terminal Operators will consider to finance the additional funds required to enable the joint scheme to progress (subject to conditions). NNDC will continue efforts to secure third party funding, in the event that it fails to secure all funding for the villages element of the scheme, once the size of the gap is finalised, the Terminal Operators will consider bridging the funding gap on the proviso that NNDC have demonstrated reasonable endeavours to secure funding. Current estimates identify a £1M villages funding gap. The Operators will need to be satisfied that no further funding opportunities were available to NNDC.

5. Consenting

- 5.1 The consenting and licensing process for the scheme is currently being led and funded by the Terminal Operators. The Environmental Impact Assessment (EIA) process has begun and this will widen to include public drop in events following Development Agreement finalisation. The EIA will seek to establish that there will be no negative impacts economically, socially or environmentally. North Norfolk District Council as the Statutory Authority

has a responsibility to ensure that the proposal will not have any negative impacts on the communities and protected sites along this stretch of coast.

- 5.2 It is anticipated that a Planning Application, Marine Licence and Coast Protection notification will be submitted towards the end of the year. NNDC as the leading delivery partner following the approval of the Development Agreement will be named as applicant on consents and licences.

6. Communications

- 6.1 A Communications Plan has been developed by NNDC and agreed with the operators. The delivery of the plan is subject to the Development Agreement being finalised and agreed.
- 6.2 In anticipation of Cabinet resolving this reports resolutions and that NNDC can finalise the agreement, NNDC is provisionally arranging public drop in events at Bacton and Walcott on 12 and 13 July 2017 to provide further information to the local communities and as part of a pre-application/Environmental impact Assessment consultation process. It is anticipated that a further opportunity for the NNDC Coastal Forum and Parish Councillors local to the scheme will be arranged on the 10 July 2017.

7. Resourcing

- 7.1 The scheme is complex and is developing at a pace which will increase with NNDC taking a lead role whilst drawing on support and expertise of our partners in Coastal Partnership East. Upcoming resourcing requirements to the project include input into Environmental Impact Assessments, development and delivery of public drop in sessions, development of a local liaison group, communications updates, development of tender documentation, final negotiation of a legal agreement between the operators and NNDC, land owner negotiation, consideration of modelling and design results, project management and wider assessment of project enhancements and risk management.
- 7.2 Currently the NNDC aspect of the project is led by the Coastal Manager as part of a wider role with legal support from East Law. Realistically the project requires additional resource beyond that available in order to enable timely development and delivery within the desired timeframes.
- 7.3 Within the current Environment Agency (EA) project funding, there is provision for appointment of additional resource. This is being considered further and it is anticipated that should it be required, additional resources may be made available through the EA.
- 7.4 It is proposed to recruit additional support as appropriate, to be funded via Environment Agency Grant in Aid.

8. Development Agreement

- 8.1 A Development Agreement between NNDC and the Terminal Operators has been drafted to position NNDC as the lead delivery body for the procurement, consenting and construction of a joint scheme. Please see Exempt Appendix E to view the current draft (at time of report submission), please note that further negotiation is underway. Key financial and other risks and implications are detailed in section 9 and 11 of this report.

- 8.2 In order to receive FCERM Grant in Aid NNDC (or another Risk Management Authority) is required to lead the project. The Bacton Terminal Operators also desire NNDC to take a lead and will consider, subject to conditions, to finance the funding gap for the villages element of the scheme.
- 8.3 Specialist legal advice has been sought to ensure that potential risks and liabilities of the project are managed alongside setting out an efficient delivery model that ensures the scheme can progress, confidentiality can be maintained for the terminal operators, and financing is secured.
- 8.4 Under the agreement terms NNDC will be the lead body in seeking consents such as Planning Permission, Marine Licences and Coast Protection Notification. NNDC will also be required to make agreements with other parties such as the owners of the foreshore and procure the works.
- 8.5 The Development Agreement is subject to Condition Precedents as set out at clause 4 of the Agreement. Each party will exercise reasonable endeavours to satisfy each of the Conditions President for which it is responsible. NNDC will not enter into the works phase until these obligations are fulfilled.
- 8.6 There will be a need to develop longer term scheme monitoring plans between the terminal and NNDC in order to assess scheme performance and conform with likely consenting/licencing conditions. This will be considered in the agreement and will be required to be adequately funded.
- 8.7 The agreement also sets out how actions will be funded and managed should the scheme not perform as expected.
- 8.8 Please see the Development Agreement in exempt appendices for full details. Continued negotiations are currently being completed.

9. Procurement

- 9.1 In order to progress the scheme within the desired timeframes procurement for construction will commence in parallel with the consent/licencing process. The contract will not be awarded until the conditions precedent of the Development Agreement have been suitably discharged and as such after consents/licences are in place.
- 9.2 Procurement is expected to be completed through an established Framework, either, the Environment Agency's Water Environment Management (WEM) Framework or SCAPE. Both comply with all necessary legislative requirements. A decision regarding the Framework to be used will be made as soon as possible following Cabinet approval in order for the project to progress.

10. Financial Implications and Risks

Financial Implications

- 10.1 This is a multi-million-pound scheme which is in the national spotlight. NNDC will be the contracting body therefore there are, as with any construction project, financial implications, liabilities and risks. These implications, liabilities and risks will be sought to be managed through the careful delivery of the project programme, post project arrangements, the Development Agreement, the Communications Plan, the procurement process and the construction contract.

10.2 Please see table below identifying financial risks and implications.

10.3 **Table Outlining Financial Implications and Risks**

	Financial Risk/Implication	Mitigation	Residual Risk
1	Finances are not secured prior to contract award.	<ul style="list-style-type: none"> Financial security mechanism agreed in Development Agreement – under identification. Legal advice received is this is a normal risk in large construction contracts and can be managed through the use of appropriate financing tools. Construction Contract not entered into until finances and consents are in place. 	Low
2	Finances not available when required for payment of Construction and other contractors, leading to contract claims, delays in works etc.	<ul style="list-style-type: none"> Development Agreement to include agreed mechanism to ensure funds are in place for NNDC, currently under development. 	Low/Medium
3	Tender process commencement pre consenting/licences leads to consent/licence requirements impacting on contract price	<ul style="list-style-type: none"> Requirements anticipated and included in tender documentation Contract is not appointed until consenting/licencing is completed therefore any additional requirements can be included in tender evaluation/negotiated with contractors. Increases in scheme value pre contract included as project cost under Development Agreement, not impacting on NNDC financially. 	Low
4	Following/during implementation there are unintended consequences (e.g. issues with wind-blown sand, erosion hot spot, impacts to other users)	<ul style="list-style-type: none"> Management of unintended consequences included in the Development Agreement with a shared liability between NNDC and the Operators – details to be finalised. NNDC to include unintended consequences risk in Outline 	Medium – there remains a financial risk until Environment Agency Approval of the Outline Business

