

Cabinet



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2nd March 2018

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 12 March 2018 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
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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 February 2018.

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. OVERVIEW & SCRUTINY MATTERS

At the meeting of 14th February 2018, the Overview & Scrutiny Committee made the following recommendation regarding Agenda item 9: Asset Management Plan:

‘That any revisions reflected the committee’s concerns about the democratic deficit in the previous version as well as ongoing oversight of the implementation of the new Asset Management Plan’

8. RECOMMENDATIONS FROM PLANNING POLICY & BUILT HERITAGE WORKING PARTY

At the meeting of the Planning Policy & Built Heritage Working Party held on 19th February 2018, the following recommendations were made:

Agenda Item 6 – Norfolk Strategic Planning Framework

Recommendation to Cabinet:

That the Framework document is formally endorsed and that the Council welcomes further on-going cross boundary co-operation, and indicates those areas where the Council would favour further joint working

Agenda Item 8 – Holt Neighbourhood Plan Pre-submission Consultation

Recommendations to Cabinet:

1. That the Council welcomes and supports the progress that has been made.
2. That Appendix 4 is agreed as the basis for this Council's response to the consultation.

Agenda Item 12: Local Plan Spatial and Housing Strategies – preparing strategies for consultation

Recommendations to Cabinet:

That the options identified in this report are subject to further development and Sustainability Appraisal prior to public consultation and that the Council indicates that, pending this further work, its preferred/intended approaches are:

- a) An overarching Spatial Strategy based on three defined geographical areas (West, East and Central North Norfolk) with growth focussed around existing settlements and that the strategy recognises the specific issues facing the coast.
- b) A Housing Strategy which seeks to deliver not less than 9,000 dwellings over the 20 year plan period of which around 3,500-4,000 will be provided for on allocated sites, and around 2,000 (21% subject to viability) of which will be affordable, with specific provision made to address the needs of elderly people.
- c) A distribution of development based on a five tier settlement hierarchy (Large Growth Towns, Small Growth Towns, Service Villages, Villages and Countryside) with acceptable locations for development defined via the use of development boundaries in Growth Towns and Service Villages, designated residential areas, and specific allocations of residential land.
- d) The acceptance of rural building conversions to residential use across the district (a separate report will be prepared on the detail of a rural buildings policy).

Continued application of a rural exceptions policy to the delivery of affordable homes and acceptance of a proportion of market housing within such schemes (a separate report will be prepared on the detailed approach to affordable homes).

- 9. ASSET MANAGEMENT PLAN & SUPPORTING DOCUMENTS** (page 18)
(Appendix A – p.32) (Appendix B – p.53) (Appendix C – p.68) (Appendix D – p.78)
(Appendix E – p.88) (Appendix F – p.99) (Appendix G – p.101) (Appendix H – p.103)
(Appendix I – p.106)

Summary: The Asset Management Plan and supporting documents sets the strategic direction for the management of the Councils land and property portfolio and its asset management aims and objectives.

The Council recognises that there is a strong association with some assets by the community, business and tourism sectors. After staff, land and property assets are the Council's next largest resource, making these assets important both individually and collectively to the Council and its community. Because of these factors it is crucial to strengthen the management of land and property assets which play a key role in providing community benefits, a quality service provision and contribution to the Mid Term Financial Strategy, so that they are utilised more effectively to meet tough financial targets both through reducing costs and generating income.

Options considered:

The do nothing option has been discounted. Since the previous Asset Management Plan was adopted there have been a number of changes to legislation, working practices and a new Council Corporate Plan has been adopted; the Council has therefore taken the opportunity to strategically review its approach to land and property asset management and property investment activities.

The Council could operate the asset base without any further capital investment, however this will over the longer term lead to increased maintenance costs and deterioration of the asset base, potentially reducing service and income generating capacity and resulting in reputational risk for the Council.

Option appraisals will be prepared when considering alternative uses for land and property assets and seeking capital funding. The options analysis will cover elements such as risk, sensitivity and cost benefit analysis and will seek to identify the option that delivers maximum benefit at the lowest or most appropriate cost.

Conclusions:

This suite of documents will enable the Council manage its land and property portfolio for benefit the district and ensure it remains fit for purpose and that it continues to provide value for money both in terms of service provision and income generation. Opportunities will continue to be explored in relation to potential disposals, acquisitions, partnership working and transfers to either remove or minimise both future capital and revenue costs, improve social, economic and environmental factors within the district.

Recommendations:

It is recommended that Cabinet agree to approve the following;

Cabinet Decision

1. The Commercial Property Investment Strategy (Appendix B).
2. The Acquisition Policy (Appendix C).
3. The Disposal Policy (Appendix D).
4. The Asset of Community Value Procedure and Guidance (Appendix E).
5. Use of Council property assets for events Appendix (F)
6. Asset Proposal Process (H)
7. An asset panel to be established comprising members, officers and specialists as appropriate to consider high value property transactions.

It is recommended that Cabinet agree and recommend that Full Council approve;

Council Decision

8. Asset Management Plan as the basis for the strategic framework for asset management (Appendix A).
9. The amendments to the Constitution as highlighted within (Appendix G).
10. £2m allocated as a local property capital fund for acquisitions as described in the Acquisition Policy (Appendix C)

Reasons for

Recommendations: To support the Council's strategic framework for the use of capital resources and asset management planning to help meet the Council's corporate objectives.

Cabinet member(s): Cllr J Oliver
Ward member(s) All
Contact Officer Renata Garfoot
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10. MANAGING PERFORMANCE Q3

(page 110)
(Appendix 1 – p.113)

Summary: The purpose of this report is to give a third quarter progress report of the performance of the Council. More specifically it reports on the delivery of the Annual Action Plan 2017/18 and progress against targets. It gives an overview, identifies any issues that may affect delivery of the plan, the action being taken to address these issues and proposes any further action needed that requires Cabinet approval.

Options considered: Options considering action regarding performance are presented separately, issue by issue, to the appropriate Council Committee.

Conclusions:

**Cabinet
Decision**

1. The majority of the 71 activities are on track or ahead of plan (61) and four activities have been completed successfully. Only four have identified some problems, one has not started and one has been cancelled. The 71 activities reported on are 63 from the Annual Action Plan 2017/18 and eight activities from the Annual Action Plan 2016/17 that were not completed last year. Performance is being closely monitored, particularly for the activities where issues or problems have been identified.
2. Of the ten performance indicators where a target has been set seven are on, above or close to target and three below target.
3. The delivery of the Annual Action Plan is progressing according to plan. However, there are a few performance issues in achieving targets and improvement. The issues involved, and action being taken in each case, are detailed in the remainder of the document.

Recommendations: **1. That Cabinet notes this report, welcomes the progress being made and endorses the actions being taken by management where there are areas of concern.**

Reasons for

Recommendations: To ensure the objectives of the Council are achieved.

Cabinet member(s): Cllr J Lee
Ward member(s) All
Contact Officer Helen Thomas
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and e-mail: helen.thomas@north-norfolk.gov.uk

11. BUDGET MONITORING 2017/18 PERIOD 10 (page 153)
(Appendix A – p.164) (Appendix B – p.165) (Appendix C – p.183) (Appendix D – p.190)

Summary: This report summarises the budget monitoring position for the revenue account and capital programme to the end of January 2018.

Options considered: Not applicable.

Conclusions: The overall position at the end of January 2018 shows an under spend of £774,384 to date for the current financial year on the revenue account, this is currently expected to deliver a full year under spend of £273,052.

Cabinet Decision

Recommendations: **It is recommended that:**
1) Cabinet note the contents of the report and the current budget monitoring position;
2) Recommend the release of a further £20,000 from the General Reserve to support the Sculthorpe Planning Appeal;

Reasons for Recommendations: To update Members on the current budget monitoring position for the Council.

Cabinet member(s): Cllr W Northam
Ward member(s) All
Contact Officer Duncan Ellis
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and e-mail: duncan.ellis@north-norfolk.gov.uk

12. ENFORCEMENT UPDATE (page 192)
(Appendix 1 – p.200) (Appendix 2 – p.202)

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 more than 150 cases which represent the most challenging cross-service cases.

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

Conclusions: The Enforcement Board has made a significant contribution to moving forward many long-term, and often complex enforcement cases and, in establishing the Combined Enforcement Team, it has brought together, in one team, the functions to improve Planning Enforcement delivery and to prevent many long-term empty properties needing to be escalated to the Board.

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): Cllrs S Arnold (Planning); J Oliver (Enforcement)
Ward member(s) All
Contact Officer Nick Baker
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13. COUNCIL POLICY IN RELATION TO THE REGULATION OF REGULATORY POWERS ACT 2000 (RIPA) (page.204)

Summary: This report provides an update for members on the use by the Council of the Regulation of Investigatory Powers Act 2000 (RIPA) and recommends an updated Operational Policy document.

Options considered: The Policy is required to ensure proper application of the Act, so there is not an alternative option.

Recommendations: Members are asked to note the activities undertaken under the Regulation of Investigatory Powers Act 2000, the recent OSC inspection and the changes to the Regulation of Investigatory Powers Act 2000 Policy and Procedures

Reasons for Recommendations: Members are required to be aware of the RIPA activity undertaken by the Council. The policy is required and updates have been recommended by the Office of Surveillance Commissioners.

Cabinet member(s): Cllr J Oliver
Ward member(s) All
Contact Officer Nick Baker
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and e-mail: nick.baker@north-norfolk.gov.uk

14. 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.”

15. PRIVATE BUSINESS

CABINET

Minutes of the meeting of the Cabinet held on Monday 05 February 2018 at the Council Offices, Holt Road, Cromer at 2.00 pm

Members Present:

Mrs S Arnold	Mrs J Oliver
Mrs A Claussen-Reynolds	Miss B Palmer
Mr T FitzPatrick (Chairman)	Mr R Price
Mr J Lee	Ms M Prior

Also attending:

Mrs A Moore	Mr J Rest
Mr P Moore	Mr R Reynolds
Mr P Rice	Mr E Seward
Mr N Coppack	Mr B Smith
Mrs A Fitch-Tillett	Mr N Smith
Mr V FitzPatrick	Mr R Shepherd
Ms K Ward	Mr B Hannah
Mr N Pearce	Mrs S Bütikofer
Mrs A Green	Mr D Young
	Ms V Gay

Officers in Attendance:

The Corporate Directors, the Monitoring Officer, the Head of Finance and Asset Management, the Chief Technical Accountant, Housing Strategy and Community Development Manager, the Democratic Services Manager and the Democratic Services Officer.

Also in attendance: Eleanor Pringle, EDP
Members of the Public (for item 10)

The Chairman welcomed members of the public who were attending for Agenda Item 10, Establishment of Cabinet Sub-Committee.

88. APOLOGIES FOR ABSENCE

Apologies were received from Mr W Northam.

89. MINUTES

The minutes of the meeting held on 04 December 2017 were approved as a correct record and signed by the Chairman.

90. PUBLIC QUESTIONS/STATEMENTS

None.

91. ITEMS OF URGENT BUSINESS

None.

92. DECLARATIONS OF INTEREST

None.

93. MEMBERS QUESTIONS

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

94. OVERVIEW & SCRUTINY COMMITTEE MATTERS

- a) The Overview and Scrutiny Committee had, at the meeting of 15 December 2017, made the following pre-scrutiny recommendation on Agenda item 15, Asset Management Plan: 'That the Asset Management Plan reflects the changes discussed, striking a balance between commercialisation and public service.'

The Chair of Overview and Scrutiny, Ms K Ward, expressed concern that the report being considered by Cabinet did not reflect all the changes suggested by the Overview and Scrutiny Committee. She explained that, after the meeting of the Committee on 15 December 2017, she had agreed to collate all feedback from Members and had sent this document to officers in a timely manner for inclusion in the report going to Cabinet and Full Council.

At the request of the Leader, the Monitoring Officer advised that any recommendations from Committees, including changes to documents, had to be made in public. This was necessary to demonstrate that the recommendations were the collective opinion of the Committee.

- b) Ms Ward said that, at the meeting of Overview and Scrutiny on 17 January 2018, the Committee had asked for a table to be included in the Digital Transformation Plan Update (Agenda item 12) showing cashable savings to date from Phase One and, if this was not possible, increased capacity. The table had been included in the amended report, but the Committee would like more details to provide greater clarity about savings from Phase One.
- c) Referring to the meeting of the Overview and Scrutiny Committee held on 08 November 2017, Ms Ward told Cabinet that additional recommendations had been made on the Budget-setting process (Minute 75, Medium Term Financial Strategy). The following recommendation had not been included: "As part of the budget setting process officers produce a report showing for each of the last ten years what payments have been made from the benefits earmarked reserve". Ms Ward asked that this should be included in the report which went to Full Council.

95. RECOMMENDATIONS FROM PLANNING POLICY & BUILT HERITAGE WORKING PARTY

The recommendations were introduced by Mrs S Arnold, Portfolio Holder for Planning and Planning Policy.

There were 2 recommendations to Cabinet from the meeting of 13 November 2017:

1. LOCAL PLAN – ACCOMMODATION NEEDS ASSESSMENT, GYPSIES, TRAVELLERS, AND TRAVELLING SHOWPEOPLE, BOAT DWELLERS AND RESIDENTIAL CARAVAN DWELLERS

RESOLVED

To note the contents and publish the Norfolk Caravans and Houseboats Accommodation Needs Assessment (ANA) including for Gypsies, Travellers and Travelling Showpeople as a source of evidence to support the emerging Local Plan for North Norfolk and be used as a basis of further work and policy development.

2. LOCAL PLAN – APPROACH TO POLICY DEVELOPMENT – WIND ENERGY

RESOLVED

That Option 2 be used as a basis for further work and policy development subject to the specific exclusion of SSSIs, in combination with further investigation into possible allocations on airfield sites.

There was one recommendation to Cabinet from the meeting of 11 December 2017:

FLOOD RISK

RESOLVED

To note the contents and publish the 2017 Level 1 Strategic Flood Risk Assessment (SFRA) including the associated PDF mapping and GIS layers as a source of evidence to support the emerging Local Plan for North Norfolk and be used as a basis of information across the district.

96. MINUTES – CABINET SUB-COMMITTEES & WORKING PARTIES

RESOLVED

To receive the minutes for the following Cabinet Sub-Committees, Groups and Panels:

- a) JSCC - 13 June 2017
- b) Member Development Group – 17 August 2017
- c) Big Society Fund Grants Panel – 04 September 2017

97. ESTABLISHMENT OF CABINET SUB-COMMITTEE

This item was introduced by the Leader who reminded Members that - at the meeting of Cabinet on 4th December - the following resolution was made in relation to Agenda Item 8: Vattenfall Norfolk Vanguard Offshore Wind Development:

‘To form a Sub-Committee of the Cabinet which will be tasked with ensuring that the very best possible outcome is achieved for the residents of North Norfolk through developing formal contact with Vattenfall.’

The objectives of the Sub-Committee included acting as a formal mechanism between NNDC, local communities and Vattenfall to achieve the best outcome for residents; and to gain a fuller understanding of the elements of the proposed scheme, including the differences between the two forms of electricity transmission being considered.

The Sub-Committee would comprise 3 members of the District Council’s Cabinet and, as appropriate, relevant local ward members and would be advised by officers, initially Steve Blatch, Corporate Director and Head of Paid Service, Geoff Lyon, Major

Development Manager and a member of the Council's Communications Team. Support would be provided by Democratic Services.

Mr E Seward asked how the appropriate local Members would be decided and reminded Cabinet that the proposed scheme would mean cables went through North Walsham, Banningham and other areas. The Leader replied that the Sub-Committee would be made up of Cabinet Members but that local Members would be invited as and when appropriate. Mr J Lee added that the Member for Happisburgh had been invited to join. As the work moved forward, Members of affected Wards would also be invited.

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

RESOLVED

1. Approve the Terms of Reference for the Vattenfall Sub-Committee
2. Appoint Members to the sub-committee (as outlined within the ToR)

98. HOUSING ALLOCATIONS SCHEME

The report was introduced by Mr R Price, the Portfolio Holder for Housing.

The current Housing Allocations Scheme was approved in December 2012 and went live on 18 October 2013. A new Housing Allocations Scheme was produced to recognise the need for operational changes to ensure the scheme remained fit for purpose and to reflect new statutory guidance issued since the previous scheme was adopted. The new Housing Allocations Scheme was adopted in May 2017. The new scheme had not yet been implemented due to the need to update the Council's IT system and review the delivery of homelessness services as a result of the implementation of the main provisions of the Homelessness Reduction Act 2017 from April 2018. The opportunity was therefore taken to review the new scheme following the enactment of the Homelessness Reduction Act 2017 and to respond to a consultation on future statutory guidance to ensure the scheme was compliant with these requirements. The review also identified that a few other minor wording changes were required.

It was proposed by Mr R Price, seconded by Mrs S Arnold and

RESOLVED:

To approve and adopt the new Housing Allocations Scheme.

Reason for the decision:

To support the Council's Corporate Plan priority to address housing and infrastructure for local people whilst meeting the market demand for housing by ensuring that the Housing Allocations Scheme continues to ensure the effective use of the affordable housing supply across North Norfolk.

99. DIGITAL TRANSFORMATION PLAN UPDATE

The report was introduced by the Leader, Portfolio Holder for IT.

This report provided an update on progress within the Digital Transformation Programme (DTP) in accordance with the original Cabinet Resolution for the

Programme and recommended moving to a second phase, along with the establishment of a further Reserve to ensure the appropriate Capital and Revenue Budget.

The original Programme delivery targets had been exceeded in terms of the value of savings achieved, and in a shorter time than planned to deliver them.

In broad terms, the project timelines, expenditure and expected outcomes for the Programme were on track, with significant deliveries in this latest period including the new website and the Customer Contact System.

There were inherent risks associated with increased reliance on IT, as well as capacity issues, and it was important that the programme sought to mitigate them.

Recommendation 6 was from Cabinet to Full Council.

Mr J Lee said that it was good that the Plan was delivering savings at a time when Councils were cutting back.

It was proposed by Mr T FitzPatrick, seconded by Mr J Lee and

RESOLVED:

- 1) That Cabinet notes the progress made on the Digital Transformation Programme over the last 4 years.**
- 2) That a second phase of the Programme is approved, with draw down of the Programme budget subject to business cases being approved by Cabinet.**
- 3) That Cabinet approves the following staffing changes:**
 - a) the establishment, on a permanent basis, of three new posts as described in section 5.1.2 of the report**
 - b) the temporary posts described at section 5.1.3 of the report, at a cost of £89,000 to be funded from the Programme budget once established.**
- 4) That Cabinet continues to receive a six monthly progress update on the Programme**
- 5) That a programme of IT support for members is developed prior to the 2019 Council elections.**

To recommend to Full Council

- 6) That Council approves, as part of the 2018/2019 budget,**
 - a) the establishment of a Programme budget of £940,000 as detailed in the report to be funded from the Invest to Save reserve**
 - b) the necessary growth in the IT service budget of £119,000 to fund the additional permanent posts identified in Section 5.1.2 of the report.**

Reason for the decision:

1) 2) 4) and 6) To provide appropriate governance, resources and oversight of the Digital Transformation Programme and IT service delivery.

3) To ensure that the Council's IT service is appropriately staffed in order to reflect and priorities of this work for the Council.

5) To ensure that appropriate levels of IT support can be provided to members to enable them to effectively carry out their role.

100. TREASURY MANAGEMENT STRATEGY

In the absence of the Portfolio Holder, Mr W Northam, the report was introduced by the Leader.

It set out details of the Council's Treasury Management activities and presented a strategy for the prudent investment of the Council's surplus funds, as well as external borrowing.

Alternative investment and debt options were continuously appraised by the Council's treasury advisors, Arlingclose and all appropriate options were included within this Strategy.

The preparation of the Strategy Statement was necessary to comply with the Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services.

Mrs J Oliver commended the careful work and advice that had gone into the preparation of the Statement.

Mrs A Claussen-Reynolds thanked the Team for excellent training which had recently been delivered.

It was proposed by Mr T FitzPatrick, seconded by Mrs J Oliver and

RESOLVED:

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

Reason for the decision:

The Strategy provides the Council with a flexible treasury strategy enabling it to respond to changing market conditions and ensure the security of its funds, as well as secure borrowing at the best value.

101. CAPITAL STRATEGY 2018-2019

In the absence of the Portfolio Holder, Mr W Northam, the report was introduced by the Leader.

The report set out the Council's Capital Strategy for the year 2018-19 and the Council's approach to the deployment of capital resources in meeting the NNDC's overall aims and objectives while providing the strategic framework for the effective management and monitoring of the capital programme.

The report must be prepared to ensure the Council complied with the CIPFA Treasury Management and Prudential Codes.

Ms M Prior thanked officers for all the work that had gone into the report.

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

RESOLVED:

To recommend to Full Council that the Capital Strategy and Prudential Indicators for 2018-19 are approved.

Reason for the decision:

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

102. ASSET MANAGEMENT PLAN

The report, which had been to the Overview and Scrutiny Committee for pre-scrutiny in December, was introduced by Mrs J Oliver, Portfolio Holder for Corporate Assets. She thanked the Head of Finance and Asset Management and his team for the work, which reflected a review of the Council's strategy on land and property assets. The recommendations included amendments to the Constitution which would allow the Council to buy at auction in expedient circumstances.

It was proposed by Mrs J Oliver, seconded by Mrs A Claussen-Reynolds and

RESOLVED:

To approve the following:

- 1. The Commercial Property Investment Strategy (Appendix B).**
- 2. The Acquisition Policy (Appendix C).**
- 3. The Disposal Policy (Appendix D).**
- 4. The Asset of Community Value Procedure and Guidance (Appendix E).**
- 5. Use of Council property assets for events Appendix (F)**

To recommend to Full Council to approve

- 6. The Asset Management Plan as the basis for the strategic framework for asset management (Appendix A).**
- 7. The amendments to the Constitution as highlighted within (Appendix G).**
- 8. £2m allocated as a local property capital fund for acquisitions as described in the Acquisition Policy (Appendix C)**

Reason for the decision:

To support the Council's strategic framework for the use of capital resources and asset management planning to help meet the Council's corporate objectives.

103. RATE RELIEF POLICY

In the absence of the Portfolio Holder, Mr W Northam, the report was introduced by the Leader.

The policy had been updated to reflect the extended schemes announced by the government and the revised 2017/18 and the new 2018/19 Local Discretionary Revaluation Scheme with guidelines as to how the schemes were to be implemented and the financial implications on the authority.

It was proposed by Mr T FitzPatrick, seconded by Mrs S Arnold and

RESOLVED

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

Reason for the decision:

The new policy effective from April 2018 will enable the Rural Rate Relief, the scheme for public houses and the Local Discretionary Revaluation Scheme to continue to be awarded discretionary reliefs in 2018-9 onwards.

104. 2018/19 BUDGET REPORT

In the absence of the Portfolio Holder, Mr W Northam, the report was introduced by the Leader.

This report presented for approval the 2018/19 budget along with the latest financial projections for the following three years to 2021/22.

The report would be considered by the Overview and Scrutiny Committee before recommendations were made to Full Council. It presented a balanced budget for 2018/19 as well as the latest financial projections for the following three financial years, 2019/20 to 2021/22. The budget had been produced based on a number of assumptions as detailed within the main body of the report and also reflected the provisional finance settlement announced on 19 December 2017. The report recommended that the surplus for the year was allocated to the Invest to Save reserve. It also outlined the risks facing the Council in setting the budget and forecasting future spending plans and resources.

Recommendation 7 of the report was to agree any required funding and changes to Reserves in terms of phase 2 of the Digital Transformation programme, Property Investment Fund and police funding. The latter was not supported by Cabinet and the recommendation would be amended accordingly before it went to Full Council.

It was proposed by Mr T FitzPatrick, seconded by Mr J Lee and

RESOLVED:

To agree and where necessary recommend to Full Council:

- 1) **The 2018/19 revenue budget as outlined at Appendix A;**
- 2) **The surplus of £747,882 is allocated to the Invest to Save reserve as outlined in the report;**
- 3) **The demand on the Collection Fund for 2018/19, subject to any amendments as a result of final precepts still to be received be:
a. £5,909,655 for District purposes
b. £2,210,812 (subject to confirmation of the final precepts) for Parish/Town Precepts;**
- 4) **The statement of and movement on the reserves as detailed at Appendix D;**
- 5) **The updated Capital Programme and financing for 2018/19 to 2020/21 as detailed at Appendix E;**
- 6) **Slippage in the Capital Programme is shown at Appendix F;**

- 7) **Agree any required funding and changes to Reserves in terms of phase 2 of the Digital Transformation programme and Property Investment Fund;**
- 8) **That Members note the current financial projections for the period 2019/20 to 2021/22;**

Reason for the decision:

To recommend a balanced budget for 2018/19 for approval by Full Council on 21 February 2018.

The meeting ended at 2.31 pm.

Chairman

Asset Management Plan and Supporting Documents

Summary: The Asset Management Plan and supporting documents sets the strategic direction for the management of the Councils land and property portfolio and its asset management aims and objectives.

The Council recognises that there is a strong association with some assets by the community, business and tourism sectors. After staff, land and property assets are the Council's next largest resource, making these assets important both individually and collectively to the Council and its community. Because of these factors it is crucial to strengthen the management of land and property assets which play a key role in providing community benefits, a quality service provision and contribution to the Mid Term Financial Strategy, so that they are utilised more effectively to meet tough financial targets both through reducing costs and generating income.

Options considered: The do nothing option has been discounted. Since the previous Asset Management Plan was adopted there have been a number of changes to legislation, working practices and a new Council Corporate Plan has been adopted; the Council has therefore taken the opportunity to strategically review its approach to land and property asset management and property investment activities.

The Council could operate the asset base without any further capital investment, however this will over the longer term lead to increased maintenance costs and deterioration of the asset base, potentially reducing service and income generating capacity and resulting in reputational risk for the Council.

Option appraisals will be prepared when considering alternative uses for land and property assets and seeking capital funding. The options analysis will cover elements such as risk, sensitivity and cost benefit analysis and will seek to identify the option that delivers maximum benefit at the lowest or most appropriate cost.

Conclusions: This suite of documents will enable the Council manage its land and property portfolio for benefit the district and ensure it remains fit for purpose and that it continues to provide value for money both in terms of service provision and income generation. Opportunities will continue to be explored in relation to potential disposals,

acquisitions, partnership working and transfers to either remove or minimise both future capital and revenue costs, improve social, economic and environmental factors within the district.

Recommendations: It is recommended that Cabinet agree to approve the following;

1. The Commercial Property Investment Strategy (Appendix B).
2. The Acquisition Policy (Appendix C).
3. The Disposal Policy (Appendix D).
4. The Asset of Community Value Procedure and Guidance (Appendix E).
5. Use of Council property assets for events Appendix (F)
6. Asset Proposal Process (H)
7. An asset panel to be established comprising members, officers and specialists as appropriate to consider high value property transactions.

It is recommended that Cabinet agree and recommend that Full Council approve;

8. Asset Management Plan as the basis for the strategic framework for asset management (Appendix A).
9. The amendments to the Constitution as highlighted within (Appendix G).
10. £2m allocated as a local property capital fund for acquisitions as described in the Acquisition Policy (Appendix C)

Reasons for Recommendations: To support the Council’s strategic framework for the use of capital resources and asset management planning to help meet the Council’s corporate objectives.

Cabinet Member(s) Judy Oliver	Ward(s) affected - All
Contact Officer, telephone number and email: Renata Garfoot, 01263 516086, Renata.Garfoot@north-norfolk.gov.uk	

1. Introduction

1.1 This suite of policy documents is being presented to Cabinet, following a presentation to Overview and Scrutiny for pre-Scrutiny, prior to being presented to Full Council in March 2018. Recommendations have been provided by Overview and Scrutiny which will be fed into the reports. Further details regarding the Overview and Scrutiny, pre-Scrutiny recommendations can be found in Section 10 and Appendix I of this report.

- 1.2 The Council has a small and varied land and property portfolio. The net book value of these as at the 31st March 2017 was £55m. The Council has a number of existing strategies and policies relating to the management of its portfolio. These documents are:
- Asset Management Plan 2014/15 – 2016/17
 - Disposal, Investment and Acquisition Policy 2010
 - Community Asset Transfer Policy 2012
- 1.3 The Council's current Asset Management Plan (AMP) 2014/15 – 2016/17 and associated capital budget was adopted by Full Council on 24 June 2014. Since this time there have been a number of changes to legislation, working practices and a new Council Corporate Plan has been adopted; the Council has therefore taken the opportunity to strategically review its approach to asset management and property investment activities.
- 1.4 The Council's main objective is to manage its assets effectively to enable the delivery of the Council's Corporate Plan and its priorities and objectives. The AMP and supporting documents detail how these priorities, aims and objectives will be met through the proactive management of the land and property portfolio to assist service delivery, provision of well-maintained facilities to the community and seeking income generation opportunities linked to the Medium Term Financial Strategy where appropriate.
- 1.5 The Localism Act 2011, requires local authorities to maintain a list of assets in its area that is of community value and assess nominations of assets proposed by the community to be listed. Officers have undertaken a review of the current process and propose a procedure and guidance note be adopted.
- 1.6 In addition to the above the opportunity has also been taken to update the Council's Capital Strategy. The Chartered Institute of Public Finance and Accountancy (CIPFA) has recently reviewed the Prudential Code for Capital Finance in Local Authorities, which NNDC are required by regulation to 'have regard to' when carrying out their duties. One of the changes will require Local Authorities to prepare a Capital Strategy document each year, with a recommendation that this is presented with the budget, as the budget will have been prepared with the Capital Strategy in mind.
- 1.7 The Capital Strategy should include an explanation of how capital decisions are made locally, making links to local strategic planning, asset management planning and relevant options appraisals. Reference should also be made to how local circumstances contribute to the decision to borrow for capital investments, and the impact this could have on the taxpayer. It should also include a description of how Members, statutory officers and others in a decision making role keep their knowledge and skills up to date needs to be included.
- 1.8 Given the strong links with the Capital Strategy it has been recommended that the AMP be updated and considered by Members at the same time as the Capital Strategy. The requirement for a Capital Strategy also effectively makes the AMP a mandatory requirement and the proposals is that this suite of supporting documents is updated on an annual basis at the same time as the budget is considered and set in February each year.

- 1.9 The Department for Communities and Local Government (DCLG) are currently consulting on changes to their investment guidance which may impact on the content of the Capital Strategy, but strengthens the argument for it being prepared annually in line with the budget.

2. Gleeds

- 2.1 Following the District Council elections in May 2015, the Council adopted a new Corporate Plan and Medium-Term Financial Strategy. These documents identified that a key area of work for the Council moving forward was the need for the authority to take a more commercial approach to the use of the Council's land and property assets - both from the perspective of the Council realising ongoing revenue streams and potentially capital receipts from its property assets and in supporting new investment and strengthening the social and economic well-being of local communities.
- 2.2 As the Council has limited capacity within its Property Team beyond the management of the existing portfolio of assets, it was proposed to engage a Strategic Property Development partner who could advise the Council on increasing the commercial potential of its portfolio in the future and this is now being provided by Gleeds.
- 2.3 One of the early deliverables of the new contract and identified within the specification and tender documents was for Gleeds to:-
- Carry out a high level review of the Council's land and property assets leading to agreement over a core list of assets to be reviewed
 - Prioritise the core list to identify a programme of projects/proposals to be worked on over the period of the contract
- 2.4 Gleeds were therefore provided with a schedule of all of the Council's assets, with some suggested areas of initial focus as per the tender document. Gleeds then reviewed and visited a number of sites and provided their thoughts on where the Council should initially concentrate efforts. This resulted in four sites which were put forward for consideration (Grove Lane Holt, Cadogan Road Cromer, Highfield Road Fakenham and Beach Road Wells).
- 2.5 Officers were keen that Gleeds not only considered the opportunities which had already identified internally (the vacant site a Grove Lane for example), but also opportunities that may not have been considered and this is where the Cadogan Road site proposal came from as Gleeds could see the opportunity in terms of the hotel interest in the area, the central location of the site in town, access in terms of road networks and the train station, the ability to keep most of the parking etc.
- 2.6 Following this initial shortlisting Gleeds would then continue to review opportunities within the remainder of the portfolio and the wider district.
- 2.7 In terms of an update regarding the four initial sites;
- Highfield Road (Fakenham) – following a detailed consultation process with the Town Council, the public and other local stakeholders, a report was

presented to Cabinet on 30 October 2017 outlining a number of potential options for the site. Despite the advice from Gleeds to look to dispose of the site to enable development Cabinet decided, based on the results of the consultation exercise, that the site should remain as a car park but that the surface would be improved and charges would be introduced from April 2018.

- Beach Road (Wells) – following initial discussions of the proposals for this site Cabinet agreed to consult, through means of a joint working party, with Wells Town Council and the local community of Wells as to what the form of commercial development might be possible on the site over a 6-month period and the results of these discussions will be fed back to Members early in the new year.
- Grove Lane (Holt) – Cabinet agreed to consider plans for a residential development scheme for this site, with the development of such a scheme being the subject of a future report to Cabinet. Since this time the Council has been approached by a potential tenant and officers are investigating this opportunity.
- Cadogan Road (Cromer) – following initial discussions of the proposals for this site Cabinet agreed not to take the proposals forward.

2.8 Gleeds have also supported with the current development proposals in terms of the Splash site in Sheringham and the potential part disposal of the site to a hotel developer to part fund delivery of the new centre. They have also helped officers to develop and submit a bid to the Housing Infrastructure Fund (HIF) to try and support housing development in Fakenham.

3. Summary of Key Achievements

3.1 The Council has had a number of key asset achievements during 2017/18 in line with its Corporate Priorities and Annual Action Plan.

3.2 Jobs and the local economy

3.2.1 Priority - A district with a thriving economy offering better jobs and prospects for local people.

- Procurement and appointment of the Council's Strategic Property Development Partner, Gleeds, who are engaged to provide advice on increasing the contribution of the Council's portfolio to the Medium Term Financial Strategy.
- High level review of the Council's land and property portfolio to identify a prioritised list of potential asset development opportunities.
- The successful relocation of North Walsham Town Council to further support the 'One Public Estate' principles and agreed terms for the disposal of buildings in North Walsham to Wetherspoon. NNDC also wanted to ensure it supported the Citizen's Advice Bureau (CAB) and North Norfolk Community Transport (NNCT). The CAB have moved to

a unit in St Nicholas's Precinct while NNCT have relocated to Council owned facilities at North Walsham Industrial Estate.

- Acquisition of Itteringham Community Shop and neighbouring property for holiday letting.

3.3 Housing and Infrastructure

3.3.1 Priority – to address housing and infrastructure for local people whilst meeting the market demand for housing.

- Awarded £2.4m Community Housing Fund, to support the delivery of community led affordable housing schemes in areas where 10% or more of dwellings are second and holiday homes.
- Affordable rented housing scheme in Upper Sheringham developed by Broadland Housing Association in partnership with North Norfolk District Council providing the land, the Council provided £528,000 of grant funding to enable the land to be developed on the former Council Depot site.
- Bungalow acquired to provide temporary accommodation. The has been successful, which has confirmed the need for more similar accommodation.
- 5 parcels of land disposed for affordable housing schemes at Great Ryburgh, Trunch, Binham, Erpingham and Edgefield. This will create 91 homes with 79 of these on the Council land.

3.4 Coast and countryside

3.4.1 Priority – A district where the beautiful natural environment is managed and enhanced.

- Invested a further £1.5 million in new facilities on Cromer's West Promenade to help develop the tourism potential of the town and improve the facilities for the District's residents. This includes provision of new promenade lighting, new public toilets, showers and a catering kiosk and themed children's play equipment, re-provision of the disabled parking, enhancements to the zig-zag path with the refurbishment of the viewing turrets and path including installation of solar lighting, external repairs to the Art Deco block and resurfacing of the west promenade (Jan/Feb 2018).
- Holt Country Park, Sadler's Wood, near North Walsham, and Pretty Corner Woods, near Sheringham, have again been named amongst the best open spaces in the UK, winning the right to fly the prestigious Green Flag. Six of North Norfolk's beaches have also been recognised for being well-managed, excellent places to visit with high

levels of cleanliness and safety, with Blue Flags at Cromer, Mundesley, East and West Runton, Sea Palling and Sheringham. The Blue Flag requires the highest quality of water, facilities, safety, environmental education and management.

- The Cromer West prom Art Deco block renovation and the Wells Maltings Project have been awarded £50,000 each under the national Coastal Revival Fund scheme. The purpose of the Coastal Revival Fund is to help kick-start the revival of at-risk heritage sites that have potential to create opportunities for new businesses and jobs. The Cromer grant was used by North Norfolk District Council to support the renovation and rejuvenation of the Cromer West promenade Art Deco chalet block. The block was severely damaged in the storms which ravaged the North Norfolk coast in December 2013.
- Pier Management Contact procurement awarded for a 10-year period with the potential for a further 5-year extension, which will commence February 2018.
- Substructure condition survey of the pier procured which will result in a 5 year planned maintenance programme.
- Sheringham West Coast Protection Scheme finalise phase now complete.
- Coastal Measured Term Contract awarded for up to a 5-year term.
- An £18m Development Agreement established with the Council as the lead working with Shell UK and Perenco UK for the Bacton Sandscape Scheme to reduce coastal flood and erosion risks from Bacton to Walcott.

3.5 Health and Well being

3.5.1 Priority - A district with vibrant communities and where healthy lifestyles are accessible to all.

- Cabbell Park football pitch relocation, new match officials' changing facility, new electricity supply and moved floodlights to allow evening play. Refurbished and improved the team changing rooms at Cromer Academy as a replacement for the dated facilities at Cabbell Park.
- Fakenham Sports and Fitness Centre, owned by North Norfolk District Council and run by Places for People Leisure, has been named Leisure Centre of the Year (Streamline) in a national awards competition. The centre won one of the two Leisure Centre of the Year awards.

3.6 Delivering Service Excellence

3.6.1 Priority to make the Council more efficient so that we can both deliver our priorities and offer value for money for local tax payers

- North Norfolk Railway (NNR) has opened a new Tourist Information Centre and toilets at Sheringham after taking over the running of the facilities from North Norfolk District Council under the Localism Act 2011. The agreement was that the NNR would take over the running of the toilets and Tourist Information Centre. The ownership of the small plot of land and buildings were transferred to the NNR. NNDC also granted funding of £154,000 towards the project and this helped the NNR draw down external grant funding to support the redevelopment of in excess of £500,000.
- Procurement of an external catering provider to manage the Council's canteen, commenced March 2017 for a 5-year term.

4. Asset Management Plan

- 4.1 The AMP sets out the strategic direction of the Council's land and property portfolio. Within this document it provides a framework within which the Council manages its land and property assets. The document highlights key achievements, the strategic direction, the portfolio and local, regional and national influences. The document considers the financial issues, risks and resources required.
- 4.2 It is vital that Council manages its property resources effectively and efficiently to ensure maximum benefit is achieved. The portfolio can also play a key role in helping to address the budget deficit identified in future years and will also help to ensure that the property portfolio meets the business needs, community requirements and supports the priorities and objectives of the Council's Corporate Plan 2015 – 19.
- 4.3 The AMP will be subject to annual review as outlined above and updated regularly to ensure it is optimised in terms aspirations, resources, efficiency, service needs and income generation.
- 4.4 Existing performance measures relating to asset management have been reviewed, with a view to enhancing them, so that the Council can be well informed of the performance of its assets and take strategic decisions as necessary.
- 4.5 The AMP is provided in Appendix A.

5. Commercial Property Strategy

- 5.1 This Policy sets out how the Council grows and manages its commercial property portfolio. This document provides a framework through which the Council will be able to effectively manage its land and property portfolio on a commercial basis and sits underneath the Council's Corporate Plan and the Annual Action Plan.

- 5.2 Maximising commerciality is seen as a key strategy in responding to the financial challenges the Council faces. An investment strategy is an important framework that enables the Council to assess quickly if a commercial property opportunity is a prudent investment and is suitable for acquisition. The strategy will provide continual evaluation of the investment portfolio to meet the Council's priority to ensure that the portfolio is fit for purpose.
- 5.3 The strategy considers the rationale and objectives for holding investment property, the approach, identifying opportunities, objectives, financial aspects, risks and benefits.
- 5.4 The document also considers management of the portfolio, its performance and action plan.
- 5.5 The proposed Commercial Property Investment Strategy can be found in Appendix B.

6. Acquisition Policy

- 6.1 This Policy sets out why, when and how the Council acquires land and property assets. This document provides a framework through which the Council will be able to effectively manage its land and property portfolio commercially.
- 6.2 The document describes the Council's ability to acquire, the decision making process, establishes criteria and the types and means of acquisition.
- 6.3 The document considers when the Council will seek to acquire assets for investment or development, principally this will be where it:
 - Has strategic, regeneration or redevelopment potential within the district
 - Is in the best interest of the Council.
 - Provides a financial benefit (investment) to the Council in terms revenue income or future capital growth
 - Improves the economic development of an area
 - Increases the value of existing Council owned assets
 - Is currently managed by the Council and there is an advantage to owning it
- 6.4 Acquisition of land or assets under planning consent S106 agreements is dealt with separately.
- 6.5 Acquisition of assets for non-investment reasons are anticipated to be limited and will follow the principles of this policy.
- 6.6 The Acquisition Policy is provided in Appendix C.

