

## **Agenda Item: 4**

# **CABINET**

**Minutes of a meeting of the Cabinet of South Norfolk Council, held on Monday 7 February 2022 at 9.00am.**

**Committee Members Present:** Councillors: J Fuller (Chairman), A Dearnley, G Minshull, L Neal and A Thomas

**Apologies:** Councillors: K Mason Billig and R Elliott

**Other Members in Attendance:** Councillors: D Bills and T Laidlaw

**Officers in Attendance:** The Managing Director (T Holden), the Director of Place (P Courtier), the Director of People and Communities (J Sutterby), the Assistant Director Chief of Staff (E Hodds), the Assistant Director ICT/Digital and Transformation (C Lawrie), the Assistant Director Finance (R Fincham), the Assistant Director Individuals and Families (M Pursehouse), the Assistant Director Planning (H Mellors), the Head of Internal Audit (F Haywood), the Housing and Wellbeing Senior Manager (R Dunsire), the Housing and Benefits Manager (L Sayer) and the Growth Delivery Manager (E Larter)

## **2972 URGENT BUSINESS**

Cllr A Thomas referred back to the Council's existing contract with South Norfolk Healthcare CIC, for social prescribing services, and explained that the NHS was so pleased with the delivery outcomes, it was wanting to increase its contribution by an additional £343,928, which would equate to four additional community connectors.

Members noted that due to the level of funds involved, Cabinet was required to make the decision on whether to accept this extension to the existing contract. The decision was an urgent one, due to the Council's desire to recruit before the end of the financial year.

Following brief discussion, it was

**RESOLVED:**

To agree to the extension to the existing contract with South Norfolk Healthcare CIC for social prescribing services, resulting in an additional £345,928 of funding for the Council.

## **2973 MINUTES**

The minutes of the meeting of the Cabinet held on 4 January 2022 were agreed as a correct record.

Referring to minute 2968, Planning Regulatory, Housing Standards and Waste Team Services IT Migration, the Director of Place explained that both South Norfolk and Broadland Councils had agreed to enter into a contract with IDOX, to allow the alignment of IT systems. However, the Director of Place explained that Broadland Council might not be in a position to contract directly with IDOX, and members noted that the most sensible and efficient option was for Broadland to contract via South Norfolk.

## **2974 IN YEAR BUDGET OPTIONS**

Members considered the report of the Assistant Director of Finance, detailing an in-year surplus of income, which gave the Council a one-off opportunity to use funds to accelerate its Delivery Plan.

The portfolio holder, Cllr A Dearnley, drew members' attention to the proposed thematic apportionment, detailed at section 3 of the report.

The Assistant Director of Resources explained that a formal report regarding the Council's financial position would follow in April. He stressed that the position could change but was confident that there would still be significant savings and efficiencies, that could even exceed the estimated £3.078 million.

The Chairman stressed that these funds were not available due to underspends but was exceptional income that had arisen due to the impact of Covid and Business Rates Pooling. He also drew attention to the Council's Leisure Centres, where recovery had been quicker than anticipated.

Officers stressed that these funds were to provide funding for one-off projects and would not be carried forward in to next year's budget. Members noted that any proposals would be in addition to the funding already agreed back in November for projects including the Costessey Country Park.

Members agreed the proposed approach and during discussion made suggestions for projects, including:

- Moving waste vehicles over to biofuels
- Queen's Platinum Jubilee Celebrations
- Increase in hardship funds, for example those facing fuel poverty and/or those requiring new heating system
- Co-funding electric car charging points with town/parish council

- Wherryman's Way
- Projects where borrowing was previously required.

**RESOLVED:**

**TO RECOMMEND THAT COUNCIL** agrees the proposed thematic apportionment of the quarter 3 outturn, and invites bids for projects that meet the objectives listed in section 3 of the report.

**The Reason for the Decision**

To accelerate the Council's Delivery Plan

**Other Options Considered**

None.

**2975 REVENUE BUDGET AND COUNCIL TAX 2022/23**

Members considered the report of the Assistant Director of Finance which detailed information regarding the Council's revenue budget for 2022/23, to enable Cabinet to make recommendations to Council on 22 February regarding the Council's budget and council tax for 2022/23.

The Chairman introduced the report and reflected on the previous two years and the impact of Covid, explaining that it was a pleasure to be able to present a healthy and balanced budget.

He drew attention to the proposal for an increase in Council Tax of £5 for a Band D property, and the increases in fees and charges; increases that were half the rate of inflation and which he believed to be fair and proportionate.

