

Cabinet



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24th August 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 03 September 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 H Cox, Mr N Dixon, Mr J Lee, Mr W Northam, Miss B Palmer, Mr R Price,

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 13)

To approve, as a correct record, the minutes of the meeting of the Cabinet held on 09 July 2018.

3. PUBLIC QUESTIONS & STATEMENTS

To receive questions and statements 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

The Overview & Scrutiny Committee has made the following recommendation to Cabinet:

a) O&S RAPID REVIEW OF THE LOCAL PLAN – 4th JULY 2018:

To recommend to Cabinet (Housing):

1. That benchmarking is undertaken against similar authorities (demographics, topographic, housing mix) to ensure that the Council is following best practice in its approach (through the Local Plan) to the provision of :
 - (a) an appropriate housing mix
 - (b) suitably designed accommodation for an ageing population and
 - (c) mixed allocation sites
2. That further policy work is undertaken with particular reference to innovations in the provision of affordable housing, including a local definition of affordable products (eg what is 'usefully affordable' across North Norfolk?)

To recommend to Cabinet (Environmental Policies):

1. A more 'flexible approach' regarding the Council's policy on brownfield sites e.g. to incentivise land owners to bring forward potentially suitable brownfield sites for housing, commercial or mixed-use development and to recognise that a 'one-size fits all' policy on brownfield sites does not reflect the diversity across the District

To recommend to Cabinet (Developer Obligations):

1. That the Council undertakes a review of whether the introduction of the Community Infrastructure Levy (CIL) as a policy for the Council should be considered, highlighting the pros and cons for the District, any risks to particular parts of the District and the resource implications of introducing CIL.
2. That alternative options for generating funding for infrastructure should be explored and research should be undertaken to understand what other local authorities have tried so we learn from good practice.
3. That consideration is given to the introduction of a local infrastructure levy scheme whilst considering the risks to local developers being priced out of the market.

b) ASSET MANAGEMENT WORKING GROUP – 15TH AUGUST 2018

Egmere Enterprise Zone Primary Recommendations:

- 1) The Asset Management Working Group (AMWG) recommends that Cabinet do not progress with the proposed plans for Egmere Enterprise Zone.

The recommendation was reached on the basis that:

- a. Whilst the AMWG is fully supportive of the need for economic development in the district and accepts the fact that public money is required to this end, there is little substantive evidence to suggest that the site would generate additional job creation or economic development. In contrast, it is apparent that the project in its current form would purely act to relocate jobs already based in North Norfolk.
 - b. The rate of return in the worst case scenario of a single tenant on the site would equate to a significant loss of investment income at an estimated 1.62%, whilst the comparative average rate of return from the treasury management fund is approximately 3%, as such this would be contrary to the NNDC Asset Management Plan.
 - c. The location of the site means there is limited supporting infrastructure such as major road links that may limit the ability of NNDC to attract new tenants to the site.
- 2) The Head of Finance and Asset Management to establish the payback period in the worst case scenario of securing a single tenant for the site to compare against the 22 year payback period representing the best case scenario.

Egmere Enterprise Zone Secondary Recommendations:

If Cabinet makes the decision to approve plans for the Egmere Enterprise Zone the Asset Management Working Group proposes the following recommendations:

- 1) That the Egmere Local Development Order (ELDO) be immediately renegotiated to remove the restrictions put in place limiting the site's benefits to offshore wind energy businesses only.
- 2) A communications plan to be established that justifies NNDC's reasons for choosing to spend £15k per annum (including an annual rent increase) on a private land lease lasting 99 years (with a minimum contract of 15 years) unless the lease is otherwise sold. This must be taken into consideration alongside the issues that were raised by the similar private land lease arrangements of NNDC's Gypsy and Traveller sites.

- 3) Expression of interest is submitted to the EZ Accelerator Fund to explore the potential for the development of an additional unit.

8. RECOMMENDATIONS FROM CABINET WORKING PARTIES

Planning Policy & Built Heritage Working Party 23rd July 2018

Recommendation to Cabinet:

‘That the Coastal Zone Planning Statement of Common Ground be signed on behalf of North Norfolk District Council.’

Member Development Group 10th July 2018

Recommendation to Cabinet:

‘That an extra £15k be allocated to the Member training budget’

9. FAKENHAM EXTRA CARE SCHEME – FUNDING REQUEST (page 21)

(Appendix A – p.30) (Exempt Appendix 1 – p.119)

**** NOT FOR PUBLICATION – BY VIRTUE OF PARAGRAPHS 3 & 5 OF PART 1 OF SCHEDULE 12A (AS AMENDED) OF THE LOCAL GOVERNMENT ACT 1972****

Summary: This report recommends the provision of financial assistance in the form of grant or an interest free loan up to a maximum of £425,000 to Housing and Care 21 to support the delivery of an Extra Care scheme of 66 flats at Fakenham.

Options considered: Option 1: Do not provide a grant or interest free loan. This option is not recommended as it will have a detrimental impact on the deliverability of the Fakenham Extra Care scheme. The scheme is required to meet the housing and care needs of older people in the Fakenham area.

Option 2: Provide grant funding or an interest free loan of up to a maximum of £425,000 to address the gap in funding needed to achieve the delivery of the Fakenham Extra Care scheme.

Conclusions: Norfolk County Council has identified a need for more Extra Care properties in North Norfolk with an extra 486 individual properties required by 2028. The Strategic Housing Team have been working for some time to deliver an Extra Care scheme in Fakenham and in 2016 planning consent for a scheme of 66 Extra Care flats on Trinity Road was granted. Unfortunately, delivery of the Extra Care scheme stalled due to uncertainty around the rent regime which would apply to the scheme if built.

When sufficient clarity on the rent regime emerged, work to deliver the Extra Care scheme resumed and as part of this a number of changes to the design of the scheme to ensure that it is the optimum design to meet the current and future needs of residents have been made. The costs of delivering the scheme are now known and it has been identified by Housing and Care 21 (the Registered Provider which will deliver and own the

scheme) that the level of grant funding needed is at a level which will be extremely unlikely to be met by Homes England. As a result, Housing and Care 21 have asked the Council and Norfolk County Council if they can provide funding to support the delivery of the scheme.

Whilst the Council no longer provides grant funding, the provision of grant funding or an interest free loan will significantly enhance the deliverability of this scheme. The maximum funding the Council is being asked to provide is £425,000 but as the request for financial assistance has also been made to Norfolk County Council, the amount of funding required may be less than £425,000. Overall the provision of funding as a grant or interest free loan, in this case, is considered appropriate.

This report therefore recommends that the Council agrees to provide a grant or interest free loan to Housing and Care 21 of up to a maximum of £425,000.

Recommendation: **1. Cabinet recommends to Full Council the approval of capital expenditure to provide financial support for the Fakenham Extra Care Scheme in the form of either a grant or interest free loan to Housing and Care 21 of up to a maximum of £425,000 to be funded from capital receipts. Approval of the final amount and type of funding to be provided to be delegated to the Head of Finance and Asset Management in conjunction with the Portfolio Holder for Housing, Planning and Planning Policy.**

Reasons for Recommendation: To support the Council's Corporate Plan priorities of:

- Addressing the housing and infrastructure needs for local people whilst meeting the market demand for housing by supporting the delivery of new housing across the district.
- A district with vibrant communities and where healthy lifestyles are accessible to all through supporting the delivery of Extra Care housing which meets the housing and care and support needs of older people.

Cabinet member(s): Cllr S Arnold
Ward member(s) Fakenham
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10. PUBLIC CONVENIENCE STRATEGY

(page 31)

(Appendix A – p.38) (Appendix B – p.39)

Summary: This report outlines proposals to improve the standard and quality of the District Council's public conveniences as a key element of

the district's local infrastructure. The report presents a number of options to improve the public convenience service and makes a number of recommendations for a programme of phased capital works to provide new, replacement and remodelled facilities over a five-year period.

Options considered:

- Do nothing
- Explore transfer of public convenience provision to town and parish councils
- Introduce charges
- Invest in making improvements to the quality of the public convenience portfolio

Conclusions:

The report makes a number of recommendations proposing investment in new and improvements to existing public conveniences in the District recognising their importance as key local infrastructure used by local residents and tourist visitors to North Norfolk.

Recommendations: That Cabinet resolves:-

**Cabinet
Decision**

1. To adopt the report as a statement of the Council's intent in wishing to provide good quality public toilet facilities in locations across the District, recognising that such facilities are key local infrastructure and support the District's thriving tourism economy; building on the District's reputation as "a better place".

2. That Cabinet approves a first phase of programmed works to include:-

- re-provision (rebuild) of the following facilities:-
- Stearmans Yard, Wells-next-the-Sea.
- Lusher's Passage, Sheringham.

Significant upgrades (to include re-modelling of facilities within the existing buildings) of the following facilities:-

- Queens Road, Fakenham
- New Road, North Walsham

A programme of refurbishment (to include deep clean of facilities, upgrading of lighting and internal and external redecoration, provision of new signage of the following facilities:-

- Coast Road, Bacton
- Coast Road, Walcott

Provision of new or significantly improved facilities at West Runton Beach Access and Cart Gap, Happisburgh as previously proposed as part of the Deep History Coast initiative and for which funds have previously been identified

That Cabinet recommends to Full Council:-

- 1. That a capital budget be established of £600,000 to fund Phase 1 of the Public Convenience Strategy, to be financed from the Invest to Save Reserve.**

Reasons for Recommendations: Sound management of the Council's portfolio of public conveniences to provide high quality facilities in support of the District's economy and reputation as "a better place"

Cabinet member(s): Cllr R Price
Ward member(s) All
Contact Officer Steve Blatch
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11. APPOINTMENT OF LEGAL REPRESENTATIVE(S) IN RELATION TO DEVELOPMENT CONSENT ORDER APPLICATIONS FOR ØRSTED HORNSEA PROJECT THREE, VATTENFALL VANGUARD AND VATTENFALL BOREAS OFFSHORE WINDFARM SCHEMES (page 44)

Summary: The purpose of this report is to seek approval to appoint Counsel to represent North Norfolk District Council during examination stages of three Development Consent Order applications affecting North Norfolk

Options considered:

- Appointing Counsel to maximise the success during examination stage for the Council.
- Not appointing Counsel recognising that this will place additional work burdens/pressures on existing Officers of the Council to put forward the Council's case at DCO examination stage to the detriment of other service activities and priorities.

Conclusions: The Council are aware of three Nationally Significant Infrastructure Projects in the form of off-shore windfarm proposals that will impact upon residents and businesses in North Norfolk District. Responding to the formal stages of the Development Consent Order processes will represent a significant pressure for the Council, alongside existing and anticipated planning workloads and it is therefore proposed to appoint a barrister to represent the District Council at the formal enquiry stages of these major infrastructure developments. Given, the high quality of work previously undertaken for the Council in planning appeal and enquiry cases, it is recommended that existing standing orders are set aside and that Estelle Dehon of Cornerstone Barristers is approached to represent the Council in respect of these three NSIP projects.

Cabinet Decision

Recommendations:

- 1. That Cabinet authorises the setting aside of standing orders in order to allow the appointment of Estelle Dehon from Cornerstone Barristers.**
- 2. In the event that Ms Dehon is unable to take on this appointment then the opportunity should be**

opened up for competitive tender in accordance with normal standing orders for projects of circa £50-80k

Reasons for Recommendations: Estelle Dehon has represented the Council to a very high standard on a number of planning matters and, in the process, has developed a positive working relationship with officers. Ms Dehon also has good knowledge of the District and has developed a sound understanding of the key characteristics of North Norfolk and the strong commitment this Council has to ensuring those key characteristics are maintained. Appointment of Ms Dehon would de-risk this activity and increase the likelihood of a successful outcome for the Council.

Cabinet member(s): Cllr S Arnold
Ward member(s) High Heath, Corpusty (Hornsea Project Three)
Happisburgh, Waxham, North Walsham North, North Walsham West, Gaunt, Worstead, Erpingham (Vattenfall Vanguard & Boreas)

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12. BUDGET MONITORING 2018/19 – PERIOD 4 (page 49)
(Appendix A – p.58) (Appendix B – p.60) (Appendix C – p.75) (Appendix D – p.81)

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

Options considered: Not applicable

Conclusions: The overall position at the end of July 2018 shows an underspend of £218,877 to date for the current financial year on the revenue account, this is currently expected to deliver a full year underspend of £353,027.

Recommendations: **It is recommended that:**

- 1) Cabinet note the contents of the report and the current budget monitoring position;**
- 2) Cabinet agree to the release of £400,000 from the Capital Projects Reserve to fund the required works to the pier;**
- 3) Cabinet agree to waive Standing Orders to allow UK Industrial Services to undertake the required works to the pier**

Cabinet Decision

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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13. CONTINUATION OF FUNDING FOR FIXED TERM RESOURCES WITHIN THE POSTAL & SCANNING TEAM (page 83)

Summary: The Digital Transformation Programme is generating a significant increase in the use of scanning and copying to support new business processes and to enable paperless working.

In order to deliver this service, whilst the outcomes of the Planning and Environmental Health Business Process Review are being rolled out, it has been necessary to support this work with 2 Full time, fixed term, Post and Scanning Assistants. This report requests the release of previously identified funding to extend the two posts for a further 12 months.

Options considered:

Outsourcing of ongoing scanning and copying activities have been assessed and discounted on practicability and value for money grounds.

Increased use of Service based staff is not feasible because of other work demands.

Fixed term additional resource with the appropriate skills and experience has been successfully supporting the service to date and is considered the most practical and cost efficient option until the new processes are fully implemented, especially within the Planning Service.

Conclusions:

Cabinet Decision

The provision of funding for an additional 12 months for the 2 posts (fixed term) will allow the immediate requirements to be met whilst assessing the long term demand and resource requirement to provide adequate support for service level business process reviews.

Recommendations: That Cabinet approves the release of £44,000 previously identified Digital Transformation funding to allow the continuation of the two fixed term posts for a further 12 months in the Post and Scanning Services Team.

Reasons for Recommendations:

The continued employment of the 2 additional posts within the Post and Scanning Services Team will ensure that the team has the capacity and skills available to support the scanning and copying of applications, and documents until the full introduction of paperless working.

Making the posts fixed term will provide flexibility to react to changes in delivery and service demands over the next 12 months.

Cabinet member(s): Cllr B Palmer; Cllr J Lee
Ward member(s) All
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14. PUBLIC CONSULTATION ON FIRE GOVERNANCE

Please note this report is to follow.

(Source: Steve Blatch, Head of Paid Service, 01263 516232)

15. EGMERE BUSINESS ZONE PROJECT UPDATE

(page 87)

(Appendix A – p.97)

**** NOT FOR PUBLICATION – BY VIRTUE OF PARAGRAPHS 3 & 5 OF PART 1 OF SCHEDULE 12A (AS AMENDED) OF THE LOCAL GOVERNMENT ACT 1972****

*(Exempt Appendix B – p.98) (Exempt Appendix C – p.101) (Exempt Appendix D – p.105)
(Exempt Appendix E – p.116)*

Summary:

This report provides an update to Cabinet of progress regarding the Egmere Business Zone (EBZ) project and seeks authority to now proceed and enter into a lease agreement for 99 years with the Walsingham Estate to lease an area of land into which road and utility services will be provided by the Council and for the Council to build a first unit within the development for lease to an identified business occupier.

Options considered:

1. The Council could take the decision not to progress any further with the potential development of this site.
2. The Council could progress with the construction of the infrastructure for the site but not with the proposed industrial unit.
3. The Council could progress with both the construction of the infrastructure and with the proposed industrial unit.

Conclusions:

**Cabinet
Decision**

The development of the Egmere Business Zone is important to the district as it will create growth and enterprise within the district including supporting jobs within the offshore wind industry, businesses that work alongside this sectors and the construction industry during the development phases.

The proposed development meets the Council's objective of creating a district with a thriving economy and offer better jobs and prospects for local people.

The project would allow businesses occupying the site to benefit from five years without having to pay business rates due to the Enterprise Zone status and will also enable the continued development of the site as some of the rates obtained from central government can be used to continue fund this development.

Recommendations: It is recommended that Cabinet agrees;

- to progress the final lease arrangements with Walsingham Estates on the basis outlined within the exempt appendix and that that authority is delegated to the Head of Paid Service (Steve Blatch) in consultation with the Portfolio Holder for Business & Economic Development and Tourism to sign off agreement of the final terms
- to progress the final lease arrangements with the prospective tenant for the first unit on the basis outlined within the exempt appendix and that that authority is delegated to the Head of Paid Service (Steve Blatch) in consultation with the Portfolio Holder for Business & Economic Development and Tourism to complete this agreement
- that an additional budget requirement of £360,000 is approved to support the construction of the road infrastructure and first unit
- to award the construction contract to the preferred contractor as identified within exempt appendix D subject to completion of a value engineering exercise
- to include the annual income and running costs as identified within exempt appendix D within the revenue budget and future forecasts
- that authority is delegated to the Head of Paid Service (Steve Blatch) to agree governance and financial arrangements for the Egmore Enterprise Zone on a similar basis as that agreed for Scottow in consultation with the Head of Finance, Leader of the Council and Portfolio Holder for Business & Economic Development and Tourism to ensure the Enterprise Zone is developed out as planned.
- that the ELDO is reviewed prior to its expiry in 2019 with a view to extending it and considering the removal of the current restrictions to business operating within the wind industry to maximise the potential success of the development
- It is recommended that, subject to support for the development moving forward, that an Expression Of Interest is submitted to the EZ Accelerator Fund to explore the potential development and delivery of an additional unit on a similar basis to those outlined for unit 1. A further report and business case would then be developed to establish the budget requirements.

Reasons for Recommendations: To maximise the opportunities presented by the Enterprise Zone status awarded to the Egmore Business Zone site, supporting new job-creating investment within the District.

Cabinet member(s): Cllr R Price
Ward member(s) North Walsham
Contact Officer Renata Garfoot
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16. 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 3 of Part I of Schedule 12A (as amended) to the Act.”

17. PRIVATE BUSINESS

CABINET

Minutes of the meeting of the Cabinet held on Monday 09 July 2018 at the Council Offices, Holt Road, Cromer at 10.00 am

Members Present:

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

Also attending:

Mrs A Fitch-Tillett	Mr J Rest
Mrs S Bütikofer	Mr R Shepherd
Ms V Gay	Mr B Smith
Mrs A Green	Mr N Smith
Mr N Pearce	Ms K Ward

Officers in Attendance:

The Heads of Paid Service, the Monitoring Officer, the Head of Finance and Asset Management, the Head of IT and Digital Transformation, the Policy & Performance Management Officer, the Communications & Marketing Manager, the Head of Environmental Health and the Democratic Services Manager

Press: None

16. APOLOGIES FOR ABSENCE

Mr W Northam

17. MINUTES

The minutes of the meeting held on 11 June 2018 were approved as a correct record and signed by the Chairman.

18. PUBLIC QUESTIONS

None.

19. ITEMS OF URGENT BUSINESS

None.

20. DECLARATIONS OF INTEREST

None.

21. MEMBERS QUESTIONS

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

22. OVERVIEW & SCRUTINY COMMITTEE MATTERS

The Chairman of the Overview & Scrutiny Committee thanked Cllr Arnold for her attendance at the recent rapid review of the Local Plan. She said that it had been a very productive session and that the recommendations would be shared shortly.

23. ONE YEAR EXTENSION OF CURRENT WASTE AND RELATED SERVICES CONTRACT

This item was introduced by Cllr H Cox MBE, Portfolio Holder for Environmental Services. She told Members that extension of the existing contract would allow the procurement process for the future joint contract to be undertaken in a more effective manner, maximising the chance of participation from a wider range of bidders. By allowing additional time for the preparation of the necessary documentation and by more closely aligning the start dates of the contract for the three councils involved, it was hoped that potential bidders would be encouraged to come forward.

Cllr Cox went onto say that not extending the contract could potentially result in poor service provision from the current contractors.

Cllr R Price seconded the proposal, saying that it was a good deal that had been well negotiated.

RESOLVED

1. That Cabinet authorises the extension of the current Waste and Related Services Contract with Kier Environmental Services Ltd for a period of one year for the 2019/20 financial year.
2. That, in order, to secure the best outcome in terms of value, the shared risk approach outlined in the report in respect of fuel and vehicle maintenance is adopted.

Reason for the decision:

Extension of the existing contract would allow the procurement process for the future joint contract to be undertaken in a more effective manner.

24. FINANCIAL PENALTY POLICY (HOUSING AND PLANNING ACT 2016)

The report was introduced by the Portfolio Holder, Cllr H Cox MBE. It sought approval for a new policy on the use of Financial Penalties as an alternative to prosecution. The Housing and Planning Act 2016 gave local authorities the power to impose a civil penalty on landlords or agents who failed to comply with an improvement notice, breach of licensing requirements or who failed to comply with management regulations applying to Houses in Multiple Occupation (HMO) These new powers had the potential to bring about a significant improvement in the condition of homes in the private rented sector within North Norfolk and nationally. Prior to their introduction there had been little to deter landlords from letting sub-standard homes and it was primarily this situation that the new legislation was intended to address.

Cllr A Fitch-Tillett said that she welcomed the initiative, adding that there were several tenants in her ward currently living in sub-standard accommodation.

Cllr S Arnold seconded the proposal saying that it was essential that private rented accommodation was available at a good standard. She said that Housing Associations could not fulfil all the applications that they received so it was imperative that good quality private accommodation was offered.

It was proposed by Cllr H Cox, seconded by Cllr S Arnold and

RESOLVED

To approve the Financial Penalties Policy

Reason for the decision:

These new powers had the potential to bring about a significant improvement in the condition of homes in the private rented sector. Civil penalties provided local authorities with a quicker and more efficient tool than prosecution

25. SPORTING CENTRE OF EXCELLENCE

The report was introduced by the Portfolio Holder, Cllr B Palmer. She said that the project was the only one in the country and was regarded as a model of good practice. To date, over 150 young people had been involved and several had gone onto represent Norfolk at county level.

The Leader said that he had recently presented certificates to several youngsters and that it was an excellent opportunity for them to use outstanding facilities.

It was proposed by Cllr B Palmer, seconded by Cllr J Lee and

RESOLVED

- 1. That Cabinet note the success of the project to date.**
- 2. That Cabinet approve continuation of the project into year three, with a General Reserve budget of £20,000 to be allocated to the scheme**

Reasons for the decision:

To allow the continuation of a successful project for a further year.

26. DIGITAL TRANSFORMATION UPDATE

The Leader, Cllr J Lee, introduced this item. He explained that the report provided an update on progress within the Digital Transformation Programme (DTP), in accordance with the original Cabinet Resolution for the Programme. He said that Phase 1 was coming to an end and Phase 2 was being developed. It was anticipated that Phase 2 would deliver significant savings and efficiencies.

Cllr A Fitch-Tillett commented that she was pleased to see that the garden bin service was now back in-house. She asked when invoices would be sent out as she had not received hers yet. Cllr Cox replied that there had been some problems regarding the invoicing as the process was being digitised. The Head of Paid Service (NB) added that it was a new way of working and had been piloted with staff first to ensure problems could be addressed before a wider rollout. So far there had been a

50% take up of the direct debit option which was a significant change. The issuing of invoices was done on a postcode basis and would be complete soon. Cllr Fitch-Tillett acknowledged the change in process but said that the money should have been received by the Council in April and it was now July so it was important that it was resolved soon.

Cllr N Dixon seconded the proposals. He said the digital transformation programme was well established and delivering savings. It was important that such changes were delivered seamlessly.

