

## **BROADLAND OVERVIEW AND SCRUTINY COMMITTEE**

**Minutes of a meeting of the Broadland Overview and Scrutiny Committee of Broadland District Council, held on Tuesday, 9 January 2024 at 6.30 pm.**

**Committee Members Present:** Councillors: N Starling (Chairman), P Bulman (Vice-Chair), L Douglass, J Emsell, S Jones, C Karimi-Ghovanlou, E Laming, M Murrell, P Newstead, A Tipple, E Tovell, S Ward, F Whymark and T Yousefian

**Cabinet Member in Attendance:** Councillor: S Beadle, M Booth and N Harpley

**Officers in Attendance:** D Lorimer (Director of Resources), E Hodds (Chief of Staff), R Fincham (Assistant Director of Finance), M Pursehouse (Assistant Director of Individuals and Families), N Cunningham (Strategic Growth Projects Manager), G Pell (Corporate Accountant), P Harris (Place Shaping Team Manager), D Baillie-Murden (Programme Manager - Economic Growth), C Bennett (Senior Heritage and Design Officer), S Carey (Strategic Advisor and Deputy Monitoring Officer), C White (Democratic Services Manager), K Philcox (Housing Standards Senior Manager) and Edwards (Strategic Advisor - Nutrient Neutrality)

### **65. DECLARATIONS OF INTEREST**

Cllr S Ward declared a non-pecuniary interest in respect of item 16 - Proposed Compulsory Purchase of an Empty Home, as he knew the person involved with this matter. He confirmed that he would not vote on this item.

Cllr Douglas also declared a non-pecuniary interest in respect of item 16 - Proposed Compulsory Purchase of an Empty Home, as she was predetermined. She did not vote on this item and left the room whilst it was discussed.

Cllr Whymark declared an other registerable interest as a member of the Broads Authority, in respect of item 11 - Approval and Adoption of the Conservation Area Appraisal for Halvergate and Tunstall Conservation Area.

The Director for Place (P Courtier) and the Director of Resources (D Lorimer) declared that they were Directors of Norfolk Environmental Credits, which could be a beneficiary of the Norfolk Nutrient Mitigation Fund, being considered at agenda item 18.

**66. MINUTES**

The minutes of the meeting held on 28 November 2023 were agreed as a correct record.

**67. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman advised the meeting that a review of the Food Innovation Centre had been placed on the Committee's Work Programme and would be presented to members in due course.

The Chairman also informed members that some late amendments from officers had been made to the recommendations in two of the reports being considered later in the meeting.

**68. TREASURY MANAGEMENT QUARTER 2 REPORT 2023/24**

The Assistant Director for Finance presented the report, which reviewed the treasury management activity during the first six months of the financial year 2023/24 and reported on the prudential indicators.

Members were reminded that the Council agreed a Treasury Management Strategy on an annual basis, and it was a requirement of the Strategy that regular updates on the progress with Treasury Management was reported to Cabinet.

The Committee was informed that the Council held £38m worth of investments at the end of September 2023. Interest earnings on these investments was anticipated to be £1.7m, which far exceeded previous expectations of just over a £1m. Due to the return on these investments the Council had no intention to borrow in this financial year and members noted that there had been no breaches of Treasury Management policies to report over Quarter 2.

In response to a query, it was confirmed that the increase in investment income would offset the £575,000 overspend on the cost of core services and it was likely that there would be a slight surplus on the budget for the year.

It was confirmed that when the 2023/24 budget was set interest rates had been anticipated to be about 2 percent. For next year an estimate of 4 percent was being made, which was less than the current interest return being received.

Members were informed that the Council's Treasury Management Advisors, LINK Asset Management, provided monthly interest forecast updates.

It was unanimously:

**RECOMMENDED TO CABINET**

To:

1. Endorse the treasury activity for the first half of the year and that it complies with the agreed strategy.

2. Note the 2023/24 prudential indicators for the first six months of the year.

## **69. CHANGES TO EARMARKED RESERVES**

The Assistant Director for Finance presented the report, which suggested a number of changes to Earmarked Reserves, to help fund the Capital Programme.

