

## OVERVIEW AND SCRUTINY

Minutes of a meeting of the Overview and Scrutiny Committee held on 12<sup>th</sup> June 2019 in the Council Chamber, North Norfolk District Council, Holt Road, Cromer at 9.30 am.

### Members Present:

**Committee:** Cllr T Adams (Vice Chair)

Cllr H Blathwayt  
Cllr N Pearce  
Cllr A Varley  
Cllr W Fredericks  
Cllr J Toye

Cllr E Spagnola  
Cllr P Heinrich  
Cllr N Housden  
Cllr G Mancini-Boyle  
Cllr L Shires

### Officers in

**Attendance:** The Democratic Services & Governance Officer (Scrutiny), the Democratic Services Manager, the Corporate Director (NB), the Head of Economic & Community Development, the Head of Finance and Asset Management, and the Policy and Performance Management Officer

### Members in

**Attendance:** Cllr P Bütikofer, Cllr A Brown (portfolio holder for Special Projects), Cllr J Rest, Cllr A Fitch-Tillett (portfolio Holder for Coastal) and Cllr E Seward (portfolio holder for Finance)

### Others in

**attendance:**

#### 1. APOLOGIES

Apologies were received from Cllr N Dixon (Committee Chairman).

#### 2. SUBSTITUTES

None.

#### 3. PUBLIC QUESTIONS & STATEMENTS

None received.

#### 4. MINUTES

The minutes of the Overview and Scrutiny Committee meeting held on 10<sup>th</sup> April 2019 were agreed as an accurate record and signed by the Chairman.

#### 5. ITEMS OF URGENT BUSINESS

None.

#### 6. DECLARATIONS OF INTEREST

None received.

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

None received.

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

None received.

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

None received.

**10. 2018/19 OUTTURN REPORT (PERIOD 12 BUDGET MONITORING REPORT)**

The Portfolio Holder for Finance – Cllr E Seward introduced the Report and informed Members that it provided the final budget monitoring position for the 2018/19 financial year. It was noted that the outturn position at 31<sup>st</sup> March 2019 showed an overall underspend of £969,666. Cllr E Seward reported that £273k of this was an underspend that was in-line with forecasts. The remaining figure of approximately £700k was the result of higher business rates returns than had been expected from central government. It was noted that the surplus had been placed in the general reserve.

Questions and Discussion

Cllr T Adams referred to the Fakenham Extra Care Scheme identified on page 34, and asked for further information. The Head of Finance and Asset Management replied that the Council had provided a capital contribution to support the scheme, and suggested that he could send a link with further details.

In response to a question from Cllr G Mancini-Boyle, the Head of Finance and Asset Management informed Members that an increase in wages for handymen had been driven by demand, and explained that with greater use of the Council's public conveniences, came additional repair costs. He added that overtime was also included in the increase, with extra hours required for special events such as the Antiques Roadshow and BBC ident. Members were informed that the two events had generated approximately £11k of income for the Council, that would go some way to offset the cost of overtime payments.

Cllr N Pearce referred to the annual underspend, and asked whether something similar could be expected again in the future, despite predictions. The Head of Finance and Asset Management replied that the Council could possibly be less cautious when forecasting business rates returns, as it appeared that the tourism economy was still doing well in the district. Members were reminded however, that the fair funding review was pending, and this as well as a business's rates review, could reset the base line, which would in-turn limit the Council's additional income. As a result, the Head of Finance and Asset Management suggested that the Council ought to remain cautious, even though Brexit had to some extent delayed the funding reviews.

Cllr T Adams referred to Market revenue figures on page 31 that had not matched forecasts, and asked what had caused the variance in revenue. The Head of Finance and Asset Management explained that there was a national decline in market trade across the country, and it was possible that traders were no longer being replaced as they retired.

Cllr N Housden referred to business rates retention and backlogs that had occurred with the NHS, and asked whether the Council had a contingency in place to cope with the backlog. The Head of Finance and Asset Management replied that the Council did have a business rates reserve of £1m, but acknowledged that there was still a backlog. He added that business rates refund would be backdated, and could amount to billions of pounds nationally.

In response to a question from Cllr T Adams on a TIC overspend on capital charges, the Head of Finance and Asset Management explained that the overspend on REFCUS, which was revenue expenditure funded by capital under statute, referred to an asset which it does not own which would have been treated as capital expenditure had it been a capital asset of the authority. In this case, it had been a capital contribution of £90k to the Holt TIC. It was expected that saved revenue would return this figure within four years, suggesting that there was a good business case for the investment, and had therefore been included in the budget.