7. Disposal Policy

- 7.1 This policy sets out how the Council disposes of its land and property assets. This document provides a framework to enable the Council to effectively manage its land and property asset portfolio.
- 7.2 This document highlights the national influences, legislation, process for identifying assets for disposal, the decision making process along with types and means of disposal.
- 7.3 The document describes how different property types will be disposed.
- 7.4 The Disposal Policy is provided in Appendix D.

8. Asset of Community Value Procedure and Guidance

- 8.1 The Localism Act 2011 introduced a procedure designed to give communities the opportunity to protect assets that benefit the social well-being and interests of the community, by allowing relevant groups to nominate them as an asset of community value.
- 8.2 The Document provides information outlining the:
 - Nomination and listing procedure
 - Review of decision procedure
 - Disposal of an asset
- 8.3 Officers have undertaken a review of the current process and are seeking to make improvements to the following:
 - the Council's website including FAQ's and additional resources providing information
 - the nomination form to be updated, to make it more user friendly to community groups seeking to make a nomination
- 8.4 The Asset of Community Value Procedure and Guidance is provided in Appendix E.

9. Use of Council property assets for events

- 9.1 North Norfolk District Council owns and manages a wide range of property assets, many of which are held to support the recreational, cultural and social well-being of the district whilst also supporting the economic viability of the area. Such assets include - car parks, open space, sports and leisure centres, Cromer Pier and pavilion, promenades and country parks.
- 9.2 These assets are not distributed evenly across the District, meaning that some communities have no land and property assets owned and managed by the Council, whereas other communities, particularly the coastal towns of Cromer and Sheringham, have a concentration of such assets. This often presents a challenge to the District Council in terms of capital and revenue spend as well as the ability of the Council to support local community initiatives, including

fund-raising activities which have the objective of supporting local community infrastructure, charities and third sector organisations, through the use of such assets.

- 9.3 The policy sets out the Council’s position in terms of the ‘free’ use of Council assets with the general principle being that the Council is not able to allow use of its assets on that basis except for those events identified within the policy.
- 9.4 The policy on the use of Council property assets for events is provided in Appendix F

10. Proposed Amendments to the Councils Constitution

- 10.1 As part of the review of the AMP and associated documents, it is proposed to amend the constitution to reflect current roles and responsibilities and to enable acquisition of assets to be undertaken quickly if exceptional circumstances require. For example, this may be in situations where the asset is being acquired at auction and no Cabinet meeting is to be held within the timeframe. Draft proposed changes can be found in Appendix G.

11. Further information

- 11.1 These documents including the Capital Strategy have been presented to Overview and Scrutiny Committee for review. At the meeting of O&S of the 13 December, the recommendations made are as follows:

Recommendation	Proposed Action
Proposed Changes to the Constitution	The proposed changes would be debated by the Constitution Working Party
The AMP should be expanded and amended to reflect checks and balances, for acquisitions and the full process should be clearly illustrated.	Acquisition policy to be strengthened in this regard.
Governance arrangements for acquisition and disposal of assets that creates a better balance between the need for commercial sensitivity and, at the same time, the need, as part of the democratic process, for appropriate Member involvement in this area	The proposed changes to the Constitution around the governance of acquisition and disposal of assets would be debated by the Constitution Working Party
Further information about the pop-up concessions and an update after the review	To be provided
As a public authority we had a responsibility to provide services that didn’t always produce an income. This should be reflected in the Capital	To be considered as part of a separate report to Cabinet, which would be set under the overall framework of the Capital Strategy

Strategy	rather than within the strategy itself
It was necessary to optimise, not necessarily always maximise. Consideration also needed to be given to the increasing older population of the District and the implications for the appropriate asset portfolio.	Documents to be amended to reflect in some circumstances the need to optimise. The Council seeks where possible to ensure its assets are accessible to all users including the older population of the district.

11.2 it was:

“RESOLVED”

That Overview and Scrutiny Committee receive a further report on the governance arrangements for matters concerning the acquisition and disposal of assets that creates a better balance between the need for commercial sensitivity and, at the same time, the need, as part of the democratic process, for appropriate Member involvement in this area.

- That the revised Asset Management Plan comes back to the Overview and Scrutiny Committee in February 2018 before going to Council for approval

To recommend to Cabinet:

- That the Asset Management Plan reflects the changes discussed, striking a balance between commercialisation and public service.”

11.3 Further feedback and comments have been made following a further meeting of O & S members and this can be found in Appendix H.

11.4 It was also suggested it may be helpful to highlight where proposals for land and property activities come from and the process for assess these proposals. This has been added to the AMP under local influences and a separate document has been drafted to detail the process indicating the indicative timescales.

11.5 It is proposed to amend the constitution to reflect current roles and responsibilities and to make it clearer in terms of delegated authority for property transactions. Recommendations have been made by O&S Committee regarding a mechanism that ensures robust governance and transparency in a range of high value property transactions. It is envisaged that this panel will include both officer, members and other experts as appropriate. If approved this panel needs to be defined and a terms of reference prepared.

12. Conclusion

- 12.1 The Council's property portfolio has a key role to play in addressing the budget deficit forecast for future years. It is also fundamental in supporting service delivery, providing facilities for staff, local communities and visitors. Effective management of this vital resource will ensure that the Council is able to meet its corporate priorities and objectives, positioning the Council positively for the challenges ahead.
- 12.2 The Council's key operational assets need to be maintained adequately to support effective service delivery. These assets can assist the Council in improving services offered and increasing income generation.
- 12.3 The Councils Asset Management Plan and supporting documents are essential to assist the Council in achieving the above and has been prepared as the existing documents are now out of date.

13. Implications and Risks

- 13.1 With an adopted Capital Strategy and Asset Management Plan (and supporting documents) the Council can manage its resources, land and property in a strategic and effective manner and reduce the risks associated with such activities.
- 13.2 Adequate revenue budgets are required for repairs and maintenance of land and property assets to ensure that they are in fit for purpose and do not pose a risk users or visitors. Condition surveys will be updated and a planned maintenance programme will be prepared as part of the AMP to help mitigate these risks.
- 13.3 Property and premises related risks are identified in the Corporate Risk Register. Items remain under constant review to ensure risk is recognised and minimised, that best value is being achieved and that full compliance is achieved in respect of all applicable legislation.

14. Financial Implications and Risks

- 14.1 Financial implications and risks are detailed. Business cases will be required for many of the property projects and support from the Finance team will be required. An asset panel will ensure governance and transparency with a range of high level property transactions.

15. Sustainability

- 15.1 This report does not in itself raise any issues in respect of sustainability. Any proposals developed for specific property assets will be the subject of detailed planning applications in due course, at which time the sustainability of the proposed developments will be appraised.

15.2 Sustainability in relation to building methods and materials will be considered as appropriate when undertaking repairs, maintenance and improvement works.

16. Equality and Diversity

16.1 This report does not raise any direct issues relating to Equality and Diversity. Any proposals developed for specific property assets will be the subject of detailed planning applications in due course, at which time the equality and diversity implications of individual proposals will be appraised.

16.1 The equality and diversity issues arising will relate to the accessibility requirements of any capital improvement works and these will be covered by Building Regulation requirements.

17. Section 17 Crime and Disorder considerations

17.1 This Report does not raise any issues relating to Crime and Disorder and there are no implications directly resulting from the recommendations or options considered in this report.

Asset Management Plan

and supporting documents

2018 - 2022

Front cover to be designed

Contents

(page numbers to be added in final draft)

Asset Management Plan	
Introduction	
Asset Portfolio Vision and Strategic Direction	
The Portfolio Leisure, Tourism, and Community Assets Operational Assets Investment Assets Residential Assets	
Asset Portfolio Summary	
Key Achievements	
Influences	
Finance, Risks and Resources Revenue Budgets Revenue Income Other Funding Risks Resources	
Data Management	
Asset Condition and Maintenance	
Commercial Property Strategy – Appendix A	
Acquisition Policy – Appendix B Auction Guide	
Disposal Policy – Appendix C	
Council Asset Policy – Appendix D	
Asset Proposal Process - Appendix E	

Introduction

This Asset Management Plan (AMP) sets out the strategic direction for the management of the Council's land and property portfolio and its asset management aims and objectives.

The Council recognises that there is a strong association with some assets from well-loved country parks to the icon Cromer Pier and Promenades this is not only from the community, but from economic and tourism sectors. After staff, land and property assets are the Council's next largest resource, making these assets important both individually and collectively to the Council and its community. Because of this it is crucial to strengthen the management of land and property assets which play a key role in providing community benefits, a quality service provision and contribution to the Mid Term Financial Strategy, so that they are utilised more effectively to meet tough financial targets both through reducing costs and generating income. These assets are also held, purchased or disposed of to support the Council's Corporate objectives and values as highlighted in the Council's Corporate Plan and Council owned assets can be effective in supporting the vitality of our communities.

This AMP is an update of the Council's Asset Management Plan of 2014/15 – 2016/17. It is a 5-year medium term plan that will be subject to review and updated regularly to ensure it is optimised in terms aspirations, resources, efficiency, service needs and income generation.

The AMP is an overarching document that includes the following documents:

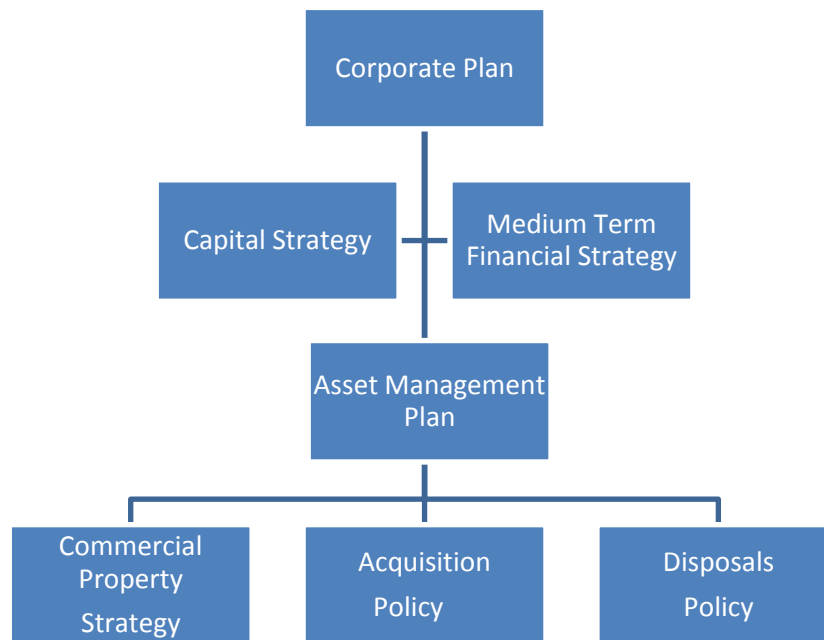


Diagram 1. Asset Management Plan suite of documents

This suite of documents sets the broad direction for asset management over the medium term and defines how we strategically manage and use assets to support the Council's priorities.

The AMP will:

- Help define, implement and measure strategic asset management
- Optimises the benefits gained from assets in supporting service delivery, economic and community benefits
- Demonstrate how the Council maximises the financial, economic and community values of the portfolio
- Demonstrate how the Council intends to maintain and improve assets while promoting innovation in a cost effective way
- Establish how the Council is entrepreneurial in making investment and commercialisation decisions
- Realise ongoing revenue streams and capital receipts to maintain a strong financial position



Diagram 2. Asset Management Plan

Asset Portfolio Vision and Strategic Direction

The Council’s strategic vision and focus for its portfolio is to be creative and entrepreneurial whilst have a fair and transparent use of its land and property and asset management approaches. Key aims of this vision and focus are to:

- Manage investment land and property assets soundly to optimise revenue income and capital receipts
- Reduce operating costs whilst ensuring assets remain fit for purpose and support service delivery
- Assets are sustainable and flexible for current and future needs whilst minimising the future costs to the Council of energy costs and maintenance liabilities
- Drive economic growth enabling businesses to thrive and grow
- Support our town centres, making them popular destinations to visit and enjoy
- Create opportunities that deliver community benefits.
- Use land and property to enable and deliver sites for housing and to delivery of affordable housing across the district
- Working with partner organisations and embrace the ‘One Public Estate’ ethos

The Portfolio

The Council has a diverse land and property portfolio.

The portfolio can be categorised into 4 main areas.

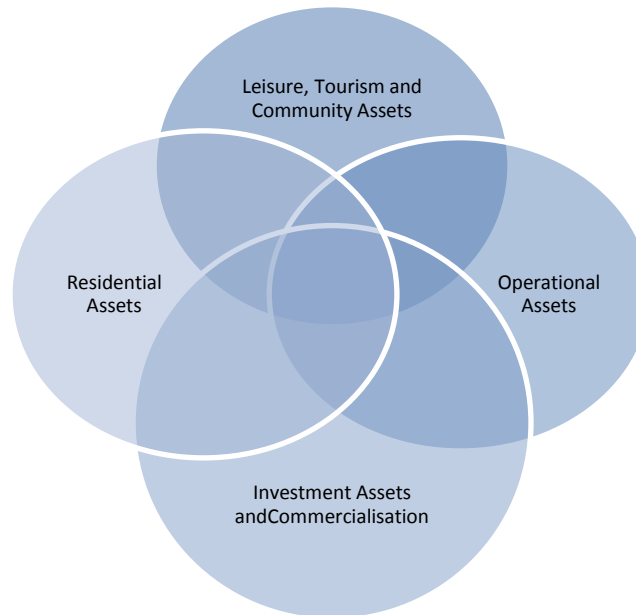


Diagram 3: Portfolio Categories

Leisure, Tourism and Community Assets

These assets are held to support the recreational, cultural and social well-being of the district whilst also supporting the economic viability of the area.

Includes: Car parks, leisure centres, Cromer Pier and pavilion, promenades, beach huts & chalets, tourist information centres, amenity land and country parks.

This category is the largest of the portfolio, with a wide range of facilities enjoyed by both residents and visitors to the district.

The Council has 30 pay and display car parks across the district and has invested significant sums in its car parks and it is important that the Council continues to do so. The Council recognises their significant contribution in supporting town centres, whilst generating income from them and supporting the delivery of services.

Whilst the Council has a number of car parks that are protected through Planning Policy, there are opportunities for alternative uses that may generate increased income or capital receipts for those which are not. The Council will consider opportunities for the acquisition of existing land for new/additional car parking facilities in areas where demand can be established and there is a viable business case.

Cromer Pier and Pavilion is an iconic structure built between 1897-1900 and is a great tourist attraction for the area. The Council undertook significant refurbishment to the pier in 2013/14; further works in 2017 have been undertaken due to damage from a storm surge at the beginning of the year. The pier asset is vulnerable to damage from the sea and weather conditions and regular inspections are undertaken to ensure it is maintained to a good condition.

There are further opportunities to generate additional income from the growing availability of concession pitches available to rent. The Tourism assets are increasingly important in strengthening the social and economic well-being of local communities and due to this the Council will seek to develop the tourist offer in the foreshore area. The foreshore includes a number of shelters, amenity infrastructures such as coastal protection, lighting and other promenade fixtures. There is further opportunity to generate additional and new income from growing the availability of concession spaces available to rent.

Add photo

The Council owns 3 Leisure Centres; Sheringham Splash, Fakenham Sports and Leisure Centre and Victory Pool in North Walsham. The Council is seeking to provide a new facility in Sheringham, as the existing building is over 25 years old, has a poor energy performance and requires significant capital investment to refurbish it. This new facility will provide new and improved leisure facilities to Sheringham and the district.

The Council has a number of sporting facilities which are leased to local clubs at non-commercial rents or under management agreements such as the 3 dual use sports facilities at Cromer, Stalham and North Walsham and Tennis Clubs at Cromer and Wells. The Council is seeking to develop a Community Sports Club and improve tennis facilities across the district.

The Council manages a wide range of amenity and woodland areas that are well used with key sites being Holt Country Park, Bacton Wood and Pretty Corner in Sheringham.

In the majority of cases these assets are managed and maintained directly by the Council. Active management of these assets is essential to maximise the benefit to the community and visitors for the mid to long term.

There is potential for future opportunities around:

- Diversification through community based initiatives, such as open air theatre and music events, sporting events and country fairs
- Income generation to support wider service delivery
- Promotion of wider community participation and corporate volunteering schemes in maintenance of assets
- External funding and grants towards the maintenance and improvement
- Community asset transfers

The Council has 40 Public Conveniences across the district, which provide facilities to the community and supports the local tourism industry. Whilst this is a discretionary service, the Council recognises the importance of these facilities to tourism infrastructure and the community. The Council will explore options as to how the facilities can be provided and enhanced whilst seeking to minimise costs.

Due to the age of the majority of these assets, there are some which are beyond their useful economic life and are in need of investment. Some facilities are subject to vandalism and anti-social behaviour that adds to the cost of the maintenance. There is a need to minimise on-going expenditure and due to the factors mentioned, this may result in the Council considering provision of some facilities being provided by alternative means.

The overall approach from the previous AMP remains:

- Seaside resorts – centrally located toilets, facility at the main car park and provision on the promenade/sea front during the summer season
- Market towns – either centrally located, facility at the main car park
- Village resorts – adjacent to the beach or centrally located.

The Council has 322 beach hut sites (where the majority of huts are privately owned) and 95 chalets located on the promenades at Sheringham, Cromer, Overstrand and Mundesley. These are historically popular with significant waiting lists for each resort. Charges for hut sites were recently reviewed and a staged increase in annual fees has been proposed to bring charges in line with other regional beach hut/chalet charges. A Chalet and Beach Hut review is underway along with further work being undertaken to identify additional space for beach hut sites at other coastal locations due to the high demand, income generated and reduced liability to the Council in comparison to brick built chalets.

Seventeen chalets and fourteen beach huts are managed by the Council as 'weekly lets' to service visitors seeking a short term hire.

These assets can be vulnerable to the sea and weather conditions and require annual maintenance to maintain in good condition. A review of the beach huts/chalet provision is underway to identify further opportunities to maximise provision and income.

Operational Assets

Operational Assets are held primarily to support service delivery.

Includes: Administrative buildings, gypsy and traveller sites and storage facilities.

The Council has a small operational portfolio. It seeks to utilise its operational property assets effectively and to maximise their potential. By understanding our community's current and future requirements, the Council can use its assets to support service delivery. We are able to rationalise our accommodation and generate savings through co-location and joint/shared use of assets, including the development of service hubs.

The Council's main administrative offices in Cromer were constructed in 1990 and the majority of the Council's staff and services operate from this location.

The Council has been successful in rationalising space at these offices to enable other organisations, such as Department of Working Pensions (DWP) and Norfolk County Council, Children Services Team, to co-locate their services. This provides an improved service for the community and a significant contribution to the overheads and operating costs of the building, a model example of the One Public Estate agenda.

The offices are generally in good condition and fit for purpose, being managed by an internal Property Services team. The emphasis looking forward is to undertake planned and reactive maintenance to the building plant and equipment to ensure it remains fit for purpose and to ensure space is utilised efficiently.

The average space allocation per employee during the last plan was at 11.7m², which is in line with the average of the 2013 CIPFA NaPPMI (National Property Performance Management Initiative) report. An assessment of the current average space allocation per employee is to be undertaken to establish if there is further potential to utilise this space more efficiently.

There are number of meeting rooms that could be promoted to hire for external users to generate further income.

Add image of the Council offices

The Council leases land for two Gypsy and Traveller transit sites, which are managed by the Environmental Services team. The aim of the transit sites is to provide pitches for occupation should an unauthorised encampment be deemed to be unsuitable. By offering an alternative site provision to travellers, who through occupation of inappropriate land or through behaviour can cause conflict with the settled community, the Council can remove the tensions felt locally and allow a greater management input and therefore be able to deal with the behaviour that may have caused conflict. Both sites have proved to be successful in providing suitable transit sites for Gypsies and Travellers and in reducing the number of illegal encampments within the district.

Investment Assets and Commercialisation

These assets are held by the Council primarily for the purpose of generating income to support the Council's revenue and capital budgets. These assets also provide economic development opportunities for businesses in the district to become established and to grow.

Includes: Industrial units, retail shops, office accommodation, concessions, leisure/tourism commercial assets and land held for development.

Add Photo

The Council takes a strategic approach to its investment assets and proactively manages the investment portfolio, seeking to maximise returns, minimise voids, capital growth and rental income. This is important as revenue income generated from land and property helps to fund a wide range of services the Council provides. Whilst the purpose of investment assets is to generate income to support the Council's revenue budget with the primary objective of increasing the annual net income and capital value, this is balanced against the Council's corporate priorities, wider economic growth ambitions and community benefits.

By raising capital from the disposal of poorly performing or surplus assets, this can be used to re-invest into the investment portfolio to increase its future revenue potential. Opportunities may also arise for the Council to maximise the capital value and return, by either gaining planning consent or undertaking the development of assets. Investments which promote economic growth and align with Council's objectives should be supported, acknowledging that in some cases that the return and payback period may be longer than traditional investments. This could mean intervening locally where private sector interests is not sufficient to maintain or develop commercial property, for example within Town Centres.

The Council has 2 industrial sites at North Walsham and Catfield with a single unit at Fakenham. There is a vacant former depot at Holt with office block, storage units, compound and parking and the Council is reviewing future opportunities with this asset. There is also a range of retail and leisure (café/food services) investment type assets mainly located in seaside resorts. For further information regarding commercial investment property please see the Council's Commercial Investment Property Strategy.

Add Photo

Residential Assets

The Council's residential portfolio is small and has specific management needs compared to the operational, commercial and investment portfolio. It currently includes a static caravan site, 1 property used as temporary accommodation and a newly acquired property for holiday letting.

Parklands at Pudding Norton, Fakenham is a 38 pitch caravan site that provides low cost rental pitches to local residents. Capital funding has been granted for the refurbishment of the laundry block. There may be further opportunity to provide additional low cost rental pitches by optimising land use at the site.

Annual rent reviews are undertaken in line with the Mobile Homes Act 2013 so that income continues to grow albeit only in line with inflation. There may be an opportunity to provide further pitches for additional low cost local accommodation pitches and which would also increase revenue income.

In 2017, the Council acquired a property to provide temporary homeless accommodation within the district. This service is a statutory responsibility for the Council. The Council also has an option to consider additional properties for use as temporary accommodation in partnership with a local housing trust.

A residential property for the purpose of generating holiday rental income was purchased in 2017 and was a new investment for the Council into the holiday letting sector. Further acquisitions could be advantageous to the Council, as it spreads the risk of its investment income across an additional sector.

The Council seeks to address the shortage of affordable housing in the district and has sold 5 sites to Broadland St Benedict's for residential development at a total value of £940,000. This will create 91 new homes and 79 of these on the Council's land. Broadland St Benedicts was created by Broadland Housing in 2006. The Council was also awarded £2.4m Community Housing Fund; to support the delivery of community led affordable housing schemes in areas where 10% or more of dwellings are second and holiday homes.

The Council has previously considered creating a property company for development and residential investment purposes. Some Council's develop housing companies as a means to hold residential property for rent without being subject to the Right to Buy and avoiding the sometimes lengthy democratic processes involved in Council developing their own land. The disadvantages of a company structure are that decisions with land transferred to the company are potentially less transparent and additionally there are significant tax disadvantages to holding Council land and property in this way. Following the working up of a business case it was not considered viable or desirable to proceed further bearing in mind that the Council does not currently plan to develop a portfolio of rental properties to generate income and consequently a company was not required. If this changes in the future then the Council will consider the establishment of a housing company again.

Asset Portfolio Summary

Asset Category		Asset Value	Budgeted Income 17/18	Budgeted Costs 17/18
Operational Assets	Offices	3,395,697.87	239,528.00	767,615.00
	Gypsy and Traveller Sites	632,000.00	4,000.00	104,618.00
Leisure, Tourism and Community assets	Car Parks	18,895,347.34	2,724,456.00	941,306.00
	Leisure Centres	9,951,607.12	-	823,396.00
	Sporting Facilities	260,107.76	142,820.00	392,690.00
	Public Conveniences	1,460,665.31	-	666,603.00
	Amenity Land, Play Areas and other Leisure assets	217,223.77	15,590.00	542,688.00
	Country Parks and woodland	38,099.94	25,550.00	223,475.00
	Foreshore, amenity and promenades	9,812,106.13	-	192,891.00
	Cromer Pier and Pavilion	1,895,751.35	20,709.00	179,202.00
	Tourist Information Centres	352,196.87	29,500.00	267,038.00
	Parish and former surveyors land			
	Closed Cemeteries	6,353.79	-	-
Investment Assets				
	Industrial	1,422,357.05	132,415.00	140,555.00
	Land Held for Sale			
	Retail	1,637,906.06	92,976.00	244,923.00
	Beach Huts and chalets	859,500.00	120,165.00	105,868.00
	Other Investment Properties	515,000.00	-	23,444.00
Residential Assets	Parklands	387,362.07	57,210.00	70,580.00
	Temporary Accommodation	193,847.45	-	-
Total		51,933,129.88	3,604,919.00	5,686,892.00

Asset valuations are for accounting purposes and not necessarily the market value

Table 1: Portfolio summary information

Influences

There are a number of national, regional and local influences that the Council needs to respond to through management of its portfolio.

National

The Transparency Code 2015 ensures that data around the asset portfolio is publically available. Local authorities are required to publish information of all of their land and building assets, including administration offices, investment properties, vacant property and surplus land on an annual basis. Local authorities must also publish the number of parking spaces within their area. The Council asset register can be found here -

The Housing and Planning Act 2016 has a number of provisions that impact on the Council and its portfolio. Part 8 relates to Public Authority Land and requires the Council to;

- Engage with public authorities in relation to proposals to dispose of land
- Prepare a list of surplus land holdings
- Report on improving efficiency and sustainability of buildings owned by local authorities

In terms of residential property development, starter homes also feature within the act. This is an initiative that aims to help young first-time buyers (below 40 years) purchase a home with a minimum 20% discount off the market price. These starter homes are treated as affordable homes in relation to planning policy. This gives the Council opportunity to provide an alternative form of affordable homes through the redevelopment of its land.

The Self Build and Custom Build Act 2015 requires each relevant authority to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in the authority's area in order to build houses for those individuals to occupy as homes. Where possible the Council will seek to provide custom build opportunities through the disposal of surplus land assets.

Nationally One Public Estate (OPE) objectives are to deliver more integrated and customer focused services, create economic growth, reduce running costs and generate capital receipts from the disposal of surplus assets. The Council forms part of the Norfolk region and by working together it aims to unlock the potential of land and property and support growth through new homes and jobs as well as creating more joined up efficient services. It is seeking to:

- Utilise public sector property assets as a catalyst to transform public services
- Facilitate partners with co-location of services, service redesign and sharing resources
- Support growth and regeneration by releasing redundant public sector land and buildings
- Increasing utilisation, modernise and make a more suitable/flexible public sector property estate
- Reduce property costs and generate income streams to reduce dependence on grants

The OPE programme requires all land and property assets owned by partnership authorities and public sector partners to be recorded on e-PIMS which is a central database of property and land assets.

The Council has historically been successful in meeting the principles of OPE by rationalising space at its administration offices. This has enabled co-location of Children's Services from Norfolk County Council, the establishment of an Early Help Hub and the DWP occupy space, which generates income to the Council and enables us to provide an enhanced customer service. The redevelopment of a surplus asset now provides a police station providing policing to 20 parishes around Cromer.

The Council will continue to be flexible and innovative, working together with partners and local communities to deliver relevant services in the most efficient and effective way, by sharing working space and utilising that space efficiently.

As from the 1st April 2018 there will be a requirement under the Energy Act, for any properties rented out in the private rented sector to normally have a minimum energy performance rating of E on an Energy Performance Certificate (EPC). This requirement is for both commercial and residential property and it will be unlawful to let properties that do not meet the minimum requirements. Landlords may need to fund significant upgrades to their assets to enable them to be let. The regulations will come into force for new leases and lease renewals with effect from 1st April 2018 and for all existing tenancies on 1st April 2020. The Council's commercial and residential portfolio will be subject to this Act and will need to meet the regulations.

Regional Influences

The New Anglia Local Enterprise Partnership (LEP) works with businesses and local authorities to help grow jobs drive innovation and increase productivity across Norfolk and Suffolk. It aims to create 95,000 more jobs, 15,000 new businesses and 117,000 more homes by 2026. By working in partnership with the LEP we have been able to deliver Enterprise Zone status at Scottow Enterprise Park, Coltishall and at Egmore Business Zone. Egmore is a 7.4-hectare site situated to the south of port facilities at Wells-next-the-Sea, which has been established to support investment associated with the growing offshore renewables sector off the North Norfolk Coast. The Council is in partnership to deliver infrastructure for a phased development of serviced plots and a commercial building.

Local influences

North Norfolk District Council has recently consulted with residents on a large number of Public Space Protection Orders which impose conditions on the use of an area, such as restrictions on dogs or the drinking alcohol in a public place. PSPOS's were introduced under the Government's Anti-Social Behaviour, Crime and Policing Act, 2014 and Council proposes to introduce three PSPOS's district wide.

The district has a coastal frontage of approximately 69km, stretching from Holkham in the west to Horsey in the south-east. The Council aims to manage the coast in line with the Shoreline Management Plan which takes account of the wider environmental, social and economic impacts of a changing coastline.

Local members, the community, businesses and tourism sector also have the ability to shape asset management within the district by bringing forward ideas and proposals. This may be community management of public open space, using a land asset to hold an event or the disposal of land or property that generate economic or regeneration benefits.

The process is shown below with indicative timescales and further details can be found in Appendix E.

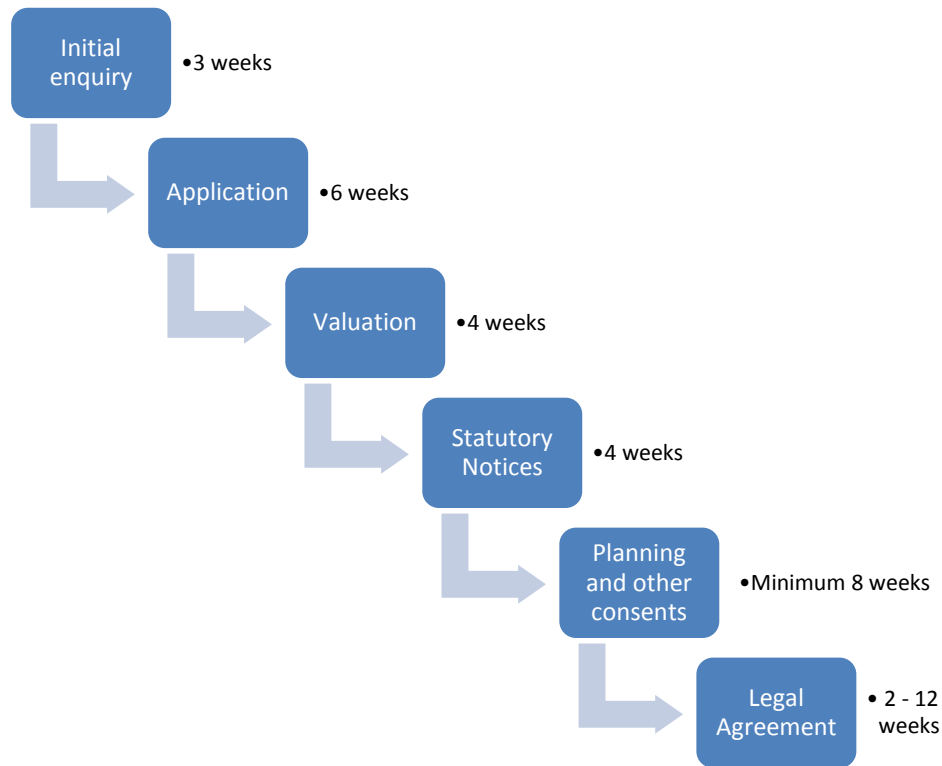


Diagram 4: Asset Proposal Process

Financial Impacts, Risks and Resources

Financial Planning

The Council has a number of financial documents that link to the AMP. These are:

- **Medium Term Financial Strategy (MTFS).** This is produced annually ahead of the detailed preparation of the budget for the following financial year. The reason for updating the MTFS annually is to ensure a longer term strategic view can be taken when making decisions that will have a financial impact in both current and future years. The ability to look strategically beyond the current budget period is a crucial process to support an organisation's resilience and long-term financial sustainability.
- **Efficiency Plan.** As part of accepting the provisional four-year settlement as announced by central government back in December 2015, Local Authorities were required to produce an Efficiency Plan to cover the same period. The Plan supports the MTFS and budget setting process and reflects the Council's ongoing targets for increased efficiency in terms of savings and additional income.
- **Capital Strategy.** Sets out the Council's approach and process to the deployment of capital resources in meeting the Council's overall aims and objectives. It also provides a strategic framework for the effective management and monitoring of the capital programme, within which the Council will work in formulating the strategies for individual services. It is a primary document for all capital decision making, together with the Corporate Plan and other strategies.

Income generation from assets is envisaged to grow over the next 5-year period with a programme of rent reviews, lease renewals and growth of the portfolio.

Capital Expenditure and Income

Capital expenditure relates to investment in assets and the Council has a capital programme that details the proposed expenditure over a 3-year period. Capital can be invested in the development of assets that can be retained to generate revenue income that can be used to support services. The Council has a statutory duty to provide short term accommodation to homeless people and has recently invested in the acquisition of a property to meet this need.

The Council's capital is a finite sum that requires the sale of assets, borrowing or grants to enable the Council to continue to make strategic property investments. The Council can use long-term borrowing to support capital spending in investing in the asset portfolio and also pursue 'invest to save' schemes which can deliver revenue savings.

	2017/18 Updated Budget	2018/19 Forecast	2019/20 Forecast	2020/21 Forecast
	£'000	£'000	£'000	£'000
Jobs and the Local Economy	5,308	0	0	
Housing and Infrastructure	9,850	142	0	
Coast, Countryside and Built Heritage	7,731	655	0	
Health and Well Being	239	3,483	5,799	4,334
Service Excellence	1,073	145	55	55
Total Capital Expenditure	24,201	4,425	5,854	4,389

Table 2: Capital Programme as at December 2017

Capital expenditure includes a potential re-provision of the Splash Leisure and Fitness Centre, a 27-year-old leisure pool in Sheringham which is reaching the end of its useful life and a Sports Hub at Cromer. Both of these projects support the Council's key priorities, and business cases are currently in development for consideration by Members.

Capital income will be received for the sale of land and property assets, for 2017 this is anticipated to be in excess of £2.8m which will be used to reinvest in capital schemes. By identifying and

disposing of poorly performing or surplus assets we can prioritise financial and staff resources on the core assets and by raising capital from disposals of assets we can reinvest in opportunities that delivery greater financial and community returns.

Further information regarding the Council's finances can be found in the [Budget Book 2017/18](#)

The LAMIT Pooled Property Fund is a Local Authority investment fund that aims to provide its investors with a high level of income and long-term capital appreciation through the active management of its commercial portfolio. The fund gives Local Authorities the opportunity to invest in a portfolio with a range of commercial asset types across the UK. It enables investment in property without the need to undertake property management activities and removes repairs and maintenance liabilities and produced an income return of 5.87% for 2016/17.

Revenue budgets

These budgets are used to for the day to day management, repairs and maintenance of assets. The budget forecasted is anticipated to reduce in 2017/18 from the previous year.

Asset	Budget 2017/18 £	Actual 2016/17 £
Car Parks	735,081	707,673.70
Beach Huts and Chalets	47,608	49,261.40
Industrial Units and Depot	21,666	29,658.73
Retail outlets and cafes	47,674	72,325.60
Parklands	26,130	24,317.05
Admin Buildings	499,548	682,167.50
Parks/Open spaces	341,729	335,269.18
Woodlands	131,419	169,955.41
Sports Centres	274,973	303,538.35
Cromer Pier	43,539	112,438.44
Investment Properties	18,894	20,690.25
TIC	131,491	134,014.45
Pier Pavilion	92,847	86,328.83
Leisure Centres	319,709	330,384.01
Recreation Grounds	8,465	8,595.34
Foreshore	120,768	112,049.75
Playgrounds	30,995	33,923.44
Public Conveniences	457,379	477,610.98
Community Centres	16,108	709.06
Travellers	5,498	0.00
Total	£3,371,521	£3,690,911

Table 3: Property Revenue Budgets

Revenue Income

The income generated since the last AMP was written has grown. The forecast for 2017/18 is due to be lower due to a reduction in income from the Council s Admin Buildings.

Asset	Budget 2017/18	Actual 2016/17
Car Parks	2,724,456	2,612,575
Beach Huts and Chalets	120,165	144,716
Industrial Units and Depot	132,415	108,713
Retail outlets and cafes	92,976	85,226
Parklands	57,210	51,327
Admin Buildings	239,528	646,150
Parks/Open spaces	14,590	11,394
Woodlands	25,550	37,685
Sports Centres	142,820	128,456
Cromer Pier	20,709	47,750
Investment Properties	0	-
TIC	29,500	30,147
Leisure Centres	0	-
Recreation Grounds	1,000	1,288
Foreshore	0	-
Pier Pavilion	0	-
Playgrounds	0	-
Public Conveniences	0	-
Community Centres	0	-
Gypsy and Travellers Sites	4,000	594
Total	3,604,919	3,906,021

Table 4: Property Income budget profile

Other Funding

The Bellwin Scheme is a Government scheme designed to recompense authorities for the costs of emergency measures undertaken to safeguard life, or property, or to prevent further suffering and inconvenience locally, during exceptional circumstances. The Council has expressed an interest in registering a claim under the Scheme due to the damage caused by the storm surge in January 2017 as it had done previously following the surge back in December 2013.

Asset Valuations

The value of the Council's property portfolio as per the draft 2016/17 accounts is in excess of £55m and this includes property, plant and equipment, investment properties and assets held for sale. Asset valuations are undertaken on a 5 year rolling programme and are required for capital accounting purposes and may not represent the market value of the asset or portfolio. Please refer to Table 1 for information regarding the Asset Valuations as at 31st March 2017.

Risks

The Council manages the risks associated with its assets and with delivering services in an active way. The Council has a Risk Management Board which is underpinned by the Risk Management Framework which shows how risk is managed; this is further supplemented by the Corporate Risk Register which highlights the current key risks and the controls in place to mitigate these risks. The Council reviews its risks on a regular basis and these can be found within the [Corporate Risk Register](#).

Resources

Progress in the delivery of this plan can be influenced by capacity and expertise of resources.

The Council has appointed a Strategic Asset Development Partner (Gleeds). This partner will help to provide the Property Services team with additional skills, expertise and capacity to help take forward some of the current projects, the partner will review the current asset portfolio and help to bring additional challenge as to why we are holding certain assets and what we might consider doing differently, as well as advising on potential acquisitions. They will provide a contract for the Property team to access skills which are not available internally, such as architectural support, quantity surveyors, structural engineers and land agents etc.

The skills within the property services team have also increased following the appointment of the Asset Strategy Manager and Surveyor. An apprentice role is also anticipated to support the team in 2018. Learning and Development is supported by the Council and is undertaken by the Property Services team to ensure their expertise and skills are strengthened to suit the

requirements of the portfolio and specific projects at that time. Recent learning and development has included contracts and project management.

Additional resources or specialist advice may be required and procured when capacity or skills are not available internally to delivery key projects, such as quantity, land, ecological surveyors and it's not viable or cost effective to recruit temporary resources to fulfil this need.

Data management

The portfolio and property management and maintenance activities are integrated into a single corporate property system (Concerto). This is essential to optimise the portfolio and enable effective asset management and informed decisions to be made. This can be utilised to reduce risks and costs at both a strategic and operational level. Further work is planned to ensure historic paper data is scanned to the system, to reduce paper file storage and to improve security of this data.

Asset condition and maintenance

It is important to aware of health and safety liabilities, general maintenance requirements and potential investment needs to ensure the assets are able to meet the Council's priorities, legislative requirements and service delivery requirements.

It is good practice to have a rolling programme of stock condition surveys, to establish repair and planned maintenance programmes and to enable suitable budget provision to be provided. The Council has recently commissioned a condition survey of Cromer Pier one of the Council s most prestigious heritage and tourist assets.

Planned maintenance may include works such as window replacement, replacements of fixtures and fittings, upgrading fire/ smoke/ heat detection, heating upgrades, electrical rewiring, security recommendations and external environmental improvement works etc.

A review of the Council's stock condition survey programme is planned, so that a 5 year planned maintenance programme can be developed and associated revenue and capital budgets be allocated to deliver it.

A programme and budget for cyclical maintenance and testing, including electrical testing, external repainting, legionella control, asbestos management, boiler servicing, fire alarms, lifts and grounds maintenance etc. is in place and monitored through the Concerto system.