Members were reminded that the Medium-Term Financial Position and Reserves Update report considered by Cabinet on 10 October 2023, had identified a need to reduce the call on the General Reserve to fund the Capital Programme. Today's report proposed utilising earmarked reserves that were not currently being used for Capital Programme.

An analysis of the Earmarked Reserves had identified three reserves that were not being actively used, these were the Economic Success Fund, the Housing Assistance Policy Reserve and the Neighbourhood Plans Front Runner Reserve. The report set out the rationale for closing the reserves at Appendix A.

The proposed changes would free up £1m to help fund the Capital Programme.

In answer to a query, members were advised that the reduction in the Compulsory Purchase Order (CPO) Reserve could prevent more than one CPO taking place at any one time. However, the probability of two CPOs taking place was quite small and the turnaround from purchase to sale of a property was estimated to be around six to eight weeks, so it was unlikely that this would be an insurmountable problem. Moreover, if more than one CPO was required, a report would be taken to Cabinet requesting permission for the CPO and the additional funds for the purchase.

Members were also informed that there were no active projects being funded through the Economic Success Fund and that if a project was proposed a report would be brought to members to determine how it should be funded.

The Committee was advised that the Front Runner Reserve was historic grant money and closing the Reserve would not affect the delivery of Neighbourhood Plans which were funded through the Council's main revenue budgets.

Some members expressed reservations regarding the lack of detail about what the funds would be used for in the Capital Programme, the lack of a rationale for closing the Reserves and the reduction in the CPO Reserve.

The Chairman confirmed that he would convey these concerns to Cabinet.

Following a show of hands and with the Chairman using his casting vote, it was,

### **RECOMMENDED TO CABINET**

Cabinet to agree the following changes to Earmarked Reserves.

- Close the Economic Success Fund Reserve
- Close the Housing Assistance Policy Reserve

- Close the Neighbourhood Plans – Front Runner Reserve
- Reduce the Compulsory Purchase Order Reserve by £250,000

And transfer these balances to a new Capital Funding Reserve, to be used to fund the Capital Programme.

## **70. CHARGING POLICY**

The Assistant Director for Finance presented the report, which presented the draft Charging Policy for approval.

Members were informed that it was good practice to have a Charging Policy to help ensure that a consistent and fair approach to setting fees and charges was taken.

Members noted the three key principles:

1. All fees and charges should aim to cover the full cost of the service.
2. Where appropriate, consideration should be given to establishing a pricing structure that caters for people on low incomes.
3. Where possible charges should be collected in advance of service delivery.

The Chairman felt that the Policy was a sensible expression of the principles and values that the Council wished to establish for its fees and charges.

It was unanimously:

### **RECOMMENDED TO CABINET**

Cabinet to recommend to Council that the Charging Policy at Appendix A is approved.

## **71. GREATER NORWICH FIVE YEAR INFRASTRUCTURE INVESTMENT PLAN AND ANNUAL GROWTH PROGRAMME**

The Place Shaping Manager introduced the report, which sought Council approval of the Greater Norwich Five Year Infrastructure Investment Plan and the allocation of funding to projects identified in the Annual Growth Programme. The report also sought approval of the payment of a project management fee to the Greater Norwich Projects Team and the signing of a deed of variation to the agreement entitled 'Partner Draw down and Borrowing Authorisations'.

Members were reminded that the majority of Community Infrastructure Levy (CIL) receipts were pooled for use via the Greater Norwich's Infrastructure Investment Fund. Five percent was retained for administration purposes and 15 percent, or 25 percent if a Neighbourhood Plan was in place, was allocated to parishes.

For 2024/25 the Annual Growth Programme proposed that funding be allocated to three projects including, Aylsham Gym and Fitness Hub, which would receive

£400,000 out of a total allocation of £928,000.

In addition, an allocation of £2.5m to support Norfolk County Council's Education Capital Programme.

Two additional categories had been included in the Infrastructure Investment Plan this year. The first was Major Projects, which would be used for longer-term projects, however, no Major Projects had been proposed this year. The second new category was Match Funding, which was used to lever in additional external funding. In this case £650,000 was to be allocated for a further phase of development at The Nest.