The portfolio holder, Cllr A Dearnley, drew attention to the key points of the report. Referring to the proposed increase in council tax, he explained that this formed part of a wider plan, to ensure that budgets were balanced in the medium term and he referred to the anticipated reduction in future funding provided by the Government.

The Assistant Director of Finance stressed that the figures provided were subject to confirmation of the finalised Local Government Finance Settlement figures. He hoped in future years that this would be in the form of a multi-year settlement, as this would provide more stability for future budgets. He drew attention to section 10 of the report and confirmed that as Section 151 Officer, his view was that the budget was robust and that the level of reserves was satisfactory.

It was

**RESOLVED:**

**1 TO RECOMMEND TO COUNCIL:**

- (a) The approval of the 2022/23 base budget; subject to confirmation of the finalised Local Government Finance Settlement figures which may necessitate an adjustment through the General Revenue Reserve to maintain a balanced budget. Authority to make any such change to be delegated to the Assistant Director of Finance.
  - (b) That the Council's demand on the Collection Fund for 2022/23 for General Expenditure shall be £8,485,950 and for Special Expenditure shall be £7,366.
  - (c) That the Band D level of Council Tax be £165.00 for General Expenditure and £0.14 for Special Expenditure.
2. To agree the changes to the proposed fees and charges as set out in section 5.
3. To note:
- (a) The advice of the Section 151 Officer with regard to section 25 of the Local Government Act 2003, contained in section 10 of this report.
  - (b) The Medium-Term Financial Strategy projections.

#### **The Reason for the Decision**

To provide a budget which meets the Council's priorities and to set a council tax affordable to residents.

#### **Other Options Considered**

None.

### **2976 CAPITAL STRATEGY AND CAPITAL PROGRAMME 2022/23 TO 2026/27**

Members considered the report of the Capital and Treasury Accountant, which presented Cabinet with the Capital Strategy and the proposed Capital Programme for 2022/23 to 2026/27.

The Chairman introduced the item, explaining that the Council could choose to incrementally invest in the District out of retained income, or, as proposed in the report, demonstrate further ambition through borrowing which would allow projects to come forward much earlier. He felt that there had never been a better time to demonstrate such ambition, He referred to the current low costs of borrowing and the high inflation rates and felt that now was the time to show ambition for the economy and the environment and invest in communities.

The portfolio holder, Cllr A Dearnley drew members' attention to the proposed capital programme at Appendix B of the report and reminded members that the purpose of the capital projects and investments was to improve services and the lives of residents in the district. The Programme had been expanded to include a number of new key projects to help bring forward key economic

development projects, make improvements to the public realm, and protect the environment.

Cabinet expressed its support for the recommendations and members referred to a number of projects that could benefit from the proposed approach.

The Assistant Director of Finance confirmed that the capital programme was more ambitious than in previous years and drew attention to the fact that borrowing would commit future administrations to debt. However, he stressed that overall, he considered the proposals to be affordable, prudent and within the scope of the Council to deliver.

In response to queries, he confirmed that there was an estimated £1.5million return on investments from Big Sky and that this was a significant contribution to Council budgets. In addition to this the Council would shortly be receiving dividends from Big Sky.

With regard to the timing of the approval of projects, members noted that the budget provided the envelope of resource, but that there was always a possibility of slippage. There was no legal commitment until contracts had been signed.

Reference was made to the Accommodation Project and officers confirmed that although not explicitly referred to in the programme, if the Council did decide to move offices, the current budget would allow for that.

It was

#### **RESOLVED:**

**TO RECOMMEND THAT COUNCIL** approves the Capital Strategy (Appendix A) and the Capital Programme for 2022/23-2026/27 (Appendix B).

#### **The Reason for the Decision**

To ensure that the Strategy represents a prudent and affordable approach to investment in the Council's assets, to support service delivery, the District and its residents. To ensure that the Capital Programme is affordable and complies with Council policies.

#### **Other Options Considered**

To complete projects within existing budgets, over a longer period, with no requirement to borrow funds.

### **2977 TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23**

Members considered the report of the Capital and Treasury Accountant, which set out the Council's approach to the management of its borrowing, investments and cash flow.

Cllr A Dearnley outlined the key areas of the report to members.

The Assistant Director Finance drew attention to the recent tightening of the rules to ensure that local authorities did not make commercial investments purely for a financial return. He added that he was satisfied that the Council's investments were made to enable the funding of projects that were in line with service objectives and would benefit the community.

He also referred to a current consultation from the Department for Levelling up, Housing and Communities, which was looking at Minimum Revenue Provision on loans and could result in charges being placed on loans made to Big Sky. He explained that the Council's response would suggest that this was not necessary.

