

CABINET

Minutes of the meeting of the Cabinet held on Monday, 2 February 2026 at the Council Offices, Holt Road, Cromer, NR27 9EN at 10.00 am

Committee

Members Present:

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| Cllr T Adams (Chair) | Cllr L Shires (Deputy Chair) |
| Cllr H Blathwayt | Cllr J Boyle |
| Cllr A Brown | Cllr J Toye |
| Cllr A Varley | Cllr L Withington |

Members also attending:

Cllr C Cushing
Cllr N Dixon
Cllr V Holliday

Officers in Attendance:

The Chief Executive, the Director of Resources (S151 Officer), the AD for Legal & Governance (Monitoring Officer), The Director for Service Delivery, the AD for Finance & Assets, the Democratic Services & Governance Officer (Regulatory)

Apologies for Absence:

Cllr C Ringer

1 MINUTES

The minutes from the 5th January 2026 and the Special meeting on 19th January were approved as a correct record.

2 PUBLIC QUESTIONS AND STATEMENTS

None received.

3 ITEMS OF URGENT BUSINESS

None received.

4 DECLARATIONS OF INTEREST

None received.

5 MEMBERS' QUESTIONS

There were no questions from members.

6 RECOMMENDATIONS FROM OVERVIEW & SCRUTINY COMMITTEE

The Chair of Overview & Scrutiny Committee, Cllr V Holliday, said that due to tight timescales there had not been sufficient time to provide formal recommendations relating to pre-scrutiny of the Draft Budget, so she offered to provide a summary of feedback from the meeting. The Chair acknowledged the challenging timescales but

said that he did not feel Cabinet could accept anything unless it was in writing. Cllr Holliday said that the Scrutiny Officer would send a summary through after the meeting.

7 CAPITAL STRATEGY 2026 - 2027

The Chair invited the Portfolio Holder for Finance, Estates and Property Services, Cllr Shires, to introduce this item. She began by saying that the Capital Strategy 2026/2027 was an integral part of the wider budget setting process and fed into the other reports that were being presented at the meeting.

Cllr Shires said that this was an annual report and there was nothing that had significantly changed overall since last year and she thanked officers for their support in producing the report.

Cllr C Cushing sought more information on the reference to 'capital contributions' in the Financing of Capital Expenditure table on page 20 of the report. The Assistant Director for Finance explained that this section included items such as s106 contributions and other various 'pots of money'.

Cllr V Holliday referred to page 21 and the proportion of financing to net revenue streams, which she noted was increasing. She sought clarification on the likely reasons for this. Cllr Shires replied that it depended on how affordability was viewed. Regarding the undertaking of capital works, she said that these were affordable and queried whether Cllr Holliday's concerns related to the possible increase in payments for borrowing, adding that the MRP was a calculation what would come out of revenue in terms of repayment. Therefore, if the Council borrowed more, then the payment would increase. The Director for Resources added that it was a reflection that more capital projects were no longer being funded by grants but by either internal or external borrowing. It was not real cash but equated to a reserve that could be used to fund the original loan payment. Cllr V Holliday asked if there was a benchmark with a comparable Council for this. Cllr Shires said that the MRP was referred to by every Council and would vary in each case. The Director for Resources agrees to provide a response after the meeting.

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

RESOLVED

To recommend to Full Council that the Capital Strategy 2026/27 is approved.

Reason for the decision:

The Council is required to approve a Capital Strategy to demonstrate compliance with the Codes and establishes the strategic framework for the management of the capital programme.

8 TREASURY MANAGEMENT STRATEGY 2026 - 2027

Cllr L Shires, Portfolio Holder for Finance, Estates & Property Services introduced this item. She said that the Treasury Management Strategy was an annual report and was set out in a standard format.

Cllr N Dixon asked if the report would be going to the Governance, Risk & Audit

Committee (GRAC) for review. The Chair confirmed that it would be considered by the committee at the meeting on 12th February.

It was proposed by Cllr L Shires, seconded by Cllr H Balthwayt and

RESOLVED

To recommend to Full Council that the Treasury Management Strategy 2026/27 is approved

Reason for the decision

Approval by Full Council demonstrates compliance with the Prudential Codes to ensure.

- A flexible investment strategy enabling the Council to respond to changing market conditions.
- Ensure compliance with CIPFA and MHCLG guidance.
- Confirming capital resources available for delivery of the Council's capital programme.

It is a requirement that any proposed changes to the prudential indicators are approved by Full Council.

