

COUNCIL

Minutes of the meeting of the Council held on Wednesday, 19 February 2025 in the Council Chamber - Council Offices at 6.00 pm

Members Present:

Cllr T Adams	Cllr M Batey
Cllr K Bayes	Cllr H Blathwayt
Cllr J Boyle	Cllr A Brown
Cllr S Bütikofer	Cllr C Cushing
Cllr N Dixon	Cllr A Fitch-Tillett
Cllr T FitzPatrick	Cllr A Fletcher
Cllr W Fredericks	Cllr M Gray
Cllr M Hankins	Cllr C Heinink
Cllr P Heinrich	Cllr V Holliday
Cllr K Leith	Cllr R Macdonald
Cllr P Neatherway	Cllr L Paterson
Cllr S Penfold	Cllr P Porter
Cllr J Punchard	Cllr C Ringer
Cllr L Shires	Cllr E Spagnola
Cllr M Taylor	Cllr J Toye
Cllr K Toye	Cllr L Vickers

Also in attendance: The Chief Executive, the S151 Officer, the Monitoring Officer, the Democratic Services Officer (Oversight Committees) PA to the Corporate Leadership Team (EC)

96 APOLOGIES FOR ABSENCE

Apologies were received from Cllrs P Bailey, D Birch, P Fisher, N Housden, G Mancini-Boyle, E Vardy and A Varley.

97 MINUTES

The minutes of the meeting of 18th December and 29th January were approved and signed as a correct record by the Chairman.

Cllr J Punchard requested that his attendance was recorded for the December meeting of Full Council.

98 TO RECEIVE DECLARATIONS OF INTERESTS FROM MEMBERS

None.

99 ITEMS OF URGENT BUSINESS

None received.

100 CHAIRMAN'S COMMUNICATIONS

The Chairman began by asking members to join her for a minutes' silence in remembrance of former councillor Pierre Butikofer who had recently passed away. She spoke about Dr Butikofer's love for life and throwing himself into whatever he was doing. He treated everyone the same, it didn't matter if you were a close friend,

an acquaintance or someone who crossed his path in his work as a councillor or magistrate. He always wanted the best for you and for you to be happy. In his professional career Pierre worked for both ICI and IBM. When Pierre eventually retired from IBM, he decided to retrain as a lawyer, completing the three-year degree course in 12 months. He then became a Magistrate and served for over 20 years on the Bench in Norfolk, right through until he died shortly before Christmas 2024. He stood as a district councillor in a by election in Astley ward in 2016 and worked really hard, doing what he enjoyed and then in the 2019 council elections, Pierre moved to represent the Gresham ward. He became Chair of the Licensing Committee and continued as a councillor until he stood down from North Norfolk at the elections in 2023. She concluded by saying that he would be warmly remembered by everyone who had met him and sent his family and friends condolences on their loss.

She then invited the Leader to speak about Dr Butikofer and share his memories of him with members.

The Chairman then spoke about recent civic events that she had attended:

- 31st January NNDC Pantomime, Sheringham Little Theatre, £3107,55 raised for local charities!
- 14th February – Ceremonial opening of the Annual Kings Lynn Mart

101 LEADER'S ANNOUNCEMENTS

The Leader said that due to the anticipated length of the meeting, he would not provide an update this time.

102 PUBLIC QUESTIONS AND STATEMENTS

Mr P Harris asked the following question:

The Parish Poll in Cromer on Thursday 13th February 2024 put forward 4 questions. The first question posed on the parish poll was "*With the financial pressures local residents are under, Cromer Town Council should limit the increase to its Council Tax Precept to no more than 10%*". On a cold dark evening 78% of people taking part in the Parish Poll supported this proposition.

On behalf of residents I therefore request that NNDC does not agree to a Council Tax Precept set by Cromer Town Council above 10%.

The response was:

The parish poll is a discretionary poll and there is no lawful obligation which allows the District Council to act upon the outcome so unfortunately in this matter the District Council is unable to do anything.

103 PAY POLICY STATEMENT 2025 - 2026

The leader, Cllr T Adams, introduced this item. He explained that it was a statutory annual report.

It was proposed by Cllr T Adams, seconded by Cllr W Fredericks and

RESOLVED

To adopt the Pay Policy Statement and to publish the statement for 2025/2026 on

the NNDC Website.

104 CAR PARK ORDER 2025

Cllr L Shires, Portfolio Holder for Finance, Estates & Property Services, introduced this item. She reminded members that car park fees had been debated at a previous meeting and the next stage was to go out to consultation on the proposed changes. This had now been completed and just one objection had been received.

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

RESOLVED

1. That the Council introduces the car parking order 2025 (as advertised) on Monday 07 April 2025.
2. That the Council considers it is appropriate to make the order without modification

105 RECOMMENDATIONS FROM CABINET 3RD FEBRUARY 2025

Cllr L Shires, Portfolio Holder for Finance, Estates & Property Services, introduced this item. She explained that the Medium Term Financial Strategy would be reviewed and updated once the Budget for 2025/2026 had been agreed.

Cllr C Cushing proposed that recommendations 1 – 3 were taken en bloc and then recommendations 4 and 5 en bloc. Cllr T FitzPatrick seconded the proposal.

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

RESOLVED to

1. To approve the Medium Term Financial Strategy 2024/25 to 2027/2028
2. To approve the Treasury Management Strategy 2025/2026
3. the Capital Strategy 2025/2026o approve the Capital Strategy 2025/2026

Nine members abstained.

