

Minutes of a meeting of the **Overview & Scrutiny Committee – Review of Cabinet Agenda** held at Thorpe Lodge, 1 Yarmouth Road, Thorpe St Andrew, **Tuesday 8 January 2019 at 10.00 am** when there were present:

Mr D G Harrison – Chairman

Mr A D Adams  
Mrs C H Bannock  
Mr D Buck  
Ms S J Catchpole  
Mr J J Emsell

Mr G Everett  
Mr R F Grady  
Mr G K Nurden  
Mr V Ray-Mortlock  
Mr S Riley

Mr V B Tapp  
Mrs K A Vincent  
Mr D C Ward

Also in attendance were the Managing Director, Head of Democratic Services and Monitoring Officer, Head of Planning, Head of Finance and Revenue Services, Head of Economic Development, Economic Development Manager, Corporate Finance Manager, Economic Development (Partnerships & Growth) Manager, Economic Development Project Officer and the Committee Officer (JO).

Mr Andrew Barnes and Mr Ian Kinghorn, of the Bure Valley Railway Ltd, were in attendance for item 88 – Public Speaking

### 86 DECLARATIONS OF INTEREST UNDER PROCEDURAL RULE NO 8

Member	Minute No & Heading	Nature of Interest
Mr Everett	93 – Bid to the Community Infrastructure Fund from Drayton Parish Council	Local Choice Non-pecuniary interest as Chairman of Drayton Parish Council

### 87 MINUTES

The Minutes of the meeting held on 11 December 2018 were confirmed as a correct record and signed by the Chairman.

#### *Minute No. 79 – Budget Questions*

In response to a suggestion that the Council should build its own housing stock, the Head of Finance and Revenue Services confirmed that the Council owned two properties for temporary accommodation purposes in Sprowston. However, it was not proposed to establish a large stock of housing, as it would necessitate opening a Housing Revenue Account, which would require a significant resource to manage. She suggested that the best means for the Council to generate affordable housing was through its joint venture company, Broadland Growth Ltd.

The Managing Director added that building through a joint venture company also allowed the Council to build homes outside of the confines of the Right to Buy scheme.

### *Minute No. 80 – Council Performance Broadland Business Plan*

The Committee had requested that the Head of Planning be in attendance to answer some queries that Members had in respect of the Planning Objectives in the Broadland Business Plan.

The Head of Planning confirmed that an Expression of Interest for £57m to the Housing Infrastructure Fund had progressed to the final appraisal stage and an outcome should be known by the end of March 2019. The majority of this funding would be used as a catalyst for the development of the eastern element of Beeston Park. A bid for £10m to Homes England was being made by the developer for infrastructure in the western part of the site.

Other infrastructure in the Growth Triangle, such as a medical centre in Rackheath, could be delivered using alternative sources of funding even if the Housing Infrastructure Fund bid was delayed, as there was a commitment for 500-700 homes in the area.

### *Minute No. 82 – NEWS Joint Venture Company – Update Report*

A Member advised the Committee that he had not yet received the most recent set of submitted accounts of NEWS. He had asked the Environmental Protection Manager (Special Projects) to follow this up with the Operations Manager at NEWS.

## **88 PUBLIC SPEAKING**

Mr Ian Kinghorn informed the meeting that he was very disappointed and frustrated to learn that the Council had decided to review its decision to sell the freehold of the Bure Valley Railway to the company. Bure Valley Railway Ltd was a very significant local business and employer in the district. It had invested heavily in the business and now had three locomotives, 26 employees and operated year round. The company had a sustainable business model and wanted to grow further, as it had a significant capacity to increase in size. However, it needed the certainty of freehold ownership of the railway in order to take this forward.

Mr Andrew Barnes advised Members that the Company made a very significant contribution to charitable events and causes both locally and further afield. It also supported Broadland and Norfolk County Highways in maintaining the path and infrastructure alongside the railway. He had made a considerable personal investment into the company and he needed the

certainty of ownership, if he was to invest in it further.

### CABINET REPORTS

#### 89 EXCLUSION OF THE PRESS AND PUBLIC

##### RESOLVED

to exclude the Press and public from the meeting for the remaining business because otherwise, information which was exempt information by virtue of Paragraph 3 of Part I 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.

#### 90 DISPOSAL OF COUNCIL OWNED LAND

The report presented options for the disposal of the Bure Valley Railway and path. These were: to retain the asset; sell the asset to Bure Valley Railway Ltd or to enter into a partnership arrangement with Norfolk County Council.

Members considered this matter at length and heard the cases made for and against each option including the varying costs, the money already spent on buying the asset by Bure Valley Railway Ltd, as well as supporting important green infrastructure in the district.