	requiring rectification/response leading to reputation and financial risks	<p>Business Case for Environment Agency approval and inclusion of contribution of future costs borne by NNDC.</p> <ul style="list-style-type: none"> Further investigation underway to mitigate financial risk further such as a request to government for assistance and investigation into the potential for insurance. 	Case and agreement that the EA programme can bear the costs of unintended consequences, or, an alternative underwriting option identified.
5	Additional resources required to deliver the scheme – consultants/staff	<ul style="list-style-type: none"> Cost for initial support for the scheme development included in a grant variation to the Environment Agency. Further consultancy and staff resources to be included in Outline Business Case for Environment Agency funding approval. 	Low
6	Costs associated with ongoing coastal monitoring relating to consent/licencing requirements.	<ul style="list-style-type: none"> Bacton Terminal operators and NNDC (through EA) already complete coastal monitoring. Additional monitoring requirements may be required, some of these may be completed through interested academic institutions or may require additional funds. Monitoring Plan to be developed as part of the EIA consenting process, delivery to be discussed and agreed with Terminal Operators. 	<p>Low - Monitoring requirements will become clear following consenting/licencing.</p> <p>Potential to seek to include additional monitoring and funding in EA Anglian Monitoring programme or as part of Outline Business Case.</p>
7	Sediment size extracted and placed not within design the specification leading to performance and	<ul style="list-style-type: none"> Contract developed to ensure sediment size is managed. 	Low

	consenting/licensing issues and potential additional project costs.		
8	Sediment placed on site of wrong specification leading to removal and replacement costs.	<ul style="list-style-type: none"> • Safeguards in contract to ensure sediment is monitored and alternative actions available if required. • Where possible flexibility in sediment specification known (for performance and environmental considerations) prior to consenting to ensure inclusion. 	Low
9	Challenge form HM Revenue and Customs in relation to management of VAT in the delivery of the scheme	<ul style="list-style-type: none"> • Vat advice being sought to ensure project manages VAT claims as appropriate. 	Low

11. Risks

11.1 Risks and implications will continue to be monitored and managed as the scheme progresses and in the finalisation of the Development Agreement. Please note that risk numbering below extends from financial risk annotation above to aid clarity.

11.2 Table outlining wider Development Agreement and project risks

	Risk/Implication	Mitigation	Residual Risk
10	Scheme not constructed impacting on the Gas Terminal (National damages and reputational risk) and local communities (continued increasing risk of short term sea defence failure)	<ul style="list-style-type: none"> • Continued engagement in joint approach to Bacton and Walcott Coastal Management Scheme. 	Medium
11	Scheme does not perform and	<ul style="list-style-type: none"> • The scheme has been extensively modelled to a high level. 	Medium – there is a

	provide the benefits intended	<ul style="list-style-type: none"> • There are uncertainties, however, these have been reduced to a minimum. • Modelling has assisted with refining the design to maximise on the desired scheme performance. • The scheme has drawn on expertise from those who have implemented and monitored the similar Dutch approach. 	risk the scheme performs in an unexpected way; this could be positive or negative. The Dutch example has over performed.
12	Not progressing creating reputational impacts	<ul style="list-style-type: none"> • All partners have and continue to input into the project programme to ensure deliverability, this will be kept under review. • Timeframes are constrained for delivery in the 2018 late spring/summer window. • NNDC continues to lobby government for assistance in delivery and post-delivery risk management. Partners have positive working relationship seeking an outcome for all. • NNDC is seeking to provide additional resource to the scheme. 	Medium – the programme is constrained and any delay will have consequences.
13	Limited acceptance from local communities regarding Sandscaping concept impacting on reputation and wider buy in.	<ul style="list-style-type: none"> • Public Events, subject to project progression, will be held to explain the project and seek understanding and support. • There is no identified scope for a alternative large scale schemes for Bacton or Walcott. • Communications Plan has been agreed by all parties. 	Medium
15	The scheme development and delivery programme is tight for a 2018 delivery window. Any delays could impact on the willingness of	<ul style="list-style-type: none"> • NNDC seeking to provide additional resource to the project and have inputted to date in a timely way. • Continued assessment of the programme and progression 	Medium – programme slippage Low – Operators progress without

	the Bacton Terminal Operators to wait for deployment of a scheme to protect gas infrastructure.	<p>of key tasks.</p> <ul style="list-style-type: none"> • Scheme has developed well with operators and good buy in by all partners at present. 	villages scheme.
16	There is significant high level national interest in the delivery of a Sandscaping scheme and in the protection of Bacton Gas Terminal. NNDC not progressing a viable scheme (with risks and liabilities appropriately managed) role could attract criticism.	<ul style="list-style-type: none"> • NNDC progressing with the scheme and working alongside the Environment Agency and the Bacton Terminal operators. • Updates provided to government as required. • Issues such as long term scheme liabilities raised through EA in order to seek assistance. 	Low
17	Non delivery of the scheme in desired timeframe will leave national gas infrastructure and the communities in a vulnerable position. Any failures due to delays in the programme could be receive negative criticism.	<ul style="list-style-type: none"> • Resource request submitted and supported by the Environment Agency. • Partners continue to work together with target delivery date. • There is a need to begin procurement process as soon as possible (with appointment after consent/licencing process and challenge period). 	Medium
18	The scheme is an innovative UK first with significant private investment, this would be a significant positive project for North Norfolk and enhance the location (tourism) and local reputation.	<ul style="list-style-type: none"> • Capitalise on positive messages and longer term local benefits for tourism and academic research. 	N/A
19	Consents and licencing for any aspect of the scheme are not forthcoming or have unrealistic conditions, creating delays/project	<ul style="list-style-type: none"> • Continued liaison with consenting bodies and advisory authorities. • A need to progress EIA process as soon as possible and 	Medium – New extraction site is challenging.

	stalling	engagement with communities.	
20	Consents/licences are challenged, creating delays/project stalling	<ul style="list-style-type: none"> Processes are followed. 	Medium
21	Sediment size	<ul style="list-style-type: none"> Contractors approached regarding licences sediment extraction sites and confirmation that sediment is available. 	Low
22	Contractors unable to deliver scheme in preferred timeframe	<ul style="list-style-type: none"> Managed through tender process. As a UK first it is anticipated that contractors will be keen to deliver the scheme, however, it will depend on when appropriate vessels are available. 	Low/Medium
23	Delays in consenting/programme creating delays in delivery and claims from contractor	<ul style="list-style-type: none"> Main Construction Contractor not to be appointed until after consents/licences are provided and any additional conditions have been negotiated where they may have an impact on cost/delivery. Wide ranging EIA process completed to identify issues to assist with any mitigation required and reduce delays in consenting process. Liaison with consenting bodies. 	Low – Contractor claims Medium/High - consenting
24	Impacts to local tourism during construction (27/7 tidal working)	<ul style="list-style-type: none"> Further assessment will be required during the Public Events and EIA process. The project will potentially be a spectacle attracting visitors to the coast, however, there may be concerns close to the onshore construction site relating to noise and light. This will need to be considered further. 	Medium

25		•	
26	Unable to suitably underwrite or insure project risks	<ul style="list-style-type: none"> Investigations are ongoing to identify opportunities to manage project and longer term liabilities. 	High

12. Sustainability

- 12.1 The proposal is within policy of the Shoreline Management Plan which was subjected to significant consultation and assessment prior to adoption.
- 12.2 Wider implications and impacts on economy, environment and society will be further explored during environmental impact assessments and other associated studies.
- 12.3 The scheme is expected to naturally decommission.
- 12.4 The proposal seeks to provide protection for terminal assets whilst providing time for the villages to seek longer term solutions.
- 12.5 Due to the need to utilise shipping and plant for the construction of the scheme it will contribute to CO2 emissions. No work has been completed to quantify the level of emissions. Should further understanding be desirable it will be raised at the Marine Knowledge Exchange Network and the Norfolk Suffolk Coastal Network to consider the potential for research opportunities.
- 12.6 The project poses many opportunities for research, learning and the development of potentially nationally and internationally significant coastal management options. The project will be considered further by Marine Knowledge Exchange Network and the Norfolk Suffolk Coastal Network to identify potential research opportunities. Topic areas could be diverse from coastal monitoring (potentially assisting with fulfilling monitoring requirements), environmental, marine, social or economic.
- 12.7 The scheme as part of the FCERM Grant in Aid process will be subject to scrutiny through the Environment Agency FCERM Large Project Review Group.