9 NON-DOMESTIC (BUSINESS) RATES POLICY 2026 - 2027

Cllr L Shires, Portfolio Holder for Finance, Estates & Property Services, introduced this item. She explained that it had been considered by the Overview & Scrutiny Committee but that the Government had introduced some changes to business rates relief for some sectors such as pubs since then and an updated report would be presented to Overview & Scrutiny Committee and Full Council.

Cllr Shires gave an outline of the recent changes, explaining that if an organisation occupied a property on which it paid National Non-Domestic (Business) Rates (NDR) it may be eligible for up to 100% Discretionary Rate Relief if it was operated within some or all of the guidelines shown in the policy. She added that the guidelines for determining relief were not intended to be a rigid set of rules and neither were all the guidelines applicable to every organisation. Each case would be judged on its merits taking into account the contribution which each organisation/business made to the district's amenities and its resident's lifestyles and wellbeing.

The government had announced a new ten-year 100% relief for eligible electronic vehicle charging points and electric vehicle only forecourts to start from 1 April 2026/27. These properties would be identified by the VOA and would be fully funded by Section 13 grants.

Cllr Shires then talked through the key changes:

The Retail, Hospitality and Leisure Business Rates Relief scheme provided eligible retail, hospitality, and leisure properties with 40% relief which previously was 50% and 75%. From 1 April 2026 this would be replaced by two lower multipliers.

The new mandatory RHL multipliers were based on occupation of the business not the VOA description and would enable NNDC to provide government updates

throughout the 2026/27 year to fully compensate for the loss of income as a result of these changes. In line with the government, NNDC had updated the discretionary rate relief policy to end this relief from 1 April 2026.

Supporting Small Businesses relief was government funded to local authorities so that they could provide relief for businesses that had a Rateable Value (RV) increase from 1 April 2026 caused by the 2026 NDR revaluation and as a consequence lost Small Business Rates Relief, Rural Rate Relief or RHL relief. This relief would be capped at the higher of £800 or the relevant transitional relief caps from 1 April 2026 and would apply for three years. The previous scheme was due to end on 31 March 2026 however has been extended for another year. The relief would be delivered through local authority discretionary discount powers (under section 47 of the Local Government Finance Act 1988 as amended).

Cllr Shires then explained that the discretionary government scheme for Film Studios relief which started on 1 April 2025 at 40% relief would continue until 2034. There were no such studios in the district currently.

She then spoke about recent changes to pubs and live music venues relief, explaining that the government had announced on 27 January 2026 that in 2026-27, eligible pubs and live music venues would benefit from a 15% business rates relief on top of the support announced at the Budget in 2025. Their bills would then be frozen in real terms for a further 2 years.

Local authorities were due to complete their NNDR1 for 2026-27 shortly, so it is not expected that authorities would have forecast the value of the relief, however, NNDC has estimated that there are approximately 100 eligible properties and the total relief would be about £161k for the 2026/27 year. The figures will be confirmed in the outturn data on the actual total cost for providing the relief, as per the usual process, via the NNDR3 process.

Local authorities would be fully compensated for the loss of income associated with granting the pubs and live music venues relief and the government will fund the associated new burdens, including the administrative and software costs of implementation.

She concluded by thanking the Revenues Team for their hard work, especially in exceeding their collection rates targets for both council tax and business rates.

Cllr J Toye said that the Revenues Team were extremely supportive of any businesses that he had directed to them for information and assistance. As Portfolio Holder for Sustainable Growth, he said it was important to highlight that pubs and hospitality venues faced considerably more challenges than business rates.

It was proposed by Cllr L Shires, seconded by Cllr J Toye and

RESOLVED

To recommend the following to Full Council:

1. It is agreed by Full Council 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. It is agreed by Full Council that the Revenues Manager continues to have

delegated authority to make Hardship Relief decisions up to the NNDC cost value of £4k as indicated in Appendix C.

3. It is agreed by Full Council that the Rate Relief Policy is revised as indicated in Appendix A, B and C.

Reason for the decision:

The new policy will enable the Supporting Small Business Relief, Hardship Relief, Film Studios Relief, Flood Relief, Electric Vehicle Charging Points and Electric Vehicle Only Forecourts and Retail Hospitality and Leisure Relief up to 31/03/26 to be awarded discretionary reliefs.

