

OVERVIEW & SCRUTINY COMMITTEE

Minutes of the meeting of the Overview & Scrutiny Committee held on Wednesday, 11 February 2026 in the Council Chamber - Council Offices at 9.30 am

Committee	Cllr P Bailey	Cllr K Bayes
Members Present:	Cllr V Holliday (Chair)	Cllr P Heinrich
	Cllr M Hankins	Cllr C Cushing
	Cllr A Fletcher	Cllr M Gray (Vice-Chair)
	Cllr C Rouse	Cllr K Leith

Members also attending: Cllr L Shires (PH for Finance, Estates and Property Services)
Cllr J Toye (PH for Sustainable Growth)

Officers in Attendance: Director for Resources (DFR), Democratic Services Governance Manager (DSGM), Democratic Services Governance Officer (DSGO), Assistant Director for Finance and Assets (ADFA) Deputy Monitoring Officer (DMO), Revenues Manager (RM)

APOLOGIES FOR ABSENCE

Apologies were received from Cllr S Penfold and Cllr N Housden.

121 SUBSTITUTES

None.

122 PUBLIC QUESTIONS & STATEMENTS

None received.

123 MINUTES

The minutes of the meeting of the Committee held on 28th January 2026 were discussed. Cllr Shires did not feel that some sections were a fair reflection of what was said at the meeting. She queried the reason stated for the draft budget coming to pre-scrutiny, as this did not align with her memory of the discussions that were referenced.

Cllr Shires also felt that the points at the bottom of that item, where in the minutes it claimed, it was noted by the Committee, were incorrect. She said that the Chair had in fact summed up that they had raised the need for the narrative to be strengthened and the possibility of a business rates support pack but suggested that wasn't for Cabinet, then stated there did not appear to be much enthusiasm, from the Committee for this approach, so Cllr Shires felt this was not a fair reflection of that part of the meeting.

The Chair asked the DSGO if they could review those paragraphs and bring them back to the next meeting.

The DSGO pointed out that only Committee members can make suggested amendments to the minutes, but they could review if the Committee were minded to. Cllr Gray proposed they should be reviewed.

The Committee Agreed the minutes should be reviewed and brought back to the March meeting before being agreed.

124 ITEMS OF URGENT BUSINESS

None received.

125 DECLARATIONS OF INTEREST

None received.

126 PETITIONS FROM MEMBERS OF THE PUBLIC

None.

127 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER

None received.

128 RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS

None received.

129 NOMINATION OF SUBSTITUTE TO THE HEALTH OVERVIEW SELECT COMMITTEE (HOSC)

Cllr Rouse proposed himself to be the substitute for the Health Overview and Select Committee (HOSC) to which Cllr Heinrich seconded. The Committee voted unanimously in favour.

RESOLVED to recommend to Full Council: To nominate Cllr C Rouse as substitute for the HOSC

130 DELEGATED DECISIONS - FEBRUARY 2026

Cllr Shires introduced the item making the committee aware that it is a statutory requirement to report on the decisions made.

The Chair invited questions and queried if it was decided, at a previous meeting, that the values associated with these decisions should all be shown within the report, such as the contract with the consulting firm for the Overstand Coast Protection Scheme. Cllr Shires explained that decision was a public decision made at Full Council in September 2025 and other values, associated with decisions, were attached to the report.

Cllr Cushing felt that going forward, a monetary sum, associated with the respective delegated decision, in a separate column could be useful to make the value explicit but conscious that may cause a lot of extra work. Cllr Shires outlined that the delegated decision in the case highlighted was to enter into the contract and not one of monetary value as the budget had already been agreed upon.

The Committee Agreed: To receive and note the report and the register of decisions taken under delegated powers.

131 CAPITAL STRATEGY 2026/2027

Cllr Shires introduced the report and explained they do the report annually and it outlined the capital projects they were undertaking and the ones they would look to undertake in the future.

The chair invited questions.