13. Equality and Diversity

- 13.1 This project seeks the best potential outcome for communities on the coast.
- 13.2 The scheme as part of the FCERM Grant in Aid process will be subject to scrutiny through the Environment Agency FCERM Large Project Review Group.

14. Section 17 Crime and Disorder considerations

- 14.1 Bacton Gas Terminal is actively monitored and secured by Police. As the project progresses liaison will be required with the relevant authorities to ensure security is not compromised during or post construction.
- 14.2 No significant crime and disorder issues have been highlighted to date, the matter will be kept under review.

Public Appendix A

Option name	Volume of first nourishment (Mm3)	Cost of first intervention (nourishment and/or rock) (£M)	Nourishment life for Terminal to maintain required level of protection (years)	Cost (cash) of Villages intervention (nourishment/rock) (£M)	Village benefits (£M)	FCERM Grant in Aid (Environment Agency) (£M)	Other funding secured for Sandscaping - NNDC, Local Levy, NFM (not confirmed for rock)	Village gap with funding
Terminal protection only, including down drift mitigation								
A - Terminal Protection with mitigation only - 1M m3 (assumed, not modelled)	1.00	12.2	16	-	-	-	-	-
Terminal protection and Bacton Green protection only								
B - Terminal and Bacton placement only	1.20	14.4	16	2.2	3.5	0.6	1.1	0.5
Terminal protection and Bacton Green with additional sediment for Walcott and Ostend								
C- Proposed Sandscaping Scheme	1.42	17.0	16	4.8	17.3	2.7	1.1	1.0
D - Proposed Sandscaping Scheme (enhanced)	1.53	18.7	16	6.5	21.7	3.4	1.1	2.0
Terminal protection with rock for Walcott								
E - Stand-alone rock scheme for Bacton to Ostend potentially compatible with terminal only scheme	-	10.9	-	10.9	28.5	5.1	1.0	4.8
F – Option B + rock option from Watchhouse Lane to Coastline Villages	1.20	21.7	16	9.5	29.0	5.0	1.1	3.4
G – Option B + rock option from Watchhouse Lane to Ostend Gap	1.20	20.2	16	8.0	22.2	3.8	1.1	3.2
H – Option B + rock option Rudrams Gap to Coastline Village	1.20	20.2	16	8.0	27.2	4.7	1.1	2.2
I - Option B + rock option Walcott Seafront to Coastline Village	1.20	19.3	16	7.1	26.3	4.5	1.1	1.5

Public Appendix B

Table identifying estimated residual life of sea defences from base year (2017)

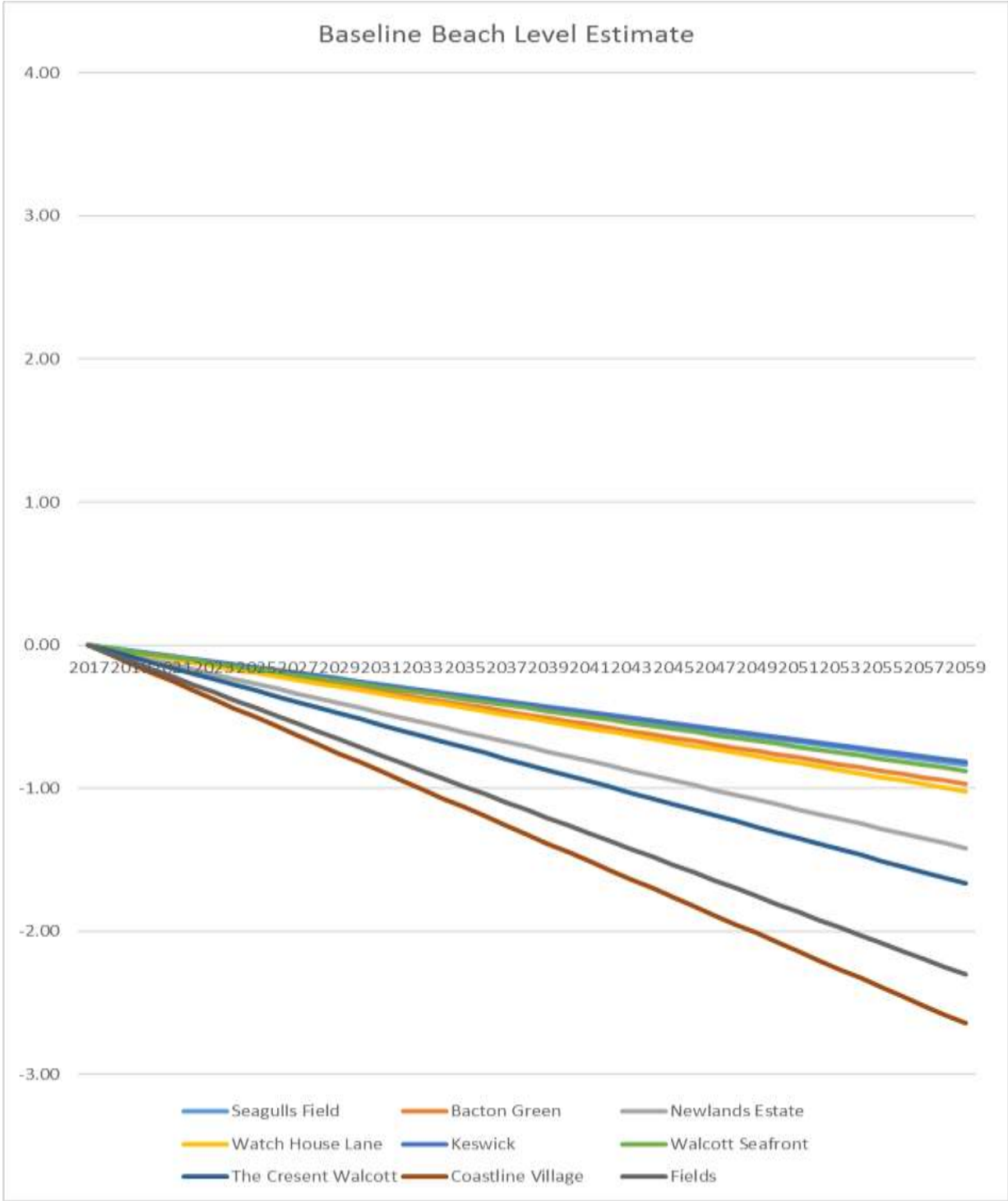
Option Location	(A) Terminal Placement with mitigation Only	(B) Terminal and Bacton placement only	(C) Proposal	(D) Proposal (enhanced)	(E) Stand-alone rock scheme for Bacton to Ostend potentially compatible with terminal only scheme	(F) Terminal and Bacton placement only + rock option from Watch house Lane to Coastline Villages	(G) Terminal and Bacton placement only + rock option from Watch house Lane to Ostend Gap	(H) Terminal and Bacton placement only + rock option Rudrams Gap to Coastline Village	(I) Terminal and Bacton placement only + rock option Walcott Seafront to Coastline Village
Seagulls Field	0	29	34	36	29	29	29	29	29
Bacton Green	5	50	50	50	50	50	50	50	50
Newlands Estate	5	9	39	50	50	9	9	9	9
Watchhouse Lane	5	5	30	50	50	50	50	5	5
Keswick	15	16	50	50	50	50	50	50	0
Walcott Seafront	5	5	21	34	50	50	50	50	50
The Crescent, Walcott	5	5	14	19	50	50	50	50	50
Coastline Village	0	0	0	0	50	50	0	50	50
Within adopted Shoreline Management Plan Policy	Yes	Yes	Yes	Yes (subject to funds)	No	No	No	No	No
Funding Gap	N/A	£0.7M	£1.0M	£2.0M	£4.8M	£3.4M	£1.9M	£2.2M	£1.5M

