

## OVERVIEW AND SCRUTINY

**Minutes of a meeting of the Overview and Scrutiny Committee held on 17 May 2017 in the Council Chamber, North Norfolk District Council, Holt Road, Cromer at 9.30 am.**

### Members Present:

**Committee:** Cllr P W Moore (Chairman)

Cllr S Butikofer	Cllr N Pearce
Cllr A Claussen-Reynolds	Cllr E Seward
Cllr J English	Cllr B Smith
Cllr V Gay	Cllr N Smith
Cllr S Hester	Cllr G Williams
Cllr M Knowles	

**Officers in Attendance:** The Corporate Director (NB), the Corporate Director (SB), the Head of Planning, the Housing Strategy and Community Development Manager, the Head of Economic and Community Development, the Economic Growth Manager, the Business Development Officer, the Business and Skills Support Co-ordinator, the Democratic Services Team Leader and the Democratic Services Officer.

**Members in Attendance:** Cllr J Rest, Cllr D Smith, Cllr B Palmer, Cllr T FitzPatrick, Cllr R Shepherd, Cllr A Fitch-Tillett, Cllr R Reynolds, Cllr M Millership, Cllr A Moore and Cllr S Arnold.

**Also in Attendance:** David Bale, Eastern Daily Press (for items 1 – 10)

### 165. APOLOGIES

Apologies were received from Mr N Dixon.

### 166. SUBSTITUTES

None.

### 167. PUBLIC QUESTIONS

No public questions were received.

### 168. MINUTES

The minutes of the Overview and Scrutiny Committee held on 12 April 2017 were accepted as an accurate record and signed by the Chairman. The following update was received:

Minute 162, Community Governance Review: the Corporate Director (SB) said that, because of the impending General Election, it was no longer his intention to bring a paper to Full Council on 24 May 2017. This was to avoid confusion for Members and Electors. He now aimed to bring a report on revised ward areas to Full Council on 19 July 2017.

**169. ITEMS OF URGENT BUSINESS**

None

**170. DECLARATIONS OF INTEREST**

None

**171. PETITIONS FROM MEMBERS OF THE PUBLIC**

None

**172. CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER**

None

**173. RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS**

None

**174. LEISURE CONTRACT PROCUREMENT AND SPLASH FACILITY**

The report – which had been brought to the Committee for pre-scrutiny - was introduced by the Leader, Mr T FitzPatrick. He explained that the replacement of an existing facility, the Splash at Sheringham, would be possible as long as the Council took a commercial approach to using its assets to benefit the community.

The Corporate Director (NB) said that the Council was now at a point where it needed to decide what approach to take regarding its current Leisure Services contract as well as the long-term future of the Splash facility. Both elements needed to be done together so that potential contractors knew what facilities they might be expected to manage. It was common in leisure contracts to move to a first (preferred bidder) stage and then allow the preferred bidder some design input into a new facility. Because of the inter-relationship between the Leisure Services contract and a new leisure centre, the Council was being asked for approval to move forward with the initial stages of procuring the Leisure contract and with the property-related work which together would provide the business case for redevelopment of the Splash site.

Questions and Discussion:

- a) In response to a question from the Chairman, the Corporate Director (NB) explained that Splash was a leisure pool, rather than a swimming pool. It had a flume, which increased the roof height as well as the cost of heating. The facility also had a sports area and a gym. The total footfall was 160,000 people per annum. Although the facility had originally been intended as a tourist attraction,

Splash had never been a significant draw. If it proved to be affordable, NNDC aimed to provide another wet facility as well as a dry facility. A “municipal” swimming pool would be more affordable than another leisure centre because of the additional space and maintenance costs involved.