10 DRAFT REVENUE BUDGET 2026 - 2027

Cllr L Shires, Portfolio Holder for Finance, Estates & Property Services, introduced this item. She began by thanking her Cabinet colleagues and officers for their support and engagement throughout the budget setting process to ensure that a balanced budget was achieved. She highlighted the challenges that residents had faced in the last two years, especially the increase in homelessness and praised officers for their work in providing temporary accommodation units during a period of extreme financial pressure.

She said that the report had been to Overview and Scrutiny Committee and there had been a request for more background information to be included and this would be added to the updated report that would be going to the next meeting of the Committee.

Cllr Shires highlighted recommendation 3, which related to the use of the Communities reserve to fund a revenue budget of £4k per member to allow the award of small local grants. She explained that the Sustainable Communities Fund had been paused in 2024/2025 and she was pleased to say that it was now being released as a local members fund. It was proposed that a cross-party working group was established to agree purpose and governance regarding the awarding of grants. Then, a four person panel comprised of two members, a legal officer and a finance officer would meet monthly to oversee the allocation of the awards.

Cllr Shires then talked through the other recommendations, which included the establishment of a reserve to deliver Local Government Reorganisation (LGR) as there was no additional funding from government for this.

Officers were now working continuously to ensure that the budget was managed carefully throughout the year, thus ensuring that savings were built into the way service areas worked rather than presented at year end.

Cllr Shires explained that following the Local Government Financial Settlement (LGFS) in December 2025, the Council received a zero percent increase in core spending power. The impact on shire districts was considerable as the Government's focus shifted towards metropolitan boroughs. Consequently, a significant number of district councils, including NNDC, were reliant on 95% funding floor protection to avoid real-terms and in some cases, cash terms reductions.

Cllr Shires then highlighted additional funding pressures that the Council was facing including ongoing temporary housing costs and the introduction of food waste collection. The Government had miscalculated how much this would cost and it was

likely that this would have a considerable impact on future budgets if the funding gap was not addressed.

Referring to the Medium Term Financial Strategy (MTFS), she highlighted the small share of council tax allocated to NNDC – which had previously been approximately 8% of the total collected and then last year this had fallen to 7.4%. She warned that this share may change again this year but suggested that members may wish to highlight the 7.4% share when discussing council tax rates with their town and parish councils.

The Chair said it was important to note that NNDC's overall share of council tax was shrinking whilst its responsibilities were growing. He also referred to the underfunding of introducing mandatory food waste collection and said it highlighted the lack of understanding of rural areas by central Government. However, despite such challenges, the Council had been able to present a balanced budget and he commended officers for their hard work.

Cllr J Toye said that it was very clear that central Government did not understand rural areas. He added that NNDC was still delivering services to residents at a high standard and that North Norfolk was a great area to live in. He said that it was due to the Council's historic prudence regarding its budgets that it was able to continue to deliver not only its statutory services but also many discretionary services such as leisure centres, public toilets and the provision of country parks.

The Chair agreed and said that the Council had a duty to maintain several key assets such as Cromer Pier but it should be remembered that this played a key role in the district's tourism offer. He reiterated Cllr Toye's comments about all the discretionary services that NNDC provided adding that this was in addition to having to cover very high costs relating to the provision of temporary accommodation and the upcoming mandatory collection of food waste.

Cllr C Cushing reiterated the points raised regarding the unfair funding review and said it was clear that central Government had no understanding of rural Norfolk and its needs, adding that it was harder to deliver many services in a large, rural areas than in a town or city. He said that although he agreed with the need to set money aside to deliver local government reform, he remained convinced that it would not be beneficial for North Norfolk in any way and that the delivery of services would suffer. Ultimately it meant that £750k would not be spent on services that would benefit residents.

Cllr Cushing then referred to page 103 of the report, Table 1 'General Fund Summary' and sought clarification regarding the increase in 'service delivery'.

Cllr Shires replied that page 117 (Appendix B) gave a breakdown of the detail.

The Director of Resources added that £1.3m related to 'growth in Environmental Services' and this was essentially allocated to the anticipated cost of food waste collection. The final cost had not been agreed with the contractor yet and negotiations were ongoing. It was hoped that this figure could be reduced and officers were actively working on this.

The Chair commented that additional costs such as this and the funding of LGR, demonstrated the financial burden that central Government was placing on the Council, adding that he agreed with Cllr Cushing's earlier point that setting aside such huge costs, meant that less money was spent on local residents. He said that

this money would be better spent on funding key areas in local government that desperately needed the funding such as adult social care and children's services.