Cllr Heinrich queried the works being outlined for the Cedars given the amount spent on the building during the North Walsham Heritage Action Zone scheme (HAZ). Cllr Shires was mindful they may not spend all that was put aside for the scheme, as they always tried to come in under budget, but they had not completed everything they had set out to achieve, during the HAZ project, which was to bring about the restoration of a Georgian, grade II listed building that had previously been empty for some time. It was now fully occupied across public and private sector enterprises but there was office space, with commercial value, Cllr Shires believed, as well as damp and roof issues that needed to be resolved, and the money put aside would look to complete those works and ensure the asset for the future.

In response to a query from Cllr Fletcher around the abrupt change in capital expenditure from 25/26 to 26/27, where it had reduced by nearly £25m, Cllr Shires explained that in 25/26 they were lucky enough to be a part of the Coastwise funding from Government and had been undertaking necessary coastal works.

Cllr Fletcher also queried why the substructure works to Cromer pier were seemingly being strung out over several years. It was explained by Cllr Shires that after a full structural examination of the pier was undertaken before Christmas it was discovered some urgent works needed to be carried out within 12 months. Work that could wait more than 12 months was staggered to cause minimal disruption and to ensure they reached that next stage of the works when it was absolutely necessary to do it.

It was calculated by Cllr Cushing there were 59 items in the Capital Programme, some of which had been there a long time. He wondered if any checks had been done to determine if they were still valid. Cllr Shires confirmed she had discussed, with the Property Services Manager, where they were with scheduling of works. Cllr Shires assured the Committee that was something they monitored continuously, and they would never put on projects they had no intention of completing. Cllr Shires admitted it was an ambitious programme, and they needed to do some work on such things as their football facilities, in terms of contract negotiations and leases with the respective clubs.

There was a query from Cllr Hankins as to what the Loans to Housing Providers was referring. It was explained by Cllr Shires that they supported many housing schemes, one of which was Homes for Wells, a loan scheme, where the Council supported a local group in purchasing properties, to ensure frontline staff had somewhere to live locally, in a market where it was difficult to privately rent. Cllr Hankins queried if this included self-build propositions, Cllr Shires believed that Homes for Wells had nothing like that but any such proposition by a social housing provider, when it came to self-builds, were funded by other means. Cllr Shires was happy to clarify but she didn't believe that they had loaned any housing provider money to fund builds.

Cllr Cushing asked how they viewed the Capital Programme when comparing central Government Grants versus what the Council spent. Cllr Cushing questioned if it was fair, that the capital after grant funding had been taken away, that investment in Cromer

compared to other areas of North Norfolk appeared more. Cllr Shires felt it was unfair that many assets that the Council owned were in Cromer. She felt there had been a large investment in coastal due to climate change. Cllr Shires felt the proposed Members Fund would potentially address the issue for those areas where the Council did not own many assets and investment appeared less. Cllr Shires highlighted that the investment in the play equipment, like other investment, was across the district. She agreed they could better articulate when investment is for the benefit of all. It was also noted by Cllr Shires that Cromer, followed by Sheringham, were areas that tourists wished to visit and generated the greatest proportion of revenue from car parks, business rates and beach huts and that allowed them to invest in other areas. They needed to invest a certain amount to keep those tourist areas attractive for visitors in a very competitive market, so the investment was in tourism more than it was investment in a particular town.

Cllr Cushing didn't challenge those statutory obligations, such as the pier, that the Council had a duty to invest in but queried that when the Council had the option to invest in other areas, besides Cromer, that was seemingly not being done. Taxpayers from across North Norfolk contributed to the purse, those residents in areas such as Stalham, would see very little benefit of investment into tourism. Cllr Shires took that onboard but assured Members that if investment was needed urgently in any of those other areas they would have acted as they were very sensitive to the perception that Cromer was invested in above other areas. Cllr Shires felt that there needed to be some fairness and balance when judging investment in Cromer as without it the tourists would not visit and the income generated from the town would not be available to then invest into other areas. If they weren't going to invest into the tourist economy, then they would have to consider where they were going to employ local people and where they were going to get their income from.

In response to a query from Cllr Rouse, regarding what the £75k was for under other contributions in the Capital Programme Financing, Cllr Shires said that was where they had taken Section 106 money and topped it up for play areas.

