

Minutes of a meeting of the **Overview & Scrutiny Committee – Review of Cabinet Agenda** held by video link on **Tuesday 9 June 2020** at **10.00 am** when there were present:

Cllr S Riley – Chairman

Cllr A D Adams  
Cllr S C Beadle  
Cllr N J Brennan  
Cllr P E Bulman

Cllr S J Catchpole  
Cllr N J Harpley  
Cllr C Karimi-Ghovanlou  
Cllr K S Kelly

Cllr D King  
Cllr M L Murrell  
Cllr G K Nurden  
Cllr S M Prutton

Cllr J Emsell, Cllr L Hemsall and Cllr T Mancini-Boyle also attended the meeting.

Also in attendance were the Director Resources, Assistant Director Finance, Assistant Director Governance & Business Support (Monitoring Officer), Chief of Staff, Assistant Director Individuals and Families, Governance Manager, Policy and Partnerships Officer, Senior Governance Officer, Committee Officer (LA) and Committee Officer (JO).

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

Member	Minute No & Heading	Nature of Interest
Cllr K Kelly	138 – Armed Forces Covenant	Ex-member of the armed forces and in receipt of military pension.
Cllr S Beadle Cllr S Riley	136 – Review of 2020/21 Budgets	Director of a company in receipt of Covid-19 Government grant.

### 131 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Holland and Cllr Ryman-Tubb.

### 132 MINUTES

The Minutes of the meeting held on 17 March 2020 were confirmed as a correct record.

*Minute No: 124 – Minutes*

The Senior Governance Officer informed Members that a report setting out the number of recommendations made by the Committee that had been accepted by Cabinet over the last five years would be brought to the 30 June 2020 meeting. The final EcoCube Time and Task Panel report would also be brought to the same meeting.

### CABINET REPORTS

#### 133 REVIEW OF 2020/21 BUDGETS

The report provided financial information on the impact of Covid-19 and the measures and proposals to mitigate the financial impact on the Council.

It was estimated that the income budget of the Council could see a 25 percent reduction in planning fees, waste charges, land charges, Housing Benefit over payment and Council Tax recovery. This would lead to a reduction in income of £431,000 for 2020/21. Some of this income would never be recovered, whereas in areas such as planning it was expected to be delayed as opposed to lost, as developers were still keen to obtain planning permission.

It was, therefore, proposed to rebase the 2020/21 income budgets to take account of these reductions.

Section three of the report set out the predicted effect that Covid-19 would have on the expenditure budgets of the Council.

The main additional costs were:

- Additional communications to residents and businesses.
- The additional costs of ensuring all homeless persons were provided with safe accommodation.
- Additional IT costs to enable effective homeworking and video conferencing and software to facilitate grant payments.

It was, therefore, proposed to create a new budget of £250,000 for general Covid-19 costs and increase the housing costs budget by £250,000. It was confirmed that these budgets were based on best estimates, given the additional costs incurred during March/April.

In response to a criticism of the IT systems at Broadland, the Assistant Director Governance & Business Support (Monitoring Officer) advised the meeting that it was acknowledged that improving the IT Systems at Broadland was a massive task that would take time, but it was progressing well.

To support the recovery of the economy, Broadland was working with South Norfolk and Breckland Councils to launch Operation Beacon to provide support to businesses. Part of this project was to provide support for the high streets and a programme to adapt them to meet social distancing restrictions was to be rolled out. A £50 million Government fund had been announced and Broadland had been allocated £116,155 to undertake this work in the District. If additional resources over and above the £116,115 were needed, then a further request for funding would be made at a later date.

The Council had received a 17 percent increase in claims for Council Tax support, with new claims being received daily. It was, therefore, proposed to increase the Council Tax support budget by £224,000 to £892,000. This figure took into account the possibility that some people currently furloughed might find themselves redundant and eligible for Council Tax support, when the furlough scheme ended.

Broadland Growth Limited, the Council's jointly owned development company remained on track to deliver between 50 to 100 dwellings per year. There was uncertainty around the impact of Covid-19 on house sales. But alternatives such as renting them out for a time to allow the housing market to recover could be considered, if necessary.

The Council had received £1.352 million in additional Government funding, to help to cover the Council's additional operating costs and lost income as a result of Covid-19.

Currently the Council had a budget of £100,000, which was considered sufficient to cover direct hardship payments to residents during the Covid-19 pandemic.

The Government had provided £637,216 to cover the cost of awarding £150 Council Tax support to all working age Council Tax Support claimants. However, there were concerns that this could soon run out and it was, therefore, recommended that an additional £100,000 be set aside to cover this cost pressure.

In response to a query, it was confirmed that there remained a problem with the software that had held up the distribution of the £150 Council Tax support payments. However, the Council had ceased collecting Council Tax from all of those residents eligible for support, so they were not being penalised by the delay. Pressure was being put on the software supplier to fix the problem, who had confirmed that it should be resolved within two to three weeks.

There also remained a likelihood that pressure would increase on the £158,116 Discretionary Housing Payment grant provided by the Department of Work and Pensions when the embargo on evictions was lifted.