Public Appendix C

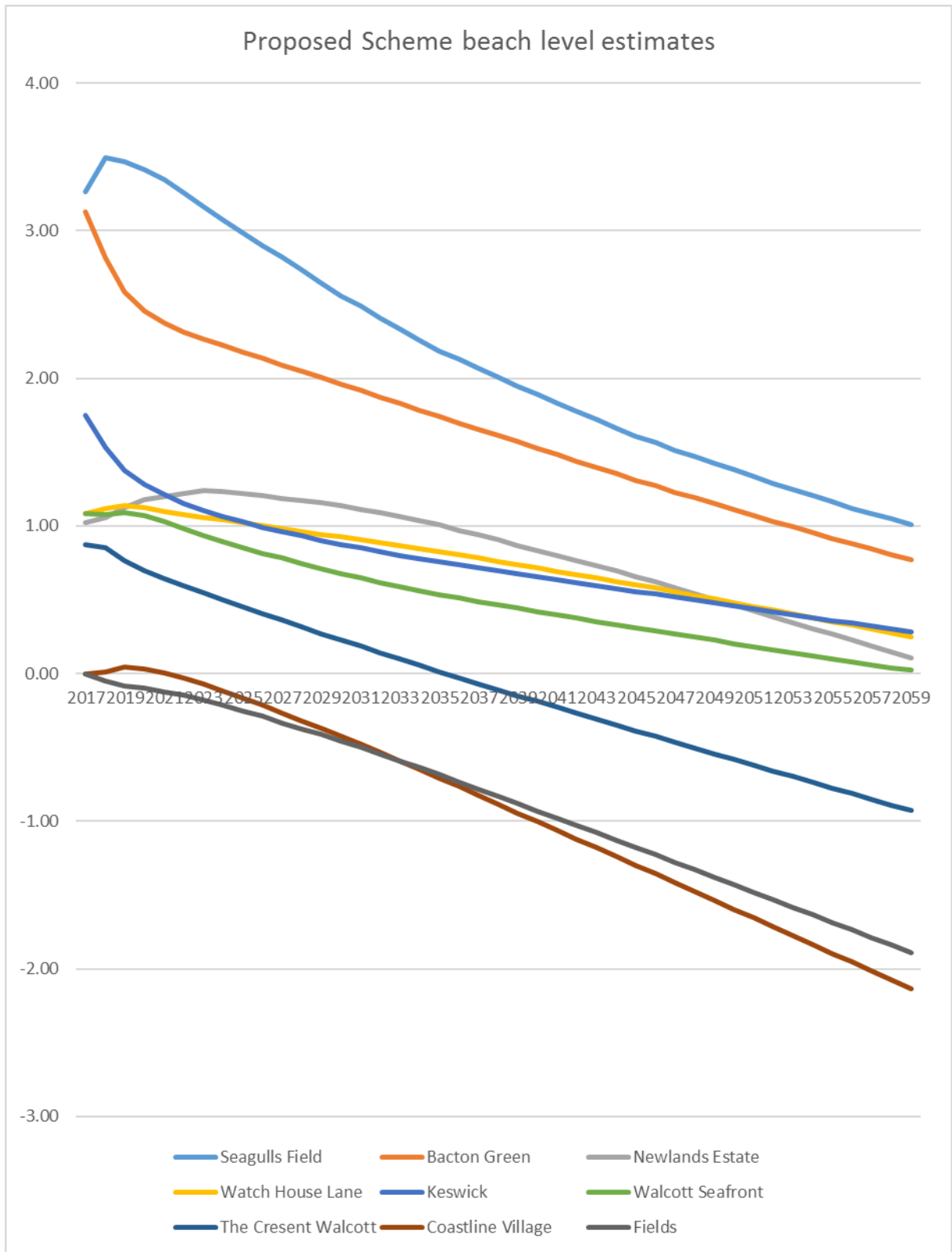
Graphs interpreting modelling estimates of beach level change.

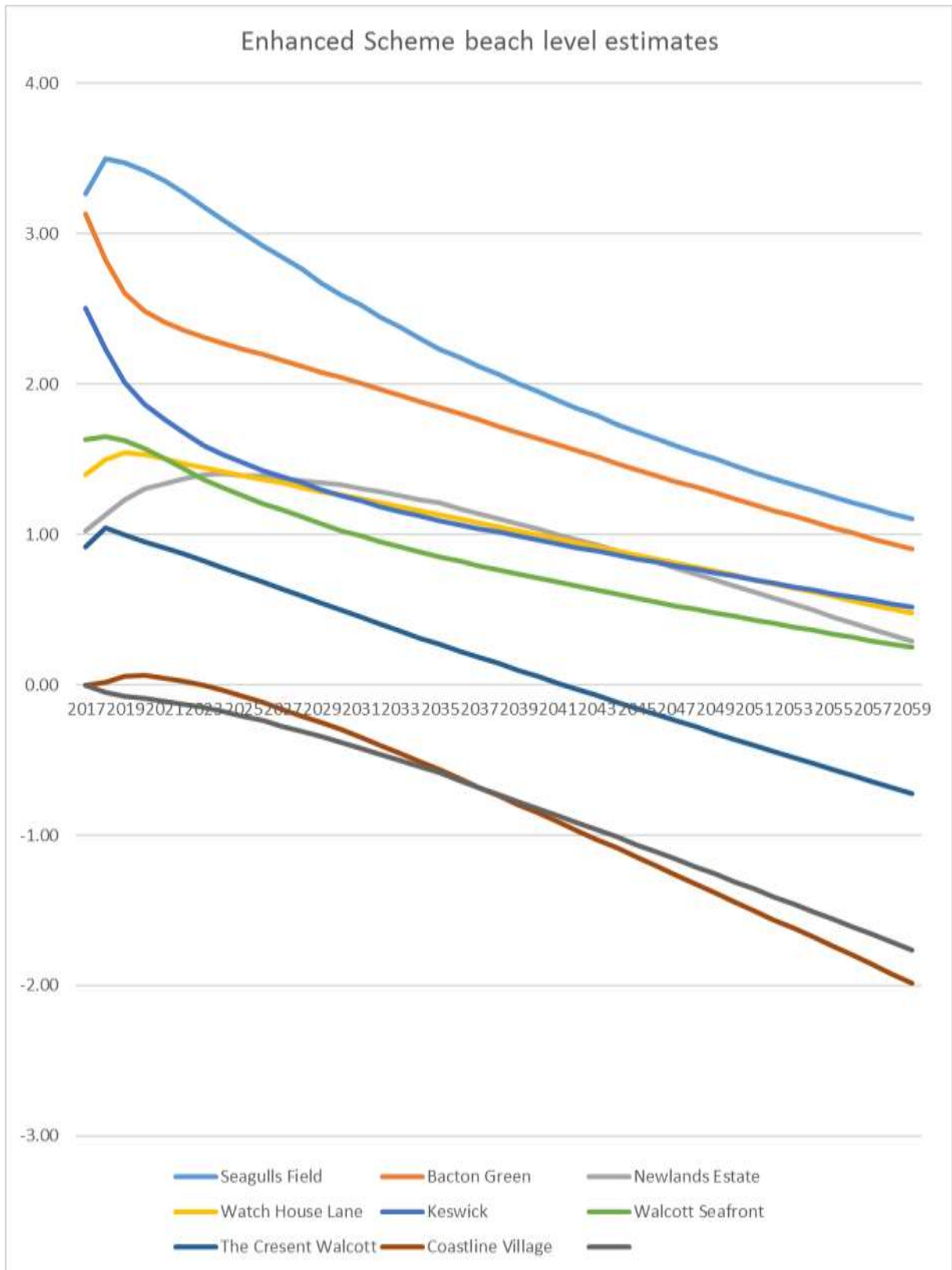
Please note that in all graphs below:

- X Axis – Time in years
- Y Axis – Average beach level estimate from 2017 baseline (m)

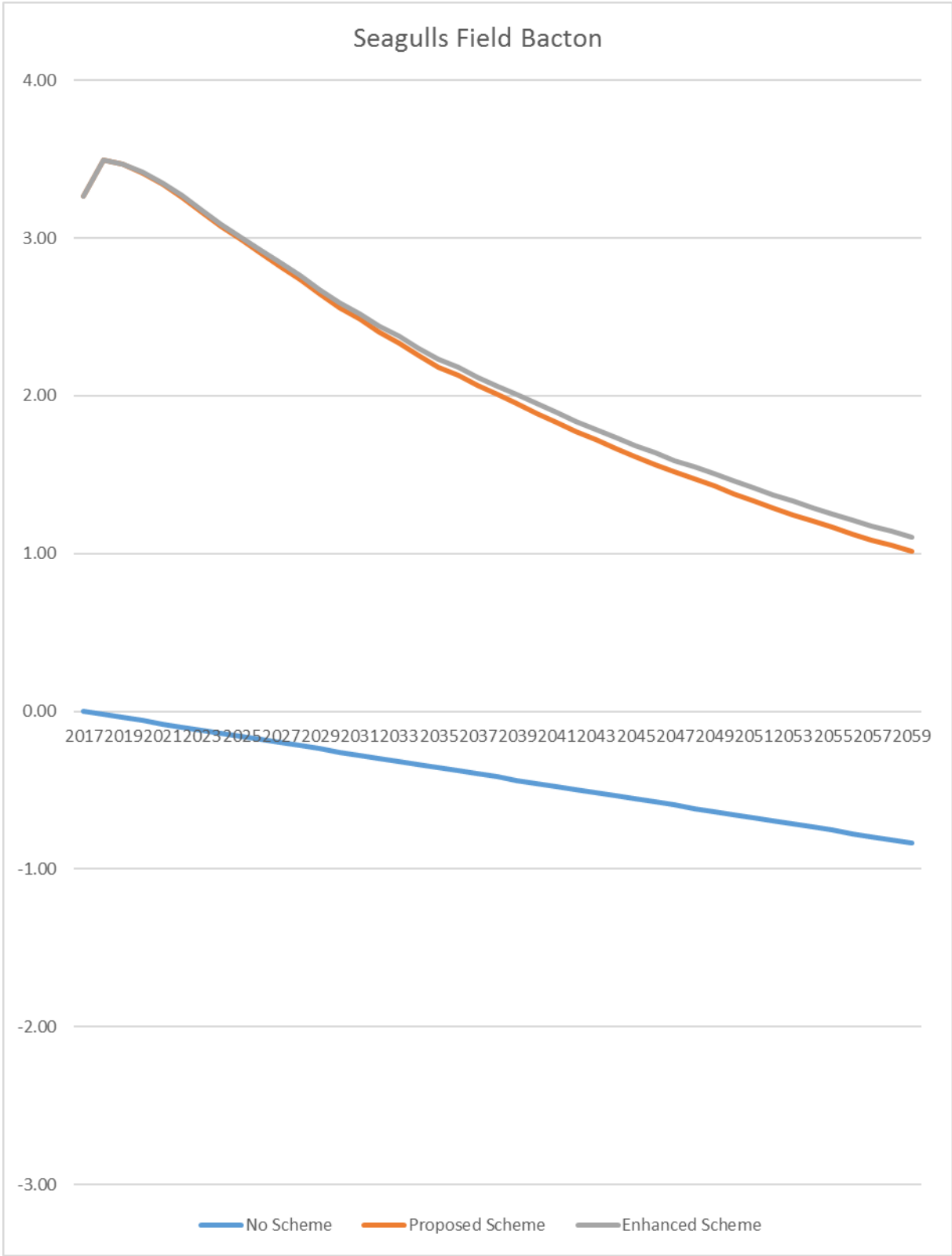


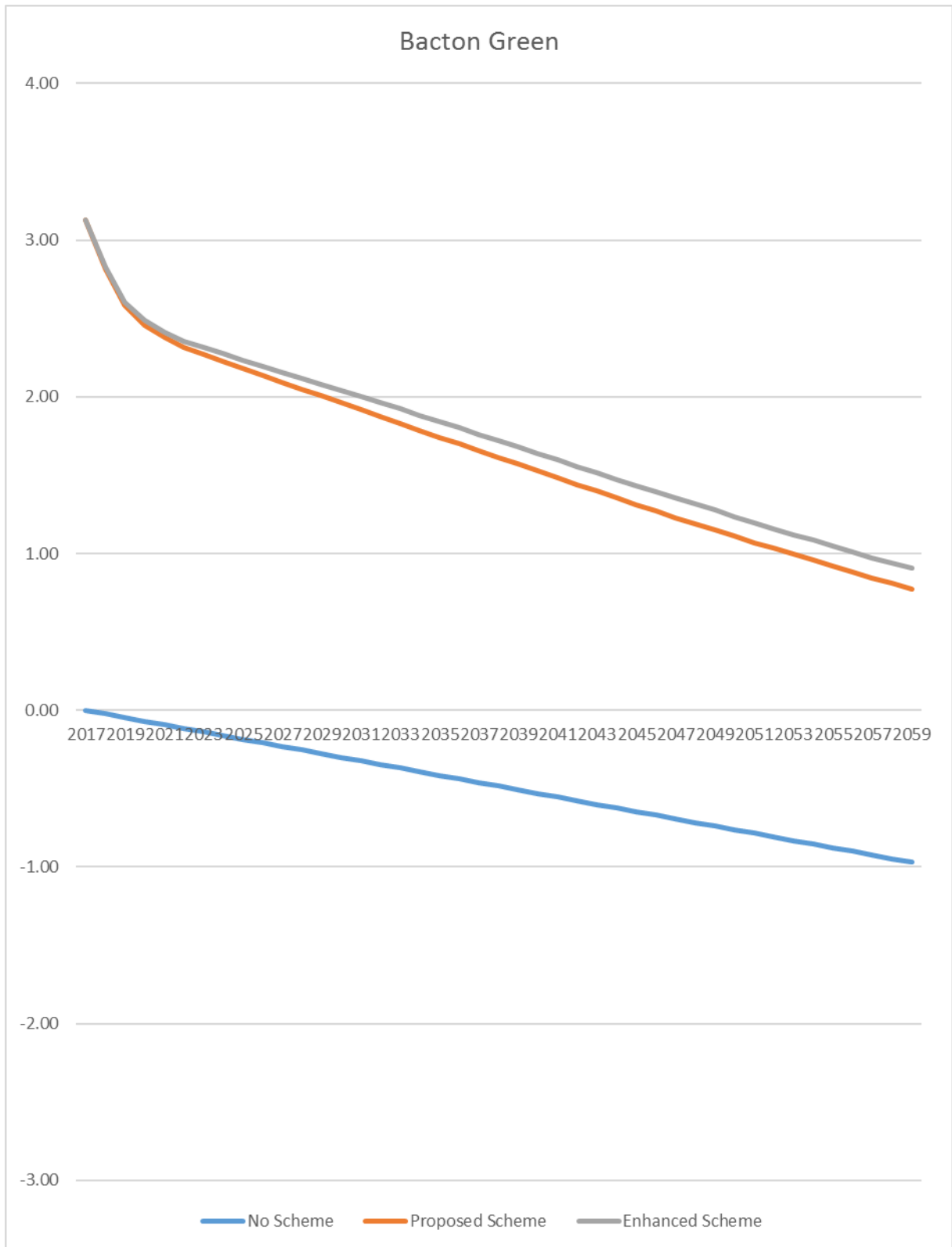
Note: Estimate projects continuation of current beach level trends, without a scheme beach levels are expected to continue to fall