Also proposed was that £4.5m should be drawn down as a loan via the City Deal Borrowing Fund to support the delivery of the Long Stratton Bypass, this was being agreed under delegated authority so was not a decision for the Council.

Members were informed that forecasting CIL income had become more difficult to calculate in recent years with a drop in income expected from 2024/25. This was mostly attributed to the planning delays caused by Nutrient Neutrality, as well as the transition from the old Joint Core Strategy to the Greater Norwich Local Plan.

The Committee was asked to note that the Aylsham Gym and Fitness Hub and the Nest projects were to be added to the Council's Capital Programme for administrative purposes, but this funding would be recouped from the pooled CIL money.

The report also proposed that the Greater Norwich Projects Team, which administered the Infrastructure Investment Plan and Annual Growth Programme, received a project management fee to provide additional resource so they could effectively support the delivery of infrastructure across Greater Norwich.

A concern was expressed that large proportions of CIL were going towards major projects to the detriment of smaller community-based infrastructure projects, and it was asked if other forms of funding for the large projects was being sought.

In response, the Place Shaping Manager confirmed that many of the projects in the Infrastructure Investment Plan required supporting funds from central Government and funding from various schemes and initiatives going forward would be utilised by the Greater Norwich Projects Team to support both large and small projects.

A member referred to a discussion held at a recent Communities, Housing and Planning Policy Development Panel meeting regarding the Aylsham Gym and Fitness Hub, where it was suggested that due to considerable CIL receipts, the Town Council may have been able to fund the project without the need for contributions from the Annual Growth Programme. He queried whether there had been any clarity since then regarding the relationship between the Parish Council and the High School. The Place Shaping Manager explained that there had been no clarification on the matter, however he assumed that the school would be the main beneficiary with income received being ploughed back into the school operation.

In respect of risks in Broadland it was confirmed that some large developers were making their own arrangements to mitigate Nutrient Neutrality and would not require environmental credits from Norfolk Environmental Credits Ltd. However, the Five-Year Infrastructure Investment Plan had taken a realistic view that delays were likely to occur. Members would be able to monitor the progress of the Plan, as it was considered on an annual basis.

It was unanimously:

### **RECOMMENDED TO CABINET**

Cabinet to recommend to Council that it:

1. approves the Five Year Infrastructure Investment Plan 2024-29 and the proposed 2024/25 Annual Growth Programme as set out in Appendix A;
2. include the Aylsham Gym and Fitness Hub (totalling £400,000) and the Nest multi-sport indoor community hub (totalling £650,000) into the council's capital programme commencing in 2024/25;
3. approves a new programme management fee within the draft Five Year Infrastructure Investment Plan and delegates authority to the Director for Place in consultation with the Portfolio Holder for Policy (Leader) to agree the final fee. This fee will supplement the cost of the Greater Norwich Project Team and the fee for 2024/25 will be in the region of £115,000. The amount for future years will be confirmed within each subsequent version of this Plan. Details related to this recommendation are set out as Appendix B to this report;

and,

4. agrees that the Deed of Variation to the agreement entitled 'Partner Draw down and Borrowing Authorisations', that was originally signed by all partners on 21st October 2015, can be signed. This is required to progress the establishment of the already agreed City Deal Borrowing Loans Fund. Details related to this recommendation, including the Deed of Variation itself, are set out as Appendix B and Appendix C to this report.

## **72. APPROVAL AND ADOPTION OF THE CONSERVATION AREA APPRAISAL FOR HALVERGATE AND TUNSTALL CONSERVATION AREA**

The Senior Heritage and Design Officer presented the report, which recommended the adoption of a Conservation Area Appraisal for Halvergate and Tunstall Conservation Area by the Council.

Members were informed that the Conservation Area had been designated in 2007, when the existing Conservation Area Appraisal had also been carried out.

The Broads Authority had produced and adopted the Conservation Area Appraisal for Halvergate and Tunstall on 15 September 2023 and, as part of the Conservation Area fell within the Broadland District area, it also required adoption by the Council. No changes to the Conservation Area boundary had been

proposed.