Discussion followed regarding ethical investments and attention was drawn to the Treasury Management Policy Statement, which stated that the Council was required to request institutions to apply cash deposits in a socially responsible manner. The Assistant Director of Finance explained that when making investments, the Council would always choose to invest in sustainable funds over non sustainable funds, when faced with a number of options that provided the same rate of return.

**RESOLVED:**

**TO RECOMMEND TO COUNCIL:**

1. The Treasury Management Strategy Statement 2022/23
2. The Treasury Management Policy Statement 2022/23 (**Appendix 1**)
3. The Annual Investment Strategy 2022/23 (**Appendix 2**)
4. The Treasury Management Practice (TMP1) (**Appendix 3**)
5. The Treasury Management Scheme of Delegation (**Appendix 4**)
6. The Prudential Indicators (**Appendix 5**)
7. The Minimum Revenue Provision (MRP) Statement (**Appendix 6**).

**The Reason for the Decision**

To ensure that the Council's Investment Strategy remains prudent and complies with statutory requirements

**Other Options Considered**

None.

**2978 DELIVERY PLAN 2022-2024**

Members considered the report of the Strategy and Programmes Manager, which proposed the adoption of the Delivery Plan for 2022-24.

The Chairman explained that the Plan had been produced in collaboration with Broadland District Council and outlined all the activities and projects the Council would be undertaking to meet the priority areas outlined in the four-year Strategic Plan.

Members agreed that the Plan was full of examples of excellent work carried out by officers, and particular mention was given to the work of the Help Hub and the significant work carried out behind the scenes to support residents in need.

Mention was also given to apprenticeships and training and staff improvement. The Managing Director was very pleased to report that the number of apprenticeships continued to increase at the Council, and that South Norfolk was not only leading the field locally, but was driving this work collaboratively across the County.

Members thanked officers for producing such a well laid out and comprehensive document.

It was

**RESOLVED:**

**TO RECOMMEND THAT COUNCIL** approves the adoption of the Delivery Plan for 2022-24.

**The Reason for the Decision**

To provide a document that sets out the ambitions of the Council going forward and provides an in-year overview of the different activities needed to ensure that it is delivering on those ambitions.

**Other Options Considered**

None.

**2979 COUNCIL TAX ASSISTANCE SCHEME 2022/23**

Members considered the report of the Housing and Wellbeing Senior Manager and the Housing and Benefits Manager, which sought agreement to adopt the proposed changes to the Council Tax Assistance Scheme for the financial year 2022/23.

The portfolio holder, Cllr A Thomas, commended the report to Cabinet, explaining that in accordance with the regulations, the Council Tax scheme was reviewed on an annual basis. She explained that officers had been working with members across both South Norfolk and Broadland Councils, to try to align the schemes, and that there had been a need for some changes to address issues of inequality and fairness. A public consultation had taken place and the responses had been broadly supportive of the proposals.

The Housing and Benefits Manager explained that legal advice had been sought to ensure that the scheme was equitable and fair and members noted that the proposals had already been discussed at member workshops. Officers were confident that the proposed scheme would continue to benefit the most vulnerable and advised that the Discretionary Fund was available to assist those adversely affected by any changes, although she stressed that such cases would be few and far between.

In response to a query regarding the £150 rebate paid to those residents in council tax bands A-D, the Housing and Wellbeing Senior Manager explained that this would not impact upon the Council Tax Assistance Scheme. These rebate payments were separate and would be automatically paid directly in to bank accounts where possible and would not be detailed on council tax bills. Information on how to claim this rebate, if not currently paying by direct debit, would be forwarded on to residents.

**RESOLVED:**

**TO RECOMMEND THAT COUNCIL** approves the changes to the Council Tax Assistance Scheme for the financial year 2022/23

**The Reason for the Decision**

To ensure a fair and equitable scheme which will benefit the most vulnerable residents.

**Other Options Considered**

None.

**2980 MINIMUM ENERGY EFFICIENCY STANDARDS**

Members considered the report of the Assistant Director for Individuals and Families, which sought approval for a Minimum Energy Efficiency Standards Enforcement Procedure, to tackle landlords that abused the regulations, and failed to provide homes that were energy efficient.

The Chairman reminded members that Cabinet had approved the principles of the scheme at its last meeting in January, however, had requested that more comprehensive procedures be presented to Cabinet for approval at a future meeting. He felt the proposed procedures to be fair and sensible and would provide a consistent approach going forward.