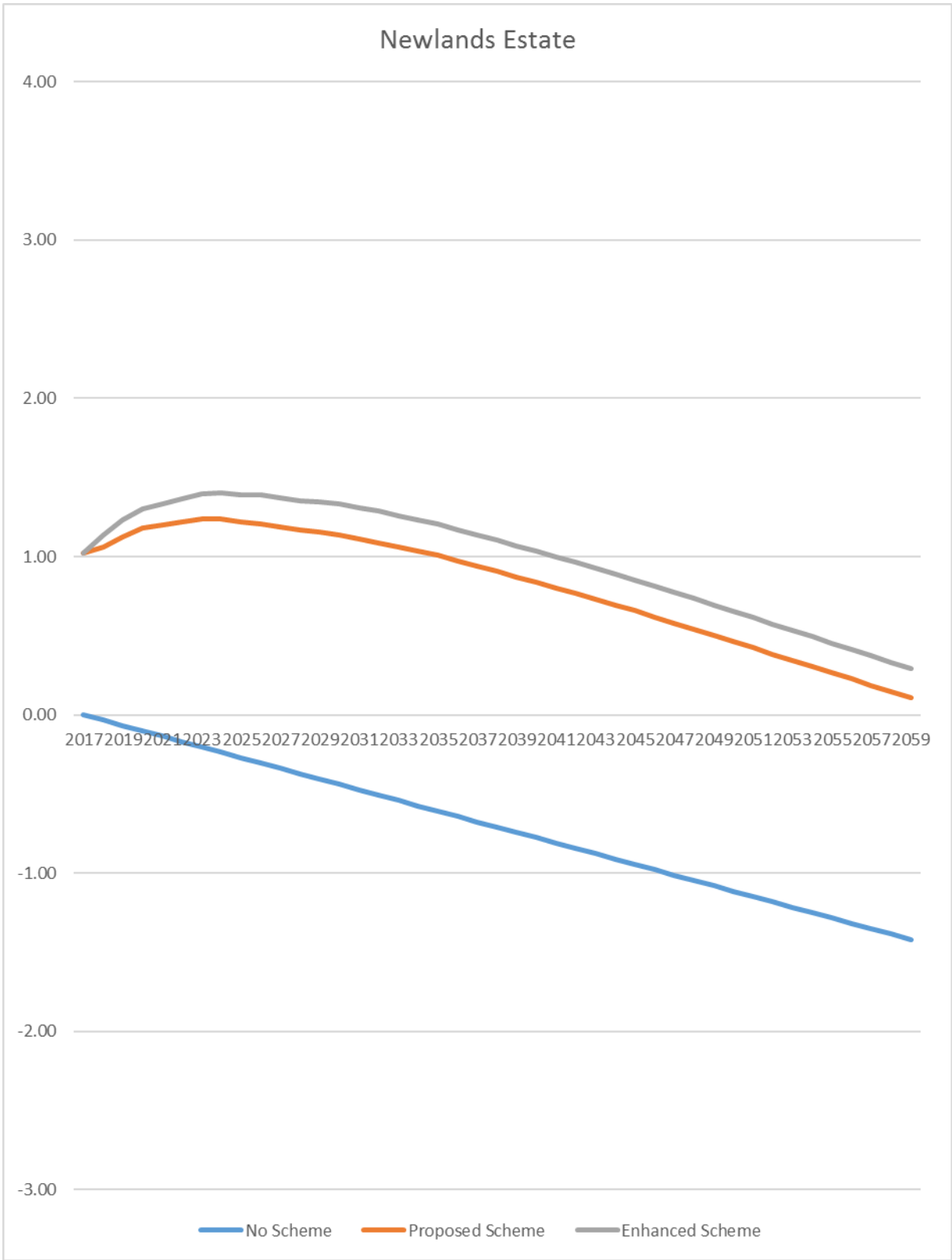


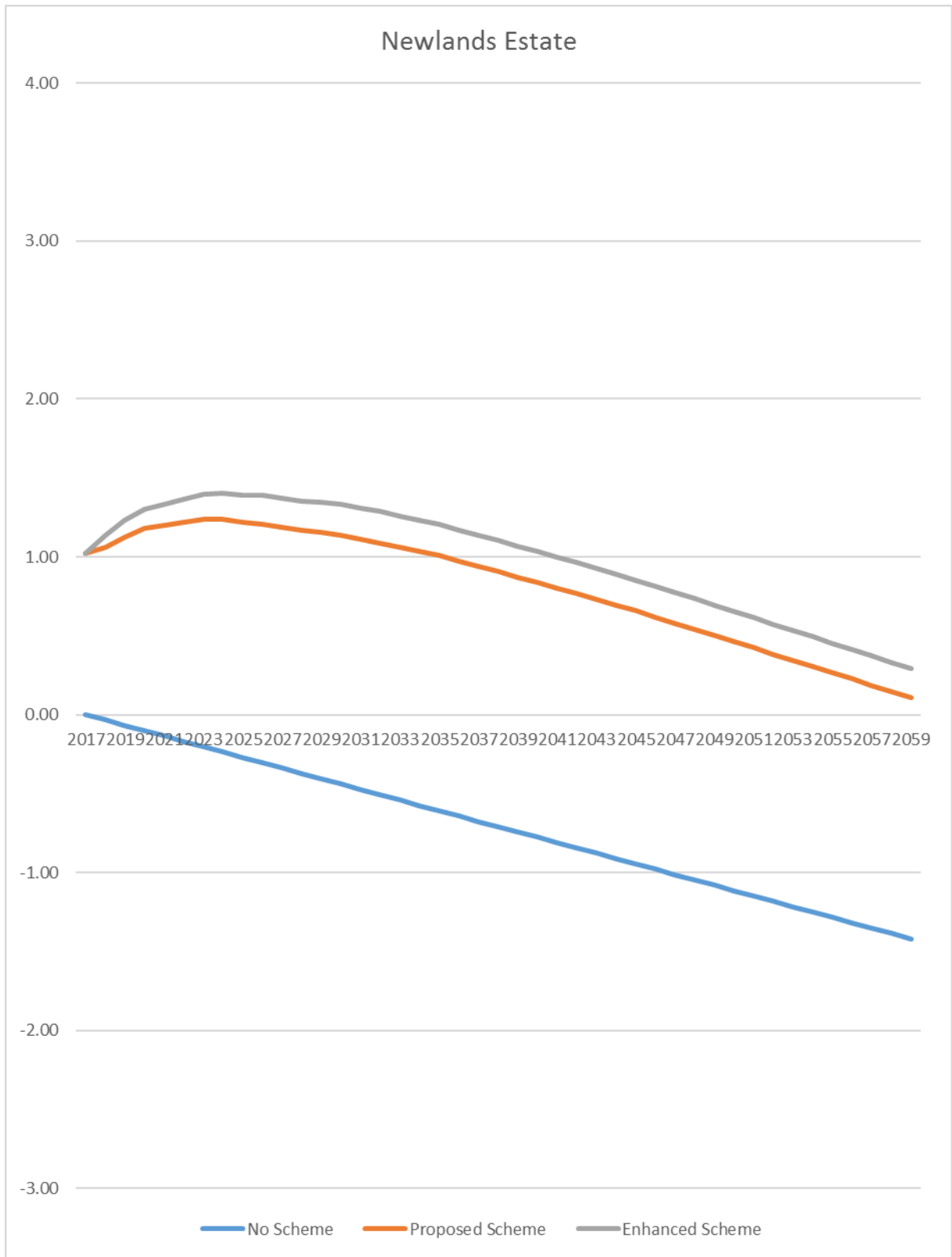