- b) Mr E Seward asked what the current charges were at Splash and what categories of people used it. The charges ranged from £3.50 to £5.10 and were consistent with municipal leisure charges. Based on direct costs across the current contract a subsidy of approximately 70p was paid by NNDC for everyone who used the pool. The pool was used by people from all sections of the community including the elderly and disabled.
- c) Mrs A Moore asked how the subsidy compared with Victory Swimming Pool. The Corporate Director (NB) replied that the subsidy was basically the same across all the leisure facilities. However Fakenham was cheaper to run because it was a dry facility only and Splash was more expensive because of its design. It was difficult to split down the figures for the individual facilities because of shared management arrangements. Generally a leisure pool was more expensive to run because of maintenance of equipment and extra space to heat. Splash was an old facility and this added to the cost. The Corporate Director (NB) would produce some estimated figures and circulate them to Members.
- d) Ms V Gay observed that swimming pools were expensive to run and many authorities had closed their facilities for this reason. However, swimming was genuinely a sport for everyone. Splash had never taken off as a tourist attraction. Therefore a swimming pool would be a better asset.
- e) Mr D Smith, as a Sheringham Member, endorsed everything in the report and the recommendations of the officers. The scheme was good, innovative and progressive and would benefit the whole District.
- f) Mr G Williams was pleased to see recognition of the need for swimming. The challenge, he said, was how – in the current financial climate – it could be provided. A feasibility study would inform the business plan. At this stage it was unclear what the facility would be and how much it would cost but it was clear that something needed to be provided. Today’s report was seeking approval regarding how to progress the matter.
- g) In response to a question from Ms V Gay, the Strategic Director (NB) explained that discussions around potential other developments and site assembly were still at a very early stage. More information would come to Members when there was further progress. There was a possibility of a mixed development but nothing definite. A wet facility would cost £8m. This would not be financially acceptable as the impact on revenue would be in the region of £506,000 per annum. It was anticipated that Sport England would grant fund in the region of £1m for the project. In discussions with potential Leisure Contract bidders it was apparent that a new facility would be able to be run without the current £150,000 per annum management cost to the Council. This would bring down the revenue impact although it would still be considered unacceptably high given the Council’s financial position. However there was enough land adjacent to Splash to provide additional development which would offset the cost. It was believed that there could be a demand for a hotel and there were other options for reducing the cost within any future supporting development, e.g. shared access and shared utility costs.
- h) Mrs S Butikofer welcomed this report coming to the Committee for pre-scrutiny. She asked for it to be brought back to Overview and Scrutiny when further progress had been made. The Corporate Director (NB) said that he anticipated the topic would come to the Committee in advance of the next Cabinet report later in 2017. Members would also receive informal progress reports. The Chairman requested that the Committee should be updated when there were developments to report.

- i) In response to a question from Mrs Butikofer, the Corporate Director (NB) said that Section 106 money had not been considered as a possible source of funding for the project. He was not aware that any such money was available but would check.
- j) Mrs Butikofer observed that hotels in Sheringham had been closing down recently. The Corporate Director (SB) agreed that smaller independent hotels had been closing down. The market had changed and larger hotels with online booking tended to be preferred. Referring to the Asset Commercialisation Strategy, he said that Travel Lodge and Premier Inn had both shown interest in building a hotel in North Norfolk.
- k) Mr S Hester suggested building a multi-facility complex on the outskirts of Cromer. The Corporate Director (NB) explained that NNDC did not have a site for this. The Splash scheme was for an existing site, in the right place, on land in Council ownership. He applauded the ambition of Mr Hester's suggestion but didn't think it was feasible, especially given the timescale. The Chairman reminded the Committee that such a scheme would have to go through the Local Plan. Mr Hester asked why, if negotiations still had to be undertaken with adjacent landowners in Sheringham, similar negotiations couldn't take place with landowners in Cromer. The Corporate Director (NB) said that sites suitable for a swimming pool were very limited. The Sports Facility Strategy identified the existing site as being the most appropriate. The Council had no other suitable land and didn't have the resources to start from scratch. The Corporate Director (SB) said that there was no shortage of development land in North Norfolk. This was being taken forward by the Planning Policy and Built Heritage Working Party. However, Mr Hester's suggestion – an outlying business centre in competition with another town – would be unlikely to receive public support, especially as the principle of developing on greenfield sites was never sympathetically received.
- l) Mr G Williams said that the Council needed to be ambitious with the Sheringham site. If the facility was built in Cromer this wouldn't help Sheringham or the west of the District. With a commercial approach, the Capital cost could be managed. The cost was a big issue for NNDC as the District didn't have sufficient population to increase footfall at the facility. He asked if the option of the management contractor contributing to the capital had been considered. The Corporate Director (NB) replied that Design/Build/Management was becoming increasingly common in leisure contracts. The cost base was similar although there was more risk to the contractor. However such an approach meant that the person designing and building the facility had the experience to know what was required. Sport England recommended a partial Design/Build/Management approach. This would allow operators to help with the design to the Council's specifications and in conjunction with the Council's architect and builder.
- m) Mr E Seward observed that the feasibility study and what could be afforded was currently the crucial piece of work. When this was completed it needed to come back to Overview and Scrutiny. There was likely to be an expectation from the public of re-provision of some sort. He perceived that there was a risk of not being able to provide a wet facility at Sheringham if the right package couldn't be found and asked if there was a level of risk estimated. The Corporate Director (NB) responded that a wet facility could be provided subject to development and property negotiations and NNDC taking a commercial approach to its land assets. It was important to work through to the potential optimum position before asking Members how to proceed further.
- n) Responding to a further question from Mr Seward, the Corporate Director (NB) said that residential development had not been considered for the site. The Council had only looked at commercial development/retail.
- o) Mr N Pearce commended the width and ambition of the scheme.
- p) The Leader said that North Norfolk was essentially rural and that was why the

