

Minutes of a meeting of the **Cabinet** held at Thorpe Lodge, 1 Yarmouth Road, Thorpe St Andrew, Norwich on **Tuesday 11 February 2020** at **6.00pm** when there were present:

Mr S A Vincent – Policy (Chairman)

Portfolio holders:

Mrs J K Copplestone	Economic Development
Mr J J Emsell	Transformation and Organisational Development
Mrs L H Hempsall	Planning
Mrs J Leggett	Environmental Excellence
Mrs T M Mancini-Boyle	Finance
Mr F Whymark	Housing and Wellbeing

Mr Adams, Mr Murrell, Mr Riley and Mrs Vincent also attended the meeting for its duration.

Also in attendance were the Managing Director, Director Place, Director Resources, Assistant Director Finance, Assistant Director Governance and Business Support (Monitoring Officer), Principle Infrastructure and Planning Policy Officer, Strategy and Programme Manager, Transformation, Innovation and Internal Consultancy Manager, Housing and Wellbeing Senior Manager, Housing and Benefits Manager and the Committee Officer (JO).

73 MINUTES

The Minutes of the meeting held on 14 January 2020 were confirmed and signed by the Chairman as a correct record.

74 REPRESENTATIONS FROM NON CABINET MEMBERS

The Chairman agreed that, at his discretion, all non-Cabinet Members in attendance be allowed to join the debate at the relevant point of the proceedings on request.

75 OVERVIEW AND SCRUTINY COMMITTEE

Cabinet received the Minutes of the meeting of the Overview and Scrutiny Committee held on 28 January 2020.

The Chairman of the Overview and Scrutiny Committee advised Members on

the views expressed by the Committee when it reviewed the Cabinet Agenda on 4 January 2020, as each item was considered.

76 ENVIRONMENTAL EXCELLENCE PANEL

Cabinet received the Minutes of the meeting of the Environmental Excellence Panel held on 16 January 2020.

The Chairman of the Panel drew Members' attention to the Smart Meter project which had been promoted via officers attending flu clinics, which had been a very effective means of engaging with a large number of residents.

77 ECONOMIC SUCCESS PANEL

Cabinet received the Minutes of the meeting of the Economic Success Panel held on 22 January 2020.

The Chairman of the Panel advised the meeting that the Panel had considered the Investment Proposal for the Food Innovation Centre, which would be determined later in this meeting.

78 CAPITAL STRATEGY AND CAPITAL PROGRAMME 2020/21 TO 2024/25

The Assistant Director Finance presented the Capital Strategy, which set out the Council's approach to the use of its capital assets and resources. It also outlined the Capital Programme, which detailed the capital expenditure being undertaken by the Council over the next five years.

A key element in the Capital Programme was Disabled Facilities Grants, these would total £4.5m over five years and were fully funded from the Better Care Fund.

The five-year Capital Programme was ambitious, with a budget of £28.8m, and Members were asked to note that a number of projects would require their approval before they were brought forward. These projects were: Waste Depot Refurbishment/Replacement; Waste Collection Vehicles; Bure Valley Railway; the Food Hub Project and Investment Borrowing. A programme of work for ICT infrastructure was also proposed in the report for approval.

External borrowing was anticipated to be required from 2021/22. However, it was also likely that there would be slippage over the life of the programme which could delay the need to borrow.

The Portfolio Holder for Finance advised the meeting that the Capital Strategy

and Programme demonstrated a level of ambition from the Council that had previously not been seen. This should be embraced and taken forward to expand areas such as the operations of Broadland Growth Ltd to deliver housing and generate income.

The Leader thanked the Assistant Director Finance and the Portfolio Holder for Finance for their work in developing the very ambitious Capital Programme.

RECOMMENDED TO COUNCIL

To agree the Capital Programme for 2020/21-2024/25(attached at Appendix 1 to the signed copy of these Minutes) and the Capital Strategy (attached at Appendix 2 to the signed copy of these Minutes).

RESOLVED

To approve the programme of work for 2019/20 to align key elements of ICT infrastructure and corporate systems in use across Broadland District Council and South Norfolk Council as set out within Appendix 3 (attached to the signed copy of these Minutes).

Reasons for decision

The report was a factual account.