Cllr T Adams noted that there had been overspends in the homelessness budget, and asked if a larger budget would be needed in the future. The Head of Finance and Asset Management replied that the budget was difficult to predict as the service was demand led. He added that hotels had been used on occasion, and that the service needed to be managed better in the future, in order to make better use of the Council's own facilities. It was suggested that capital investment may be required in the future for new sites, though income from the benefits system would offset some of the potential cost.

The recommendations were taken en bloc proposed by Cllr T Adams and seconded by Cllr L Shires.

## **RESOLVED**

**To recommend the following to Full Council:**

- 1. The provisional outturn position for the General Fund revenue account for 2018/19;**
- 2. The transfers to and from reserves as detailed within the report (and appendix C) along with the corresponding updates to the 2019/20 budget;**
- 3. Transfer the surplus of £969,666 to the General Fund Reserve (£500,000) and the Asset Management Reserve (£469,666);**
- 4. The financing of the 2018/19 capital programme as detailed within the report and at Appendix D;**
- 5. The balance on the General Reserve of £1.956 million;**
- 6. The updated capital programme for 2019/20 to 2022/23 and scheme financing as outlined within the report and detailed at Appendix E;**
- 7. The outturn position in respect of the Prudential indicators for 2018/19 as detailed in Appendix F.**

## **11. TREASURY MANAGEMENT ANNUAL REPORT 2018/19**

The Portfolio Holder for Finance Cllr E Seward introduced the Report and informed Members that its aim was to indicate where the Council had invested, and the rates of return it had achieved.

### Questions and Discussion

Cllr E Seward informed Members that the Council's current investments were approximately £35m, which was notably higher than the Council's reserves. Of this figure, approximately £20m had been put aside for capital projects. Members were informed that short term funds, such as revenue from collected council tax and benefits were invested prior to being utilised. It was suggested that capital project forecasting improvements could allow for wiser investments in the future.

Cllr E Seward informed Members that the Council was no longer borrowing for capital projects, though significant borrowing was still expected in order to fund the new Splash facility. In support of this, it was noted that whilst interest rates remained low, it was a good time to borrow.

The recommendations was proposed by Cllr P Heinrich and seconded by Cllr N Pearce.

## **RESOLVED**

**To recommend to Full Council that the Treasury Management Annual Report and Prudential Indicators for 2018/19 are approved.**

## **12. MANAGING PERFORMANCE QUARTER 4 2018/19**

The Corporate Director (NB) introduced the Report and informed Members that it reported on the key work streams of 2018/19, and illustrated the position of the Council at the year end. He added that some projects would have progressed or changed since the Report was published, and that with the performance management software due to be updated shortly, reporting procedures would change accordingly.

### Questions and Discussion

Cllr N Housden asked where Members could look to find trends in the data and statistics included in the Report, and suggested for example, if there was any visible trend in the housing waiting list increasing. The Corporate Director (NB) stated that he would need to seek this information from the relevant service area manager, but added that it was hoped that the new software would allow immediate access to this information. Cllr N Housden noted that the Report showed that visitor numbers had increased last year, though not dramatically, and asked whether climate information could be used to predict visitor numbers. The Corporate Director (NB) replied that climate data could be used to an extent, as there was a correlation with warmer weather causing sports centre use to go down, whilst beach use went up. He added that climate change could be expected to bring incremental changes, with higher visitor spending in warmer weather.

Cllr T Adams referred to long term empty homes data identified on page 97, and asked for further information. The Corporate Director (NB) stated that the data covered a wide range of properties, and that the key aim was for the homes to be empty for as short a time as possible. He stated that there were lots of reasons for the homes remaining empty, such as those in probate, some with anti-social behaviour issues and some held for family, but the ultimate goal remained to reduce the number of empty properties. The Corporate Director (NB) informed Members that an enforcement board update would come to the Committee in July, at which point penalties, such as 200% council tax charges for homes that remained empty for three years or more could be discussed in more detail. It was suggested that the number of LTE homes increasing from 137 to 151 was a normal level of growth, and whilst the Council had a good handle on empty properties in the district, it had to keep up the pressure. Cllr G Mancini-Boyle asked about the accuracy of the information, to which the Corporate Director (NB) replied that it was not perfect, but was considered accurate enough to be reported to central government and was monitored

continuously. Cllr J Toye asked what percentage of homes in the district were empty, to which the Corporate Director (NB) replied that of the approximate 54k properties in the district, less than 1% were considered to be empty, which put the district in a good position when compared to the national average of 1.5%.