When administration buildings come to the end of their useful life and beyond economic repair, the Council will seek to work in partnership with other organisations to find alternative premises and co-location opportunities.

The Council supports working with a range of organisations who provide management and maintenance of Council assets such North Lodge Park, Cromer and most recently Fair Meadow House, Itteringham.

Performance Indicators

The Council's current performance indicators are used to measure progress against key activities and objectives. These have been developed so that the Council can be well informed of the performance of its assets and take strategic decisions as necessary.

Further information regarding the Council's asset management performance can be found here - [Performance Information](#)

APPENDIX B

Commercial Property Strategy

Introduction

This Policy sets out how the Council invests and manages its commercial and investment property portfolio. This document provides a framework through which the Council will be able to effectively manage its land and property portfolio on a more commercial informed basis to ensure that income generation is optimised, as it is used to help fund, maintain and improve Council services that matter the most to local people. This document sits underneath the Council's Corporate Plan and the Annual Action Plan.

Taking a more commercially informed direction with the land and property portfolio is seen as a key strategy in responding to the financial pressures and challenges the Council faces. This approach is not purely financial, as there is a requirement to balance community needs, and the need to consider the overall value, including economic, environmental and social value of any land or property transaction. An investment strategy is an important framework that enables the Council to use its assets to direct change, improve our market towns, whilst also assessing quickly if a commercial property opportunity may be a suitable investment and is worth acquiring. The strategy will provide continual evaluation of the investment and commercial property portfolio to meet the Council's priority to ensure that our property asset portfolio is fit for purpose. A larger and more balanced portfolio of assets held for capital and rental income growth helps to support the Council's delivery of services and public benefit by utilising rents to fund these services that people value.

Councils are becoming one of the Country's biggest property landlords and are increasingly having a higher profile within the property investment market.

Councils historically have been popular as landlords due to the following reasons:

- A trusted landlord, delivering community benefit and public service as part of their remit
- Delivering local regeneration and employment through land assembly, supply and management of industrial, office and retail premises where there is little confidence from private investors due to believed limited returns
- Providing a level of financial assurance and comfort of security
- A credible organisation to do business with
- Access to other services – economic development, trade waste, licensing, all under one roof

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Definition of investment property

The Cipfa Code defines investment property as “property (land or a building, or part of a building, or both) held solely to earn rentals or for capital appreciation or both”. The Council, will hold other commercial property within its portfolio, which are not necessarily as a principle investment property, but to support the local economy.

Rationale and objectives for holding investment property

The Council has a diverse range of land and property held to meet its Corporate Objectives and values as outlined in the Council's [Corporate Plan](#). Land and property assets can play a key role in meeting service objectives, community benefit and also in reducing Council budget deficits, generating both capital and revenue income. The Council can use its assets more effectively to meet tough financial targets both through reducing costs and generating income.

In the main, the Council will adopt a “buy and hold” strategy for its commercial and investment property. Where the Council purchases an asset for investment purposes this is primarily to generate revenue income, whilst retaining it for the long term. A long term investment is considered to be of 10 years and over. Whilst it cannot be guaranteed, in the long term a good overall rate of return is anticipated allowing for a cyclical property market.

In terms of development opportunities, the Council may seek to “buy and hold” assets for the medium term where it sees a strategic advantage of doing so, for example land assembly for town center regeneration or acquiring land to develop in a phased approach to minimise risk of oversupply and for cash flow purposes.

The Council may also seek to “buy and sell on” an asset in the short to medium term of between 1 – 5 years. For example, where there is opportunity to secure good terms or a low price enabling a surplus to be made from a sale or redevelopment.

The Council seeks to achieve a spread of risk across a greater number of assets and by acquiring properties across the range of commercial property types, including: retail, leisure/tourism, office and industrial assets.

The current portfolio includes a wide range of asset types:

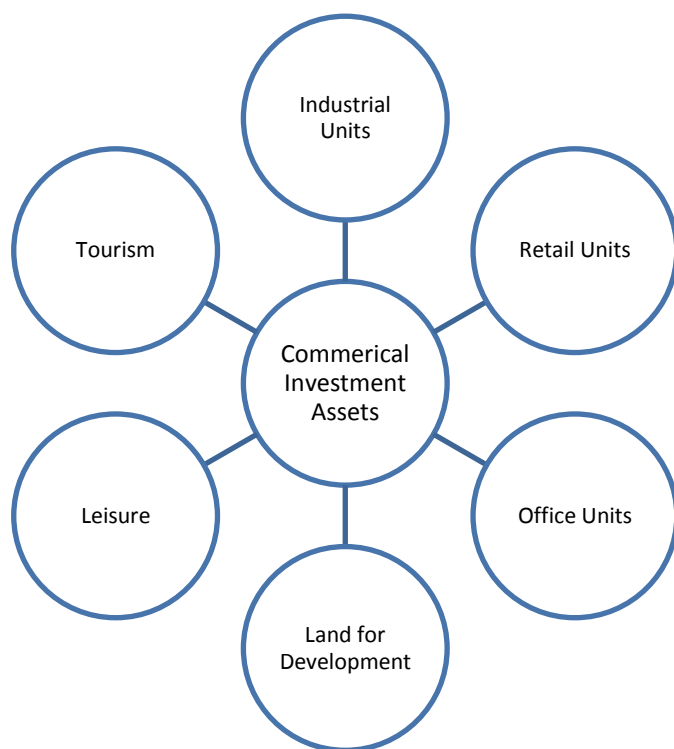


Diagram 2: Asset Types

The Council has a small portfolio of commercial assets to rent within the district. These are identified within the Asset Management Plan as being held by the Council primarily for the purpose of generating income to support the Councils, revenue and capital budgets.

Whilst generating income, returns and financial independence to support the delivery of services, there are a number of benefits to the Council, the community, tourist and business sector from the Council commercial portfolio:

- Strategic regeneration
- Economic – supporting growth of key industries, employment and apprentice opportunities
- Supporting tourism
- Business rate/council tax income
- New Homes Bonus
- Health Agenda
- CIL and S106 contributions

Investment Property and Commercial Asset Portfolio

Asset Type	No. Units	Annual Rent 2017/18
Industrial	21	£122,976
Office	11	£105,900
Retail/Café	12	£70,850

Concessions	12	£31,600
Ground Rent	24	£14,045
Easements, Wayleaves, Rights of Way	14	£10,040
Total	82	£355,411

Table 1: Commercial property portfolio. As at 31st March 2017

Regional Growth

New Anglia Local Enterprise Partnership seeks to drive growth and enterprise across Norfolk and Suffolk. Through its Strategic Economic Plan, it aims to grow jobs, businesses and homes in the area by 2026. The LEP has identified that new and expanding businesses need space to grow and access to high quality infrastructure to assist them in productivity and to be competitive. Alongside this the LEP has identified Fakenham and Wells in North Norfolk, as a growth location.

New Anglia LEP and its partners have secured ten new Enterprise Zone sites for Suffolk and Norfolk under the banner “Space to Innovate”. Egmore Business Zone – a 7.4 hectare site situated to the south of port facilities at Wells-next-the-Sea, which has been established to support investment associated with the growing offshore renewables sector off the North Norfolk Coast. The Council has been key in driving forward the allocation of this Enterprise Zone and is working in partnership with the landowner to offer a serviced site, with development ready plots, to enable development of commercial units quickly. The Council is also seeking to develop a workshop and office unit of 773m² and which it has agreed terms for a pre-let. The Zone offer benefits to business including; discounts on business rates, simplified planning and Superfast broadband.

In terms of the Councils Portfolio, this is relatively small which it should seek to grow, in the following areas:

- Revenue income
- Capital growth
- Additional investment assets

The portfolio will be developed through the acquisition of existing let assets, vacant assets where there is an opportunity to let or where it has redevelopment opportunities and through new developments. By strengthening the asset portfolio, it will provide a greater commercial return to the Council by generating rental income, which can be utilised to fund services the community needs the most.

The Council commissioned a Business Growth and Investment Opportunities Study, produced in 2015, by BE Group, which assessed the local business dynamics of the district and provided recommendations in order to encourage further business investment in North Norfolk. The Council is seeking to take forward elements of this report and to establish a £2m Local Property Fund for the acquisition of land and property in the local area that supports business growth. This fund will principally be used to generate revenue income from rents, to support the local economy and facilitate regeneration.

Approach to investing in property

It is important to be agile in order to take advantage of commercial property investment opportunities that may arise through the following routes:

- On the market
- Off Market via a direct approach
- Receivers or administrators
- Auction
- Joint Ventures/Partnering

Economic Growth and Property Services will work in conjunction to source and assess suitability of commercial property and tenant finding, as they have the appropriate skills to achieve this. The Council may seek to appoint Agents to undertake this role, if assets are of a specialist nature or out of area.

Identifying Opportunities

Whilst it is important to be agile and some acquisitions may take advantage of opportunities there is a need to have an acquisition strategy. The Council appointed BE Group to undertake a Business Growth & Investment Opportunities Study in 2015. This assessed the local business dynamics and provided recommendations to the Council to encouraging further business investment in North Norfolk. The report found:

- Low level of vacant industrial and office stock
- Some employment land was not deliverable
- Limited choice of office and industrial units
- Lack of mid-sized industrial units (500m² – 2000m²), offices above 50m² and serviced offices.

It identified the Councils aims, objectives and actions in relation to the following key areas:

- Promotion and Marketing
- Supporting Business and Enterprise
- Land, Premises and Infrastructure
- Skills and Employment Opportunities

The report recommended that North Norfolk as a district should be promoted based on the following growth sectors.

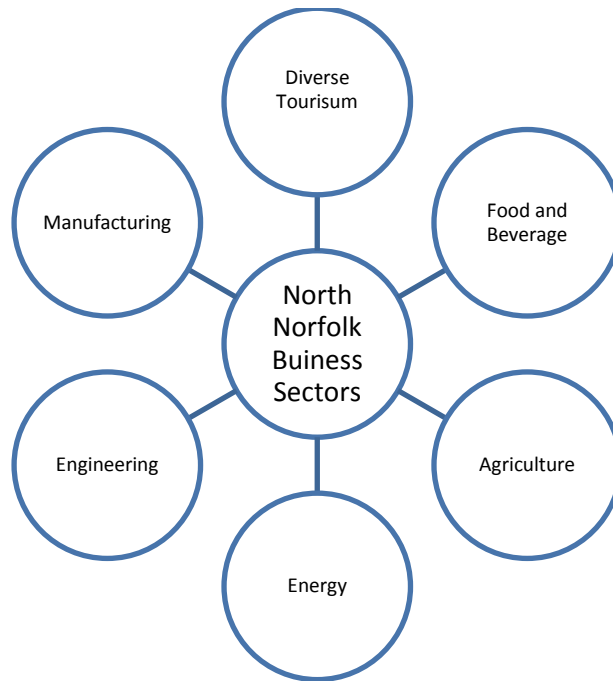


Diagram 3: Business Sectors in the North Norfolk Area

The report identified a number of opportunities, which the Council may also consider as part this strategy. These opportunities are:

- Broadening the food and beverage sector
- Build on the deep history coast
- Build on manufacturing sectors
- Business and enterprise serviced centers for small/start-up businesses and STEM sectors
- Branded hotel

Business sectors may evolve over the course of this plan which will give new and further opportunities to the Council such as services sectors linked to STEM and the aging population.

Objectives

The Council will seek to acquire assets for investment or development where it:

- Is in the best interest of the Council
- Provides a financial benefit (investment) to the Council in terms revenue income or future capital growth
- Has strategic, regeneration or redevelopment potential within the district
- Improves the economic development of an area

- Increases the value of existing Council owned assets
- Is currently managed by the Council and there is an advantage to owning it

The purpose of acquiring and holding property purely for investment purposes is to generate income as revenue income used to fund other Council services. Where the asset is to be acquired for investment purposes, a business case and financial appraisal will be required that demonstrates the asset meets the investment criteria as below. Where an asset is acquired for other purposes other than as an investment, please refer to the Land and Property Acquisition policy.

- Focus on traditional, lower risk sectors including offices, retail, and industrial
- Freehold (or long leasehold) are preferred property tenures
- Strong tenant covenant or where it would improve economic growth in the key sectors
- Whilst modern properties or assets in a good condition are preferred, assets that require renovation can offer opportunities
- Single let or multi let units will be considered, but preference away from management intensive properties unless suitable managing agents are appointed to undertake this role.
- Prime locations preferred
- Energy efficient rating D or above or where the Council can improve the rating by undertaking works that are cost effective

Mixed use investments including a mixture of commercial and residential uses, or a mixture of retail and office use, may also be of consideration to assist with balancing the portfolio. The holding of residential property will require the Council to establish a property investment company. Such a company could seek to buy property management services from the Council, utilising officers with experience in residential property management.

As the district has a stretch of beautiful coastal line, with the majority being designated as an Area of Outstanding Natural Beauty, making it a very popular destination within the tourism sector. This gives further opportunities to the Council, such as good quality holiday letting accommodation and assets uses that support this sector. Appropriate management of such resources is required to optimise income and customer experience and therefore the use of managing agents may be utilised.

The Objectives around the existing commercial portfolio:

- Review the portfolio to ensure it is balanced with a spread of investment property types and restructure if appropriate
- Review the portfolio, as opportunity arises and make an assessment to determine if the investment asset should be retained, remodeled or disposed of.
- Increase rental income through rent reviews being undertaken promptly
- Invest in existing assets where investment will improve returns or create further opportunity
- Dispose of underperforming assets
- Act commercially
- Review operational or leisure and tourism assets to identify income generation opportunities.

Yield Criteria

The property investment yield represents the risk that the Council as an investor associates with ensuring a long term income, including the potential for growth. In prime locations, with a strong tenant covenant or where there is opportunity for growth (capital and/or revenue) the Council may consider accepting a lower yield. Where the investment is considered to be a higher risk the Council may seek to secure a higher level of yield.

A balanced portfolio may include a mix of high and low yields, however if this become “unbalanced” it may be necessary to dispose of some of the higher risk/poorer performing properties and to acquire properties of a lower yield to re-set the balance and minimise risk.

The Council will seek to acquire Investments that will achieve an appropriate rate of return reflecting the risk and reward of that particular investment. It is anticipated that the overall target yield of the portfolio, will be around 4% which will have a spread of lower and higher yielding investments, to ensure an appropriate balance between risk and return. The target yield will be reviewed against other financial investments annual to ensure the level is appropriate and the target percentage may be increased. Performance measures have been developed so there will be a clear understanding of the Councils asset performance individually, grouped by type and as a whole. Strategic measures will be monitored and reported to members as part of the Council overall performance management strategy.

Where the Council seeks to acquire an asset at a lower rate of return it will need to be equivalent or better to the returns that could be earned from alternate investments, such as placing monies on deposit, following adjustment for risks and potential growth or where there is clear economic benefit in doing so.

Governance and Decision Making

As the Acquisition Policy outlines, it is essential that the Council has the ability to make quick by informed decisions when seeking to acquire assets for investment purposes so that opportunities are not lost.

The Council's governance arrangements will enable decisions to be made quickly if exceptional circumstances require. This may be in situations where the asset is being acquired at auction. An asset panel of Councilors and officers will be established to consider high value commercial property investment and activities where there is high financial, high profile or high reputational risk to ensure that all transactions have the appropriate level of due diligence and are transparent and fair.

Finance, Risks and Return

Finance

Bank of England interest rates have been at very low levels and are currently at 0.50% (November 2018) and even with the forecast increases, current returns from property investments can give an attractive return to the Council. Any return above the base rate will make a positive contribution. The Council will continue to track the base rate increases against property investment returns so it can make the appropriate investment decisions at that time.

The Council is currently debt free, although its capital expenditure and financing plans do currently assume an external borrowing requirement over the forthcoming medium term period for the re-provision of the Splash Leisure Centre in Sheringham. Investments are forecast to fall as capital receipts and other Council reserves are used to finance revenue and capital expenditure. However, with the Council looking to expand its holdings in commercial property, this may result in some short-term borrowing being required. Such borrowing is readily accessible and cheap, and doing so when required helps optimise longer-term investments.

Short term borrowing is allowed by the Council's Treasury Management Strategy, and the Council's treasury adviser, Arlingclose, has recommended this approach and fully supports it to help maximise investment returns

Income

The Council will seek rents from its existing commercial land and property portfolio and any new acquisitions, that reflects the current open market rental values in that area. It is important to optimise the level of rental income where possible as this revenue is used to fund Council services people value. The level of income from these properties can be influenced by the following:

- Location of property. Whilst the District is limited somewhat by the fact that the sea is to the North of the district there are opportunities for investment and acquisition within the district and this is the Council's preferred location as shown in the hierarchy of preferred investment locations, below. The Council may seek to acquire assets outside of the district within neighbouring districts or wider Norfolk if there are clear benefits in doing so.

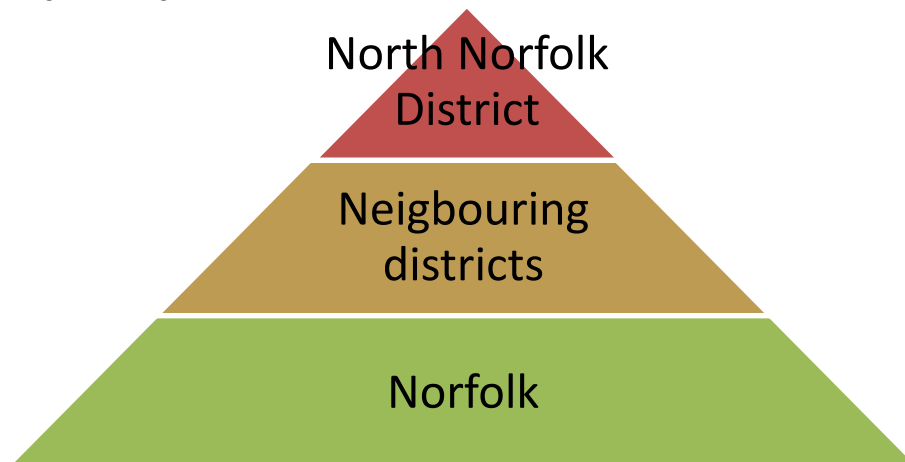


Diagram 4: Hierarchy of preferred locations

Location is an important factor in considering any commercial property investment as assets in these locations tend to hold their value in the long term. Prime or good secondary locations are preferred with accessibility to transport links, social infrastructure and quality surrounding assets. Assets that are in subprime locations may generate regeneration opportunities and may also be considered as strategy acquisitions.

The location of the property will also impact on the management regime, therefore for properties out of area will require a managing agent to be appointed so that asset can be effectively managed at a local level.

Assets held within the district or neighboring districts allows Officers to undertake inspections and to deal with any management issues as they arise without the need to employ specialist agents.

- Building quality and specification. Assets in poor quality tend to attract lower rents or poor quality tenants. Higher quality properties tend to attract higher rents and higher quality tenants who are more likely to pay rent on time.

Modern premises with flexible layouts are preferred to ensure longer-term rental growth, however there may be opportunities to redevelop older poor quality buildings and create value.

It is important to understand the life-cycle of building elements and costs of replacement to be able to assess the suitability of the property for acquisition and future repairs and maintenance costs.

As part of the due diligence process a building survey and testing of heating and electrical services will be undertaken by independent surveyors and engineers to fully understand the quality of specification of the building and its current condition. There may be circumstances where other specialist surveys are required as part of this process.

- Length of lease which is unexpired at point of acquisition, if the property is let. This is important as where a property has a small number of years prior to the lease expiring as this can have a negative impact on the value as there are risks around the tenant not renewing the lease. This also becomes an issue if the Council is seeking to sell investment assets that it no longer wishes to hold within its portfolio.
- A strong covenant/financial strength of tenant(s), good credit history, accounting and future business growth is preferred. New startup businesses may not be able to offer this and the Council may seek a guarantor or deposit or different payment terms. Assessment as to the strength and suitability of tenants will be undertaken.

The Council may not invest in properties or let to occupiers which are generally seen to be undertaking business which is contrary to the Council's corporate values.

Revenue Budget

It is essential that the appropriate revenue budget is also considered as part of the acquisition process and established upon acquisition completion.

- Business Rates/Council Tax
- Insurance and security
- Repairs and maintenance (buildings and grounds)
- Utility services to the building such as water, electric, gas
- Health and Safety testing and monitoring, such as asbestos, PAT test, legionella
- Management fees – if the property is to be managed by an external management company.
- Marketing and promotional activities

Each property has a different budget requirement and should be assessed on a case by case basis taking into consideration the tenants likely responsibilities and the future maintenance requirements of the asset.

Risks

Investment in property and development activities can carry a number of risks. Risks not only have the potential for negative influences on the Council but can also create opportunities. Property Risks will be considered as part of the Councils overall risk management strategy and will be reported to members.

Property is considered to be a cyclical asset meaning its capital value goes up and down, and the investment return it produces increases and decreases over time and therefore property should be thought of as long term investments, intended to generate a steady income and with some long – term capital growth.

Specific Asset risks



Diagram 5: Commercial Property Investment Risks

- Rental and capital values can fall as well as rise and therefore it can be prudent to look at property investment in the long term.
- Demand can encourage rents to increase and improve returns. Voids in the portfolio will reduce rental income and the average portfolio yield. The Council will also become liable for costs of maintaining and any on-going occupier costs such as business rates. This is inevitable part of property management.

Multi let units such as business centers, whilst they can be more management intensive to manage due to the number of occupiers and easy in and out terms. If voids occur in part of the building, then whilst it may be reduced the asset is still producing income.

- Rent and/or service charge arrears occurring which can amount to significant sums if not dealt with quickly. The corporate debt management process is to be followed and the Council will seek to appoint bailiffs or take legal action if all other avenues have been exhausted.
- Development/improvement costs are often only held for a short period of time, therefore there is a risk that protected acquisitions could result in higher actual costs. A sufficient level

of contingencies should be included in all development and improvement budgets to allow for this.

- Lower returns can be a factor of the specific property yields. Low yields are often associated with high quality tenants as the risks around these tenants tend to be lower. High yields can indicate a high risk poor quality tenant. Average portfolio yields of between 5 – 7% gives a balanced portfolio.
- The Council has some capital that it could invest in property, however this is not a finite and the Council may seek to borrow funds. Funding can be provided through a number of channels and their risks around interest rate level increasing, availability of finance and that it can be withdrawn. Careful assessment is required to determine the best option as part of the business case.
- There is a risk with sticking with the status quo and not taking a stronger commercial approach, due to the financial challenges the Council faces.
- Disputes with tenants regarding ongoing maintenance and repair costs and the ability to recover those costs from tenants through a service or estate charge. Complaints from neighbouring tenants or property owners regarding tenant behavior or increase in competition can occur. Responsive asset management is required to manage such situations promptly.

Where assets consistently underperforming against defined performance indicators, or pose a risk to the Council, then an appropriate exit strategy will be implemented. This strategy will be specific to each asset and will depend on a particular outcome the Council is seeking to achieve, which might include the disposal, leasing or sale and lease back.

An exit strategy may also be taken where assets have successfully performed, for example where the capital value has risen significantly and a disposal could generate capital funds that could be reinvested into other assets or capital projects.

Management of the portfolio

The Councils Property Services Team has historically managed the Council property portfolio with support of the Finance team, Eastlaw and Economic Development.

Different types of commercial property require different levels of resource to manage effectively. Business Centers with easy in and out terms, tend to be more management intensive due to the relatively high turnover of tenants, in comparison to the longer leases of industrial units, where typically tenants have responsibility for full maintenance/repairs and insuring.

Asset management undertaken includes:

- Rent collection and rent arrears management
- Service charge reviews and collection
- Building and grounds maintenance, testing of appliances and monitoring
- Tenant liaison
- Marketing and re-letting empty units
- Negotiating terms of rent reviews and new leases
- Expiry of leases, lease renewals and terminations
- Dilapidations

An increase to the portfolio will require additional resource to manage effectively which could be achieved by additional staff for internal management or appointing experienced commercial agents for external management.

Assets held outside of the district would require external resource to manage the assets effectively.

Performance

The Council has historically monitored the performance of its assets. With taking a stronger commercial approach to asset management and the implementation of this strategy, it is an ideal opportunity to strengthen the current performance indicators. These indicators will include those around, income, rate of return, condition and voids. Each asset will be assessed separately and in grouped by asset type for example retail. This data will be assessed monthly, quarterly and/or annual depending on the usefulness of the data collected during that period. Where assets consistently underperform then an exit review and options appraisal will be undertaken to identify opportunities and allow the Council to take an informed course of action.

Appendix C

Land and Property Acquisition Policy

Introduction

This Policy sets out how the Council acquires land and property assets. This document provides a framework through which the Council will be able to effectively manage its land and property portfolio and sits underneath and links to the Council's Corporate Plan and the Annual Action Plan.

To ensure that land and property are acquired effectively and efficiently the Council has established the following key principles:

- Every acquisition is to have clear objectives from the outset
- The appropriate level of investment and management budget is determined prior to acquisition
- Appropriate due diligence is undertaken prior to completion of acquisition transactions

Strategy

The Council will seek to acquire assets where it:

- Is in the best interest of the Council
- Provides a financial benefit (investment) to the Council in terms revenue income or future capital growth
- Drives change within communities offering quick community benefits, but may have a longer term realisation of financial benefits
- Has strategic, regeneration or redevelopment potential within the district
- Improves economic development and community well-being
- Has a clear financial case to provide or enhance community facilities/infrastructure
- Increases the value of existing Council owned assets
- Is currently managed by the Council and there is an advantage to owning it

In terms of strategic or development opportunities, the Council may seek to “buy and hold” assets for the medium term where it sees a strategic advantage of doing so, for example acquiring land to develop in a phased approach to minimise risk of oversupply and for cash flow purposes.

The Council may also seek to “buy and sell on” an asset in the short to medium term of between 1 – 5 years. For example, where there is opportunity to secure good terms or a low price enabling a surplus to be made from a sale or redevelopment.

The Council provides a number of services to the district and land and property may be acquired to support service delivery. A business case will be required in this instance, however the wider none financial benefits will also be taken into consideration such as the economic social, environmental impact. The

Land and property may be acquired to facilitate development required through the Local Plan process to bring forward schemes that may not be developed otherwise.

The Council supports the One Public Estate initiative and may acquire (and dispose) of land and property to help delivery. The Council has acquired through a lease premises in Fakenham that provides accommodation for a number of public services.

Where there are clear benefits to do so the Council may acquire (and dispose) land or property through a land swap. There can be significant costs with undertaken land swaps, which should be built into the business case.

The Council has acquired property in the past through CPO and will continue to do so, when no other method of acquisition can be reached or when attempts to encourage the owner of an empty home to voluntarily return the property into use has been unsuccessful.

When the Council is acquiring property for (letting) investment purposes it will do so, on the basis that it will seek to retain the property for the long term. A long term investment is considered to be of 10 years and over. Whilst it cannot be guaranteed, in the long term a good overall rate of return is anticipated allowing for a cyclical property market. Please refer the Commercial Property Strategy for further information.

There are alternative options to acquiring a physical asset, where the Council can invest in property through Property Funds such as the Local Authorities' Mutual Investment Trust (LAMIT). This is a managed, diversified commercial property portfolio utilised for long term investment.



Diagram 1: Acquisition opportunities

Governance and Decision Making

It is essential that the Council has an ability to make quick but informed decisions when seeking to acquire assets and particularly when this is for investment or service delivery so that opportunities are not lost.

Proposals to acquire assets are initially to be considered by Property Services, who have the necessary skill and expertise to undertake this initial assessment. Legal Services and other appropriate service managers will be consulted in particular if there may be constraints on the development or use of the asset.

To establish the requirement for the land or property acquisition an initial high level business case and financial appraisal, is to be prepared and to be considered by an asset panel comprising of Councillors and officers, which will be established to consider high value property acquisitions and activities where there is high financial, high profile or high reputational risk to ensure that all transactions have the appropriate level of due diligence and are transparent and fair.

The purpose of acquiring and holding property for investment purposes is primarily to generate income, therefore where the asset is to be acquired for income generation, a business case and financial appraisal will be required that demonstrates the asset meets the investment criteria as follows:

- Focus on traditional, lower risk sectors including offices, retail, industrial and residential
- Freehold (or long leasehold) are preferred property tenures
- Strong tenant covenant or where it would improve economic growth in the key sectors
- Whilst modern properties or assets in a good condition are preferred, assets that require renovation can offer opportunities
- Single let or multi let units will be considered, but preference away from management intensive properties
- Prime locations preferred
- Energy efficient rating D or above or where the Council can improve the rating by undertaking works that are cost effective

In all cases, the on-going revenue and future capital costs are to be considered to ensure the property is managed and maintained to a satisfactory standard, with the business case being undertaken to consider the whole life costs of any investment.

The Council's governance framework is The Constitution, which nominates officers and/or Cabinet to approve acquisitions subject to a value threshold. All acquisitions shall have the necessary budgetary and relevant Cabinet or delegated approvals before the acquisition is completed.

Due to the nature of the property market, decisions may need to be taken quickly in order to put offers forward to acquire assets. Where there is not an opportunity to gain the required authority, for example as the relevant committee is not due to meet within the timeframe, the offer will be made on a conditional basis and therefore contracts for purchase would not be exchanged and completed until the appropriate authority had been given.

Location Criteria

A key priority for the Council is for a district with a thriving economy offer better jobs and prospects for local people. It seeks to support its market and coastal towns recognising their importance as economic hubs and local service centres. The Council therefore prefers to invest in its communities and acquire land and property assets within the district due to the wider benefits gained by doing so. Whilst the Council will seek to acquire assets across the district so that the portfolio is balanced geographically, this will be subject to the availability of such land and property assets and that the acquisition is a viable proposition or generates significant social, economic and environmental benefits.

The Council may also seek to acquire investment assets in neighbouring districts and Norfolk, when there is limited availability of opportunities within the Councils district in order to; maximise returns, diversify the portfolio and generate income to support the delivery of services throughout the district.

Type of Acquisitions

Acquisitions undertaken by the Council can be made in a number of different forms:

- Freehold – the outright ownership
- Leasehold - leasehold interests are for a fixed period of time
- Permanent and non –permanent rights over land such as easements, wayleaves, and rights of way
- Short tenancies - tenancy for a term of less than 7 years
- Option – a contract that gives a party the right to buy land or property often linked to a specific period of time at either a fixed price or determined by a valuation at the time at which the purchase takes place
- Pre-emption – the asset must be firstly offered to the potential purchaser if the owner decides to sell by way of a legal agreement

Means of Acquisition

There are a number of ways the Council may seek to acquire assets:

- Private Treaty – an acquisition negotiated with one or a number of interested parties either through a direct approach or when available on the open market
- Auction – an acquisition by open auction. A binding contract will be made on the acceptance of the highest bid providing it has reached the reserve price by the auctioneer. When a property is purchased at auction it is usual for a buyer's commission to be paid.
- Informal Negotiated Tender and Formal Tender – an acquisition by a process of submitting tenders by a given date
- Exchange of Land (Land Swap) – an acquisition involving an exchange of Council owned land or property with land or property owned by third party. The land acquired by the Council will be at least 'equal' in commercial worth to the land exchanged or have specific development potential that makes the acquisition appropriate. This may be either from the value of the land itself or where an additional payment is made in addition to the land exchanged
- Joint venture – an acquisition where greater benefits/profits may be realised by working in partnership to acquire or develop assets. This may be with one or more private individuals, companies or public organisations.

Joint venture/Partnering

Joint Ventures (JV) or partnering with either a public or private organisation are becoming more common place for Local Authorities and may be considered by the Council for investment or development opportunities.

By working collaboratively there is opportunity for greater success being achieved by:

- Access to new/wider opportunities
- Investment may unlock employment or residential land that may be undeliverable without it
- Access to greater staff resources - specialist skills and additional capacity
- Sharing the risks, costs and benefits

A joint venture or partnership arrangement can take a number of forms and a business case should be prepared to provide justification for establishing such an arrangement and include:

- Who the necessary partners are and their participation
- The potential risks/liabilities of each partner
- What assets or resources pass to any joint venture vehicle and how they are held
- What contribution either partner makes
- Reward and profits

Whilst there are many benefits to joint ventures they can be complex and professional independent advice will be sought as appropriate so that the Council can be suitably informed in its decision making.

Due Diligence

With any acquisition the Council will undertake all necessary due diligence. The extent of due diligence undertaken however will be on a risk based approach, so that the level is appropriate for the varying types and financial value of acquisition. The Council will utilise its own legal team as part of this process and seek any further professional advice externally as required.

A valuation will also be undertaken to ensure the purchase price is reasonable.

Where an acquisition is anticipated to be below £50,000 a valuation will be undertaken by Property Services or a suitably experienced/qualified property advisor to the Council. This will be undertaken at the earliest opportunity.

Where the value is anticipated to be in excess of £50,000, an acquisition valuation will be undertaken prior to making an offer (if time allows) or at the very latest, prior to exchange of contracts to ensure the price paid accurately reflects that asset and/or its potential. This is to be undertaken by a suitably qualified member of the Royal Institution of Chartered Surveyors (RICS) and will comply with the RICS valuation standards.

A building survey should also be undertaken, if appropriate or necessary to establish the condition of property or to highlight any detrimental defects and to enable a future planned maintenance programme to be prepared. Additional surveys or testing may also be undertaken prior to exchange of contracts such as asbestos, heating and fixed wiring installations if deemed appropriate.

In the case of acquiring land surveys such as topographical, contamination, ecology or tree surveys maybe undertaken if required.

In some cases, it may be appropriate to establish the feasibility of development land and seek either planning pre-application advice or planning permission for a form of development prior to acquiring land.

Costs

There are a number of costs associated with the acquisition of assets and these should be established as part of the business case. These may include:

- Legal fees
- Stamp Duty Land Tax
- Improvement works to enable letting
- Planning and other consents
- Finance costs
- Survey and valuation fees
- Finders Fees – using agents to find suitable properties for investment, which may be required if acquiring property out of district.

Certain vendors may opt to tax and impose VAT on the sale price. This cost will be in addition to the purchase price but any VAT attributable to the purchase will, unless the Council's 5% partial exemption limit is exceeded, be recoverable.

Abortive costs may be incurred by the Council for example when forming unsuccessful bids, or failing to reach exchange of contract as a result of due diligence undertaken. These may include feasibility studies, ground investigations, consultant/advisors costs, legal costs, survey fees and officer time.

Funding

The Council is currently debt free and its capital expenditure and financing plans do not currently assume any external borrowing requirement over the forthcoming period. Investments are forecast to fall as capital receipts and other Council reserves are used to finance revenue and capital expenditure. However, with the Council looking to expand its holdings in commercial property, this may result in some short-term borrowing being required. Such borrowing is readily accessible and cheap, and doing so when required helps optimise longer-term investments. Short term borrowing is allowed by the Council's Treasury Management Strategy, and the Council's treasury adviser, Arlingclose, has recommended this approach and fully supports it to help maximise investment returns.

It is proposed to establish a local property capital fund of £2m so that funds are readily available to acquire suitable new land and property assets. It is proposed to utilise £1m from New Homes Bonus reserve and a further £1m from Invest to Save reserves. Income revenue generated from these assets will be used to fund Council services by increasing the Council's rental income stream.

An asset panel of Councillors and officers will be established to consider high value commercial property investment and activities where there is high financial, high profile or high reputational risk to ensure that all transactions have the appropriate level of due diligence and are transparent and fair.

Risk

Investing in property can carry a number of risks. Risks not only have the potential for negative influences on the Council but can also create opportunities.

Property is considered to be a cyclical asset, meaning its value goes up and down, and the investment returns it produces increase and decrease over time and therefore property should be thought of as a long-term investment, intended to generate a steady, regular income and with some long-term capital growth.

The Council in the main will target low risk, low management investments and will mitigate risks through having a balanced portfolio of diversified quality asset types across multiple locations and manage these assets commercially.

Acquiring land or property for development may carry a different range of risks and these can be greater in financial consequences depending on the scale of the development project. Both financial and non-financial risks should be identified as part of the business case and be specific to that proposal. These risks will be monitored and reviewed as part of the Councils risk management framework and through asset management practices.

The Council's risk register provides information regarding specific property risks.

Acquisition by Auction Guide

This is a brief guide to highlight the process of acquiring property by auction.

Due Diligence

An inspection of the asset will be undertaken by Property Services, along with a building or condition survey (if appropriate for that asset type), which will be determined by the Asset Strategy Manager. Other officers and/or specialist surveyors/consultants may also be required to inspect or provide advice where further information is required.

A legal pack is provided by the seller's solicitors and this should be reviewed in detail by the Council's solicitors prior to bidding. This information may include any special conditions, title documents, lease documents etc. Searches will be undertaken to provide further background information regarding the property.

An initial assessment should be prepared including a proposed maximum purchase price bid, funding arrangements, and the appropriate authority gained for the potential acquisition.

Pricing

A guide price is often established by Auctioneers to give potential purchasers an indication of the anticipated sale price. The actual sale price may be higher or lower than the advertised guide price and can be a reflection of demand.

A reserve price is often set by the seller, which is the lowest price sale price they will accept. This price is confidential between the auctioneer and the seller, and is not disclosed to potential bidders. An auctioneer will not have authority to accept bids below this level and on occasions property may not sell at auction.

If the property did not sell, the Council may undertake further negotiations with the auctioneer for a post auction sale.

Bidding

Bidding can be undertaken in the following ways:

- In person at the auction event
- By Proxy - authority is given to the Auction House to act and bid on the Councils behalf. A maximum bid price is required by the Auctioneer and they will bid up to this amount only.
- By Telephone.
- By online auction system (if available).

The Head of Finance and Asset Management or other authorised officers, where possible will attend the Auction event to bid in person. A maximum bid price is to be agreed prior to the event in accordance with the Councils Delegated Authority limits.

The highest bid over the reserve will usually be the winning bid and legally binding exchange of contracts is effected by the fall of the auctioneers hammer. If the Council has the winning bid, the authorised officer will be required to sign a sales memorandum, which will bind the Council to the conditions of the sale.

A deposit of normally 10% of the purchase and any administration fees, are required upon exchange of contracts. This is typically paid by debit card, cheque, bankers draft or bank transfer in advance of the auction and held by the Auctioneer.

Buildings insurance is required to be in place upon exchange of contracts. Early discussions with the Councils insurers will be undertaken to inform them of the potential purchase.

Legal completion is usually required within 20 days.

APPENDIX D

Land And Property Disposal Policy

Introduction

This policy sets out how the Council disposes of its land and property assets. This document provides a framework through which the Council will be able to effectively manage its land and property asset portfolio and sits underneath the Council's Corporate Plan and the Annual Action Plan.

In 2016 the DCLG published a Local Authority Assets Disposal Guide, with the aim of supporting and empowering Local Authorities to dispose of assets that are or could be made surplus. From 2016 until 2019 Local Authorities can reinvest receipts from disposals (excluding Right to Buy) on its services.

To ensure that land is disposed of effectively and efficiently, the Council has established the following key principles:

- Every disposal having clear objectives from the outset
- Contributes to wider economic development and regeneration proposals as rooted in local plans
- Early and meaningful engagement with other public bodies and the market
- The appropriate level of investment determined prior to disposal

This document sets out the policy regarding the disposal of assets, in line with the principles of the DCLG Local Authority Assets Disposal Guide, to ensure they are dealt with in a consistent and commercial manner. There may be occasions where a different approach might need to be taken compared to the procedures outlined within this document, for example for more complex disposals. In these situations however any proposed disposal will be undertaken under the necessary Delegation powers or will be the subject of a committee report.

National Influences

Nationally, One Public Estate, (OPE) objectives are to deliver more integrated and customer focused services, create economic growth, reduce running costs and generate capital receipts from the disposal of surplus assets. The Council forms part of the Norfolk region and by working together it aims to unlock the potential of land and property and support growth through new homes and jobs as well as creating more joined up efficient services.

The Transparency Code 2015 ensures that data around assets that the Council holds is publically available. Local authorities are required to publish information of all of their land and building assets, including administration offices, investment properties, vacant property and surplus land on an annual basis. The availability of this information can help to open new markets for local business and for the voluntary/community sectors and social enterprises to run services or manage public assets. The Council asset register can be found here - [transparency-data](#)

The Housing and Planning Act 2016 provides the necessary legislation for government to implement measures intended to promote homeownership and increase the levels of housebuilding. Part 8 of the Act – Public Authority Land, looks for a more strategic management of public sector land and requires:

- Engagement with public authorities in relation to their proposals to dispose of land
- Duty of public authorities to prepare report of surplus land holdings
- Local authorities to prepare an annual report containing a buildings efficiency and sustainability assessment of their estate

The Act also enables the Secretary of State to direct certain public authorities to dispose of land.

Identifying Assets for disposal:

The council will seek to dispose of its assets where it is in the best interest of the Council.