It was proposed by Cllr J Lee, seconded by Cllr N Dixon and

RESOLVED

To note the progress made on the Digital Transformation Programme.

Reasons for the decision:

1. To provide appropriate governance and oversight of the Digital Transformation Programme.
2. To publicly detail the Council's plans in this area.

27. ENFORCEMENT BOARD UPDATE

The report was introduced by Cllr H Cox MBE, Portfolio Holder for Environment. She said that it provided an update on the work of the Enforcement Board over the previous six months. During this time there had been a major review of all long-term empty properties that had seen a significant reduction in the headline numbers. She concluded by saying that it was a challenging task and there were still lots of properties to address but the social and economic benefits to the community were worthwhile.

Cllr V Gay requested a written update on 4A Market Street, North Walsham.

Cllr J Rest commented on the excellent work undertaken on a property in Victoria Road, Fakenham. However, the garden was now in a very poor state and he requested that further work was done to address this.

Cllr S Arnold seconded the proposals. She said that there had been a lot of hard work in relation to the enforcement cases in the report and she hoped to see Sutton Mill improve too before too long.

It was proposed by Cllr H Cox, seconded by Cllr S Arnold and

RESOLVED to

1. That Cabinet notes the continued progress of the Enforcement Board.
2. That Cabinet note the recent inspection and assessment activity of officers to reduce the long term empty property numbers across the whole of the District.

Reason for the decision:

1. To ensure appropriate governance of the Board's activities
2. To understand the scope of recent inspection and analysis of long term empty homes

28. ANNUAL ACTION PLAN 2018/19 AND ANNUAL REPORT 2017/18

The Leader, Cllr J Lee, introduced this item. He said that the Annual Action Plan had been revised to reflect feedback from the Overview & Scrutiny Committee. Regarding the request for benchmarking to be undertaken, he said that this would only be provided in specific cases of additional examination or comparison – if a service was significantly under or over performing.

Referring to the Annual Report for 2017/18, Cllr Lee said that it showed the excellent work that the Council was doing such as the Market Towns Initiative, the Business Awards, new affordable homes, blue flag beaches, excellent council tax collection rates, the £20m sand-scaping project, wellbeing services and the sporting centre of excellence project.

Cllr R Price, Deputy Leader of the Council, seconded the proposal, saying that the Council should be proud of its achievements.

Cllr S Arnold said that the Heads of Service should be thanked for their hard work and all staff should be congratulated.

RESOLVED

- 1) That the Annual Action Plan 2018-19 is approved, along with the management performance indicators as set out in Appendix 1 of the Plan.
- 2) That the Annual Report is received.
- 3) That the Heads of Paid Service are authorised to amend any minor inaccuracies or matters of detail in either of the documents if they arise.

Reasons for the decision:

- 1) To allow effective governance and member sign off of the work action priorities for the 2018/19 year.
- 2) To report on the outturn for 2017/18 year in terms of key areas of work for the Council.
- 3) To ensure that the documents, which will be publicly available, are as accurate as possible.

29. PURCHASE AND OPERATION OF CAR PARK, NORTH WALSHAM RAILWAY STATION

The Deputy Leader, Cllr Price, introduced this item. He said that the case for the purchase was clearly set out in the report and that he was fully supportive.

Cllr V Gay asked for an update on progress regarding the agreement about access from the car park to the station. The Head of Paid Service (SB) replied that Network Rail currently had control of the railway station but they were in the process of transferring it to the operator, Abellio Greater Anglia. This was taking some time.

Cllr J Rest said that the car park would be heavily used and he queried whether there would be sufficient revenue generated from annual season tickets. The Head of Paid Service (SB) said that there had originally been plans for a half-hourly peak service but that was not likely now as new carriages were providing greater capacity and

there was confidence that there would be increased passenger usage, resulting in increased use of the car park. He added that it was not possible to offer free parking but passengers would be able to buy individual tickets too.

Mr N Dixon seconded the proposal, saying that he could not see any impediment to delivering the project in the most efficient way.

RESOLVED to agree

- a) To the District Council purchasing the car park at the cost identified within exempt Appendix A plus legal fees and costs;
- b) To establish a further capital budget as identified within exempt Appendix A for additional works to the car park. A and B to be funded from the Local Property Investment Fund;
- c) To establish an annual revenue budget as identified within exempt Appendix A from 2018/19);
- d) To add the car park within the schedule of sites covered by the North Norfolk Off-Street Car Parking Order or agree a separate order as appropriate with the car park being open for use by purchasers of the Council's current season tickets or levying an initial flat-rate daily charge of £2.50 for non-season ticket holders and casual / occasional users.

Reasons for the decision:

The potential purchase of this new car park by the Council provided the opportunity for the authority to expand its car park portfolio, provide car parking to meet the anticipated demand for increased train travel locally with the forthcoming improvements to the rail service from North Walsham and generate a future source of income for the authority.

To meet the Council's Corporate Plan objective of investing in property as a means by which the Council will improve income streams while providing enhanced car parking facilities for those travelling by train.

30. COMPULSORY PURCHASE OF LISTED BUILDING

Cllr S Arnold, Portfolio Holder for Planning, introduced this item. She said that the history of the property was detailed within the report and it was hoped that the progression of a compulsory purchase order would bring about a voluntary agreement.

Cllr H Cox MBE seconded the proposal, saying that it was important that the building and its residents were taken care of.

RESOLVED that

The Corporate Director and Head of Paid Service (NB) is authorised:

1. to negotiate and complete the voluntary purchase of the property as described in the report up to the value described in Exempt Appendix A.
2. if a voluntary purchase cannot be agreed, to make a Compulsory Purchase Order (CPO) in respect of the Property.
3. if there are no objections to the CPO and the Secretary of State gives notice that NNDC may confirm the CPO itself, to confirm the CPO.
4. if there are objections to the CPO, to pursue the confirmation of the CPO by the Secretary of State, to include participating in any public inquiry held.

5. once any CPO is confirmed, to execute a General Vesting Declaration to vest the ownership of the Property to NNDC.
6. once acquired, either voluntarily or compulsorily, to procure and engage contractors to carry out works necessary to repair and/or renovate/develop the property
7. that the purchase and, if necessary renovation costs, will be funded from Capital Reserves and any necessary legal and CPO costs from the Enforcement Board Reserve.

Reasons for the decision:

1. If the Property can be acquired voluntarily, this will negate the need to make a compulsory purchase order.
2. It has been identified that the Property is not being properly preserved by the current owners. Section 47 of the Planning (Listed Buildings and Conservation Areas) Act 1990 enables the Council to acquire Listed Buildings where it appears that reasonable steps are not being taken for its preservation. There is no indication that the current owners will be able to take the steps necessary to preserve the property themselves, and they have withdrawn from previous attempts to sell the property on the open market. If no action is taken, the Property is likely to fall into an even further state of deterioration.
3. Section 14A of the Acquisition of Land Act 1981 empowers acquiring authorities to confirm CPOs themselves where there are no relevant objections. By confirming the CPO itself, this will enable the compulsory purchase to be completed far more quickly.
4. If objected to, the Council must persuade the Secretary of State that the grounds for making the CPO are sufficient for the CPO to be confirmed. This will involve contested proceedings which the Council will be a party to.
5. Once the CPO is confirmed, it remains necessary to legally transfer the property from the current owners to the Council. It is recommended that the General Vesting Declaration procedure be used as this usually enables ownership to be transferred the soonest.
6. The compulsory power being utilised is to ensure the preservation of the property. A Repairs Notice under the Act has been served identifying those works necessary for the preservation of the property. In addition, the property should be renovated to a standard that will enable the maximum return on the Council's investment for the benefit of the public purse.
7. To make the necessary financial provision for the purchases.

31. EXCLUSION OF PRESS AND PUBLIC

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.

32. PRIVATE BUSINESS

None

The meeting ended at 10.33 am.

Chairman

Fakenham Extra Care Scheme – Funding Request

Summary: This report recommends the provision of financial assistance in the form of grant or an interest free loan up to a maximum of £425,000 to Housing and Care 21 to support the delivery of an Extra Care scheme of 66 flats at Fakenham.

Options considered: Option 1: Do not provide a grant or interest free loan. This option is not recommended as it will have a detrimental impact on the deliverability of the Fakenham Extra Care scheme. The scheme is required to meet the housing and care needs of older people in the Fakenham area.

Option 2: Provide grant funding or an interest free loan of up to a maximum of £425,000 to address the gap in funding needed to achieve the delivery of the Fakenham Extra Care scheme.

Conclusions: Norfolk County Council has identified a need for more Extra Care properties in North Norfolk with an extra 486 individual properties required by 2028. The Strategic Housing Team have been working for some time to deliver an Extra Care scheme in Fakenham and in 2016 planning consent for a scheme of 66 Extra Care flats on Trinity Road was granted. Unfortunately, delivery of the Extra Care scheme stalled due to uncertainty around the rent regime which would apply to the scheme if built.

When sufficient clarity on the rent regime emerged, work to deliver the Extra Care scheme resumed and as part of this a number of changes to the design of the scheme to ensure that it is the optimum design to meet the current and future needs of residents have been made. The costs of delivering the scheme are now known and it has been identified by Housing and Care 21 (the Registered Provider which will deliver and own the scheme) that the level of grant funding needed is at a level which will be extremely unlikely to be met by Homes England. As a result, Housing and Care 21 have asked the Council and Norfolk County Council if they can provide funding to support the delivery of the scheme.

Whilst the Council no longer provides grant funding, the provision of grant funding or an

interest free loan will significantly enhance the deliverability of this scheme. The maximum funding the Council is being asked to provide is £425,000 but as the request for financial assistance has also been made to Norfolk County Council, the amount of funding required may be less than £425,000. Overall the provision of funding as a grant or interest free loan, in this case, is considered appropriate.

This report therefore recommends that the Council agrees to provide a grant or interest free loan to Housing and Care 21 of up to a maximum of £425,000.

- Recommendation:
1. **Cabinet recommends to Full Council the approval of capital expenditure to provide financial support for the Fakenham Extra Care Scheme in the form of either a grant or interest free loan to Housing and Care 21 of up to a maximum of £425,000 to be funded from capital receipts. Approval of the final amount and type of funding to be provided to be delegated to the Head of Finance and Asset Management in conjunction with the Portfolio Holder for Housing, Planning and Planning Policy.**

- Reasons for Recommendation:
- To support the Council's Corporate Plan priorities of:
- Addressing the housing and infrastructure needs for local people whilst meeting the market demand for housing by supporting the delivery of new housing across the district.
 - A district with vibrant communities and where healthy lifestyles are accessible to all through supporting the delivery of Extra Care housing which meets the housing and care and support needs of older people.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW
(Papers relied on to write the report and which do not contain exempt information)

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Cabinet Member(s) Cllr S Arnold	Ward(s) affected Lancaster North and Lancaster South
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Contact Officer, telephone number and email: Nicola Turner, 01263 516222, Nicola.Turner@north-norfolk.gov.uk and Lucy Hume, 01263 516246, Lucy.Hume@north-norfolk.gov.uk
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1. Introduction

- 1.1 On 18 October 2016, planning permission was granted for the development of land off Trinity Road, Fakenham for 101 homes of which 66 relate to an Extra Care housing scheme to meet the needs of older people. The Extra Care scheme consists of a three storey building containing 27 x one bedroom flats and 39 x two bedroom flats as well as extensive communal areas. Extra Care is a term used to describe schemes which provide self-contained housing with onsite access to personal care which is available 24hrs a day 7 days a week. Extra Care has commonly been called Housing with Care in Norfolk but is known as Extra Care across the country. Extra Care schemes are key to allowing older people to be independent for longer and can prevent or delay older people having to move into residential care.
- 1.2 When planning permission was granted, it was expected that all 101 homes would be delivered as one development providing a mixture of general needs affordable homes and specialist supported housing. Unfortunately, this was not possible and whilst the general needs homes were completed in August 2018, the delivery of the Extra Care Scheme was stalled by uncertainty as to the rent regime which would apply to supported housing schemes from April 2020 onwards as a result of a proposal to cap rent and service charges to Local Housing Allowance rates. This proposal made the Fakenham Extra Care scheme and similar schemes elsewhere in the country unviable and unable to proceed.
- 1.3 On 31 October 2017, government consulted on new proposals for supported housing schemes which addressed, in relation to older persons housing and other long term supported housing schemes, the majority of the concerns about the new funding regime. Discussions resumed with the landowner who had secured the planning consent for the scheme and a Registered Provider to bring forward the scheme as soon as possible.
- 1.4 Norfolk County Council have recently produced a new Extra Care Strategy called Living Well: Homes for Norfolk and in July released the Living Well: Homes for Norfolk Position Statement which sets out an approach which will seek to increase the pace and quantity of new Extra Care properties being delivered across Norfolk. To support this increase in delivery, the Position Statement proposes that, subject to Committee approval in October, the County Council will provide grant funding to support the delivery of Extra Care schemes. This reflects the County Council's commitment to reducing the use of residential care and the fact that Extra Care provision will meet a wider range of needs, provides more choice and personalisation of care provision for care users and delivers better value for money for the County Council.

Residents of Extra Care properties require less care provision than those who live in the community, have less care admissions and for those with a care package before they move a consequence of their move to Extra Care is the reduction in their formal care package. Extra Care therefore has a positive impact on health and wellbeing. Increasing Extra Care provision may therefore also have a positive impact on the County Council's requirement to fund care provision.

- 1.5 In preparing the new Living Well: Homes for Norfolk Strategy the County Council undertook a review of existing Extra Care provision and identified the ongoing need for such schemes across Norfolk. This shows that by 2028, in North Norfolk, an extra 486 individual Extra Care properties located in schemes across North Norfolk are required.
- 1.6 As the Fakenham scheme has planning permission, the Strategic Housing Team have had ongoing discussions with the County Council about how the care provision in the scheme would operate once it was able to be delivered. It has been agreed with the County Council that the Fakenham Extra Care scheme can be a proof of concept scheme which will introduce a new model of care for Extra Care schemes which is integral to the new approach for Extra Care schemes set out in the Living Well: Homes for Norfolk strategy and position statement. The new model is used successfully elsewhere in the country but represents a new approach for Norfolk schemes. The new model will address many of the issues associated with the existing Extra Care schemes in North Norfolk, by removing a minimum care requirement for any resident who is not a nominee of Norfolk County Council. It will operate by including a charge – currently called a Wellbeing Charge – which relates to the cost of providing 24 hr onsite care staff to meet unplanned care needs within the service charge which all residents will be required to pay. For residents with a current assessed personal care need this charge will be in addition to any contribution they pay towards the cost of their planned care. The new model is supported by this Council as it will allow Extra Care schemes to meet a wider spectrum of needs and is integral to Extra Care becoming a main stream housing option for older people.

2 Current Position

- 2.1 Housing and Care 21, a national Registered Provider specialising in supported housing including Extra Care are working with the Council and the landowner to bring forward the Fakenham Extra Care scheme. They are proposing that 30 of the flats will be for rent and 36 will be sold on a shared ownership basis. The inclusion of Extra Care homes for shared ownership is welcomed it reflects the fact that the majority of older people in North Norfolk own their own homes outright and when moving home many want to retain a financial stake in their new home.
- 2.2 The Extra Care scheme was designed by the landowner and Housing with Care 21 and the Strategic Housing Team have asked for some design and specification changes to further enhance the quality of the proposed scheme and to ensure it can meet the needs of a wider

group of residents. Housing and Care 21's changes are to ensure the scheme meets its internal Extra Care design requirements and they have also required that as part of the build, a sprinkler system is installed. Overall, these changes are predominately internal, but some, minor changes are proposed to the external appearance and footprint of the scheme, reflecting the need to increase the amount of natural light and visual interest in the main corridors by stepping out some parts of the building slightly. In addition, reflecting increases in build costs since planning consent was issued and the costs of the required changes, the building will no longer have a basement or require a service road to access the basement. An application to amend the approved scheme is expected imminently to reflect these design changes to the overall building. A copy of the amended plans for the Extra Care Scheme are attached at Appendix .

- 2.3 The impact of the design and specification changes and the need to ensure that rents and service charges are affordable has increased the amount of grant funding from Homes England (formerly known as the Homes and Communities Agency) that the scheme will need to be delivered. As a consequence, the grant levels required for the Fakenham scheme are higher than average grant rates for similar schemes. In order to reduce the grant level to an amount which Homes England will be able to support through the Care and Support Specialised Housing Fund, Housing and Care 21 have asked the Council and Norfolk County Council if funding of £425,000 is available to support delivery of the scheme. £425,000 represents the total funding sought from this Council and / or Norfolk County Council. This funding has two benefits, it reduces the overall grant level to be sought from Homes England to a level which is more likely to be approved and confirms that the councils are fully supportive of the scheme. Discussions are underway with Norfolk County Council as to the level of funding, if any, which the County Council can provide.
- 2.4 The Council no longer provides grant funding to support the delivery of affordable housing as it represents a one off use of capital receipts or reserves which is not a sustainable approach for the Council. Therefore, the Council does not have an existing budget which could be used to provide the required financial assistance for the Fakenham Extra Care scheme. This report therefore seeks approval for the use of up to £425,000 of capital receipts to provide the required grant or interest free loan funding. Furthermore, it delegates decision making on how much funding should be provided and the form that funding should take to the Head of Finance and Asset Management in conjunction with the Portfolio Holder for Housing, Planning and Planning Policy, reflecting the fact that it is unknown at present whether this Council will be required to fund the whole £425,000 or part of it.
- 2.5 The requested funding of up to £425,000 would only be provided in relation to the rented affordable homes and provision of the funding will be conditional on Homes England's grant funding for the scheme being secured. 80% of the funding would be provided on receipt of confirmation that a start on site has been made, with the remaining 20% paid on receipt of confirmation that the homes are practically complete. The Council will receive nomination rights for the

properties in accordance with the requirements of the Section 106 Agreement which accompanies the planning approval. If Norfolk County Council provide some of the £425,000 requested they are also likely to seek nomination rights for some of the rented homes as part of the scheme; and if so, their nominees will have as a minimum, an assessed need for four hours of planned personal care per week.

3 Implications and Risks

- 3.1 Currently there is a risk that without the requested financial assistance for the Fakenham Extra Care scheme, Housing and Care 21 will be unsuccessful in securing sufficient Homes England grant monies for it to be built out. If this happens, the landowner could decide to secure an alternative use for the site. The site of the Fakenham Extra Care scheme is opposite Fakenham medical centre with a supermarket and pub restaurant close by. The site is part of the Fakenham Urban Extension site and will ultimately be part of a wider new community. The site therefore represents an optimum site for an Extra Care scheme and on this basis, the Strategic Housing Team have sought to secure the delivery of this scheme for some time recognising that there is no other, available and suitable, site in Fakenham for the scheme. Whilst another site may be able to be secured as part of the Fakenham Urban Extension site, it would delay the delivery of an Extra Care scheme in Fakenham – potentially for years.
- 3.2 If the current site is lost, it would leave the Council with only 70 flats of Extra Care (located in Cromer and High Kelling) to meet the needs of older residents for housing and care. Census data shows that North Norfolk has one of the highest proportion of older people in England and Wales and it is also known that the proportion of older old people is also rapidly increasing.
- 3.3 If the Council (and potentially Norfolk County Council) agree to provide the requested funding of £425,000 it will significantly increase the likelihood of the application to Homes England for the remaining grant to be successful. Subject to this funding it is expected that construction on the Fakenham Extra Care scheme would start by the end of this year at the latest (if not by late Autumn) with the build expecting to take 18 months. As marketing of the scheme's availability to potential residents would start in advance of the scheme's physical completion, new residents would be able to move in as soon as the communal areas have been fitted out and individual flats are complete. The Fakenham Extra Care scheme therefore represents a quick win to meet the housing, care and support needs of older people in the Fakenham area.
- 3.4 There is a risk that the application for an amendment to the approved design of the Extra Care scheme will not be approved. Any decisions the Council makes to provide the requested financial assistance for the scheme are separate to the decisions the Council will make as the Local Planning Authority and so it cannot be assumed that a decision to provide funding for the scheme guarantees the approval of an application to amend the existing approved design of the Extra Care scheme. This risk is mitigated against to some extent because the changes are mainly internal. The proposed changes to the external

appearance of the scheme will have the benefit of removing the basement and associated service road, allowing more landscaping to be provided on that part of the site. The external changes will also provide additional visual interest by creating a less formal footprint. Whilst the changes will increase the footprint of the scheme, the overall increase is not material. Such changes are likely to be supported by the planners. If, however, the application to amend the design is not approved, the originally consent scheme could still proceed but would not be the optimum design.

4 Financial Implications and Risks

- 4.1 Housing and Care 21 have provided information on the total costs of developing the Extra Care scheme and the level of grant funding which will be sought from Homes England which is shown within Confidential Appendix as this information is commercially sensitive. The financial information provided has been reviewed and it is considered that the request for funding of £425,000 is appropriate and proportionate to the overall costs of the scheme.
- 4.2 The provision of funding of up to a maximum of £425,000 funding to Housing and Care 21 for the Fakenham Extra Care scheme is a one off requirement and there is no ongoing requirement to provide any further capital funding. The funding sought reflects the costs associated with developing a scheme which was originally designed and gained planning consent in a different funding environment. On this basis, it is not considered that any precedent has been set for future schemes.
- 4.3 A financial appraisal of the impact of providing grant or loan funding for this scheme has been undertaken, and the annual opportunity cost of providing the funding (representing interest forgone on investment balances based on budgeted rate of return for the year) is £14,025, assuming that the Council provided the full £425,000 requested. There are no ongoing cash outgoings to the Council associated with this project. If an interest free loan is provided rather than a grant, the capital would be repaid within an agreed timescale which would mean from the point of repayment there was no further opportunity costs associated with the loan as the capital would then be available again to be reused or invested as required. If an interest free loan was used to provide financial assistance, the amount of loan is likely to be at the full amount of £425,000 irrespective of whether Norfolk County Council provide grant funding, as any interest free loan would need to provide the same benefit to the scheme viability that a grant provides.
- 4.4 The provision of grant funding and receipt of nomination rights triggers a VAT liability in relation to the grant funding. If the financial assistance is provided as a grant, the Council would agree to pay a grant of up to a maximum of £425,000 plus VAT of up to a maximum of £85,000. The Council can however, recover the VAT and therefore the total cost of the grant would not exceed £425,000.
- 4.5 It is recommended that the grant or loan funding is sourced from capital receipts. It is expected that the first tranche of funding would

be required to be paid in 2018/19 with the remaining funding paid in 2019/20 or 2020/21 depending on when construction commences.

5 Options Considered

- 5.1 Option 1: Do not provide a grant or interest free loan. This option is not recommended as it will have a detrimental impact on the deliverability of the Fakenham Extra Care scheme. The scheme is required to meet the housing and care needs of older people in the Fakenham area.
- 5.2 Option 2: Provide grant funding or an interest free loan of up to a maximum of £425,000 to address the gap in funding needed to achieve the delivery of the Fakenham Extra Care scheme.