The portfolio holder, Cllr A Thomas, explained that this work referred to minimum energy efficiency standards for private dwellings and that the default position was always to work alongside landlords to positively encourage them to fulfill their legal responsibilities. She stressed that enforcement action would only be taken as a last resort.

It was

**RESOLVED:**

To approve:

1. The Council's proposed enforcement procedure.
2. The financial penalty decision process.

### **The Reason for the Decision**

To provide a fair proactive procedure for enforcement, whilst protecting vulnerable residents.

### **Other Options Considered**

None.

## **2981 GREATER NORWICH JOINT FIVE-YEAR INFRASTRUCTURE INVESTMENT PLAN AND ANNUAL GROWTH PROGRAMME**

Members considered the report of the Place Shaping Manager, which sought agreement regarding the content of the draft Greater Norwich Joint Five Year Infrastructure Investment Plan 2022 to 2027, approval of the allocation of Community Infrastructure Levy (CIL) to the projects included within Annual Growth Programme and the approval of the draft loan agreement for the drawdown of £6.733M to support the delivery of the Long Stratton Bypass.

The Chairman introduced the item, explaining that although there were very few new projects proposed within the South Norfolk area for 2022/23, existing projects from previous years were still underway.

During discussion, members made reference to the Wherryman's Way Access Improvements, the Hethersett Academy, the Costessey Country Park and the Long Stratton bypass. Local member for Long Stratton, Cllr A Thomas, very much welcomed the loan agreement for the drawdown of £6.733million to support the delivery of the Long Stratton bypass.

### **RESOLVED:**

#### **TO RECOMMEND THAT COUNCIL:**

- a) Approves the Draft Five Year Infrastructure Investment Plan 2022-27 (Appendix 1);
- b) Approves the proposed 2022/23 Annual Growth Programme (section 3 of Appendix 1).
- c) Agrees the draft legal loan agreement for the drawdown of £6.733m through the Greater Norwich City Deal, to support the delivery of Long Stratton Bypass (Appendix E of Appendix 1) and to allocate £350,000 of the Infrastructure Investment Fund (IIF) to the cash reserve; and
- d) Subject to the agreement of recommendation c), delegates authority to the Council's Section 151 Officer and Director of Place in consultation with

the Leader of the Council, to finalise the terms and sign the legal loan agreement on behalf of the Council.

### **The Reason for the Decision**

To support the provision of infrastructure to benefit the District.

### **Other Options Considered**

None.

## **2982 ADOPTION OF NORFOLK GREEN INFRASTRUCTURE AND RECREATIONAL IMPACT AVOIDANCE AND MITIGATION STRATEGY**

Members considered the report of the Place Shaping Manager, which sought authority for the adoption of the Norfolk Green Infrastructure and Recreational Avoidance and Mitigation Strategy (GIRAMS) and the collection of related obligations from applications for residential development, and other relevant development proposals, in accordance with the GIRAMS evidence and Policy 3 of the Greater Norwich Local Plan (GNLP).

The Chairman outlined the purpose of the report and drew members' attention to the 40 sites across Norfolk that required an extra duty of care. He explained that an immediate review of the mitigation package was required.

The Assistant Director of Planning stressed that this was a legal requirement and was a key document, underpinning the Greater Norwich Local Plan Policy. She announced that the sum collected per dwelling would be £185.93 and would come into effect from 31 March 2022.

It was

### **RESOLVED:**

To agree, subject to agreement by all planning authorities, and an immediate review of the GIRAMS mitigation package, **TO RECOMMEND THAT COUNCIL** adopts the Norfolk Green Infrastructure and Recreational Avoidance and Mitigation (GIRAMS) Strategy and resolves to begin collecting obligations from applications for residential development, and other relevant development proposals with effect from 31 March 22 in line with the following requirements of Policy 3 of the Greater Norwich Local Plan:

*All residential development will address the potential visitor pressure, caused by residents of the development, that would detrimentally impact on sites protected under the Habitats Regulations Directive through:*

- *the payment of a contribution towards the cost of mitigation measures at the protected sites (as determined under the Norfolk Green infrastructure and Recreational Impact Avoidance and Mitigation Strategy plus an allowance for inflation); and,*

- *the provision or enhancement of adequate green infrastructure, either on the development site or nearby, to provide for the informal recreational needs of the residents as an alternative to visiting the protected sites. This will equate to a minimum of 2 hectares per 1,000 population and will reflect Natural England's Accessible Natural Greenspace Standard.*

### **The Reason for the Decision**

To comply with legal requirements and to ensure the protection of identified sites

### **Other Options Considered**

None.