If additional resources over and above the £158,116 were needed, then a further request for funding would be made at a later date.

The Bure Valley Railway had requested that the £30,000 rent that it paid to the Council be waived for this financial year. Prior to considering any request for funding, it was recommended that the Economic Recovery Team look to assist the Bure Valley Railway to develop a re-opening plan.

A Member suggested that although it was an important tourism asset the Bure Valley Railway should not be seen as a special case for support by the Council and that other leisure and tourism offerings should be given equal opportunity to access financial assistance.

The same Member also suggested it would be unfair to only consider grants to town and parish councils, once their reserves had been exhausted.

In response, the Director of Resources advised the meeting that the Government funding was for Broadland's additional costs and lost income and if it was given in grant form to town and parish councils Broadland would need to find this money from its own reserves. She also reminded Members that some town and parish councils had significant reserves already. Furthermore, town and parish councils did not, unlike this Council, have any constraints on their ability to raise additional income through their precepts. The Committee was also advised that town and parish councils were being encouraged to apply for grants of up to £10,000 through the Norfolk Community Foundation.

The Chairman noted that the £1.352 million in additional Government funding would not cover the costs of all potential projects coming forward and schemes would need to be looked at on a case by case basis.

The Covid-19 pandemic had brought into sharp relief the importance of broadband and Members were asked to consider whether the Council should make a bid to the CIL infrastructure fund, to further invest in Broadband.

A Member suggested that the Council should make a bid to the fund, as a matter of urgency, as businesses and the education of many school children in rural areas were being disadvantaged, by a lack of broadband.

Moving on through the report the Assistant Director Finance confirmed that there were no changes proposed to the Capital Budgets.

In response to a query, Members were advised that Food Hub project was going ahead as planned. There had been no suggestion that money from the European Regional Development Fund would be delayed by the pandemic. The Council would have confirmation of the funding in the autumn.

The Medium Term Financial Strategy (MTFS) had a funding gap of approximately £1m in the years to 2024/25. The key point to note was that the updated MTFS showed that:

- The additional Government grant had helped offset the spending pressures and lost income in 2020/21.
- The longer term financial outturn had got worse by approximately £0.5m.

It should also be noted that progressing with savings from the collaboration with South Norfolk Council, still remained an important element in the MTFS.

In response to a question about the Materials Recycling Facility, the meeting was informed that a collapse in the price of recyclable materials as well as much stricter contamination rules was making it difficult to make recycling pay, which had led to a request for an increase in the gate fee which was currently being considered.

It was also confirmed that the Council had temporarily suspended Council Tax and business rate debt collection, which had led to a small reduction in collection rates.

Cabinet was recommended to request Council to note that the 2020/21 budget remained in balance and that the small surplus of £62,000 be retained as a contingency for any additional spending pressures. Measures to address the longer term funding gap would be considered as part of the normal budget setting cycle later in the year.

A number of actions had occurred, or were proposed, to help mitigate the impact of Covid-19 on the Council's finances, including:

- 97 members of staff had been redeployed to directly support Covid-19 work.
- Marketing of chargeable services such as brown bins and bulky waste collections.
- Procuring goods and services locally and ensuring payment was made as soon as possible.

In year savings included:

- Holding some vacancies, which had resulted in a £242,000 salary saving.
- A saving on the training budget of £22,000, as staff were unable to attend some training courses during the lockdown period.

The key risks and issues highlighted in the report were:

- The possibility of a second wave of infections, which could require a second full lockdown incurring further costs and income losses to the Council.
- Uncertainty over whether the Government would provide any more funding to help deal with the financial implications of Covid-19.

Following on from issues raised earlier in the meeting the Committee agreed three further recommendations to Cabinet.

### **RECOMMENDED TO CABINET**

Options (1, 2 and 3 as amended)

1. That Cabinet recommends the following to Council:
  - The proposed changes to the 20/21 income budgets, as set out in the table at paragraph 2.2.
  - The proposed changes to the 20/21 expenditure budgets.
  - The following request for additional funding – Hardship Payments (£150 Council Tax Support) (£100,000).

- The 20/21 estimated surplus of £62,000 is retained as a contingency for any additional spending pressures.
  - The proposed in year savings.
2. That Cabinet notes the following:
- The impact on Broadland Growth Limited.
  - The impact on the Capital Programme.
  - The impact on the Medium Term Financial Strategy over the longer term.
  - The proposed mitigation actions.
3. *That Cabinet agrees that:*
- *Prior to considering any request for funding, is it recommended that the Economic Recovery Team look to assist the Bure Valley Railway to develop a re-opening plan and that it should be ensured that any other leisure and tourism offerings should be give equal opportunity to access financial assistance.*
  - *The Council should make a bid to the CIL Infrastructure Fund, as a matter of urgency, to further invest in broadband.*
  - *That the Council consider any funding requests from town and parish councils on a case by case basis, looking at all options and with the same criteria as that applied to business grants.*

### 134 INSURANCE PROCUREMENT

The Director of Resources advised the Committee that entering a Local Government Mutual insurance scheme, as agreed by Cabinet on 10 March 2020, had not been possible as the other prospective members of the mutual had withdrawn to focus their attention on dealing with Covid-19.