Council had to fight to get rural funding. In this context the plan for the Splash facility was a brave decision, but the Council was really committed to leisure and fitness. It was important to maximise our assets and work with partners. More information would be brought to Members as progress was made.

- q) The Chairman thanked Members for a robust discussion which showed the value of pre-scrutiny.

## **RESOLVED**

1. To commend the recommendations to Cabinet.
2. To forward to Cabinet the key points from the Overview and Scrutiny Committee's discussion.

## **175. PLANNING – DEVELOPMENT MANAGEMENT: AN OVERVIEW**

The report – the third to come to Overview and Scrutiny - was introduced by the Portfolio Holder, Mrs S Arnold. She told the Committee that she welcomed the opportunity to present the latest report which was very readable and digestible. Targets were based on a 24 month period. The figure in the last month for new applications was 100%. This was a great credit to the team. Recruitment in planning policy was still a problem but staff were coming to terms with working with less paper. Although at present 45% of applications were invalid on receipt work was being done with agents to ensure that their applications were valid.

The Head of Planning invited questions from Members:

- a) The Chairman asked if there had been any progress on Section 106 Obligations and monitoring of conditions attached to planning permission. The Head of Planning replied that, in terms of monitoring conditions, the Enforcement Plan had recently been approved. Conditions tended to be monitored only when people raised concerns although the team was more pro-active with some sites. Monitoring of Section 106 was a different issue. A report, with Action Plan, would come to the Audit Committee on 6 June. The Major Project Team had done a risk-based assessment on major developments and had identified a list of issues. The team was now looking at the higher risks and would take the work forward in the next 6 months.
- b) The Chairman asked if some matters could be sorted out before an application was made. The Portfolio Holder explained that the pre-application process had been tightened up and that agents were encouraged to discuss their applications with officers before submitting them.
- c) Mr E Seward, referring to the difficulty in recruiting to Planning Policy, asked what delays were being caused. The Head of Planning said that the programme was running approximately 6 months behind schedule. The team was looking at other options, e.g. secondment, to bring the work forward. The Chairman observed that an up-to-date Local Plan must speed up determinations. He queried whether it would be better to put more resources into the Plan than into performance. The Head of Planning replied that it was a fine balancing act. The critical issue was maintaining the Five Year Land Supply to prevent vulnerability to speculative applications. The Corporate Director (SB) said that there was a balance between Local Plan policy and recognising and preserving what was special about North Norfolk. It was not an area where corners could be cut and it was necessary to understand what could be done in-house, what could be shared with other authorities and what could be outsourced.
- d) Mr Seward asked the reason for the fall in major and minor Planning applications. The Head of Planning explained that most of the District's allocated sites were now

under construction – the exception being the Fakenham allocation. There had also been a fall in the number of renewable energy applications. The fall in minor applications was not significant and allowed other work to be done as well as performance being improved.