Recommendation 4:

Council Tax Discounts & Premiums Determination 2025-26

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

RESOLVED unanimously

That that under Section 11A of the Local Government Finance Act 1992 and in accordance with the provisions of the Local Government Finance Act 2012 and other enabling powers that

- 1) The discounts for the year 2025-26 and beyond are set at the levels indicated in the table at paragraph 3.1.
- 2) To continue to award a local discount of 100% in 2025-26 for eligible cases of hardship under Section 13A of the Local Government Finance Act 1992 (as amended). See the associated policy in Appendix B.
- 3) That an exception to the empty property levy charges may continue to be made by the Revenues Manager in the circumstances laid out in section 4.2 of this report.

- 4) The long-term empty-property premiums for the year 2025-26 (subject to the empty premium exceptions shown in Appendix C) are set at the levels indicated in the table at paragraph 4.2
- 5) To continue to award a local discount of 100% in 2025-26 for eligible cases of care leavers under Section 13A of the Local Government Finance Act 1992 (as amended).
- 6) Those dwellings that are specifically identified under regulation 6 of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 will retain the 50% discount as set out in paragraph 2.1 of this report.
- 7) Those dwellings described or geographically defined at Appendix A which in the reasonable opinion of the Revenues Manager are judged not to be structurally capable of occupation all year round and were built before the restrictions of seasonal usage were introduced by the Town and Country Planning Act 1947, will be entitled to a 35% discount.
- 8) A new second homes premium of 100% as detailed in paragraph 4.3 (subject to the second home premium exceptions shown in Appendix C) is applied from 1 April 2025.

Recommendation 5:

Non-Domestic (Business) Rates Policy 2025-26

RESOLVED

1. That the Revenues Manager continues to have delegated authority to make decisions up to the NNDC cost value of £4k as indicated in Appendix A.
2. That the Revenues Manager continues to has delegated authority to make Hardship Relief decisions up to the NNDC cost value of £4k as indicated in Appendix C.
3. That the Rate Relief Policy is revised as indicated in Appendix A, B and C

106 RECOMMENDATIONS FROM THE OVERVIEW & SCRUTINY COMMITTEE 12TH FEBRUARY 2025

The Chairman of the Overview & Scrutiny Committee, Cllr N Dixon, informed members that there were no recommendations that were not already covered elsewhere in the agenda and he said that he would speak to these when they arose.

107 BUDGET AND COUNCIL TAX 2025 - 2026

The Chairman reminded members that there would be a number of recorded votes. She then invited the S151 Officer and Chief Financial Officer to speak on the robustness of the estimates.

She began by referring members to page 192, s5.7 of the agenda, which provided details of the process which had been carried out in preparing the Budget for presentation to Full Council. She explained that in formulating her opinion, she had considered the 2023/2024 Outturn position, the Medium-Term Financial Strategy (MTFS) and in-year budget monitoring reports for 2025/2026. She had also looked at the cashflow which had been monitored throughout the year.

She was pleased to report that sufficient savings had been found to move the forecast deficit from £995k to a break-even position at the end of the financial year. She thanked officers for their hard work in reducing expenditure.

Regarding the setting of the 2025/2026 Budget, all factors that had an impact were considered, including interest rates, global markets, rate of inflation, borrowing and investment income returns. Fees and Charges and income levels had been thoroughly reviewed and future funding levels were also considered. She said that the final local government settlement had been disappointing. In conclusion, the Chief Financial Officer said that she was satisfied with the assumptions that had been made regarding forecasts and that the level of general and earmarked reserves were adequate and the budget was produced within a robust framework.

The Chairman invited the Portfolio Holder for Finance, Estates & Property Services, Cllr L Shires, to introduce the Budget for 2025/2026. Cllr Shires said that before starting her presentation, she would like to ask the Chief Financial Officer to explain the impact of the most recent change to the council tax precept for Cromer Town Council. The Chief Financial Officer referred members to Appendix F and said that this included the initial precept proposed by Cromer Town Council. She said that there was an amended version of the document which included the updated, lower precept figure and this had impacted on the overall parish and town council precept amount. It did not impact on the District Council's element of council tax for the year. The Chairman invited the Portfolio Holder for Finance, Estates & Property Services, Cllr Shires, to introduce the Budget for 2025/2026. Cllr Cushing sought clarification about the process and when an amendment would be considered. The Monitoring Officer confirmed that the Budget speeches would take place first and that an amendment could be put forward before the debate on the main budget.

Cllr Shires began by saying that the focus had been on maintaining the high quality of services that residents relied on whilst being fiscally responsible. She was pleased to announce that a balanced budget had been achieved and this was down to the hard work of officers and members. District Councils continued to face severe financial challenges, particularly in demand led services such as temporary accommodation. Many had sought emergency financial support from the Government or even declared bankruptcy via issuing a Section 114 notice. North Norfolk District Council was not in this position due to shrewd financial management, and she thanked everyone for working with her on setting such a challenging budget. She went on to say that the provisional local government financial settlement was extremely disappointing and this had been compounded by a reduction in the rural services delivery grant and the previous recovery grant had been abolished and now district councils had received a lower share of redistributed funds, with Metropolitan areas being prioritised over rural districts, implying that the Government did not understand the needs of districts such as North Norfolk.