An asset may be considered for disposal, where it:

- No longer contributes to the delivery of the Council's services, strategic or corporate objectives
- Provides a financial benefit to the council in terms of a capital sum to provide a more suitable re-provision
- Is not fit for purpose and is no longer economical, environmentally or culturally sustainable
- May be required for larger scale redevelopment opportunities, which would deliver greater economic development or regeneration through a wider land assembly.
- Has no strategic, regeneration or redevelopment potential to the Council
- Is a risk or poses a future risk to the Council
- Is under performing and offers no future capital appreciation or investment rate of return
- Would offer social, community or environmental benefit
- Improves economic development of the area or encourages start up or business growth

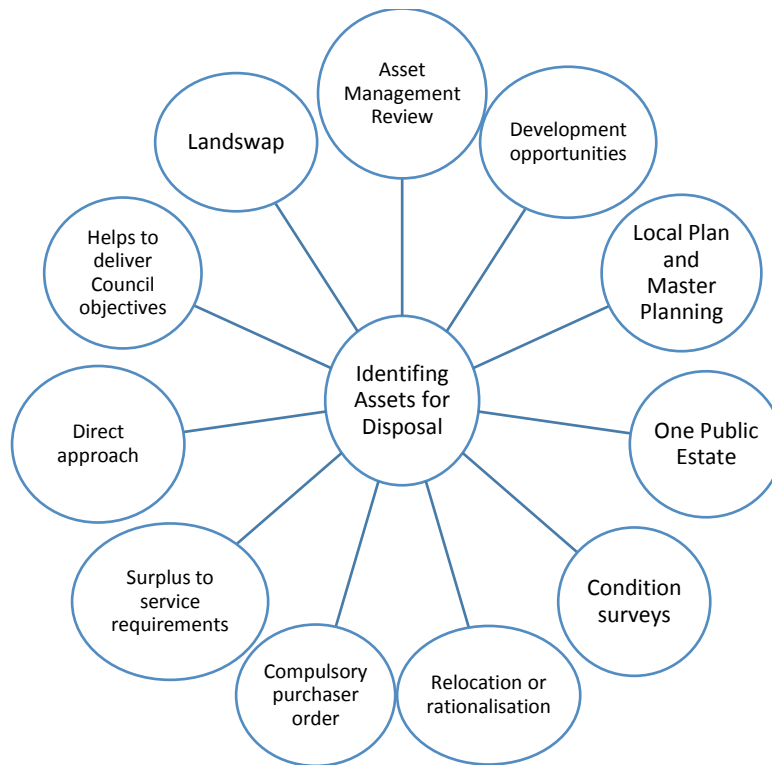


Diagram 1: Identifying Assets for Disposal

Obtaining best consideration

When disposing of assets, Section 123 of the Local Government Act 1972 requires the Council to achieve the best consideration reasonably obtainable when it is disposing of assets. This duty is subject to certain exceptions that are set out in the General Disposal Consent (England) 2003.

Under Section 123(2A), the Council must follow certain statutory requirements to advertise the disposal of land that consists of or forms part of an open space.

General Disposal Consent 2003 permits the Council to dispose of land at less than its market value, without the need to seek specific permission from the Secretary of State, provided that:

- The purpose for which the land is to be transferred is likely to contribute to the 'promotion or improvement' of the economic, social, or environmental well-being of the area; and
- The difference between the market value of the land and the actual price paid for the disposal, is not more than £2,000,000

In justifying a disposal of land/property at an undervalue, the Council will have regard to the

- The community benefits and how the interests of local people will be better served by the disposal
- The financial viability of the Council's plans for the land
- State Aid implications
- The Council's future plans for the land

Governance and Decision Making

Proposals to dispose of assets are initially to be considered by Property Services, who may undertake option appraisal to determine the future of the asset. An option appraisal would include considering the potential for alternative uses, such as redevelopment, investment, voluntary or community use but ultimately there should be a sustainable business case to support the final recommendation.

Prior to disposal, the Council may seek to invest in the asset, if it is deemed it will enhance the value or make the asset more attractive to the market, such as obtaining planning consent. The type and scale of investment will be considered on a site by site basis.

Where an asset is generating an income, a cost/benefit analysis will be carried out as part of its consideration to establish whether it is in the Council's best interests to dispose of the site.

Property Services will seek to make best use of its resources by rationalising or disposing of surplus or under-performing assets in line with the Councils Corporate Plan objectives. They will seek to obtain the best consideration, utilising the most appropriate method of disposal and seek to dispose of assets as expeditiously as possible. However when the market is not conducive to a disposal, the Council may seek a temporary use for the asset, where possible. For example the asset may be leased to reduce the liability of payment of business rates, security costs and insurance requirements.

Within the Council's Constitution governance framework, Officers and/or Cabinet are nominated to approve disposals subject to a value threshold. Further information can be found here [The Constitution](#)

An asset panel of Councillors and officers will be established to consider high value commercial property disposals and activities where there is high financial, high profile or high reputational risk to ensure that all transactions have the appropriate level of due diligence and are transparent and fair.

Types of Disposal

The disposal of the Council's land and property can be undertaken in a number of different forms and not necessarily as a freehold sale. The following opportunities are available:

- Freehold disposal - The sale of the property with or without future covenants to restrict or protect its future use
- Leasehold disposal – Leasehold interest can be agreed for any time period, however a leasehold interest of 7 or more years is registered as an interest with the Land Registry
- Permanent and non-permanent grant of rights over land , such as easements, way-leaves and rights of way
- Short tenancy – tenancy for a term of less than 7 years or the assignment of a term which at the date of the assignment has not more than 7 years to run

Means of Disposal

The Council has discretion to dispose of its assets (such as land or buildings) in any manner it wishes. Disposal of assets can be undertaken in a number of different methods, each with their own advantages and disadvantages. The most appropriate method will be determined by Property Services and agreed in accordance with the Constitution.

- Private Treaty – a sale of land/property negotiated with one or a number of interested parties either through a direct approach from an individual(s) or following public marketing of the asset
- Auction – sale of land and property by open auction available to anyone. This may be appropriate where there is no obvious potential purchaser and/or where speed and the best consideration can be obtained. The sale will be publicly advertised in advance. A binding contract will be made on the acceptance of the highest bid providing it has reached the reserve price by the auctioneer
- Formal Tender – a sale of land and property by a process of publicly advertising the asset for disposal and inviting formal tenders submitted by a given date
- Informal Negotiated Tender – a sale of land and property by a process of publicly advertising the asset for disposal and inviting informal offers or bids. The Council may then negotiate further or more detailed terms with one of the bidders
- Exchange of Land (Land Swap) – is an exchange of Council owned land or property with another land or property owned by another person or organisation. The land acquired by the Council will be 'equal' in commercial worth to the land exchanged. This may be either from the value of the land itself or where an additional payment is made in addition to the land exchanged
- Transfer to a Council owned company – a transaction by where there is a transfer of assets:
 - (a) from the Council to a Council owned property company
 - (b) between two Council owned property companies (i.e. development and investment companies)

These assets will be directly disposed and not marketed publically for sale. A transfer from the Council to the company will be at market value and an independent valuation will be required.

In most cases the method of disposal selected will seek to attract competitive bids unless an alternative method of disposal would be more appropriate. There may be occasions where the Council wishes to support or encourage specific use or development, to deliver key objectives contained within the Corporate Plan. In these instances sales may be negotiated to particular purchasers such as:

- The land is small in size and an adjoining or nearby landowner is the only potential or likely purchaser
- The Council's corporate objectives and best consideration can be achieved by a sale to a particular purchaser, such as a disposal of land to a Registered Social Landlord for housing development
- The purchaser has a particular interest in purchasing the land such as a sitting tenant
- The nature of the Council's land ownership and that of the surrounding land ownership is such that the land must be sold to adjoining or surrounding landowners if best consideration is to be obtained, such as sale of an access that would release land for development
- The Council's land forms part of a larger land area, that could enable substantial "marriage value" if amalgamated. For example land that is proposed for a comprehensive redevelopment or regeneration of an area
- The land has an existing or future community use and a Community Asset Transfer to a Town/Parish Council or community interest group would achieve a local social, economic or environmental benefit
- Disposal to a wholly owned Council property development and/or investment company or a joint venture between the Council and either public or private organisations
- Disposal to former owners under the Crichel Down rules or pre-emption agreement

Disposal of partially surplus assets

Where only part of an asset or site is declared surplus, consideration shall be given to disposing of that part of the site provided it does not:

- Restrict future operational developments
- Negatively impact obtaining best value from selling the rest of the site
- Leave the remaining asset/land with increased maintenance costs or increased exposure to public liability

Ransom strips

Where the Council is selling land that adjoins land with future development potential, it shall consider retaining ransom strips on its site to retain access to the adjoining land so any future development of the adjoining land can then only take place with the Council's consent and therefore gives the Council opportunity to benefit from any uplift in future value.

Joint venture

Where a greater sale price from the disposal of Council land or property may be realised by combining the Council's asset with land or property belonging to a third party, a joint disposal may be considered.

The Council may consider buying the third party asset outright or purchasing on the basis that the vendor receives an agreed percentage of the total proceeds.

Sale and leaseback

Where appropriate the Council may consider a sale and leaseback of an asset subject to the approval of a business case. The Council must ensure that its right to continue to use the facility is preserved for as long as it is likely to be required.

Provision of new facilities in exchange for surplus land and property

A purchaser may provide an alternative benefit in lieu of cash, as consideration for the Council's surplus land or property. Any such arrangement must comply with European Union procurement rules if applicable.

Valuation

It is important to establish the most appropriate pricing structure for disposal to ensure sufficient market interest is created to generate a disposal at best consideration.

Where a disposal is anticipated to be below £50,000 an initial market appraisal will be undertaken by Property Services or a suitably experienced/qualified property advisor to the Council. This will be undertaken at the earliest opportunity to establish an appropriate marketing price.

Where the value is anticipated to be in excess of £50,000 a formal disposal valuation should be undertaken prior to marketing by a suitably qualified member of the Royal Institution of Chartered Surveyors (RICS) and will comply with the RICS valuation standards.

The offers received and price achieved for the disposal may differ to the market appraisal price or formal valuation obtained.

Where a disposal is considered to be below marketing value, for example where there is a clear community benefit, a valuation should be undertaken to identify the undervalue amount and an attempt should be made to financially value the economic, social or environmental benefits to the authority and community to justify a disposal at less than best price.

Where an asset is to be disposed of at auction, if the asset does not reach its reserve, it will not be sold unless agreed under Delegated Authority as described within the Council's Constitution.

When disposing of a lease the same principles will apply.

Disposal Terms

In some cases, an overage clause may be applied and/or restrictive covenants placed on any future development. An overage arrangement is where the Council receives future payments representing any uplift in value of the land/property once it has been developed or developed and sold on.

An option agreement is an agreement made between a landowner and a potential purchaser of their property. It is where both parties enter into an agreement, in return for a non-refundable sum of money, the potential purchaser of the land has a legally binding option to buy at a certain date or within an agreed time-frame, or after completion of a certain event for example after obtaining planning permission.

Where the Council wishes to grant an option, or an option holder wishes to exercise their option on land which the Council owns, the Council will determine whether the consideration for either the grant or exercise of the option results in a discount. In relation to the exercise of an option, an assessment will be made to establish if the terms are likely to require the Council to accept less than the best price that could reasonably be obtained for that interest at the time of disposal and, if so, whether that would fall within the terms of the General Consent.

If, as a result of the assessment the Council wishes to seek specific disposal consent, it will provide the Secretary of State with full details of the terms of the option agreement which is to be entered into or implemented.

Clawback and overage is the right on some future specified event for the original owner to have a share in that future value. The Council may seek to add a clawback to the transfer of land where future development may occur and result in an enhanced land value.

Whilst overage and clawbacks are considered on a case by case basis, the inclusion of provisions shall be considered by the Council, where the:

- Sale price (obtained by any sale method) does not reflect the potential increase in value during development
- The value of land sold for residential development is based on an agreed projected sale value of the completed development and the final sale price of a development is anticipated to exceed this figure
- The land is sold for an agreed price but reserves the right to receive an additional payment if the land is sold on for a profit (regardless of whether a more valuable planning permission is obtained)

The following factors will be considered when seeking an overage or clawback:

- Period of time
- Percentage of uplift. This is the share of the increase in the value of the land from its original market value to the value with the benefit of planning permission. The percentage must be sufficient to justify imposing the overage or clawback provision
- The trigger of the clawback or overage, will often be on the sale of the land with the benefit of planning permission or implementation of the planning permission

Restrictive covenants may also be placed on land that is to be disposed of, for example when transferring an asset to a community group to restrict the lands use as amenity land.

Such covenants 'runs with the land', this means that the covenant continues even when the original parties dispose the land.

Conflicts of Interest

Where land or property assets are to be disposed to the below, the Council Auditors will be required to independently review the transaction:

- Employees
- Councillors
- Close relatives to Employees and Councillors
- Contractors, advisors or consultants to the Council

Costs

The Council will generally be responsible for funding pre-disposal investment, valuations and marketing undertaken, unless other arrangements have been agreed. On most occasions costs such as legal, surveyor and other costs associated with the disposal will be paid by each party, however there may be occasions when the Council will require its costs to be paid or will agree to pay purchaser costs where it is deemed of benefit.

Disposal of amenity land

The Council receives a number of enquiries regarding the disposal of amenity land. These may be from:

- Private individuals and companies seeking to benefit their existing property
- Volunteer and community groups seeking to provide a service to benefit the community
- Parish and Town Councils seeking to provide a service to benefit the community

Disposal may be considered when:

- Alternative provision of equivalent or greater community is provided in the locality
- The asset is surplus to requirements, no longer provides a valued opportunity for sport, recreation or leisure
- There is an excess of provision taking into account the long term recreation and amenity value of such provision
- Sport, recreation and leisure facilities can be retained and enhanced through the redevelopment of a small part of the site
- There is a broader community benefit to the disposal
- The space does not contribute to the character of the settlement
- The asset is required for the regeneration of the area
- A rationalisation of small parcels of 'backland' open space, either rarely used or often misused

The Council is required by law to advertise the disposal of land designated as 'public open space' in a local newspaper for two consecutive weeks and to consider any objections received. No final decision about the disposal will be made until any objections have been fully considered. Public response may also be an important factor in any determination by the Secretary of State of an application by the Council for specific consent to the disposal.

A proposal to acquire the land will be required to be submitted to the Council for consideration. Where the disposal is to private individual or company, non-refundable fees and charges will be payable before the application will be considered.

In some cases if the Council considers that the land to disposed of, has the potential to be of interest to other parties or could be sold for development land, the Council must advertise it for sale on the open market.

Purchasers will be required to obtain their own legal and planning advice and any planning consents. Land may require a change of use from example from amenity land to garden land.

The Councils Core Strategy Policy CT1 Open Space Designations requires protection and enhancement of existing open spaces. The Councils planning document; Open Space Standards should be used when looking at proposals for redevelopment of existing open space and also to identify areas where additional open space provision is required, which can often be provided through new development.

Community Asset Transfers

The Council has a Community Asset Transfer policy that deals with the disposal of assets for community purposes [\(add link to policy when published\)](#). A community asset transfer should contribute to the Council's aims and objectives. There may be circumstances where there are competing interests, the Council will consider which of the proposals put forward are viable and sustainable in the long term.



ASSETS OF COMMUNITY VALUE

PROCEDURE & GUIDANCE

Reviewed: October 2017

CONTENTS

General Guidance and Advice	2
Explanation of Terms	3
Nomination and Listing Procedure	5
Review of Decision Procedure	7
Disposal of an Asset	9

General Guidance and Advice

The [Regulations](#), [Explanatory Note](#), and [Guidance Note](#) published by the government provide detailed information on:

- The bodies that can make nominations (such as local parish councils)
- Land that is exempt from being listed (such as premises which are primarily residential)
- The steps that the North Norfolk District Council has to take when considering to list land as an asset of community value and upon listing that land (including notifying relevant parties)
- Arrangements for owners to make appeals on decisions to list or award compensation on any losses incurred as a result of being listed (including internal reviews and external tribunals)
- Exemptions to the 6 month moratorium being applied when land is put up for sale or long term lease

Who to contact

For general advice or enquiries please contact:

Tel: 01263 516248

Email: supporting.communities@north-norfolk.gov.uk

Support available and other considerations

Support on the use of this right is available from an organisation called Locality.

Where the owner of a listed asset, such as a pub, applies for 'change of use' then the fact the asset is listed as an asset of community value may be a material consideration in making a decision on whether to grant change of use.

In addition, Neighbourhood Plans can formally allocate assets for community use in a site allocation proposals map, if there is good evidence to support the case (including for sites which may not meet the definition of an asset of community value). This would give it additional weight in decision making and could inform, and be informed by, the lists of nominated assets.

North Norfolk District Council's Local Plan seeks to promote the retention and development of local services and community facilities in villages, such as local shops, meeting places, sports venues, cultural buildings, public houses and places of worship.

We will take into account the importance of these facilities to the local community when considering planning applications.

Explanation of Terms

The Act states that an Asset is of community value if in the opinion of the Council:

- i. An actual current use of the Asset, that is not ancillary, furthers the social wellbeing or social interests of the local community;
- ii. It is realistic to think that there can continue to be a principle use of the Asset which will further (whether or not in the same way) the social wellbeing or social interests of the local community;
- iii. There was a time in the recent past when an actual use of the Asset (which was not an ancillary) furthered the social wellbeing or interests of the local community; and
- iv. It is realistic to think that there is a time in the next five years when there could be non-ancillary use of the Asset that would further (whether or not in the same way as before) the social wellbeing or social interests of the local community.

1) Social Wellbeing

The Act defines that social interests include the following:

cultural interests, recreational interests and sporting interests.

If the use does not meet the social interest criteria then the Asset can only be listed if it meets the social wellbeing criteria.

However, there is no set definition for social wellbeing, either in the Act or in general circulation. In the absence of a set definition the Council will use the following definitions as a guide:

‘Social’: relating to or having the purpose of promoting companionship, communal activities.

‘Wellbeing’: the condition of being contented, healthy, or successful; welfare

(source – Collins English Dictionary)

2) Realistic

The Councils approach will be:

- i. If the Asset has a current principle use that meets the criteria, it will be presumed that the same use can continue in the future; and
- ii. If the Asset had a use in the recent past that meets the criteria, it will be presumed that the same use can continue, unless there have been events that would prevent such a use, such as dereliction or demolition.

3) Recent Past

The phrase ‘recent past’ is also not defined in the Act. The Act does however define a time period for when the land could be brought back into community use as five years.

In determining therefore whether there was a time in the recent past when an actual use of the Asset furthered the social wellbeing or interests of the local community, the Council may consider:

- i. If the land has been disused for more than five years, when it was last in use, whether its principle use furthered the social wellbeing or social interests of the community;
- ii. If the land has been in use, but has been used for a non-qualifying purpose, and the land was purchased using a compulsory purchase order or other statutory power for use by the Council or other public sector body.

4) Further Considerations

Examples where the main purpose of the asset is:

- Public Services Assets: - Children centres, schools, nurseries, health centres, doctors surgeries, hospitals, day care centres and residential care homes.
- Sport, Recreation & Culture Assets: - Theatres, libraries, cinemas, swimming pools, sports centres, parks, village halls, ornamental gardens, open spaces, museums or play areas.
- Community Services Assets: - Community centres, youth centres or public toilets.
- Local Democracy Assets: - Town, civic or guild halls.
- Economic Assets: - Village shops, the local pub, markets, the post office or the local bank.

PLEASE NOTE: This is not a complete list. The Council will consider each nomination based on its merits.

The Council will exclude land that is:

- Outside the Council's area;
- Residential properties and associated land (such as gardens);
- Sites covered by Part 1 of the Caravans Sites and Control of Development Act 1960;
- Operational land such as roads and rail networks;
- Used by public utilities as defined in section 263 of the Town and Country Planning Act 1990;
- Assets not recently used and that are not currently in use for a primary social purpose; and
- Assets that have been empty or derelict for many years and remain so at the present time.

The Council will manage the format and any modifications to the List. If the Council considers that land provides value then it will add that land to the List of Assets of Community Value for a period of five years. If the nomination is unsuccessful the Council will add the land to the List of Unsuccessful Community Nominations. Both will be published on the Council's website under Assets of Community Value.

The Council will notify the Owner, the occupier, and the Nominee, as required by the procedure, of any inclusion, removal, change or intended sale of Assets. The Council, will, where necessary, publish such changes on The Councils website using the List of Assets of Community Value.

Nomination and Listing Procedure

1. The Council will accept all valid written nominations in both electronic or hard copy formats, using the Council's Community Asset Nomination Form which is available to download <https://www.north-norfolk.gov.uk/tasks/your-community/find-out-about-localism-in-north-norfolk/>
2. Letter of acknowledgement of a VALID application will be sent to the Nominee within five working days of receipt of nomination with the date when they can expect a decision from the Council.

Valid nominations (as a minimum) require:

- Details of the group nominating the Asset.
 - Voluntary and community sector applicants will have to demonstrate a local connection by showing their activities are wholly or partly concerned with the local area.
 - A description and the address of the Asset together with a plan of the boundary.
 - Details of who owns the property and/or who occupies the Asset including the current or last known address of all those holding a freehold or leasehold estate in the Asset.
 - Details why the Asset will boost the social well-being of the community and why the Asset should be considered as having community value.
 - Any evidence of community engagement (for example: results of local surveys that support the bid).
3. Where an INVALID nomination is received the Council will respond to the nominee within 5 days with its reasons and require a revised application. Should all further information not be received within 14 days from the date of the letter the Council will reject the nomination as invalid. No further action will be taken in relation to the nomination and an entirely new application must be made if the group wishes to revisit the matter.
 4. Notification letters sent within five working days of receipt to the Owner, Leaseholder and the Occupier of The Asset being considered for listing. Local Members for the ward and the Parish Council will also be informed in accordance with Regulation 8.
 5. The Council will consider any objection to the listing from the Owner. Objections are required in writing no later than two weeks from the date shown on the Council's notification letter.
 6. Nominations will be reviewed by an Officer of the Council who will make a recommendation to the relevant Head of Service; a copy of the draft decision notice will also be copied to the relevant Portfolio Holder. The Head of Service will formally approve the inclusion of the asset onto the List of Community Assets or onto the List of Unsuccessful Community Nominations.
 7. A confirmation letter will be no later than 9 weeks from the date of the letter notifying persons of the nomination. The letter will be sent to the Nominee and the Owner informing them that the bid was either successful or unsuccessful.

Where successful the letter will detail:

- a. The intention of the Council to include the Asset on the List of Assets of Community Value.
- b. That the Asset will remain on the list for a period of five years.
- c. That the Owner has a right to request an Internal Review of the Council's decision to list an Asset. This must be given in writing before the end of the eight week Deliberation Period starting from the date shown on the letter.
- d. That the Owner has a right to appeal to the First Tier Tribunal if they are dissatisfied with the outcome of the Internal Review.

Where unsuccessful the letter will detail that the Asset will be placed on the List of Unsuccessful Community Nominations for a period of 5 years. Re-nomination of a building or piece of land following an unsuccessful nomination will be considered if the Nominator is able to show a significant or substantial change in the circumstances surrounding the nomination.

8. The Council will include details of the listing on the Local Land Charge Register and apply to the Registrar for the listing to be recorded on the Land Registry as a Form QQ restriction.

Review of Decision Procedure

1. The Council will review its decision to add an Asset to the list if requested, in writing, by the Owner no later than eight weeks from the notification that the Asset has been added.
2. A letter of acknowledgement will be sent to Owner within five days of request for Internal Review. The letter will include:
 - Contact details of the Reviewing Officer.
 - The date when the review will be completed.
 - Their right to Appeal if dissatisfied and to reasonable compensation if their Appeal is successful.
3. An Internal Review must be undertaken by an officer of the Council who did not take part in making the decision to include the Asset on the List. The Owner may appoint a representative to act on his or her behalf. The Reviewing Officer must provide the representative with any documentation which is required to be sent to the Owner.
4. An oral hearing must be held at the Owners written request. Where no request is made in writing the Reviewing Officer can decide if they require an oral hearing.
5. Both the Owner and representative may make representations to the Reviewing Officer both orally or in writing.
6. The Reviewing Officer must complete the Review by the end of eight weeks from the date when the written request was received from the Owner.
7. On completion the Reviewing Officer will complete the LACV Review Form and the Council will provide a written response to the Owner. The letter will state:
 - They have been successful and the Asset will be removed from the List or;
 - They were unsuccessful and the Asset will remain on the List.

The Act allows Owners, who believe that they have incurred losses as a result of these procedures, to apply for compensation from the Council. A claim for compensation must be made in writing to the Council and received no later than 13 weeks after the loss or expense was incurred. It should state the amount of compensation sought for each part of the claim and be accompanied by supporting evidence.

The Council will give written notification of its decision and the reasons for such decisions in respect of a claim for compensation.

An Owner can ask the Council to review a claim for compensation if rejected or the value to be paid is less than the original amount claimed. The Owner must request a review within a period of eight weeks beginning on the date of the Council's decision. The Council will undertake a review within eight weeks of the receipt of the request and provide its decision in writing to the Owner.

If the Owner is not satisfied with the review they may appeal to the First Tier Tribunal. Claims for compensation will be considered for the following:

- 1) Arising from the period of delay in entering into a binding agreement to dispose of an Asset.
- 2) A claim for reasonable legal expenses incurred in a successful appeal to the First-Tier Tribunal against the Council's decision to list an Asset.
- 3) A claim for reasonable legal expenses incurred in a successful appeal to the First-Tier Tribunal if the Council refuse to pay compensation or the full amount being claimed.

Disposal of an Asset

1. The Council will be accountable for enforcing the Act and to minimise non-compliance and proper use of the moratorium process a Local Land Charge will be placed on the Local Land Charges Register for any listed Asset. The Council will also apply for the listing to be recorded on the Land Registry as a restriction.
2. A non-compliant disposal of a listed Asset will be void and not recognised in law. For clarification the following disposals are exempt from the moratorium process.
 - i. Disposal through the gift of an Asset.
 - ii. Disposal of an Asset containing a business which uses the Asset and which is a growing concern.
 - iii. Disposal within a family or partnership, between trustees of a trust or companies in a group.
 - iv. Disposal in the execution of a will, Compulsory Purchase Order or legal proceedings such as a result of a court order.
 - v. Disposal of an Asset that is part of a larger estate, part of which is listed, but where the whole estate is owned by the same person and is a single lot of land.
 - vi. Disposal from one National Health Service body to another.
 - vii. Disposal of closed Church of England churches (Part 6 Mission and Pastoral Measure 2011).
 - viii. Disposals for ongoing educational provision.
 - ix. Disposals as a result of power of sale, bankruptcy or insolvency.
3. Owners have a duty to provide the Council with a written Notice Of Disposal detailing their intention to dispose of any part of any listed Asset. Failure to notify the Council will result in the disposal of a listed Asset being void and not acknowledge in law.
4. Letter of acknowledgment sent to Owner within five working days of receipt of Notice of Disposal. The letter will include:
 - The date when the six week Interim Moratorium Period expires.
 - When the 18 month Protection Period will expiry.
 - Reference to the disposal process in terms of the Localism Act 2011.
5. The Council will also notify the Nominee responsible for the listing, within 5 working days of receipt of the Notice of Disposal, of the Owners intention to dispose of a listed asset under Section 95 of the Localism Act 2011.
6. Once the Council has notified the Nominee and published that an Asset is eligible for disposal on its website, the Nominee or any other eligible Community Interest Group has a period of six weeks called the Interim Moratorium to inform the Council in writing that they want to submit an Expression of Interest.
7. Once a group has submitted an Expression of Interest the Council will inform the Owner in writing that such group should be seen as a potential bidder.
8. The Community Interest Group then has the six months Full Moratorium Period starting from date when the Council acknowledged the Notice of Disposal to prepare and submit a bid to the Owner.

9. If no Expressions of Interest are received during the Interim Moratorium the Council will notify the Owner in writing that they are free to dispose of the Asset at any time during the 18 months Protection Period.
10. Failure to dispose of the Asset during the Protection Period will require the Owner to submit a new Notice of Disposal.

Further Information

Where land is being removed from the list the local authority must also give the following written notice:

- The owner of the land.
- The holder of the freehold estate and the holder of any leasehold estate in the land (where they are not the owner)
- The occupier of the land (if they are not also the owner)
- The parish council if any of the land being added or removed is in the parish council's area.
- The voluntary or community body that made the nomination (if the land was included as a result of a community nomination).

The local authority will also include reasons for the removal. Where it is not reasonably practicable to give written notice to these persons then the local authority will take reasonable, alternative steps to bring the notice to the attention of the relevant person, by publishing on the website.

Where land has been included on the List of Assets of Community Value it will be removed after a period of 5 years.

Please note that this guide is based on the Localism Act 2011 regulations and guidance available at the time and it is important that you use these guidance notes in conjunction with the most up to date regulations and guidance available.

Appendix F

POLICY RELATING TO THE USE OF COUNCIL PROPERTY ASSETS

North Norfolk District Council owns and manages a wide range of property assets, many of which are held to support the recreational, cultural and social well-being of the district whilst also supporting the economic viability of the area. Such assets include - car parks, open space, sports and leisure centres, Cromer Pier and pavilion, promenades and country parks.

These assets are not distributed evenly across the District, meaning that some communities have no land and property assets owned and managed by the Council, whereas other communities, particularly the coastal towns of Cromer and Sheringham, have a concentration of such assets. This often presents a challenge to the District Council in terms of capital and revenue spend as well as the ability of the Council to support local community initiatives, including fund-raising activities which have the objective of supporting local community infrastructure, charities and third sector organisations, through the use of such assets.

Whilst the District Council recognises the importance of, and wishes to support, such local community initiatives and events which bring visitors and business into our towns and support the local economy, it is becoming increasingly difficult for the Council to be able to agree to requests for the “free” use of Council assets for charitable purposes on a fair and equitable basis and in a way which doesn’t place pressures on the Council’s revenue budget in terms of lost income and/or increased costs.

In order to be seen to manage its assets in a fair and equitable way to District Council Tax payers across the District, the Council proposes adopting a policy which does not allow “free” use of Council assets, with the following exceptions:-

1. The Council will not levy car park charges on town centre car parks on Remembrance Sunday each year, so that local people and visitors can pay their respects on this national day of remembrance without having to pay car park charges.
2. The District Council will offer free parking through the suspension of car parking charges on two Saturdays (in total) in November and December in each town to support Christmas Shopping events. These days will be specified by each town through the relevant Town Council / Chamber of Commerce.
3. Further, the District Council will suspend car parking charges from midday in each town in support of their Christmas Lights Switch On events.
4. The District Council will continue to make available on a without charge basis the western end of the Runton Road Car Park (Carnival Field) for the annual Cromer Carnival event.
5. Subject to no adverse costs being charged to the District Council by its insurers, the District Council will continue to support the Cromer New Year’s Day Fireworks event through making available use of Cromer Pier on a without charge basis.

In respect of points 4 and 5 above, North Norfolk District Council will make available car parking at its Holt Road offices and at the Cabbell Park Sports Ground for these events with a charge being levied as a contribution towards the additional costs borne by the authority in supporting these events through additional street / promenade cleansing, increased servicing and late closing of public toilets and the costs of District Council Property Services and Seafront staff involved in organising and managing use of the Council’s assets at these large public events.

Appendix F

Apart from the events stated above, the District Council is unable to provide “free” use of car parks, sports facilities or other assets for community events and would need to make a charge to cover the costs or lost income from the use of any asset.

Appendix G

Constitution – proposed changes

It is proposed to amend the constitution to reflect current roles and responsibilities, to make the delegated authority around property transactions to be clearer and ensure robust Governance and transparency. The values of the delegated authority is to be discussed by the Constitution Working Party.

Page 141

Land and Buildings: Responsibilities of Head of Finance and Asset Management

Rule of financial governance

Proposal to update the Councils Constitution regarding property matters to make it clearer on how the Council will deal with acquisitions, Disposals and property legal agreements. There is a need to enable the Council to act more commercially where opportunity arises.

Acquisitions and disposals

Acquisition and disposal of any land or property shall be supported by a financial appraisal providing the budgetary implications and for acquisitions having examined the VAT implications around the option to tax. Following consultation and agreement with the Head of Finance and Asset Management transaction will be approved when the estimated value or proceeds is as follows:

- (a) Up to a value of £ (to be determined) per asset will be approved by the Asset Strategy Manager and the Head of Finance and Asset Management
- (b) Between £ (to be determined) and £ (to be determined) by the Head of Paid Service
- (c) If £ (to be determined) and greater by Cabinet, subject to the recommendation of the Head of Paid Service and the asset panel.
- (d) In exceptional circumstances, an opportunity may arise which maybe time limited and the decision would have ordinarily been approved at Cabinet; however no Cabinet meeting is to be held within the timeframe. In such circumstances, an extraordinary meeting will be requested.

(e) In cases b-d above a report must be submitted to the Council's Corporate Leadership Team for approval.

Property Agreements, Leases and Licenses

All leases, whether as landlord or tenant, approval shall only be given if supported by a financial appraisal, from the Asset Strategy Manager and Head of Finance and Asset Management giving the budgetary implications and shall be dealt with as follows:

(a) up to and including 5 year term and/or up to a value of £20,000 per annum to be approved by Asset Strategy Manager and Head of Finance and Asset Management

(c) over a 5 year term and up to and including 20 years and/or between £20,000 and £50,000 per annum to be approved by the Head of Paid Service

(d) over 20 years and/or greater than £50,000 per annum to be approved by the Cabinet;

Rent Reviews

Approval of rent reviews shall be subject to the same limits as in paragraph a-d of *property agreements, leases and licenses*.

Appendix H

Asset Proposal Process

Introduction

This document sets out the process of how proposals are submitted and considered for Council assets. Local members, the community, businesses and tourism sector have the ability to shape asset management within the district by bringing forward ideas and proposals. This may be community management of public open space, using a land asset to hold an event or the disposal of land or property that generate economic or regeneration benefits. The Council is open to considering a range of ideas, but is under no obligation to agree such proposals.

This document provides a summary of the process.

Stage 1 – Initial Enquiry

If you have an idea or proposal in connection with any of the Council's assets, please contact Property Services for an informal discussion.

We will check that the Council owns the land or property you have enquired about and that there are no restrictions that would prevent the proposal from proceeding and that the Council service responsible for that asset will support it. For example, land acquired under s106 agreements as public open space has a legally restricted use and therefore is not able to be sold for development or garden land, unless the covenant can be lifted. There are also planning policy requirements that protect the use of public open space, amenity land and some of the Council's car parks which may also restrict alternative uses.

If the initial enquiry is supported, you will be asked to submit an application and advised of any charges that apply.

(Indicative timescale - 3 weeks)

Stage 2 – Application

Please fully complete and submit the appropriate application form along with the application fee. The Council will confirm receipt of your application and begin the application process which will include consulting the local member, Cabinet portfolio holder for Corporate Assets and any other relevant Council officer, organisation or 3rd party that may have an interest in the asset.

We will confirm to you if the application is supported and if there are to be any conditions (for example restrictive covenants preventing the asset being used for alternative uses) in relation to your proposal and if it can progress to the next stage.

(Indicative timescale - 6 weeks)

Stage 3 – Valuation

If the proposal is for the disposal of a land or property assets (either freehold or leasehold), the Council will instruct for a valuation to be undertaken. The valuation will take into account the proposed use of the land or property asset if different from its current use.

When disposing of assets, Section 123 of the Local Government Act 1972 requires the Council to achieve the best consideration reasonably obtainable when it is disposing of assets. This duty is subject to certain exceptions that are set out in the General Disposal Consent (England) 2003.

Under Section 123(2A), the Council must follow certain statutory requirements to advertise the disposal of land that consists of or forms part of an open space.

General Disposal Consent 2003 permits the Council to dispose of land at less than its market value, without the need to seek specific permission from the Secretary of State, provided that:

- The purpose for which the land is to be transferred is likely to contribute to the 'promotion or improvement' of the economic, social, or environmental well-being of the area; and
- The difference between the market value of the land and the actual price paid for the disposal, is not more than £2,000,000

In justifying a disposal of land/property at an undervalue, the Council will have regard to the

- The community benefits and how the interests of local people will be better served by the disposal
- The financial viability of the Council's plans for the land
- State Aid implications
- The Council's future plans for the land

We will inform you of the cost for the valuation service. Please note, the fee will be required in advance of the valuation being undertaken.

Once the valuation has been obtained, approval for the proposal will be required in accordance with the Council's Constitution to proceed to the next stage. This may result in a business case report being prepared for consideration as part of this approval process.

(Indicative timescale - 4 weeks)

Stage 4 – Statutory Notices

As mentioned above, if the proposal is regarding the disposal of Public Open Space amenity land, there is a requirement for the Council to advertise the statutory notice within the Local Newspaper for a period of 2 weeks. You will be required to pay the advertising costs. If objections are received following the advertisement, these will need to be considered.

This stage is not required for the disposal of other land or property or event licences.

Once this stage has been completed we will advise of the outcome of the Statutory Notices, and if you can proceed to the next stage or if it has been refused and the reason why.

(Indicative timescale 4 weeks)

Stage 5 – Planning and other consents

Planning consent may be required for your proposal if a change of use and/or development of the land or buildings. Conservation area, Tree Preservation Order, highways, advertising, environmental consents may also be required.

You are responsible for establishing if planning or other consents are required in relation to your proposal and making your own enquiries.

It is your responsibility to ensure that any consent required is gained and provide evidence that this has been obtained.

All planning applications involving the Councils land and property assets are considered by the Development Committee, which is made up of 14 councillors, who meet monthly. Any decision by the Council to sell the land is separate from any decision to grant planning consent and you should not assume that planning consent will be granted automatically just because the Council has agreed to sell the land and vice versa.

Indicative timescale – minimum 8 weeks)

Stage 6 – Legal agreement

The Councils legal team will be instructed to issue and complete the legal agreement. This may be a licence, lease or freehold transfer sales contract. You will be required to pay the Councils reasonable legal fees and the cost will depend on the type of transaction and the complexity of it.

You may wish to seek your own legal advice and appoint your own solicitors to deal with the transaction. You will be responsible for their costs, other fees, stamps duty and disbursements.

Simple licences can usually be completed within a 2-week timescale, however leases and freehold transfers will take longer.

(Indicative timescale 2 -12 weeks)

The Council is under no obligation to accept any proposal and will only do so if it is in the best interest of the Council. Please note there is not appeals process.

Overview of Summary Feedback from O&S Members

Document	Page	O & S Members Feedback/Comment	Officer Comment/Action
Appendix A: NNDC Capital Strategy	P3 Business Case	Governance: If a business case is to be prepared by an Officer with a legal background, it is critical that the primary author is not also the Monitoring Officer, as happened with the Itteringham purchase. Otherwise there exists a potential conflict of interest, which could be contested, if a business case is seen as controversial by residents of North Norfolk. There would be no dispute resolution possible internally within the Council	Comments noted. The AMP document has been updated to reflect capability of the existing team.
	P 4 Feasibility Study	Capability & Capacity: As NNDC have recently hired a Procurement Officer with specialist expertise, it is important that other specialist and technical expertise is developed internally within NNDC. If Commercialisation is to form a core part of the NNDC strategy, it is important that we invest in capability building and not always need to revert to external consultants. Programme and Project Management capability is critical to mitigate the risks of this kind of approach. The public sector has historically not been strong in this area	Officers undertake a range of learning and development to ensure they can fulfil the needs of the Council – which has included developing project management skills. Several officers recently acquiring the IACCM contract management qualification, which is designed to enable officers to ensure the safe, effective, efficient and compliant management of all contracts and to leverage added value and mitigate risks.
	P 10 Achieving the Strategy	Governance: The current Asset Management Board is not fit for purpose if this strategy is to be adopted. There is a perceived democratic deficit and a lack of transparency. Considerations where commercially possible should be conducted in the public domain and not behind closed doors. It is recommended that a new Asset Management Board is established which is politically balanced. It would have delegated authority and would review all proposals over £100,000 and increase the transparency of decision making. The recommended minimum membership should be: <ul style="list-style-type: none"> • Head of Paid Service • Portfolio Holder • Opposition Portfolio Shadow • Head of Finance • Legal representative (not Monitoring Officer) • Procurement and Programme Manager With Local members and other experts in attendance as required. If Cabinet are genuine about wanting cross party support for Commercialisation, then proper governance is a minimum requirement	There will be a need to bring in specialists or additional resource to delivery some projects where is not viable or practical to develop officer skills in these specific areas or where capacity is limited. An asset panel has been suggested as a suitable mechanism to ensure transparency and fairness. Whilst this panel needs to be defined in more detail and terms of reference prepared, it is envisaged that it will be a member and officer group.
Appendix B: Asset Management Plan	General Drafting Note	Tone of document: All members of O&S who have been consulted are broadly in favour of the need for this plan. However, the tone of the document needs re-visiting. We are a public-sector organisation and we are stewards of these assets on behalf of the residents of North Norfolk. The language used currently is too commercially biased and does not balance	Tone of document has been amended to be less commercially biased.