The Chair queried the Internal/External borrowing on temporary accommodation as she felt that this was financed by second home premium council tax revenue. Cllr Shires said that at the time the report was produced they were in negotiations for the second home tax, but that temporary accommodation money should be funded through that same source as the previous year.

The Chair also asked if they could be assured that the other ongoing grant, the Disabled Facilities Grant, would continue. Cllr Shires had not heard, at that time, that the Government were planning to reduce the funding for that scheme.

The Committee Agreed: To recommend to Full Council that the Capital Strategy 2026/27 is approved.

132 DRAFT REVENUE BUDGET 2026-2027

The DFR introduced the item and thanked the Committee for their suggestions during pre-scrutiny to which they had tried to incorporate those changes suggested. Cllr Shires warned the Committee that Government may make further changes but, barring that, these would be the papers that would go to Full Council. If there were any changes Cllr Shires would verbally update Members at that meeting.

Cllr Hankins asked if, and if so where, the fair funding review had been reflected within the budget in relation to the Provisional Local Government Finance Settlement for 2026/27. Cllr Shires believed Government did not understand how services in rural councils worked. A minimum guarantee of 95% core spending power was

significantly less than urban, metropolitan, councils. She felt shire districts had been penalised and they believed that it was the intention of the Government to reduce their funding by a further £700k next year. That would be reflected when they did the Budget Monitoring in period 4 and that would have a grave impact on the 27/28 budget where they expected to see a deficit in the region of £1.6m. Cllr Shires felt that the fair funding review was only fair if you were not a shire district.

It was queried by Cllr Heinrich as to what point they would have clarity on the Community Reserve. Although he was aware a working group would make recommendations on purpose and governance, he queried how Members would know how to apply for that funding and when that would happen. Cllr Shires explained that they couldn't form the working group until the decision was agreed at Full Council but envisaged, within 8 weeks that cross-party, working group to have agreed purpose and governance. The working group, made up of two officer and two members would determine if the applications met the criteria that they set out. No money would be spent until they had the governance in place. Cllr Shires also reiterated that no money would be going directly to Members but to the schemes that were agreed. Cllr Shires would like the decisions being turned around in approximately 6 weeks from when an application was made to ensure local communities were benefiting as quickly as possible, most likely split between people and place and for investing in assets.

Cllr Rouse asked if any money not spent would roll-over into the following year, but Cllr Shires felt that the steering group may need to consider that nearer the time as the recent fair funding review by Government meant they were, potentially, unable to continue the scheme beyond that current year.

The initiative was welcomed by Cllr Bayes who believed it would greatly help many rural communities but asked for guidance for Members on what type of schemes they could apply for. Cllr Shires was eager to run an all-member briefing so she could offer some collective ideas to what type of projects could benefit. Cllr Shires wished the groups they supported would become self-sustainable as that was their member legacy and they needed to ensure what they left behind had a life beyond the end of the Council, so it needed to add value and be impactful. Cllr Shires preference was to consult with leaders of the groups to seek clarity on what types of initiatives they would like to see benefit.

Cllr Hankins suggested a correction on Pg.50, bullet point 3. He felt it should be line 4 and not line 6. The ADFA said it had been corrected for the Full Council papers.

The Chair was curious as to where the second home council tax was going and if it was rolled into line 15 of the General Fund Summary. The ADFA confirmed it was, although some of the share of money they got back from Norfolk County Council (NCC) did go into reserves to fund their works. Cllr Shires noted that they were also keeping the second home council tax reserve topped up to a level in case there was a revenue overspend, in which case there was something there to cover it.

In response to a query from the Chair as to where the £750k reserve to fund Local Government Reorganisation (LGR) was coming from, the DFR explained it was revenue. A debit to income to create a reserve that was released against the incremental costs of LGR. Cllr Hankins queried from where that figure had been derived from and the DFR outlined estimates varied based on several factors but compared to other Norfolk districts the cost ranged between half a million and a million pounds.

Cllr Shires was disappointed that Government were choosing LGR and asking local communities to pay for it. It was a decision they were having to make; they didn't want to make it.