The Government allocated additional money in floor funding to prevent District Councils facing direct funding cuts and this led to an allocation of £805k simply to maintain the level of funding as of that provided last year. Since the budget was set, a further reduction of £74k in the final settlement. This continual squeeze in funding had been ongoing since 2010, leaving many district councils with no option but to cut some services. Despite this continual pressure, North Norfolk District Council remained committed to delivering high quality services and ensuring that residents received the support that they needed. Since 2019, the Administration had committed over £145m to capital projects across North Norfolk. In the last 12 months, investment had continued to invest in key projects such as installing solar panels at the Victory Leisure Centre, completion of the Cromer and Mundesley coastal protection schemes, Coastwise, the backstage refurbishment of the Cromer Pier Theatre, new staff facilities at Holt Country Park, new public conveniences and changing places facilities in Holt, a new play park in Sheringham and the upcoming works on the new swimming pool and leisure centre in Fakenham. All of these

projects were fundamental to supporting local communities.

She went onto say that the commencement of work on the Fakenham roundabout had now begun and this key infrastructure scheme for the town was now underway and welcomed by local members. The Sustainable Growth team was thanked for its ongoing work in supporting the delivery of the UK Shared Prosperity Fund and the Rural England Prosperity Fund, underpinning the Council's continued support for economic growth across the district. Two further properties had been purchased, bringing the Council's temporary accommodation portfolio to 25 homes. All of this had been achieved despite the ongoing financial pressures – many of which were global and beyond the Council's control. Yet demand for council services and support had surged. There was a shortfall of £725k in temporary accommodation funding, which was likely to continue into the next fiscal year. She added that because of these additional pressures, the Council had introduced the 100% premium on second homes and the money generated would be used to ease budget pressures and cover any shortfall in temporary accommodation costs. This meant that the capital investment pledged would not need to be funded through borrowing, saving 2.4m in interest repayments.

Cllr Shires said that she was pleased to inform members that the Council had been successful in its bid to the Local Authority Housing Fund and would receive £588k which would be invested in temporary accommodation.

Cllr Shires then thanked the Overview & Scrutiny Committee for their engagement and input in setting the Budget for the forthcoming financial year and said that she looked forward to working with all members in the future.

In conclusion, Cllr Shires said that rather than ending the year with a deficit, as originally forecast, there would be a small surplus of £48k, protecting the Council's reserves and putting it in a strong financial position going forward. She highlighted the immense work undertaken by officers across the Council in reducing the deficit and personally thanked officers for their commitment and hard work. She then thanked Cabinet colleagues in engaging with the process and rising to the challenges set to review and reduce their portfolio budgets. The Local Government Finance settlement assumed that district councils would apply the maximum council tax increase of 3% or £5.00. It was proposed therefore that the district element of the council tax would be increased by £4.95. From every £1 of council tax collected, only 8 pence came back to NNDC.

In spite of the financial pressures, the proposed budget committed a further £2.5m in capital projects across the district. She then outlined the costs of the proposed projects, reflecting the Administration's commitments to North Norfolk and its residents. There remained significant uncertainty over future funding levels for local authorities, with major funding reviews still pending implementation. Local Government Reorganisation (LGR) added further uncertainty and she said it was important that any changes should ensure that rural communities were not overlooked and were rooted in what worked best for residents and not finances alone.

Work was already underway to address future forecast deficits, with further service reviews planned for the next financial year. Thanks were given the Council's S151 and Chief Financial Officer and the Finance Team for their dedication and expertise. Cllr Shires proposed the Budget for 2025/2026. Cllr T Adams seconded the Budget proposals.

The Chairman invited the Leader of the Opposition, Cllr C Cushing to respond to the Budget proposals.

Cllr Cushing began by thanking the Director for Resources and the Finance team for their hard work in preparing the Budget and for the support provided to the Conservative Group as they prepared their response. He also thanked Cllr Shires for her engagement with members of the Overview & Scrutiny Committee during the budget setting process.

Cllr Cushing said that the shadow of local government reform hung over district councils at the moment, casting a long shadow. Therefore, with a long-term future unlikely, the delivery of services should be tailored accordingly and focussed on the next two to three years. He agreed with Cllr Shires that the Government had little understanding of rural areas and their needs and acknowledged the additional financial pressure caused by the demand for temporary accommodation. He therefore welcomed that a balanced budget had been achieved but noted that for the second year running it had only been achieved by officers having to find substantial savings. He was concerned that this would not be sustainable for much longer. He reiterated comments that he had made in previous meetings that the deficit had been forecast for some time and that the Administration should have done more to 'fix the roof whilst the sun was shining' and that the price for a lack of action was being paid now. The only option going forward was to cut services. For this reason, the Conservative Group could not support an increase in council tax. It would fall on residents to pay the price and this was not fair.

The Medium Term Financial forecast made difficult reading and it estimated that the future deficit would be approximately £900k. He referred to Appendix A which indicated that staff costs would not be increasing and he queried whether this was the case as it was usual for an annual pay rise to be given and as far as he was aware there were no plans to reduce staff numbers. In addition, inflation had recently risen to 3% and with the pay award set at 3%, it was very possibly that it may have to rise further in line with inflation. There was also the rise in national insurance contributions, which left a further shortfall of £350k. There would also be additional costs from the implementation of local government reform and he was therefore concerned that the forecast deficit would be higher than estimated.