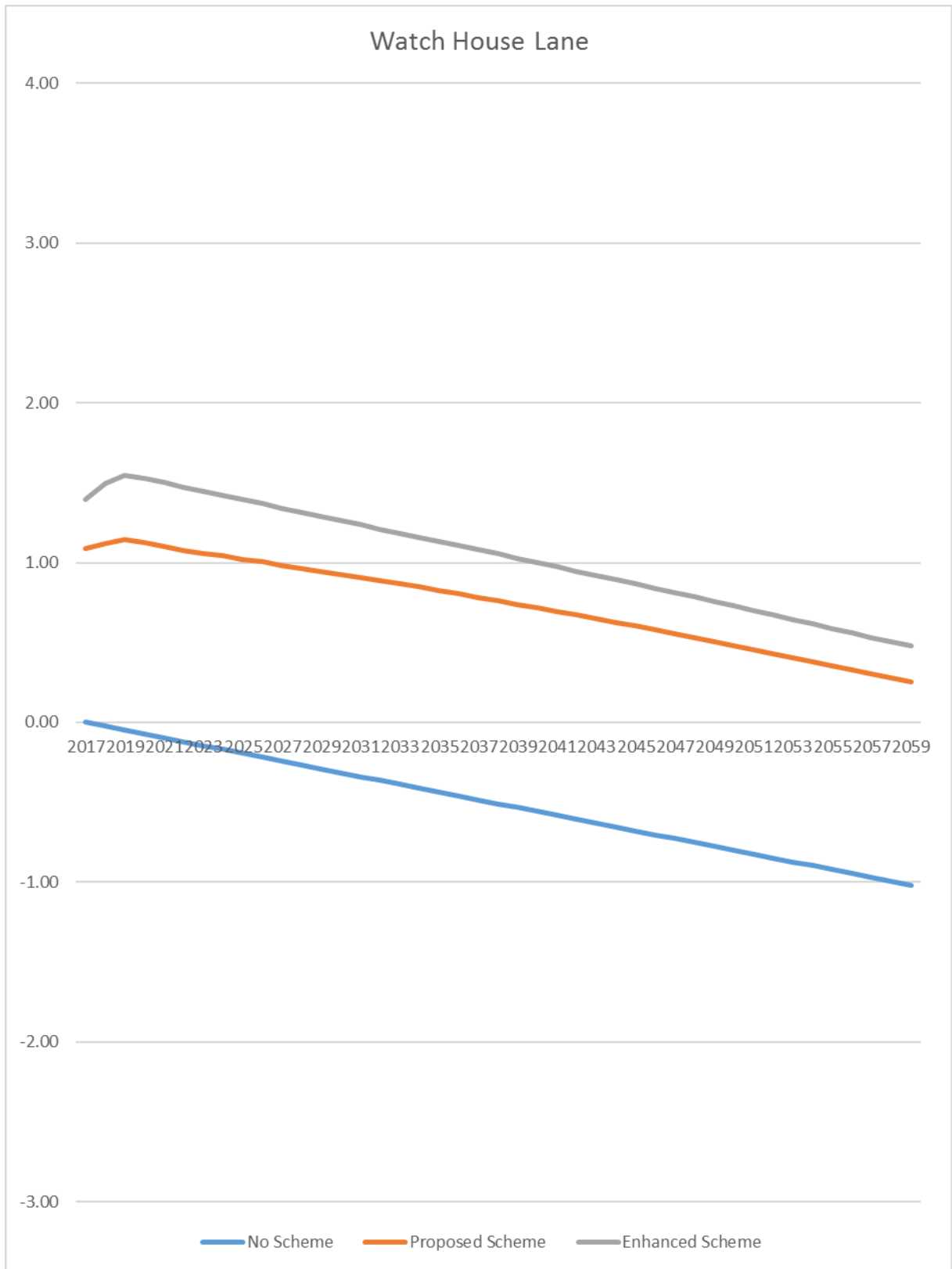
Estimates by coastal frontage set out below