The Appraisal assessed the character and appearance of the Conservation Area, reviewed the boundaries, identified buildings of local heritage significance that positively contributed to the character and appearance of the Conservation Area, and set out proposals as to how the Conservation Area could be managed and further enhanced.

The Senior Heritage and Design Officer informed the meeting that the Area Assessment included a section on Management and Enhancement, which identified sites where enhancement would be desirable, however this did not place any liability on owners to undertake the works outlined.

He added that the Broads Authority had undertaken a rigorous consultation process for the Area Assessment, which included contacting all properties within the area and holding a public meeting/drop-in session. Feedback from the consultation had been appended to the report.

It was unanimously:

### **RECOMMENDED TO CABINET**

That Cabinet and Council approve and adopt the conservation area appraisal for Halvergate and Tunstall Conservation Area (Appendix C).

## **73. LGA CORPORATE PEER CHALLENGE**

The Chief of Staff presented the report, which provided a Progress Review report from the recent LGA Corporate Peer Challenge.

Members were reminded that the Peer Challenge took place over 11–15 July 2022 and involved a small team of Local Government Peers (Members and Officers) spending time with both Councils and key partners to observe, engage and identify good practices and areas for development.

Members of the Peer Team returned in October 2023 to identify how their recommendations had been actioned, as well as any new opportunities or challenges that had arisen.

Of the eight recommendations made by the Peer Team six were green and two were amber status and there was a narrative for each recommendation in the appended Progress Review report.

In answer to a query, it was confirmed that officers were undertaking an analysis of what services were shared, what were aligned and what remained sovereign, as part of the work recommended by the Peer Review Team to clarify the vision for the joint working between the Councils and streamline processes and procedures around governance. The outcome of this work would be circulated to members as soon as it was completed.

The Committee was also informed that meetings between the Leaders of both Councils had been held and it was intended to make these more regular and to

widen them out to include opposition leaders in due course.

## **RECOMMENDED TO CABINET**

To receive and endorse the Corporate Peer Challenge – Progress Review report.

### **74. RURAL ENGLAND PROSPERITY FUND - SHARED EQUIPMENT**

The Strategic Growth Projects Manager introduced the report, which presented a business case for a shared food processing facility.

The report proposed that up to £50,000 of the Rural England Prosperity Fund (REPF) allocation be used to fit out a Content Creation Kitchen at the Broadland Food Innovation Centre. Delivery of the Kitchen, which would be a shared facility for use by the food and drink cluster, would help them to expand into new markets.

The design of the Kitchen would include a media wall and when used for social media it would appear to be a domestic kitchen but could be used as a commercial environment. The facility would be available for use by both existing businesses and new ones.

It was proposed that the remaining funds be diverted to the Rural Business Builder project, by continuing to offer grants of up to £25,000 at a 50 percent intervention rate. Reallocating £200,000 of the funding available would support a minimum of eight additional projects.

The Vice-Chairman advised the meeting that he was disappointed that the proposal was being considered ahead of the Food Innovation Centre briefing that was being scoped for the Committee.

In answer to a query, it was confirmed that a report would be brought to Cabinet in due course setting out details of the projects approved so far for the Rural Business Builder project.

In response to a question about other options, members were advised that there was the opportunity to spend the funding on either business support or community support (such as topping up the funding that Norfolk County Council had received for rolling out electric vehicle charging points). However, no locations for the charging points were known at this time and it was a requirement of the scheme that the funding must be spent by March 2025 and this might not conform with the County Council's timetable.

It was

## **RECOMMENDED TO CABINET**

To

1. Approve the use of REPF funds to deliver Test Kitchen 2 as a content creation kitchen at a cost of up to £50,000.



2. Divert remaining funds from the REPF allocation to the Rural Business Builder programme, providing grants of up to £25,000 to eligible businesses.
3. Delegate to the Assistant Director for Economic Growth, in consultation with the Portfolio Holder for Economic Development, the signing of contracts, agreements and procurement requirements associated with delivery of this proposal, subject to appropriate legal and procurement advice.

**75. EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED**

That the press and public be excluded from the meeting for the remaining items of business because otherwise, information which is exempt information by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by The Local Government (Access to Information) (Variation) Order 2006, would be disclosed to them.