## **2983 PROPOSAL FOR A COMMUNITY INFRASTRUCTURE FUND LOAN SCHEME**

Members considered the report of the Growth Delivery Manager, which outlined proposals to create a new Community Infrastructure Fund.

The Growth and Delivery Manager outlined the proposals in her report and explained that the purpose of the new fund was to allow for new development and infrastructure growth to occur concurrently.

Members noted that this would complement the larger settlement fund, currently proposed as part of the Council's capital programme.

The Chairman commended the report to members and felt this was a good interim solution, until more details had been worked through for the larger settlement fund. He stressed the need for more work on income forecasts to include best possible estimated CIL receipts for each town and parish council, and the Growth Delivery Manager confirmed that this work was already underway.

During discussion, members acknowledged that the governance arrangements needed to be proportionate, so as not to deter applications for smaller projects, however, suggested that the application form at Appendix 1 of the report, would not be sufficient for loans of more than £50k, where additional due diligence would be required. One member also suggested that towns and parishes should demonstrate that they had consulted their communities with regard to infrastructure requirements.

The Director of Place confirmed that a number of town and parish council engagement sessions would take place to officially launch the scheme and agreed to issue a briefing note to all district members.

### **RESOLVED:**

1. To **RECOMMEND TO COUNCIL** the following changes to the Council's earmarked Revenue Reserves:

- a) Creation of a new Community Infrastructure Fund Reserve of £1,500,000 to cover the cost of loans to parish and town Councils.
2. To agree that the Director of Place, in consultation with the Assistant Director of Finance and Portfolio Holder for Finance and the Leader, has the authority to agree any Community Infrastructure Fund loan up to £750,000 (provided they are underwritten by the respective Parish or Town Council's future Community Infrastructure Levy receipts). This includes delegated authority to enter in Facility Agreements on behalf of the Council.
3. To agree that the Director of Place receives delegated authority to approve the final terms of the standard form Facility Agreement, in consultation with the Monitoring Officer.
4. To note that where the repayment period is expected to be more than 10 years, loans should not be entered into without receipt of Cabinet approval.

#### **The Reason for the Decision**

To allow development and infrastructure growth to occur concurrently.

#### **Other Options Considered**

Do nothing.

### **2984 CABINET CORE AGENDA**

Members noted the latest version of the Cabinet Core Agenda.

Cabinet noted that it was likely that the submission of the Diss and District Neighbourhood Plan, would be delayed until after April.

### **2985 EXCLUSION OF THE PUBLIC AND PRESS**

It was **RESOLVED** to exclude the public and press from the meeting under Section 100A of the Local Government Act 1972 for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended)

### **2986 MICROSOFT ENTERPRISE AGREEMENT**

Members considered the *exempt* report of the Transformation Officer, which detailed a procurement exercise to award a new contract for the provision of the Council's Microsoft Licence Agreements for both Broadland and South Norfolk Councils.

The Assistant Director of ICT/Digital and Transformation drew members' attention to the key areas of the report and members noted the proposed contract award.

During discussion, members queried why tenders were evaluated with a price only weighting, and officers explained that the evaluation of the quality of product or ongoing service, was not required as the contract was simply to supply licences that came a standard.

It was

**RESOLVED:**

To agree the recommendations as outlined at paragraph 8 of the report.

**The Reason for the Decision**

To award the contract in line with the Council's Contract Procedure rules.

**Other Options Considered**

None

**2987 INTERNAL AUDIT CONTRACT AWARD**

Members considered the *exempt* report of the Head of Internal Audit, which sought Cabinet approval to award the Internal Audit contract.

The Head of Internal Audit outlined the key areas of her report to members. She had been disappointed that more tenders had not been received, but she was satisfied that the new contract presented good value for money.

During discussion, members suggested that more needed to be done to encourage local suppliers and the Head of Internal Audit explained that Internal Audit would be reviewing this area of work.

**RESOLVED:**

To approve the appointment for an initial period of five years, with an option to extend by two years and a further two following the initial term.

**The Reason for the Decision**

To award the contract in line with the Council's Contract Procedure rules.

**Other Options Considered**

None

**2988 EXEMPT MINUTE – TO CONFIRM AN EXEMPT MINUTE ARISING FROM  
THE CABINET MEETING HELD 4 JANUARY 2022**

Subject to a minor amendment, the exempt minute relating to the Browick Interchange Infrastructure Loan (minute 2970), was agreed as a correct record.

(The meeting concluded at 11.15 am)

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Chairman