79 REVENUE BUDGET AND COUNCIL TAX 2020/21

The Assistant Director Finance presented the report, which summarised the Council's draft Revenue Budget for 2020/21 and contained details of the proposed fees and charges for the same period.

The proposed Revenue Budget sought to advance the Council priority areas.

These were:

- Growing the Economy
- Supporting individuals and empowering communities
- Protecting the natural and built environment, whilst maximising quality of life
- Moving with the times, working smartly and collaboratively.

Members were asked to note that the Council was receiving significantly less funding from central Government than it had in the past. Moreover, the pilot

scheme for 75 percent business rates retention was to come to an end in 2020/21 and would revert to 50 percent. New Homes Bonus was also going to end after 2022/23.

The Final Local Government Financial Settlement had been confirmed on 6 February 2020 and was unchanged from the provisional figure announced on 20 December 2019.

Fees and Charges were to be raised in line with inflation, with two exceptions: all Tots2Teens prices would increase by 15 percent from 1 April 2020 and there would be no increase in the garden waste brown bin service.

The Medium Term Financial Strategy showed a funding gap developing in 2021/22 of £1.1m, mainly due to the loss of the New Homes Bonus. However, commercial activities might mitigate the funding gap, as would the 3.61 percent increase in Council Tax, which would help protect the Council's income base and prevent future service cuts.

RECOMMENDED TO COUNCIL

- (1) The approval of the 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.
- (2) The use of the earmarked reserves as set out in Appendix 4 (attached to the signed copy of these Minutes).
- (3) That any surplus at the end of the 2019/20 financial year is transferred to a new earmarked reserve to help fund the future capital programme, particularly the IT and waste services investment.
- (4) That the Council's demand on the Collection Fund for 2020/21 for General Expenditure shall be £5,827,894 and for Special Expenditure shall be £141,112.
- (5) That the Band D level of Council Tax be £125.52 for General Expenditure and £3.04 for Special Expenditure.

RESOLVED

to agree

- (1) Changes to the proposed fees and charges as set out in section 5.

- (2) To note 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; and
- (3) To note the future budget pressures contained in the Medium Term Financial Strategy.

Reasons for decision

The report was a factual account.

80 TREASURY MANAGEMENT STRATEGY STATEMENT 2020/21

The report set out the Treasury Management Strategy for 2020/21 and associated policies, which were drafted in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management 2017.

Three main treasury reports were presented to Members each year: Prudential and Treasury Indicators and Treasury Strategy; a mid-year Treasury Management Report and an Annual Treasury Report.

The primary objective of the Council in its treasury management activities was the security of its cash above the liquidity of the investment. The Investment Strategy, therefore, remained prudent, reflecting the Council's risk appetite and legal obligations.

In respect of borrowing the Council would ensure that it would be affordable, sustainable and prudent. The authorised limit for external debt was £4m for 2020/21. The Public Works Loan Board had increased their loan rate, therefore, alternative financial institutions would be considered as a source of loans at cheaper rates, if needed.

The Portfolio Holder for Finance confirmed that the Council's finances complied with the prudential indicators in the Treasury Management Strategy and that alternatives sources for borrowing would be looked at to fund the Council's ambitious plans.

RECOMMENDED TO COUNCIL

- (1) The Treasury Management Strategy Statement.
- (2) The Treasury Management Policy Statement 2020/21 (attached at Appendix 5 to the signed copy of these Minutes).

- (3) The Annual Investment Strategy 2020/21 (attached at Appendix 6 to the signed copy of these Minutes).
- (4) The Treasury Management Practice (TMP1) Credit and Counterparty Risk Management (attached at Appendix 7 to the signed copy of these Minutes).
- (5) The Treasury Management Scheme of Delegation (attached at Appendix 8 to the signed copy of these Minutes).
- (6) The Minimum Revenue Provision (MRP) Statement (Section 8) that sets out the Council's policy on MRP.
- (7) The Prudential Indicators and Limits for the next 5 years contained within the report.

Reasons for decision

The report was a factual account.

81 COUNCIL TAX REDUCTION 2020/21

The Council was required to review its Council Tax assistance arrangements annually and the report proposed a revised scheme, which would be effective from 1 April 2020.

It was proposed to adopt a tolerance scheme that would protect vulnerable residents from financial difficulties, due to changes in their Universal Credit entitlement.