##### RECOMMENDED TO CABINET

Option (3)

To *explore entering into* a Partnership Agreement with Norfolk County Council.

*The Press and public were then readmitted to the meeting*

#### 91 BUDGET AND MEDIUM TERM FINANCIAL PLAN 2019–24

The report presented a detailed summary of Broadland's draft 2019/20 Budget for net revenue and capital expenditure, as well as a schedule of proposed fees and charges for the year.

The Government's Financial Settlement for 2019/20 had been announced on 13 December 2018, with a final settlement to be confirmed in early February 2019.

Anticipated growth for 2019/20 was £718,000. The Medium Term Financial Plan (MTFP) also included an average uplift in salary costs in respect of inflation and performance related pay of two percent. Predicted savings of £350,000 through collaboration with South Norfolk Council were not included in the base budget calculations.

However, a contribution to the collaboration cost reserve of £87,000 for 2019/20 was factored into the MTFP.

The additional Business Rates being retained, as a result of the Council taking part in a pilot study, was not factored into the MTFP, although a Business Rates levy surplus distribution of £43,000 from the national pot was included.

New Homes Bonus legacy payments would continue to be paid, but any new payments after 2020 would be dependent on the Spending Review in 2019

Special Expenses for street lighting were still included in the MTFP, although discussions were still being held as to a way forward. Any changes would be reflected in future iterations of the MTFP.

The Business Rates Collection Fund remained in deficit as a result of previous year's appeals provisions. The predicted deficit for 2019/20 was £500,000. There was a lot of uncertainty over Business Rates appeals, as there were legal challenges going through the courts, which if successful could be subject to backdating.

Members were advised that the majority of the budget should remain unchanged, but as the final settlement was still not known any changes that arose would be brought back to Cabinet in February 2019.

Appendix B set out the budget by Portfolio and Appendix C showed all budget items in greater detail. Appendix D listed the fees and charges levied by the Council. These had risen by inflation, as the Council was only allowed to recover its costs for the services that it provided.

Appendix E showed the proposed capital programme for the next three financial years. The draw on the General Fund to finance the capital programme had been minimised as much as possible.

The Disabled Facilities Grant was funded by Government through the Better Care Fund and it was assumed that this would be around £850,000 in 2019/20.

The Head of Finance and Revenue Services advised the meeting that, in her opinion, the budget would remain on target and would not be overspent, but

would require careful monitoring.

A Member suggested that the Council needed to identify alternative sources of income, to put itself into a more sustainable position. However, another Member commended the prudent budget and suggested that it would be better to wait until the uncertainty of Brexit was resolved, before seeking alternative income streams.

The Head of Finance and Revenue Services informed the meeting that whether the Council received single year or multi-year settlements in future could be dependent on the outcome of Brexit. Multi-year settlements could allow the Council the flexibility to look at other sources of income.

Currently the only business case being put forward for savings from collaboration was the new management structure, but there were a number other projects in the Feasibility Study that could be brought forward in the future.

### **RECOMMENDED TO CABINET**

Option 1 (1, 2, 3, 4, 5)

to approve and to recommend to Council:

- (1) Amendments to be included in the Budget for 2019/20 – which will be brought back to February Cabinet (Appendix C);
- (2) Proposed changes in discretionary fees and charges (Appendix D);
- (3) The capital programme for 2019/20 to 2021/22 (Appendix E);
- (4) The provisional Band D Council Tax level for 2019/20 from the options given in Appendix A;
- (5) General Reserves draw for 2019 to 2024 (Paragraph 5.2 of this report).

## **92 JOINT FIVE YEAR INFRASTRUCTURE INVESTMENT PLAN 2019–20**

The report presented the Draft Greater Norwich Joint Five Year Infrastructure Investment Plan 2019-24 and the Greater Norwich Joint Five Year Investment Plan 2019-20 for agreement.

The projects identified within the 5YIIP for 2019/20, were considered to be a priority for delivery to assist in achieving the growth ambitions, as set out in the Joint Core Strategy and the Greater Norwich City Deal.

Income received from the Community Infrastructure Levy (CIL) was less than had been forecast since 2014, due to the introduction of additional CIL exceptions by the Government and lower than expected growth. Therefore, in order to safeguard existing commitments it had been agreed to temporarily suspend the inclusion of any new projects in future five year Investment Plans. Urgent items, however, would be considered and reviewed independently to assess their inclusion.

In response to a query, it was confirmed that Norwich City Council had decided to adopt a CIL exceptions policy for sites that were struggling with viability. This was an issue for a number of urban sites, which had more expensive development costs than more rural areas. There was no intention to adopt a similar policy in either Broadland or South Norfolk.