Cllr Cushing then spoke about his concerns over the level of borrowing undertaken by the Administration. At a recent meeting of the Overview & Scrutiny Committee, it had been revealed that the current level of borrowing was £12.4m, predicted to rise to £16m by the end of April 2025. He said that all members were shocked that it was so high and there was a broad consensus that it was borrowing by 'stealth' despite claims that it was internal borrowing. He said that it should be noted that all internal borrowing had to eventually be replaced by external borrowing and NNDC or a future authority would have interest payments to make. He added that when the Administration took over the Council in 2019, there was no borrowing at all. In addition, the last Conservative administration had built up reserves and these had not been replenished. The current rate of borrowing was currently six times greater than the General Reserve, meaning that the Council was likely to have a net debt liability – probably for the first time in its history. He said that the Conservative Group would not support any further borrowing for 'nice to have' or vanity projects.

Referring to the Capital Programme, he said that a number of them were funded by Government money, including coastal protection schemes and the Fakenham Leisure centre project. He thanked the Leader, Cllr Adams, for his support for the latter. However, there were several other capital projects in the programme, that he

believed showed an unfair bias towards Cromer. He accepted that the Council owned several assets in the town and that the car park income was considerable but having looked into it further, he had established that car parking in the town over the last 6 years had generated approximately £3m of net income. Between 2019 and 2025, expenditure on projects in Cromer had been £6m, with over £5m of that spent on the Pier a listed structure. However, there were other projects such as the Marrams pathway which was a 'nice to have' project and not necessary. He went onto say that the amount of money spent on Cromer totalled more than that spent on North Walsham, Sheringham and Fakenham combined. There needed to be fairness across the district when formulating the capital programme and this was not the case currently. Now that the Sustainable Communities Fund had been disbanded, there was nothing allocated to smaller parishes. He then spoke about the derelict property in Fakenham and urged the Administration to consider allocating funding for a compulsory purchase order (CPO).

In summary, Cllr Cushing said that the forecast deficit was likely to be higher than estimated and it was unsustainable to continue to find savings going forward, without cutting essential services.

The Chairman invited Cllr J Punchard, Leader of the Independent Group to respond to the Budget proposals. He began by thanking the Chief Financial Officer and her team for their hard work and Cllr Shires for presenting a balanced budget for the forthcoming financial year. Every year the budget was more challenging to set and impending devolution and local government reorganisation would only exacerbate this and impose additional costs. He reiterated Cllr Cushing's comments about the medium term forecast and said that the Administration needed to work to serve all residents across the district.

The Chairman invited Cllr Shires to respond. She began by saying that she welcomed Cllr Punchard's comments and she hoped to be able to work with him on setting the next Budget over the coming 12 months.

Replying to Cllr Cushing, she said that she was pleased with his speech, especially the lack of criticism regarding the Administration's strategic vision. She said that her view differed from his regarding some of the historic context that he had referred to and prior to 2019 there was approximately £1m in borrowing requirement. She referred members to page 93 of the report which set out the figures for recurrent borrowing and likely borrowing for capital projects. She thanked both Group Leaders for their input.

The Chairman invited Cllr Cushing to respond. He said that there was a clear end date regarding any strategic vision and her comments regarding 'rewriting history' were disingenuous as most of the money that had been spent by the Administration had come from a Conservative government. He added that it would be helpful to identify any projects that were government funded on the Capital Programme so it was clear where the funding came from.

Cllr Punchard said that he welcomed the opportunity to work with Cllr Shires in the next 12 months on setting the future budget.

The Chairman then advised members that an amendment had been received. She confirmed that the S151 Officer had seen it and accepted it.

The following amendment was proposed by Cllr Cushing, seconded by Cllr N Dixon:
Capital Programme 2025-2026

- Imperative that borrowing is brought under stricter control. Borrowing substantially increased from nothing in May 2019 to a current £12.4m and predicted to be £16m by April 2025.
- Capital projects should be led by community inspired needs to deliver the widest benefit to residents across the District or those in clearly defined localities spread equitably across the District.
- Capital projects should be supported by transparent and rigorous Business Case appraisal.
- None of the Capital Programme items listed below are supported by current reserves or Government grant funding. Therefore the money would have to be borrowed which would add further pressure
- We propose that the £1.6m saved by our amendment is either not be borrowed or used additional houses that would enable families in need to lead stable lives.

CAPITAL PROGRAMME 2024/25				
Scheme	Current Approved	Revised Provision	Saving	Proposals
3G Facilities	847,568	423,784	423,784	<p>This fund was originally earmarked for 3G pitches at Fakenham and North Walsham. The Football Foundation (FF) has indicated that it will support building on these sites, in addition to Cromer.</p> <p>The Fakenham proposal is currently being negotiated with the FF with the assumption the pitch will be built in 2026/27. The North Walsham project is conceptual and not close to being brought forward.</p> <p>PROPOSAL: Split the allocated funding in two. Retain that for Fakenham and remove the sum allocated to North Walsham. If the NW proposal comes to fruition then the Council should approve this then, and expect cross party support for it.</p>
Cromer 3G Football Facility	979,274	300,000	679,274	<p>The latest edition of the Corporate Plan states that the Football Foundation will contribute £450k which is 65% of the</p>

				development costs. Therefore the total development costs are £692,308 which means that NNDC will contribute an estimated £242,308. PROPOSAL: Reduce budget to £300,000, which allows for some contingency. This saves £679,274.
Marrams Building Renovation	48,325	0	48,325	It has been stated that because NNDC own the building, so have a responsibility to maintain it. There is no Business Case for this. Why should NNDC Council Tax Payers subsidise a bowls club, especially since there is another Bowls club in Cromer. PROPOSAL: Remove allocated funding of £48,325.
Collectors Cabin Roof	30,000	10,000	20,000	It has been stated that due to the location of the building in a conservation area, this roof will need to be replaced with another thatched roof to meet 'planning guidelines'. Planning guidelines are not statutory. Spending £30,000 is not justified as the pay back on this based on the annual rents would take years. Also thatched roof buildings are three times more expensive to insure. PROPOSAL: Reduce allocation to £10,000 which should be more than sufficient for a standard roof.
Totals	1,905,167	733,784	1,171,383	