	P 4 Asset Portfolio Vision and Strategic Direction	<p>the need for commerciality with community benefit and public service. Some specific suggestions are made in the text, but the whole tone needs reviewing</p> <p>Balanced investment across the district: Income from disposals should be ringfenced and retained in the local area as a matter of principle when this is commercially possible. If it is not commercially possible, the reasons should be outlined more clearly for the benefit of local residents. This is a reputational issue for NNDC.</p> <p>Affordable Housing emphasis: Use land and property to enable and deliver sites for housing, <i>with emphasis on delivering the Council's commitment to affordable housing across the District</i></p>	<p>Investment is to be where need across the district, therefore income from disposals cannot be ring-fenced for parishes that have assets located within them. There are parishes that might require investment that do not have assets which provide income, who would be penalised in this scenario.</p> <p>The Council has responded to its commitment to affordable housing having disposed land at Trunch, Gt Ryburgh, Binham, Earpingham, Edgefield for housing (affordable including some market housing). This will create 91 homes with 79 of these on council land. The remaining portfolio holds very little further opportunity for affordable housing development, which has been reviewed recently for this potential use.</p>
Appendix C: Commercial Property Strategy	<p>General Drafting Note</p> <p>Diagram 3 P 5</p> <p>P 6 Objectives</p>	<p>The same comment applies as to Appendix B – needs to reflect more appropriately that we are a public-sector organization and are stewards of the assets on behalf of residents and not a private sector property developer</p> <p>Future ideas: These are all traditional sectors – what about STEM and disruptions in this space e.g. AI? How about service sector linked to the ageing population in NN?</p> <p>Tone of document: It is not just about generating income, for its own sake, so we need to state that this income will be re-invested in public services or for community benefit</p> <p>Types of Investment: contradiction between ‘preference away from management intensive properties’ and the proposal for holiday letting</p>	<p>The tone of the document has been adjusted however the principle purpose of this appendix document is around commercial property and assets held for investment. It should not be used for the management, acquisition or disposal of community assets, temporary accommodation or other such assets.</p> <p>By managing these assets on a commercial focused and informed basis, the Council can seek to optimises the income it receives and is used to fund services that people value. With the future financial challenges this becomes increasing important.</p> <p>Future ideas suggested have been added. The sectors included in the document, were those included in the Business Growth and Investment Study 2015 that recommended the district should be promoted based on these growth sectors.</p> <p>There is a preference away from managing “management intensive properties” in house such as business centers that offer flexible easy in/out terms due to the level of resource required to manage such buildings. The holiday let property, whilst this is a management intensive use, this is being undertaken by the Itteringham Community Association, so the resource required by NNDC in managing this asset is reduced.</p>

<p>Appendix C: Commercial Property Strategy (continued)</p>	<p>P7 Yield Criteria P7 Governance and Decision Making P10 Risks</p>	<p>Evidence: more rationale for 4% and under what circumstances this will be reviewed and what the process is for review. Critical for adequate scrutiny</p> <p>Governance: Given the earlier recommendation for a refreshed Asset Management Board, we would expect to see that referenced here too.</p> <p>Governance: One risk which is not mentioned is failing to have a clear exit strategy articulated within the policy and a clearly defined review process with triggers for exit reviews</p>	<p>4% yield – further information has been added to this section of the report to respond to this feedback.</p> <p>See asset panel proposals above. The report has been amended to reflect this feedback.</p> <p>Report has been amended to reflect this feedback. The review process is linked to the performance of the asset that will be monitored, through newly developed performance measures. These measures will review assets individually, in asset types and as a whole. Strategic performance measures will be monitored and reported to members as part of the council’s performance strategy.</p>
<p>Appendix D: Land and Property Acquisition Policy</p>	<p>P1 Introduction P3 Governance and Decision Making P5 Joint venturing/pa rtnering P7 Funding</p>	<p>Public Benefit: This Policy sets out how the Council acquires land and property assets <i>in service of the people of North Norfolk. Acquisitions will be spread across the District to deliver community benefit for all NN residents and there will be a focus on those areas of the District which have had underinvestment from other sources of Council funding</i></p> <p>Add the sentences in italics</p> <p>This section needs to be redrafted based on the comments on the other appendices – in particular, the setting up of a revised Asset Management Board, which will oversee all acquisitions</p> <p>Capability & Capacity: require specialist expertise – this is not an area for amateurs. Development will need to be provided to build capability if this is a serious element of the strategy</p> <p>Governance: Any capital fund needs to be overseen by the revised Asset Management Board</p>	<p>Whilst appreciating the principle of this feedback and a need to have a balanced portfolio, it will not be possible to purely focus acquisitions in certain areas. The principle reason for this is that there may be a lack of availability opportunity in these areas. It is prudent to undertake acquisitions which are either viable propositions and/or generates significant social, economic and environmental benefits, where demand and opportunities exist.</p> <p>Governance section has been redrafted</p> <p>Joint ventures section remains but has been redrafted</p> <p>Governance - see comments above.</p>

Appendix E: Land and Property Disposal Policy	P7 Valuation	<p>Public benefit: It must be recognised that this will not always be market price if a community benefit is factored into the equation. It is important to consider valuation from a holistic perspective as a public-sector body</p>	<p>Valuations undertaken will generally reflect the market or residual value at that particular point in time. The Council however, has the ability to dispose of assets under the General Disposal Consent 2003, which permits the Council to dispose of land at less than its market value, without the need to seek specific permission from the Secretary of State, provided that:</p> <ul style="list-style-type: none"> • The purpose for which the land is to be transferred is likely to contribute to the ‘promotion or improvement’ of the economic, social, or environmental well-being of the area; and • The difference between the market value of the land and the actual price paid for the disposal, is not more than £2,000,000 <p>This will enable the Council to dispose of assets at a below market valuation, as long as it can be clearly demonstrated that there will be economic, social and/or environmental benefits gained by the disposal. It is envisaged, however that assets producing income for the Council will not be sold at less than market value.</p> <p>The document has been amended to reflect this.</p>
Appendix F: Assets of Community Value		No feedback	
Appendix G: Constitution – proposed changes		<p>Governance: This whole appendix needs to be re-written based on the establishment of the Asset Management Board, as previously proposed. The proposals as they stand represent a democratic deficit which is unacceptable to O&S. This is a new venture for NNDC and a prudent approach would value more, not less scrutiny, to ensure the early projects are successful.</p>	<p>The current constitution does require updating and should be amended to reflect the current roles and responsibilities. It is also proposed to make it clearer with regards to delegated authority of property transactions. It is recommended that this be debated by the Constitution Working Party.</p>

Agenda Item No ___10_____

MANAGING PERFORMANCE QUARTER 3 2017/18

Summary: The purpose of this report is to give a third quarter progress report of the performance of the Council. More specifically it reports on the delivery of the Annual Action Plan 2017/18 and progress against targets. It gives an overview, identifies any issues that may affect delivery of the plan, the action being taken to address these issues and proposes any further action needed that requires Cabinet approval.

Options considered: Options considering action regarding performance are presented separately, issue by issue, to the appropriate Council Committee.

Conclusions:

1. The majority of the 71 activities are on track or ahead of plan (61) and four activities have been completed successfully. Only four have identified some problems, one has not started and one has been cancelled. The 71 activities reported on are 63 from the Annual Action Plan 2017/18 and eight activities from the Annual Action Plan 2016/17 that were not completed last year. Performance is being closely monitored, particularly for the activities where issues or problems have been identified.
2. Of the ten performance indicators where a target has been set seven are on, above or close to target and three below target.
3. The delivery of the Annual Action Plan is progressing according to plan. However, there are a few performance issues in achieving targets and improvement. The issues involved, and action being taken in each case, are detailed in the remainder of the document.

Recommendations:

1. **That Cabinet notes this report, welcomes the progress being made and endorses the actions being taken by management where there are areas of concern.**

Reasons for Recommendations: To ensure the objectives of the Council are achieved.

Cabinet Member(s) John Lee	Ward(s) affected All
Contact Officer, telephone number and email: Nick Baker, 01263 516221, Nick.Baker@north-norfolk.gov.uk	

1. Introduction

The purpose of the 'Managing Performance Quarter 3 2017/18 report is to identify good practice and disseminate it, highlight any performance issues to help the Council identify areas for discussion and take action to secure improvement in the future where it is needed.

It is a key part of the Council's Performance Management Framework.

2. Content of the Report and changes being made

The third quarter performance report shows progress against the Corporate Plan 2015-2019 priorities together with any other relevant achievements and issues.

The layout has been changed this quarter, this is for the following purposes.

- Provide additional clarity
- Focus on the objectives
- Reduce duplication (the length of the report has been reduced by over 30%)
- Present a different form of reporting and gain feedback from Members and officers to feed into the implementation of the new Management Information System later this year
- Enable management information to be reported to Members and management in a more timely way and more frequently

The report presents;

An overview of performance in delivering all priorities which shows the number of Key Performance Targets being achieved and an overview of progress in delivering projects in the Annual Action Plan 2017/18.

Performance information for each objective is broken into four sections:

- Progress in achieving key performance indicator targets
- Progress in delivering projects
- Achievements
- Challenges

Information for management indicators will now be circulated directly to Members every month rather than being included in the quarterly report to Cabinet. This will enable Members and management to receive this information faster and more frequently. These monthly data reports will also be available on the Intranet.

3. Conclusion

- 3.1 The majority of the 71 activities are on track or ahead of plan (61) and four activities have been completed successfully. Only four have identified some

problems, one has not started and one has been cancelled. The 71 activities reported on are 63 from the Annual Action Plan 2017/18 and eight activities from the Annual Action Plan 2016/17 that were not completed last year. Performance is being closely monitored, particularly for the activities where issues or problems have been identified.

- 3.2 Of the ten performance indicators where a target has been set seven are on, above or close to target and three below target.
- 3.3 The delivery of the Annual Action Plan is progressing according to plan. However, there are a few performance issues in achieving targets and improvement. The issues involved, and action being taken in each case, are detailed in the remainder of the document.

4. Implications and Risks

Prompt action to deal with any performance issues identified by this report will reduce the risk to delivery of the Annual Action Plan and the achievement of the priorities in the Corporate Plan 2015-19. The recommendations of this report outline the action being taken to reduce or remove the risk of not delivering the Corporate Plan.

The Corporate Risk Register which includes the risk associated with non-delivery of the Corporate Plan is reviewed regularly by the Governance Risk and Audit Committee and the Risk Management Board.

5. Financial Implications and Risks

Prompt action to deal with any performance issues identified by this report will reduce the financial risk to the Council.

6. Sustainability

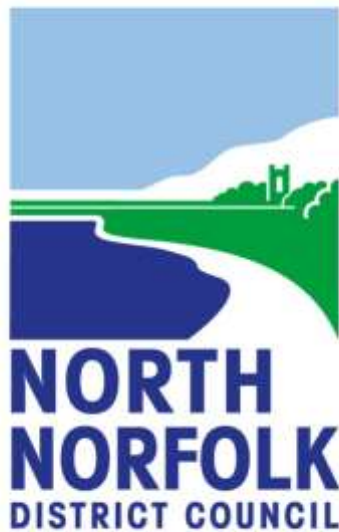
There are no sustainability implications of this report.

7. Equality and Diversity

There are no equality and diversity implications of this report.

8. Section 17 Crime and Disorder considerations

There are no Section 17 Crime and Disorder implications of this report.



Managing Performance

Quarter 3 2017/18

Version 0.3

Any queries please contact Policy and Performance Management Officer, Helen Thomas
Tel. 01263 516214

Contents

Contents	2
Introduction	3
Overview	4
01 - Jobs and the Local Economy	5
Work to maintain existing jobs and help businesses expand (01 A)	5
Increase the number and support for business start-ups (01 B)	8
Improve the job opportunities for young people within the district (01 C).....	9
Support major business opportunities and take-up of allocated employment land across the district (01 D).....	11
Capitalise on our tourism offer both inland and along our historic coast (01 E)	12
02 - Housing and Infrastructure	13
Increase the number of new homes built in the district (02 A).....	13
Address housing need through the provision of more affordable housing (02 B)	15
Ensure new housing contributes to the prosperity of the area (02 C)	17
Reduce the number of empty properties (02 D)	18
Improve the infrastructure needs of the district (02 E).....	20
03 - Coast and Countryside	21
Work jointly with neighbouring authorities and key partners to attract funding to manage the coast for future generations (03 A)	21
Protect the wonderful countryside and encourage sustainable access (03 B).....	23
Continue to improve recycling rates and reduce the amount of waste material going to landfill (03 C)	24
Improve the environment both in our towns and in the countryside (03 D)	26
04 - Health and Well-being	27
Support local residents and their communities (04 A)	27
Address issues leading to ill health and improve the quality of life for all our residents (04 B)	28
Encourage participation in a range of sports and activities (04 C)	30
05 - Delivering Service Excellence	32
Help you to get what you need from the Council easily (05 A)	32
Ensure the Council's finances continue to be well managed and inform our decision making (05 B)	35
Value and seek to develop the Council's staff and Members (05 C)	37
Equalities	39

Introduction

The quarterly performance report for Cabinet shows progress against the Corporate Plan 2015-2019 priorities, together with relevant performance achievements and issues.

The layout has been changed this quarter, this is for four purposes.

- Provide additional clarity
- Focus on the objectives
- Reduce duplication
- Present a different form of reporting and gain feedback from Members and officers in advance of the implementation of the new Management Information System later this year.

The report presents;

An overview of performance in delivering all priorities which shows the number of Key Performance Targets being achieved and an overview of progress in delivering projects in the Annual Action Plan 2017/18.

Performance information for each objective is broken into four sections:

- Progress in achieving key performance indicator targets
- Progress in delivering projects
- Achievements
- Challenges

Information for management indicators will now be available separately within the monthly data report available on the Intranet.

The purpose of this report is to highlight any performance issues to help the Council identify areas for discussion and take action to secure improvement in the future, where it is needed.

A key is provided at the end of the document to explain all the symbols used but this should not be needed.

Overview

1. The majority of the 71 activities are on track or ahead of plan (61) and four activities have been completed successfully. Only four have identified some problems, one has not started and one has been cancelled. The 71 activities reported on are 63 from the Annual Action Plan 2017/18 and eight activities from the Annual Action Plan 2016/17 that were not completed last year. Performance is being closely monitored, particularly for the activities where issues or problems have been identified.
2. Of the ten performance indicators where a target has been set seven are on, above or close to target and three below target.
3. The delivery of the Annual Action Plan is progressing according to plan. However, there are a few performance issues in achieving targets and improvement. The issues involved, and action being taken in each case, are detailed in the remainder of the document.

Activities

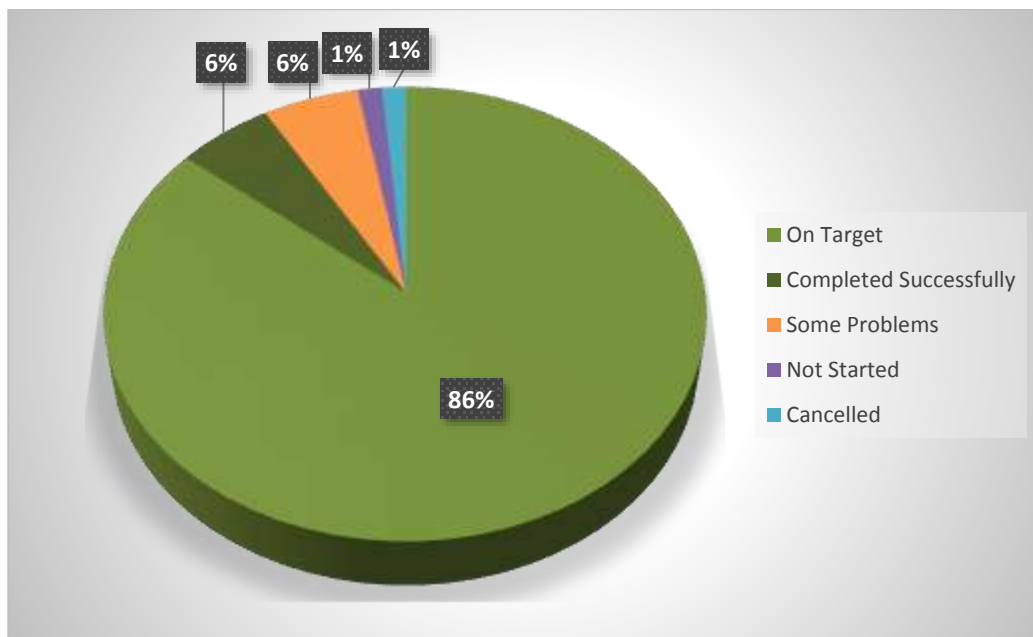


Chart 1 : Progress of the activities in the Annual Action Plan 2017/18

01 - Jobs and the Local Economy

Strategic Overview

Fourteen of our 16 projects are on target and one has completed successfully (94%)






Fourteen of the 16 activities are on track or ahead of plan, one has successfully completed and only one has had a problem in delivery identified.

All indicators are new and targets have not been set; comparisons to past years are not yet available.

Objectives

Work to maintain existing jobs and help businesses expand (01 A)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Number of new jobs created (annual) J 027	-	-	-	2016/17	M
Number of economically active - employed & self-employed people (annual) J 010	42,000	42,000 (2015/16)	42,700	2016/17	M
Non-Domestic (Business) Rates Base (total number of properties) (annual) J 013	6,674	6,674 (2016/17)	6,910	2017/18	M

2017/18 Projects	Status	Progress/ Action Note
Report on business engagement programme outputs 01 A 01	On Track	 <p>Coffee Means Business (CMB) Events continue to be held across the region; with the most recent hosted at East Barsham (October) and Fakenham (November). The annual programme review which took place in October where the previous 12 months activity was reviewed and 2018's schedule of events was discussed.</p> <p>Meetings with members of the NALEP/Growth Hub advisory team have taken place in October, November and December in order to establish closer working relationships with new members of their team / agree clear methods of communication for supporting joint events and discuss improved methods to capture referral outputs.</p>
Report on business support/ grants provided by third parties in North Norfolk 01 A 02	On Track	 <p>LEADER £155,370 NAGH Growing Business Fund £103,250 NAGH Small Grant Scheme £65,098</p>
Review our current procurement guidance and support local procurement 01 A 03	On Track	 <p>The Council successful recruited a Procurement Officer in September 2017 and part of their role will be to review and update procurement guidance and policies. An updated procurement strategy will be delivered in 2018 which will address local procurement issues and trading with small and medium sized entities (SME's).</p>
Develop a forward programme of funding opportunities and regularly promote to the business community. To produce a Council list of schemes with potential match funding 01 A 04	On Track	 <p>The Council website has been updated with regard to funding advice and a 'top tips' guide has been produced and uploaded to the website. Funding advice is given to businesses and coastal towns via CCTs and Town Councils.</p>
Monitor future roll out of faster broadband. Investment and coverage will be reviewed and reported on a six monthly basis 01 A 05	On Track	 <p>To the end of December 2017 the second contract has implemented 50 new fibre cabinets across North Norfolk District Council which have provided access to fast broadband for over 6,900 North Norfolk District Council properties.</p> <p>14 more cabinets have begun implementation in North Norfolk District Council and a further 24 surveys have been completed.</p>

Achievements


1. Entries have now closed for the inaugural North Norfolk District Council Business Awards. Businesses across the district were encouraged to put themselves forward to win one of the prestigious titles.

The awards (#nba18) are open to businesses of all sizes and across all sectors. The aim is to promote and celebrate the vibrant business community across North Norfolk, and to unearth some hidden gems during the process. There are seven categories: Agricultural, Business Growth, Business Development & Innovation, Environmental, New Businesses, Tourism & Hospitality, and Young People & Skills. The shortlisted businesses will be invited to an awards ceremony at Gresham's School on 15 February.

2. Business owners are invited to attend *Marketing for Business*, a conference designed to help small and micro businesses improve their marketing knowledge and skills. GENIX, Business Support is hosting the event at Northrepps Cottage Country Hotel, Cromer. It is sponsored by Hugh J Boswell, Insurance Brokers. The Council commissioned GENIX in 2016 to organise and host business information conferences in north Norfolk. *Marketing for Business* will be the third event for business owners to be held in the district.




Increase the number and support for business start-ups (01 B)



Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Number of VAT registered businesses (annual) J 006	4,985	4,985 (2015/16)	4,990	2016/17	M

2017/18 Projects	Status	Progress/ Action Note
Review funding and implement a new business start-up scheme from September 2016 01 B 01 (2016/17)	Completed Successfully	 The business start-up scheme is now in place as a part of a package of support delivered under the New Anglia LEPS Growth Programme. The Council will continue to support, promote and host elements of this programme.

Improve the job opportunities for young people within the district (01 C)





Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Number of Job Seeker Allowance claimants (JSA) 18 - 24 year olds (annual) J 009	170	170 (2015/16)	170	2016/17	M

2017/18 Projects	Status	Progress/ Action Note
Ensure that information on apprenticeships is included within all business engagement activity 01 C 01	On Track 	51 companies have been contacted to date to discuss/support (as required) their apprenticeship vacancies. Of those contacted, 41 vacancies had been successfully filled (just under 20% not recruiting). Follow up visits have been carried out with 5 companies to provide additional support. A continued focus remains in supporting better business-to-school connections. A report outlining successes and hard to fill posts in the district will be completed by the end of February 2018. 
Explore opportunities for further apprenticeships within the Council as an employer 01 C 02	On Track 	We currently have 8 apprentices across the Council in IT, Recreation, Revenues and Benefits and Building Control. One of our apprentices was recently awarded a college apprenticeship of the year award which we will be shortly publicising internally and externally. CLT are reviewing the apprenticeship bids that have been made for the year. These have come from HR, Communications and the IHAT team. There will be press coverage of our success with apprentices at the same time as running a recruitment campaign for the upcoming apprentice vacancies. This will coincide with National Apprenticeship Week 5 - 9 March 2018.

2017/18 Projects	Status	Progress/ Action Note
<p>To co-ordinate all of the interested bodies and put together an action plan for North Norfolk to ensure skills match needs and jobs</p> <p>01 C 03</p>	<p>On Track</p> 	<p>A meeting of NNCEIAG (Careers Enterprise) group was held on 15 November at Scottow Enterprise Park, which was well received by attendees. Officers have been involved with careers events and have continued to promote school careers activities to relevant businesses.</p> <p>With Council support, a grant application (to renewable energy company Orsted) has been awarded for Alderman Peel High School to develop a STEM curriculum project with a local employer. This exciting project will directly benefit 200-300 students, 15 teachers and numerous local employers e.g. engineering, construction, motor vehicle and renewable industries-wind/solar farms in the locality.</p>
<p>We will consider the conclusions of the feasibility study to test the most effective model of delivery of a North Norfolk centre for science, technology, engineering and maths (STEM) and develop an appropriate outline business case, with identified potential funding sources</p> <p>01 C 04</p>	<p>On Track</p> 	<p>The findings of the Business Case for a new STEM Enterprise Centre have been considered and discussed with North Walsham Ward members (the town in which it was suggested to be located). Whilst support to STEM activity (together with local schools and other STEM providers) will continue to be provided, the case for a major capital investment in a new facility such as that proposed is not considered to be sufficiently strong. We will continue to explore options with third parties.</p>



Support major business opportunities and take-up of allocated employment land across the district (01 D)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Business Expansion / land developed / premises filled (sqm) (annual) J 026	-	-	-	-	M

2017/18 Projects	Status	Progress/ Action Note
Produce a quarterly report of projects to be included in the LEP Project Pipeline and other sources such as Norfolk Business Rate Pool 01 D 01	On Track	 A pipeline of potential projects for future delivery continues to be maintained and a series of high level meeting with the Managing Director of NALEP has been programmed in order to share knowledge of significant issues affecting North Norfolk businesses. Close liaison is maintained with the New Anglia Growth Hub and its local Growth Advisor.
Construct service plots of land and market for development at Egmore Enterprise Zone 01 D 02	Some Problems	 In relation to Egmore EZ, a meeting has taken place with Walsingham Estates and a revised agreement is being formulated.
Construct warehouse & office premises and secure tenant at Egmore Enterprise Zone 01 D 03	On Track	 Heads of Terms have been agreed with a tenant for the first unit and a lease will be prepared subject to the land agreement being finalised. A deadline has been set for the revised Heads of Terms to be agreed by the landowner by 21 February.
Develop an Inward Investment Strategy for business growth to North Norfolk specifically to promote the designated Enterprise Zones and improve pre-application planning advice 01 D 04	On Track	 The 'Space to Innovate' prospectus promotes the Enterprise Zone opportunities at Scottow Enterprise Park (SEP) and at Egmore. Input has been made into the new inward investment approach to be operated for NALEP and Norfolk. SEP has its own pro-active approach to attracting inward investment and Egmore EZ has been promoted to specific businesses operating within the relevant sector.

Capitalise on our tourism offer both inland and along our historic coast (01 E)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Number of visitors to North Norfolk (annual) J 028	7,950,700	7,950,700 (2015/16)	8,308,500	2016/17	M
Value of visitors in North Norfolk (£) (annual) J 029	484,756,033	484,756,033 (2015/16)	490,357,250	2016/17	M

2017/18 Projects	Status	Progress/ Action Note
Ensure any projects such as the Cromer West Prom project will capitalise on the Deep History concept and findings 01 E 01	On Track	 Consultation with local stakeholders has been undertaken in planning for the installation of Deep History Coast 'discovery points' and further investigations into the feasibility of improvements to facilities at specific locations are needed before the project can be implemented. Currently tendering for interpretation and graphics for the installation of the "Deep History Coast" Trail. Shortly tendering for marketing strategy and expressions of interest for art installations. Currently also planning to submit a significant bid to Coastal Communities Fund Spring 2018.
Continue to support the Destination Management Organisation (DMO) and explore opportunities to increase its effectiveness and financial sustainability 01 E 02	On Track	 The Council is working closely with the Visit North Norfolk (VNN) Board to identify a suitable business model that will both increase its effectiveness and improve its financial sustainability

02 - Housing and Infrastructure

Strategic Overview

9 of our 12 projects are on target (75%)



9 of the 12 activities are on track, one has had a problem in delivery identified, one has not started and one has been cancelled.


100% of our targets met or exceeded






Performance against both of the targeted performance indicators are above or on target and none are below target.

Objectives



Increase the number of new homes built in the district (02 A)


Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target	
Number of new homes built of all tenures (annual) H 001	479	479 (2015/16)	442	2016/17	400	
Number of homes granted planning permission (all tenure types) (monthly cumulative) HS 008	972	452	480	Dec 17/18	444	



2017/18 Projects	Status	Progress/ Action Note
Support the development of neighbourhood plans by aligning the wishes of towns and parishes with the local plan review 02 A 01	On Track	 The revised Housing Incentive Scheme was Introduced in April. The scheme is programmed to stay open until the completion of Local Plan review and adoption of new policies. A number of neighbourhood plans are progressing, North Norfolk District Council specific guidance has been issued which identifies the strategic policies which neighbourhood plans (NP) are required to be in general conformity with. Dialogue is also encouraged in relation to emerging Local Plan approaches.

2017/18 Projects	Status	Progress/ Action Note
<p>Identify new housing sites through the local plan review process</p> <p>02 A 02</p>	<p>On Track</p>	<p> A Housing Land Capacity study (HELAA) has been completed and published and a Call for Sites has been completed. Detailed appraisal of options for site allocations and the identification of preferred options is programmed for first half of 2018</p>
<p>Implement a Local Investment Strategy and devise suitable opportunities and/or mechanisms to facilitate housing development</p> <p>02 A 03</p>	<p>On Track</p>	<p> The first loan to a Housing Association will be issued shortly and will support the delivery of 91 affordable and market homes on 5 sites across North Norfolk. Future opportunities and mechanisms to support housing delivery are subject to ongoing discussions.</p> <p></p>
<p>Undertake a survey and analysis of specialist housing needs and feed the outcomes of this into the 'Property Investment Strategy' and local plan review</p> <p>02 A 04 (2016/17)</p>	<p>Cancelled</p>	<p> This action has been cancelled as an updated Strategic Housing Market Assessment has now been completed providing overall housing need information. As additional information requirements are identified which cannot be met from existing sources, the appropriate methodology will be used to ensure timely provision of the housing needs information.</p> <p></p>


Address housing need through the provision of more affordable housing (02 B)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Number of people on the housing waiting list - total (annual) H 004	2,346	2,346 (2015/16)	2,479	2016/17	M
Number of households from the housing register rehoused (monthly cumulative) H 005	315	237	261	Dec 17/18	M 
Number of affordable homes built (monthly cumulative) H 007	64	42	67	Dec 17/18	M 
In December, 25 additional affordable dwellings were completed including 19 affordable properties to rent and 5 properties which will be sold on a shared ownership basis at Bacton. In addition the sale of a shared equity dwelling at Cromer completed in December.					
Number of affordable homes granted planning permission (monthly cumulative) HS 009	185	67	67	Dec 17/18	M

2017/18 Projects	Status	Progress/ Action Note
Continue to negotiate sufficient affordable housing through S106 agreements from planning applications 02 B 01	On Track 	The Community Housing team is engaging with parishes in the target area to support the delivery of community led housing schemes to address the impact of second and holiday homes. A review of second and holiday home data has shown only one parish now has now second or holiday homes. Work is ongoing in partnership with Housing Associations to deliver new affordable homes to buy and rent to meet both general and local housing need. The viable amount of affordable housing on market sites is secured through Section 106 Agreements to ensure timely delivery of completed affordable dwellings.


2017/18 Projects	Status	Progress/ Action Note
<p>Continue the 'housing enabling' work and engagement with local communities on a pipeline of 'rural exceptions' schemes</p> <p>02 B 02</p>	<p>On Track</p> 	<p>The Community Housing Team have attended a number of parish council meetings to discuss the opportunity presented by the Community Housing Fund and are focused on engaging with communities where at least 10% of all dwellings are second or holiday homes. This forms part of work to support the delivery of exception housing schemes to meet the local housing need of parishes across North Norfolk, although work in parishes which are not in the target area is responsive not proactive due to staff capacity.</p>
<p>Purchase additional temporary accommodation for homeless households</p> <p>02 B 03</p>	<p>On Track</p> 	<p>The need for temporary accommodation is regularly reviewed. Discussions are ongoing to procure more properties for temporary accommodation to include two further properties suitable for a wheelchair user.</p>

Ensure new housing contributes to the prosperity of the area (02 C)

2017/18 Projects	Status	Progress/ Action Note
<p>Produce draft Local Plan and carry out public consultation</p> <p>02 C 01</p>	<p>Some Problems</p> 	<p>Work remains focused on a number of work streams.</p> <p>A) Remaining commissioned documents such as viability and habitats assessment, where by their nature, they are required to be iterative to reflect the emerging plan. In order to inform specific policies and approaches it has been necessary to commission further landscape evidence and this is currently out to tender</p> <p>B) Site availability work is due to be completed early in new Year with work then focused specifically on third party information and identification of preferred option.</p> <p>C) Work on the overview of development management policies has started with the intention to start work on individual polices in the next quarter. A detailed time line review is scheduled for January / February 2018.</p> <p>Additional work has been commissioned via external consultants and new temporary staff have been employed. The overall Local Plan timetable is to be formally reviewed to accommodate the extra work required.</p>




Reduce the number of empty properties (02 D)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Number of very long term empty homes (2 years or more as at 1st working day of each month) (monthly) H 009	110	129	127	Dec 17/18	M
Number of long term empty homes (6 months or more as at 1st working day of each month) (monthly) H 002	497	618	645	Sept 17/18	M
<p>Class C total is 518 and the Levy total is 127 which gives an increase in the long term properties of 27 compared to last month. This is broken down by an increase of 29 properties at Class C (empty 6-24 months) and a reduction of 2 properties at Levy stage (empty 2 years+).</p> <p>Long Term Empty properties receive empty property survey letters which have been updated by the Revenues Manager and the Combined Enforcement Team Leader. These are sent out to all empty properties with a new focus on those that do not respond or need enforcement action.</p> <p>The Revenues Manager and the Corporate Enforcement Team Leader have fortnightly meetings to discuss progress and certain individual cases.</p>					
Number of long term empty homes (6 months or more as at October each year) (annual) H 002	110	129	127	Dec 17/18	M

2017/18 Projects	Status	Progress/ Action Note
<p>Provide a fortnightly update on Enforcement Board Matrix actions to all Members and a 6 monthly update on Enforcement Board actions/progress to Cabinet and Overview & Scrutiny Committee to bring empty properties back into use</p> <p>02 D 01</p>	<p>On Track</p>	<p> The near derelict property known as Sculthorpe Lodge at West Barsham was forced to auction by the Board's intervention and is now occupied by the new owner and 27 Beeston Road, Sheringham was sold after pressure from the board and is also occupied. The Council has recently completed its first compulsory purchases at Sculthorpe and discussions on the next steps towards occupation of the two properties are ongoing. Properties at Church Street Northrepps and Beeston Common Sheringham are all nearing completion after major renovation works, again following pressure from the Council, and are expected to be occupied shortly.</p>

Improve the infrastructure needs of the district (02 E)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Number of settlements that have had Broadband upgraded (annual) J 008	-	33 (2014/15)	32	2016/17	M

2017/18 Projects	Status		Progress/ Action Note
Work with relevant partners to take forward recommendations within the recently completed Bittern Line Development report 02 E 01	On Track		A letter has been received from the new Greater Anglia franchise confirming replacement of the entire existing rolling stock fleet with brand new trains in 2019/20. We will continue to work with Greater Anglia and local stakeholders to deliver platform extension improvements at Sheringham Station to accommodate the additional carriage.
Officers to bring forward a paper regarding car parking at North Walsham Railway Station 02 E 02	On Track		The Council have made an offer for the land which will be subject to Cabinet approval if accepted. Greater Anglia have been contacted regarding a proposal to develop and access from the car park to the train station platform and regarding a proposal to manage their existing car park.
Consult and then obtain agreement on a process for securing contributions towards road infrastructure from development proposals in the district known as section 106 agreements 02 E 02 (2016/17)	Not Started		The Council's approach to Section 106 obligations will be considered as part of the Local Plan review.

03 - Coast and Countryside

Strategic Overview

Eleven of our 12 projects are on target (92%)




Activities and outcomes are being delivered against this priority. Eleven of the twelve activities are on track and only one has had a problem in delivery.




We are close to target on 67% of our performance targets

Performance against two of the three targeted performance indicators is close to target and one is below target.




Objectives






Work jointly with neighbouring authorities and key partners to attract funding to manage the coast for future generations (03 A)

2017/18 Projects	Status	Progress/ Action Note
Supporting fishing and agriculture in North Norfolk through accessing suitable funding streams such as LEADER programmes 03 A 01	On Track	 The next North Norfolk Commercial Fishing Forum is scheduled for 22nd January. The Project Enabler from Economic Growth will be attending to explore any proposed projects with regards to funding.
Continue to develop and promote the Norfolk & Suffolk Coastal Partnership 03 A 02	Some Problems	 The Coastal Engineering Manager has been appointed and started on 3 January 2018. Temporary Technical Admin support has been arranged to provide some additional resource to the team. Coastal Partnership East joint ICT arrangements is proving to be challenging. Coastal Partnership East (CPE) Board has agreed that the Coastal Manager and Coastal Portfolio Holder will discuss the requirements further with the Council Head of Business Transformation and IT to clarify what options are possible.
Continue to work with private sector partners on a scheme for Bacton and affected communities 03 A 03	On Track	 The Steering Committee has been set up and Terms of Reference agreed. Funding of £500,000 has been allocated from the Norfolk Business Rates Pool to the project. An application to the New Anglia LEP has been submitted. An Expert Client has been appointed to provide support and advice during the procurement and appointment of contractors. Significant activities continue to be required to be completed to deliver the scheme.

2017/18 Projects	Status		Progress/ Action Note
<p>Implement the Cromer West Prom plans to redevelop sea front property assets in Cromer following completion of the major Cromer Defence Scheme. This will include development of the 'Deep History' concept</p> <p>03 A 04</p>	On Track		Resurfacing of the west prom area is currently on-going and is due to be completed prior to the Easter break. As part of the programme we are also looking at further improvements adjacent to the Anglian Water building with potential improvements also to the Melbourne slope.
<p>Refurbish coastal defences at Mundesley</p> <p>03 A 05</p>	On Track		Submission to Anglian Water for funding towards the scheme has been submitted. The Outline Business Case is near completion and will be presented to the Environment Agency as soon as possible in order to seek the key funding contribution.
<p>Analyse criteria for funding requirement from the emerging £90m coastal community fund</p> <p>03 A 02 (2016/17)</p>	On Track		A list of funding opportunities and relevant projects is being maintained and advice is routinely provided to local businesses (including those involved in fishing and agriculture) on current business support and funding opportunities (particularly the current LEADER programme operating across the area). The North Norfolk Commercial fisheries Forum, representing the local fishing sector and related activities, is the means by which activities affecting the local fishing sector can be coordinated. Details of the next round of the Coastal Community Fund have yet to be announced.


Protect the wonderful countryside and encourage sustainable access (03 B)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target	
Number of Adult Visitors to Parks and Countryside Events (quarterly cumulative) LE 010	2,248	820	1,093	Dec 17/18	1,100	
The original quarter three targets have been revised downwards because events have been planned to take place at different times during the year than had been originally expected. The quarter three target has been reduce from 1,200 to 1,100.						
Number of Child Visitors to Parks and Countryside Events (quarterly cumulative) LE 011	2,883	1,127	1,560	Dec 17/18	1,600	 
The original quarter three targets have been revised downwards because events have been planned to take place at different times during the year than had been originally expected. The quarter three target has been reduce from 1,850 to 1,600.						

2017/18 Projects	Status		Progress/ Action Note	
Undertake reviews of Holt Country Park, Pretty Corner Woods and North Lodge Park to help ensure these assets are sustainable for the future 03 B 01	On Track		Further internal work continues to review the service in order to become more commercial whilst protecting the wildlife	
Work with other agencies to retain four of the district's Blue Flags for the quality of the beaches and to achieve quality coast awards elsewhere 03 B 02	On Track		The 2018 Blue Flag applications are in progress. All the water quality readings for 2017 were excellent, which allows us to apply for the prestigious awards again.	
Assess and implement requirements for new Green Flag Awards and work to retain existing awards 03 B 03	On Track		Currently applying for the Green Flag awards for 2018. We will once again apply for Happy Valley to become the fourth Green Flag.	

Continue to improve recycling rates and reduce the amount of waste material going to landfill (03 C)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Percentage of household waste sent for reuse, recycling and composting (monthly cumulative) ES 001	42.20%	42.20% (Mar 2015/16)	42.04%	Mar 2016/17	M
Waste - All Household - (tonnage) (annual) ES 020	39.661	39,661 (2015/16)	41,690	2016/17	M

2017/18 Projects	Status
<p>The NWP Board continues to work on the following four work streams to maximise recycling:</p> <ul style="list-style-type: none"> • Collection frequency and food waste collections • Develop reuse, repair and recycling systems • Develop a Communications Strategy to encourage the public to help in reducing waste sent for disposal • Infrastructure review for depots and Recycling Centres <p>03 C 01</p> <p>The majority of communications around recycling services are now delivered jointly in conjunction with the other members of the NWP. In 2017, the Partnership launched its 'Give your recycling a little bit of love' campaign to raise awareness of the '3 simple rules for recycling': 'Clean, Dry and Loose'. The 8-week broad brush (not targeted) campaign commenced on 1st August and ran proactively until the end of September. Whilst paid-for marketing activities have now ceased, campaign materials can still be seen around Norfolk on local noticeboards, sides of refuse collection vehicles and some poster sites.</p> <p>In terms of impact, a qualitative survey using the online Norfolk Voice consultation service was undertaken at the end of the campaign. 60% of respondents said they recalled the campaign and 65% said they'd kept it for future reference. 94% said the information was clear and understandable and 93% said it helped to explain what to recycle at home with 33% of respondents saying they were recycling more as a result of the leaflet. As mentioned earlier in the report, whilst not directly attributable to the project, levels of recycling in North Norfolk have risen and contamination has decreased over the life of the campaign.</p> <p>Early in 2018, the next phase of recycling communications will take the form of a targeted campaign to explain to residents that nappies should not be placed in recycling bins. The campaign slogan is to the point 'Nappies are Rubbish not Recycling' and the design features an angry baby with a 'no nappy' icon.</p> <p>Following a final report from consultants detailing likely costs and benefits, the NWP board have decided the collection frequency and food waste collections project is not progressing at the current time. NO Councils were in favour of the reduced frequency of residual waste collections which would have been necessary.</p> <p>The Partnership, in collaboration with Sainsbury's 'Waste less Save more' launched seven Discovery Communities during November and December 2017. The aim of this community-based campaign is to</p>	<p>On Track </p>

2017/18 Projects

Status

reduce or prevent avoidable household food waste. The budget for this campaign is £49,750 funded by Sainsbury's and the campaign will run until the end of May 2018.

Outputs generated by the campaign across Norfolk so far include:

- 50,000 newsletters issued door to door
- 7,000 fridge thermometers being issued to residents
- 200 individual Food Waste Prevention 'Pledge Cards' completed so far
- 9 Primary Schools ready to receive Sainsbury's 'Fab Food' programme
- 7 'Zero Waste Kitchen Challenge' cookery workshops organised
- 7 Pop-up 'Food Saver' Events
- 4 Community Fridges launched.