Cllr T Adams referred to planning targets identified on page 109, and noted that targets had been exceeded. He then asked if these numbers could be expected to continue to rise. The Corporate Director (NB) replied that the Council had a good turnaround time on planning applications, which had gone from 70% to 90% on target, thanks to a business process review and digital transformation. Despite the increase, the Corporate Director (NB) stated that it was unlikely that the Council would reach 100%, though suggested that he did not expect the current figure to slip. Cllr N Pearce stated that the Planning Department were an excellent team that maintained good working relationships between Members and Officers with a minimum of fuss, which he suggested had led to its success, without further room for improvement.

Cllr N Housden referred to Broadband provision, and asked if figures for internet speed across the district were available. He then asked if the Council had any leverage on Openreach as the connectivity provider. The Corporate Director (NB) replied that NNDC did not have any significant leverage on Openreach, and added that Norfolk County Council ran the Better Broadband for Norfolk Scheme, which Members were able to hold to account, with the caveat that NNDC was hostage to NCC's implementation process. The Corporate Director (NB) stated that it remained a Member decision to lobby NCC further to implement the BB4N scheme across North Norfolk faster. Cllr E Seward stated that the County Councillor responsible for digital communications was Cllr T FitzPatrick, and encouraged Members to contact him in order to pursue further information. He added that NNDC had set aside a £1m contribution to help BB4N bring high speed internet to rural areas across the district, and hoped it would be requested shortly. Cllr E Seward suggested that BT's monopoly on the high speed cable infrastructure needed to be loosened, and informed Members that the question had been raised by MPs. Cllr N Housden asked if any leverage could be applied to encourage NCC to roll-out the scheme faster in North Norfolk, to which the Corporate Director (NB) replied that encouragement to date had not sped up the process. In reference to poor internet speeds, Cllr P Bütikofer stated that it would cost £35k to install high speed cable to his home address, and that 13 properties in close proximity to his home had speeds of just 0.3mb/s, with 7 businesses in the area that also relied on this connection. Cllr G Mancini-Boyle asked for details on what NNDC would be paying £1m for in relation to the BB4N scheme. The Corporate Director (NB) replied that this would bring enhanced delivery of high speed broadband cable to rural areas of North Norfolk. The Head of Economic and Community Development informed Members that NNDC had already lobbied NCC on the issue, and they had been generally responsive. He added that the issue was not about prioritisation, but with the speed of delivery, and that Broadband speed figures could be sought from NCC if required. The BB4ER (Better Broadband for East Ruston) scheme was discussed, and it was suggested that information could be passed on to Members if requested.

In response to a question from Cllr T Adams, the Corporate Director (NB) stated that fixed penalty notices were used for less serious waste crimes, whereas prosecution was sought for more serious crimes such as fly tipping. He added that several methods were used to catch offenders, such as covert CCTV, which had been relatively successful to date. The Corporate Director (NB) stated that fly tipping prosecutions were well advertised to inform the public of the severity of the crime. He then informed Members that fixed penalty notices and the number of fly tipping incidents could be reported at the request of Members.

Cllr N Housden referred to paint disposal amnesty, and asked who set the time limits on these periods. The Corporate Director (NB) replied that these services were run by NCC,

and noted that there had been some conflict between NNDC and NCC on the delivery of waste services, but this had only had a minor impact. Cllr H Blathwayt asked if there was any correlation between the recent introduction of DIY waste charges and fly tipping. The Corporate Director (NB) stated that he had expected that this would be the case, but a rise in fly tipping across North Norfolk was yet to be seen. Cllr T Adams stated that the issue was regularly raised at NCC, and was still a matter of frustration. Cllr G Mancini-Boyle asked what NNDC had done to educate the public on this issue, to which the Corporate Director (NB) replied that there was a waste education programme in place, run via the NEWS joint waste partnership. He added that businesses were also educated on how to dispose of their waste properly, with trade waste arrangements in place.