The Council's current insurance contract expired on the 31 May 2020 and, therefore, it was proposed to extend the existing contract by sixteen months to 30 September 2021, in order to align contract dates with South Norfolk Council.

Aligning the end dates of the individual insurance contracts for both Councils, would provide the opportunity to jointly procure in future and would also provide an opportunity to look again at a Local Government Mutual insurance scheme.

#### RECOMMENDED TO CABINET

##### Option (1)

To endorse the extension the Council's current insurance contract until the 31 September 2021.

### 135 ARMED FORCES COVENANT

The report set out the Council's current status in respect of the Armed Forces Covenant and its ambition to become the first local authority in Norfolk to achieve Gold status.

The Armed Forces Covenant scheme encompassed Bronze, Silver and Gold awards for employer organisations that pledged support to defence and the Armed Forces community, and align their values with the Armed Forces Covenant.

In December 2019 Broadland was awarded Bronze status, which showed recognition of the Council's commitment to support the Armed Forces community through our employment practices and our pledge to the Armed Forces.

A nomination for the Silver award was submitted in May 2020 and it was expected that notification of whether the bid had been successful would be made by early August.

If successful in achieving Silver status, the Council could apply for Gold status in 2021. However, to do this there was a requirement for the provision of an additional ten days paid leave for armed forces reservists, which would need to be approved as a policy change by Cabinet.

Currently there were two members of staff that were reservists. If both were employed at the top of salary band, there would be a maximum annual cost to the Council of £4,243.12.

The Chairman noted the financial risk to the Council, if a large number of staff became reservists. In response, the Committee was reassured that this would not be an irrevocable commitment and the policy could be reviewed if it became too costly for the Council.

The Chairman proposed that the recommendation for the policy change should include a reference that it could be subject to review if necessary.

Members also requested that in future reports the offices of both Councils be referred to in full ie Thorpe Lodge and South Norfolk House. Not 'The Lodge' and 'The House'.

### RECOMMENDED TO CABINET

Options (1 and 2, as amended)

1. For Cabinet to note actions and progress towards achieving Silver and Gold status through the Armed Forces Employer Recognition Scheme.
2. For Cabinet to approve the proposed policy change to offer an additional 10 days paid leave to Reservists employed by the Councils, *which could be subject to review if necessary*.

### 136 TEMPORARY CHANGE TO HOUSING ALLOCATIONS POLICIES

The Housing and Wellbeing Senior Manager introduced his report, which proposed a temporary adjustment to the Council's Housing Allocations Policy to help reduce the unprecedented demand on temporary accommodation caused by Covid-19.

The pandemic had led to a sustained rise in numbers housed within temporary accommodation. Usually the number in temporary accommodation would be around 30 at any one time for both Broadland and South Norfolk combined, this number currently stood at between 60 and 70.

Key drivers for this were:

- The Government's 'Everybody in' requirement placed an accommodation duty on all councils, no matter the person's circumstances during the Covid-19 pandemic.
- Presentations from sofa surfers and the hidden homelessness who experienced a reduction in accommodation options due to the restrictions on movements put into place.
- Due to their often-chaotic lives these people are often not ready to take on a property for themselves.
- The suspension of the social housing sector, which had seen the availability of housing reduced from 200-240 properties over a four month average period to two during the pandemic.

Currently to address this situation, officers had temporarily moved to a nominations process for those in temporary accommodation and directly nominated anyone who is ready and suitable for a social tenancy.

This should reduce the temporary accommodation numbers by 40 over the next month, as housing association properties became available.

The 23 who had not been allocated had been assessed as 'not ready' to take on a property due to having support needs. However, demand for supported accommodation was currently high and the only way of creating space for new incoming residents was to move suitable residents into a housing association property. To enable this, officers were working with supported accommodation providers, so that suitable residents could move into a sustainable property.

To facilitate this process and to make it less labour intensive it was suggested making a temporary change in the allocation policy to allow those in supported accommodation to be placed in a high priority banding, which would enable the necessary throughput to reduce temporary accommodation numbers.

Some Members expressed concerns that paragraphs 5.3 and 6.1 in the report gave the impression that the action being taken would be detrimental to residents and would seek to limit the number of people being housed by the Council.



In response the Housing and Wellbeing Senior Manager, reassured Members that this was not the intention at all and that the aim of the change to the policy was to create throughput from temporary accommodation to supported housing to social housing.

It was confirmed that paragraph 5.3 and 6.1 would be reworded to clarify this and virtually tabled at the 16 June 2020 meeting of Cabinet.

In response to a final query, it was confirmed that the service could be measured by the level of throughput, as well as the number of residents housed.

### **RECOMMENDED TO CABINET**

Options (1 and 2)

1. Agree a temporary amendment to the criteria within the Council's Housing Policy to allow officers discretion to place eligible, and suitable, individuals currently living in supported accommodation within the 'High' category for allocation;
2. Subject to recommendation 1 being agreed that this will be in place for an initial period of 3 months, extendable to 6 months, with approval of the Director of People and Communities, in consultation with the Portfolio Holder.

*The meeting closed at 1.12pm.*