- e) In a further question Mr Seward queried the threshold before there was government intervention in relation to the overturning of appeals. The Head of Planning explained that it was 10% of the total number of major applications determined.
- f) Responding to a question from the Chairman about the frequency of new legislation, the Head of Planning said that the Team reviewed it regularly and could take advice from Eastlaw if necessary.
- g) Mrs S Arnold thanked Members for their support during the Sculthorpe Enquiry and expressed appreciation for the work of the Planning Policy Manager. She encouraged Members to attend the Planning Policy and Built Heritage Working Party.
- h) Mr R Reynolds said that it was important to realise what excellent work the Development Team was doing, even if it was curtailed by recruitment issues which were countrywide. He asked the Committee to recognise the improvement in performance and encouraged them to study the figures.

**RESOLVED** that the Committee welcomed the report and the progress made.

#### **176. ECONOMIC GROWTH TEAM UPDATE**

The item was presented by the the Economic Growth Manager who introduced the Business Development Officer and the Business and Skills Support Co-ordinator. A presentation was shown to Members to supplement the officers' report.

- a) The Economic Growth Strategy and Action Plan was approved by Cabinet in October 2016. It had been designed to ensure that the Resources of the Council and the Economic Growth Team were aligned to the priorities of the Corporate Plan.
- b) The Strategy included promoting and marketing North Norfolk as well as supporting businesses and working for a healthy economy.
- c) Businesses were encouraged to employ young people so that they would stay in the District. To this end the Business and Skills Support Co-ordinator supported schools and liased with businesses acting as a facilitator or broker.
- d) The Team supported existing businesses and enterprise engaging with them in practical ways with funding, skills and apprenticeship information.
- e) The Team worked with partners including New Anglia Growth Hub, NWES (an enterprise agency in which a business advisor regularly attended the NNDC offices), BEE Programme (a European project for energy efficiency) and the Local Enterprise Partnership.
- f) The Business Engagement Strategy:
  - Created a multi-medium communication infrastructure
  - Generated a database of local businesses
  - Designed a programme of business engagement events
  - Demonstrated a robust business model that was financially self sustaining
- g) In 2016 the Team commissioned a partner organisation, Genix Business Support, to deliver some of the key elements of the Business Engagement Strategy. Genix provide:
  - Monthly E-Newsletters
  - Monthly Business Networking Events
  - 2 Half Day Business Seminars

- 2000 A6 Events Brochures (Inc. online version)
- A Co-ordinated Plan of Promotion – E-shots, Social Media, Press Releases etc.
- An Ongoing Sustainable Programme

The initial investment had been £20,000. A sponsorship model was in place to ensure financial sustainability with no further investment from the Council.

Young people in the economy:

- a) The Business and Skills Support Co-ordinator worked with schools to encourage apprenticeships. The schools were all post-secondary and included special schools and a Sixth Form College.
- b) All the schools had been willing to be engaged and had asked for meetings with businesses. Unfortunately the response from businesses had been disappointing although the businesses who had attended had developed links with the schools. The challenge to engage with businesses is stronger than that to engage with schools.
- c) The North East Norfolk Futures Event (Careers Fair) would be held at Paston College on 11 July 2017. The Business and Skills Support Co-ordinator had been working with businesses to increase the numbers attending from North Norfolk. There will also be inspirational talks from North Norfolk businesses.
- d) It was perceived that teachers didn't necessarily have awareness of the North Norfolk economy. The Business and Skills Support Co-ordinator was arranging one CPD (Continued Professional Development) event per term to enable teachers to meet with businesses and increase awareness.
- e) Apprenticeship Event for Employers: this would take place on 31 May at the Atrium, North Walsham: this event was to address employers' lack of awareness of how the Apprenticeship Scheme worked and good practice. The government had recently changed the scheme which had exacerbated the problem.