Cllr N Housden asked when the procurement of the new waste contract would take place, and whether this would be seen by Members. The Corporate Director (NB) stated that it would be added to the O&S Work Programme, to be reviewed by the Committee at the appropriate time, as it was felt that procurement boards alone did not provide the best governance arrangements for the project. Members were informed that NNDC had entered into an agreement with KLWNBC and Breckland District Council, in order to procure a joint waste contract that would lower costs. It was noted that, should NNDC maintain its current arrangements, costs would increase. The new joint contract, set to go live in April 2020, would provide an economy of scale, with the other Councils joining once their current contracts expired. The Corporate Director (NB) stated that tenders had been received, and the Council was now at the negotiating stage. With regards to food waste, it was reported that KLWNBC already provided this service, but had considered bringing it to an end, as the cost was approximately £250k per year.

Cllr N Pearce referred to the roll-out of Universal Credit, and asked whether any problems had been foreseen. The Head of Finance and Asset Management replied that he had been keeping an eye on any issues, and noted that NNDC would be one of the last authorities to introduce the scheme, meaning that many of the issues would hopefully be resolved by the time it was introduced. He added that some claims would take longer to process, but he was happy to learn from neighbouring authorities. It was suggested that tolerance levels could be introduced that would limit the administrative impact for the public and the Council.

Cllr N Housden asked if any update was available regarding the IT issues that took place at the time of the meeting. The Corporate Director (NB) informed Members that during routine maintenance, a reboot of the system had caused an issue with the servers. It was explained that engineers had been working overnight to fix the issue, and it was hoped that this would be resolved by the afternoon. The Corporate Director (NB) informed Members that customer service calls were being diverted, and that manual operations would continue until the issue was resolved.

Cllr H Blathwayt proposed that the Scrutiny Officer write to NCC to seek an update on when BB4N at NCC would request the £1m held in NNDC reserves to implement the scheme across North Norfolk. The proposal was seconded by Cllr N Housden.

## **RESOLVED**

- 1. That the Committee notes the Report and endorses the actions being taken by management in areas of concern.**
- 2. That the Scrutiny Officer write to the relevant officer(s) at Norfolk County Council to determine when the £1m held in NNDC reserves will be spent on the roll-out of the BB4N scheme in North Norfolk.**

### **13. SHERINGHAM PRIMARY SCHOOL PARKING TASK & FINISH GROUP – INTERIM REPORT**

Cllr T Adams introduced the Report and informed Members that the Task and Finish Group had been formed as a result of a CCfA prior to the election. The Group were yet to make any recommendations, but had considered several options which were included in the Report. It was noted that many of the issues identified were functions of Norfolk County Council.

#### Questions and Discussion

The Democratic Services and Governance Officer (Scrutiny) provided further information on the work of the Task and Finish Group, and explained the limitations of NNDC's ability to implement any recommendations, as it did not administer the necessary services.

Cllr N Pearce stated that he accepted that both highways and schools were not the jurisdiction of the District Council, but stated that the issues continued to persist, and therefore asked if the schools could be contacted to implement any recommendations. Cllr N Housden stated that he saw no benefit in continuing the Task and Finish Group, but asked if it would be possible to implement a 'bike walk scoot' style scheme via NCC. Cllr P Heinrich stated that there was no benefit in continuing the Task and Finish Group, and suggested that it would be difficult to encourage children to cycle on their own. He added that he had helped to promote a walking bus approach in Portsmouth.

Cllr W Fredericks stated that working parents would have significant time pressures, and therefore walking children to school may be difficult. She then asked whether work to introduce such a scheme could be outsourced to Broadland District Council. The Democratic Services and Governance Officer (Scrutiny) explained that BDC had in fact outsourced some of the implementation of the bike walk scoot scheme to NCC.

Cllr G Mancini-Boyle suggested that car sharing was another opportunity that could be considered.

Cllr L Shires stated that she had been a school governor for six years, and had dealt with similar issues in the past, at which point a park and stride scheme had been implemented, though success was limited by a lack of viable pathways. Cllr T Adams suggested that pathways shouldn't be such an issue at Sheringham Primary School, as it was located in a housing estate.

Cllr W Fredericks asked if any grants were available to help fund similar schemes, to which the Head of Economic and Community Development suggested that it was possible that the Big Society Fund might be possible, otherwise the community transport fund could be considered. Cllr T Adams asked whether the BSF was open to educational institutions, to which the Head of Economic and Community Development replied that this was not strictly the case, but it was possible that funding could be provided to a community organisation, though it would need to be properly constituted.

In reference to alternate parking arrangements for parents at the nearby community centre, the Democratic Services and Governance Officer (Scrutiny) stated that Sheringham TC had originally rejected the Group's proposal to allow parking on the community centre car park. He then suggested that the Town Council could be asked to reconsider the request if it was presented alongside a full scheme to encourage walking.