CAPITAL BIDS 2025/26				
Scheme	Total	Revised	Saving	Reasons for Exclusion

	Requested	Provision		
Public Conveniences Renovation, Holt Country Park	50,000	0	50,000	We are told that due to the introduction of an energy supply these improvements are to help the Council achieve its net zero ambitions which are to be achieved by 2030. This is no longer a justification since the Council will cease to exist by 2028. It is not justified either when the Council wants to close public conveniences elsewhere in populated areas yet enhance those in a country park.
Path, Lighting and Railings Replacement, Marrams Pathway, Cromer	240,000	0	240,000	The work requested is an extension of current work on footpath and footway lighting. Replace rest of foot slabs with tarmac. Replace handrails. This is a 'nice to have' and not essential work.
Sunken Gardens, Improvements, Marrams, Cromer	150,000	0	150,000	This may be mentioned in Norfolk Growth Plan. We struggle to see that refurbishing the gardens is vital to Cromer's tourist offering y let alone North Norfolk's economy. If money is to be spent on this then it would be better secured by a grant not borrowing by NNDC.
Totals	440,000	0	440,000	
Overall Total Saved	1,611,383			

Cllr Cushing outlined the amendment. He explained that the proposed reductions would allow more to be spent on providing temporary accommodation which was a key priority for the Council at the moment. Moving onto Capital bids for 2025/2026, he said that there were 3 that the Conservative Group could not support. He spoke about the proposal to renovate the public conveniences at Holt Country Park and said that they were predominantly used by visitors to the park and could not be considered a priority when there were proposals to close other facilities in the district. He said that the projects for the Marrams pathway and the sunken gardens in Cromer were essentially 'vanity projects' and neither could be considered essential in the current financial climate. Referring to the Local Growth Plan, which mentioned the sunken gardens project, he said that Cromer was mentioned more times than Fakenham which did not seem equitable. Such work would be better supported by grant funding rather than borrowing.

In conclusion, if these amendments were supported, it would allocate approximately £699k for temporary housing and could be spent on purchasing additional

properties.

The seconder of the amendment, Cllr Dixon, reserved his right to speak at the end of the debate.

The Chairman asked the Portfolio Holder for Finance, if she accepted the amendment. Cllr Shires said that she was pleased to receive the amendment before the meeting so she could explore the proposals fully. She said that she was, however, unable to accept them for the following reasons.

Regarding the reallocation of £229k from the football facility, she said that the money put into the project by NNDC would be borrowed and would therefore come with an interest cost. She went on to explain that although temporary housing costs were rising, there had been an increase in grant funding and the increase in second homes council tax.

Cllr Shires said that Holt Country Park was a long-term asset that had over 60k visitors a year and investment in the toilets was needed. Regarding the Marrams pathway in Cromer, it was one of the main routes from a key car park into the town and the Council had a responsibility to maintain it. This would happen regardless of location.

She concluded by saying that she could not therefore accept the amendments. The Monitoring Officer informed members that the standing orders allowed the proposer of the substantive motion to speak last but that Cllr Shires had opted to speak in response to the amendment.

Cllr T FitzPatrick sought clarification that anyone speaking during the debate on the amendment could speak again during the substantive debate. The Chairman confirmed this.

The Chairman opened the debate on the amendment. Cllr FitzPatrick said that all the points raised by Cllr Cushing were important. It was evident that spending was more focussed on Cromer than the wider district. He said that Walsingham had over 300k visitors a year but there were proposals to close the public toilets there in the long-term. He reminded members that the second homes premium had previously paid for the Big Society Fund which had provided grants for small projects throughout the district. It was clear from this Budget that there was a preponderance of spend in one town and it really needed to be addressed now.

Cllr M Taylor said he wanted to focus on the first proposed amendment. The temporary accommodation problem was a huge issue for residents and there was a pressing need to get families into decent housing and this was more important than sporting facilities in Cromer.

Cllr T Adams said that there would need to be increasing agility in how the Council's budget was managed going forward. LGR was likely to put additional pressure on the Council's finances and its assets. He reminded members that there were two large projects underway in Fakenham and he felt that the comments on the Marrams pathway were unfair as members had supported the Local Growth Plan. Holt Country Park was popular with residents as well as tourists and it was important to retain its green flag status. Regarding the provision of temporary housing, he said that a great deal had been achieved already and forthcoming additional funding would expand on this.

Cllr K Bayes said that he failed to understand why the Council was borrowing money to build a 3G pitch in Cromer. He said that he would struggle to justify this to residents.

Cllr A Fitch-Tillett raised the issue of maintaining stability of Overstrand cliffs, which was listed in the capital programme. The Chairman reminded her that the current debate was regarding the proposed amendments.