6 Conclusions

- 6.1 Norfolk County Council has identified a need for more Extra Care properties in North Norfolk with an extra 486 individual properties required by 2028. The Strategic Housing Team have been working for some time to deliver an Extra Care scheme in Fakenham and in 2016 planning consent for a scheme of 66 Extra Care flats on Trinity Road was granted. Unfortunately, delivery of the Extra Care scheme stalled due to uncertainty around the rent regime which would apply to the scheme if built.
- 6.2 When sufficient clarity on the rent regime emerged, work to deliver the Extra Care scheme resumed and as part of this a number of changes to the design of the scheme to ensure that it is the optimum design to meet the current and future needs of residents have been made. The costs of delivering the scheme are now known and it has been identified by Housing and Care 21 (the Registered Provider which will deliver and own the scheme) that the level of grant funding needed is at a level which will be extremely unlikely to be met by Homes England. As a result, Housing and Care 21 have asked the Council and Norfolk County Council if they can provide funding to support the delivery of the scheme.
- 6.3 Whilst the Council no longer provides grant funding, the provision of grant funding or an interest free loan will significantly enhance the deliverability of this scheme. The maximum funding the Council is being asked to provide is £425,000 but as the request for financial assistance has also been made to Norfolk County Council, the amount of funding required may be less than £425,000. Overall the provision of funding as a grant or interest free loan, in this case, is considered appropriate.
- 6.4 This report therefore recommends that the Council agrees to provide a grant or interest free loan to Housing and Care 21 of up to a maximum of £425,000.

7 Sustainability

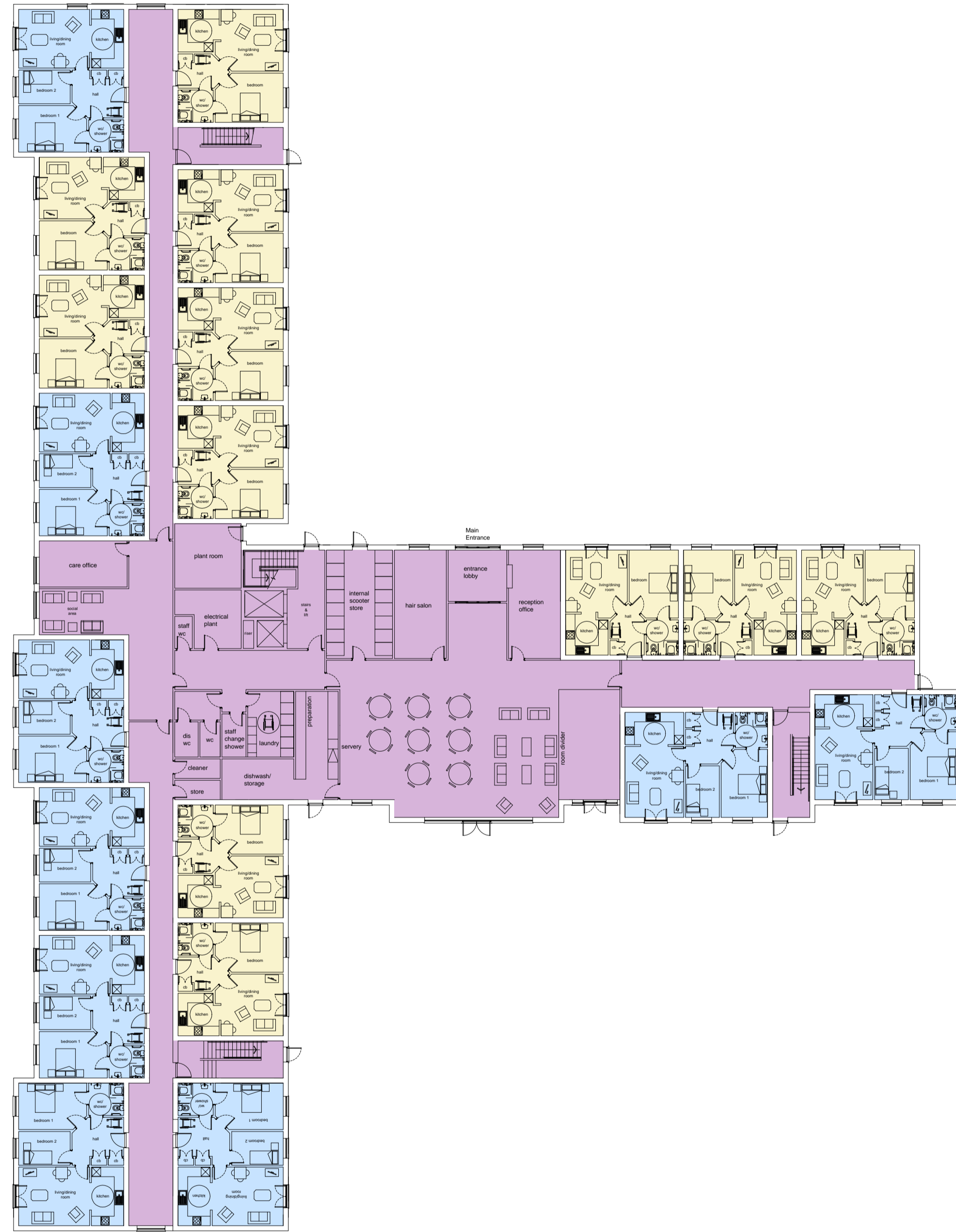
7.1 This report does not in itself raise any issues of sustainability. However, the Extra Care scheme will be constructed in accordance with current building regulation requirements.

8. Equality and Diversity

8.1 There are no equality and diversity implications directly associated with this report. It is however, noted, that the provision of an Extra Care scheme in Fakenham will provide specifically designed accommodation which is not otherwise available to meet the needs of older and disabled residents.

9 Section 17 Crime and Disorder considerations

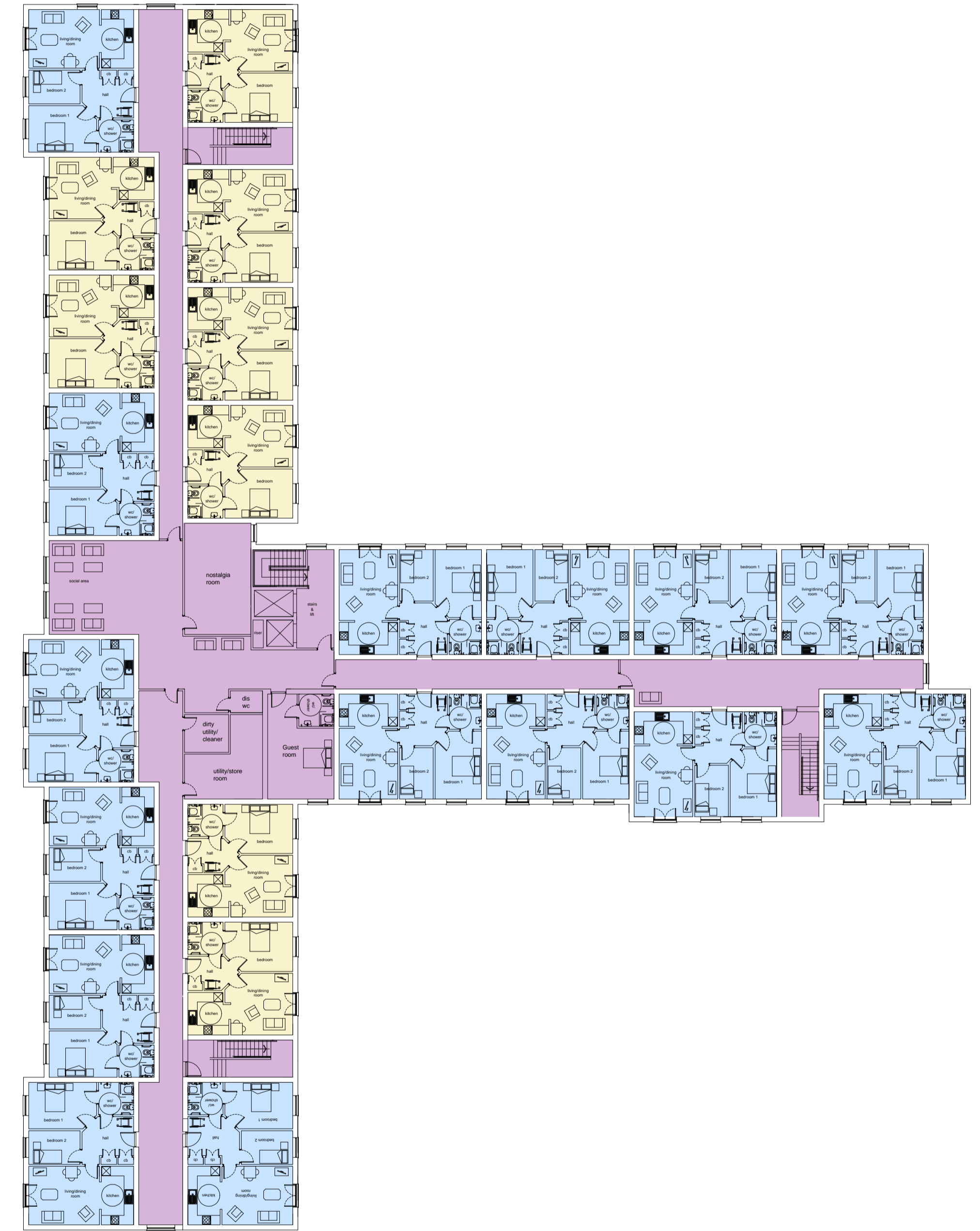
9.1 There are no Section 17 implications directly associated with this report.



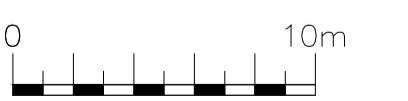
GROUND FLOOR
GIA 2198m²
Common area 846m²
9 x 2 bed
11 x 1 bed



FIRST FLOOR
GIA 2198m²
Common area 560m²
15 x 2 bed
8 x 1 bed



SECOND FLOOR
GIA 2198m²
Common area 560m²
15 x 2 bed
8 x 1 bed



Public Convenience Strategy

Summary: This report outlines proposals to improve the standard and quality of the District Council's public conveniences as a key element of the district's local infrastructure. The report presents a number of options to improve the public convenience service and makes a number of recommendations for a programme of phased capital works to provide new, replacement and remodelled facilities over a five-year period.

Options considered: Do nothing

Explore transfer of public convenience provision to town and parish councils

Introduce charges

Invest in making improvements to the quality of the public convenience portfolio

Conclusions: The report makes a number of recommendations proposing investment in new and improvements to existing public conveniences in the District recognising their importance as key local infrastructure used by local residents and tourist visitors to North Norfolk.

Recommendations: That Cabinet resolves:-

1. To adopt the report as a statement of the Council's intent in wishing to provide good quality public toilet facilities in locations across the District, recognising that such facilities are key local infrastructure and support the District's thriving tourism economy; building on the District's reputation as "a better place".

2. That Cabinet approves a first phase of programmed works to include:-

- re-provision (rebuild) of the following facilities:-
- Stearmans Yard, Wells-next-the-Sea.
- Lusher's Passage, Sheringham.

Significant upgrades (to include re-modelling of facilities within the existing buildings) of the following facilities:-

- Queens Road, Fakenham
- New Road, North Walsham

A programme of refurbishment (to include deep clean of facilities, upgrading of lighting and internal and external redecoration, provision of new signage of the following facilities:-

- **Coast Road, Bacton**
- **Coast Road, Walcott**

Provision of new or significantly improved facilities at West Runton Beach Access and Cart Gap, Happisburgh as previously proposed as part of the Deep History Coast initiative and for which funds have previously been identified

That Cabinet recommends to Full Council:-

- 1. That a capital budget be established of £600,000 to fund Phase 1 of the Public Convenience Strategy, to be financed from the Invest to Save Reserve.**

Reasons
Recommendations: Sound management of the Council’s portfolio of public conveniences to provide high quality facilities in support of the District’s economy and reputation as “a better place”

Cabinet Member(s)	Ward(s) affected:
Cllr Richard Price	Most wards in the District

Contact Officer, telephone number and email:

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steve.blatch@north-norfolk.gov.uk

1.0 Background:-

- 1.1 North Norfolk District Council owns and operates 39 public conveniences in locations across the District and, against a trend of local authorities withdrawing from such provision due to increasing budget pressures, has maintained the number of facilities it provides, such that it has one of the largest stock of public convenience facilities of any local authority in the country (see Appendix 1 for comparisons).
- 1.2 Despite the financial constraints faced by all local authorities, North Norfolk District Council regards the provision of public conveniences as a key area of public service provision and local infrastructure, which is important to local residents and visitors to the District, underpinning the District’s tourism and town centre economies.
- 1.3 Cabinet has recently expressed a wish to improve the quality of public conveniences provided by the authority and has asked officers to advise on opportunities to develop a programme of improvements to include re-provision of some facilities through new build or major re-modelling of existing facilities, through to a more modest programme of deep cleaning, updating and re-decorating other facilities.
- 1.4 At the same time, the Council’s Overview and Scrutiny Committee has requested information regarding the current operation of the public conveniences provided by the authority to gain a better understanding of costs, cleansing regimes, opening hours etc.

1.5 This report therefore seeks to bring together these two pieces of work and provide the basis for the future allocation of resources, both capital and revenue, and possible revisions to operating arrangements – ie. opening hours, cleansing arrangements etc, with the objective of improving the standard and quality of the public conveniences provided by the Council, in support of the Council's Corporate Plan aspirations around supporting the local economy and vibrant communities whilst delivering quality, value for money services.

2.0 Current public convenience provision:-

2.1 North Norfolk District Council provides 39 public conveniences in locations across the District – including in seafront areas, public car parks, town and village centres and rural locations along the coast and within the Broads. A list of the public conveniences operated by the Council detailing location, type of facilities and opening hours is attached at Appendix 2 of this report.

2.2 The Council has, in recent years, attempted to improve the quality of its public convenience facilities as opportunities have presented themselves, particularly through siting new facilities alongside or within other facilities so as to provide passive surveillance and reduce incidents of vandalism and anti-social behaviour – such as at the North Norfolk Information Centre, Cromer Pier and Rocket House and the West Prom in Cromer and through the transfer of land at Station Approach, Sheringham to the North Norfolk Railway which is better placed to manage such facilities and extend opening hours around events etc.

2.3 However, this programme has not taken a strategic approach in seeking to improve facilities in locations across the district as a whole, such that the facilities in a number of locations, particularly the towns of Sheringham, Wells, Fakenham and North Walsham; together with some facilities at rural beach locations such as Bacton, Walcott and West Runton; are quite dated and modest in their provision.

2.4 Further, a number of facilities in the main tourist areas have seen a significant increase in use over recent years as the appeal of the District has increased, meaning that the capacity of the facilities is no longer considered to be sufficient to meet levels of use / demand, resulting in the Council incurring rising costs in servicing these blocks, in terms of cleansing and also more fundamentally in terms of blocked and failing sewer pipework servicing some facilities – this has particularly been the case with the facilities at Beach Road, Wells-next-the-Sea and The Leas in Sheringham.

2.5 In addition, there are increasing expectations around the provision of accessible toilets for people with a variety of disabilities and conditions, as well as demands for specialist Changing Places facilities with hoists for people with severe disabilities. At its meeting of October 2017 the Cabinet stated that it would wish to try to provide a Changing Place facility in each of the District's seven principal towns – either directly or in partnership with a private provider or the third sector, so as to meet this specialist need and increase the attraction of the District to all visitors.

2.6 There are also growing demands for gender-neutral toilets and the Council has made provision of such units in new toilets provided at Cromer West Promenade and Sheringham East Promenade, allowing easier maintenance and servicing as it is possible to close a single cubicle unit rather than a whole block in the event of vandalism, blockage, flooding etc.

2.7 Sadly some public convenience facilities are subject to mis-use including vandalism and anti-social behaviour, despite attempts at target hardening facilities and restricting opening hours of the facilities where such incidents occur. At other locations, such as a number of facilities in Cromer and the Station Approach toilets in Sheringham, the

Council and local partners (ie North Norfolk Railway) have incorporated public conveniences within other tourist facilities, which has reduced levels of vandalism through increased levels of oversight and allowed a higher standard of provision to be maintained.

- 2.8 However, the biggest challenge in providing a high standard of provision, particularly regular cleansing and servicing, is the cost of the servicing contract, where there are some issues of choice for the Council in terms of the contract specification. This contract would not generally allow the same standard of provision to be maintained compared to similar facilities in pubs, supermarkets and tourist attractions, as it is not considered possible to staff all the facilities operated by the Council, whatever the level of aspiration by the Council to improve the standard of provision. Some local authorities have introduced staffed facilities or charges in order to maintain a good quality public toilet service, but it is not believed that this would be a sustainable position in North Norfolk across a large number of facilities with differential levels of use based on location, season etc. The Council's position at this time therefore is to consider the extent to which it can improve the quality of the facilities through adopting new design features, improved cleansing regimes and reviewing opening / closing arrangements and hours, as detailed in Section 4 below.

3.0 Current service costs:-

- 3.1 The cost of the public convenience service to the Council over the past three years is shown in the table below, and the budget for 2018/19 is £722,000; including capital charges and support service costs.

Public Convenience Expenditure

	2015/16	2016/17	2017/18
	£000	£000	£000
Annual Cost including Capital and Internal Support Charges	669	653	707

- 3.2 The current public convenience cleansing contract is fulfilled by Kier, as part of the wider waste, recycling and cleansing contract let by the Council. The public convenience element of the contract involves the opening and closing of public conveniences on a daily basis and includes fault reporting which is then either dealt with by the Council's own internal maintenance team or contracted out to local suppliers as required under the guidance of the Property team.
- 3.3 The Property team is currently in the process of tendering for a package of small-scale works, which would help to pick up issues with public conveniences if there are capacity issues, or the scale of works is too large for the team internally.
- 3.4 Prior to Cabinet advising that they wished to see investment made in the quality of the public convenience provision, the Asset Strategy Manager had proposed commissioning condition surveys of the entire public convenience portfolio, in order to inform future asset management, maintenance and investment priorities. A tender document has been prepared to invite suitably qualified contractors to undertake surveys of all of the

Council's public convenience assets, which it was proposed would inform a future five-year investment programme to update our facilities.

- 3.5 An ongoing cost which the authority incurs in respect of public convenience provision is the cost of business rates for what are essential public facilities. Officers would therefore propose that the Council lobbies the Government regarding the possibility of business rate charges being removed from public conveniences.

4.0 Future service delivery options:-

- 4.1 In wishing to see the provision of improved public conveniences across the District a number of options could be considered by the Council, including:-

- Improving the physical environment of the existing public conveniences through the provision of better hand-driers, soap dispensers, mirrors, pegs for bags / coats, air-fresheners – involving some additional costs
- Increase cleansing / servicing frequency through new contract specification. This would be at an increased cost to the Council
- Electronic closing – estimated investment cost of £100,000; but saving of approx. £50,000 per annum as contractors would not need to visit each block to open and lock up each day. Installation of such equipment would also allow monitoring of the levels of use of each block, potentially informing future investment programme / new build provision or closure of facilities.
- Consider the introduction of charges at some or all sites – many other high-profile tourist areas have introduced charges to maintain or improve the quality of public convenience provision – Lake District, Cornwall, Scarborough Borough Council, Highland Council on Loch Ness. Charges could be introduced at a small number of high use facilities which offer a high quality “staffed” facility; but this is not seen as a sustainable proposal in wishing to see improved quality provision across the whole of the Council's public convenience portfolio.
- Out-source the operation of some facilities to town and parish councils – many local authorities have passed responsibility for the future provision of public conveniences to local communities and town and parish councils – some involving asset transfers, others under service level agreements. However, it is not believed that economies of scale would be realised under such an arrangement and therefore this option has not been considered further at this time, given the Cabinet's aspiration to see improved provision across the District as a whole.
- Update stock – either through internal refurbishments or development of new facilities which, through design, are easier to clean and maintain through modern flooring, wall and cubicle panels; reduced use of tiles; new sanitary-ware with limited visible piping and servicing etc. Such a programme of investment would also allow introduction of passive lighting and environmental measures to reduce costs.
- The Council restates its commitment to either direct or supported provision of Changing Place facilities in each of the District's principal towns in a location, which is served by public parking and accessible to main attractions and retail areas.

5.0 Provisional programme of improvements

5.1 With a portfolio of 39 public conveniences it will clearly not be possible for the Council to take forward a comprehensive programme of improvements to all its facilities at the same time based on capacity and cost. Some prioritisation of works will therefore be required and it is suggested that the Council makes a commitment to deliver a programme of improvements over a five-year period.

5.2 Initial Phase 1 proposals are therefore detailed below:-

- **re-provision (rebuild/remodelling) of the following facilities:-**
 - **Stearmans Yard, Wells-next-the-Sea** – this currently dated block of toilets is located in the centre of the NNDC Stearmans Yard public car park. The District Council operates three public convenience facilities in Wells-next-the-Sea, all of which are now quite dated and unable to meet the increased numbers of users / tourists visiting the town. Both the Beach Road and Newgates Lane facilities occupy constrained sites; whilst the Stearmans Yard site is a principal point of arrival for many visitors to the town and redevelopment of these facilities through a new build proposal could incorporate new and increased provision, as well as a Changing Place facility which the District Council previously suggested providing close to The Maltings complex. However, this proposal was not supported by Wells Town Council and the District Council has responded to these concerns by proposing to incorporate such a facility in the proposed provision of new toilets on the Stearmans Yard car park which provides dedicated Blue Badge parking spaces and can provide relatively safe, level access to the quay, Staithe Street and The Buttlands.
 - **Lusher's Passage, Sheringham** – this currently dated block of toilets is located in the centre of Sheringham towards the northern end of the High Street, set back a short distance from the central promenade area and close to amusement arcades, ice-cream shops and tourist shops. Other public convenience facilities in Sheringham exist on Station Approach (operated by the North Norfolk Railway); The Leas (West Promenade) and the East Promenade. Re-provision/re-modelling of these well-used central facilities through demolition of the existing building and redevelopment with a new building would provide better space utilisation on this constrained site at the centre of the town's tourist area.
- **Significant upgrades (to include re-modelling of facilities within the existing buildings) of the following facilities:-**
 - Queens Road, Fakenham
 - New Road, North Walsham
- **A programme of modest refurbishment (to include deep clean of facilities, upgrading of lighting and internal and external redecoration, provision of new signage) of the following facilities:-**
 - Coast Road, Bacton
 - Coast Road, Walcott
- **Provision of new or significantly improved facilities at West Runton Beach Access and Cart Gap, Happisburgh as previously proposed as part of the Deep History Coast initiative.**

6.0 Financial Implications and Risks:-

- 6.1 While £600,000 is a significant amount to invest in a non-statutory service there is an expectation from residents and visitors alike that there is good provision of public conveniences across the District.
- 6.2 However, this level of investment will see a significant improvement to a number of public convenience facilities provided by the Council across the District and will have a beneficial impact in terms of ongoing revenue costs and reactive works, which are far more costly by their very nature than planned works. The improved facilities will be more efficient to operate and there are opportunities outlined within this report, such as the automatic closing, that can be considered in the future in terms of further efficiencies. It is therefore recommended that these works be funded through the Invest to Save Reserve.
- 6.3 There is a risk that if the Council does not invest in these assets that the buildings and facilities will continue to deteriorate leading to increased responsive maintenance costs, undermining the Council's reputation and ambition as a quality tourism destination of choice.

7.0 Sustainability:-

- 7.1 It would be proposed that any development of new build facilities or major refurbishment of existing facilities would incorporate sustainable development principles of passive lighting, low water and energy use, reducing the ongoing revenue costs associated with the service.

8.0 Equality and Diversity:-

- 8.1 It would be proposed that any development of new build facilities or major refurbishment of existing facilities would incorporate enhanced provision of inclusive facilities such as improved accessible toilets (including Changing Places facilities in each of the District's principal towns); gender-neutral facilities and baby-changing facilities.