In reference to Traffic Regulation Orders outlined in the Interim Report as a potential option, Cllr T Adams suggested that these would be difficult to implement, and noted that

he had previously been involved in a scheme in which a high number of tickets issued had been to local residents.

In response to a question from Cllr L Shires, it was confirmed that Sheringham Primary School was not an academy, and should therefore be encouraged to discuss the issues with NCC as the relevant authority. Cllr L Shires suggested that recommendations to implement a scheme could be made directly to NCC. The Democratic Services and Governance Officer (Scrutiny) confirmed that BDC had paid for elements of their bike walk scoot scheme to be implemented by the NCC Road Safety Team. Cllr N Housden asked what percentage of the issues faced at Sheringham Primary School and the surrounding area were the responsibility of NNDC, to which the Democratic Services and Governance Officer (Scrutiny) replied that both educational services and highways were the responsibility of NCC. Cllr P Heinrich said he was shocked that the school had not done more to attempt to address the issue, and stated that NCC must be asked to engage with the school to improve circumstances.

Cllr W Fredericks proposed either that £5000 of funding be recommended to implement a bike walk scoot style scheme in North Norfolk, or otherwise encourage schools to apply to the community transport fund to implement such a scheme. The Head of Economic and Community Development stated that whilst the cost of implementing such a scheme in North Norfolk was unknown, it would not be wise to make any funding recommendations without clarification. Cllr L Shires proposed a recommendation to ask NCC to implement a bike walk scoot style scheme without a funding recommendation, until financial requirements were known. The Proposal was seconded by Cllr P Heinrich.

## **RESOLVED**

**That the Scrutiny Officer write to the Norfolk County Council Road Safety Team to request that a walk/bike to school scheme be implemented at Sheringham Primary School and across North Norfolk where necessary.**

## **14. MARKET TOWNS INITIATIVE – NEW MEMBER BREIFING**

The Head of Economic and Community Development introduced the Report and informed Members that the Market Town Initiative scheme had given the district's four inland market towns the opportunity to bid for £100k each, in order to make improvements to help reinvigorate the towns and highstreets.

### Questions and Discussion

The Head of Economic and Community Development informed Members that following the first round of grant awards, approximately £130k remained to be awarded in the second round to each town respective of first round awards. He added that the original deadline for second round applications had been in February, however due to delays in seeking necessary information on bids, followed by the local and European elections, applicants were granted a two week period to make adjustments and resubmit bids, prior to the Working Group meeting to judge applications in July.

It was noted that a key aspect of the scheme was to encourage collaboration in the town between community organisations, which had worked well in North Walsham, but had not been as successful in other towns. Cllr T Adams asked how many applications had been received in the second round, to which the Democratic Services and Governance Officer (Scrutiny) confirmed that five applications had been received from across the four towns.



In response to a question from Cllr J Toye on monitoring, the Democratic Services and Governance Officer (Scrutiny) confirmed that a formal request for a progress report would be sent to successful round one applicants in the coming weeks, and that these would be presented to the Committee once received. In addition, an MTI process review was placed on the O&S Work Programme to be reviewed at the appropriate time once the scheme was nearing completion. The Head of Economic and Community Development added that applicants had been given specific funding condition agreements that had to be signed and returned prior to funds being granted.

Cllr N Housden referred to the Fakenham Facelift scheme and asked whether it was appropriate to fund improvements to independent businesses. The Head of Economic and Community Development replied that this issue was discussed by the MTI Working Group, who deemed that the scheme was justified on the basis that it made necessary improvements to the public realm, that would encourage increased footfall and spending in the proposed location.

Cllr P Heinrich asked how the success of the scheme would be measured, to which the Democratic Services and Governance Officer (Scrutiny) replied that the relative success of each project would be determined by its adherence to the purpose of the fund, and the benefits that had been brought to each town as a result.

## **RESOLVED**

**To note the work of the Market Towns Initiative Working Group to date.**

### **15. THE CABINET WORK PROGRAMME**

The Democratic Services and Governance Officer (Scrutiny) informed Members that the Cabinet Work Programme contained statutory items and would be updated with additional items once the Corporate Plan had been finalised.

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

The Democratic Services and Governance Officer (Scrutiny) informed Members that an annual Work Programme of statutory items had been included in the agenda for Members to review, and that a session to set the Programme with additional items would take place after the July meeting.

The meeting ended at 12.23pm

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Chairman