At present a claimant receiving Universal Credit was assessed each time their income changed. If they were claiming Council Tax Assistance from the Council, the Council was notified each time of the change to the claimant's award and where necessary, their Council Tax bill would be recalculated.

To prevent frequent changes to a claimants' bill, which might create personal budgeting issues, it was proposed that if a claimants' Universal Credit increased or decreased by a tolerance of £20 the change would not be reassessed.

The proposed scheme had received a largely favourable response during a consultation undertaken in October 2019. Those that disagreed with the introduction of a new scheme, wanted the process to be simplified, which was the aim of the new scheme.

It was also proposed to amend the wording to part of the Council Tax Assistance Scheme to reduce the paperwork required from a Universal Credit claimant to apply for Council Tax Assistance.

Members were advised that the proposed changes were fairly straightforward and would simplify the scheme for claimants and staff. An aligned scheme for Broadland and South Norfolk would be looked at in the future, which would be developed through a Member workshop to be arranged in due course.

The Leader noted that the new process would help smooth out the financial peaks and troughs for vulnerable residents.

RECOMMENDED TO COUNCIL

To approve the proposed amendments and that the Council Tax Reduction scheme for 2020/21 be updated accordingly.

RESOLVED

To note the work officers will continue to undertake across the two Councils on processes to mitigate the wider impact of Universal Credit on Council Tax billing and collection.

Reasons for decision

To introduce a simplified scheme that would reduce the impact of Universal Credit on Council Tax Assistance claimants.

82 GREATER NORWICH GROWTH BOARD: JOINT FIVE-YEAR INVESTMENT PLAN

The Principal Infrastructure and Planning Policy Officer presented the draft Greater Norwich Joint Five Year-Infrastructure Investment Plan 2020/5. The five-year plan included: progress reports on previously approved projects; proposals for new projects to be funded by the Community Infrastructure Levy in 2020/21; updated forecasts of CIL income; and information on future project priorities.

Twelve new projects totalling £2.85million has been recommended to be supported through the 2020/21 Annual Growth Programme. In Broadland these were: Aylsham Sports Hub Stage 3; North-West Woodlands Project and Plumstead Road Roundabout.

In addition, it was proposed that Norfolk County Council Education receive

£2m to support the development of their capital programme within Greater Norwich.

The Portfolio Holder for Environmental Excellence welcomed the Green Infrastructure schemes that were coming forward in the District.

RECOMMENDED TO COUNCIL

To

- (1) Agree the Greater Norwich Joint Five Year Infrastructure Investment Plan 2020-2025; and,
- (2) Approve the allocation of CIL to 12 specified projects, these projects will form the 2020/21 Annual Growth Programme; the allocation of £2M to support the Education Capital Programme within Greater Norwich; payment of the previously committed CIL funding of £561,760 to the Hempnall Crossroad project within 2020/21; and, the full reinstatement of the £2M IIF cash reserve.

Reasons for decision

To support the provision of infrastructure in the District

83 BROADLAND DISTRICT COUNCIL AND SOUTH NORFOLK COUNCIL – STRATEGIC PLAN AND DELIVERY PLAN

The Committee was advised that a key element of the Feasibility Study, agreed by Members in 2018, had been the ambition to develop joint strategic priorities and delivery plans to enable a common focus for the new one joint officer team.

The report, therefore, presented a new four-year Strategic Plan for Broadland and South Norfolk Councils, which set out the vision, ambitions and priorities for the organisations. It also proposed the adoption of a one-year interim Delivery Plan (to be two years after the interim Plan) which outlined the different activities and projects the Councils would be undertaking to meet the priority areas outlined in the Strategic Plan.

Adopting these Plans would allow for a shared strategic ambition and effective delivery of different services across the two Councils, both collaboratively and autonomously.

Following recommendations from the Joint Lead Members Group amendments would be made to the plans to place a greater emphasis on the

environment and the delivery of the Environmental Strategy.

The Leader noted that the Plans would allow the single officer team to work towards strategic outcomes that would deliver the ambitions and objectives of both Councils.

RECOMMENDED TO COUNCIL

To

- (1) Approve the adoption of the Strategic Plan 2020-2024; subject to the inclusion of reference to the environment and the Environmental Strategy; and
- (2) Approve the adoption of the Interim one-year Delivery Plan for 2020/21.

