

## **CABINET**

**Minutes of the meeting of the Cabinet held on Monday 11 June 2018 at the Council Offices, Holt Road, Cromer at 10.00 am**

**Members Present:**

Mrs S Arnold	Mr W Northam
Mrs H Cox	Miss B Palmer
Mr N Dixon	Mr R Price
Mr J Lee (Chairman)	

**Also attending:**

Mrs A Fitch-Tillett	Mr J Rest
Mrs A Claussen-Reynolds	Mr R Reynolds
Mr N Lloyd	Mr B Smith
Mrs S Bütikofer	Ms K Ward
Mrs P Grove-Jones	Mr B Hannah

**Officers in**

**Attendance:**

The Corporate Directors, the Monitoring Officer, the Head of Finance and Asset Management, the Chief Technical Accountant, the Coastal Manager, the Revenues Manager, the Democratic Services Manager and the Democratic Services Officer.

**Also in attendance:** David Hannant, EDP

### **1. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman paid tribute to the late Cllr Cliff Jordan, former Leader of Norfolk County Council, who had died on 09 June. He asked that the Council should send a letter of condolence to Cllr Jordan's family.

Mrs H Cox was congratulated for being awarded the MBE in the Queen's Birthday Honours. She, in turn, thanked Members and officers for the role they had played in her award and said that it was only because of working alongside others that she had achieved the honour.

### **2. APOLOGIES FOR ABSENCE**

None.

### **3. MINUTES**

The minutes of the meeting held on 16 April 2018 were approved as a correct record and signed by the Chairman.

### **4. PUBLIC QUESTIONS**

None.

**5. ITEMS OF URGENT BUSINESS**

None.

**6. DECLARATIONS OF INTEREST**

None.

**7. MEMBERS QUESTIONS**

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

**8. OVERVIEW & SCRUTINY COMMITTEE MATTERS**

The Overview & Scrutiny Committee had made recommendations regarding the Annual Action Plan 2018/2019 at their meeting on 25<sup>th</sup> April. They had been held over because Cabinet had not met in May. Cabinet agreed the recommendations from the Committee.

**RESOLVED**

**That the Annual Action Plan 2018 – 2019 should include the following:**

- 1. Clear outcome-based targets, where appropriate.**
- 2. Outcome-related results for areas that are “ambitions” rather than numerical targets.**
- 3. Clarity about previous performance.**
- 4. A narrative report attached to explain significant variances.**
- 5. Benchmark figures (when an authority of similar size and location is providing the same service)**

**9. 2017/18 OUTTURN REPORT (PERIOD 12 BUDGET MONITORING REPORT)**

This item was introduced by Mr W Northam, Portfolio Holder for Finance, Revenue and Benefits. He told Cabinet that, in his time as Portfolio Holder, he had never had to make a negative report. Thanks to good financial control by staff, the Council was living within its means and had produced a healthy surplus without having to cut services.

The period 10 budget monitoring report was presented to Cabinet in February and covered the first 10 months of the year up to the end of January 2018. This report was forecasting a General Fund underspend of £273,000 with a further transfer from the Collection Fund in relation to Business Rates of £564,000, giving an overall surplus of just over £837,000.

The report presented the outturn position for the 2017/18 financial year and included a General Fund underspend of just over £249,000 and a transfer from the Collection Fund in relation to Business Rates of £745,000 giving an overall General Fund surplus of just over £994,000. Details were included within the report of the more significant year-end variances compared to the current budget for 2017/18. The report also made recommendations for contributions to reserves as applicable for future spending commitments. An update to the current capital programme was also included.

Whilst there were options available for earmarking the underspend in the year, the report made recommendations that provided funding for ongoing commitments and future projects.

The final position allowed for £501,386 of budget and grant underspends to be rolled forward within Earmarked Reserves to fund ongoing and identified commitments for which no budget had been allocated in 2018/19. The position as reported would be used to inform the production of the statutory accounts which will then be subject to audit by the Council's external auditors Ernst and Young.

In proposing the recommendations, Mr Northam congratulated the Head of Finance and Asset Management and his team.

Mr N Dixon seconded the recommendations. He said that the report demonstrated a record of responsible budget management and collective working by officers and Members to ensure financial stability in challenging times. It was important that this should be maintained in the future. The surplus would be used to good effect.

Mr N Lloyd expressed concern that, in the last 5 years, the fund for community transport had not been spent. He reminded Cabinet of the need for such transport for the lonely and vulnerable. Mr N Dixon assured him that Cabinet was reviewing how best to spend the money and that it was work in progress. Cabinet was mindful that the work needed to be done.