Cllr L Withington said that she would like to address the points regarding Holt Country Park. She said that it was not linked to Net Zero ambitions but was focussed on replacing plumbing and overall renovation. Regarding the 3G pitch in Cromer, she said the amendment was not aimed at removing the project completely from the capital programme but removing the borrowing element. She said that the Norfolk Football Foundation would not even consider supporting the project if there was not a need. In terms of the budget being focussed on spending and borrowing, she said it was important to see it in light of those being proposed by neighbouring authorities, which were significantly higher by comparison. She agreed with Cllr Shires that it was a very prudent approach.

Cllr J Toye said that sporting facilities encouraged people to move into local towns and benefit from their surrounding environment.

Cllr Dixon, seconder of the amendment, was invited to speak. He said that he wanted to make the following points. It seemed that the Administration put 'nice to do' projects as a higher priority to investing in temporary accommodation. He said that as Chairman of the Overview & Scrutiny Committee, he had listened to the Portfolio Holder for Housing, Cllr W Fredericks, speak on several occasions about the constraints in purchasing land and buying homes for temporary accommodation. By adjusting the capital programme as proposed in the amendment, the Administration could make a clear declaration that the provision of temporary accommodation was a priority. He wondered how comfortable the Administration would feel having to justify to people on the housing list that they wanted to focus spending on 'vanity projects' rather than housing. In summary, it appeared that the Council was prioritising a 3G football pitch over providing homes for vulnerable residents.

Cllr Dixon said that when comparisons were made regarding borrowing, it was important to make sure that they were comparable. It was clear to everyone that borrowing to purchase housing was a solid investment unlike the 'nice to do' projects, which would not provide a tangible return. He concluded by saying that he was extremely disappointed that the amendment was not being supported.

Cllr Cushing was invited to close the debate on the amendment. He said that he reiterated Cllr Dixon's comments regarding priorities and he did not support the argument that there was now sufficient money to spend on temporary accommodation and therefore no more was needed. He said that he was particularly disappointed that the Administration would not support the first amendment regarding the 3G pitch as it was low risk.

Cllr Shires said that she was disappointed that Conservative colleagues had not voiced concerns the previous day when the County Council had cut £2m from the homelessness budget.

The Chairman said that there would be a recorded vote on the amendment.

12 members voted in favour, 20 against and 1 abstained. The amendment was therefore not supported.

The Chairman then opened the debate on the substantive budget:

Cllr K Bayes said that as local member for Stalham, he was extremely disappointed that there was funding allocated in the capital programme for the town. He said that it indicated a disregard for Stalham and highlighted the disparity in spending across the district. He acknowledged that there maybe some spending in the pipeline but said that he was not convinced that it would come to fruition.

Cllr M Taylor reiterated Cllr Bayes' comments. Yet again there was no funding in the capital programme. He really hoped that there would be a proper place-making project in the near future. There needed to be far more buy-in from officers and members of the Administration to ensure that such a project could get off the ground. He expressed his frustration with the lack of government funding for rural shire districts and said it was clear that the government did not care about rural communities.

Cllr L Paterson said that he wanted to support Cllr Bayes comments about Stalham. Cllr J Toye, said that he would like to have some context for the comments regarding lack of investment in Stalham. He said that his ward was of similar size and there were several members who could say that they were not seeing funding allocated to their local areas but it was important that the focus was on the areas that needed it the most.

Cllr A Fitch-Tillett commented on the proposed capital project entitled 'maintaining the stability of Overstrand cliffs'. She said that she was aware that the Shoreline Management Plan set out that Overstrand could be defended whilst it was economic to do so. She sought clarification on whether funding for such a scheme would be forthcoming from the Government and/or the Environment Agency and that it was important to know the situation before the capital programme was agreed.

Cllr H Blathwayt said that he was tired of hearing his local town, Stalham, being run down month after month by its local councillors. It was a thriving town doing very well indeed and they should stop running it down. As Portfolio Holder for Coast, he said that in response to the question regarding Overstrand cliffs, all options were being explored and an update would be provided soon.

Cllr T FitzPatrick said that the Council had previously been described by the editor of the Eastern Daily Press (EDP) as a 'pocket sized Council that punched above its weight'. He added that it could no longer be described as this because the Council had lost its sense of vision – of delivering the best possible services at the best possible price. It had gone quickly from a council with no debts to one with debt and borrowing. He said that it was not much of a legacy to leave when LGR came into effect and if the Council wanted to prioritise spending on a bowling club rather than investing in public toilets in key tourist areas, then it sent out a clear message regarding priorities. Regarding the new roundabout in Fakenham, he said that this was a project being managed by the County Council and funded externally so the Administration could not take credit for this. Regarding the Council's vision for the future, he said that it was important that members were ready to hand it over and consideration should be given now to investing in trusts to ensure key assets were maintained in future years. In conclusion, Cllr FitzPatrick said that it was important to focus on the Council's statutory duties such as tackling homelessness.

Cllr S Butikofer said that some members would remember that the Liberal Democrat took control of the Council in 2019 because of vanity projects, specifically one in Cromer for a tennis club. She was pleased that the opposition was concerned about housing residents but they didn't help in the early days and they should acknowledge that the Administration was tackling the issue of homelessness without dipping into the reserves.

Cllr W Fredericks said that she welcomed members focussing on the importance of housing issues and challenges. The Council was a leading authority on buying temporary accommodation and it now owned 25 units. However, they would not be needed if the previous government had not hollowed out the housing market. There were plans to increase the number of affordable homes in the next two years and this was a clear demonstration of the commitment to providing homes for local people.