At the Chair's request, the ADFA outlined, why the report had slightly different budget figures for council tax; this was due to it being a moving picture on such things as non-collection estimates and similar estimations as they moved towards a final number for the Full Council papers.

It was explained by the DFR, in response to a query by the Chair, that the extended responsibility grants figure they were given at the start of 2025/26 was subsequently reduced by the Government, in December 2025, by £300k. A figure for 2026/27 had been included in the budget, in good faith, trusting the Government wouldn't reduce that figure again but it was not part of the financial settlement or core spending power as it was through a separate body. That body collected a levy from producers of packaging and then distributed that out to collection and disposal authorities. Cllr Shires noted that money had gone into an extended responsibility reserve.

Cllr Cushing asked if domestic food waste collection was included on the General Fund Summary. Cllr Shires confirmed it was and like other Norfolk Councils she questioned the Government funding on the scheme and the financial burden it would put on the authority. It was a concern to Cllr Shires for the following year as it would be a full year of food waste collection to account for. She believed the Government didn't consider the geography of many local authorities when making their decisions.

The Committee Agreed to support the following recommendations to Full Council.

1. That Cabinet consider the proposed balanced budget including movement in reserves and recommended approval to full Council.
2. 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.
3. To approve the creation of an £0.75m Ear Marked Reserve to mitigate the Revenue costs of Local Government Reorganisation.
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. That Cabinet agree that any additional funding announced as part of the final Local Government Settlement announcement be transferred to reserves.
6. That Cabinet decide which proposed new capital bids should be recommended to full Council for inclusion in the Capital Programme.

133 MEDIUM TERM FINANCIAL STRATEGY 2026 ONWARDS

Cllr Shires introduced the report and thanked the ADFA for producing the paper. Cllr Shires explained this was where the Council saw itself now and over the course of the next 3 years and beyond. Any subsequent changes would be reported in budget monitoring period 4 for the 27/28 year.

In response to a question from Cllr Cushing concerning the impact on their investment

returns if interest rates were to go down, Cllr Shires explained borrowing would also become cheaper. If a project was to cost more in interest than they would make in interest, then they would choose to use cash. If it were cheaper to borrow and it would cost them less on borrowing making them more in investments, they would borrow. Cllr Shires said they had a reserve that would cover any changes should interest rates drop. The ADFA also said their investments were not all so sensitive to base rate changes.

The Chair asked why the settlement funding jumped in 26/27 and Cllr Shires explained the Government had done a business rates review where they had taken a substantial amount of the Council's business rates but they were being given it back, so next year, where they had anticipated they were going to see a reduction in their grants it was a repositioning of putting all the grants together.

The ADFA said that in Governments funding assumptions they assumed authorities would increase the council tax by the maximum allowed and it had to be considered in the context of all the funding. The DFR said they had included what they could when asked by the Chair, if they had sufficiently reflected the changes in second homes council tax in mitigating the budget gap.

It was noted by the DFR that he wished to congratulate revenues staff for achieving a much higher collection rate on the second homes premium than anybody had assumed was possible and more than what other councils were collecting. The Chair wished to reflect that the second home council tax had been an incredibly valuable resource for the Council in helping to purchase temporary accommodation for homeless residents.

The Committee reviewed the MTFs and RESOLVED to recommend to Full Council.

134 NON-DOMESTIC BUSINESS RATES POLICY 2026/2027

Cllr Shires introduced the item and thanked the revenues team for their hard work in overachieving in their collection rate on the second home premium. Cllr Shires touched upon the Discretionary Rates Relief (DRR) outlining that if an organisation occupied a property where business rates were paid it could be eligible for up to 100% DRR, if some of the operation is within the guidelines shown within the policy. Each case would be judged on its merits.

It was outlined, by Cllr Shires, that the Government announced a new 10-year 100% relief for eligible electronic vehicle charging points and electric vehicle only forecourts which was due to start in April 2026. There was also a new addition of the Pubs and Live Music Venue Relief who would benefit from 15% rates relief on top of the supported announced budget in 2025.