**76. CONTRACT AWARD: APPOINTMENT OF DESIGN TEAM FOR BROADLAND COUNTY PARK VISITOR KIOSK AND FACILITIES**

The Programme Manager – Economic Growth presented the exempt report, which proposed the procurement of a design team to support with the preparation and delivery of planning, architectural and engineering design, and building processes for the visitor kiosk, and associated facilities, at Broadland Country Park.

Members expressed their support for the project, however, concerns were raised regarding the need for additional car parking. Officers explained that an upgrade of the current car park facilities was included as part of the wider development of the site, although not included in the current report.

In response to a query regarding funding for the development, officers confirmed that opportunities to obtain funds from external sources would always be sought in the first instance, so as not to impact on Council budgets.

**RECOMMENDED TO CABINET**

Cabinet to:

Delegate to the Director of Place in consultation with the Portfolio Holder for Economic Development, the signing of contract documents related to detailed design stage work at Broadland Country Park, subject to appropriate legal and procurement advice.

**77. PROPOSED COMPULSORY PURCHASE OF AN EMPTY HOME**

The Assistant Director for Individuals and Families and the Housing Standards Senior Officer presented the exempt report, which proposed consideration of

enforcement options in relation to a long-term empty property.

Officers outlined the background to the proposals and drew attention to legal advice recently received and the supplementary paper added to the agenda. They stressed that a Compulsory Purchase Order was only considered as a last resort.

Officers responded to a number of queries regarding previous action taken against the property. Members agreed that it was in the interests of the Council and the local community, to make the order.

Members noted the proposed additional recommendation, that upon confirmation of the Order, the Council would not vest title until October 2024.

### **RECOMMENDED TO CABINET**

Cabinet is asked to authorise the Assistant Director for Individuals and Families:

1. To make a Compulsory Purchase Order to be known as the Broadland District Council (Property X, Broadland) Compulsory Purchase Order under Section 226 of the Town & Country Planning Act 1990.
2. To take all necessary steps, including sign all necessary documentation and orders to affect the decision made by Cabinet.
3. Upon acquiring title for the Property, to enter the property into the first available auction, after a period of marketing.
4. To encourage the owner to withdraw an objection to the Order. The Council will agree an undertaking in writing with the owner that, upon confirmation of the Order, the Council will not vest title until 1 October 2024.

## **78. NORFOLK NUTRIENT MITIGATION FUND**

The Assistant Director for Finance presented the exempt report, which proposed that the Council formally accepted the Government Nutrient Mitigation funding, on behalf of the Norfolk authorities, and sought agreement to use a proportion of this grant funding to make a loan to Norfolk Environmental Credits Ltd (NEC) to fund a specific nutrient mitigation intervention.

Officers explained the time constraints associated with the award of funds and provided reassurance that the appropriate governance arrangements would be put in place.

Some members queried the urgency of approving the project and loan (outlined at paragraph 4 of the report), before expressions of interest had been sought from other organisations. Officers explained that the Government wished to see evidence of at least one project coming forward by March 2024 and that they were not aware of any other proposals that were at a stage that could be taken forward. Members noted that the proposed project would unlock the building of 3000 homes across South Norfolk, Broadland and Breckland areas.

Members noted the proposed addition to recommendation 1 in the report, and it was unanimously

## **RECOMMENDED TO CABINET**

To:

1. Accept the award of £9.6M capital funding through the Government's Local Nutrient Mitigation Fund to Broadland District Council as the lead for the group of Norfolk councils affected by nutrient pollution in The Broads and Wensum catchments. And consequently, commit to using this grant funding to enable an initial portfolio of £9.6m of nutrient mitigation work to unlock housing delivery.
2. Agree that a further report on the Norfolk Nutrient Mitigation Scheme and governance proposals is brought back to the Cabinet following discussions with the other affected local authorities.
3. Agree to use up to £1.5m of this capital funding to make a loan to Norfolk Environmental Credits Ltd (NEC) to fund a specific nutrient mitigation intervention as detailed in the report.

(The meeting concluded at 8.35 pm)

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Chairman