The North Norfolk Discovery Community is in Fakenham and the surrounding area, with the Community Fridge hosted by First Focus (adjacent to the NNDC Fakenham Office), launched on 9 November. By the end of December 2017, almost one tonne of food waste was donated to the Fakenham Community Fridge with 99% of donated food being taken or distributed and thus saved from being disposed of. Further events to support the Discovery Community will be held in the Fakenham area over the coming months.

The Norfolk Waste Partnership has been shortlisted in the Local Government Chronicle 2018 Awards in the category of 'Best Public/Public Partnership'. A judging panel will meet in January with the category winner being announced in March 2018. With over 600 entries, to be shortlisted is an achievement in itself.


Achievements



1. Council staff teamed up with the British Heart Foundation for a charity electrical recycling event in November. The event reduces landfill by way of recycling and creates income for the BHF through resales of working items. The BHF logged £1,195 worth of goods and a small amount was taken for recycling.
2. The Council has successfully brought another prosecution for fly-tipping as it continues to crack down on this form of anti-social behaviour. The fly-tipper was fined £600 and ordered to pay more than £1,000 towards prosecution costs.

Challenges

3. The Council has given its backing for tougher fly-tipping penalties in light of statistics that suggest the problem is worsening across England. Local authorities recorded a 7% increase in fly-tipping incidents in 2016-17, taking the total number of incidents in England above the one million mark. The Council has stepped up its enforcement action over the past year, including issuing fixed-penalty notices. The Council also recently brought a successful prosecution against a fly-tipper with the help of a private landowner. But the Local Government Association has called for bigger fines for more serious offences. The Council is actively backing this call.

Improve the environment both in our towns and in the countryside (03 D)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Target response time to fly tipping and all other pollution complaints (within 2 working days) (monthly cumulative) C 007	75.00%	64.00%	64.00%	Dec 17/18	80.00% 
<p>We are still experiencing slow response times from our contractor (this continues to be investigated with them) but we are receiving the highest number of fly tipping complaints on record at 443 currently for this year. This is a 9% increase on the same period last year and reflects the national picture of an overall increase over the past 4 years. In addition, we currently have 12 live prosecutions for fly tipping in support of our zero tolerance policy, with another 3 already being completed this year resulting in over £1000 in fines and over £3000 in cost being awarded to the Council. It is also anticipated that the County Council's proposal for further charging at Household Waste sites will cause further incidents in the future, we will be closing monitoring this change and working with County Council as part of the Norfolk Waste Enforcement Group.</p>					

2017/18 Projects	Status	Progress/ Action Note
Through the work of the Council's Enforcement Board take appropriate action across all services to address properties which create eyesores 03 D 01	On Track 	<p>The Enforcement Board has considered more than 150 cases which represent the most challenging cross-service cases. Since the last update the Board many properties requiring major works are nearing completion and properties such as Crimond on Norwich Road in Cromer have been demolished in preparation for a replacement dwelling in the near future. The Council has also recently obtained planning approval for potential improvement works to the prominent Shannoeks Hotel on the sea front should a compulsory purchase order (CPO) be necessary.</p>
Review and monitor our approach to environmental enforcement and give community engagement schemes more power to act on the Council's behalf 03 D 02	On Track 	<p>A further Environmental Protection Ranger has been recruited in a slight change to the structure of the team to reflect the changing demands around service delivery.</p> <p>The work to progress the Public Space Protection Orders is progressing and these will be in place in time for the start of the dogs on Beaches and Promenade restrictions at the end of May.</p>

04 - Health and Well-being

Strategic Overview

All of our 10 projects are on target (100%)






All of the ten activities are either on track (nine) or have been completed successfully (one).

We met or exceeded 66% of our targets

Performance against two of the three targeted performance indicators is on or above target and one is close to target.

Objectives






Support local residents and their communities (04 A)


2017/18 Projects	Status		Progress/ Action Note	
Promote and monitor the Big Society Fund throughout the year 04 A 01	On Track		In the third quarter of 2017/18, 6 Big Society Fund grants were approved totalling £35,488.32 to support a range of community projects. In the current financial year 21 organisations have been awarded funding totalling £122,606.07	
Consider the Business Plan for provision of solar panels on the Council offices 04 A 02	On Track		The tender process for the replacement glazing is currently under way and the draft programme of works has been scheduled for delivery during this calendar year.	
Monitor the operation of the advice and information service in North Norfolk, ensure suitable engagement and report on its outcomes 04 A 03	On Track		The range, type and location of services are being targeted to reflect need. Good communication and engagement with contractor holder. No issues.	



Achievements

1. November saw the arrival of North Norfolk's first 'Community Fridge' which is located at First Focus in Oak Street, Fakenham.
 - a. Supported by a host of organisations including North Norfolk District Council, Recycle for Norfolk, the environmental charity Hubbub UK and Sainsbury's plc, the Fakenham Community Fridge is part of a growing effort to tackle food waste.
 - b. The fridge is open four half days in the week to enable residents and businesses to share surplus food for free. Anyone can help themselves to free quality food that would otherwise have been wasted.
 - c. First Focus is calling on the support of all food businesses in Fakenham to donate surplus food still within its 'use by' date to the Community Fridge where local people can help themselves to good quality free food.
2. Residents in Stalham now have a new playground on Allen Meale Way thanks to positive partnership working between Flagship Group, North Norfolk District Council and the Tesco Bags of Help scheme.



Address issues leading to ill health and improve the quality of life for all our residents (04 B)







Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target		
Average time for processing new claims (housing benefit and council tax support) (monthly cumulative) RB 027	22.0	19.0	20.0	Dec 17/18	20.0		
Speed of processing: change in circumstances for housing benefit and council tax support claims (average calendar days) (monthly cumulative) RB 028	24.0	14.0	14.0	Dec 17/18	14.0		
Number of Disabled Facilities Grants completed (monthly cumulative) HW 003	96	84	92	Dec 17/18	- M		



2017/18 Projects	Status		Progress/ Action Note
Implement a Community Resilience Planning programme to increase uptake amongst local communities so that communities are able to help and support each other in the face of a common crisis 04 B 01	On Track		All opportunities to engage with communities are taken to engage and discuss the benefits of local community resilience planning. This has been delivered recently and Overstrand and Cromer are in the process of creating draft plans. Overstrand are actively engaged with the Civil Contingencies Team in developing their plan. Hindringham Parish Council have been in contact as they wish to devise their own plan.

2017/18 Projects	Status	Progress/ Action Note
<p>Continue to work with a wide range of partners to develop and extend the Early Help Hub to provide early intervention and preventative support to vulnerable families and older people</p> <p>04 B 02</p>	<p>On Track</p> 	<p>There is a steady increase in the number of referrals to the Hub in respect of children, families and adults of all ages. Multiagency engagement with the Hub and attendance at the weekly collaboration meetings has expanded. There has been an increase in co-ordination and partnership working which has improved outcomes for cases referred to the Hub for both the client and the organisations involved. New Help Hub publicity leaflet for professionals has been designed and distributed.</p> 

Encourage participation in a range of sports and activities (04 C)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target		
Participation at Council Sporting Facilities (monthly cumulative) LE 004	409,778	381,691	409,874	Dec 17/18	419,151		
<p>The poor weather we have experienced recently has adversely affected our attendance at the various facilities. There is also a new private facility in Fakenham which we believe has had a negative impact on visitor numbers at our Fakenham Leisure facility.</p>							

2017/18 Projects	Status		Progress/ Action Note	
<p>Capitalise on the North Norfolk sporting centre of excellence initiative and extend the range of opportunities within it, to encourage our talented young people to aim for and reach the highest possible level in their sport</p> <p>04 C 01</p>	On Track		First term of year two has been delivered successfully. All youngsters continue to progress well.	
<p>Implement the work streams contained in the leisure facilities strategy; consider options for the new leisure contract and the future of the Splash leisure facility in Sheringham, lead the feasibility for an indoor tennis facility, work with local clubs to support a purpose built gymnastic facility in North Walsham, work with the community to realise the reopening of the Fakenham academy pool</p> <p>04 C 02</p>	On Track		Reports on the new leisure facility on the Splash site and the Community Sports Hub were successfully agreed at Cabinet and Full Council in December 2017. Work will now commence to procure for both project builds.	
<p>Complete new football pitch and changing facilities at Cabbell Park</p> <p>04 C 03</p>	On Track		Continue to support Cromer Town FC on their current site, and both clubs regarding future proposals. Awaiting planning applications for the new facility.	
<p>Develop a framework for which events the Council support, recognising the sporting and economic benefits realised for the district</p> <p>04 C 04</p>	Completed Successfully		Framework complete.	

2017/18 Projects	Status	Progress/ Action Note
Support communities to develop and sustain sports clubs and hubs 04 C 05	On Track	 Project continues to be successful and engage people to become more active, and set up the Hubs so that the activities are sustainable. 

Achievements

1. Parking in Council car parks was again free on Remembrance Sunday.

05 - Delivering Service Excellence

Strategic Overview

Twenty of our 21 projects are on target or completed successfully (95%)

18 of the 21 activities are on track, two have been completed successfully and only one has identified a problem in delivery.


We have not achieved our targets








Performance against both of the performance indicators, where a target has been set, are below target.



Objectives

Help you to get what you need from the Council easily (05 A)



Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target
Visits to the Council website (monthly cumulative) WG 005	419,624	387,767	426,781	Dec 17/18	- M


2017/18 Projects	Status	Progress/ Action Note
Maintain progress on all projects within the Council's Digital Transformation Programme 05 A 01	On Track 	<p>The Service business process reviews (BPRs) in Planning and EH are on track in terms of budget, timeline and benefits realisation. Planning Development Management is approaching completion and other Planning services will be addressed within the second phase of the DT Programme following the "Uniform" system upgrade for which the project is in progress.</p> <p>The Environmental Health (EH) BPR is progressing well and business process changes are being implemented in parallel with the rollout of the new EH back office system. The business case for the BPR remains viable and efficiency savings realisation is on track.</p> <p>Further process improvement initiatives continue to be developed and implemented across the Council, notably within Revenues and Benefits which are expected to deliver service performance and quality improvements.</p> <p>Notably the on-line payments system has been reviewed and enhanced and all Council payments can now be carried out online, self-service, 24/7.</p>





2017/18 Projects	Status		Progress/ Action Note
Complete the implementation of the business process review (BPR) in the Planning Service 05 A 02	Some Problems		Correction to and updating of the GIS is still on going, progressing the web based mapping tool is dependent on this. This will enable customers to be able to self-serve. Pre-application form for tree and listed building works has been delayed.
Ongoing HR Business Process Review 05 A 03	On Track		Leave management (self-service for all leave and absence requests) is now live. All personnel files have been scanned and HR is ready to pilot SharePoint as part of the Digital Transformation programme of work. We are currently going through a procurement process for the HR IT system which will mean that further self-service developments will be held until a contract is awarded.
Ongoing Environmental Health Business Process Review to redesign services around the customer and use technology as a driver for efficiency 05 A 04	Ahead of Plan		BPR process is continuing well. Current focus is work to bring the collection of Garden Bin Renewals back in house, including the ability to offer customers an option to pay via direct debit, and is on track for renewal letters to go out as planned in the new financial year. Other work linked to the roll out of mobile working for food inspections and Licensing functionality is in final testing and proceeding according to timetable.
Implement the outcomes arising from the Communication Strategy approved by Cabinet February 2017 05 A 05	On Track		Communications plan agreed with management team and will be used to direct planned media and web activity.
Promote and optimise the use of social media and our website for those communicating and doing business with the Council 05 A 06	On Track		An on-going review of the web site and social media interaction is continuing.
Maintain and develop the Council's website to enable better transactional activity for all customer groups 05 A 07	On Track		A new channel communications approach has been adopted by the Digital Transformation Board and individual service objectives have been assigned in appraisals. A planning process for web site development is being put in place.
Use pro-active and promotional campaigns linked to the Council's priorities 05 A 08	On Track		With the successful recruitment to the Media and Campaigns Officer role the communications team is being more pro-active and focusing on campaigns for the authority.



2017/18 Projects	Status	Progress/ Action Note
<p>Monitor rollout of universal credit in the District, working closely with the DWP</p> <p>05 A 09</p>	<p>On Track</p> 	<p>Authorities were advised in December 2017 that implementation of UC full service roll out has been delayed nationally by 3 months.</p> <p>In addition to this, new UC claims on live service were ended from 1st January 2018 and a number of changes to Universal credit full service are to be made following amendments to legislation. A small area within North Norfolk NR20 5 will fall within UC full service when Dereham Job Centre converts in June 18.</p> <p>The Authority circulated these details to North Norfolk stakeholders and continues regular liaison.</p>
<p>Review our use of assets through the One Public Estate programme</p> <p>05 A 06 (2016/17)</p>	<p>On Track</p> 	<p>The OPE Board made the submission for the OPE phase 6 bidding round, which included Kelling Hospital. Funding was received for some of the projects in the programme of £210k which was 40% of the funding bid submitted. Other projects not supported in the programme are likely to continue with a reduced feasibility stage due to their strong business cases.</p>

Ensure the Council's finances continue to be well managed and inform our decision making (05 B)

Key Performance Indicators	Same period last year	Previous Periods Data	Latest Data	Time Period	Latest Data Target	
Percentage of council tax collected (monthly cumulative) RB 009	83.29%	74.32%	82.94%	Sept 17/18	56.00%	
<p>Council Tax collection is 0.16% (£107k) down against the target set which is an improvement on last month's 0.18% (£113k). This is mainly because of re-billing of new liabilities as the backlog reduces. The backlog was outstanding when there were vacancies in the service as reported earlier in the year and this takes time before staff are trained to have a big impact on reducing the volume of work outstanding. Any new bill will automatically re-spread instalments over the remaining months of the year which can impact on monthly collection targets. Some payments made over the Christmas period were not included in the December payments received as the cash posting was processed on 3 January 2018.</p>						
Percentage of non-domestic rates collected (monthly cumulative) RB 010	85.56%	77.13%	84.63%	Dec 17/18	85.30%	
<p>NNDR collection is behind target by 0.67% (£174k). This is the second time this year that we have fallen behind the target set. This is mainly because of re-billing of new liabilities as the backlog reduces. The backlog was outstanding when there were vacancies in the service as reported earlier in the year and this takes time before staff are trained to have a big impact on reducing the volume of work outstanding. Any new bill will automatically re-spread instalments over the remaining months of the year which can impact on monthly collection targets. There has been an increase to the total net debit of £47k that needs to be collected this month. The amount collected to date is £22.38m. Some payments made over the Christmas period were not included in the December payments received as the cash posting was processed on 3 January 2018.</p>						

2017/18 Projects	Status	Progress/ Action Note
Procure new Pier Management Contract 05 B 01	Completed Successfully	 <p>The contract has been awarded and reported through Cabinet. New contract documentation has been agreed and completed.</p> <p>The new contract commenced on 1 February 2018 and will see both local events and the Pier Show secured for the future and a wider programme of works on the Pier.</p>



2017/18 Projects	Status	Progress/ Action Note
<p>Continue procurement of Contract for Waste and Related Services</p> <p>05 B 02</p>	On Track	<p> Since the last report, Broadland District Council dropped out of the procurement to concentrate on their shared working with South Norfolk.</p> <p>The three councils are making good progress towards a single jointly procured contract.</p> <p>The current contract with Kier is being extended by 1 year in order to provide more time to complete the procurement process. This follows feedback from potential bidders which suggested that doing so would provide better contract outcomes in the longer term.</p> <p>The three Councils are currently drafting the required contract documents to be used during the tendering process.</p> <p>The Procurement Board is meeting on a regular basis and Members are kept informed of progress.</p>
<p>Develop and Implement Asset Management Strategy</p> <p>05 B 03</p>	On Track	<p> The suite of Asset Management Documents which were presented to the Overview and Scrutiny Committee in December are now scheduled to go through the committee cycle in February 2018.</p>
<p>Take forward a range of property investment opportunities</p> <p>05 B 04</p>	On Track	<p> A workshop has been held with officers to explore opportunities for investment across the Councils land and property portfolio. These ideas have now been scored to prioritise opportunities to consider in detail. Proposals and business cases will then come forward for discussion and decision. Overview and Scrutiny have set up a task and finish group to consider a full review of beach huts. A £2million local property fund is proposed to be established to invest in and maximise returns from commercial opportunities which is included in the 2018/19 budget.</p>
<p>Develop a Public Services Hub at North Walsham and Fakenham</p> <p>05 B 01 (2016/17)</p>	On Track	<p> Pursuing different opportunities of letting the first floor office space at Fakenham Connect with a view to generating income for the authority.</p>



2017/18 Projects	Status	Progress/ Action Note
Review the provision of public conveniences and identify any redevelopment opportunities 05 B 03 (2016/17)	On Track	 Architects have been appointed to develop some concept drawings for the conversion of 2 public conveniences. One of these facilities has become redundant following the opening of a newly constructed purpose built public convenience facility at the West Prom, Cromer. The architects are seeking to establish if the building could be converted to commercial/retail use (subject to planning consent) and be brought back into use. There is the potential to convert another other public convenience, subject to planning consent into holiday let accommodation and provide brand new and improved replacement facilities nearby. Business cases will be prepared showing the potential income generation for both opportunities for members to consider.
Publish quarterly and monitor any new requirements of the Government's transparency agenda 05 B 05 (2016/17)	On Track	 Quarter 3 review of data published completed. Review shows a small number of information sets are overdue - to be reported to Management Team.

Achievements

- Six service areas have received the highest level of assurance following recent internal audits. Since the summer substantial assurance has been given across the six areas – from a Review of Income through to Accountancy Services, Beach Huts, our CIVICA application (covering Revenues, Benefits, System Admin and ICT), Performance Management and Building Control.

Value and seek to develop the Council's staff and Members (05 C)

2017/18 Projects	Status	Progress/ Action Note
To work with the Staff Focus Group to implement 'Wider Wallet' a staff reward and recognition portal 05 C 01	Completed Successfully	 The successful launch of the Staff Achievement awards saw employees being rewarded and recognised across a number of categories: Employee of the Year, Team of the Year, Volunteer of the Year, Outstanding Achiever and Change and Innovation.
To ensure 100% completion rate of annual and mid-year appraisals in the context of wider staff development 05 C 02	On Track	 The staff survey that was carried out in July 2017 reported that 77% of staff agreed that we are effective at building capability and 87.5% agreed that we empower and involve people. 72% of staff had an annual appraisal and 51% of staff have completed mid year appraisals.

2017/18 Projects	Status	Progress/ Action Note
<p>To design and deliver against a corporate training programme for 2017/18 based on the Corporate Plan and individual learning and development needs as identified through the appraisals</p> <p>05 C 03</p>	On Track	 <p>The HR service has provided a range of learning and development opportunities over the last year to all staff including Institute of Leadership and Management level 3 and level 5 programmes, Time Management, Report Writing, Change and Innovation, Safeguarding, PREVENT, Dealing with Difficult People, Wellbeing workshops and Mental Health First Aid. Our learning is complemented by trained coaches and an e-learning portal.</p>
<p>To work with the Members' Development Group to offer an ongoing programme to develop Members' skills and knowledge</p> <p>05 C 04</p>	On Track	 <p>Member Development Group has continued to support training for Members to develop their skills. A session is planned for late February on 'Chamber debate'. Over the next 6 -9 months the Group will be working on attracting new councillors to stand for election with a 'Prospective Candidates' event. They will also be focussing on Members' IT needs and skills to ensure that the equipment they use to support them in their Council work is suitable and fit for purpose.</p>

Achievements

1. A new and improved staff intranet was launched on 30 November. The new intranet is operating alongside the old intranet at this stage while content is continually moved over to the new version. The new intranet currently contains information from certain departments - specifically HR, IT and Communications. The number of departments represented will grow over time. It also features news, the staff search and a calendar.

Equalities

Strategic Overview





Eleven of our twelve projects are on target (92%)

Eleven of the twelve activities are on track and one has been cancelled.








We met or were close to achieving all of our targets

Performance against two of the four performance indicators achieved the targets and two are close to target.

Targets Key

<p>For performance indicators, where the Council has a high degree of control over the outcome and achieving a target will help to achieve an objective, a numerical target is set. This symbol shows whether the quarterly target has been achieved and we are therefore on course to meet the annual target.</p>	
	Target achieved or exceeded
	Close to target
	Below target
M	These are measures listed that show levels of activity of services delivered by the Council, provide context, or which have not yet had a target set. These measures are included here for monitoring and information purposes. No symbol is shown for these. E.g. Number of settlements that have had Broadband upgraded.
	Signifies a target achieved that has an outcome which meets our equalities objectives.

Actions Key

Activity Status	Symbol	Description
Completed Successfully/ On Track		Activity has started on schedule, and is on track to be completed by the predicted end date, to budget and will deliver the expected outputs and outcomes/ impacts or already has.
Not Started		This is for activities that are not programmed to start yet.
Cancelled		The activity is no longer required. Reasons for the cancellation are given.
Postponed, Delayed or On Hold		This is for activities that should have started by now but have not or activities that have started but have had to pause or are taking longer than expected.
Some Problems		Lead officers should have described the problems and the action being taken to deal with them.
Needs Attention/ Off Track/ Failed		Activity is off track (either by starting after the predicted start date or progress slower than expected), and it is anticipated that it will not be completed by the predicted end date. Attention is needed from the lead officer and others to get this activity back on track. Failed - Activity not delivered and there is no way that it can be.
		Signifies an action achieved that has an outcome that meets our equalities objectives for specified groups e.g. children etc.

BUDGET MONITORING REPORT 2017/18 – PERIOD 10

Summary: This report summarises the budget monitoring position for the revenue account and capital programme to the end of January 2018.

Options considered: Not applicable.

Conclusions: The overall position at the end of January 2018 shows an under spend of £774,384 to date for the current financial year on the revenue account, this is currently expected to deliver a full year under spend of £273,052.

Recommendations: **It is recommended that:**
1) Cabinet note the contents of the report and the current budget monitoring position;
2) Recommend the release of a further £20,000 from the General Reserve to support the Sculthorpe Planning Appeal;

Reasons for Recommendations: To update Members on the current budget monitoring position for the Council.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report and which do not contain exempt information)

System budget monitoring reports

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

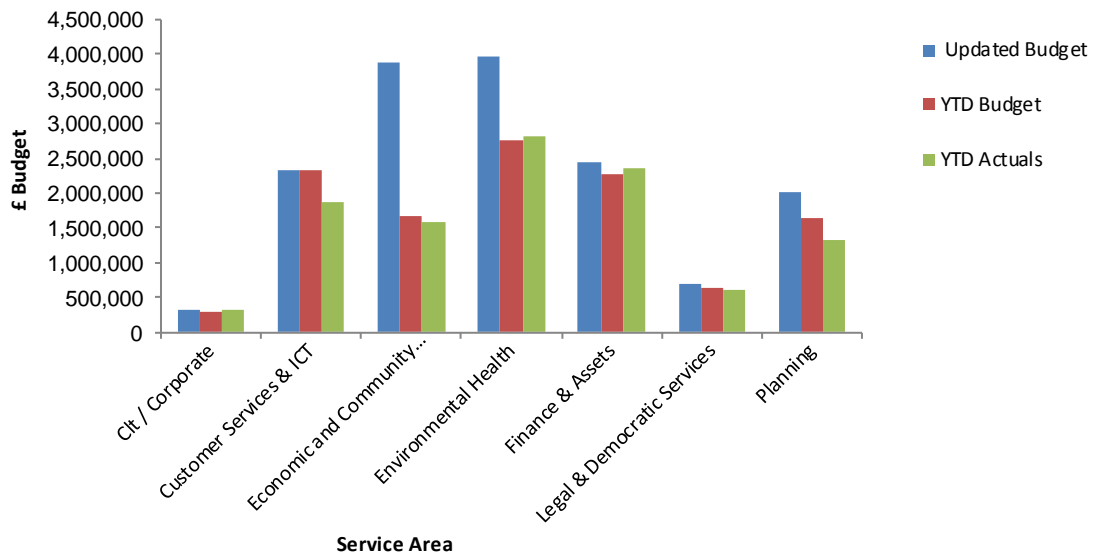
1. Introduction

- 1.1 This report compares the actual expenditure and income position at the end of January 2018 to the Updated budget for 2017/18. The Original Base Budget as agreed by Full Council in February 2017 has been updated by approved budget virements.
- 1.2 The base budget for 2017/18 included savings and additional income totalling £558,300 to be delivered in the year. Section 3.1 of this report includes an updated position on the delivery of these.

2. Budget Monitoring Position – Revenue Services

- 2.1 The General Fund Summary at Appendix A shows the high level budget monitoring position at 31 January 2018 which shows a year to date variance of £774,384 underspend against the updated budget. Of the under spend £700,959 is in relation to the service variances. Graph 1 below illustrates these variances per service area and Appendix B provides detailed variance explanations for each individual service. A net £73,425 underspend is in relation to non-service expenditure against the profiled budget. Details of these variances are included within section 4.

Graph 1 - Variance by Service area



- 2.1 Variances are reported against the updated budget in Appendix A. Any budgets and reserves affected will be updated accordingly.
- 2.2 The following table shows the over/under spend to date for the more significant variances; this is compared to the updated budget.

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget £	Estimated Full Year Variance Against Updated Budget £
Corporate		
<p>Registration services – Costs associated with undertaking the County and General elections earlier this year. Final claims will be submitted later in the year to cover these costs.</p> <p>The £25,000 anticipated Full Year Effect relates to external consultancy work and interim officer support.</p>	33,366	25,000
Community, Economic Development and Leisure		
<p>Car parking – The original budget for last year’s car park income was £2.489m with the outturn position being in excess of this at £2.613m. The 2017/18 budget forecasts were estimate to be around £2.744m which is an increase of £0.255m over last year’s base budget. The variance at Period 10 reflects a shortfall in income against the profiled budget of £94,789, this is predicted to result in a £116,000 variance at the end of the financial year but is still anticipated to be around £139,000 ahead of last year’s base position and should be viewed as a variance against the budget projection rather than a reduction in actual income. As indicated within the 2018/19 budget report this is a demand led service and any volatility is outside of the Council’s control.</p>	88,526	116,000
<p>Foreshore – Slippage in planned Repairs and Maintenance works including Amenity lighting and furniture and fixtures. £10,000 of this will be requested to be rolled forward for an additional project for the installation and supply of lighting for the Doctors Steps and Happy Valley Cromer.</p> <p>(£21,116) Insurance settlement re Storm Surge which is offset by costs in other services.</p>	(65,898)	0
<p>Pier Pavilion – This reflects the profit share for the Pier Management contract.</p>	(41,875)	(41,975)
<p>Woodlands Management - Due to adverse weather conditions there has been a greater need for emergency tree works to be undertaken. These additional works are likely to result in a £16,000 service overspend.</p>	14,210	16,000

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget £	Estimated Full Year Variance Against Updated Budget £
Cromer Pier - Costs associated with repairs and maintenance higher than anticipated.	36,794	9,000
Economic Growth - The current year underspend is in relation to a number of projects including the North Norfolk Business awards where expenditure has not yet been processed. No full year effect is anticipated.	(22,198)	0
Coast Protection – Of the variance, £18,485 relates to Storm Damage costs, £16,109 is additional costs for the Sheringham East Stage 10 scheme and £9,250 is a contribution for the Bacton Flood Alleviation Scheme. The balance relates to Measured Term Contract work which will be covered by the existing Sea Defences budget. There is anticipated to be a planned underspend at year end of £25,000 within the Sea Defences budget which is intended for an Revenue Contribution to Capital for the capital storm repair revetment scheme.	79,244	18,485
Economic Growth Staffing - Staff turnover savings as a result of in year vacancies will deliver a one off full year saving of £20,000.	(23,043)	(20,000)
Housing (Health and Wellbeing) – The Council terminated its contract with South Norfolk District Council on 1 March 2017. Excess income of £35,441 generated by the Home Improvement Agency Service to that date was refunded. This income will be requested to be rolled forward to offset the ongoing costs of the Home Improvement Agency Officer who joined the Council's employment and to support the work of the Integrated Housing Adaptations Team (IHAT) including a contribution towards the costs of the Countywide IHAT Co-ordinator.	(43,119)	0
Housing Strategy – The current monitoring position shows a favourable variance of £17,119 in relation to receipts received under the Councils VAT sharing agreement with Victory Housing Association. No full year effect has been included in relation to this as any surplus will be met by an increased contribution to the capital projects reserve. Further savings have been made as a result of a	(27,516)	(17,000)

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget £	Estimated Full Year Variance Against Updated Budget £
vacant post; this is estimated to deliver a full year saving of around £17,000.		
Customer Services and ICT		
Benefits Administration – The majority of this year to date variance relates to the transfer of a number of miscellaneous grants received from the Department for Works and Pensions. These were previously ring-fenced outside of the general fund but due to no pay back clause being evident, they are now being transferred to revenue.	(271,606)	(230,000)
ICT Support Services – (£13,158) - Salaries and on costs are lower as a result of vacancies. (£22,558) - Computer software licence costs lower than expected. £6,875 - Computer maintenance costs higher than anticipated. £11,000 Training - Information Tech Top Level Training for New Starters. (£3,599) - Telephone call costs lower than anticipated. This will lead to a full year saving of £20,000.	(19,626)	(20,000)
Homelessness – The council has received two significant grants (£142,154) in respect of Homelessness support. Although £10,000 has been spent in this financial year the balance will be requested to be rolled forward to fund staffing commitments and prevention and relief duties brought about by the introduction of the Homelessness reduction Act 2017 which will come into force on the 3 April 2018.	(140,314)	0
Customer Services – Corporate - Employee inflation due to staff regrading's this is currently being offset by savings in stationery costs.	216	15,000
Environmental Health		
Public Protection – Licencing income is up against profiled budget, no full year effect is anticipated as an element is ring fenced as it is based on a cost recovery basis.	(24,844)	0
Environmental Protection - £27,164 Higher staff costs offset by equipment sales and fee income.	18,849	30,000
Environmental Contracts - One off staff saving of £15,000 due to recruitment delays.	(13,303)	(15,000)

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget £	Estimated Full Year Variance Against Updated Budget £
<p>Waste Collection and Disposal – £6,212 Purchase of bins; (£32,333) Outstanding invoices for recycling processing and commercial waste disposal; £7,150 Contribution to the Norfolk Waste Partnership profiled to be paid later in the year; £9,262 Hybrid mailing costs for garden bin customers and a "Keep Warm" campaign; (£62,578) Kier contractor costs - provision made in 2016/17 and paid monthly.</p> <p>(£103,293) Additional income from trade waste customers. £293,427 Income expected from Kier for garden bins and bulky collections not received - awaiting information from Kier</p>	115,931	(100,000)
<p>Cleansing – £60,000 Purchase of 12 solar powered bins; (£69,585) Kier contract payment and creditor provision made for contract variations in 2016/17 not processed; £3,229 repair and maintenance for bin stores.</p> <p>(£30,000) Contributions for solar powered compactor bins and additional income from dog and litter bins.</p>	(51,182)	20,000
Finance and Assets		
<p>Handyman - This reflects a reduction in chargeable hours available to cover the full budgeted costs which include fixed overheads.</p>	47,878	33,000
<p>Admin Building Services – The majority of this variance relates to repairs and maintenance works at Cromer Office, including carpet fitting, upgrading wiring and car park repairs. Some of these works will be funded from the Asset Management Reserve but there is anticipated to be a variance of £60,000.</p>	57,035	60,000
<p>Property Services – £19,563 Professional fees relating to temporary staffing support for the estates team, valuations and advice. £16,229 Shared Equity insurance premiums.</p>	38,676	47,000
<p>Corporate Finance – Staff turnover savings as a result of a vacant post and a reduction in working hours have resulted in a likely full year saving of £30,000.</p>	(42,178)	(30,000)
<p>Insurance and Risk Management – Increased Insurance premiums, most significantly around Public and Employers liability insurances. See paragraph 2.5 in the main report.</p>	14,120	13,000

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget £	Estimated Full Year Variance Against Updated Budget £
Internal Audit - Savings as a result of contract renegotiation.	(69)	(26,472)
Playgrounds - Income received to purchase play equipment for Sheringham Playpark not yet offset by expenditure.	(23,002)	0
Investment Properties – The majority of the additional costs incurred are in relation to specialist surveys at Grove lane depot, Holt and works at the Oaks, North Walsham.	33,650	15,000
Corporate and Democratic Core – The current position reflects external Audit invoices not yet received. Although a reduction in the charge for auditing the Financial Statements will generate a full year saving of £28,277.	(47,069)	(28,277)
Legal and Democratic Services		
Members Services – Members basic allowance is higher than anticipated based on the 1% inflationary increase and the appointment of two new members to the Cabinet Committee. It is estimated this will result in a Full year effect of £16,000.	(7,800)	16,000
Planning		
Development Management – (£24,031) One-off staff employee savings due to recruitment delays. £20,806 Professional advice and legal fees associated with the Sculthorpe planning appeal and public enquiry, these are being offset by a number of enforcement provisions not yet spent but are likely to exceeded the original allocation approved from the General Reserve by £35,000. See paragraph 2.4 included within the main body of the report. (£97,621) Planning income from application fees and professional advice is currently above the profiled budget, this is largely due to an application fee received for a major housing development in Fakenham. A surplus of £80,000 is estimated.	(113,374)	(100,000)
Planning Policy – Slippage in the spending profile for the Local Plan Review expenditure; these costs are funded from the New Homes Bonus reserve and any full year effect will be negated by a transfer to/(from) this reserve.	(73,930)	0

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget £	Estimated Full Year Variance Against Updated Budget £
Major Developments – One –off employee costs savings in relation to recruitment delays.	(20,725)	(15,000)
Property Information – Part of this favourable variance (£16,028) relates to invoices received from Norfolk County Council in relation to 16/17 search fees being less than estimated. Land Charge search fee income is up against the profiled budget (£60,550). Any net surplus on the land charges service are ring-fenced and considered when reviewing the level of fees set.	(73,971)	(16,028)
TOTALS	(568,147)	(226,267)

- 2.3 As in previous years budget managers have been given the opportunity to request the roll forward of underspent budgets. They must demonstrate that their request fulfils a number of criteria and although the request may be approved in principal by the Corporate Leadership team, these cannot be actioned until the overall financial position is known.
- 2.4 The Sculthorpe planning appeal is subject to a high court challenge, with the Council defending the Planning Inspectorate decision to refuse planning permission. This is scheduled to be heard on the 27th/28th February 2018. There are additional cost implications with this challenge which are estimated at around £15,000 - £20,000. The original funding was allocated from the Council's General Reserve.
- 2.5 The Council's insurance policy is renewed on 1st October each year. This October, there was an increase in premium cost of £21,436 compared to last year. This is due in part to an increase in Insurance Premium Tax of 2% and to increased claims resulting from the Storm Surge that occurred in January 2017 and caused damage to some of the Council's foreshore properties.

3 Budget Monitoring Position – Savings and Additional Income

- 3.1 The budget for 2017/18 includes savings and additional income totaling £558,300. The detail for each of these savings is included at Appendix D. Table 2 below summaries the current position for each of the work streams compared to the budgeted position. The current projection is that we have a very small shortfall against our target although there are more variances between work streams.

Table 2 – Savings and Additional Income Budgeted Target for 2017/18 split by work stream	2017/18 Base Budget £	2017/18 P10 Monitoring Position £	2017/18 Movement from the Base Budget at P10
Growth – New Homes and Business Rates	0	0	0
Digital Transformation	(134,569)	(110,569)	10,500
Property Investment and Asset Commercialisation	(27,815)	(75,700)	(47,885)
Shared Services and Selling Services	(26,800)	(26,800)	0
Collaboration and Localism	0	0	0
Maximising Income and Reducing costs	(88,211)	(83,211)	5,000
Other Efficiencies and Savings	(280,905)	(247,305)	33,600
Total	(558,300)	(543,585)	1,215

4 Non Service Variances to Period 10 2017/18

4.1 Investment Interest

4.2 The interest budget for 2017/18 anticipates that a total of £837,200 will be earned from treasury investments and interest on loans to Broadland Housing Association. Overall an average balance of £32.2m is assumed, at an average interest rate of 2.6%.

4.3 At the end of period 10, a total of £713,632 had been earned, resulting in a surplus against the year to date budget of £11,762. The average rate of interest achieved was 2.09% from an average balance available for investment of £40.8m.

4.4 A £3.5m non-treasury investment was made on the 31 January 2018 by advancing a loan to Broadland Housing Association at 3.8% for 13 years. At the year-end a favourable variance of £48k is anticipated against the budget as a result of the higher balance available for investment.

4.5 Since the last Monitoring Report, the opportunity was taken to invest £1m in the CCLA Diversified Income Fund.

4.6 A total of £26m has been invested in pooled funds which are valued at £27.6m at the end of period 10. Most of the gain is attributed to the LAMIT Pooled Property Fund which is worth £1.53m above the £5m originally invested.

4.7 Financial markets have seen significant volatility in recent weeks and analysts anticipate this is likely to continue as markets adjust to higher interest rates after a prolonged period of very low rates. The Council can expect the valuation of its pooled investments to be increasingly volatile in the coming years but these are medium to long term investments which helps to mitigate the risk of short term fluctuations and form part of the Council's treasury strategy to help protect funds against the negative impact of inflation.

4.8 Retained Business Rates

At the end of Period 10 there is a variance on the Business Rates Retention scheme due to receipt of Central Government grants compensating the Council for reliefs to be granted to ratepayers under the Discretionary Relief Schemes. The award of these reliefs will be made in 2017/18, but the resulting loss of income will not be realised in the General Fund until 2018/19 and beyond due to accounting treatment.

- 4.9 It is anticipated there will be a favourable variance at the year-end under the Business Rate Retention Scheme of £300,000 which is available for transfer to the Business Rate Reserve. This Reserve can then be used to meet the reduced income in 2018/19. In addition there will be a variance due to receipt of Central Government grants of £263,734 compensating the Council for reliefs to be granted to ratepayers under the Discretionary Relief Scheme. The award of these reliefs will be made in 2017/18, but the resulting loss of income will not be realised in the General Fund until 2018/19 and beyond due to accounting treatment.

5 Budget Monitoring Position – Summary

- 5.1 The following table provides a summary of the full year projections for the service areas.

Table 3 - Summary of Full Year Effects 2017/18	Estimated Movement From Updated Budget £
Service Areas (Table 1)	(226,267)
Investment Interest	(48,000)
Savings and Additional Income	1,215
Total	(273,052)

6 Budget Monitoring Position – Capital

- 6.1 Members were provided with an updated capital programme for both the current and future years as part of the 2018/19 Budget report in February. The Capital Programme has been updated to reflect changes agreed up to period 10 of 2017/18 and can be found at Appendix C.

7 Conclusion

- 7.1 The revenue budget is showing an estimated full year under spend for the current financial year of £273,052. The overall financial position continues to be closely monitored and it is anticipated that the overall budget for the current year will be achieved.

8 Financial Implications and Risks

- 8.1 The detail within section 2 of the report highlights the more significant variances including those that are estimated to result in a full year impact.

- 8.2 The Original base budget for 2017/18 included service savings and additional income totalling (£558,300); these are largely still on target to be achieved although there will be some impact in future years where the timescales have slipped. The progress in achieving these is being monitored as part of the overall budget monitoring process and where applicable corrective action will be identified and implemented to ensure the overall budget remains achievable.
- 8.3 The estimated outturn shown in Table 1 will continue to be monitored during the year and where applicable will be transferred to reserves.
- 9 Sustainability** - None as a direct consequence from this report.
- 10 Equality and Diversity** - None as a direct consequence from this report.
- 11 Section 17 Crime and Disorder considerations** - None as a direct consequence from this report.