9.0 Section 17 Crime and Disorder considerations:-

- 9.1 It would be proposed that any development of new build facilities or major refurbishment of existing facilities would incorporate features designed to reduce vandalism and anti-social behaviour often associated with public toilets.

APPENDIX 1 - LOCAL AUTHORITY PUBLIC TOILETS

LOCAL AUTHORITY	NUMBER OF PUBLIC TOILETS AND INFORMATION
NORTH NORFOLK	39
Norfolk and Suffolk authorities	
Breckland	9
Broadland	5
East Suffolk (Waveney and Suffolk Coastal)	62 (2 Changing Places both in Felixstowe)
Great Yarmouth	18 + 1 Changing Place (transfer of some to parish councils)
Ipswich	19
King's Lynn & West Norfolk	20
Mid Suffolk / Babergh	15
Norwich	6 city centre, 12 in parks
St Edmundsbury / Forest Heath	11 (9 in St Edmundsbury and 2 in Forest Heath)
South Norfolk	5 (divestment strategy transfer to parish councils)
Other district authorities with strong tourism offer	
Allerdale	9
East Devon	27 (cleaned / serviced 3 x day summer, 2 x day winter)
East Lindsey	24
Eastbourne / Lewes	20 Eastbourne / 16 Lewes
Fylde / Wyre	12 Fylde / 20 Wyre (20p charge – operated by Danfo)
Harrogate	24
Lancaster	19 (includes Morecambe - operated by Danfo)
Purbeck	4 (plus community provision)
Scarborough	45 (6 of which have been transferred to Whitby Town Council and operated by Danfo Ltd)
South Hams	15? (With a 20p charge)
South Lakeland	? (many transferred to parish councils with charges)
Teignbridge	22
Tendring	32
West Dorset	26
Weymouth	19
Unitary authorities with strong tourism offer	
Blackpool	17
Cornwall	14 (transfer to parish councils, charging at busy sites)
East Yorkshire	35
Northumberland	52 plus 13 parish council operated
Torbay	28

NNDC PUBLIC CONVENIENCES

Town/Parish	SITE_NAME	Address	Opening Hours	Accessible	Baby Change
Bacton	PC Bacton Coast Road	Public Conveniences, Coast Road, Bacton, NR12 0AA	November - Mid March: Weekends; Mid March - October: Daily (locked at 7pm)	Yes	No
Blakeney	PC Blakeney Quay	Blakeney Point, The Quay, Blakeney, NR25 7NF	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 9pm)	Yes	Yes
Cromer	PC North Lodge Park	North Lodge Park, Overstrand Road, Cromer, NR27 0AH	November - Mid March: Daily (locked at 6pm); Mid March - October: Daily (locked at 8pm)	No	Yes
Cromer	PC Rocket House	Rocket House Cafe, Promenade, Cromer	All year (locked at Cafe closing)	Yes	Yes
Cromer	NNIC PC	North Norfolk Information Centre, Loudon Road, Cromer, NR27 9EE	November - Mid March: Daily (locked at 6pm); Mid March - October: Daily (locked at 8pm)	Yes	Yes
Cromer	PC Cadogan Road	Cadogan Road, Cromer, NR27 9HT	November - Mid March: Daily (locked at 6pm); Mid March - October: Daily (locked at 8pm)	Yes	Yes
Cromer	PC Cromer Pier	The Pier, Promenade, Cromer, NR27 9HE	November - Mid March: Daily (locked at 6pm); Mid March - End of August: Daily (locked at 9pm); September - October: Daily (locked at 8pm)	Yes	Yes

Cromer	PC West Promenade Cromer	(West Prom), Promenade, Cromer, NR27 9HE	November - Mid March: Daily (locked at 6pm); Mid March - End of August: Daily (locked at 9pm); September - October: Daily (locked at 8pm)	Yes	Yes
Cromer	PC Runton Road	Runton Road, Cromer, NR27 9AU	November - Mid March: Weekends; Mid March - October: Daily (locked at 9pm)	Yes	Yes
East Runton	PC East Runton	Beach Road, East Runton, NR27 9PA	November - December: Daily (locked at 5pm); January - Mid March: Closed; Mid March - October: Daily (locked at 8pm)	Yes	Yes
Fakenham	PC Bridge Street Fakenham	Bridge Street, Fakenham, NR21 9AG	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 6pm)	Yes	Yes
Fakenham	PC Highfield Road	Highfield Road, Fakenham, NR12 9DH	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 6pm)	Yes	No
Fakenham	PC Queens Road	Queens Road, Fakenham, NR21 8BS	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 6pm)	Yes	No
Happisburgh	PC Cart Gap	Cart Gap Road, Happisburgh, NR12 0QL	Mid March - October: Daily (24hrs)	Yes	No
Hickling	PC Hickling Staithe	Staithe Road, Hickling, NR12 OYJ	All Year: Daily (24hrs)	Yes	Yes

Holt	PC Albert Street	Albert Street, Holt, NR25 6HX	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 6pm)	Yes	Yes
Holt	PC Holt Country Park	Norwich Road, Holt, NR25 6SW	All Year: Daily (24hrs)	Yes	Yes
Horning	PC Swan Hotel Car Park	Lower Street, Horning, NR12 8AA	All Year: Daily (24hrs)	Yes	No
Hoveton	PC Station Road	Station Road, Hoveton, NR12 8UT	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 7pm)	Yes	Yes
Ludham	PC Ludham Bridge	Ludham Bridge, Ludham, NR29 5NX	November - Mid March: Weekends; Mid March - October: Daily (24hrs)	Yes	Yes
Ludham	PC Womack Staithe	Horsefen Road, Ludham, NR29 5QE	November - Mid March: Closed; Mid March - October: Daily (24hrs)	Yes	Yes
Mundesley	PC Marina Road/Beach Road	Marina Road Public Conveniences, Beach Road, Mundesley, NR11 8BG	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 8pm)	Yes	Yes
Mundesley	PC Mundesley Promenade	Beach Road, Mundesley, NR11 8BQ	November - Mid March: Closed; Mid March - October: Daily (locked at 8pm)	Yes	Yes
North Walsham	PC New Road	New Road, North Walsham, NR28 9DE	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 6pm)	Yes	Yes
North Walsham	PC Vicarage Street	Vicarage Street, North Walsham, NR28 9DQ	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 6pm)	Yes	Yes
Overstrand	PC Overstrand Promenade (Seasonal)	Promenade, Overstrand, NR27	Seasonal	No	No

Overstrand	PC Pauls Lane Car Park	Pauls Lane, Overstrand, NR27 0PF	November - Mid March: Weekends; Mid March - October: Daily (24hrs)	Yes	Yes
Potter Heigham	PC Bridge Road Potter Heigham (adj QD s	Bridge Road, Potter Heigham, NR29 5JD	End of October - mid March: Daily (locked at 5pm), mid March - end of October: Daily (locked at 8pm)	Yes	Yes
Sea Palling	PC Beach Road, Sea Palling	Beach Road, Sea Palling, NR12 0AL	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 8pm)	Yes	Yes
Sheringham	PC The Lees & Archway	The Lees, 2 The Promenade, Sheringham, NR26 8LG	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 8pm)	Yes	Yes
Sheringham	PC Lushers Passage	Public Conveniences,High Street,Sheringham,NR26 8JP	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 8pm)	Yes	Yes
Sheringham	PC East Promenade Sheringham	The Promenade, Sheringham, NR26 8BH	All year: Daily (locked at 8pm)	Yes	Yes
Stalham	PC High Street Stalham	High Street, Stalham, NR12 9BB	All Year: Daily (locked at 5pm)	Yes	No
Walcott	PC Walcott Coast Road	Coast Road, Walcott, NR12 0AP	All Year: Daily (locked at 7pm)	Yes	No
Walsingham	PC High Street Walsingham	Adj 46 High Street, Walsingham, NR22 6AA	All Year: Daily (24hrs)	No	Yes
Wells-next-the-Sea	PC Wells Quay	The Quay,Beach Road, Wells next the Sea, NR23 1DR	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 8pm)	Yes	Yes

Wells-next-the-Sea	PC Stearmans Yard	Freeman Street, Wells-next-the-Sea, NR23 1BW	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 8pm)	No	No
Wells-next-the-Sea	PC Newgate Lane	Newgate Lane, Wells-next-the-Sea, NR23 1DT	November - Mid March: Daily (locked at 5pm); Mid March - October: Daily (locked at 8pm)	Yes	No
West Runton	PC West Runton	The Gangway, Water Lane, West Runton, NR27 9QP	November - Mid March: Closed; Mid March - October: Daily (24hrs)	No	No

APPOINTMENT OF LEGAL REPRESENTATIVE(S) IN RELATION TO DEVELOPMENT CONSENT ORDER APPLICATIONS FOR ØRSTED HORNSEA PROJECT THREE, VATTENFALL VANGUARD AND VATTENFALL BOREAS OFFSHORE WINDFARM SCHEMES

Summary: The purpose of this report is to seek approval to appoint Counsel to represent North Norfolk District Council during examination stages of three Development Consent Order applications affecting North Norfolk

Options considered:

- Appointing Counsel to maximise the success during examination stage for the Council.
- Not appointing Counsel recognising that this will place additional work burdens/pressures on existing Officers of the Council to put forward the Council's case at DCO examination stage to the detriment of other service activities and priorities.

Conclusions: The Council are aware of three Nationally Significant Infrastructure Projects in the form of off-shore windfarm proposals that will impact upon residents and businesses in North Norfolk District. Responding to the formal stages of the Development Consent Order processes will represent a significant pressure for the Council, alongside existing and anticipated planning workloads and it is therefore proposed to appoint a barrister to represent the District Council at the formal enquiry stages of these major infrastructure developments. Given, the high quality of work previously undertaken for the Council in planning appeal and enquiry cases, it is recommended that existing standing orders are set aside and that Estelle Dehon of Cornerstone Barristers is approached to represent the Council in respect of these three NSIP projects.

Recommendations:

1. **That Cabinet authorises the setting aside of standing orders in order to allow the appointment of Estelle Dehon from Cornerstone Barristers.**
2. **In the event that Ms Dehon is unable to take on this appointment then the opportunity should be opened up for competitive tender in accordance with normal standing orders for projects of circa £50-80k**

Reasons for Recommendations: Estelle Dehon has represented the Council to a very high standard on a number of planning matters and, in the process, has developed a positive working relationship with officers. Ms Dehon also has good

knowledge of the District and has developed a sound understanding of the key characteristics of North Norfolk and the strong commitment this Council has to ensuring those key characteristics are maintained. Appointment of Ms Dehon would de-risk this activity and increase the likelihood of a successful outcome for the Council.

Cabinet Member(s) Cllr Sue Arnold	Ward(s) affected High Heath, Corpusty (Hornsea Project Three) Happisburgh, Waxham, North Walsham North, North Walsham West, Gaunt, Worstead, Erpingham (Vattenfall Vanguard & Boreas)
<p>Contact Officer, telephone number and email:</p> <p>Geoff Lyon, Major Projects Manager 01263 516226 geoff.lyon@north-norfolk.gov.uk</p> <p>Steve Blatch, Corporate Director and Head of Paid Service, 01263 516232 steve.blatch@north-norfolk.gov.uk</p>	

1. Introduction

- 1.1 Three Nationally Significant Infrastructure Projects (NSIP) have or are in the process of being prepared and submitted for offshore wind farm developments whose cable routes and associated development will affect land within North Norfolk District. These are:
- Ørsted - Hornsea Project Three (submitted)
 - Vattenfall – Vanguard (submitted); and
 - Vattenfall – Boreas (at pre-application stage)
- 1.2 These Nationally Significant Infrastructure projects are submitted to the Planning Inspectorate for Development Consent Order to be decided by the Secretary of State for Business, Energy and Industrial Strategy. This process involves NNDC as a statutory consultee.
- 1.3 North Norfolk District Council have up until this stage of the consultation processes made ‘relevant representations’ in relation to these projects which enables the Council to take an active part in the Development Consent Order process.
- 1.4 A key part of the Development Consent Order process will involve examination of the individual projects, likely to be arranged on a topic basis but the exact mode of examination will be determined by the Planning Inspectorate at Pre-examination stage.
- 1.5 In order for the Council to have a strong and effective voice at examination stage, it is recommended that the Council appoints a legal representative to put forward the Council’s position.

2. Appointing Legal Representative(s)

- 2.1 Whilst the exact format of the examination of these three projects remains to be determined by the Planning Inspectorate, it is recommended that the Council sets aside a budget of circa £50k - £80k for the appointment of legal representatives to present the Council's case. Whilst one of the projects is free-standing (Ørsted Hornsea Project Three), the projects by Vattenfall (Vanguard & Boreas) run side by side and will have many similar issues which means that the likely cost at examination could be reduced (particularly for the Boreas project).
- 2.2 The Council will seek to establish whether the full or substantive costs accrued by the Council in taking an active part in these NSIP projects can be recovered from the respective applicants through formal agreement such as Planning Performance Agreement (PPA) or other means.
- 2.3 Whilst there are specific standing orders for appointing contractors working on the Council's behalf, given the relatively complex nature of the Nationally Significant Infrastructure Projects it is considered important to ensure any appointee in to this role has a good understanding of the issues presented by these projects and how they will impact (either positively or negatively) on the District of North Norfolk.
- 2.4 The Council, as a Local Planning Authority, has previously appointed Counsel in relation to a number of planning Public Inquiries, and statutory and judicial review challenges in the High Court and Court of Appeal. These include cases related to onshore turbines. Whilst the NSIPs are of a different order of magnitude to current onshore turbine cases in North Norfolk, a number of the basic issues and principles are nonetheless similar.
- 2.5 With this in mind it is recommended that existing standing orders are set aside and that the Council invites Estelle Dehon of Cornerstone Barristers to represent the Council on these three NSIP cases. The reasons for setting aside standing orders and approaching Ms Dehon are that she has represented the Council to a very high standard on a number of planning matters and, in the process, has developed a positive working relationship with officers. Ms Dehon also has good knowledge of the District and has developed a sound understanding of the key characteristics of North Norfolk and also understands the strong commitment this Council has to ensuring those key characteristics are maintained including those relating to heritage, landscape and ecology matters.
- 2.6 If, for whatever reason, Ms Dehon is unable to assist the Council in these matters then the opportunity should be opened up for competitive tender in accordance with normal standing orders for projects of circa £50-80k.

3. Alternative Options

- 3.1 Up to this point in time the Council has taken an active part in commenting on the development of these three NSIP proposals as they impact on North Norfolk primarily at the pre-application stages through consideration of Preliminary Environmental Information Reports for Ørsted Hornsea Project Three and Vattenfall Vanguard. This has included attendance at meetings

and drafting of cabinet reports. This has been led by the Major Projects Manager and Corporate Director and Head of Paid Service with specialist, technical input of officers in the Coastal, Economic Growth Environmental Health and Landscape, teams. As these projects progress to DCO stage and formal examination, the demand on officer time will increase. Whilst lead officers could continue to take an active part, there is genuine concern that the amount of time required to lead these projects could have a detrimental impact on other workstreams and priorities including a number of important projects that will help to ensure the Council can maintain a five year supply of housing land and support wider economic growth. The alternative option of requiring current lead officers to continue to lead for the Council at examination stage of the DCO process is therefore not recommended.

- 3.2 It is considered that the appointment of a legal representative is appropriate in strongly presenting the Council's case and position in respect of these major NSIP projects, whilst minimising the impact on corporate capacity required to ensure that the Council's own priorities can be met.

4. Conclusion

- 4.1 The Council is aware of three Nationally Significant Infrastructure Projects in the form of off-shore windfarm proposals that will impact upon residents and businesses in North Norfolk District. It is important that the Council can adequately and effectively represent the interests of North Norfolk during the examination stage of the Development Consent Order process and it is considered that the most effective option through which to do this would be to appoint a legal representative to lead at the examination stage(s).
- 4.2 Given, amongst other things, the high quality of work previously undertaken for the Council, it is recommended that existing standing orders are set aside and that Estelle Dehon of Cornerstone Barristers is approached to represent the Council in respect of these three NSIP projects.

5. Implications and Risks

- 5.1 It is considered that the appointment of Estelle Dehon would significantly reduce the risks associated with appointing a different barrister with no prior knowledge of the Council or understanding of the key characteristics of the District.

6. Financial Implications and Risks

- 6.1 Officers recognise the risk of a single preferred bidder leading to an increased cost of the work. The Council are well aware of rates charged by Ms Dehon on other projects on behalf of the Council and will seek to keep those costs to a minimum, commensurate with the work required to be undertaken. An initial estimate of costs will be sought and, if appropriate, a costs cap will be set.
- 6.2 There remains a risk that the Council may not be able to fully recover all or any of its costs from the wind farm developers. In the event of this happening then the costs of appointing a legal representative would need to be covered from the New Homes Bonus reserve up to a maximum of £80k.

7. Sustainability

7.1 There are no direct sustainability issues arising from this report.

8. Equality and Diversity

8.1 There are no direct equality and diversity issues arising from this report.

9. Section 17 Crime and Disorder considerations

9.1 There are no direct crime and disorder issues arising from this report.

BUDGET MONITORING REPORT 2018/19 – PERIOD 4

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

Options considered: Not applicable

Conclusions: The overall position at the end of July 2018 shows an underspend of £218,877 to date for the current financial year on the revenue account, this is currently expected to deliver a full year underspend of £353,027.

Recommendations: **It is recommended that:**

- 1) Cabinet note the contents of the report and the current budget monitoring position;**
- 2) Cabinet agree to the release of £400,000 from the Capital Projects Reserve to fund the required works to the pier;**
- 3) Cabinet agree to waive Standing Orders to allow UK Industrial Services to undertake the required works to the pier**

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

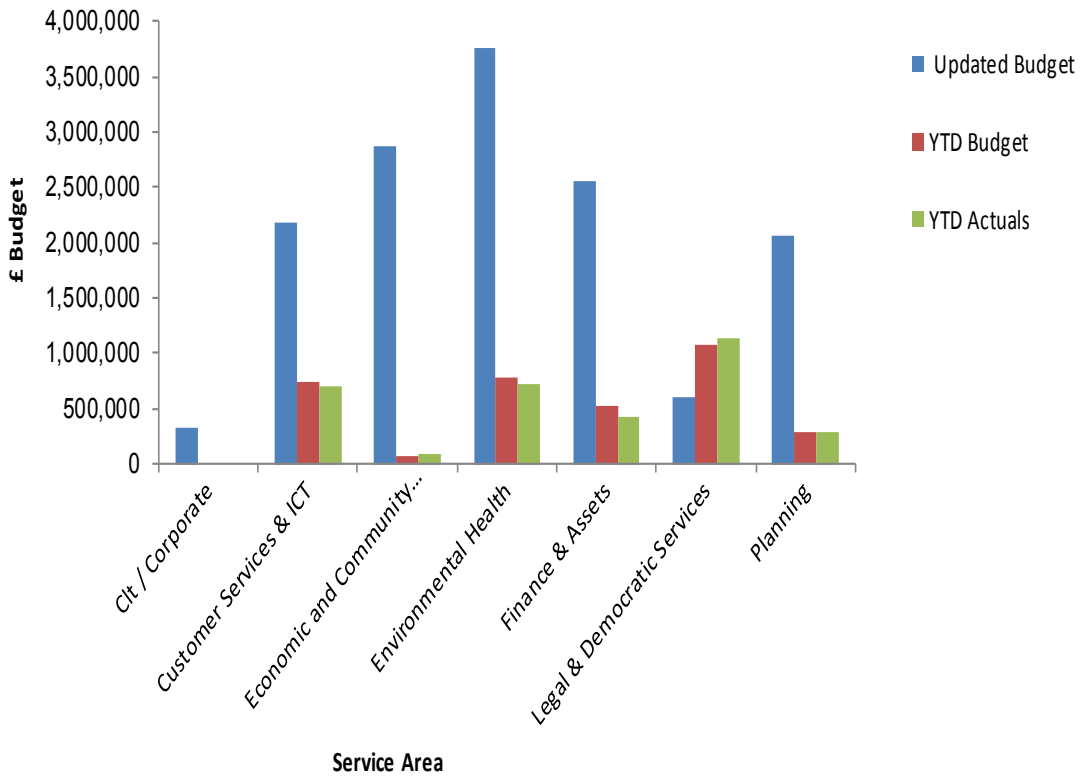
This report compares the actual expenditure and income position at the end of July 2018 to the Updated budget for 2018/19. The Original Base Budget as agreed by Full Council in February 2018 has been updated by approved budget virements.

- 1.2 The base budget for 2018/19 included savings and additional income totalling £710,065 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 July 2018 which shows a year to date variance of £218,877 underspend against the updated budget. Of the underspend £140,391 is in relation to the service variances. Graph 1 below illustrates these variances per service area and Appendix B provides further details of the individual service variances. A net £78,486 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



- 2.2 Variances are reported against the updated budget in the Councils General Fund Summary as show in Appendix A. Any budgets and reserves affected will be updated accordingly.

- 2.3 The following table shows the over/underspend 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
	£	£
Economic and Community Development		
Car parking – (£29,493) car park income higher than anticipated; this has been offset by increased costs including car park signage and business rate payments. The increased business rate costs will be funded from the business rates reserve and will not result in a full year effect.	16,433	0
Markets – £14,614 of the year to date variance relates to increased business rates, this will be funded from the business rates reserve. Market pitch rental is down against the budget but no full year effect is being forecast at the moment.	20,580	0
Sports Centres – (£82,109) Provision in relation to 2017/18 hall hire for which invoices have not yet been received. This has been offset by purchases relating to equipment and stock.	(72,142)	0
Housing Strategy – The current monitoring position shows a favourable variance of (£17,468) in relation to receipts received under the Councils VAT sharing agreement with Victory Housing Association. No full year effect has been included as any surplus will be met by an increased contribution to the Capital Projects reserve. The balance relates to a vacant post within the establishment.	(28,247)	(10,000)
Customer Services and ICT		
Benefits Administration – There are currently two vacant posts within the establishment, recruitment will take place in due course to fill these positions, although turnover is likely to result in a favourable full year effect of £15,000. A number of grants have been received from the Department for Works and Pensions (DWP); these are to support the added burden of undertaking new initiatives and will be offset by increased expenditure.	(64,362)	(15,000)
Homelessness – The current position shows increased expenditure in relation to homelessness prevention support of £26,627 including temporary	(20,389)	0

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget	Estimated Full Year Variance Against Updated Budget
	£	£
<p>accommodation costs and rent deposits. This is offset by benefit subsidy, client receipts and grant income.</p> <p>Contributions totalling £32,564 have been received from Norfolk County Council in respect of Rough Sleeping, Homelessness and Community support.</p>		
<p>Digital Transformation – The year to date variance reflects staffing costs which will be funded from identified savings as part of the digital transformation programme. The budget will be updated to reflect the impact of these savings and additional growth.</p>	19,257	0
Environmental Health		
<p>Waste Collection and Disposal – The main variances contributing to the current position are as follows; (£52,608) Commercial waste disposal, (£67,487) Kier contract payments. Of this almost £50k relates to accruals made at the year end and actual invoices received being lower. (£18,615) Additional income from recycling credit provisions made in 2017/18. £12,200 relates to a provision for a recharge for procurement costs.</p> <p>There is likely to be a full year effect saving of £50k. However, this could be offset by lower garden bin tonnage due to the continued dry weather and as such no firm commitments are being made at this stage. This will be reviewed again at period 6.</p>	(129,043)	(50,000)
Finance and Assets		
<p>Admin Building Services – £18,320 repair and maintenance at Cromer office which includes carpeting and flooring, removal and installation of lighting columns, air conditioning units in the IT server room and reprographics; £5,380 fire damage repairs at the Fakenham office. These works will be funded from the Asset Management Reserve.</p> <p>There is an outstanding service charge relating to 2017/18 which has not yet been settled.</p>	36,832	0
<p>Property Services – The variance at period 4 is attributed to a number of smaller items including, additional staffing costs and professional fees.</p>	18,784	15,000

Table 1 – Service Variances	Over/ (Under) Spend to Date against Updated Budget	Estimated Full Year Variance Against Updated Budget
	£	£
Corporate and Democratic Core – The saving currently showing on this budget head is in relation to employee costs and bank charges.	(15,386)	(10,000)
Planning		
Development Management – (£7,061) Employee costs. £7,167 Enforcement Works, which will be funded from the Enforcement Board Reserve. £59,643 Planning application fee income down; this reflects lower applications received than in the same quarter of 2017/18 - this has been partially offset by income received in relation to pre-application advice. No full year effect has been flagged but the position will continue to be monitored and an update provided as part of the period 6 reporting position.	61,366	0
Conservation Design & Landscape – £29,491 Conservation area appraisals, part of identified funding of £50k to be funded from the General Reserve.	26,602	0
Building Control – Building Control fee income up against the profiled budget - as a self-financing service this current surplus will continue to be monitored and the position adjusted through the Building Control Earmarked Reserve.	(16,595)	0
Property Information – As part of the budget process the Land Charge fee income budget was reduced to reflect the anticipated transfer of some functions to the Land Registry during 2018/19. This is now unlikely to happen this financial year; any net surplus will be transferred to the Land Charges Earmarked Reserve as part of the year end process.	(24,737)	0
TOTALS	(171,047)	(70,000)

3 Budget Monitoring Position – Savings and Additional Income

- 3.1 The budget for 2018/19 includes savings and additional income totaling £710,065. The detail for each of these savings is included at Appendix D. Table 2 below summarises the current position for each of the work streams compared to the budgeted position. This position will continue to be monitored and an update will be provided as part of the period 6 monitoring report.