Reasons for decision

To deliver the ambitions of Broadland and South Norfolk Councils through one officer team.

84 ECONOMIC SUCCESS PANEL EXEMPT MINUTE 22 JANUARY 2020

Cabinet received the exempt Minutes of the meeting of the Economic Success Panel held on 22 January 2020.

85 INVESTMENT PROPOSITION FOR THE FOOD INNOVATION

The Strategic Economic Growth and Funding Manager presented her report, which recommended an investment proposal to fund a project which would deliver a Food Innovation Centre located within the Food Enterprise Park (Honingham) and an innovation support programme for the agri-food sector. The proposal would act as a catalyst for unlocking the site, as well as enhancing the agri-food sector to provide economic benefits including new jobs, business growth and an increased spend on research and development.

In addition, the proposals would support the delivery of the ambitious Food Enterprise Zone (FEZ), which had been established in March 2015 to create additional value from the Norfolk's agricultural base. Detailed evidence had been secured by the Food and Drink Forum and by a number of partner organisations which identified the lack of provision for food grade space for rent for food and drink businesses as well as the need for bespoke innovation support for this sector.

Following work to improve the robustness of the business case for the project, an expression of interest funding application had been submitted and approved by the Ministry for Housing Communities and Local Government for European Regional Development Funding (ERDF). A full application, demonstrating that the project was achievable and fit for purpose was due by March 2020. Due to the tight timescales involved, some elements of the proposal were incomplete at this moment in time or still to be finalised and were subject to change. Work was ongoing to develop the project, rework the building design and costings to create a viable funding proposition. A number of potential tenants had already been identified.

The Portfolio Holder for Economic Development commended the work that the Strategic Economic Growth and Funding Manager had put into this project and noted that this would be the last opportunity to access ERDF funding.

The Funding Manager outlined a number of risks associated with the project which would need to be carefully considered if the project was to proceed to the contract and delivery phase. These included potential claw back of ERDF funding (with interest) as well as tight margins associated with operating the centre.

In response to a query, it was confirmed that the funding Broadland was contributing for pre-contract work was included in the total being allocated from capital reserves for the Council's contribution to the whole project.

It was also confirmed that the total sum allocated included a ten percent contingency/risk element.

RECOMMENDED TO COUNCIL

- (1) Allocate from capital reserves, the sum as set out in the report, for the delivery of Food Innovation Centre project.
- (2) Final costings and funding agreements will be signed off through delegated authority by the Director of Resources in consultation with both the Portfolio Holder for Economic Development and the Portfolio Holder for Finance.
- (3) Use the European Regional Development Fund (ERDF) compliant Scape Procurement Framework to design and build the Food Innovation Centre giving delegated authority to the Director of Resources to initiate all pre contract work.
- (4) Continue propriety work, up to and including but not beyond the signing of the funding contracts with the Ministry for Housing Communities and Local Government (MHCLG) and other funders.

- (5) To front fund up to the sum set out in the report for pre contract work which is not eligible under ERDF and therefore 100% at risk if ERDF funding is not secured from MHCLG.

Reasons for decision

To invest in the delivery of infrastructure and innovation to support the agri-food sector.

86 REVIEW OF LEGAL SERVICES PROVISION

The Leader thanked the Chairman of the Overview and Scrutiny Committee, for giving permission for this additional item to be considered as a matter of Special Urgency. The reason for urgency was due to the deadline imposed by Nplaw, with regard to any new future agreement.

The Assistant Director Governance and Business Support (Monitoring Officer) advised the meeting that due to the legal services contracts of both Council expiring during 2020/21 Cabinet were being asked to look at options for a joint legal service across both Councils.

The Council had a Service Level Agreement with nplaw, whilst South Norfolk was a stakeholder in nplaw. Following discussions the Board of nplaw had invited Broadland to join as a stakeholder and an agreement had been drafted. However, there were issues with the agreement that needed consideration and, therefore, a number of other options were outlined in the report that Members were asked to look at before determining a preferred course of action for officers.

Following discussion and consideration of all of the options in the report it was:

RESOLVED

To agree the contract as set out in Option 1 of the report, subject to the removal of the restrictive clause, with final sign off to be delegated to the Assistant Director Governance and Business Support (Monitoring Officer), in consultation with the Portfolio Holder for Policy.

The meeting closed at 7.55pm