The Head of Planning also confirmed that the St Faiths to airport transport link was on hold as Broadland Northway had led to a reduction in traffic along Fifers Lane, which had undermined the requirement for an additional access point to the airport at this stage.

### **RECOMMENDED TO CABINET**

Options (1 and 2)

that Cabinet recommend that Council:

- (1) Agrees the Greater Norwich Joint Five Year Investment Plan and 2019/20 Annual Growth Programme; and,
- (2) Agrees that the cash reserve should be reallocated into the Infrastructure Investment Fund to support the delivery of previously agreed annual growth programmes, and support the establishment of a new cash reserve to be forward planned in future versions of this Plan.

### **93 BID TO THE COMMUNITY INFRASTRUCTURE FUND FROM DRAYTON PARISH COUNCIL**

The report presented a bid from Drayton Parish Council to borrow £75,000 from the Community Infrastructure Fund (CIF).

The Council provided a £400,000 borrowing facility for parish and town councils to draw down the cost of delivering local infrastructure projects with the knowledge that it would be underwritten by future CIL receipts.

The Parish Council wanted the loan to enhance the play equipment on the Florence Carter Memorial Playing Field in the village centre, including fencing; a small contribution to a community venue to renew their kitchen and to

replace Parish Council noticeboards in the village. Any remaining funds would be used to improve facilities at the King George V Playing Field.

It was considered that the projects / costs listed in the bid complied with the CIF criteria, and therefore the bid could be justified. Moreover, the level of growth in Drayton meant that the money would be more than adequately underwritten by local CIL receipts.

It was therefore recommended that the loan be approved and that work commence to draft a legal agreement which (a) set the interest rate at a percentage equivalent to base rate, (b) required all CIL receipts received by the Parish Council to be repaid to Broadland District Council until the loan and any interest was paid in full and (c) in the event that the anticipated local CIL receipts were not forthcoming the agreement would set a backstop date of five years for the loan and interest to be repaid in full, unless an extension of time was agreed by this Council acting reasonably.

### **RECOMMENDED TO CABINET**

Option (1)

to agree to a loan from the Community Infrastructure Fund to Drayton Parish Council for £75,000.

## **94 NORFOLK STRATEGIC INFRASTRUCTURE DELIVERY PLAN**

The Council had been invited to formally endorse the Norfolk Strategic Infrastructure Delivery Plan (NSIDP), which had been produced under the auspices of all Norfolk councils and identified the key strategic infrastructure projects required to deliver economic growth in Norfolk. The Delivery Plan would help to co-ordinate implementation, prioritise activity and respond to any funding opportunities.

Broadland Council Planning and Economic Development Officers had been involved in the production of the document and informed the content of it.

The projects set out within the NSIDP accorded with the ambitions of the Norfolk and Suffolk Economic Strategy, the Joint Core Strategy, the Broadland Growth Triangle AAP, the Site Allocations DPD, the Greater Norwich Infrastructure Plan and the Norfolk Strategic Planning Framework. The NSIDP, therefore, incorporated the strategic priorities that were relevant to Broadland.

### **RECOMMENDED TO CABINET**

Option (1)

To endorse the Norfolk Strategic Infrastructure Delivery Plan.

### **95 NORWICH WESTERN LINK OPTIONS CONSULTATION RESPONSE**

The report set out a suggested response from the Council to the consultation on four shortlisted Norwich Western Link (NWL) route options, proposed by the County Council.

The development of a NWL, to connect the new Broadland Northway from the A1067 to the A47 west of Norwich, was one of Norfolk County Council's top infrastructure priorities and it was currently aiming to start construction in 2022.

The four shortlisted road options were three new dual carriageway roads and a single carriageway upgrade of the B1535. The majority of the new roads would be built at or near ground level, but viaduct-style bridges over river flood plains were included in some options. All routes included improvements to the A1067 Fakenham Road

The options also took account of Highways England's plans to dual the section on the A47 between North Tuddenham and Easton. A Norwich Western Link would need to join the dualled A47 at one of its proposed junctions.

The options had been carefully considered by the Economic Success Panel who had indicated that option D was their preferred route, with option C as a suitable alternative.

A Member noted that the response to option D stated that it had the closest junction to Broadland Northway, but in fact had the same junction as option C.

It was also requested that the comment be strengthened in respect of the impact on listed buildings for Option D.

### **RECOMMENDED TO CABINET**

Option (1)

To agree to submit the proposed response to the Norwich Western Link consultation, as amended.

*The meeting closed at 12.20 pm*