Table 2 – Savings and Additional Income Budgeted Target for 2018/19 split by work stream	2018/19 Base Budget	2018/19 P4 Monitoring Position	2018/19 Movement from the Base Budget at P4
	£	£	£
Growth – New Homes and Business Rates	0	0	0
Digital Transformation	(110,569)	(110,569)	0
Property Investment and Asset Commercialisation	(160,996)	(160,996)	0
Shared Services and Selling Services	(45,410)	(26,800)	20,000
Collaboration and Localism	0	0	0
Maximising Income and Reducing costs	(93,211)	(93,211)	0
Other Efficiencies and Savings	(299,879)	(247,305)	52,574
Total	(710,065)	(638,881)	72,574

4 Non Service Variances to Period 4 2018/19

Investment Interest

- 4.1 The interest budget for 2018/19 anticipates that a total of £1,158,300 will be earned from treasury investments and interest on a loan to Broadland Housing Association. Overall an average balance of £35.1m is assumed, at an average interest rate of 3.3%.
- 4.2 At the end of period 4, a total of £376,688 had been earned, resulting in a shortfall against the year to date budget of £10,468 (the interest receivable figure on the General Fund Summary includes deposit account interest of £181 and car loan interest of £220 bringing the total interest receivable figure to £377,089 and the year to date variance to £10,892). The average rate of interest achieved was 2.58% from an average balance available for investment of £43.7m. At the year-end this would result in a shortfall against the budget of £23,763. The investment balance is forecast to be above budget but against this the interest rate achieved looks likely to be below the budget figure, based on what has been achieved to period 4.
- 4.3 A total of £26m has been invested in pooled funds which are valued at £27.6m at the end of period 4. Most of the gain is attributed to the LAMIT Pooled Property Fund which is worth £1.6m above the £5m originally invested. The funds investing in equities are currently performing better than the bond funds, which is why the Council has a balanced portfolio with a diverse range of funds investing in different instruments. The Council can expect the valuation of its pooled investments to continue to be volatile, but this is in line with expectations when the investments were placed. The risks inherent in the volatile nature of these investments are mitigated as the Council intends to hold them for the long term.

4.7 Retained Business Rates

There is a favourable variance as at period 4 of £52,460 under the Business Rates Retention Scheme.

The 2018/19 budget was prepared before the NNDR1 was completed which identified an expected additional income of £281,303 above the amount included within the base budget. This equates to £93,768 up to the end of period 4. This variance is reduced by £41,665 which is the amount outstanding from MHCLG in respect of 2017/18 grants which will be paid by the year end, plus a small adjustment in respect of the 2017/18 tariff amount, to arrive at £52,460.

There is a favourable variance at period 4 of £35,599 in respect of the tariff payable to the Ministry of Housing Communities and Local Government (MHCLG). The calculation of the tariff amount for 2017/18 has been revised by MHCLG as a result of revised data from the Valuation Office Agency on the change in rateable values between rating lists. This will result in an additional amount of tariff being payable for 2017/18 resulting in no variance at the year end.

By the end of the year the adjustment to equal the NNDR1 figure will be £281,303. In addition, changes to the NNDR3 figure for 2017/18 following the audit of the Statement of Accounts identified an additional £68,074 in Section 31 grant income. This however will be reduced by an additional levy payable to the business rate pool of £42,704.

Using the period 4 forecasts of reliefs and business rate income, the Section 31 grant income figure compensating the Council for various reliefs to business introduced by the government is forecast to increase by £85,820. The tariff paid to the Business Rate Pool is forecast to increase by £13,129.

The Valuation Office Agency continues to provide limited information on appeals but the effect on the surplus/deficit position on the general fund of any under or over provision made in the Accounts will not impact until 2019/20 due to accounting practices.

The NHS Trust's application for mandatory rate relief continues to work its way through the legal processes, and any impact on the Council cannot be determined at this time.

Overall the forecast is for an additional income under the Business Rate Retention scheme in 2018/19 of £379,364.

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 2018/19	Estimated Movement From Updated Budget £
Service Areas (Table 1)	(70,000)
Investment Interest	23,763
Business Rates	(379,364)
Savings and Additional Income	72,574
Total	(353,027)

6 Budget Monitoring Position – Capital

- 6.1 Total Capital expenditure amounted to £1,132,855 across all projects in the first quarter of 2018/19. Members were provided with an updated Capital Programme for both the current and future years as part of the 2017/18 Outturn Report to Cabinet in June 2018. The Capital Programme has been updated to reflect changes agreed in the first quarter of 2018/19 and can be found at Appendix C. Since the last report to Cabinet the following changes have been made:
- 6.2 Kiosk Improvements – This budget was removed due to the works having been carried out by the tenant rather than NNDC.
- 6.3 Cromer Pier – At the meeting of 3 July 2017 Cabinet approved a rolling programme of survey works, with a detailed initial survey to be undertaken followed by annual top up surveys to better inform future maintenance requirements, budget requirements and works programming. The first years detailed survey has now been completed by the Hemsley Orrell Partnership (HOP) and has identified works of around £900k.

There is already a capital budget established of £275k to undertake various works to the theatre roof and these works have been provisionally scheduled in with Openwide at the start of the next calendar year ahead of the shows starting again in March 2019. However, the structural engineers have recommended that it would be best to schedule the works to the steel structure underneath the theatre area ahead of any works to the theatre roof itself to minimise the risk of any deflection or movement to the roof.

HOP have reviewed the required works and estimated that works under the pier area (to include the decking) total around £350k, so allowing for fees (estimated at 10%) and a small contingency, a capital budget of around £400k is recommended to complete this element of the works.

HOP have advised that with the lead in times for the steel and arranging contractors that it would be necessary to undertake a shortened procurement process in order to get the works completed before January 2019, this would then allow for the theatre roof works to progress as currently programmed. There is however still a risk that, due to weather or other unforeseen issues,

that the works under the pier take longer than expected which could then still impact on the roof works. However the works to the structure could be scheduled so that the key supporting works were undertaken first thereby reducing and mitigating the risk of any delays to the roofing element.

Due to both the timescales and the specialist nature of these works officers are recommending that a direct appointment is made to UK Industrial Services (formerly FPE Global) who have undertaken a number of works on the pier for us previously, including helping the Council to recover from the storm surge damage in both 2013 and 2017. They operate by rope access as opposed to using scaffolding erected underneath the pier which can be extremely costly and is also vulnerable to damage from the winter storms. HOP are undertaking a piece of work to ensure that any price provided by UK Industrial Services for these works represents value for money by comparing their last tender submission to the current market position taking account of inflation, steel prices etc.

There is an option to defer the works to next year but this would also mean delaying the theatre roof works as well which would then mean not completing these works until 2020 and it isn't a case of if these works are undertaken but when so there is little point in delaying them and it is therefore recommended that Cabinet approve the suggested approach outlined above.

7 Conclusion

- 7.1 The revenue budget is showing an estimated full year underspend for the current financial year of £353,027. 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 2018/19 included service savings and additional income totalling £710,065; these are largely still on target to be achieved although there is currently an anticipated full year shortfall of £72,574, The progress in achieving these will continue to be 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 Period 4 2018/19

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitment s £	Remaining Budget £
Net Cost Of Services						
Clf / Corporate	325,223	78,954	91,063	12,109	15,046	219,114
Community, Econ Dev & Coas	2,877,702	743,258	697,109	(46,148)	1,230,552	950,041
Customer Services & ICT	2,179,041	777,238	715,261	(61,977)	286,480	1,177,300
Environmental Health	3,756,682	533,774	428,895	(104,879)	3,345,516	(17,729)
Finance & Assets	2,553,911	1,075,451	1,143,175	67,724	474,140	936,597
Legal & Democratic Services	609,598	294,036	288,618	(5,418)	16,583	304,398
Planning	2,061,807	681,606	679,805	(1,801)	251,004	1,130,998
Net Cost Of Services	14,363,964	4,184,316	4,043,926	(140,391)	5,619,320	4,700,718
Precepts Of Parish Councils	2,210,812	1,105,406	1,105,227	(179)	0	1,105,585
Capital Charges	(1,344,248)	(448,084)	(448,080)	4	0	(896,168)
External Interest Paid	3,500	1,168	25	(1,143)	0	3,475
Interest Receivable	(1,147,384)	(387,981)	(377,089)	10,892	0	(770,295)
Revenue Financing For Capital	1,491,407	0	0	0	0	1,491,407
Retirement Benefits	251,249	0	0	0	0	251,249
Net Operating Expenditure	15,829,300	4,454,825	4,324,008	(130,817)	5,619,320	5,885,972
Contributions To/(From) Reserves						
Asset Management	(104,350)	0	0	0	0	(104,350)
Benefits Subsidy	(12,838)	0	0	0	0	(12,838)
Business Rates	(18,000)	0	0	0	0	(18,000)
Capital Projects Reserve	(747,964)	0	0	0	0	(747,964)
Coast Protection	(20,000)	0	0	0	0	(20,000)
Communities	153,234	0	0	0	0	153,234
Economic Development and Tourism	(20,000)	0	0	0	0	(20,000)
Elections Reserve	40,000	0	0	0	0	40,000
Grants	(96,039)	0	0	0	0	(96,039)
Housing	(14,247)	0	0	0	0	(14,247)
Invest to Save	(582,939)	0	0	0	0	(582,939)
New Homes Bonus	(1,680,944)	0	0	0	0	(1,680,944)
Organisational Development	(4,649)	0	0	0	0	(4,649)
Planning	18,330	0	0	0	0	18,330
Property Investment fund	2,000,000	0	0	0	0	2,000,000
Contributions to/From General Reserve	(258,672)	0	0	0	0	(258,672)
Amount to be met from Government Grant and Local Taxpayers	14,480,222	4,454,825	4,324,008	(130,817)	5,619,320	4,536,894

General Fund Summary Period 4 2018/19

	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitment s £	Remaining Budget £
Collection Fund Parishes	(2,210,812)	(836,535)	(836,535)	0	0	(1,374,277)
Collection Fund District	(5,909,655)	(2,005,628)	(2,005,628)	0	0	(3,904,027)
Retained Business Rates	(4,190,773)	(2,223,104)	(2,311,163)	(88,059)	0	(1,879,610)
Revenue Support Grant	(535,619)	(192,823)	(192,823)	0	0	(342,796)
New Homes Bonus	(1,149,592)	(574,796)	(574,796)	0	0	(574,796)
Rural Services Delivery Grant	(483,771)	(241,885)	(241,886)	(1)	0	(241,885)
Income from Government Grant and Taxpayers	(14,480,222)	(6,074,771)	(6,162,831)	(88,060)	0	(8,317,391)
(Surplus)/Deficit	0	(1,619,946)	(1,838,823)	(218,877)	5,619,320	(3,780,497)

Service Area Summaries P4 20018

Clt / Corporate

Cost Centre	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Human Resources & Payroll	(16,190)	(5,141)	1,943	7,083	7,944	(26,077)
Registration Services	315,863	58,223	60,993	2,770	0	254,870
Corporate Leadership Team	0	8	3,457	3,449	685	(4,142)
Communications	25,550	25,863	24,670	(1,193)	6,417	(5,537)
Total Clt / Corporate	325,223	78,954	91,063	12,109	15,046	219,114

Community, Econ Dev & Coast

Cost Centre	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Health	0	0	(4,773)	(4,773)	0	4,773
Car Parking	(1,671,120)	(608,928)	(592,495)	16,433	125,857	(1,204,482)
Markets	11,141	(39,804)	(19,224)	20,580	2,907	27,458
Parks & Open Spaces	464,718	131,911	114,958	(16,953)	229,499	120,262
Foreshore	181,788	(37,977)	(32,233)	5,744	55,806	158,215
Sports Centres	293,984	72,694	552	(72,142)	75,802	217,630
Leisure Complexes	926,419	333,939	331,506	(2,433)	264,165	330,749
Other Sports	160,610	54,968	60,136	5,168	5,330	95,145
Recreation Grounds	12,278	3,373	3,057	(316)	6,844	2,378
Pier Pavilion	47,238	43,523	52,008	8,485	0	(4,770)
Foreshore (Community)	456,358	203,157	205,629	2,472	228,040	22,690
Woodlands Management	218,869	73,585	75,538	1,953	34,745	108,587
Cromer Pier	46,874	34,679	36,536	1,857	17,300	(6,962)
Economic Growth	269,349	87,323	87,821	498	21,412	160,116
Tourism	122,528	44,481	46,616	2,135	7,107	68,805
Coast Management	602,469	169,774	173,553	3,779	127,728	301,188
Business Growth Staffing	0	12	(529)	(541)	0	529
Economic & Comm Dev Mgt	124,135	35,001	33,884	(1,117)	0	90,251
Leisure	(3,180)	(1,044)	(3,505)	(2,461)	1,370	(1,045)
Housing (Health & Wellbeing)	236,820	78,945	79,274	329	60	157,486
Housing Strategy	312,901	103,540	75,293	(28,247)	24,909	212,699
Community And Localism	64,573	(32,893)	(33,620)	(727)	1,060	97,133
Coastal Management	(1,050)	(7,002)	7,130	14,132	614	(8,794)
Total Community, Econ Dev & Coast	2,877,702	743,258	697,109	(46,148)	1,230,552	950,041

Service Area Summaries P4 20018

Customer Services & ICT

Cost Centre	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Revenue Services	594,044	251,196	251,905	709	14,828	327,311
Benefits Administration	985,838	460,300	395,938	(64,362)	1,197	588,703
It - Support Services	45,340	(10,955)	(4,406)	6,549	96,877	(47,131)
Tic'S	211,839	73,031	71,146	(1,885)	18,508	122,185
Homelessness	343,640	4,982	(15,407)	(20,389)	91,062	267,986
Customer Services Housing	0	12	1,804	1,792	0	(1,804)
Reprographics	(1,210)	(407)	(3,817)	(3,410)	46,373	(43,766)
Customer Services - Corporate	(450)	(929)	(1,167)	(238)	4,852	(4,135)
Digital Transformation	0	8	19,265	19,257	12,783	(32,048)
Total Customer Services & Ict	2,179,041	777,238	715,261	(61,977)	286,480	1,177,300

Environmental Health

Cost Centre	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Commercial Services	453,543	151,188	150,136	(1,052)	8,247	295,160
Internal Drainage Board Levies	386,474	193,205	193,209	4	0	193,266
Travellers	100,854	48,488	50,191	1,703	27,946	22,718
Public Protection	122,298	73,816	70,937	(2,879)	5,219	46,142
Street Signage	37,385	9,124	9,534	410	0	27,851
Environmental Protection	743,062	245,897	255,207	9,310	24,555	463,300
Env Health - Service Mgmt	(4,900)	(6,497)	(4,340)	2,157	18,631	(19,191)
Waste Collection And Disposal	1,143,927	(331,555)	(460,598)	(129,043)	2,783,944	(1,179,419)
Cleansing	595,915	104,984	114,527	9,543	468,084	13,304
Environmental Strategy	13,610	(7,960)	(7,283)	677	7,586	13,307
Community Safety	31,094	10,368	12,070	1,702	0	19,024
Civil Contingencies	133,420	42,692	41,581	(1,111)	245	91,594
Environmental Contracts	0	12	1,907	1,895	544	(2,451)
Combined Enforcement Team	0	12	1,817	1,805	517	(2,334)
Total Environmental Health	3,756,682	533,774	428,895	(104,879)	3,345,516	(17,729)

Service Area Summaries P4 20018

Finance & Assets

Cost Centre	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Industrial Estates	27,319	(1,297)	1,696	2,993	4,178	21,445
Surveyors Allotments	7,150	2,384	2,350	(34)	0	4,800
Handy Man	22,686	12,215	19,556	7,341	0	3,130
Parklands	18,919	(24,086)	(26,226)	(2,140)	300	44,845
Benefits Subsidy	0	0	(1,193)	(1,193)	0	1,193
Discretionary Payments	72,296	35,075	35,099	24	0	37,197
Non Distributed Costs	0	62,811	63,432	621	0	(63,432)
Administration Buildings Svs	89,777	102,175	139,007	36,832	95,901	(145,131)
Property Services	99,914	116,592	135,376	18,784	16,108	(51,570)
Head Of Finance & Assets	0	(32)	(289)	(257)	0	289
Corporate Finance	(4,280)	(1,434)	(4,073)	(2,638)	27,829	(28,036)
Insurance & Risk Management	0	30,101	33,306	3,205	0	(33,306)
Internal Audit	0	(6,254)	(8,926)	(2,672)	55,558	(46,632)
Playgrounds	64,755	15,040	14,059	(981)	3,572	47,124
Community Centres	19,618	6,503	4,622	(1,881)	185	14,811
Public Conveniences	742,475	280,804	294,971	14,167	183,612	263,891
Investment Properties	68,946	11,583	15,976	4,393	18,173	34,797
Central Costs	0	(2,332)	4,216	6,548	6	(4,222)
Corporate & Democratic Core	1,324,336	435,602	420,216	(15,386)	68,717	835,402
Total Finance & Assets	2,553,911	1,075,451	1,143,175	67,724	474,140	936,597

Legal & Democratic Services

Cost Centre	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Members Services	614,348	225,040	219,259	(5,781)	9,389	385,700
Legal Services	(4,750)	68,995	69,359	363	7,194	(81,302)
Total Legal & Democratic Services	609,598	294,036	288,618	(5,418)	16,583	304,398

Planning

Cost Centre	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget
	£	£	£	£	£	£
Development Management	756,425	269,413	313,526	44,113	88,174	354,724
Planning Policy	622,597	195,262	187,800	(7,463)	66,001	368,796
Conservation, Design & Landscape	173,762	51,316	77,918	26,602	31,894	63,950
Major Developments	356,748	116,588	104,918	(11,670)	2,914	248,915
Building Control	105,482	35,526	4,236	(31,290)	1,951	99,296
Head Of Planning	0	710	3,352	2,642	14,202	(17,554)
Property Information	46,793	12,791	(11,946)	(24,737)	45,868	12,871
Total Planning	2,061,807	681,606	679,805	(1,801)	251,004	1,130,998
Total Net Cost of Services	14,363,964	4,184,316	4,043,926	(140,391)	5,619,320	4,700,718

Service Area Summaries P4 2018/19
CLT / Corporate

Account Name	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanation for Major Variances
	£	£	£	£	£	£	
Human Resources & Payroll							
Gross Direct Costs	313,430	104,767	105,453	686	7,944	200,033	(£8,488) - Salaries and oncosts lower as a result of staff vacancies. £9,270 - New appointment advertising credits bought in advance. These will be used as and when vacancies require advertising.
Gross Direct Income	(21,000)	(7,000)	(602)	6,398	0	(20,398)	No income from selling shared services. This will lead to a full year cost of £20,000
Support Service Charges	(308,620)	(102,908)	(102,908)	0	0	(205,712)	
Net Expenditure	(16,190)	(5,141)	1,943	7,083	7,944	(26,077)	
Registration Services							
Gross Direct Costs	224,033	51,235	35,958	(15,277)	0	188,075	Creditor provision from 2017/18 for irrecoverable VAT. This is to be paid once General Election claim is agreed by the Cabinet Office.
Gross Direct Income	(44,120)	(38,332)	(20,286)	18,047	0	(23,835)	Balance due from Cabinet Office for General Election Claim.
Support Service Charges	135,950	45,320	45,320	0	0	90,630	
Net Expenditure	315,863	58,223	60,993	2,770	0	254,870	
Corporate Leadership Team							
Gross Direct Costs	443,369	147,792	151,213	3,421	685	291,471	£3,953 - Salaries and oncosts are higher as a result of staff regradings. This will lead to a full year cost of £12,072
Support Service Charges	(443,369)	(147,784)	(147,756)	28	0	(295,613)	
Net Expenditure	0	8	3,457	3,449	685	(4,142)	
Communications							
Gross Direct Costs	321,098	124,387	124,844	457	6,417	189,837	£3,506 - Salaries and oncosts are higher than expected. No full year effect is anticipated.
Gross Direct Income	0	0	(1,650)	(1,650)	0	1,650	No Major Variances.
Support Service Charges	(295,548)	(98,524)	(98,524)	0	0	(197,024)	
Net Expenditure	25,550	25,863	24,670	(1,193)	6,417	(5,537)	
Total CLT / Corporate	325,223	78,954	91,063	12,109	15,046	219,114	