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

## **RESOLVED**

**To recommend the following to Full Council:**

- a) The provisional outturn position for the general fund revenue account for 2017/18;**
- b) The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2018/19 budget;**
- c) Transfer part of the surplus of £994,259 to the Capital Projects Reserve to support the capital programme;**
- d) The financing of the 2017/18 capital programme as detailed within the report and at Appendix D;**
- e) The balance on the General Reserve of £2.196 million;**
- f) The updated capital programme for 2018/19 to 2021/22 and the associated financing of the schemes as outlined within the report and detailed at Appendix E.**

### **Reason for the decision:**

To approve the outturn position on the revenue and capital accounts for 2017/18 that will be used to produce the statutory accounts for 2017/18.

## **10. TREASURY MANAGEMENT ANNUAL REPORT 2017/18**

The report was introduced by the Portfolio Holder, Mr W Northam. It set out the Treasury Management activities actually undertaken during 2017/18 compared with

the Treasury Management Strategy for the year. Treasury activities for the year had been carried out in accordance with the CIPFA Code and the Council's Treasury Strategy.

Investment activity: the Ministry of Housing, Communities and Local Government's (MHCLG) guidance on Local Government Investments required the Council to focus on security and liquidity, rather than yield when undertaking its treasury activities.

The Chief Technical Accountant and her team were congratulated for their work.

It was proposed by Mr W Northam, seconded by Mr R Price and

## **RESOLVED**

**That the Council be asked to RESOLVE that The Treasury Management Annual Report and Prudential Indicators for 2017/18 are approved.**

### **Reason for the decision:**

Approval by Council demonstrates compliance with the Codes.

## **11. DEBT RECOVERY 2017/18**

The report was introduced by the Portfolio Holder, Mr W Northam.

This, an annual report, detailed the Council's collection performance and debt management arrangements for 2017/18. The report included:

- A summary of debts written off in each debt area showing the reasons for write-off and values.
- Collection performance for Council Tax and Non- Domestic Rates.
- Level of arrears outstanding
- Level of provision for bad and doubtful debts

Writing off bad debts was a necessary function of any organisation collecting money. The Council was committed to ensuring that debt write offs were kept to a minimum by taking all reasonable steps to collect monies due. There would be situations where the debt recovery process failed to recover some or all of the debt and would need to be considered for write off. The Council viewed such cases very much as exceptions and the report identified those debts.

The report summarized the Council's three main income streams and the level of debt associated with each, for the last four financial years. Write-offs for Council Tax, Business Rates and Sundry Income were lower than in the previous year.

Experience of using Enforcement Agents (EAs) for council tax and Non-Domestic (Business) Rates has proven that the threat of this action is often enough to generate the payments outstanding to NNDC.

When acting on behalf of the Council for recovery of housing benefit overpayments, currently a debt collection agency is instructed. It should be noted that in such cases, the agency has no legal powers to enforce collection. When a housing benefit overpayment is prosecuted, this must be through the County Court and use of the Courts enforcement agents only is permitted. These are civil servants employed by Her Majesty Court & Tribunals Service (HMCTS) and are renowned for being

ineffective. However, cases prosecuted via the County Court, can (if over £600 in value) be 'transferred up' to the High Court. This process then enables the authority to pass cases to High Court enforcement agents with powers to seize goods and secure the rights and interests of the authority. High Court Enforcement Officers (HCEOs) tend to have significantly higher collection rates for debt recovery than those of the County Court Bailiffs, who are salaried without any financial incentive to collect.

The Portfolio Holder congratulated the Revenues Manager and his team on their work.

Mrs S Arnold, seconding the recommendations, spoke of the good result for the Council and said she was pleased to hear of the respectful treatment of clients by the debt recovery officers.

The Leader endorsed the praise for the officers expressed in the last three items. He also congratulated the Portfolio Holder for his constancy over the last 7 years in the role and the strong financial stewardship he had demonstrated.

It was proposed by Mr W Northam, seconded by Mrs S Arnold and

#### **RESOLVED**

- 1) To approve the annual report giving details of the Council's write-offs in accordance with the Council's Debt Write-Off Policy and performance in relation to revenues collection.**
- 2) To approve the updated Debt Write Off Policy (shown in Appendix 2)**
- 3) To approve the updated Benefit Overpayment Policy and the use of High Court Enforcement Agents if considered necessary (shown in Appendix 4)**

## **12. REVIEW OF POLLING DISTRICTS, POLLING PLACES AND POLLING STATIONS**

The Representation of the People Act 1983 placed a duty on the Council to divide the District into polling districts and to designate polling places for each polling district. The Council also had a duty to keep those arrangements under review.

The report, which was introduced by the Leader, outlined the process for undertaking statutory review of polling districts, places and stations and proposed a timetable.