General Fund Summary P10 2017/18

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Net Cost Of Services						
Clf / Corporate	330,761	278,154	321,936	43,783	28,708	(19,883)
Customer Services & ICT	2,334,986	2,336,826	1,869,916	(466,910)	281,215	183,855
Community and Economic Development	3,878,478	1,659,113	1,568,698	(90,415)	607,650	1,702,130
Environmental Health	3,959,001	2,772,001	2,823,068	51,066	1,104,170	31,763
Finance & Assets	2,433,075	2,275,843	2,363,065	87,222	395,942	(325,931)
Legal & Democratic Services	690,901	629,946	611,474	(18,472)	19,351	60,076
Planning	1,998,895	1,646,080	1,338,847	(307,233)	154,199	505,849
Net Cost Of Services	15,626,097	11,597,964	10,897,004	(700,959)	2,591,235	2,137,858
Non Service Expenditure/Income						
Precepts to Parish Councils	2,079,492	2,079,492	2,079,492	0	0	0
Capital Charges	(2,558,242)	(2,131,860)	(2,131,850)	10	0	(426,392)
Refocus	(1,088,121)	0	0	0	0	(1,088,121)
External Interest Paid	2,500	750	113	(637)	0	2,387
Interest Receivable	(834,940)	(704,125)	(715,509)	(11,384)	0	(119,431)
Revenue Financing For Capital	1,938,039	0	0	0	0	1,938,039
Retirement Benefits	259,287	0	0	0	0	259,287
Net Operating Expenditure	15,424,112	10,842,221	10,129,250	(712,970)	2,591,235	2,703,627
Contributions to/(from) Reserves						
Capital Projects	(595,137)	0	0	0	0	(595,137)
Asset Management	889,996	0	0	0	0	889,996
Benefits	(50,000)	0	0	0	0	(50,000)
Broadband	(1,000,000)	0	0	0	0	(1,000,000)
Business Rates	(20,376)	0	0	0	0	(20,376)
Communities	317,441	0	0	0	0	317,441
Elections	40,000	0	0	0	0	40,000
Enforcement Works	82,926	0	0	0	0	82,926
Grants	37,521	0	0	0	0	37,521
Housing	(58,084)	0	0	0	0	(58,084)
New Homes Bonus	111,122	0	0	0	0	111,122
Organisational Development	(4,281)	0	0	0	0	(4,281)
Planning	(123,485)	0	0	0	0	(123,485)
Restructuring and Invest to Save	(287,473)	0	0	0	0	(287,473)
General Reserve	(304,130)	0	0	0	0	(304,130)
Amount to be met from Government Grant and Local Taxpayers	14,460,152	10,842,221	10,129,250	(712,970)	2,591,235	1,739,667
Collection Fund Parishes	(2,079,492)	(1,850,745)	(1,850,745)	0	0	(228,747)
Collection Fund District	(5,520,427)	(4,913,176)	(4,913,176)	0	0	(607,251)
Retained Business Rates	(3,841,000)	(3,635,675)	(3,697,090)	(61,415)	0	(143,910)
Revenue Support Grant	(936,035)	(786,270)	(786,269)	1	0	(149,766)
New Homes Bonus	(1,694,986)	(1,694,843)	(1,694,843)	0	0	(143)
Rural Services Delivery Grant	(388,212)	(388,212)	(388,212)	0	0	0
Income from Government Grant and Local Taxpayers	(14,460,152)	(13,268,921)	(13,330,335)	(61,414)	0	(1,129,817)
Surplus/Deficit	0	(2,426,701)	(3,201,085)	(774,384)	2,591,235	609,850

Service Area Summaries Period 10 2017/18

Clt / Corporate

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Human Resources & Payroll							
Gross Direct Costs	326,551	272,195	286,815	14,620	21,133	18,603	See Note A
Gross Direct Income	(1,000)	(830)	(2,097)	(1,267)	0	1,097	No Major Variance
Support Service Charges	(310,467)	(258,720)	(258,720)	0	0	(51,747)	
	15,084	12,645	25,998	13,353	21,133	(32,048)	

Note A: £3,642 - Salaries and oncosts higher than anticipated. (£8,486) - Corporate training costs yet to be incurred. A full training programme will be delivered following information gathered from the appraisals process. £6,353 - Staff Training. £6,882 - Spend in relation to Investors in People award. £8,970 - Buying in job advertising pack for recruitment.

Policy & Performance Mgt

Gross Direct Costs	51,252	42,731	42,240	(491)	0	9,012	No Major Variances.
Support Service Charges	(60,614)	(50,520)	(50,520)	0	0	(10,094)	
	(9,362)	(7,789)	(8,280)	(491)	0	(1,082)	

Registration Services

Gross Direct Costs	210,175	180,150	550,038	369,888	0	(339,863)	Costs associated with undertaking the County and General elections earlier this year. External consultancy work and interim officer support.
Gross Direct Income	(38,720)	(34,950)	(371,471)	(336,521)	0	332,751	Advance payments for the County and General Elections received. Claim for the balance of the General Election has been submitted but awaiting reimbursement.
Support Service Charges	134,860	112,450	112,450	0	0	22,410	
	306,315	257,650	291,016	33,366	0	15,299	

Corporate Leadership Team

Gross Direct Costs	431,611	359,680	345,723	(13,957)	284	85,604	(£11,204) - Salaries and oncosts lower than anticipated resulting from staff vacancies. A roll-forward request will be made to fund investment in a document management system and training.
Gross Direct Income	0	0	(1,709)	(1,709)	0	1,709	No Major Variances.
Support Service Charges	(431,611)	(359,660)	(359,560)	100	0	(72,051)	
	0	20	(15,546)	(15,566)	284	15,262	

Communications

Gross Direct Costs	247,390	206,167	228,327	22,160	7,291	11,772	See Note A
Capital Charges	62,018	51,680	51,680	0	0	10,338	
Gross Direct Income	0	0	(9,040)	(9,040)	0	9,040	(£9,040) - Income received for filming rights.
Support Service Charges	(290,684)	(242,220)	(242,220)	0	0	(48,464)	
	18,724	15,627	28,747	13,120	7,291	(17,314)	

Note A: £7,286 - Salaries and oncosts are higher than expected. Staff vacancies mean that there will be no full year effect. (£3,668) - Lower spend on computer software purchases. (£7,088) - Lower spend on web front end. £15,551 - General marketing higher than anticipated. £2,770 - Spend on digital consulting services. £4,129 - Higher than expected spend on marketing - graphics.

Total Clt / Corporate	330,761	278,154	321,936	43,783	28,708	(19,883)	
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Service Area Summaries Period 10 2017/18

Community, Econ Dev & Leisure

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Health							
Gross Direct Costs	0	0	1,500	1,500	500	(2,000)	(£5,273) - Allocated for multi agency projects. Will be used for NCAN system renewal plus other yet to be identified projects where a financial contribution is required.
Gross Direct Income	0	0	(6,773)	(6,773)	0	6,773	
	0	0	(5,273)	(5,273)	500	4,773	
Car Parking							
Gross Direct Costs	719,081	410,072	400,710	(9,362)	64,716	253,655	£14,860 - Repair and maintenance costs are higher than anticipated. (£3,280) - Professional fees lower than expected. (£3,320) - Advertising spend not incurred. (£13,898) - Lower NNDR costs. (£3,574) - Lower spend relating to credit card charges.
Capital Charges	29,485	24,570	24,570	0	0	4,915	No Major variances.
Gross Direct Income	(2,724,456)	(2,417,828)	(2,319,939)	97,889	0	(404,517)	£94,789 - Lower car park income. £3,100 - Concession income is lower. It is anticipated that there will be a full year impact of lower car park income of £116,000.
Support Service Charges	157,122	147,270	147,270	0	0	9,852	
	(1,818,768)	(1,835,916)	(1,747,390)	88,526	64,716	(136,094)	
Markets							
Gross Direct Costs	53,329	28,066	28,626	560	450	24,253	No Major Variances.
Gross Direct Income	(58,900)	(58,900)	(61,110)	(2,210)	0	2,210	No Major Variances.
Support Service Charges	46,440	38,700	38,700	0	0	7,740	
	40,869	7,866	6,215	(1,651)	450	34,204	
Parks & Open Spaces							
Gross Direct Costs	341,729	259,782	245,244	(14,538)	87,614	8,871	(£20,778) - Invoices not yet received for 16/17 grounds maintenance contract variation. £4,903 - Water charges - metered.
Capital Charges	47,482	39,570	39,570	0	0	7,912	
Gross Direct Income	(14,590)	(5,730)	(2,126)	3,604	0	(12,464)	No Major Variances.
Support Service Charges	69,860	58,240	58,240	0	0	11,620	
	444,481	351,862	340,928	(10,934)	87,614	15,939	
Foreshore							
Gross Direct Costs	120,768	103,029	58,246	(44,783)	18,751	43,771	See Note A
Capital Charges	11,943	9,950	9,950	0	0	1,993	
Gross Direct Income	0	0	(21,116)	(21,116)	0	21,116	Storm damage insurance pay out.
Support Service Charges	60,180	50,170	50,170	0	0	10,010	
	192,891	163,149	97,251	(65,898)	18,751	76,890	

Note A: £5,716 - Salaries and on costs are higher. (£49,926) - Repairs and maintenance costs lower than anticipated. £18,752 relates to Amenity Lighting; £23,750 relates to Foreshore Furniture & Fixtures and £7,424 is other repair & maintenance. A request will be made to roll forward £10,000 for the supply of lighting and installation at the following locations: gangway lighting, Doctors Steps and Happy Valley

Service Area Summaries Period 10 2017/18

Community, Econ Dev & Leisure

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Sports Centres							
Gross Direct Costs	275,373	161,893	162,746	852	16,777	95,851	(£10,087) - Hall hire for 16/17 not yet invoiced. £6,699 - Salaries & on costs higher than anticipated. £2,616 - Professional fees paid to coaches
Capital Charges	12,497	10,410	10,410	0	0	2,087	
Gross Direct Income	(143,220)	(119,363)	(105,754)	13,609	0	(37,466)	£13,305 - Lower than expected hall hire and bar income.
Support Service Charges	105,220	87,760	87,760	0	0	17,460	
	249,870	140,700	155,161	14,461	16,777	77,932	
Leisure Complexes							
Gross Direct Costs	385,109	259,812	260,947	1,135	74,217	49,945	No Major variances.
Capital Charges	487,987	406,650	406,650	0	0	81,337	
Gross Direct Income	0	0	(500)	(500)	0	500	No Major variances.
Support Service Charges	15,700	13,090	13,090	0	0	2,610	
	888,796	679,552	680,187	635	74,217	134,392	
Other Sports							
Gross Direct Costs	146,142	122,727	100,934	(21,793)	5,816	39,392	(£19,305) - Spend on Sports Hubs and Clubs is lower than expected. (£2,480) - Lower than anticipated spend relating to Sporting Centre of Excellence project.
Capital Charges	3,527	2,940	2,940	0	0	587	
Gross Direct Income	(82,700)	(1,670)	14,326	15,996	0	(97,026)	(£12,000) - Public health funding grant. A request will be made to roll forward this unspent grant. £36,572 - Debtor provision for Community Sports Activation Grant not yet received. (£8,261) - Fee income for Hubs and Clubs activities
Support Service Charges	37,770	31,500	31,500	0	0	6,270	
	104,739	155,497	149,700	(5,797)	5,816	(50,777)	
Recreation Grounds							
Gross Direct Costs	8,465	6,345	6,816	471	2,250	(602)	No Major variances.
Capital Charges	79	70	70	0	0	9	
Gross Direct Income	(1,000)	(825)	(1,113)	(288)	0	113	No Major variances.
Support Service Charges	5,090	4,250	4,250	0	0	840	
	12,634	9,840	10,023	183	2,250	360	
Arts & Entertainments							
Gross Direct Costs	76,517	62,677	63,434	757	1,125	11,958	No Major Variances.
Capital Charges	211	180	180	0	0	31	
Gross Direct Income	(1,460)	(1,220)	0	1,220	0	(1,460)	No Major Variances.
Support Service Charges	34,080	28,400	28,400	0	0	5,680	
	109,348	90,037	92,014	1,977	1,125	16,209	
Pier Pavilion							
Gross Direct Costs	97,847	93,894	94,174	280	71,931	(68,258)	No Major Variances.
Gross Direct Income	0	0	(42,155)	(42,155)	0	42,155	(£41,975) - Recharge for 30% profit share per Pier Pavilion. This will lead to a full year saving of £41,975.
Support Service Charges	9,150	7,630	7,630	0	0	1,520	
	106,997	101,524	59,649	(41,875)	71,931	(24,583)	

Service Area Summaries Period 10 2017/18

Community, Econ Dev & Leisure

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Foreshore (Community)							
Gross Direct Costs	392,300	320,739	316,193	(4,546)	72,775	3,332	£3,716 - Higher fee payable to the RNLI for the lifeguard service. (£2,874) - Lower spend on memorial seats. (£4,017) - Rental and maintenance of emergency phones lower than anticipated.
Support Service Charges	30,180	25,160	25,160	0	0	5,020	No Major Variances.
	422,480	345,899	341,353	(4,546)	72,775	8,352	
Woodlands Management							
Gross Direct Costs	147,948	126,142	154,590	28,448	26,977	(33,618)	See Note A
Capital Charges	1,346	1,120	1,120	0	0	226	
Gross Direct Income	(25,550)	(21,300)	(35,537)	(14,237)	0	9,987	(£4,277) - Income from events. (7,766) - Grants received from the Woodland Trust.
Support Service Charges	90,710	75,620	75,620	0	0	15,090	
	214,454	181,582	195,792	14,210	26,977	(8,315)	
Note A: £11,723 - Greater than anticipated level of emergency tree works. This will lead to a full year effect of £16,000. There is no budget set up because all works are emergency health and safety works, not programmed works. As such, the works are funded from the general reserve. £6,778 - Repairs to the tower at Holt Country Park. £2,489 - expenditure incurred in relation to Green Flag applications. £3,902 - Equipment purchases higher than anticipated.							
Cromer Pier							
Gross Direct Costs	27,539	26,401	33,338	6,937	20,049	(25,848)	£9,316 - Higher than expected repair costs. This will lead to a full year effect of £9,000.
Capital Charges	23,716	19,760	19,760	0	0	3,956	
Gross Direct Income	(20,709)	(15,531)	14,326	29,857	0	(35,035)	Debtor provision for storm damage insurance pay out. Income has not yet been received from the insurer.
Support Service Charges	9,950	8,300	8,300	0	0	1,650	
	40,496	38,930	75,724	36,794	20,049	(55,277)	
Beach Huts & Chalets							
Gross Direct Costs	47,608	40,442	53,198	12,756	17,868	(23,457)	£22,919 - Repairs required as a result of storm damage in January 2017. (£9,693) - Other repairs not yet undertaken.
Gross Direct Income	(120,165)	(120,165)	(183,390)	(63,225)	0	63,225	(£34,401) - Fees charged to Hut Site renters to cover some storm of the January 2017 storm surge costs. (£23,696) - Storm damage insurance pay out.
Support Service Charges	58,340	48,630	48,630	0	0	9,710	
	(14,217)	(31,093)	(81,563)	(50,470)	17,868	49,478	
Business Growth							
Gross Direct Costs	66,263	59,799	37,600	(22,198)	713	27,950	Expenditure on projects not yet incurred including North Norfolk Business awards.
Support Service Charges	198,800	165,670	165,670	0	0	33,130	
	265,063	225,469	203,270	(22,198)	713	61,080	

Service Area Summaries Period 10 2017/18

Community, Econ Dev & Leisure

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Tourism							
Gross Direct Costs	40,338	20,340	6,114	(14,226)	0	34,224	Contribution to Visit North Norfolk Not yet made.
Support Service Charges	56,930	47,440	47,440	0	0	9,490	
	97,268	67,780	53,554	(14,226)	0	43,714	
Coast Protection							
Gross Direct Costs	320,975	199,535	279,671	80,136	89,598	(48,294)	Sea Defence works
Capital Charges	630,978	525,820	525,820	0	0	105,158	
Gross Direct Income	(25)	(20)	(912)	(892)	0	887	No Major Variances.
Support Service Charges	244,920	204,120	204,120	0	0	40,800	
	1,196,848	929,455	1,008,699	79,244	89,598	98,551	
Business Growth Staffing							
Gross Direct Costs	250,311	208,610	185,567	(23,043)	74	64,670	This reflects staff turnover savings due to recruitment delays. This is likely to deliver a one off full year saving of £20,000.
Support Service Charges	(250,311)	(208,560)	(208,560)	0	0	(41,751)	
	0	50	(22,993)	(23,043)	74	22,919	
Economic & Comm Dev Mgt							
Gross Direct Costs	77,830	64,870	61,282	(3,588)	0	16,548	No Major Variances.
Support Service Charges	(77,830)	(64,860)	(64,860)	0	0	(12,970)	
	0	10	(3,578)	(3,588)	0	3,578	
Leisure							
Gross Direct Costs	215,065	183,367	183,239	(128)	2,100	29,726	No Major Variances.
Capital Charges	2,160	1,799	1,800	1	0	360	
Gross Direct Income	(700)	(580)	0	580	0	(700)	No Major Variances.
Support Service Charges	(90,089)	(75,060)	(75,060)	0	0	(15,029)	
	126,436	109,526	109,979	453	2,100	14,357	
Housing (Health & Wellbeing)							
Gross Direct Costs	191,361	153,830	146,152	(7,678)	0	45,209	This difference is made up of a number of smaller variances.
Capital Charges	1,088,121	0	0	0	0	1,088,121	
Gross Direct Income	0	0	(35,441)	(35,441)	0	35,441	Returned funding from South Norfolk District Council relating to the Home Improvement Agency service which was terminated in March 2017.
Support Service Charges	14,039	11,720	11,720	0	0	2,319	
	1,293,521	165,550	122,431	(43,119)	0	1,171,090	
Housing Strategy							
Gross Direct Costs	262,050	221,142	209,364	(11,778)	22,726	29,960	Turnover savings resulting from a vacant post.
Gross Direct Income	(273,800)	(224,116)	(239,854)	(15,738)	0	(33,946)	VAT shelter receipts received from Victory Housing Association under the Councils VAT sharing agreement. This will be offset by a transfer to the Capital Projects reserve.
Support Service Charges	22,738	18,960	18,960	0	0	3,778	
	10,988	15,986	(11,530)	(27,516)	22,726	(208)	

Service Area Summaries Period 10 2017/18

Community, Econ Dev & Leisure

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Community And Localism							
Gross Direct Costs	439,432	236,870	237,292	422	10,010	192,130	No Major Variances.
Gross Direct Income	(652,118)	(579,362)	(579,363)	(1)	0	(72,755)	No Major Variances.
Support Service Charges	105,970	88,320	88,320	0	0	17,650	
	(106,716)	(254,172)	(253,750)	422	10,010	137,024	
Coastal Management							
Gross Direct Costs	159,210	132,690	125,405	(7,285)	614	33,192	(£10,232) - Employee savings resulting from a vacant post, now filled. £3,564 New appointment advertising.
Support Service Charges	(159,210)	(132,660)	(132,560)	100	0	(26,650)	
	0	30	(7,155)	(7,185)	614	6,542	
Total Community, Econ Dev & Leisure	3,878,478	1,659,113	1,568,698	(90,415)	607,650	1,702,130	

Service Area Summaries Period 10 2017/18

Customer Services & ICT

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Local Taxation							
Gross Direct Costs	561,569	439,580	453,694	14,114	15,360	92,515	£9,061 - Civicsoftware for NDR Local Disc this module this has been funded by a new burdens grant received from the Department for Communities and Local Government (DCLG).
Gross Direct Income	(477,631)	(253,300)	(278,887)	(25,587)	0	(198,744)	(£12,000) New burdens grant from the DCLG. (£8,705) Recharge to Norfolk County Council for Single Person Discount Review.
Support Service Charges	453,000	377,520	377,520	0	0	75,480	No Major Variances.
	536,938	563,800	552,328	(11,472)	15,360	(30,750)	
Benefits Administration							
Gross Direct Costs	813,335	680,352	641,625	(38,727)	2,232	169,478	(£29,372) employee costs including turnover savings from vacant posts. (£5,192) Reduction in postage charges.
Capital Charges	110,106	91,760	91,760	0	0	18,346	No Major Variances.
Gross Direct Income	(450,234)	(11,121)	(244,000)	(232,879)	0	(206,234)	(£213,615) Department for Works and Pensions grants previously ring-fenced outside of the general fund now transferred to revenue to reflect the fact that no pay back clause in the grant conditions exists.
Support Service Charges	490,020	408,350	408,350	0	0	81,670	No Major Variances.
	963,227	1,169,341	897,735	(271,606)	2,232	63,260	
ICT - Support Services							
Gross Direct Costs	1,125,761	846,266	828,988	(17,278)	148,193	148,580	(£13,158) - Salaries and on costs are lower as a result of vacancies. (£22,558) - Computer software licence costs lower than expected. £6,875 - Computer maintenance costs higher than anticipated. £11,000 Training - Information Tech Top Level Training for New Starters. (£3,599) - Telephone call costs lower than anticipated. This will lead to a full year saving of £20,000
Capital Charges	134,491	112,070	112,070	0	0	22,421	
Gross Direct Income	(410)	(340)	(2,688)	(2,348)	0	2,278	(£2,396) - Final year of mobile phone contract credit
Support Service Charges	(1,211,830)	(1,009,880)	(1,009,880)	0	0	(201,950)	
	48,012	(51,884)	(71,509)	(19,626)	148,193	(28,671)	
Tourist Information Centres							
Gross Direct Costs	131,491	110,347	119,564	9,217	11,362	564	£7,427 - salaries and on costs higher than expected as a result of a redundancy payment and cover for holiday and sickness absence.. £4,258 - Purchase of goods and souvenirs for resale
Capital Charges	6,187	5,150	5,150	0	0	1,037	
Gross Direct Income	(29,500)	(24,590)	(32,603)	(8,013)	0	3,103	(£10,768) - Sale of goods and souvenirs
Support Service Charges	129,360	107,840	107,840	0	0	21,520	
	237,538	198,747	199,951	1,204	11,362	26,224	

Service Area Summaries Period 10 2017/18

Customer Services & ICT

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Homelessness							
Gross Direct Costs	102,692	86,501	176,540	90,039	32,749	(106,597)	£10,000 Homelessness Prevention trailblazer project funded from Homelessness grant. £82,197 Homelessness accommodation charges offset by recoverable charges.
Capital Charges	6,630	5,530	5,530	0	0	1,100	
Gross Direct Income	(94,042)	(79,922)	(310,275)	(230,353)	0	216,233	(£142,154) Homelessness Prevention Grants. (£89,131) Recoverable charges including repaid rent deposits and housing benefit subsidy on Bed and Breakfast charges.
Support Service Charges	421,700	351,410	351,410	0	0	70,290	
	436,980	363,519	223,205	(140,314)	32,749	181,027	
Customer Services Housing							
Gross Direct Costs	251,897	209,920	199,883	(10,037)	0	52,014	Staff turnover savings due to in year vacancies.
Support Service Charges	(251,897)	(209,900)	(209,900)	0	0	(41,997)	
	0	20	(10,017)	(10,037)	0	10,017	
Digital Transformation							
Gross Direct Costs	250,086	208,153	210,049	1,896	12,783	27,254	No Major Variances.
Support Service Charges	(137,795)	(114,830)	(114,730)	100	0	(23,065)	
	112,291	93,323	95,319	1,996	12,783	4,189	
Reprographics							
Gross Direct Costs	95,134	79,280	63,385	(15,895)	53,693	(21,944)	(£5,139) - Operating lease costs for printers lower than expected as a result of lower numbers of copies being required. (£9,416) - Paper costs lower than anticipated. Both of these are as a result of the use of hybrid mailing and the delay in progressing the Local Plan. This will lead to an overall saving of £13,500 (£4,500 from lease rentals and £9,000 from paper costs)
Capital Charges	12,603	10,500	10,500	0	0	2,103	
Gross Direct Income	(7,500)	(6,250)	(7,627)	(1,377)	0	127	No Major Variances.
Support Service Charges	(100,237)	(83,540)	(83,540)	0	0	(16,697)	
	0	(10)	(17,282)	(17,272)	53,693	(36,412)	
Customer Services - Corporate							
Gross Direct Costs	571,112	475,920	474,455	(1,465)	4,843	91,814	£16,960 - Salaries and on costs higher than anticipated as a result of regrading's, overtime and staff joining the pension scheme. This is expected to lead to a full year effect of £15,000. (£7,299) - Stationery costs lower than expected. (£5,457) - Professional fees lower than expected.
Capital Charges	13,978	11,650	11,650	0	0	2,328	
Gross Direct Income	(29,070)	(24,220)	(22,539)	1,681	0	(6,531)	£3,887 - Only processing new age related bus pass applications. No longer dealing with new disabled applications or replacement lost/stolen passes. (£2,210) - Increased service charges
Support Service Charges	(556,020)	(463,380)	(463,380)	0	0	(92,640)	
	0	(30)	186	216	4,843	(5,029)	
Total Customer Services & ICT	2,334,986	2,336,826	1,869,916	(466,910)	281,215	183,855	

Service Area Summaries Period 10 2017/18

Environmental Health

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Commercial Services							
Gross Direct Costs	375,400	314,314	306,240	(8,074)	3,627	65,533	Lower salaries and oncosts.
Gross Direct Income	(24,435)	(20,360)	(20,817)	(457)	0	(3,618)	No Major Variances.
Support Service Char	136,110	113,440	113,440	0	0	22,670	
	487,075	407,394	398,864	(8,530)	3,627	84,585	
Rural Sewerage Schemes							
Gross Direct Costs	374,254	374,254	375,023	769	0	(769)	No Major Variances.
Support Service Char	220	180	180	0	0	40	
	374,474	374,434	375,203	769	0	(729)	
Travellers							
Gross Direct Costs	5,498	36,942	38,697	1,755	6,838	(40,037)	No Major Variances.
Capital Charges	97,800	81,500	81,500	0	0	16,300	
Gross Direct Income	(4,000)	(3,340)	(1,145)	2,195	0	(2,855)	No Major Variances.
Support Service Char	1,320	1,100	1,100	0	0	220	
	100,618	116,202	120,152	3,950	6,838	(26,371)	
Public Protection							
Gross Direct Costs	190,436	159,328	159,703	375	7,849	22,884	No Major Variances.
Gross Direct Income	(161,185)	(144,572)	(169,792)	(25,220)	0	8,607	Additional Licensing income against profiled budget
Support Service Char	133,400	111,180	111,180	0	0	22,220	
	162,651	125,936	101,092	(24,844)	7,849	53,711	
Street Signage							
Gross Direct Costs	14,719	8,926	7,421	(1,505)	177	7,121	No Major Variances.
Capital Charges	7,565	6,300	6,300	0	0	1,265	
Support Service Char	540	450	450	0	0	90	
	22,824	15,676	14,171	(1,505)	177	8,476	
Environmental Protection							
Gross Direct Costs	490,487	395,128	422,292	27,164	16,435	51,760	Higher staffing costs
Capital Charges	2,612	2,180	2,180	0	0	432	
Gross Direct Income	(15,000)	(12,235)	(20,550)	(8,315)	0	5,550	(£6k) Proceeds from sale of vehicle; balance relates to additional fee income
Support Service Char	185,840	154,890	154,890	0	0	30,950	
	663,939	539,963	558,812	18,849	16,435	88,692	
Env Health - Service Mgmt							
Gross Direct Costs	131,759	102,717	103,742	1,025	9,562	18,455	No Major Variances.
Capital Charges	20,181	16,820	16,820	0	0	3,361	
Support Service Char	(163,504)	(136,250)	(136,250)	0	350	(27,604)	
	(11,564)	(16,713)	(15,688)	1,025	9,912	(5,788)	
Corporate Enforcement Team							
Gross Direct Costs	149,894	125,176	127,106	1,930	217	22,571	No Major Variances.
Support Service Char	(125,202)	(104,330)	(104,330)	0	0	(20,872)	
	24,692	20,846	22,776	1,930	217	1,699	

Service Area Summaries Period 10 2017/18

Environmental Health

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitme nts	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Environmental Contracts							
Gross Direct Costs	235,392	196,140	182,837	(13,303)	8	52,546	Lower staff costs due to recruitment delays
	235,392	196,140	182,837	(13,303)	8	52,546	
Waste Collection And Disposal							
Gross Direct Costs	3,530,180	2,463,995	2,390,707	(73,288)	869,604	269,869	£6,212 Purchase of bins; (£32,333) Outstanding invoices for recycling processing and commercial waste disposal; £7,150 Contribution to the Norfolk Waste Partnership profiled to be paid later in the year; £9,262 Hybrid mailing costs for garden bin customers and a "Keep Warm" campaign; (£62,578) Kier contractor costs - provision made in 2016/17 and paid monthly.
Capital Charges	328,914	274,100	274,100	0	0	54,814	
Gross Direct Income	(2,905,987)	(2,474,871)	(2,285,652)	189,219	0	(620,335)	(£103,293) Additional income from trade waste customers. £293,427 Income expected from Kier for garden bins and bulky collections not received - awaiting information from Kier
Support Service Char	193,980	161,730	161,730	0	0	32,250	
	1,147,087	424,954	540,885	115,931	869,604	(263,402)	
Cleansing							
Gross Direct Costs	587,626	441,203	428,981	(12,222)	188,858	(30,213)	£60,000 Purchase of 12 solar powered bins; (£69,585) Kier contract payments - creditor provision made for contract variations in 2016/17 not processed and default penalties issued ; £3,229 repair and maintenance for bin stores.
Gross Direct Income	(46,424)	(46,424)	(85,384)	(38,960)	0	38,960	(£30,000) Contributions for solar powered compactor bins. Balance relates to additional income from dog and litter bin recharges.
Support Service Char	29,090	24,230	24,230	0	0	4,860	
	570,292	419,009	367,827	(51,182)	188,858	13,607	
Environmental Strategy							
Gross Direct Costs	17,500	17,500	31,569	14,069	400	(14,469)	Expenditure incurred on Green Build event
Gross Direct Income	(12,500)	(12,500)	(18,482)	(5,982)	0	5,982	Sponsorship and exhibitor fees for the Green Build event
Support Service Char	5,520	4,610	4,610	0	0	910	
	10,520	9,610	17,697	8,087	400	(7,577)	

Service Area Summaries Period 10 2017/18

Environmental Health

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitme nts	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Community Safety							
Gross Direct Costs	24,725	20,610	20,093	(517)	0	4,632	No Major Variances.
Support Service Char	8,860	7,380	7,380	0	0	1,480	
	33,585	27,990	27,473	(517)	0	6,112	
Civil Contingencies							
Gross Direct Costs	97,856	77,590	78,023	433	245	19,588	No Major Variances.
Gross Direct Income	0	0	(25)	(25)	0	25	No Major Variances.
Support Service Char	39,560	32,970	32,970	0	0	6,590	
	137,416	110,560	110,968	408	245	26,203	
Total Environmental Health	3,959,001	2,772,001	2,823,068	51,066	1,104,170	31,763	

Service Area Summaries Period 10 2017/18

Finance & Assets

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Industrial Estates							
Gross Direct Costs	21,666	19,271	14,481	(4,790)	1,465	5,720	Lower costs for grounds maintenance and insurance premiums
Capital Charges	46,239	38,530	38,530	0	0	7,709	
Gross Direct Income	(132,415)	(125,718)	(117,354)	8,364	0	(15,061)	£5,141 - Lower rental income which reflects reduced costs; recharges for insurance premiums not invoiced.
Support Service Charges	72,650	60,580	60,580	0	0	12,070	
	8,140	(7,337)	(3,762)	3,574	1,465	10,438	
Surveyors Allotments							
Gross Direct Income	(50)	(40)	(50)	(10)	0	0	No Major Variances.
Support Service Charges	5,190	4,330	4,330	0	0	860	
	5,140	4,290	4,280	(10)	0	860	
Handy Man							
Gross Direct Costs	66,811	55,670	51,457	(4,213)	0	15,354	Changes in staffing structure.
Capital Charges	2,739	2,280	2,280	0	0	459	
Gross Direct Income	(106,800)	(89,000)	(36,909)	52,091	0	(69,891)	Recharges not processed.
Support Service Charges	58,450	48,720	48,720	0	0	9,730	
	21,200	17,670	65,548	47,878	0	(44,348)	
Parklands							
Gross Direct Costs	26,130	18,920	19,963	1,043	1,459	4,709	No Major Variances.
Capital Charges	2,750	2,290	2,290	0	0	460	
Gross Direct Income	(57,210)	(57,210)	(62,748)	(5,538)	0	5,538	(£11,500) Commission payment re sale of unit; £5,808 lower electricity recharges.
Support Service Charges	41,700	34,750	34,750	0	0	6,950	
	13,370	(1,250)	(5,745)	(4,495)	1,459	17,657	
Benefits Subsidy							
Gross Direct Costs	27,392,779	0	8,349	8,349	0	27,384,430	£8,349 Bad debt write offs not budgeted for at service level.
Gross Direct Income	(27,392,779)	0	(10,328)	(10,328)	0	(27,382,451)	Recovered costs
	0	0	(1,979)	(1,979)	0	1,979	
Discretionary Payments							
Gross Direct Costs	70,798	70,798	70,798	0	0	0	No Major Variances.
Support Service Charges	2,750	2,290	2,290	0	0	460	No Major Variances.
	73,548	73,088	73,088	0	0	460	
Non Distributed Costs							
Gross Direct Costs	0	194,463	190,926	(3,537)	0	(190,926)	No Major Variances.
	0	194,463	190,926	(3,537)	0	(190,926)	
Administration Buildings Svcs							
Gross Direct Costs	438,463	375,795	446,630	70,836	76,133	(84,300)	See Note A
Capital Charges	115,217	96,010	96,010	0	0	19,207	
Gross Direct Income	(171,093)	(116,563)	(130,363)	(13,800)	0	(40,730)	(£15,720) Service charges; (£6,213) Contribution to Asset Management Reserve (DWP); £5,640 Insurance claim for staff car park;
Support Service Charges	(274,710)	(228,920)	(228,920)	0	0	(45,790)	
	107,877	126,322	183,357	57,035	76,133	(151,613)	

Note A: £55,977 Repair and Maintenance for the Cromer office (to include: carpet fitting and screens, upgrading wiring and intruder alarm systems, repairs to the staff car park). Funds within the Asset Management Reserve to cover some of these costs. £8,609 Electricity and Business Rates for the North Walsham office (some are refundable as paid on estimates).£3,910 Management fee for Poppyfields.

Service Area Summaries Period 10 2017/18

Finance & Assets

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Property Services							
Gross Direct Costs	464,213	403,749	453,671	49,922	122,850	(112,308)	£10,474 Change in staffing structure; £16,229 Shared Equity insurance premiums; £19,563 Professional fees relating to temporary staffing support for the Estates team, valuations and advice.
Capital Charges	12,773	10,640	10,640	0	0	2,133	
Gross Direct Income	0	0	(11,751)	(11,751)	0	11,751	Repayment of Golden Hello, Recharges for Shared Equity insurance and sale of land at Fakenham.
Support Service Charges	(560,475)	(467,050)	(466,545)	505	0	(93,930)	
	(83,489)	(52,661)	(13,985)	38,676	122,850	(192,354)	
Head of Assets & Finance							
Gross Direct Costs	86,109	71,760	81,075	9,315	0	5,034	Employee inflation.
Support Service Charges	(86,109)	(71,830)	(71,830)	0	0	(14,279)	
	0	(70)	9,245	9,315	0	(9,245)	
Corporate Finance							
Gross Direct Costs	447,584	372,980	330,802	(42,178)	17,944	98,838	(£46,594) Staff turnover savings resulting from a vacant post and reduction in hours worked. A one off saving of £30,000 is anticipated.
Capital Charges	4,491	3,740	3,740	0	0	751	No Major Variances.
Support Service Charges	(452,075)	(376,760)	(376,760)	0	0	(75,315)	
	0	(40)	(42,218)	(42,178)	17,944	24,274	
Insurance & Risk Management							
Gross Direct Costs	167,305	166,745	180,452	13,707	0	(13,147)	£10,315 - Public liability insurance is higher than expected. £2,686 - Employers' liability insurance is also greater than anticipated. This will lead to a full year effect of £13,000.
Gross Direct Income	(650)	(540)	(127)	413	0	(523)	
Support Service Charges	(176,017)	(146,720)	(146,720)	0	0	(29,297)	
	(9,362)	19,485	33,605	14,120	0	(42,967)	
Internal Audit							
Gross Direct Costs	94,000	49,414	49,346	(69)	24,411	20,244	No Major Variances currently, but there will be a full year saving of £26,472 as a result of renegotiating the internal audit contract.
Support Service Charges	(94,000)	(78,330)	(78,330)	0	0	(15,670)	
	0	(28,916)	(28,985)	(69)	24,411	4,574	
Playgrounds							
Gross Direct Costs	72,195	67,215	66,469	(746)	26,438	(20,712)	Quotation received for work at Sheringham Playpark - invoice not yet paid.
Gross Direct Income	(41,200)	(41,200)	(63,456)	(22,256)	0	22,256	Recoverable income relating to Playscheme at Sheringham Playpark (Sunken Viking boat).
Support Service Charges	23,150	19,300	19,300	0	0	3,850	
	54,145	45,315	22,313	(23,002)	26,438	5,394	
Community Centres							
Gross Direct Costs	5,938	4,924	346	(4,578)	62	5,530	Repairs and Maintenance works not undertaken.
Support Service Charges	10,170	8,490	8,490	0	0	1,680	
	16,108	13,414	8,836	(4,578)	62	7,210	

Service Area Summaries Period 10 2017/18

Finance & Assets

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Public Conveniences							
Gross Direct Costs	469,379	386,325	389,186	2,861	74,088	6,104	£3,794 General repairs and maintenance with fixed wire testing to be undertaken at all sites before year end. £6,508 Electricity and water charges higher. (£6,218) Lower cleansing costs.
Capital Charges	141,917	118,260	118,260	0	0	23,657	
Gross Direct Income	0	0	3,225	3,225	0	(3,225)	Outstanding insurance claims for Storm Damage.
Support Service Charges	67,307	56,090	56,090	0	0	11,217	
	678,603	560,675	566,762	6,087	74,088	37,753	
Investment Properties							
Gross Direct Costs	73,103	66,338	100,298	33,960	42,542	(69,737)	£8,391 Asbestos and structural surveys at Grove Lane depot; £11,002 Costs associated with The Oaks (to be funded from the Asset Management Reserve); £3,940 Storm Damage costs; £6,936 utility costs at miscellaneous properties (to be recharged)
Capital Charges	136,399	113,670	113,670	0	0	22,729	
Gross Direct Income	(92,976)	(87,535)	(87,845)	(310)	0	(5,131)	(£32,182) Rents for misc. concessions; £13,758 Rent and rechargeable income. £16,648 - Debtor provision for storm surge.
Support Service Charges	65,400	54,530	54,530	0	0	10,870	
	181,926	147,003	180,653	33,650	42,542	(41,269)	
Central Costs							
Gross Direct Costs	84,043	68,702	72,504	3,802	334	11,205	No Major Variances.
Support Service Charges	(84,043)	(70,010)	(70,010)	0	0	(14,033)	
	0	(1,308)	2,494	3,802	334	(2,828)	
Corporate & Democratic Core							
Gross Direct Costs	461,879	412,360	365,291	(47,069)	8,217	88,371	(£34,976) - External audit invoices not yet received. A full year saving of £28,277 will be achieved as a result of a reduction in the cost of the financial statements audit. (£7,844) - Lower salaries & oncosts.
Support Service Charges	903,990	753,340	753,340	0	0	150,650	
	1,365,869	1,165,700	1,118,631	(47,069)	8,217	239,021	
Total Finance & Assets	2,433,075	2,275,843	2,363,065	87,222	395,942	(325,931)	

Service Area Summaries Period 10 2017/18

Legal & Democratic Services

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commit ments	Remaining Budget	Explanations for Variances
	£	£	£	£	£	£	
Members Services							
Gross Direct Costs	532,761	449,814	442,825	(6,989)	3,338	86,597	See Note A:
Capital Charges	2,500	2,080	2,080	0	0	420	
Gross Direct Income	(400)	(330)	(85)	245	0	(315)	No Major Variance
Support Service Charges	156,040	130,050	130,050	0	0	25,990	
	690,901	581,614	574,871	(6,743)	3,338	112,692	

Note A: (£5,651) - Members' mileage claims lower than expected. (£7,312) - Computer hardware purchases. A request will be made to roll forward £10,000 into an earmarked reserve to cover IT requirements for Members following the May 2019 elections. £12,916 - Members' basic allowance higher than anticipated. This is as a result of the 1% increase in line with staff pay award and the appointment of 2 new Members to Cabinet. This will result in a full year overspend of £16,000. (£3,749) - Salaries and oncosts lower than anticipated due to staff vacancies. (£2,134) - Postage costs lower than expected.

Legal Services

Gross Direct Costs	578,767	482,938	493,070	10,133	16,013	69,684	See Note A
Gross Direct Income	(298,186)	(200,805)	(222,767)	(21,962)	0	(75,419)	(£21,992) - Fee income is higher than anticipated.
Support Service Charges	(280,581)	(233,800)	(233,700)	100	0	(46,881)	
	0	48,332	36,604	(11,729)	16,013	(52,616)	

Note A: (£10,962) - Lower salaries and oncosts as a result of vacant posts, partially offset by new appointment advertising costs and fees paid to locum lawyers. £5,345 - Mileage costs are higher than anticipated. £18,222 - Training costs in relation to qualifications. £2,768 - Client disbursements higher than expected. The balance consists of minor variances.