Cllr P Heinrich said that the big risk to a new unitary did not come from small district councils but from the County Council with its £900m of debt.

Cllr S Penfold said that he supported Cllr Butikofer's comments regarding vanity projects and Cllr Heinrich's comment regarding the legacy of debt. He said that the County Council paid £85k a day on interest on debt alone.

Cllr L Vickers said that it was pointless discussing the budgets of other councils. Members should remind themselves why they were elected and who they represented. She agreed with Cllr Fredericks about the need for houses for local people and said that the Council should be providing more.

Cllr N Dixon said that he welcomed the comments of Cllr J Toye in setting out what the Council would like to do but the real challenge was putting this into action. He did, however, want to take issue with Cllr Blathwayt's comments. The Local members for Stalham were speaking up for the town and it was unfair to accuse them of running Stalham down. They had set out cases where the town had not been treated well. It was their duty to do so and he hoped that Cllr Blathwayt would withdraw his allegations against them.

Cllr Dixon said that the proposed council tax increase owed more to the years of failure to prepare for the coming financial storm and to the relatively profligate spends, leading to unprecedented borrowing. If those strategic choices had been prudent then the described current pressures, including temporary accommodation, could have been absorbed without dipping so deeply into residents' pockets. In conclusion, he said that it was undoubtedly a Cromer centric budget and should be acknowledged as such.

Cllr P Neatherway asked for more information regarding the cost of local government reorganisation and whether this was covered within the budget for 2025/2026, specifically support for town and parish councils as it was likely they would be required to take on more responsibilities once the district council was abolished.

Cllr C Ringer said that he wanted to comment on Cllr J Toye's earlier reference to the rural 'hinterland' in the district. He said that his own ward consisted of several parishes and had very few assets. That said, when nearby towns were invested in, it did directly benefit the residents of his ward. He went on to say that he did not feel that his ward was neglected in any way by not receiving any capital investment from NNDC as it was well served by officers and there were 10 affordable homes coming

forward in one village, which had been driven by the work of the Council's housing team.

The Chairman of the Overview & Scrutiny Committee was invited to speak on behalf of the Committee. He said that he had already spoken at length and did not wish to say anything further.

Cllr T Adams was invited to speak as seconder of the Budget. He began by saying it had been a difficult process of reaching a balanced budget. The Government's financial settlement for rural district councils had been pitiful and incredibly disappointing. He said he did not accept allegations of 'salami slicing' and he said that the deficit was in fact larger when the Administration took control of the Council. Regarding Stalham, he said the Council's investment and focus on the town would be clearly reflected in the Annual Action Plan which would be coming forward shortly. It was important that the town's assets were secured for the future. He went on to say that the focus now needed to be on the future for all of the Council's assets under a future Unitary authority and he wanted to work with local members on this. In response to Cllr Neatherway's query regarding support for town and parish councils ahead of devolution, he said that briefing sessions would be held but clarified that as far as he understood, there was no expectation that they would be taking on any additional statutory services. They could, however, take on responsibility for some of NNDC's assets.

Cllr Adams concluded by recommending the budget for approval and he thanked officers and members for their hard work and support.

Cllr L Shires then spoke as proposer of the Budget for 2025/2026. She began by saying that she was pleased to present a budget which was ambitious and responsible, which protected the essential services that residents relied on whilst ensuring the financial stability of the Council. The achievements outlined were a testament to the dedication and commitment of officers, members and communities. Bold strategic decisions had been taken to support the local economy, improve infrastructure, protect the environment and address the housing crisis. That said, the challenges ahead were not underestimated. These included the ongoing cost of living crisis, pressures on local government funding and the uncertainty of future reforms. The Council did not shy away from difficult decisions. It had already demonstrated that it would act decisively, innovate and ensure that North Norfolk remained a place where people could thrive. She concluded by thanking the Finance Team, officers and Cabinet colleagues and all members who had constructively engaged in the budget setting process. The road ahead would not be without challenge but she had no doubt that the Council had the resilience, vision and dedication to overcome them.

Before moving to the vote, Cllr Cushing proposed that the recommendations were split accordingly – recommendations 1,2,3,6,7 and 9 en bloc and recommendations 4 and 5 to have a separate recorded vote. Cllr Dixon seconded the proposal.

A recorded vote was taken on recommendations 1,2,3,6,7 and 9.

It was RESOLVED unanimously to approve

- 1) The 2025/26 revenue budget as outlined at Appendix A;
- 2) The service budgets detailed in Appendix B;
- 3) The statement of the movement in reserves as detailed at Appendix C;
- 6) The statement of identified savings as detailed in Appendix F;
- 7) That Members note the current financial projections for the period 2026/27 to

2028/29 that form the Medium Term Financial Strategy as presented as a Cabinet recommendation from its meeting on 3 February 2025;

- 8) The Optimum Level of the General Fund Reserve of £2.1m for 2025/26 to 2027/28;
- 9) The Local Council Tax Support Scheme (LCTS) for 2025/26 as recommended for approval by Cabinet at its meeting on 3 February 2025;

A recorded vote was then taken for Recommendation 4 and it was

RESOLVED with 21 votes in favour and 12 abstentions to approve:

- 4) The updated Capital Programme and financing for 2024/25 to 2027/28 as shown in Appendix D;

A recorded vote was taken for Recommendation 5 and it was

RESOLVED with 21 votes in favour and 12 votes against to approve

- 5) The new capital bids recommended for approval as detailed at Appendix E;

The Chairman advised members that they were now required to undertake the setting of Council Tax for 2025/2026.