Service Area Summaries P4 2018/19
Community, Economic Development & Coast

Account Name	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £	Explanation for Major Variances
Health							
Gross Direct Income	0	0	(4,773)	(4,773)	0	4,773	Allocated for multi agency projects. Will be used for NCAN system renewal plus other yet to be identified projects where financial contribution is required
Net Expenditure	0	0	(4,773)	(4,773)	0	4,773	
Car Parking							
Gross Direct Costs	761,987	319,217	360,141	40,924	125,857	275,989	See Note A:
Capital Charges	29,485	9,828	9,828	0	0	19,657	
Gross Direct Income	(2,645,971)	(1,005,785)	(1,030,276)	(24,491)	0	(1,615,695)	(£29,493) - Car park income higher than expected. £5,002 - Other land rentals
Support Service Charges	183,379	67,812	67,812	0	0	115,567	
Net Expenditure	(1,671,120)	(608,928)	(592,495)	16,433	125,857	(1,204,482)	
Note A: £16,422 - Higher NNDR costs due to increased rateable valuations. This will be funded from the Business Rate Reserve. £5,628 - Repair and maintenance to Mundesley Road Car Park (North Walsham). £6,084 - Car park signage. £7,500 - VAT advice. The balance consists of minor variances under £2,000.							
Markets							
Gross Direct Costs	38,911	6,040	20,581	14,541	2,907	15,423	£14,614 - NNDR Sheringham Station Approach. This will be funded from the Business Rate Reserve
Gross Direct Income	(61,800)	(57,188)	(51,149)	6,039	0	(10,651)	Market rental income lower than expected
Support Service Charges	34,030	11,344	11,344	0	0	22,686	
Net Expenditure	11,141	(39,804)	(19,224)	20,580	2,907	27,458	
Parks & Open Spaces							
Gross Direct Costs	350,056	91,115	73,503	(17,612)	229,499	47,054	(£18,560) - Invoices not yet received for grounds maintenance contract variation.
Capital Charges	48,222	16,076	16,076	0	0	32,146	No Major Variances.
Gross Direct Income	(14,590)	(2,292)	(1,634)	658	0	(12,956)	
Support Service Charges	81,030	27,012	27,012	0	0	54,018	
Net Expenditure	464,718	131,911	114,958	(16,953)	229,499	120,262	
Foreshore							
Gross Direct Costs	173,923	72,564	78,046	5,482	55,806	40,071	£2,947 - Salaries and oncosts are higher. (£4,589) - Repair and maintenance costs lower. £6,160 - Transport of Mundesley huts from winter storage.
Capital Charges	7,977	2,660	2,660	0	0	5,317	No Major Variances.
Gross Direct Income	(187,362)	(175,621)	(175,359)	262	0	(12,003)	
Support Service Charges	187,250	62,420	62,420	0	0	124,830	
Net Expenditure	181,788	(37,977)	(32,233)	5,744	55,806	158,215	
Sports Centres							
Gross Direct Costs	304,067	71,371	(2,012)	(73,383)	75,802	230,277	(£82,109) - Hall hire not yet invoiced. £3,490 - Purchase of equipment and merchandise for Xperience week. £2,709 - Bar stock purchases
Capital Charges	12,497	4,164	4,164	0	0	8,333	No Major Variances.
Gross Direct Income	(142,820)	(42,941)	(41,700)	1,241	0	(101,120)	
Support Service Charges	120,240	40,100	40,100	0	0	80,140	
Net Expenditure	293,984	72,694	552	(72,142)	75,802	217,630	

Service Area Summaries P4 2018/19
Community, Economic Development & Coast

Account Name	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £	Explanation for Major Variances
Leisure Complexes							
Gross Direct Costs	361,205	145,527	143,094	(2,433)	264,165	(46,053)	(£2,697) - Building repair and maintenance costs lower than anticipated.
Capital Charges	525,644	175,212	175,212	0	0	350,432	
Support Service Charges	39,570	13,200	13,200	0	0	26,370	
Net Expenditure	926,419	333,939	331,506	(2,433)	264,165	330,749	
Other Sports							
Gross Direct Costs	135,652	39,851	44,272	4,421	5,330	86,050	No Major Variances.
Gross Direct Income	(24,172)	(1,267)	(520)	746	0	(23,652)	
Support Service Charges	49,130	16,384	16,384	0	0	32,746	
Net Expenditure	160,610	54,968	60,136	5,168	5,330	95,145	
Recreation Grounds							
Gross Direct Costs	8,669	2,169	2,281	112	6,844	(455)	No Major Variances.
Capital Charges	79	28	28	0	0	51	
Gross Direct Income	(1,000)	(332)	(760)	(428)	0	(240)	No Major Variances.
Support Service Charges	4,530	1,508	1,508	0	0	3,022	
Net Expenditure	12,278	3,373	3,057	(316)	6,844	2,378	
Pier Pavilion							
Gross Direct Costs	49,448	37,591	46,076	8,485	0	3,372	£8,286 - Pier Theatre, internal decoration and flooring.
Gross Direct Income	(20,000)	0	0	0	0	(20,000)	No Major variance
Support Service Charges	17,790	5,932	5,932	0	0	11,858	
Net Expenditure	47,238	43,523	52,008	8,485	0	(4,770)	
Foreshore (Community)							
Gross Direct Costs	413,638	188,909	191,381	2,472	228,040	(5,782)	£4,619 - Kier waste contract. (£2,337) - Emergency phones, rentals and calls.
Support Service Charges	42,720	14,248	14,248	0	0	28,472	
Net Expenditure	456,358	203,157	205,629	2,472	228,040	22,690	
Woodlands Management							
Gross Direct Costs	140,323	47,397	61,050	13,653	34,745	44,528	£2,830 - Salaries and oncosts are higher than expected. £9,637 - Greater than anticipated level of emergency tree works.
Capital Charges	1,346	448	448	0	0	898	
Gross Direct Income	(25,550)	(8,520)	(20,221)	(11,701)	0	(5,329)	(£2,000) - Contribution to Pretty Corner Event. (£9,500) - Charge for works carried out for Woodland Trust.
Support Service Charges	102,750	34,260	34,260	0	0	68,490	
Net Expenditure	218,869	73,585	75,538	1,953	34,745	108,587	
Cromer Pier							
Gross Direct Costs	43,832	31,944	34,852	2,908	17,300	(8,320)	£3,396 - Higher business rate costs offset by income.
Capital Charges	8,741	2,912	2,912	0	0	5,829	
Gross Direct Income	(20,709)	(5,177)	(6,228)	(1,051)	0	(14,481)	No Major Variances.
Support Service Charges	15,010	5,000	5,000	0	0	10,010	
Net Expenditure	46,874	34,679	36,536	1,857	17,300	(6,962)	
Economic Growth							
Gross Direct Costs	82,408	25,003	25,497	494	21,412	35,499	No Major Variances.
Capital Charges	211	72	72	0	0	139	
Gross Direct Income	(10)	(4)	0	4	0	(10)	No Major Variances.
Support Service Charges	186,740	62,252	62,252	0	0	124,488	
Net Expenditure	269,349	87,323	87,821	498	21,412	160,116	
Tourism							
Gross Direct Costs	68,588	26,501	37,622	11,121	7,107	23,859	Orchestras Live - costs off set by admission fees and grant income.
Gross Direct Income	0	0	(8,986)	(8,986)	0	8,986	Admission fees and grant income relating to Orchestras live.
Support Service Charges	53,940	17,980	17,980	0	0	35,960	
Net Expenditure	122,528	44,481	46,616	2,135	7,107	68,805	

Service Area Summaries P4 2018/19
Community, Economic Development & Coast

Account Name	Full Year Budget £	YTD Budget £	YTD Actuals £	YTD Variance £	Commitments £	Remaining Budget £	Explanation for Major Variances
Coast Management							
Gross Direct Costs	321,275	76,042	79,821	3,779	127,728	113,726	No Major Variances.
Capital Charges	5,834	1,944	1,944	0	0	3,890	
Support Service Charges	275,360	91,788	91,788	0	0	183,572	
Net Expenditure	602,469	169,774	173,553	3,779	127,728	301,188	
Business Growth Staffing							
Gross Direct Costs	242,944	80,992	80,435	(557)	0	162,509	No Major Variances.
Support Service Charges	(242,944)	(80,980)	(80,964)	16	0	(161,980)	
Net Expenditure	0	12	(529)	(541)	0	529	
Economic & Comm Dev Mgt							
Gross Direct Costs	100,409	27,085	25,968	(1,117)	0	74,441	No Major Variances.
Support Service Charges	23,726	7,916	7,916	0	0	15,810	
Net Expenditure	124,135	35,001	33,884	(1,117)	0	90,251	
Leisure							
Gross Direct Costs	202,968	67,664	64,943	(2,721)	1,370	136,655	No Major Variances.
Gross Direct Income	(700)	(232)	0	232	0	(700)	No Major Variances.
Support Service Charges	(205,448)	(68,476)	(68,448)	28	0	(137,000)	
Net Expenditure	(3,180)	(1,044)	(3,505)	(2,461)	1,370	(1,045)	
Housing (Health & Wellbeing)							
Gross Direct Costs	215,061	71,685	72,014	329	60	142,987	No Major Variances.
Support Service Charges	21,759	7,260	7,260	0	0	14,499	
Net Expenditure	236,820	78,945	79,274	329	60	157,486	
Housing Strategy							
Gross Direct Costs	309,289	92,112	84,172	(7,940)	24,909	200,208	There is currently a vacant post within the establishment.
Gross Direct Income	(30,668)	0	(20,307)	(20,307)	0	(10,361)	This income relates to Vat Shelter receipts received as part of the councils vat sharing agreement with Victory Housing Association, this will be mitigated by a corresponding transfer to the capital Projects Reserve.
Support Service Charges	34,280	11,428	11,428	0	0	22,852	
Net Expenditure	312,901	103,540	75,293	(28,247)	24,909	212,699	
Community And Localism							
Gross Direct Costs	491,894	104,815	103,604	(1,211)	1,060	387,230	No Major Variances.
Gross Direct Income	(454,361)	(146,732)	(146,248)	484	0	(308,113)	No Major Variances.
Support Service Charges	27,040	9,024	9,024	0	0	18,016	
Net Expenditure	64,573	(32,893)	(33,620)	(727)	1,060	97,133	
Coastal Management							
Gross Direct Costs	197,720	59,250	73,382	14,132	614	123,724	Additional staffing and relocation costs. Balance consists of minor variances below £2,000.
Support Service Charges	(198,770)	(66,252)	(66,252)	0	0	(132,518)	
Net Expenditure	(1,050)	(7,002)	7,130	14,132	614	(8,794)	
Total Community, Econ Dev & Coast	2,877,702	743,258	697,109	(46,148)	1,230,552	950,041	

Service Area Summaries P4 2018/19

Customer Services & ICT

Account Name	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanation for Major Variances
	£	£	£	£	£	£	
Revenue Services							
Gross Direct Costs	580,905	193,644	194,386	742	14,828	371,692	No Major Variances.
Gross Direct Income	(427,631)	(89,384)	(89,417)	(33)	0	(338,214)	
Support Service Charges	440,770	146,936	146,936	0	0	293,834	
Net Expenditure	594,044	251,196	251,905	709	14,828	327,311	
Benefits Administration							
Gross Direct Costs	827,245	273,080	265,827	(7,253)	1,197	560,221	Turnover savings as a result of two current vacant posts , this is partially offset by overtime.
Capital Charges	11,500	3,832	3,832	0	0	7,668	
Gross Direct Income	(403,037)	0	(57,109)	(57,109)	0	(345,928)	One - off revenue grants from the Department for Works and Pensions (DWP) to assist with additional work streams such as universal credits and local Authority Data sharing. This will be offset by additional expenditure.
Support Service Charges	550,130	183,388	183,388	0	0	366,742	
Net Expenditure	985,838	460,300	395,938	(64,362)	1,197	588,703	
IT - Support Services							
Gross Direct Costs	1,211,316	377,705	384,062	6,357	96,877	730,377	No Major Variances.
Capital Charges	111,554	37,188	37,188	0	0	74,366	
Gross Direct Income	(410)	(136)	0	136	0	(410)	No Major Variances.
Support Service Charges	(1,277,120)	(425,712)	(425,656)	56	0	(851,464)	
Net Expenditure	45,340	(10,955)	(4,406)	6,549	96,877	(47,131)	
TIC's							
Gross Direct Costs	128,790	45,339	44,847	(492)	18,508	65,435	(£6,000) - Salaries and oncosts lower than expected. £4,650 - Holt TIC refurbishment.
Capital Charges	5,729	1,908	1,908	0	0	3,821	
Gross Direct Income	(29,500)	(9,836)	(11,229)	(1,393)	0	(18,271)	No Major Variances.
Support Service Charges	106,820	35,620	35,620	0	0	71,200	
Net Expenditure	211,839	73,031	71,146	(1,885)	18,508	122,185	
Homelessness							
Gross Direct Costs	178,216	40,107	62,972	22,865	91,062	24,182	Additional homelessness support expenditure offset by subsidy, client receipts and grant income.
Gross Direct Income	(309,266)	(193,361)	(236,615)	(43,254)	0	(72,651)	
Support Service Charges	474,690	158,236	158,236	0	0	316,454	Contributions from Norfolk County Council, these will be offset by additional expenditure.
Net Expenditure	343,640	4,982	(15,407)	(20,389)	91,062	267,986	
Customer Services Housing							
Gross Direct Costs	310,782	103,600	105,380	1,780	0	205,402	No Major Variances
Support Service Charges	(310,782)	(103,588)	(103,576)	12	0	(207,206)	
Net Expenditure	0	12	1,804	1,792	0	(1,804)	

Digital Transformation

Gross Direct Costs	183,442	61,148	80,397	19,249	12,783	90,262	Digital Transformation posts made permanent to be funded from ongoing identified savings, the budget has not yet been updated to reflect these additional costs and savings.
Support Service Charges	(183,442)	(61,140)	(61,132)	8	0	(122,310)	
Net Expenditure	0	8	19,265	19,257	12,783	(32,048)	

Reprographics

Gross Direct Costs	92,779	30,929	27,466	(3,463)	46,373	18,940	See Note A :
Capital Charges	18,603	6,200	6,200	0	0	12,403	
Gross Direct Income	(7,500)	(2,500)	(2,447)	53	0	(5,053)	No Major Variances.
Support Service Charges	(105,092)	(35,036)	(35,036)	0	0	(70,056)	
Net Expenditure	(1,210)	(407)	(3,817)	(3,410)	46,373	(43,766)	

Note A: (£3,397) - Operating lease costs for printers lower than expected as a result of lower numbers of copies being required. (£3,736) - 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. £3,770 - Hybrid mailing, this will be charged out to services.

Customer Services - Corporate

Gross Direct Costs	602,787	202,348	199,638	(2,710)	4,852	398,297	£2,896 - Salaries and oncosts are higher than anticipated. (£3,649) - Lower postage costs.
Gross Direct Income	(22,870)	(9,833)	(7,369)	2,464	0	(15,501)	No Major Variances.
Support Service Charges	(580,367)	(193,444)	(193,436)	8	0	(386,931)	
Net Expenditure	(450)	(929)	(1,167)	(238)	4,852	(4,135)	
Total Customer Services & ICT	2,179,041	777,238	715,261	(61,977)	286,480	1,177,300	

Service Area Summaries P4 2018/19

Environmental Health

Account Name	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanation for Major Variances
	£	£	£	£	£	£	
Commercial Services							
Gross Direct Costs	355,778	118,596	123,856	5,260	8,247	223,675	Costs associated with private water sampling offset by additional income (see below).
Gross Direct Income	(23,685)	(7,900)	(14,212)	(6,312)	0	(9,473)	As above.
Support Service Charges	121,450	40,492	40,492	0	0	80,958	
Net Expenditure	453,543	151,188	150,136	(1,052)	8,247	295,160	
Internal Drainage Board Levies							
Gross Direct Costs	386,274	193,137	193,141	4	0	193,134	No Major Variances.
Support Service Charges	200	68	68	0	0	132	
Net Expenditure	386,474	193,205	193,209	4	0	193,266	
Travellers							
Gross Direct Costs	5,534	16,712	17,239	527	27,946	(39,650)	No Major Variances.
Capital Charges	97,800	32,600	32,600	0	0	65,200	
Gross Direct Income	(4,000)	(1,336)	(160)	1,176	0	(3,840)	No Major Variances.
Support Service Charges	1,520	512	512	0	0	1,008	
Net Expenditure	100,854	48,488	50,191	1,703	27,946	22,718	
Public Protection							
Gross Direct Costs	191,423	63,812	66,552	2,740	5,219	119,652	No Major Variances.
Gross Direct Income	(189,985)	(30,284)	(35,903)	(5,619)	0	(154,082)	Additional income from zoo and vet recharges.
Support Service Charges	120,860	40,288	40,288	0	0	80,572	
Net Expenditure	122,298	73,816	70,937	(2,879)	5,219	46,142	
Street Signage							
Gross Direct Costs	12,470	820	1,230	410	0	11,240	No Major Variances.
Capital Charges	7,565	2,520	2,520	0	0	5,045	
Support Service Charges	17,350	5,784	5,784	0	0	11,566	
Net Expenditure	37,385	9,124	9,534	410	0	27,851	
Environmental Protection							
Gross Direct Costs	573,370	189,325	195,970	6,645	24,555	352,845	No Major Variances.
Capital Charges	7,112	2,372	2,372	0	0	4,740	
Gross Direct Income	(14,800)	(4,932)	(2,267)	2,665	0	(12,533)	No Major Variances.
Support Service Charges	177,380	59,132	59,132	0	0	118,248	
Net Expenditure	743,062	245,897	255,207	9,310	24,555	463,300	
Env Health - Service Mgmt							
Gross Direct Costs	127,373	37,591	39,748	2,157	18,631	68,994	No Major Variances.
Support Service Charges	(132,273)	(44,088)	(44,088)	0	0	(88,185)	
Net Expenditure	(4,900)	(6,497)	(4,340)	2,157	18,631	(19,191)	
Combined Enforcement Team							
Gross Direct Costs	146,072	48,700	50,505	1,805	517	95,050	No Major Variances.
Support Service Charges	(146,072)	(48,688)	(48,688)	0	0	(97,384)	
Net Expenditure	0	12	1,817	1,805	517	(2,334)	

Environmental Contracts						
Gross Direct Costs	255,735	85,252	87,115	1,863	544	168,076 No Major Variances.
Support Service Charges	(255,735)	(85,240)	(85,208)	32	0	(170,527) No Major Variances.
Net Expenditure	0	12	1,907	1,895	544	(2,451)
Waste Collection And Disposal						
Gross Direct Costs	3,822,661	856,957	735,964	(120,993)	2,783,944	302,753 (£52,608) Commercial waste disposal. (£67,487) Kier contract payments. Of this almost £50k relates to accruals made at year end and actual invoices received being lower.
Capital Charges	58,435	19,480	19,480	0	0	38,955 No Variances.
Gross Direct Income	(3,095,449)	(1,327,424)	(1,335,474)	(8,050)	0	(1,759,975) (£18,615) Additional income from recycling credit provisions made in 2017/18. £12,200 relates to a provision for a recharge for procurement costs.
Support Service Charges	358,280	119,432	119,432	0	0	238,848 No Variances.
Net Expenditure	1,143,927	(331,555)	(460,598)	(129,043)	2,783,944	(1,179,419)
Cleansing						
Gross Direct Costs	602,618	141,391	99,631	(41,760)	468,084	34,904 Kier creditor provision carried forward from a prior year.
Gross Direct Income	(51,263)	(51,263)	40	51,303	0	(51,303) Invoices not yet raised for dog and litter bin recharges.
Support Service Charges	44,560	14,856	14,856	0	0	29,704
Net Expenditure	595,915	104,984	114,527	9,543	468,084	13,304
Environmental Strategy						
Gross Direct Costs	15,000	0	440	440	7,586	6,975 No Major Variances.
Gross Direct Income	(15,000)	(12,500)	(12,263)	238	0	(2,738) No Major Variances.
Support Service Charges	13,610	4,540	4,540	0	0	9,070
Net Expenditure	13,610	(7,960)	(7,283)	677	7,586	13,307
Community Safety						
Gross Direct Costs	19,914	6,640	8,342	1,702	0	11,572 No Major Variances.
Support Service Charges	11,180	3,728	3,728	0	0	7,452
Net Expenditure	31,094	10,368	12,070	1,702	0	19,024
Civil Contingencies						
Gross Direct Costs	99,670	31,440	30,329	(1,111)	245	69,096 No Major Variances.
Support Service Charges	33,750	11,252	11,252	0	0	22,498
Net Expenditure	133,420	42,692	41,581	(1,111)	245	91,594
Total Environmental Health	3,756,682	533,774	428,895	(104,879)	3,345,516	(17,729)

Service Area Summaries P4 2018/19

Finance & Assets

Account Name	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanation for Major Variances
	£	£	£	£	£	£	
Industrial Estates							
Gross Direct Costs	16,646	5,979	6,540	561	4,178	5,928	No Major Variances.
Capital Charges	46,238	15,412	15,412	0	0	30,826	
Gross Direct Income	(132,415)	(54,972)	(52,540)	2,432	0	(79,875)	No Major Variances.
Support Service Charges	96,850	32,284	32,284	0	0	64,566	
Net Expenditure	27,319	(1,297)	1,696	2,993	4,178	21,445	
Surveyors Allotments							
Gross Direct Income	(50)	(16)	(50)	(34)	0	0	No Major Variances.
Support Service Charges	7,200	2,400	2,400	0	0	4,800	
Net Expenditure	7,150	2,384	2,350	(34)	0	4,800	
Handy Man							
Gross Direct Costs	41,858	13,944	17,935	3,991	0	23,923	No Major Variances.
Capital Charges	2,739	912	912	0	0	1,827	
Gross Direct Income	(55,911)	(13,977)	(10,627)	3,350	0	(45,284)	Internal recharges - awaiting data.
Support Service Charges	34,000	11,336	11,336	0	0	22,664	
Net Expenditure	22,686	12,215	19,556	7,341	0	3,130	
Parklands							
Gross Direct Costs	23,630	7,876	4,781	(3,095)	300	18,549	No Major Variances.
Capital Charges	585	196	196	0	0	389	
Gross Direct Income	(56,326)	(49,166)	(48,211)	955	0	(8,115)	No Major Variances.
Support Service Charges	51,030	17,008	17,008	0	0	34,022	
Net Expenditure	18,919	(24,086)	(26,226)	(2,140)	300	44,845	
Benefits Subsidy							
Gross Direct Costs	25,823,841	0	(191)	(191)	0	25,824,032	No Major Variances
Gross Direct Income	(25,823,841)	0	(1,002)	(1,002)	0	(25,822,839)	
Net Expenditure	0	0	(1,193)	(1,193)	0	1,193	
Discretionary Payments							
Gross Direct Costs	65,846	32,923	32,947	24	0	32,899	No Major Variances
Support Service Charges	6,450	2,152	2,152	0	0	4,298	
Net Expenditure	72,296	35,075	35,099	24	0	37,197	
Non Distributed Costs							
Gross Direct Costs	0	62,811	63,432	621	0	(63,432)	No Major Variances
Net Expenditure	0	62,811	63,432	621	0	(63,432)	
Administration Buildings Services							
Gross Direct Costs	457,633	229,750	252,067	22,317	95,901	109,664	£18,320 repair and maintenance at Cromer office which includes carpeting and flooring, removal and installation of lighting columns, air conditioning units in the IT server room and reprographics; £5,380 fire damage repairs at the Fakenham office.
Capital Charges	76,862	25,620	25,620	0	0	51,242	
Gross Direct Income	(170,781)	(61,871)	(47,357)	14,514	0	(123,424)	Provision for 2017/18 service charge - invoice not yet raised.
Support Service Charges	(273,937)	(91,324)	(91,324)	0	0	(182,613)	
Net Expenditure	89,777	102,175	139,007	36,832	95,901	(145,131)	
Property Services							
Gross Direct Costs	631,977	293,940	312,688	18,748	16,108	303,181	£3,376 Overtime costs associated with the Blue Flag and Antiques Roadshow events; £2,500 Golden Hello; £2,447 Additional property insurance premiums; £4,111 Professional fees and £3,480 computer subscription costs.
Capital Charges	12,774	4,260	4,260	0	0	8,514	
Support Service Charges	(544,837)	(181,608)	(181,572)	36	0	(363,265)	
Net Expenditure	99,914	116,592	135,376	18,784	16,108	(51,570)	