Questions and Discussion:

- a) In response to a question from the Chairman, it was explained that Members were invited to all events and that the dates had been published in the Members' Information Bulletin.
- b) Mrs A Moore asked about a difficulty believed to have been experienced by one of her constituents in trying to contact the Team. This would be investigated. The Corporate Director (SB) said that if people were trying to contact the Council and weren't getting a response these concerns should be addressed. Customer Services had a new and very sophisticated telephony system which could help diagnose any problems.
- c) Mr R Reynolds expressed disappointment at the low number of Fakenham businesses attending events. The Business and Skills Support Co-ordinator said that all businesses had been contacted. In response to a further question from Mr Reynolds regarding other ways of encouraging people, the Economic Growth Manager said that the Team was looking at the feedback they received from the various communication channels to improve their engagement with businesses. They were also exploring ways of making direct contact with more senior company representatives.
- d) Mrs S Arnold asked what was being done to engage young people in training for the construction industry, where there was a shortage of skills. The Business and Skills Support Co-ordinator said that a construction business was attending the Paston College event. Schools already had links with businesses in the construction industry.

- e) In response to a question from Mr E Seward, the The Business and Skills Support Co-ordinator said that the Care industry was involved in links with schools. The Suffolk and Norfolk Care Partnership had attended schools events and would be attending the Paston event. Mr Seward expressed concern that it was difficult to recruit care workers, essential in North Norfolk because of the proportion of older people in the District.
- f) Mr S Hester, referring to training for young people, suggested involving industries that were relevant to North Norfolk and linking with specialist universities. The Business and Skills Support Co-ordinator responded by saying that the Economic Growth Strategy has a key target to support young people into internships and that Universities had started to be engaged, but its too early to be able to report on the impact of this.
- g) Mr E Seward expressed his frustration about what he perceived as a lack of promotion of North Walsham, even though it was the largest town in the District. He felt that all initiatives had been exhausted and listed the following concerns:
  - Empty shops
  - Bank closures
  - Implications of Business Rates
  - Complexity of property ownership in the town, and the need for clarity
  - Problems with leases
  - Skills
  - Lack of parking for workers

The Economic Growth Manager explained what the Team was doing regarding to North Walsham:

- Reacting to specific issues, including promoting the Genix business events in North Walsham.
- Understanding and monitoring issues
- Working with specific businesses and projects, and in particular developing and delivering a workshop for businesses seeking LEADER funding ( to be hosted in NW in July)
- The proposed STEM Enterprise Centre was working on ways of supporting young people and businesses. North Walsham had been identified as a potential location.
- An Economic Data Analyst was doing North Norfolk and town based Local Market Information (LMI) reports – designed to aid industry. She would be asked to prioritise North Walsham.

The Corporate Director (SB) made the following points:

- Business Rates wouldn't be an issue for small businesses. Most North Walsham town centre businesses fell under this threshold.
- Clarity was needed regarding absentee landlords holding investment properties. Absentee landlords could challenge development and economic growth.
- Bank closures: there were no constraints on the use of these premises for other businesses. This could be investigated.
- A consultant study done at North Walsham 5 years ago could be worth revisiting.
- The Council recognised the need to increase the footfall in North Walsham.
- The McCarthy and Stone development was encouraging.
- North Walsham town centre was challenging. However, there was a large roll of evidence that we needed to go back to, rather than starting again from scratch.



The Leader made the following points:

- There was a great will to do things in North Walsham. The difficulty in the town centre was that the retail units were so small.
- If people wanted local shops they needed to support them. However many people preferred to use national chains.
- A Big Society Fund application for a walking tour in North Walsham had been made, but a North Walsham Member had spoken against it.
- The Council needed to push for regeneration money for North Walsham.
- Things were being done in North Walsham, e.g. demolition of a derelict building, Weatherspoons application.
- It was important that all Members supported North Walsham.