Cllr L Withington said that she wanted to reiterated Cllr Toye's comments about having a strong local economy as this kept people in their homes, through the provision of good, local jobs. She added that the Council was very good at bringing in grant funding and distributing this to the local economy and supporting businesses and like Cllr Cushing, she believed that the £750k allocated for LGR could be better spent on local services. Cllr Withington then spoke about the work that NNDC was doing to tackle homelessness in the District, including bringing in funding and using the second homes premium. There was also really strong partnership working that was delivering across key areas to maximise what could be achieved.

It was proposed by Cllr L Shires, seconded by Cllr J Toye and

RESOLVED

1. To consider the proposed balanced budget including movement in reserves and recommended approval to full Council.
2. To approve the creation of an £0.75m Ear Marked Reserve to mitigate the Revenue costs of Local Government Reorganisation.
3. To approve the use of the Communities reserve to fund a revenue budget of £4,000 per Member to allow the award of small local grants.
4. That an alternative option for balancing the budget should be agreed to replace costs or savings not taken forward if there are any.
5. To agree that any additional funding announced as part of the final Local Government Settlement announcement be transferred to reserves.
6. To decide which proposed new capital bids should be recommended to full Council for inclusion in the Capital Programme.

Reason for the decision:

To enable the Council to set a balanced budget.

11 MEDIUM TERM FINANCIAL STRATEGY 2026/27 TO 2029/30

Cllr L Shires, Portfolio Holder for Finance, Estates and Property Services, introduced this item. She explained that it had been to Overview & Scrutiny Committee previously and feedback had been very good. She said that the Medium Term Financial Strategy (MTFS) set out the context for the other financial reports, including the Budget, that were being presented to Cabinet.

The Chair agreed that it was a very well presented report.

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

RESOLVED

To recommend approval of the Medium Term Financial Strategy to Full Council

12 LEASE RENEWAL: FORESHORE AT HAPPISBURGH

Cllr H Blathwayt, Portfolio Holder for Coast, introduced this item. He explained that the renewal of the lease for the foreshore at Happisburgh was crucial to enable the Council to continue carrying out vital coastal protection, drainage and water management works.

It was proposed by Cllr H Blathwayt, seconded by Cllr A Varley and

RESOLVED

to agree:

- A lease renewal for 21 years
- Delegate approval to the Asset Strategy Manager to agree the exact terms of the lease.

Reason for the decision:

To ensure that the Council can continue to manage and maintain the Happisburgh foreshore

13 NEATISHEAD CONSERVATION AREA APPRAISAL

Cllr A Brown, Portfolio Holder for Planning & Enforcement, introduced this item. He said that the report sought approval to adopt the Neatishead and Hall Road Barton Turf Conservation Area Appraisal and Management Plan in line with national policy and best practice. He explained that as part of the NNDC's ongoing management of its 84 conservation areas, it was agreed that the Broads Authority should lead on the production of the Conservation Area Appraisals in the conservation areas that are shared between the two authorities, with input from NNDC. Neatishead is the latest CAA to be reviewed by the Broads Authority.

As Cllr H Blathwayt had already voted in support of this item as a member of the Broads Authority, he abstained from voting.

Cllr J Toye said that he would be pleased to second the recommendation, adding that he would welcome more CAAs coming forward across the District and hoped to see one for his ward.

Cllr A Varley spoke as a member from the East of the district and said he was fully supportive of the proposals.

Cllr N Dixon spoke as a local member for one of the areas included in the CAA. He said that he was appreciative of the work undertaken by the Broads Authority on this and urged Cabinet to support it.

It was proposed by Cllr A Brown, seconded by Cllr J Toye and

RESOLVED

To approve the adoption of the Neatishead and Hall Road, Barton Turf Conservation Area Appraisal and Management for statutory planning purposes and for the Appraisal document to become a material consideration in the planning process.

Reason for the decision:

To enable the appraisal document to provide planning guidance for the District.

14 DELEGATED DECISIONS NOVEMBER TO DECEMBER 2025

The Chair explained that this was a statutory report and briefly outlined the decisions included in the list.

Cllr V Holliday queried the second decision on the list and said that she would expect to see a value or cost included. The Chair replied that this would be set out in the original report that went to Full Council.

It was agreed to note the record of delegated decisions for November to December 2025.

15 EXCLUSION OF PRESS AND PUBLIC

16 PRIVATE BUSINESS

The meeting ended at 10.58 am.

Chairman