Head of Finance & Assets

Gross Direct Costs	100,514	33,508	33,251	(257)	0	67,263	No Major Variances
Support Service Charges	(100,514)	(33,540)	(33,540)	0	0	(66,974)	
Net Expenditure	0	(32)	(289)	(257)	0	289	
Corporate Finance							
Gross Direct Costs	420,057	140,022	137,367	(2,654)	27,829	254,861	There is currently a vacant post within the service, current workloads are under review to determine the need for recruitment
Capital Charges	4,491	1,496	1,496	0	0	2,995	
Support Service Charges	(428,828)	(142,952)	(142,936)	16	0	(285,892)	
Net Expenditure	(4,280)	(1,434)	(4,073)	(2,638)	27,829	(28,036)	
Insurance & Risk Management							
Gross Direct Costs	180,506	90,257	93,267	3,010	0	87,239	No Major Variances.
Gross Direct Income	(650)	(216)	(22)	194	0	(628)	No Major Variances.
Support Service Charges	(179,856)	(59,940)	(59,940)	0	0	(119,916)	
Net Expenditure	0	30,101	33,306	3,205	0	(33,306)	
Internal Audit							
Gross Direct Costs	75,000	18,750	16,078	(2,672)	55,558	3,364	No Major Variances.
Support Service Charges	(75,000)	(25,004)	(25,004)	0	0	(49,996)	
Net Expenditure	0	(6,254)	(8,926)	(2,672)	55,558	(46,632)	
Playgrounds							
Gross Direct Costs	29,875	3,416	3,435	19	3,572	22,868	No Major Variances.
Gross Direct Income	0	0	(1,000)	(1,000)	0	1,000	No Major Variances.
Support Service Charges	34,880	11,624	11,624	0	0	23,256	
Net Expenditure	64,755	15,040	14,059	(981)	3,572	47,124	
Community Centres							
Gross Direct Costs	5,948	1,943	62	(1,881)	185	5,701	No Major Variances.
Support Service Charges	13,670	4,560	4,560	0	0	9,110	
Net Expenditure	19,618	6,503	4,622	(1,881)	185	14,811	
Public Conveniences							
Gross Direct Costs	472,003	190,648	204,928	14,279	183,612	83,463	£9,820 Business rates at the Rocket House on new Valuation Office list - not budgeted for; £7,340 Higher water charges due to a leak at Beach Road, Wells - these costs are offset by various underspends of under £2,000.
Capital Charges	134,495	44,832	44,832	0	0	89,663	
Gross Direct Income	0	0	(112)	(112)	0	112	No Major Variances.
Support Service Charges	135,977	45,324	45,324	0	0	90,653	
Net Expenditure	742,475	280,804	294,971	14,167	183,612	263,891	
Investment Properties							
Gross Direct Costs	91,439	47,390	51,648	4,258	18,173	21,618	Repair and maintenance costs relating to miscellaneous lettings; Council Tax due on empty properties.
Capital Charges	66,099	22,032	22,032	0	0	44,067	
Gross Direct Income	(166,112)	(83,683)	(83,548)	135	0	(82,564)	No Major Variances.
Support Service Charges	77,520	25,844	25,844	0	0	51,676	
Net Expenditure	68,946	11,583	15,976	4,393	18,173	34,797	
Central Costs							
Gross Direct Costs	81,491	24,824	31,372	6,548	6	50,113	£2,016 - Salaries and oncosts are higher than expected. £2,900 - Data protection renewal fee
Support Service Charges	(81,491)	(27,156)	(27,156)	0	0	(54,335)	
Net Expenditure	0	(2,332)	4,216	6,548	6	(4,222)	
Corporate & Democratic Core							
Gross Direct Costs	428,486	136,978	121,592	(15,386)	68,717	238,176	(£8,458) - Lower salaries & oncosts. (£2,926) - Lower bank charges. The balance consists of minor variances
Support Service Charges	895,850	298,624	298,624	0	0	597,226	
Net Expenditure	1,324,336	435,602	420,216	(15,386)	68,717	835,402	
Total Finance & Assets	2,553,911	1,075,451	1,143,175	67,724	474,140	936,597	

Service Area Summaries P4 2018/19

Legal & Democratic Services

Account Name	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanation for Major Variances
	£	£	£	£	£	£	
Members Services							
Gross Direct Costs	548,698	203,152	197,292	(5,860)	9,389	342,017	£1,556 - Salaries and oncosts are higher as a result of staff regrading. (£2,625) - Members' mileage costs are lower than anticipated. (£4,976) - Members Basic Allowance is lower than anticipated because Cabinet membership has reduced from 10 to 7.
Gross Direct Income	(400)	(132)	(53)	79	0	(347)	No Major Variance
Support Service Charges	66,050	22,020	22,020	0	0	44,030	
Net Expenditure	614,348	225,040	219,259	(5,781)	9,389	385,700	
Legal Services							
Gross Direct Costs	636,067	224,319	240,000	15,681	7,194	388,873	£13,738 - Client disbursements, counsel fees (offset by income from court costs awarded)
Gross Direct Income	(329,946)	(51,712)	(67,030)	(15,318)	0	(262,916)	(£17,203) - Fee income is higher than anticipated.
Support Service Charges	(310,871)	(103,612)	(103,612)	0	0	(207,259)	
Net Expenditure	(4,750)	68,995	69,359	363	7,194	(81,302)	
Total Legal & Democratic Services	609,598	294,036	288,618	(5,418)	16,583	304,398	

Service Area Summaries P4 2018/19

Planning

Account Name	Full Year Budget	YTD Budget	YTD Actuals	YTD Variance	Commitments	Remaining Budget	Explanation for Major Variances
	£	£	£	£	£	£	
Development Management							
Gross Direct Costs	856,784	302,853	306,643	3,790	88,174	461,967	(£7,061) Employee costs. £7,167 Enforcement Works , which will be funded from the Enforcement board reserve.
Capital Charges	41,631	13,876	13,876	0	0	27,755	
Gross Direct Income	(802,620)	(267,536)	(227,212)	40,324	0	(575,408)	£59,643 - Planning application fee income offset by income received in relation to pre app advice.
Support Service Charges	660,630	220,220	220,220	0	0	440,410	
Net Expenditure	756,425	269,413	313,526	44,113	88,174	354,724	
Planning Policy							
Gross Direct Costs	551,731	171,634	164,263	(7,372)	66,001	321,467	Lower staffing costs - due to reduction in contracted hours - an additional post is currently out to recruitment.
Gross Direct Income	0	0	(91)	(91)	0	91	No Major Variances.
Support Service Charges	70,866	23,628	23,628	0	0	47,238	
Net Expenditure	622,597	195,262	187,800	(7,463)	66,001	368,796	
Conservation, Design & Landscape							
Gross Direct Costs	103,542	27,900	54,502	26,602	31,894	17,146	£29,491 Conservation area appraisals, part of identified funding of £50k to be funded from the General Reserve.
Support Service Charges	70,220	23,416	23,416	0	0	46,804	
Net Expenditure	173,762	51,316	77,918	26,602	31,894	63,950	
Major Developments							
Gross Direct Costs	229,098	74,032	67,040	(6,992)	2,914	159,144	(£5,742) Turnover savings resulting from a vacant post. Recruitment is currently being undertaken to fill this post.
Gross Direct Income	0	0	(4,677)	(4,677)	0	4,677	Recoverable costs from a past employee.
Support Service Charges	127,650	42,556	42,556	0	0	85,094	
Net Expenditure	356,748	116,588	104,918	(11,670)	2,914	248,915	
Building Control							
Gross Direct Costs	369,872	123,642	121,228	(2,414)	1,951	246,693	No Major Variances.
Gross Direct Income	(386,250)	(128,752)	(157,628)	(28,876)	0	(228,622)	Fee income up against the profiled budget; as a self financing service the net variance will be mitigated by a transfer to/from the Building Control reserve.
Support Service Charges	121,860	40,636	40,636	0	0	81,224	
Net Expenditure	105,482	35,526	4,236	(31,290)	1,951	99,296	
Head Of Planning							
Gross Direct Costs	190,707	64,270	66,912	2,642	14,202	109,593	No Major Variances.
Support Service Charges	(190,707)	(63,560)	(63,560)	0	0	(127,147)	
Net Expenditure	0	710	3,352	2,642	14,202	(17,554)	
Property Information							
Gross Direct Costs	183,833	58,471	58,890	419	45,868	79,075	No Major Variances
Gross Direct Income	(190,000)	(63,336)	(88,492)	(25,156)	0	(101,508)	At the time the fee income budget was set it was anticipated that some functions currently carried out by NNDc in respect of land charge searches would transfer to the Land Registry, this is now unlikely to happen this financial year.
Support Service Charges	52,960	17,656	17,656	0	0	35,304	
Net Expenditure	46,793	12,791	(11,946)	(24,737)	45,868	12,871	
Total Planning	2,061,807	681,606	679,805	(1,801)	251,004	1,130,998	

GENERAL FUND CAPITAL PROGRAMME - 2018/19

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/18 Actual Expenditure	Current Budget 2018/19	Actual Expenditure 2018/19	Updated Budget 2019/20	Updated Budget 2020/21	Updated Budget 2021/22
	£	£	£		£	£	£
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
Walsingham Public Convenience	47,000	1,627	45,373	36,787	0	0	0
Egmere Business Zone	1,895,000	160,828	1,734,172	0	0	0	0
Better Broadband for Norfolk	1,000,000	0	0	0	1,000,000	0	0
Holt Tourist Information Centre	100,000	0	100,000	0	0	0	0
Car Park Refurbishment	197,827	66,859	130,968	(6,054)	0	0	0
North Lodge Park	197,000	17,411	179,589	0	0	0	0
Local Property Investment Fund	2,000,000	0	2,000,000	0	0	0	0
Purchase of New Car Park Vehicles	60,000	0	60,000	0	0	0	0
Deep History Coast	500,000	1,863	498,137	27,550	0	0	0
Fair Meadow House Improvements	25,000	0	25,000	0	0	0	0
Collectors Cabin	25,000	0	25,000	0	0	0	0
Grove Lane Depot Refurb	232,450	0	232,450	750	0	0	0
Lifeguard Hut	25,000	0	25,000	0	0	0	0
	6,566,361	422,424	5,143,937	59,033	1,000,000	0	0

GENERAL FUND CAPITAL PROGRAMME - 2018/19

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/18 Actual Expenditure	Current Budget 2018/19	Actual Expenditure 2018/19	Updated Budget 2019/20	Updated Budget 2020/21	Updated Budget 2021/22
	£	£	£		£	£	£
Housing and Infrastructure							
Disabled Facilities Grants	Annual programme	0	1,126,532	229,263	0	0	0
Parkland Improvements	100,000	12,996	87,004	0	0	0	0
Compulsory Purchase of Long Term Empty Properties	630,000	1,642	628,358	0	0	0	0
Shannoeks Hotel	490,000	63,751	426,249	0	0	0	0
Laundry Loke - Victory Housing	100,000	0	100,000	0	0	0	0
Community Housing Fund	2,198,262	187,500	2,010,762	112,500	0	0	0
Provision of Temporary Accomodation	610,000	0	610,000	0	0	0	0
	4,128,262	265,889	4,988,905	341,763	0	0	0

GENERAL FUND CAPITAL PROGRAMME - 2018/19

Scheme	Scheme Total Current Estimate	Pre 31/3/18 Actual Expenditure	Current Budget 2018/19	Actual Expenditure 2018/19	Updated Budget 2019/20	Updated Budget 2020/21	Updated Budget 2021/22
	£	£	£		£	£	£
Coast and Countryside							
Gypsy and Traveller Short Stay Stopping Facilities	1,417,533	1,308,790	108,743	0	0	0	0
Cromer Pier Structural Works - Phase 2	1,378,549	1,322,330	56,219	5,765	0	0	0
Cromer Pier and West Prom Refurbishment Project	1,465,000	1,089,805	375,195	15,341	0	0	0
Refurbishment Works to the Seaside Shelters	149,501	141,299	8,202	2,247	0	0	0
Cromer Coast Protection Scheme 982 and SEA	8,822,000	5,305,389	3,516,611	0	0	0	0
Coastal Erosion Assistance	90,000	17,203	72,797	6,000	0	0	0
Coastal Adaptations	410	0	410	0	0	0	0
Sheringham West Prom	804,000	767,022	36,978	0	0	0	0
Mundesley - Refurbishment of Coastal Defences	2,221,000	44,528	2,176,472	1,258	0	0	0
Ostend Targeted Rock Placement and Coastal Adaptation	55,000	219	54,781	0	0	0	0
Cromer Pier - External and Roofing Improvements to Pavilion Theatre	275,000	3,260	271,740	0	0	0	0
Beach Access	201,514	142,540	58,974	39,957	0	0	0
Bacton and Walcott Coastal Management Scheme	500,000	0	500,000	160,500	0	0	0
Countryside Tractors	29,495	0	29,495	0	0	0	0
Ranger Vehicles	51,490	25,320	26,170	0	0	0	0

GENERAL FUND CAPITAL PROGRAMME - 2018/19

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/18 Actual Expenditure	Current Budget 2018/19	Actual Expenditure 2018/19	Updated Budget 2019/20	Updated Budget 2020/21	Updated Budget 2021/22
	£	£	£		£	£	£
	17,460,492	10,167,705	7,292,787	231,069	0	0	0

GENERAL FUND CAPITAL PROGRAMME - 2018/19

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/18 Actual Expenditure	Current Budget 2018/19	Actual Expenditure 2018/19	Updated Budget 2019/20	Updated Budget 2020/21	Updated Budget 2021/22
	£	£	£		£	£	£
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	62,500	0	0	0	0
Cromer Sports Pitch	50,000	1,821	48,179	0	0	0	0
Splash Leisure Centre Re provision	10,667,000	11,490	1,988,510	195,698	4,333,500	4,333,500	0
North Norfolk Sports Hub, Cromer	2,931,000	0	1,700,526	101,229	1,465,500	0	0
	13,801,120	23,210	3,880,436	296,927	5,799,000	4,333,500	0
Service Excellence							
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	385,570	239,309	101,261	71,880	0	0	0
Planning System (Scanning of Old Files) - Business Transformation Programme	120,619	120,619	0	10,283	0	0	0
Council Chamber and Committee Room Improvements	89,000	72,858	16,142	0	0	0	0
Environmental Health IT System Procurement	150,000	70,178	79,822	1,500	0	0	0
Document and Records Management System	60,000	29,507	30,493	950	0	0	0
Purchase of Bins	326,216	194,675	91,541	11,144	40,000	0	0
Customer Contact Centre	60,000	51,832	8,168	11,068	0	0	0

GENERAL FUND CAPITAL PROGRAMME - 2018/19

<u>Scheme</u>	Scheme Total Current Estimate	Pre 31/3/18 Actual Expenditure	Current Budget 2018/19	Actual Expenditure 2018/19	Updated Budget 2019/20	Updated Budget 2020/21	Updated Budget 2021/22
	£	£	£	£	£	£	£
User IT Hardware Refresh	135,000	0	25,000	33,399	55,000	55,000	55,000
Aerial Photography	15,000	0	15,000	0	0	0	0
Server Replacement	80,000	0	80,000	0	0	0	0
Back Scanning of Files	200,000	53,029	146,971	28,895	0	0	0
Housing Options System	20,000	650	19,350	0	0	0	0
Management Information Systems	50,000	26,675	23,325	34,944	0	0	0
Multi Functional Devices	30,000	0	30,000	-	0	0	0
	1,843,910	957,142	691,768	204,064	95,000	55,000	55,000
	43,800,145	11,836,370	21,997,833	1,132,855	6,894,000	4,388,500	55,000

Capital Programme Financing

Grants	8,763,891	0	0	0
Other Contributions	450,000	2,465,500	0	0
Asset Management Reserve	3,443	0	0	0
Capital Project Reserve	707,149	0	0	0
Other Reserves	2,023,325	1,000,000	0	0
Capital Receipts	10,050,025	3,428,500	55,000	55,000
Internal / External Borrowing	0	0	4,333,500	0
TOTAL FINANCING	21,997,833	6,894,000	4,388,500	55,000

**Savings and Additional Income Monitoring
P4 2018/19**

Ref.	Service	Savings Title	Workstream (where applicable)	Brief Outline of Saving/Additional Income (where applicable)	Saving(S) /Income(I)	2018/19 Savings/ Income Budgeted	2018/19 Budgeted savings and Additional Income P4 Update	Variance
ASSETS & LEISURE								
AL2	Assets & Leisure	Car Parks - Fakenham Car Park - Community Centre	3. Property Investment & Asset Commercialisation	This proposal relates to bringing 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	(5,400)	(5,400)	0
AL5	Assets & Leisure	Public conveniences - closures, reprovision and redevelopment	3. Property Investment & Asset Commercialisation	This proposal relates to the review, reprovision and redevelopment of a number of the Council's public conveniences as per the attached supporting summary. (Dependant upon capital bid).	I	0	0	0
AL6	Assets & Leisure	Beach Hut Fees and Charges	3. Property Investment & Asset Commercialisation	This proposal relates to the revision of Beach Hut Fee Income	I	(87,197)	(87,197)	0
AL8	Assets & Leisure	Pier Contract Savings	3. Property Investment & Asset Commercialisation	This proposal relates to the renegotiation of the Pier Contract Management Agreement, with the intention to reduce the subsidy given to nil and incorporate profit share fee income.	S	(68,399)	(68,399)	0
SUB TOTAL ASSETS & LEISURE						(160,996)	(160,996)	0
CLT / CORPORATE								
CLEG1	CLT / CORPORATE (LEGAL)	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
SUB TOTAL CLT /other Corporate Areas						(26,800)	(26,800)	0
ECONOMIC DEVELOPMENT								
ECD1	Economic Dev	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	Economic Dev	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	Economic Dev	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	Economic Dev	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

**Savings and Additional Income Monitoring
P4 2018/19**

Ref.	Service	Savings Title	Workstream (where applicable)	Brief Outline of Saving/Additional Income (where applicable)	Saving(S) /Income(I)	2018/19 Savings/ Income Budgeted	2018/19 Budgeted savings and Additional Income P4 Update	Variance
SUB TOTAL ECONOMIC DEVELOPMENT							(118,582)	
CUSTOMER SERVICES & ICT								
CSIT2	CUSTOMER SERVICES & ICT	Closure of Holt TIC	7. Other Efficiencies and Savings	In line with similar changes to service provision in Wells & Sheringham seek to transfer TIC function to another service provider in Holt.	S	0	0	0
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	(58,648)	(58,648)	0
SUB TOTAL CUSTOMER SERVICES & ICT							(58,648)	0
ENVIRONMENTAL HEALTH								
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	(10,000)	(10,000)	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	(52,574)	0	52,574
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).	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 Contengencies budget; training budget reduction; removal of external printing budget.	S	(2,800)	(2,800)	0
SUB TOTAL ENVIRONMENTAL HEALTH							(132,094)	52,574
FINANCE								
F2	Finance	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
F3	Finance	Service Review	7. Other Efficiencies and Savings	Internal service reviews of processes and ways of working.	S	0	0	0
SUB TOTAL FINANCE							(106,435)	0
ORGANISATIONAL DEVELOPMENT								
ORG1	Organisational Development	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
				Additional legal income to offset Democratic Services saving not being delivered	I	(13,691)	(13,691)	0
ORG2	Organisational Development	Shared Service (HR and Payroll)	4. Shared Services/Selling Services	To sell professional HR and Payroll services to external customers.	I	(18,610)	0	20,000
SUB TOTAL ORGANISATIONAL DEVELOPMENT							(54,589)	20,000
PLANNING								
P1	Planning			Planning BPR review of Planning support staff structure	S	(51,921)	(51,921)	0
SUB TOTAL PLANNING							(51,921)	0
TOTAL - ALL SERVICES							(710,065)	72,574
SUB TOTAL BY WORKSTREAM								
		1. Growth - New Homes and Business Rates		Sub total		0	0	0
		2. Digital Transformation		Sub total		(110,569)	(110,569)	0
		3. Property Investment & Asset Commercialisation		Sub total		(160,996)	(160,996)	0
		4. Shared Services/Selling Services		Sub total		(45,410)	(26,800)	20,000
		5. Collaboration and Localism		Sub total		0	0	0
		6. Maximising Income and Reducing Costs		Sub total		(93,211)	(93,211)	0
		7. Other Efficiencies and Savings		Sub total		(299,879)	(247,305)	52,574
							(710,065)	72,574

Continuation of Funding for Fixed Term resources within the Post & Scanning Team.

Summary: The Digital Transformation Programme is generating a significant increase in the use of scanning and copying to support new business processes and to enable paperless working.

In order to deliver this service, whilst the outcomes of the Planning and Environmental Health Business Process Review are being rolled out, it has been necessary to support this work with 2 Full time, fixed term, Post and Scanning Assistants. This report requests the release of previously identified funding to extend the two posts for a further 12 months.

Options considered: Outsourcing of ongoing scanning and copying activities have been assessed and discounted on practicability and value for money grounds.

Increased use of Service based staff is not feasible because of other work demands.

Fixed term additional resource with the appropriate skills and experience has been successfully supporting the service to date and is considered the most practical and cost efficient option until the new processes are fully implemented, especially within the Planning Service.

Conclusions: The provision of funding for an additional 12 months for the 2 posts (fixed term) will allow the immediate requirements to be met whilst assessing the long term demand and resource requirement to provide adequate support for service level business process reviews.

Recommendations: **That Cabinet approves the release of £44,000 previously identified Digital Transformation funding to allow the continuation of the two fixed term posts for a further 12 months in the Post and Scanning Services Team.**

**Reasons for
Recommendations:**

The continued employment of the 2 additional posts within the Post and Scanning Services Team will ensure that the team has the capacity and skills available to support the scanning and copying of applications, and documents until the full introduction of paperless working.

Making the posts fixed term will provide flexibility to react to changes in delivery and service demands over the next 12 months.

Cabinet Member(s)	Ward(s) affected
Cllr Becky Palmer Cllr John Lee	N/A
Contact Officer, telephone number and email: David Williams, 01263 516415, David.Williams@north-norfolk.gov.uk	

1. Introduction

- 1.1 It has previously been identified that following the original approval of the Digital Transformation programme, further reports would be brought to Cabinet as the work-streams within the programme were developed, in order to release further funds as they are required.
- 1.2 Members are aware that one of the main work streams of the Digital Transformation Programme (DTP) was the Business Process Review (BPR) of the Planning Service. One of the key elements of the Planning BPR yet to be fully implemented is the introduction of paperless working. This has left the requirement for all planning applications however received to be printed and a planning file including all associated documents created for both householder and major applications.
- 1.3 Since the initial business case in support of the Planning BPR there has been a steady increase in the number of planning applications being made and indeed processed within the required time limits.
- 1.4 The use of scanning services through the Post and Scanning Services Team (PSST) is increasing in scale and complexity as both Planning and Customer Services are becoming increasingly reliant on up electronic recording of customer transactions.

2. Approach

- 2.1 The two temporary Post and Scanning Assistant posts are utilised to support the full functions of the PSST so that experienced staff can be allocated to more complex and time consuming planning work. This has enabled the PSST keep to the targets required by the Planning service to work electronically and to be confident in making decisions based on the

information held within the system whilst maintaining service levels across all other service areas.

- 2.2 If approved, the funding will allow the continuation, for a further 12 months, of two fixed term posts within the PSST.
- 2.3 The posts have been recruited using standard Council recruitment processes and policies and the current post holders are meeting the requirements of the post and are likely to be retained in post if approval is given.