Ms V Gay agreed that Members should speak positively not just about North Walsham but about the whole District. As a North Walsham Member she had never asked for special help, but she reminded the Committee that the town was a population centre and contributed to the District. Mr S Hester said that if there was no demand for small shops in North Walsham they would not prosper. The market was changing, e.g. internet shopping.

h) Ms V Gay made the following points:

- Banks created footfall in a town as well as giving advice to small businesses. The Council should lobby against their closure.
- Member no longer had up-to-date analyses of economic facts.
- It was good to hear that the STEM Centre had identified North Walsham.
- She supported Mrs S Arnold's point about the construction industry. North Norfolk had many listed buildings. Apprenticeships in specialist areas were needed.

i) Mrs S Butikofer asked why there was no engagement from the hospitality industry in the various events organised by the Team. It was explained that the industry had been approached but that no interest had been forthcoming. The timing had to be right so as to avoid the height of the season – approaching businesses in May/June was not ideal. Responding to a suggestion from Mrs Butikofer, the Economic Growth Manager said that a specific event earlier in the year had been discussed for the future.

j) Mr N Smith, referring to the Care sector, suggested providing people with training before they applied for jobs in the industry. The Business and Skills Support Co-ordinator explained that such training was being explored with the Norfolk and Suffolk Care Partnership. Apprenticeship East was looking at a scheme of small businesses taking on an apprentice and sharing with another business. This could work for Care.

**RESOLVED** to receive the report and note the recent activities of the Economic Growth Team and their support partners.

## **177. HOUSING STRATEGY – SIX MONTHLY UPDATE**

## **178. NORTH NORFOLK BIG SOCIETY FUND ANNUAL UPDATE**

In the interest of efficient time management the above reports were taken together. Both were items for information, updates requested by Members. The Leader apologised for having to leave before these items.

Questions and Discussion:

- a) Housing Strategy, Existing Housing and meeting housing needs, Section 157 restrictions on former Council properties sold through the Right to Buy: in response to a question about whether the restriction on such properties was being removed, the Housing Strategy and Community Development Manager explained that the Section 157 restriction was not removed because such properties provided a pool of more affordable homes for people who live and/or work in Norfolk. However, under certain circumstances, the restrictions were waived. Mrs A Moore asked if this also referred to Housing Association properties. The Housing Strategy and Community Development Manager replied that if someone was a Council tenant at the time of transfer who was eligible for the Right to Buy, Victory imposed the restriction when they sold the property through the Preserved Right to Buy.
- b) Housing Strategy, Communities Housing Fund: it was queried whether the monies from the Community Housing Fund could be used to address the reduced capacity for enabling. The Housing Strategy and Community Development Manager advised that the fund would be used to finance 2 posts, including a Local Housing Enabler working exclusively for North Norfolk. The other post was the Community Housing Delivery Officer post which would be a shared resource with Breckland District Council and the Borough Council of Kings Lynn and west Norfolk – a specialist in Community Housing models. The posts had been advertised and some excellent applications had been received.
- c) The Housing Strategy and Community Development Manager promised to investigate a question from Mr B Smith regarding empty properties at Northfield House and Munhaven at Mundesley.
- d) Mr G Williams said that Members should welcome and applaud the continuation of the Big Society Fund.

**RESOLVED** to receive and note the Housing Strategy and North Norfolk Big Society Fund updates.

#### **179. THE CABINET WORK PROGRAMME**

**RESOLVED** to note the Cabinet Work Programme for the period 01 May – 31 July 2017.

#### **180. OVERVIEW AND SCRUTINY WORK PROGRAMME AND UPDATE**

- a) Members had been experiencing some difficulties with the microphones in the Council Chamber. The Democratic Services Team Leader explained that the microphones were due to be replaced by the end of May. A request had been made for a voting system to be included. The work was imminent and further updates would be made to the system. There would be new speakers throughout the Council Chamber.
- b) The Democratic Services Team Leader had begun to plot in topics for 2017/2018. There were still spaces.
- c) The Citizens Advice Bureau report would now come to the July meeting because the Health and Communities Team Leader was awaiting additional information.
- d) Mr G Williams observed that the agenda was still too full and that there was too much for one Committee to deal with efficiently. The Democratic Services Team Leader proposed that a representative from the Centre for Public Scrutiny (CfPS) – an external and independent organization - be invited to talk to the Committee with suggestions for addressing the problem.

**RESOLVED**

1. To note the Overview and Scrutiny Committee Work Programme and Update.
2. That the Democratic Services Team Leader should invite a representative from the Centre for Public Scrutiny (CfPS) to talk to the Committee about managing their Work Programme.

The meeting ended at 12.20 pm

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Chairman