Cllr Shires congratulated the revenues team on collecting £80.41m, or 72.75%, of Council Tax and £23.63m, or 75.58%, of Non-Domestic Rates as of 30 Nov 2025. She thanked them for ensuring they had the finances to run and that businesses were supported, and the Council Tax Support team, who ensured people were getting the benefit they needed to meet their council tax legal requirement.

Cllr Bayes said he'd met a lot of local hospitality businesses, whose rates had gone up considerably, and were very concerned for their future. He asked if the Council could proactively engage with businesses to get the message of what reliefs were available to support them. The RM explained the Government had introduced a transition relief scheme, so that any business that had a rise in their rates from one year to another, because of the revaluation, saw a limited increase, over a 3-year

period. The RM admitted that having a cliff edge was worrying for businesses so a scheme was brought in to help those that were coming to the end of the current rate year so they could still get protection rather going straight into the new valuation.

In addition, the RM said that in supporting small businesses, it limited increases up £800 in the year for 3 years. Or the transition relief limit, that could be higher than £800, means there was 2 things they had to compare within their back office, which their systems did for them. The hospitality reliefs were going back to Covid but Government kept extending it and reducing the relief so this year they hadn't just ended it but brought in 5 multipliers for next year, when previously they had only 2 multipliers since business rates was introduced in 1990. There were now 2 smaller multipliers and a large meaning big businesses pay more.

The RM assured the Committee they had been contacting businesses to let them know of a lower multiplier that they could get. Businesses could still get all the other reliefs as well but the first thing they could get is the lower multiplier. This would benefit the customer, as it meant paying less but also the Council would get more new burdens funding for making those changes. The RM admitted that he foresaw some hardship, for businesses, after the first year of those changes being introduced.

In response to a query from Cllr Hankins, in regard to what was the definition of a small business for being able to claim Small Business Rate relief (SBRR), the RM explained that it would have to meet the small business criteria and would depend on what it's rateable value was, if it was under a certain amount it might qualify.

The Chair asked if that information was available on the council website and the RM confirmed it was. Cllr Shires encouraged the Committee that if they knew of any business that was unsure of what support they could get then to contact the Council's Revenues team for guidance as they were always happy to help.

Cllr Toye said if businesses signed up to the Economic Development newsletter, then they could find links to all relevant contacts and support. They could also engage with those businesses to offer advice and if they couldn't help would potentially be able to funnel that enquiry to an organisation who could.

The RM confirmed, to the Chair, that the government funded much of those reliefs through a section 31 grant, except for the hardship relief which was funded by the council via business rates.

The Committee RESOLVED to recommend

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.

135 THE CABINET WORK PROGRAMME

No comments

136 OVERVIEW & SCRUTINY WORK PROGRAMME AND ACTION TRACKER

The DSGO updated the Committee on the work programme and outlined that the Homelessness Strategy was to be delayed until the summer due to a new Assistant Director for People Services only just being appointed. He suggested a scoping session is run in private, after the main meeting in April, to consider the criteria for items to be focused on for the year ahead.

Cllr Hankins felt that the recent Mobile Connectivity item was very positively received by the public to which Cllr Gray agreed and he said proved it took time to properly scope an item and the importance of having clear objectives.

Cllr Shires was happy to meet with the Committee on outlining deprivation data in Norfolk, which it was felt could better inform members when considering many of their ideas for work items, which focused largely on health and wellbeing of the local communities

The DSGO also outlined that the Ambulance Service were keen to work with the Council in promoting the need for all residents to know CPR and the need for more local first responders.

Cllr Hankins asked if the Council would respond to a request from the Police and Crime Commissioner (PCC) in requesting extra funding for tackling domestic violence. The DSGM confirmed this would most likely be a Cabinet decision. Cllr Shires believed it would be for the leader of North Norfolk District Council, Cllr Adams, to respond to that request but she would check. Cllr Shires was mindful that Cllr Butikofer was the Council's representative on the Norfolk Police and Crime Panel and both she and the S151 officer and CEO were aware of the request as well. Cllr Shires did note that they had received a FAQ back from the PCC, on the 3rd of Feb, as to where their spending was going.

137 EXCLUSION OF THE PRESS AND PUBLIC

The meeting ended at 11.53 pm.

Chairman