5. Financial Implications and Risks

5.1 Financial Implications

The additional costs associated with extending the two fixed term posts for a further 12 months is approximately £44,000 inclusive of on-costs.

These sums are within the initial estimates for the Business Transformation Programme approved by Cabinet in November 2013.

5.2 Risks

Concerns have already been raised by the Service Managers of the importance of retaining these posts. This will ensure that current service levels can be maintained during the full implementation of paperless working, which will support effective case management and workflow. Without this resource there is a significant risk that services will fail to meet performance targets effecting both service customers and the reputation of the council.

The lack of appropriately managed scanning and copying services will inhibit the delivery of improvement in Service business processes and efficiency.

6. Conclusion

The retention of the two fixed term posts will allow the continuation of the interim processes that have been effectively supporting the delivery of the Planning Service until the full outcomes of Planning BPR remove the need for this additional support.

7. Sustainability

The continuation of an efficient post and scanning system with accurate and up to date information will allow for ongoing service improvements and efficiencies.

It will also facilitate efficient electronic service processes which will result in reduced environmental impact from service delivery related travel.

8. Equality and Diversity

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

9. Section 17 Crime and Disorder considerations

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

EGMERE BUSINESS ZONE PROJECT UPDATE

- Summary: This report provides an update to Cabinet of progress regarding the Egmere Business Zone (EBZ) project and seeks authority to now proceed and enter into a lease agreement for 99 years with the Walsingham Estate to lease an area of land into which road and utility services will be provided by the Council and for the Council to build a first unit within the development for lease to an identified business occupier.
- Options considered:
1. The Council could take the decision not to progress any further with the potential development of this site.
 2. The Council could progress with the construction of the infrastructure for the site but not with the proposed industrial unit.
 3. The Council could progress with both the construction of the infrastructure and with the proposed industrial unit.
- Conclusions:
- The development of the Egmere Business Zone is important to the district as it will create growth and enterprise within the district including supporting jobs within the offshore wind industry, businesses that work alongside this sectors and the construction industry during the development phases.
- The proposed development meets the Council's objective of creating a district with a thriving economy and offer better jobs and prospects for local people.
- The project would allow businesses occupying the site to benefit from five years without having to pay business rates due to the Enterprise Zone status and will also enable the continued development of the site as some of the rates obtained from central government can be used to continue fund this development.
- Recommendations:
- It is recommended that Cabinet agrees;
- to progress the final lease arrangements with Walsingham Estates on the basis outlined within the exempt appendix and that that authority is delegated to the Head of Paid Service (Steve Blatch) in consultation with the Portfolio Holder for Business & Economic Development and Tourism to sign off agreement of the final terms
 - to progress the final lease arrangements with the prospective tenant for the first unit on the basis

outlined within the exempt appendix and that that authority is delegated to the Head of Paid Service (Steve Blatch) in consultation with the Portfolio Holder for Business & Economic Development and Tourism to complete this agreement

- that an additional budget requirement of £360,000 is approved to support the construction of the road infrastructure and first unit
- to award the construction contract to the preferred contractor as identified within exempt appendix D subject to completion of a value engineering exercise
- to include the annual income and running costs as identified within exempt appendix D within the revenue budget and future forecasts
- that authority is delegated to the Head of Paid Service (Steve Blatch) to agree governance and financial arrangements for the Egmore Enterprise Zone on a similar basis as that agreed for Scottow in consultation with the Head of Finance, Leader of the Council and Portfolio Holder for Business & Economic Development and Tourism to ensure the Enterprise Zone is developed out as planned.
- that the ELDO is reviewed prior to its expiry in 2019 with a view to extending it and considering the removal of the current restrictions to business operating within the wind industry to maximise the potential success of the development
- It is recommended that, subject to support for the development moving forward, that an Expression Of Interest is submitted to the EZ Accelerator Fund to explore the potential development and delivery of an additional unit on a similar basis to those outlined for unit 1. A further report and business case would then be developed to establish the budget requirements.

Reasons for
Recommendations:

To maximise the opportunities presented by the Enterprise Zone status awarded to the Egmore Business Zone site, supporting new job-creating investment within the District.

Cabinet Member(s)	Ward(s) affected Walsingham
Renata Garfoot, Asset Strategy Manager Tel: 01263 516086 Email: Renata.Garfoot@north-norfolk.gov.uk	

1. Introduction

- 1.1 An original report outlining this potential development opportunity was reported to Cabinet in October 2014 and, following further work, additional reports have been brought forward to Cabinet in January 2016 and March 2017 with Full Council agreeing the current works budget of £1.895m at its meeting in March 2017.
- 1.2 This report now provides a further update to previous reports regarding the proposed Egmere Business Zone project, particularly detailed terms proposed for the Council to lease an area of land from the Walsingham Estate into which to provide road and utility services, informed by an understanding of tender prices for these works reflecting over three years work to get this scheme to the current stage.

2. Background

- 2.1 The Egmere Business Zone site is situated North of Edgar Road, Egmere. The site is to be developed as a Business Zone in 2 phases, with Phase 1 comprising infrastructure to create a serviced site extending to approximately 8.10 acres (3.278 ha) of developable land and structure planting and landscaping to include the first unit comprising a workshop, warehouse and office accommodation for a named occupier. A plan indicating the layout of the proposed development can be found in Appendix A.
- 2.2 Through the New Anglia Local Enterprise Partnership (NALEP), the Government designated the Egmere Business Zone as an Enterprise Zone and this designation will operate for the five years from 1st April 2017 through until 31st March 2022. This status attracts business rate incentives (up to 100% business rate relief), simplified planning process (previously established by the District Council through agreeing a Local Development Order for the site) and superfast broadband to occupiers at the Business Zone.
- 2.3 Local partners (the District and County Councils and NALEP) will also benefit from the Business Zone designation as they are able to retain 100% of business rate growth from the development over a 25-year period and invest a proportion of this income back into the development, as detailed below.
 - Pot A1 – collection authority share, to be spent however the authority sees fit (NNDC in this instance)
 - Pot A2 – Held by NCC
 - Pot B – site delivery fund
 - Pot C – to enable the NALEP to deliver the Strategic Economic Plan (SEP) across Norfolk and Suffolk
- 2.4 In addition to the above there is also an incentive to businesses who take up occupation on the site within the first five years of their operation from the site through the provision of business rates relief up to a maximum annual value of £55k. This equates to £275k over five years and is capped at this level due to the requirements of State Aid.

2.5 While no formal agreement has yet been reached in respect of the Egmore site a report on the pot allocations was considered and agreed by Cabinet in October 2017 in relation to the pot splits for the Scottow Enterprise Park EZ site, with the final pot allocations being as follows;

- Pot A1 – 20% (NNDC)
- Pot A2 – 5% (NCC)
- Pot B – 45% (site delivery fund)
- Pot C – 30% (NALEP)

3. **Land Agreement**

3.1 The Walsingham Estate are the owners of the land the Business Zone forms part of and have accepted a proposal from the Council to lease 8.10 acres (3.278 ha) of land as shown on the attached plan. The proposed lease would be for a period of 99 years which would enable the Council to construct infrastructure to create serviced plots which can then be let and developed by other occupiers or potentially the Council. The Council is also proposing to develop a first unit within the development for a named occupier and Heads of Terms have been agreed for the lease of this unit.

3.2 The Heads of Terms for the lease of the land can be found within the exempt appendix B.

3.3 A draft lease for the land has been prepared and it is proposed that the lease will be completed assuming Cabinet indicate their support for the proposed project. Once the lease agreement is completed the Council will be able to complete the agreement to lease with the proposed tenant of the first unit and to appoint a contractor to undertake the construction works.

4. **Construction**

4.1 At the time of the previous report provisional construction costs had been obtained to establish the viability of the scheme and expressions of interest from contactors had been obtained. A two stage procurement exercise was undertaken during 2017 which resulted in three tenders being received. These tenders were reviewed by the Council's advisors Daniel Connal Partnership who are acting as architects and cost consultants to the Council to ensure quality and value for money is obtained. Whilst the tender for construction was split into two distinct elements as described below, it is intended to commence the works in tandem:

- Construction of infrastructure including roads, footways, drainage and installation of utilities to create a "serviced site" to enable other units to be developed more quickly;
- Unit 1 comprising 3 bay workshop and office premises. Approximately 773m² of floor space with associated parking and landscaping.

- 4.2 As some time has passed since the initial tender process, the Council has obtained updated construction costs and these are shown within exempt Appendix D.
- 4.3 Assuming Cabinet gives its consent to proceed with the project, it is anticipated that Contractors would be appointed under a formal JCT contract and start on site this autumn. Completion of the infrastructure and first unit will take in the region of 33 weeks.
- 4.4 A number of detailed site investigations surveys and assessments have previously been undertaken by the Council on the site in preparation for the start of the construction phase, which include, CCTV of drainage, ecology surveys, site investigations, explosive ordnance threat assessment, utility services investigations, topographical, contamination, arboriculture implications assessment and archaeology survey.
- 4.5 Superfast Broadband is also anticipated to be delivered to the site through the Better Broadband Scheme during 2018/19.

5. Unit 1 – Proposed Tenant

- 5.1 During 2015 the Council received an enquiry from an established business operating in the UK and European offshore wind sector, expressing an interest in relocating their main office and workshops facility to Egmere. Since this time, officers have negotiated proposed lease terms, with this business. The lease proposed is a Full Repairing and Insuring Lease (FRI) for a 10-year term. The Heads of Terms with further details can be found in Appendix C.
- 5.2 Whilst the design of Unit 1 has been developed to meet the operational and business needs of this company, it is not a bespoke unit and is considered to be a marketable asset, if for any reason, the initial occupier's circumstances changed such that they were to vacate the unit. In this respect, the Council has had consideration of the report on commercial property prepared for the authority in 2016 by the BE Group which concluded that there was a shortage of good quality commercial floor space across the whole of the North Norfolk District, although it is acknowledged that the location of this development, along with any development, might potentially impact upon its ultimate success. Certainly there is little speculative investment being taken forward in the provision of office, warehouse and factory accommodation anywhere in the District and it is therefore believed that investment by the Council would generate interest beyond the named occupier identified for the initial unit proposed within the Egmere Business Zone development.
- 5.3 A draft agreement for under lease has been prepared by East Law in readiness. This would secure the tenant whilst the Council undertakes the construction of the unit and once the building is complete a lease will be finalised.

6. Remaining serviced plots

- 6.1 The remaining land within the site will provide serviced plots to potential occupiers. It is anticipated that there will be 4 other plots, however there will be some flexibility on size so that there is opportunity to meet potential tenant's requirements.
- 6.2 The Business Growth and Investment Study prepared by the BE Group in 2015, found through a review of employment land in the District that (at the time) that there was circa 50 ha of employment land available. However, they found that a significant level was considered to be undeliverable with approximately 34.4 hectares of employment land considered to be available and deliverable. Currently within the District, there is land advertised for sale at Holt totally approx. 2.5 hectares and a small parcel of land at North Walsham (data source: EGI Property Link. A professional website for marketing of commercial property nationwide).
- 6.3 The report also found that the level of vacant premises in North Norfolk is low, with limited choice of industrial and office stock. The largest agglomerations of built vacant stock was found in former RAF bases. A more recent review indicates that there are 16 industrial, storage and workshop units within the District, with 11 of these at Scottow Enterprise. The bulk of the available properties are of a very low quality (data source: EGI Property Link. A professional website for marketing of commercial property nationwide).
- 6.4 The report identified Energy including off shore industries as a key regional industry with growth potential. It considered a number of opportunities to support these industries including, construction of major regional projects and maintenance, engineering and servicing to service the sector. The Egmore Business Zone would offer space to businesses that deliver these services and assist in facilitating these opportunities.
- 6.5 The report recommended also, that the Council should seek to intervene where appropriate in order to develop employment sites to encourage business growth.
- 6.6 In terms of completed lease transactions, over the last 2 years we are aware of 8 industrial lets within the vicinity at Holkham, West Raynham Business Park, Fakenham and Holt. In the same period, we are also aware of 8 industrial building sales in the same locations and at Syderstone Business Park (data source: Radius Data Exchange – Occupation Deals Report). This indicates an even split between leased properties and freehold acquisitions. This may be as a result of the area having a limited supply of property and land giving business restricted opportunities and freedom of choice. The Council would seek to let the serviced plots for others to develop, however the Council may consider (subject to a business case) developing and letting of additional premises as an alternative option.
- 6.7 In terms of office accommodation in the vicinity, Holkham Estate have recently developed a 50,000 sqft business hub at Longlands, which was originally one of the estate's principal former farmstead and workshops. This development provides of a range of office space and would not compete with the industrial nature of Egmore Business Zone.

- 6.8 Due to some previous uncertainty regarding the land agreement, the Council did not actively market the site to attract additional tenants, however, taking into account the findings of the BE report and that there is still very limited available industrial units or land available to develop industrial units, it is believed that with proactive marketing, that there would be demand for the serviced plots at Egmere.

7. **Next Steps**

- 7.1 Officers have previously reported enquiries from three further businesses seeking accommodation at the Egmere Business Zone, but to date these enquiries have not been progressed or developed because of uncertainty around delivery of the project. Following any approval of the project it would be proposed to open, further negotiations to secure further occupiers, including revisiting previous enquiries.

- 7.2 A marketing strategy will also be developed to promote the site locally and include the appointment of a Commercial Agent to promote the site through a variety of mediums, on both a local and national level to maximise exposure of the site to potential tenants. Support from the LEP Enterprise Zone Coordinator will be available to help promote the site to potential tenants. The Coordinator will also provide access to other area of support for business seeking to take space at the Egmere.

- 7.3 Businesses that operate within the offshore wind industry will be able to develop accommodation on the site under the Egmere Local Development Order (ELDO) without the need of planning consent subject to the conditions as specified in the ELDO. Other businesses that do not comply with the ELDO can seek to acquire planning consent to develop units on the site through the usual planning processes.

- 7.4 The ELDO was for an initial period of five years from the date of adoption in August 2014. When this expires in 2019, any development that has commenced, under the order will be allowed to be completed in the event the order is revoked or revised. A review of the ELDO will be required prior to the expiry of the existing order with the opportunity for the LDO designation to be extended if considered appropriate.

- 7.5 As part of this review process consideration could be given to widening or removing the current restriction in relation to businesses operating within the wind industry which could help to increase the attractiveness of the site to other businesses.

8. **Conclusion**

- 8.1 Egmere is considered to be a good location for a Business Zone to serve the Wells / Fakenham area, as it is situated outside of the area designated as the Norfolk Coast Area of Outstanding Natural Beauty and can accommodate new development that will drive growth and

enterprise without creating pressure on the sensitive environmental designations, impacting on tourism and biodiversity values.

- 8.2 The scheme offers a range of benefits to the district, including attracting inward investment and economic growth through allowing offshore wind energy business and their suppliers, sub-contractors and support businesses to invest in the district and benefit from co-location /cluster development.
- 8.3 This development will also open up other a further area of land within the EBZ for future development.
- 8.4 The proposed development meets the Council's Corporate Plan objectives of creating a district with a thriving economy and offer better jobs and prospects for local people.

9. **Financial Implications and Risks**

- 9.1 The Council has secured a grant for £0.45m for the Norfolk Growth Group Business Rate Pool fund towards the cost of infrastructure. Full Council approved the total scheme budget of £1.895m on 6th March 2017 for construction of the infrastructure and unit 1. If the scheme is not progressed the Council will be required to advise the Business Rate Pool that it will not be utilizing the funding meaning the loss of these monies to the District.
- 9.2 If the Council did not draw down the £0.45m this money would go back into the Business Rate Pool and the Council would have the opportunity to bid for it again. However, there is no guarantee of this and it would be subject to the merits of any alternative business case submitted by NNDC and final agreement by the Board.
- 9.3 The rent for unit 1 is based on market rents within the area and provisions within the proposed lease allows for rent reviews to be undertaken during the term. Due diligence and assessments have been undertaken on the business to establish the covenant strength of the tenant is adequate. A parent company guarantee is also being sought as a matter of course.
- 9.4 There is a specific enterprise zone business rate relief, which is an attractive incentive to businesses taking space at the Egmere Business Zone. This incentive can help support businesses who are seeking to expand or relocate to the area. The business will need to apply for the relief, which will only available for a period of 5 years. At the end of this period, the business will either need to pay the appropriate business rate charge, if they do not qualify for other business rate relief. When letting the site, the Council will undertake the necessary due diligence to ensure the rent is affordable to the tenant and will seek to establish the future business growth plans of the tenant to cover the period after the business rate relief period has ended, however this will not guarantee that the tenant will be able to continue to afford the rent in the future as there may be unforeseen circumstances. This scenario is typical of other enterprise zones.

9.5 Further financial implications and risks can be found within exempt Appendix D.

10. Risks

10.1 There are a number of risks associated with taking this project forward but equally there are also risks with not undertaking the scheme. A risk register can be found in Appendix E

10.2 The risks associated with not taking the scheme forward are as follows;

- The Council would lose access to the £0.45m for the Norfolk Growth Group Business Rate Pool fund towards the cost of infrastructure. Not only would this mean the loss of the funding but it would also impact on the Council's reputation in terms of both the Growth Group and the LEP and might damage future bids if the Council is seen as being unable to deliver;
- There would also be reputational issues in terms of the negotiations with both Walsingham Estates and the potential anchor tenant for unit one;
- There is a risk that the tenant secured for unit one cannot find suitable accommodation elsewhere in the locality and moves his business out of the area which would result in jobs lost to this part of north west Norfolk;
- The opportunity for stimulated growth and additional business rates generation would be lost.

10.3 The risks associated with taking the scheme forward are as follows;

- The infrastructure will be developed along with the first unit to create serviced plots, but there may be no take up of these plots by occupiers. This is however felt to be unlikely as the main barrier to the development is the initial infrastructure which this scheme would deliver. The 5-year business rate holiday would also be extremely attractive for businesses;
- While the Council has been successful in attracting £0.45m in external funding the balance of funding is provided by the Council and using it on this scheme would mean it was not available for other schemes although again this could be overcome by borrowing if required;
- The tenant could go bust during the term of the lease, however the relevant due diligence has been undertaken and this is unlikely but remains a risk non-the-less. The unit could however be re-let if there was an interested tenant;
- The business case assumes a certain level of income from ground rents from additional businesses developing on site from year 3 and assumes 4 businesses at a rate of 1 new business per year. There is a risk that that interest levels will not reach these anticipated levels within the period assumed although it is felt that an estimate of 1 per year is fairly prudent given the incentives as regards business rate savings with the EZ designation offers to businesses.

- The scheme could come in over budget, however the Council is now in receipt of firm tenders and numerous ground condition and associated surveys so this, along with the value engineering exercise to be undertaken, is again able to be managed.

11. **Sustainability**

- 11.1 This project supports the renewable energy sector at a national level and contributes to the Council's Corporate Plan objectives of wanting to support business growth and new employment opportunities in the district.
- 11.2 The site will be constructed utilising sustainable drainage and building solutions and systems in accordance with Planning and Building Control requirements.

12. **Equality and Diversity**

- 10.1 The site, unit 1 and any subsequent development will be in accordance with relevant regulations, Planning and Building Control requirements.

13. **Section 17 Crime and Disorder considerations**

- 11.1 There are no Section 17 Crime and Disorder implications arising from the consents of this report.

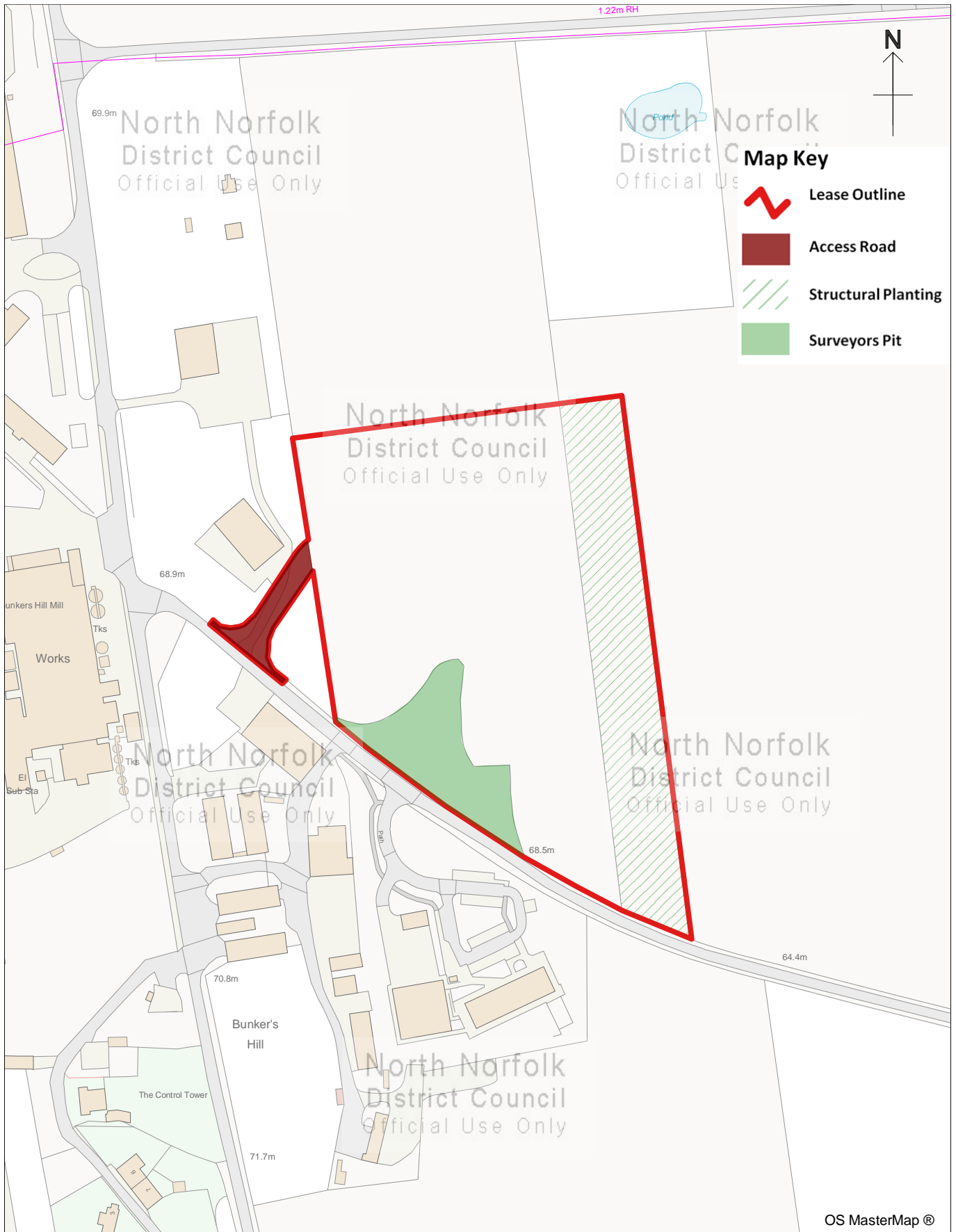
Appendix A – Site plan

Appendix B - Land Agreement (exempt)

Appendix C - Unit 1 Heads of Terms (exempt)

Appendix D – Financial Implications (exempt)

Appendix E – Risk Register (exempt)



Map Key

-  Lease Outline
-  Access Road
-  Structural Planting
-  Surveyors Pit

OS MasterMap ©



Egmere Plan

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Scale = 1:2500

MOC

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