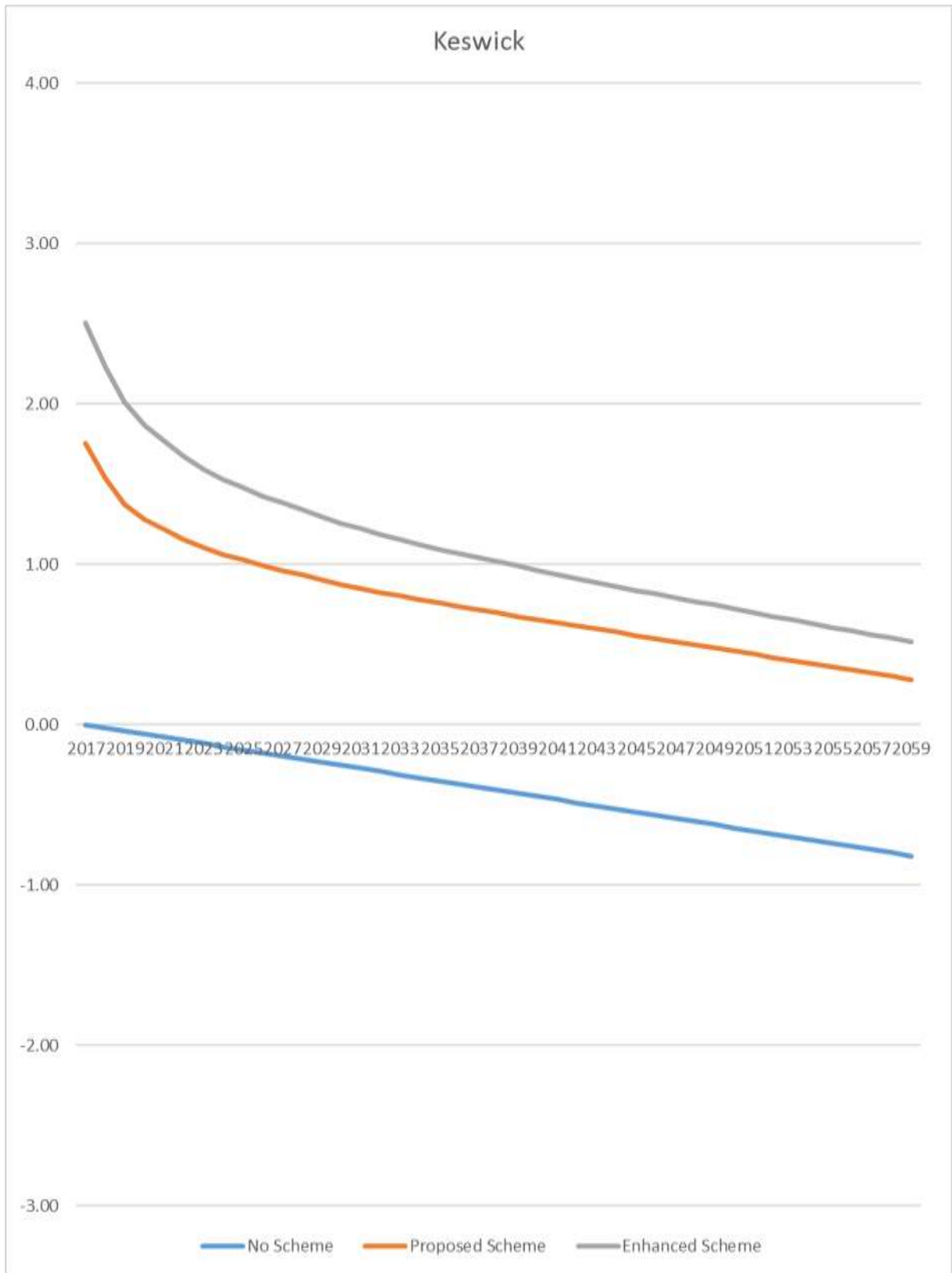


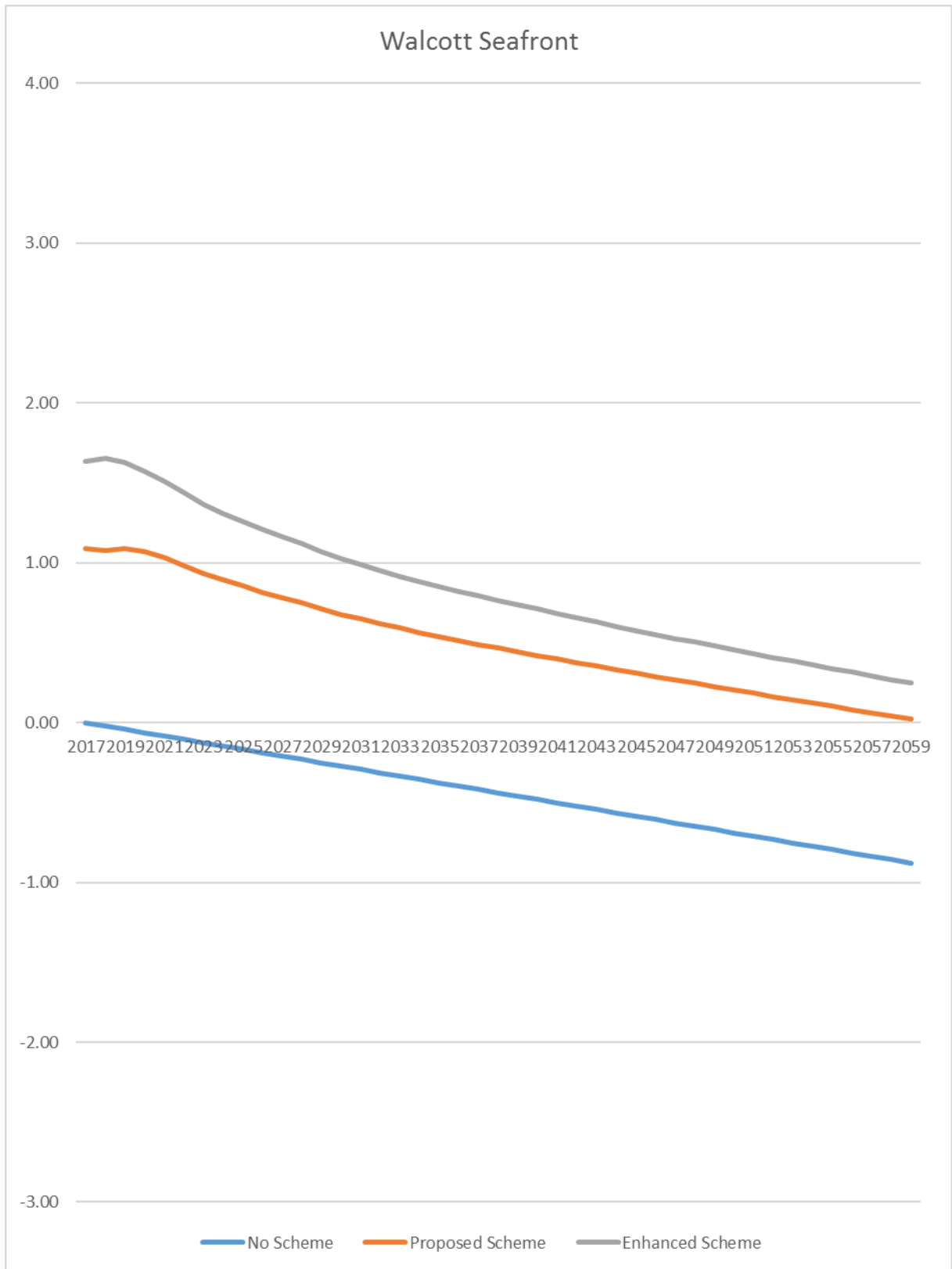












The Crescent, Walcott