The Chairman invited the Section 151 Officer (Chief Financial Officer) to outline the different elements of the Council tax recommendations. She explained that Appendix F to the report set out the statutory calculations for the council tax bases and reminded members that the Council Tax base had been approved by Full Council on 29th January. She then talked members through the calculations and advised them of the adjustment due to the late receipt of the change to the Cromer precept.

Cllr C Cushing requested that 10 and 11b were voted on en bloc and 11a was voted on separately. The Monitoring Officer informed members that a recorded vote would be taken. The Chief Financial Officer advised members that the figure as set out at recommendation 11b had been adjusted to reflect the change in the Cromer precept and was now **£3,697,853** and that a recorded vote would be taken to approve the amendment.

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

RESOLVED unanimously to approve that recommendation 11b was amended to reflect the Cromer precept.

A recorded vote was then taken on recommendations 10 and 11b and it was

RESOLVED unanimously

- 10) That Members undertake the Council Tax and statutory calculations set out at Appendix G, and set the Council Tax for 2025/26;
- 11b) £3,697,853 for parish and town council precepts (as amended)

A recorded vote was then taken for recommendation 11a and it was

RESOLVED with 21 votes in favour and 12 abstentions to approve

The demand on the Collection Fund for 2025/26 is as follows:

- 11a. £7,812,584 for District purposes which reflects the recommended Council Tax increase of £4.95 for the district element for a Band D equivalent property

108 PORTFOLIO REPORTS

The Chairman advised members that there was 30 minutes allocated for this item.

Cllr J Boyle asked Cllr A Brown, Portfolio Holder for Planning and Enforcement, for a brief update on the Local Plan. Cllr Brown said that the next phase of the Local Plan would be a visit from the Planning Inspector from 8th to 11th April. He would visit the Council Offices and look at aspects of modifications to the plan. This would include issues such as housing trajectory, deliverability of site allocations, the effect of nutrient neutrality and if the Council was compliant with habitat regulations. He concluded by saying that it was intended that the Local Plan would be agreed before local government reorganisation took effect.

Cllr A Fitch-Tillett asked Cllr L Withington, Portfolio Holder for Community Outreach, about call waiting times. She welcomed the fall in waiting time but asked if it was possible to have more detailed information and how the waiting times compared on a benchmarking basis. She referred to the service sector where calls would be answered within 3 rings and asked if a similar approach was taken at NNDC. Cllr Withington said that she would provide a written response.

Cllr J Punchard asked the Leader for an update on 9 Norwich Street, Fakenham. He said that the saga had gone on for a number of years. Concerns had been raised about economic viability in the town and the need for more residential places. Refurbishing this property would address both issues. Cllr Adams said that the property was not owned by the Council and that made it challenging. He said that a decision on this matter would be coming forward to Cabinet in the near future to determine legal routes of action.

Cllr T FitzPatrick said that he had always been supportive of Eastlaw, the Council's legal arm and asked for an update on current workstreams and the opportunities to provide additional income for the Council. Cllr Adams replied that the Council was very proud of Eastlaw and the work that it did. A Coastal Transition Lawyer had recently been recruited and it was hoped that they would be able to provide support to other coastal authorities.

Cllr K Bayes said that he wanted to ask Cllr A Varley, Portfolio Holder for Climate Change, a question but in his absence he would put it to the Leader, Cllr Adams. He referred to a recent social media post on collaboration with 'Make my House Green'. He asked how the collaboration had come about. He understood that it was a national company based in London and he felt that a local company could provide the same service and offer discounts where possible. He asked whether it was unfair to local businesses by promoting a national company and its services. Cllr Adams said that he would ask Cllr Varley to provide a written response.

Cllr M Taylor spoke about the increasing number of housing developments proposed for Stalham and asked whether the Portfolio Holder for Planning, Cllr Brown, would commit to meeting with local members and the Assistant Director for Planning to discuss the establishment of Stalham Infrastructure Fund, which would be funded via s106 contributions. Cllr Brown said that he would be happy to meet and discuss this matter further, although it would be helpful to have more detail to ensure it complied with legislation and the Council's Local Plan. Cllr Taylor said that it would relate to seeking to fund safety improvements to the A14. Cllr J Toye said that he would be happy to be involved in any discussions as Portfolio Holder for Sustainable Development.

Cllr L Vickers asked the Leader, Cllr T Adams, for assurance that every penny raised from the second homes council tax would be spent on housing and addressing homelessness. Cllr Adams confirmed that this was the case. He said that the agreement with the County Council would need to be renegotiated annually so the Council would need to demonstrate that it was spending the full use of that money on the terms agreed.

Cllr K Leith asked the Portfolio Holder for Environmental and Waste Services for an update on the introduction of the collection of food waste for businesses. Cllr Ringer confirmed that separate food waste collection for trade would commence in April for larger businesses (more than 10 full time equivalent employees), approximately 10% of businesses. He said that the service would be available for all of the Council's trade customers, including those with less than 10 employees and that all customers had received a leaflet advising them of the changes. He offered to provide an email briefing to members if that would be helpful.

109 QUESTIONS RECEIVED FROM MEMBERS

None

110 OPPOSITION BUSINESS

None

111 NOTICE(S) OF MOTION

None

112 EXCLUSION OF PRESS AND PUBLIC

113 PRIVATE BUSINESS

The meeting ended at 8.38 pm.

Chairman