It was proposed by Mr J Lee, seconded by Miss B Palmer and

#### **RESOLVED**

**To recommend that Full Council agrees to the proposed timetable for the statutory review of polling districts, places and stations.**

#### **Reason for the decision:**

The compulsory period for the next review is 1 October 2018 - 31 January 2020. Recommending that review is carried out earlier in order to include new polling districts in 1 December 2018 publication of the electoral register. This is necessary to facilitate planning for May 2019 elections.

**13. JOINT BACTON AND WALCOTT COASTAL MANAGEMENT SCHEME –  
PROGRESS AND CDM/DESIGN/MONITORING SPECIALIST APPOINTMENT**

The report was introduced by Mrs H Cox, Portfolio Holder for Environment, Coast and Licensing.

North Norfolk District Council is leading the Bacton to Walcott Coastal Management (Sandscaping) Scheme in collaboration with the Bacton Terminal Operators to protect nationally important infrastructure and benefit local communities.

The scheme is progressing well with the designs near completion. Outstanding work is ongoing for the design of the gas terminal surface water outfalls as well as further consideration of the upper limits of the sediment size. It was anticipated that the necessary planning and marine licence applications would be submitted at the end of June. The report sought approval to submit applications for the necessary consents and publication of Coast Protection Notification

The tender for the procurement of the main works contractor would be issued in early July. The target for delivering the scheme was spring 2019.

There was a need to appoint to the role of Construction Design Management for the delivery of the scheme, to ensure that there was design support in place during construction should there be any design or delivery issues and also completion of some other small scale project requirements. Royal Haskoning DHV (RHDHV) had been the lead consultant in the scheme development and therefore had specific bespoke knowledge of the scheme. The report sought approval for the appointment of RHDHV for the delivery of these roles through suspension of Standing Orders.

The Portfolio Holder reminded Members of the importance of Bacton Gas Terminal and the vulnerability of our coastline. The proposed work was very specialised and it was important to get it done expertly. Agreement of the proposal would enable the work to move forward without delay.

Mr R Price said that the scheme was innovative and much-needed. It was essential to have the right people to carry out the work which would protect our coastline for years to come.

Mr N Lloyd, who had previously worked at one of the gas terminals at Bacton and had knowledge of Royal Haskoning's work, voiced support for the scheme. He advised Members that, as a result of the scheme, the appearance of the coast road would change and that residents needed to be aware of this.

Mrs A Fitch-Tillett welcomed the scheme, especially because of the protection it would afford to Walcott and Bacton. The scheme's life expectancy of 20 years would give communities time to plan ahead.

It was proposed by Mrs H Cox, seconded by Mr R Price and

**RESOLVED to**

- a) Suspend Standing Orders to appoint Royal Haskoning DHV to provide Construction Design Management, Design advice and related activities (including development of scheme Monitoring and Integrity Management Plan) in the delivery of the Bacton / Walcott Sandscaping Project up to a maximum sum of £125,000.**

- b) **Commence the process of Planning Consent, Marine Management Organisation Licence and other applications for consent as required.**
- c) **Commence the process for Coast Protection Notification.**

**Reason for the decision:**

To enable the scheme to progress.

#### **14. EXCLUSION OF PRESS AND PUBLIC**

##### **RESOLVED**

**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 3 of Part I of Schedule 12A (as amended) to the Act.**

#### **15. LEASE OF LAND AT CROMER AND FAKENHAM FOR GYPSY AND TRAVELLER SHORT STAY STOPPING PLACE**

The report was introduced by Mr R Price, Portfolio Holder for Property and Asset Commercialisation.

The Council operated two Gypsy and Traveller Short Stay Stopping Places at Cromer and Fakenham. These sites were leased for a 10-year term, which were both to expire in 2018.

This paper considered three options; renewing the leases, terminating the lease and freehold acquisition of the land. Details regarding these options could be found in paragraph 7.

Both sites were a valued resource in reducing the costs of managing unauthorised Gypsy and Traveller encampments across the district. It was therefore proposed to seek to retain both sites for future use.

Having had initial discussions with both landowners regarding the future use of these sites, it was proposed to take forward Option 1 as described in item 7.2 of the report.

It was proposed by Mr R Price, seconded by Mr N Dixon and

##### **RESOLVED**

**To recommend to Full Council:**

- a) **That Delegated Authority is given to the Corporate Director and Joint Head of Paid Service (Steve Blatch) in consultation with the Portfolio Holder for Assets (Cllr Richard Price) to finalise lease renewals for both the Cromer and Fakenham sites to be negotiated on the same terms as the existing leases.**
- b) **An annual revenue budget provision to be established to cover the lease costs over the life of the new lease agreements as outlined in paragraph 12.3, to be reviewed annually, including an annual R&M budget of £1,000 per site.**
- c) **A sum of £10,000 for works to be funded from the Asset Management Reserve.**

- d) To instruct officers to explore options for the continued delivery of the sites at the end of the future term of the leases.**

The meeting ended at 11.00 am.

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Chairman