Total Legal & Democratic Services	690,901	629,946	611,474	(18,472)	19,351	60,076	
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Service Area Summaries Period 10 2017/18

Planning

	Full Year Updated Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £	Explanations for Variances
Development Management							
Gross Direct Costs	929,152	771,826	752,720	(19,107)	79,371	97,061	(£24,460) staff turnover due to in year vacancies. Professional fees relating to the Sculthorpe appeal, offset by a number of enforcement provisions not yet offset by expenditure.
Capital Charges	38,721	32,270	32,270	0	0	6,451	
Gross Direct Income	(780,620)	(654,680)	(748,947)	(94,267)	0	(31,673)	(£67,517) Fee Income is up due to an increase in workload and a large fee associated with 900 homes in Fakenham. (£29,952) Income from professional advice.
Support Service Charges	603,050	502,580	502,580	0	0	100,470	
	790,303	651,996	538,623	(113,374)	79,371	172,309	
Planning Policy							
Gross Direct Costs	419,568	345,381	276,876	(68,505)	36,723	105,969	(£23,970) Local Plan expenditure funded from the New Homes Bonus. (£34,370) Turnover savings generated from in year staff vacancies.
Gross Direct Income	0	0	(425)	(425)	0	425	No Major Variances.
Support Service Charges	67,376	56,150	56,150	0	0	11,226	
	486,944	401,531	332,601	(68,930)	36,723	117,620	
Conservation, Design & Landscape							
Gross Direct Costs	102,261	86,040	73,941	(12,099)	7,440	20,880	(£4,320) Provision for professional fees for specialist advice on areas such as conservation area appraisals not yet spent.
Support Service Charges	66,670	55,570	55,570	0	0	11,100	
	168,931	141,610	129,511	(12,099)	7,440	31,980	
Major Developments							
Gross Direct Costs	246,705	205,590	191,150	(14,440)	2,914	52,641	(£11,825) Staff turnover savings, (£4,010) Qualification training.
Gross Direct Income	0	0	(6,285)	(6,285)	0	6,285	Qualification training fees reimbursed.
Support Service Charges	100,320	83,620	83,620	0	0	16,700	
	347,025	289,210	268,485	(20,725)	2,914	75,626	
Building Control							
Gross Direct Costs	367,439	307,277	303,322	(3,955)	1,674	62,443	No Major Variances.
Gross Direct Income	(372,581)	(310,490)	(319,629)	(9,139)	0	(52,952)	Building Control Fee income is up against the profiled budget, the net surplus or deficit will be transferred to/from the earmarked reserve when the final service position is known.
Support Service Charges	122,220	101,900	101,900	0	0	20,320	
	117,078	98,687	85,593	(13,094)	1,674	29,811	
Head of Planning							
Gross Direct Costs	167,256	139,370	134,329	(5,041)	95	32,832	No Major Variances.
Support Service Charges	(167,256)	(139,360)	(139,360)	0	0	(27,896)	
	0	10	(5,031)	(5,041)	95	4,936	
Property Information							
Gross Direct Costs	190,724	148,116	134,695	(13,421)	25,981	30,048	(£16,028) Accrual for 16/17 Norfolk County Council search fees not fully offset by expenditure.
Gross Direct Income	(169,000)	(140,840)	(201,390)	(60,550)	0	32,390	Fee income is up against the profiled budget, the final net position will be transferred to the earmarked reserve as part of the outturn process.
Support Service Charges	66,890	55,760	55,760	0	0	11,130	
	88,614	63,036	(10,935)	(73,971)	25,981	73,568	
Total Planning	1,998,895	1,646,080	1,338,847	(307,233)	154,199	505,849	

Service Area Summaries P10 2017-18

CLT / Corporate

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Human Resources & Payroll Policy & Performance Mgt	15,084	12,645	25,998	13,353	21,133	(32,048)
Registration Services	(9,362)	(7,789)	(8,280)	(491)	0	(1,082)
Corporate Leadership Team Communications	306,315	257,650	291,016	33,366	0	15,299
	0	20	(15,546)	(15,566)	284	15,262
	18,724	15,627	28,747	13,120	7,291	(17,314)
Total CLT and Corporate	330,761	278,154	321,936	43,783	28,708	(19,883)

Community, Econ Dev & Leisure

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Health	0	0	(5,273)	(5,273)	500	4,773
Car Parking	(1,818,768)	(1,835,916)	(1,747,390)	88,526	64,716	(136,094)
Markets	40,869	7,866	6,215	(1,651)	450	34,204
Parks & Open Spaces	444,481	351,862	340,928	(10,934)	87,614	15,939
Foreshore	192,891	163,149	97,251	(65,898)	18,751	76,890
Sports Centres	249,870	140,700	155,161	14,461	16,777	77,932
Leisure Complexes	898,796	679,552	680,187	635	74,217	144,392
Other Sports	104,739	155,497	149,700	(5,797)	5,816	(50,777)
Recreation Grounds	12,634	9,840	10,023	183	2,250	360
Arts & Entertainments	109,348	90,037	92,014	1,977	1,125	16,209
Pier Pavilion	106,997	101,524	59,649	(41,875)	71,931	(24,583)
Foreshore (Community)	422,480	345,899	341,353	(4,546)	72,775	8,352
Woodlands Management	214,454	181,582	195,792	14,210	26,977	(8,315)
Cromer Pier	40,496	38,930	75,724	36,794	20,049	(55,277)
Beach Huts & Chalets	(14,217)	(31,093)	(81,563)	(50,470)	17,868	49,478
Business Growth	265,063	225,469	203,270	(22,198)	713	61,080
Tourism	97,268	67,780	53,554	(14,226)	0	43,714
Coast Protection	1,196,848	929,455	1,008,699	79,244	89,598	98,551
Business Growth Staffing	0	50	(22,993)	(23,043)	74	22,919
Economic & Comm Dev Mgt	0	10	(3,578)	(3,588)	0	3,578
Leisure	116,436	109,526	109,979	453	2,100	4,357
Housing (Health & Wellbeing)	1,293,521	165,550	122,431	(43,119)	0	1,171,090
Housing Strategy	10,988	15,986	(11,530)	(27,516)	22,726	(208)
Community And Localism	(106,716)	(254,172)	(253,750)	422	10,010	137,024
Coastal Management	0	30	(7,155)	(7,185)	614	6,542
Total Community and Economic Development & Tourism	3,878,478	1,659,113	1,568,698	(90,415)	607,650	1,702,130

Customer Services & ICT

	Full Year Updated Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Local Taxation	536,938	563,800	552,328	(11,472)	15,360	(30,750)
Benefits Administration	963,227	1,169,341	897,735	(271,606)	2,232	63,260
ICT - Support Services	48,012	(51,884)	(71,509)	(19,626)	148,193	(28,671)
Tourist Information Centres	237,538	198,747	199,951	1,204	11,362	26,224
Homelessness	436,980	363,519	223,205	(140,314)	32,749	181,027
Customer Services Housing	0	20	(10,017)	(10,037)	0	10,017
Digital Transformation	112,291	93,323	95,319	1,996	12,783	4,189
Reprographics	0	(10)	(17,282)	(17,272)	53,693	(36,412)
Customer Services - Corporate	0	(30)	186	216	4,843	(5,029)
Total Customer Services and ICT	2,334,986	2,336,826	1,869,916	(466,910)	281,215	183,855

Environmental Health

	Full Year Updated Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £
Commercial Services	487,075	407,394	398,864	(8,530)	3,627	84,585
Rural Sewerage Schemes	374,474	374,434	375,203	769	0	(729)
Travellers	100,618	116,202	120,152	3,950	6,838	(26,371)
Public Protection	162,651	125,936	101,092	(24,844)	7,849	53,711
Street Signage	22,824	15,676	14,171	(1,505)	177	8,476
Environmental Protection	663,939	539,963	558,812	18,849	16,435	88,692
Env Health - Service Mgmt	(11,564)	(16,713)	(15,688)	1,025	9,912	(5,788)
Corporate Enforcement Team	24,692	20,846	22,776	1,930	217	1,699
Environmental Contracts	235,392	196,140	182,837	(13,303)	8	52,546
Waste Collection And Disposal	1,147,087	424,954	540,885	115,931	869,604	(263,402)
Cleansing	570,292	419,009	367,827	(51,182)	188,858	13,607
Environmental Strategy	10,520	9,610	17,697	8,087	400	(7,577)
Community Safety	33,585	27,990	27,473	(517)	0	6,112
Civil Contingencies	137,416	110,560	110,968	408	245	26,203
Total Environmental Health	3,959,001	2,772,001	2,823,068	51,066	1,104,170	31,763

Finance & Assets

	Full Year Updated Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £
Industrial Estates	8,140	(7,337)	(3,762)	3,574	1,465	10,438
Surveyors Allotments	5,140	4,290	4,280	(10)	0	860
Handy Man	21,200	17,670	65,548	47,878	0	(44,348)
Parklands	13,370	(1,250)	(5,745)	(4,495)	1,459	17,657
Benefits Subsidy	0	0	(1,979)	(1,979)	0	1,979
Discretionary Payments	73,548	73,088	73,088	0	0	460
Non Distributed Costs	0	194,463	190,926	(3,537)	0	(190,926)
Administration Buildings Svs	107,877	126,322	183,357	57,035	76,133	(151,613)
Property Services	(83,489)	(52,661)	(13,985)	38,676	122,850	(192,354)
Head of Finance and Assets	0	(70)	9,245	9,315	0	(9,245)
Corporate Finance	0	(40)	(42,218)	(42,178)	17,944	24,274
Insurance & Risk Management	(9,362)	19,485	33,605	14,120	0	(42,967)
Internal Audit	0	(28,916)	(28,985)	(69)	24,411	4,574
Playgrounds	54,145	45,315	22,313	(23,002)	26,438	5,394
Community Centres	16,108	13,414	8,836	(4,578)	62	7,210
Public Conveniences	678,603	560,675	566,762	6,087	74,088	37,753
Investment Properties	181,926	147,003	180,653	33,650	42,542	(41,269)
Central Costs	0	(1,308)	2,494	3,802	334	(2,828)
Corporate & Democratic Core	1,365,869	1,165,700	1,118,631	(47,069)	8,217	239,021
Total Finance & Assets	2,433,075	2,275,843	2,363,065	87,222	395,942	(325,931)

Legal & Democratic Services

	Full Year Updated Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £
Members Services	690,901	581,614	574,871	(6,743)	3,338	112,692
Legal Services	0	48,332	36,604	(11,729)	16,013	(52,616)
Total Legal and Democratic Services	690,901	629,946	611,474	(18,472)	19,351	60,076

Planning

	Full Year Updated Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £
Development Management	790,303	651,996	538,623	(113,374)	79,371	172,309
Planning Policy	486,944	401,531	332,601	(68,930)	36,723	117,620
Conservation, Design & Landscap	168,931	141,610	129,511	(12,099)	7,440	31,980
Major Developments	347,025	289,210	268,485	(20,725)	2,914	75,626
Building Control	117,078	98,687	85,593	(13,094)	1,674	29,811
Head of Planning	0	10	(5,031)	(5,041)	95	4,936
Property Information	88,614	63,036	(10,935)	(73,971)	25,981	73,568
Total Planning	1,998,895	1,646,080	1,338,847	(307,233)	154,199	505,849
	15,626,097	11,597,964	10,897,004	(700,959)	2,591,235	2,137,858

GENERAL FUND CAPITAL PROGRAMME - 2017/18

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/17 Actual Expenditure	Current Budget 2017/18	Actual Expenditure 2017/18	Updated Budget 2018/19	Updated Budget 2019/20	Updated Budget 2020/21
	£	£	£		£	£	£
Jobs and the Economy							
North Norfolk Enterprise Innovation Centre	50,000	10,295	39,705	0	0	0	0
Rocket House	77,084	37,334	39,750	0	0	0	0
North Norfolk Enterprise and Start Up Grants	135,000	126,207	8,793	0	0	0	0
Public Convenience Water Heater Improvements	11,837	7,556	4,281	4,625	0	0	0
Egmere Business Zone	1,895,000	98,606	1,796,394	60,011	0	0	0
Better Broadband for Norfolk	1,000,000	0	1,000,000	0	0	0	0
Public Conveniences - Review, Re provision and Redevelopment	450,000	0	450,000	1,686	0	0	0
Car Park Refurbishment 2016/17	112,827	21,098	91,729	29,838	0	0	0
North Lodge Park	197,000	11,690	185,310	2,191	0	0	0
Office Improvements Kings Arms St	30,000	29,507	493	19,141	0	0	0
Purchase of New Car Park Vehicles	60,000	0	60,000	0	0	0	0
Deep History Coast	500,000	0	500,000	1,136	0	0	0
Fair Meadow House	635,000	0	635,000	640,014	0	0	0

GENERAL FUND CAPITAL PROGRAMME - 2017/18

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/17 Actual Expenditure	Current Budget 2017/18	Actual Expenditure 2017/18	Updated Budget 2018/19	Updated Budget 2019/20	Updated Budget 2020/21
	£	£	£		£	£	£
Sutton Mill Loan	350,000	0	350,000	0	0	0	0
Holt Tourist Information Centre	100,000	0	100,000	0	0	0	0
Walsingham Public Convenience	47,000	0	47,000	0	0	0	0
	5,650,748	342,293	5,308,455	758,642	0	0	0
Housing and Infrastructure							
Disabled Facilities Grants	Annual programme	0	2,377,012	642,598	0	0	0
Housing Loans to Registered Providers	3,500,000	0	3,500,000	0	0	0	0
Parkland Improvements	100,000	12,996	87,004	0	0	0	0
Compulsory Purchase of Long Term Empty Properties	630,000	800	629,200	0	0	0	0
Shannocks Hotel	490,000	23,897	466,103	21,957	0	0	0
Laundry Loke - Victory Housing	100,000	0	80,000	0	20,000	0	0
Temporary Accommodation for Homeless Households	194,000	169,950	24,050	23,656	0	0	0
Community Housing Fund	2,198,262	0	2,198,262	0	0	0	0
Provision of Temporary Accommodation	610,000	0	488,000	0	122,000	0	0
	7,822,262	207,643	9,849,631	688,211	142,000	0	0

GENERAL FUND CAPITAL PROGRAMME - 2017/18

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/17 Actual Expenditure	Current Budget 2017/18	Actual Expenditure 2017/18	Updated Budget 2018/19	Updated Budget 2019/20	Updated Budget 2020/21
	£	£	£		£	£	£
Coast and Countryside							
Gypsy and Traveller Short Stay Stopping Facilities	1,417,533	1,270,950	42,000	0	104,583	0	0
Cromer Pier Structural Works - Phase 2	1,378,549	1,322,094	56,455	108	0	0	0
Cromer Pier and West Prom Refurbishment Project	1,465,000	699,013	215,987	229,475	550,000	0	0
Refurbishment Works to the Seaside Shelters	149,500	127,446	22,054	11,045	0	0	0
Cromer Coast Protection Scheme 982 and SEA	8,822,000	5,246,343	3,575,657	58,974	0	0	0
Pathfinder Project	1,967,015	1,683,310	283,705	283,295	0	0	0
Coastal Erosion Assistance	90,000	17,203	72,797	0	0	0	0
Storm Surge	1,176,000	1,105,987	70,013	95,901	0	0	0
Sheringham West Prom	804,000	632,504	171,496	76,633	0	0	0
Mundesley - Refurbishment of Coastal Defences	2,221,000	0	2,221,000	0	0	0	0
Ostend Targeted Rock Placement and Coastal Adaptation	55,000	219	54,781	0	0	0	0

GENERAL FUND CAPITAL PROGRAMME - 2017/18

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/17 Actual Expenditure	Current Budget 2017/18	Actual Expenditure 2017/18	Updated Budget 2018/19	Updated Budget 2019/20	Updated Budget 2020/21
	£	£	£		£	£	£
Cromer Pier - External and Roofing Improvements to Pavilion Theatre	275,000	1,250	273,750	1,011	0	0	0
Sheringham Gangway	201,514	116,533	84,981	0	0	0	0
Vale Road Beach Access	18,600	15,115	3,485	0	0	0	0
Bacton and Walcott Coastal Management Scheme	500,000	0	500,000	821	0	0	0
Mundesley - Refurbishment of Coastal Defences - Business Case	89,000	36,188	52,812	40,306	0	0	0
Bacton and Walcott Joint Study	201,514	170,974	30,540	101,054	0	0	0
	20,831,225	12,445,129	7,731,513	898,623	654,583	0	0
Health and Well Being							
Splash Roof Repairs	63,120	9,866	53,254	0	0	0	0
Steelwork Protection to Victory Pool and Fakenham Gym	27,500	33	27,467	0	0	0	0
Fakenham Gym	62,500	0	45,000	0	17,500	0	0
Splash Pool - Steelworks	35,000	0	35,000	0	0	0	0
Cromer Sports Pitch	50,000	1,406	48,594	0	0	0	0
Fakenham Community Centre Window Replacement	30,000	0	30,000	31,548	0	0	0
Splash Leisure Centre Reprovision	10,667,000	0	0	0	2,000,000	4,333,500	4,333,500

GENERAL FUND CAPITAL PROGRAMME - 2017/18

Scheme	Scheme Total Current Estimate	Pre 31/3/17 Actual Expenditure	Current Budget 2017/18	Actual Expenditure 2017/18	Updated Budget 2018/19	Updated Budget 2019/20	Updated Budget 2020/21
	£	£	£		£	£	£
North Norfolk Sports Hub, Cromer	2,931,000	0	0	0	1,465,500	1,465,500	0
	13,866,120	11,305	239,315	31,548	3,483,000	5,799,000	4,333,500
Service Excellence							
Personal Computer Replacement Fund	205,583	181,929	23,654	61,605	0	0	0
Asset Management Computer System	75,000	63,730	11,270	0	0	0	0
e-Financials Financial Management System Software Upgrade	47,505	34,080	13,425	0	0	0	0
Administrative Buildings	250,570	197,792	52,778	7,784	0	0	0
Planning System (Scanning of Old Files) - Business Transformation Programme	100,000	83,890	16,110	31,997	0	0	0
Council Chamber and Committee Room Improvements	89,000	948	88,052	66,671	0	0	0
Environmental Health IT System Procurement	150,000	6,327	143,673	41,864	0	0	0
Stonehill Way Fire and Security System	15,000	0	15,000	0	0	0	0
Document and Records Management System	60,000	18,409	41,591	10,079	0	0	0
Access Control Systems	17,000	15,087	1,913	1,328	0	0	0

GENERAL FUND CAPITAL PROGRAMME - 2017/18

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/17 Actual Expenditure	Current Budget 2017/18	Actual Expenditure 2017/18	Updated Budget 2018/19	Updated Budget 2019/20	Updated Budget 2020/21
	£	£	£		£	£	£
Purchase of Bins	120,000	28,459	51,541	64,471	40,000	0	0
Customer Contact Centre	60,000	17,825	42,175	34,533	0	0	0
Purchase of Property Services Vehicle	15,000	0	15,000	15,008	0	0	0
User IT Hardware Refresh	220,000	0	55,000	0	55,000	55,000	55,000
Goat Livestock Grazing Project	17,000	0	17,000	16,665	0	0	0
Replacement Environmental Health Vehicle	21,935	0	21,935	22,605	0	0	0
Uniform Planning System	140,000	0	140,000	140,000	0	0	0
Back Scanning of Files	200,000	0	150,000	2,679	50,000	0	0
Housing Options System	20,000	0	20,000	650	0	0	0
Management Information Systems	50,000	0	50,000	28,023	0	0	0
Benefits System Replacement	57,500	0	57,500	57,500	0	0	0
Council Office Improvements	45,000	0	45,000	-	0	0	0
	1,976,093	648,476	1,072,617	603,460	145,000	55,000	55,000
	50,146,448	13,654,846	24,201,531	2,980,483	4,424,583	5,854,000	4,388,500

GENERAL FUND CAPITAL PROGRAMME - 2017/18

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/17 Actual Expenditure	Current Budget 2017/18	Actual Expenditure 2017/18	Updated Budget 2018/19	Updated Budget 2019/20	Updated Budget 2020/21
	£	£	£		£	£	£
<u>Capital Programme Financing</u>							
Grants			9,585,617		1,837,083	0	0
Other Contributions			501,715		350,000	0	0
Asset Management Reserve			593,443		0	0	0
Capital Project Reserve			834,596		0	0	0
Invest to Save Reserve / Broadband Reserve			1,207,500		0	0	0
Capital Receipts			7,978,660		1,504,500	4,520,500	805,000
Internal / External Borrowing			3,500,000		733,000	1,333,500	3,583,500
TOTAL FINANCING			24,201,531		4,424,583	5,854,000	4,388,500

Savings and Additional Income 2017/18

Ref.	Service	Savings Title	Workstream (where applicable)	Brief Outline of Saving/Additional Income (where applicable)	Saving(S) /Income(I)	2017/18 Budgeted Savings and Additional Income	2017/18 Budgeted savings and Additional Income P10 Update	Variance
						£	£	
AL2	Community, Econ Dev & Coast	Car Parks - Fakenham Car Park - Community Centre	3. Property Investment & Asset Commercialisation	This proposal relates to brining the community centre at Fakenham into the Car Park Order (CPO) to enable the site to become pay and display. The car park already has a hard surface with approximately 25 spaces already laid marked out, this proposal only requires a change to the CPO and the installation of a car park ticket machine.	I	(7,815)	(8,700)	(885)
AL6	Community, Econ Dev & Coast	Beach Hut Fees and Charges	3. Property Investment & Asset Commercialisation	This proposal relates to the revision of Beach Hut Fee Income	I	(20,000)	(67,000)	(47,000)
ECD1	Community, Econ Dev & Coast	Coastal Management Revenue Works	7. Other Efficiencies and Savings	Reduction in coastal defence revenue budget (currently £350,000 pa) by a suitable amount, which would maintain essential maintenance or small scale repairs and maintenance works only (retaining, for example, £120,000 for this). Any reduction could, however be replaced by capital funds (either as an injection at the start of the period or on an annual basis) and greater efforts could be made to attract third party contributions to small-scale coast defence works, as they are for larger, grant supported schemes. The greater certainty that 'capitalising' funds in this way could bring, may enable substantial consequential savings, through procurement, project management, staff time etc.	S	(50,000)	(50,000)	0
ECD2	Community, Econ Dev & Coast	Tourism Development & Destination Marketing	7. Other Efficiencies and Savings	Having reviewed the total resource commitment to tourism development and destination management and marketing and restructuring is proposed within the Economic Growth Team as well as a review of contractual arrangements with external providers and partner organisations. It is suggested that greater emphasis is placed on the Local Destination Management Organisation (DMO) in procuring and providing web site services and ongoing data management. This is expected to provide savings on contracts and in the level of staff time needed to be committed. A business case will be submitted to CLT, which is likely to involve the deletion of three posts (approximately 2.65 FTE) and the creation of two different posts (likely to be at a lower level). The only savings I have enumerated below relate to the change in contract arrangements for the VNN website; any savings on staff resources will be utilised in other posts within the team to align its activities more closely with the Corporate Plan priorities.	S	(12,000)	(12,000)	0
ECD4	Community, Econ dev & Coast	Economic Growth	7. Other Efficiencies and Savings	NNDC's Learning and Skills Team, under the banner of Learning 4 Everyone, was set up in a very different economic climate and public policy context. A review of the external needs of businesses has been undertaken and the intention is to restructure the team to better focus on meeting the needs and achieving the priorities in the Corporate Plan. It is proposed to replace the four existing posts (all of which are fixed term), with one (fixed term), to be paid for out of reserves carried forward from previous years within the service. Technically, as the posts to be restructured are fixed-term, no savings on staff costs will result; however, there will be substantial 'overheads' savings and consequential efficiencies, compared with past years. This means that more 'management resource' will be more effectively applied to supporting other priorities.	S	(46,582)	(46,582)	0
ECD5	Community, Econ Dev & Coast	Miscellaneous Contributions	7. Other Efficiencies and Savings	The service makes contributions to a range of external bodies, either through membership or as grants. These should be reviewed and/or renegotiated. In some cases it could be considered that in-kind contributions can substitute financial contributions. Precise savings to be determined but the areas to examine would include funding for NALEP, Norfolk Chamber, NSEA and possibly others yet to be determined.	S	(10,000)	(10,000)	0
SUB TOTAL Community, Econ dev & Coast						(146,397)	(194,282)	(47,885)
CSIT3	CUSTOMER SERVICES & ICT	Revision of Reprographics Services	2 Digital Transformation	Alter the service delivery approach of the Reprographics Service to reduce the requirement for printing hardware and reduce costs of print & mail activity by accessing web based services.	S	(82,648)	(72,148)	10,500
F2	CUSTOMER SERVICES & ICT	Vacant Post Review	7. Other Efficiencies and Savings	Review and rationalisation of currently held vacant posts within the revenues and benefits services.	S	(106,435)	(106,435)	0
ORG1	CUSTOMER SERVICES & ICT	Reduction of posts	7. Other Efficiencies and Savings	The potential reduction of posts across the following teams:- Elections, Reprographics and Democratic Services. Figures are based on the removal of those posts rather than a reduction in hours.	S	(22,288)	(22,288)	0
SUB TOTAL CUSTOMER SERVICES & ICT						(211,371)	(200,871)	10,500

Savings and Additional Income 2017/18

Ref.	Service	Savings Title	Workstream (where applicable)	Brief Outline of Saving/Additional Income (where applicable)	Saving(S) /Income(I)	2017/18	2017/18	Variance	
						Budgeted Savings and Additional Income	Budgeted savings and Additional Income P10 Update		
						£	£	£	
EH2	Environmental Health	Green Build	6. Maximising Income and Reducing Costs	Greenbuild is run each September to promote sustainable living and to promote Council activity and services. There is a budget of £10,000 per annum. It is proposed to reduce this budget to make the event cost neutral to the Council. It is anticipated that this would be through a mixture of savings and generating additional income from the event.	S	(5,000)	0	5,000	
EH4	Environmental Health	Waste & related Services Review	6. Maximising Income and Reducing Costs	Additional Income from increase in Garden Waste Service subscription charge (£18,720). Increased income from increase in fee for trade waste lifts (£40,000). Direct arrangement of the night soil collection service (£8,000). Removal of allowance for additional trade waste RCV (£86,000).	S	(66,720)	(66,720)	0	
EH6	Environmental Health	Civil Contingencies budget savings	6. Maximising Income and Reducing Costs	Reduction in budget lines within the Civil Contingencies budget; training budget reduction; removal of external printing budget.	S	(2,800)	(2,800)	0	
EH3	Environmental Health	Staffing Costs	7. Other Efficiencies and Savings	Reduction in staffing costs through: Yr1 - Rationalisation of existing staffing structures Yr 2 BPR effects (agile working, efficiencies etc.) Yr 3 - further structural changes.	S	(33,600)	0	33,600	
SUB TOTAL Environmental Health							(108,120)	(69,520)	38,600
CLEG1	Legal & Democratic Services	Local Government Lawyer	4. Shared Services/Selling Services	Eastlaw continue to deliver year on year savings to the Council through selling services to our partner organisations. We are developing new products to sell into the market such as a social housing fraud product. The team is now at full capacity and in order to produce further savings we need to expand and we feel that now is the right time. The bid is for an additional lawyer post to deliver capacity in key client areas for eastlaw and thereby produce income which will cover both the cost of the post (£42,000 - inc oncosts) and the savings required to be generated (£26,800).	I	(26,800)	(26,800)	0	
	Legal & Democratic Services		6. Maximising Income and Reducing Costs	Additional legal income to offset Democratic Services saving not being delivered	I	(13,691)	(13,691)	0	
SUB TOTAL Legal & Democratic Services							(40,491)	(40,491)	0
P1	Planning		2 Digital Transformation	Planning BPR review of Planning support staff structure	S	(51,921)	(51,921)	0	
SUB TOTAL Planning							(51,921)	(51,921)	0
Total for all Workstreams							(558,300)	(557,085)	1,215

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 more than 150 cases which represent the most challenging cross-service cases.

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

Conclusions: The Enforcement Board has made a significant contribution to moving forward many long-term, and often complex enforcement cases and, in establishing the Combined Enforcement Team, it has brought together, in one team, the functions to improve Planning Enforcement delivery and to prevent many long-term empty properties needing to be escalated to the Board.

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 Judy Oliver – Enforcement Cllr Sue Arnold – Planning	Ward(s) affected All Wards
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 tenth, half yearly progress update on the work of the Enforcement Board, which was set up to tackle difficult, complex and often longstanding enforcement issues, and to provide an additional focus on complex Long Term Empty homes cases.

The cases brought to the Board 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 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 continues to be good reason to act. As well as the obvious social advantage, of utilising as much of the District's housing stock as possible, reducing the pressures to build properties in areas of outstanding natural beauty the Board's efforts reduce local blight, but also attract income from New Homes Bonus to the Council when brought back into use. However, the Board's work isn't restricted to just housing and has brought about positive change for commercial sites, neglected land and holiday sites.

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 and learning from action that is proved to work, underpins the role of the Combined Enforcement Team.

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 Local Members in whose wards these cases arise, and Group Leaders, are kept informed of progress on cases being dealt with by the Board on a fortnightly basis, via a case management matrix which is circulated on a confidential 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 to the Board, many properties requiring major works are nearing completion and properties such as Crimond on Norwich Road in Cromer, have been demolished in preparation for a replacement dwelling in the near future. The near derelict property known as Sculthorpe Lodge at West Barsham, was forced to auction and is now occupied by the new owner, and 27 Beeston Road, Sheringham was sold after pressure from the Board and is also now occupied. The Council has recently completed its first compulsory purchases at Sculthorpe and discussions on the next steps towards occupation of the two properties are ongoing.

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

2.2 Long Term Empty Homes (LTEs)

In spite of the success of the Enforcement Board in tackling the difficult and complex cases, the numbers of LTE properties are rising. Rising house prices make property once again an attractive option for investors. The selling price of properties in Cromer have risen nearly 10% in the last 12 months and in Holt 6%. Since 2015 the respective increases are 18% and 16%. This buoyant market encourages owners to hold onto property as the return on investment will be greater than could be securely achieved through other investment routes. It is believed this is directly contributing to the increase in long term empty properties being seen across the district.

In order to try and reverse this trend, we are currently reviewing the LTE process and will almost certainly change our intervention strategy during early 2018 months. To this end, the Combined Enforcement Team will be more proactive in managing the contact process with owners, to identify properties earlier and will be taking a tougher line with owners without good reason to leave properties empty, as follows:

- An initial inspection of every LTE property, to check the exact circumstances of the property.
- An improved contact process with owners will be developed, with as much automation as possible
 - Continue to engage with owners or estate beneficiaries, etc. but at the earliest possible time after the property becomes empty.
 - Owners failing to respond to the letters will be visited and their properties assessed in terms of location, condition and social housing potential, to help prioritise Council interventions.
- Better and earlier targeting of all the enforcement powers of the Council on empty properties, even before they become LTEs
- Earlier decisions to CPO to improve the housing stock to bring pressure to bear where there is no other realistic option.
- We will also be looking to work closely with the Council's Strategic and Housing Options Teams, to examine ways to make social housing options more appealing to owners of empty properties
- Additional support from a data matching agency is also being considered, to ensure we can prioritise Revenues enforcement issues without creating further administrative work for the Combined Team.

Some of these additional interventions may well need an initial financial input from Enforcement Board or other reserves to prime earlier, cost effective alternatives to higher level enforcement action in properties that would not otherwise escalate to require Enforcement Board intervention.

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 Shannocks Hotel site in Sheringham to ensure the site is brought back into use. Planning Approval has now been granted for the owner's stand alone scheme and for the Council's proposal, that involves the redevelopment of the adjacent car park. Pressure continues on the owner to move his approved redevelopment forward, thus improving the site and surrounding area. The Council is in the process of obtaining a full programme and timeline for the works and will use CPO powers if the owner's plans stall for any reason.
- 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. The Council has agreed a grant to assist this project.
- 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 to a lesser extent, 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. However, there is little doubt that the focus on Planning Enforcement cases has resulted in less activity in terms of LTE actions, as shown at 2.2 above.

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 and those nearing Completion in respect of Revenues enforcement.
- Of the backlog of 183 Planning Enforcement cases outstanding at 1st April 2016:
 - 144 cases have been closed
 - The remaining 39 cases are being progressed. However this number includes the more complex cases where the Enforcement Board is involved.
- In addition, during the 22 months since the team was set up, the team have set up 527 new cases and closed 436 of these in the same period, as well as closing the 144 long-term cases referred to above.
- This has resulted in a change in approach, with the CET making better use of statutory notices to progress the more complex cases. There has been a doubling of the increase in the use of Notices since the team was set up in 2016/17.

Reputationally this demonstrates that the Council is serious about taking action, and will reduce the overall length of time to resolve these cases.

- 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.

In the last 12 months the Visiting Officer has inspected over 1000 empty homes and has highlighted then need to review options for earlier intervention in light of the removal of Council Tax discounts over the same period.

2.4.3 Looking forward, enhanced mobile working, enabling complainants to raise issues direct via the Council's 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.

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.

- 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 threat of Compulsory Purchase has resulted in significant progress to many cases on the Enforcement Board but it is hoped that publicity surrounding the successful CPO of the Stirling Road properties in Sculthorpe will further demonstrate that the Council will use all its powers to take on owners of properties that would otherwise see no progression towards reoccupation.

The early use of CPO powers may well be an option for Long Term Empty homes, which otherwise are not causing wider problems. This will be a fundamental shift in the way CPO powers are used by the Council.

- 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, although as noted above, there is more to be done on LTEs.

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 this will increase through the development of more integrated systems we now have.

There is a significant financial risk however, if Long Term Empty home numbers continue to increase and the focus of the Combined Enforcement Team will need to be broadened to include more early interventions on many properties rather than just high level intervention on the worst few. In order to drive the interventions some additional expense may be incurred, however it is anticipated that any costs will be offset by the additional revenue received.

- 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 revolves around identifying covers the deliberate avoidance of Council Tax payment.. 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 renovated and new properties. The effective use of the Enforcement Board reserves may be needed to widen the scope of Council interventions beyond those LTE properties simply requiring major intervention to identify and tackle properties earlier that are unlikely to be returned to prompt use by market forces alone.

Appendix 1

Key Activity on Long Term Empty Properties (as at December 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	Properties received planning approval to extend living accommodation and works are ongoing
33 Oak Street, Fakenham	Empty since previous owner's death in 2008 Property dilapidated but capable of being renovated.	The property is subject to major renovations which will enable future occupation.
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	Important works have reduced the fears around environmental issues and unsafe living conditions and the Council continues to work with the owner and care providers to ensure the wellbeing of the elderly occupant is maintained
Laurel Cottage, Little London, Town Close Lane, Corpusty	Remaining cottage of a pair, empty since 1990s	Pressure from the Board resulted in works and a tenancy is expected shortly.
2 and 2a Stirling Road, Sculthorpe	Unfinished 'new build' properties, empty since 1990s.	CPO complete. Board considering most appropriate manner to ensure properties are occupied in shortest time scale.
37 Beeston Road, Sheringham	Empty for 10 years Neighbour complaints received regarding damp.	Property now occupied
21 Alfred Road, Cromer	Long Term Empty property since 2005	Property now occupied as holiday accommodation
28 Church Street, Northrepps	Long Term Empty property	Major renovations nearing completion. Owner hoping to move in shortly

40 Larners Hill, Northrepps	Long Term Empty property for approximately 3 years	Property sold at auction following pressure from Enforcement Board in relation to 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.	Property completely renovated and occupied by new owner.
East View, Helena Road, Walcott	Property empty since 2013	Major renovation works nearing completion
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 of Notice, urgent repairs undertaken in default and owners invoiced. Likelihood of wider non-urgent repairs now needed but will require CPO or voluntary arrangement with owners in order to secure Council's position on costs.

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.	Owners have failed to meet milestones in the enforcement notices but have attempted to agree variations on recycling approach with Environment Agency.
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.	Pressure from the Board 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. Therefore, 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	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. The Council has agreed to financially assist this project.
Former Shannoeks Hotel, Sheringham	Long term empty property in poor condition in prime location.	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. Planning permission has now been granted for the owner's standalone scheme and for the Council's proposal that

		involves the redevelopment of the adjacent car park. Pressure continues on the owner to Redevelop the site and failure will lead to CPO, on the back of the Council's budget approval and confirmation of property viability.
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Council Policy in Relation to the Regulation of Regulatory Powers Act 2000 (RIPA)

- Summary: This report provides an update for members on the use by the Council of the Regulation of Investigatory Powers Act 2000 (RIPA) and recommends an updated Operational Policy document.
- Options considered: The Policy is required to ensure proper application of the Act, so there is not an alternative option.
- Recommendations: Members are asked to note the activities undertaken under the Regulation of Investigatory Powers Act 2000, the recent OSC inspection and the changes to the Regulation of Investigatory Powers Act 2000 Policy and Procedures
- Reasons for Recommendations: Members are required to be aware of the RIPA activity undertaken by the Council. The policy is required and updates have been recommended by the Office of Surveillance Commissioners.

Cabinet Member(s) Cllr Judy Oliver - Enforcement	Ward(s) affected All
Contact Officer, telephone number and email: Nick Baker, 01263 516221 nick.baker@north-norfolk.gov.uk	

1. Introduction

1.1 Members may be aware that the Regulation of Investigatory Powers Act 2000 (RIPA) (“the Act”) provides a structure under which certain methods of surveillance are controlled.

Some of these methods are used by local authorities and indeed this Council, for a range of activities, particularly as a part of regulatory and enforcement activity and for the purposes of preventing crime and disorder.

1.2 Clearly, there will always be concern about potential intrusion into people’s privacy where any surveillance is undertaken and indeed, the Human Rights Act 1998 enshrines this issue in legislation. The Council’s Policy in this area seeks to ensure that where surveillance activity is necessary, privacy is protected wherever possible.

- 1.2 The Act requires that the Council publishes a Policy and Procedures for its activities in this area which lay out a framework for authorising certain methods of surveillance which may be necessary during activity undertaken by the Council. The Council is required to keep the Policy under review and during the recent inspection undertaken by the Office of Surveillance Commissioners verbal feedback recommended a number of changes to the policy document to keep it current or to address area the inspector felt required strengthening.

2. Background

2.1 Use of RIPA Powers by the Council

Since the last report to members in December 2016, one Covert Human Intelligence Sources (CHIS) and two Directed Surveillance (DS) activities have been authorised:

- 1) The CHIS, applied for and granted by the District Judge on the 23rd January 2017, related to an operation to establish if a premises was selling puppies from a dog breeding at a level that required it to be licensed without the benefit of a licence. A prosecution using the evidence gained was heard on 26 February 2018 and resulted in £12,000 fine and a custodial sentence.
- 2) The first Directed Surveillance was applied for and granted by the District Judge on the 15th May 2017, in respect an operation to identify those responsible for continued fly tipping of waste in a location. This case is ongoing.
- 3) The second Directed Surveillance, applied for and granted by the District Judge on the 28th June 2017 related to the use of a unmanned aerial vehicle (UAV) or drone to investigate an ongoing planning enforcement issue. The UAV was used to overfly an area which was not accessible from the ground in order to establish if any works had been completed in compliance with an enforcement notice

2.2 OSC Inspection and Recommendations

The last inspection took place in January 2017. The inspection was undertaken by an Assistant Surveillance Commissioner (ASC). We still await the formal report following this inspection.

The Assistant Surveillance Commissioner was satisfied that all the recommendations made at the previous inspection had been implemented. He made some verbal recommendations including some relating to updating the existing Regulation of Investigatory Powers Act 2000 Policy and Procedures.

2.3 Proposed RIPA Policy

The Policy is being updated to cover all of the points verbally raised during the recent OSC inspection. It is also based on accepted good practice contained in the government guidance and to maintain the Council to in a compliant position in relation to future surveillance activities. Once the formal

report from the OSC has been received the changes to the Policy will be finalised to fully reflect the report comments.

The Assistant Surveillance Commissioner noted that the Council had only one Authorised Officer listed in the Policy. This was as a result of the recommendations of the 2014 OSC inspection recommendations. The ASC has provided advice that the number of Authorised Officers should be increased to three and that it is appropriate for Team Managers to be considered as senior managers. Two Team Managers in Environmental Health have previously undertaken the Authorised Officer role and are fully trained. The Policy has been amended to include: James Wilson Environmental Protection Manager and Gemma Faircloth Public Protection Manager and Authorised Officers.

The policy will also include a gatekeeper role. This role is to undertake a regular review of all RIPA activity and to ensure that all authorisations are checked before being sent for approval at the Magistrates.

This is an Operational Policy outside the Policy Framework so a recommendation for Council to approve it is not required.

3 Financial Implications and Risks

3.1 There are no financial risks associated directly with the implementation of the Policy.

3.2 However, the risk of a claim for legal costs and or damages could arise if surveillance is undertaken when not properly authorised and the Policy, when followed, should protect the Council against such challenge.

4. Sustainability

There are no sustainability issues arising from this report

5. Equality and Diversity

There are no equality and diversity issues arising, as these are considered automatically, when making decisions regarding the use of RIPA powers.

6. Section 17 Crime and Disorder considerations

The investigation of Crime and Disorder goes to the heart of the cases behind required surveillance activity.

7. Recommendations

Members are asked to note the activities undertaken under the Regulation of Investigatory Powers Act 2000, the recent OSC inspection and the changes to the Regulation of Investigatory Powers Act 2000 Policy and Procedures