



## **CABINET**

**Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton on Monday 22 July 2019 at 5.10pm.**

### **Members Present:**

**Cabinet:** Councillors: K Mason Billig (Chairman), Y Bendle, K Kiddie, and A Thomas

**Apologies:** Councillors: J Fuller and L Neal

**Non-Appointed** Councillors: D Bills, F Ellis, T Laidlaw and G Minshull

**Officers in Attendance:** The Managing Director (T Holden), the Director of People and Communities (J Sutterby), the Assistant Director Chief of Staff (H Ralph), the Assistant Director Governance and Business Support (E Hodds), the Assistant Director Individuals and Families (M Pursehouse), the Housing and Benefits Manager (R Dunsire), the Revenues and Benefits Manager (Broadland DC) (S Quilter), the Group Accountant (J Brown), the Housing Enabling and Strategy Officer (K Mitchell), the Housing Standards and Community Protection Manager (T Cooke), and the Senior Governance Officer (E Goddard).

### **2725 MINUTES**

The minutes of the meeting of the Cabinet held on Monday 10 June 2019 were confirmed as a correct record and signed by the Chairman.

### **2726 PERFORMANCE, RISK, REVENUE AND CAPITAL BUDGET POSITION FOR QUARTER FOUR 2018/19**

Members considered the report of the Group Accountant, the Business Improvement Lead, and the Senior Governance Officer, which detailed the Council's performance against strategic measures, risk position and the revenue and capital position for the fourth quarter of 2018/19.

Officers presented the report, summarising the Council's performance and drawing attention to the key issues, under each of the Council's corporate priorities.

With regard to budgets, members were informed that there was a positive variance on the revenue budget of £1.875 million for 2018/19, and that capital spend was £15.925 million, against a budget of £47.740 million. Members' attention was drawn in particular to the slippage requests on both capital and revenue budgets, the movement in reserves, the amended capital programme, and the budget virement that had exceeded £100,000.

Cabinet expressed its appreciation to all staff, whose hard work and dedication had helped the Council to achieve such positive outcomes throughout the year, and particular reference was made to the work of the Early Help Hub, Economic Development, and the prudent management of budgets. With regard to those three indicators where targets had not been met, Cabinet noted the reasons and felt confident that improvements would be made. Members noted that the completion of the refurbishment of the Long Stratton Leisure Centre had been delayed and this had in turn impacted on the rate of membership growth, and accepted that targets had been too ambitious. The need to ensure that new and existing members were supported to ensure their retention, was also expressed.

During discussion, particular reference was also made to indicator HE 1603, the % of households in temporary accommodation for 8 weeks or less, and members noted that officers were working hard to improve communications between Housing Associations and the Council, so that there was an awareness of potential evictions at an earlier stage in the process.

It was

**RESOLVED:**

1. To:
  - a) Note the 2018/19 performance for the quarter and the year and the combined efforts across the Directorates to deliver the vision of the Council (detail contained in Appendix 1).
  - b) Note the current position with respect to risks and accepts the actions to support risk mitigation (detail contained in Appendix 2).
  - c) Note the capital and revenue position and the reason for the variances on the General Fund (detail contained in Appendices 3 & 4).

**2. TO RECOMMEND THAT COUNCIL:**

- a) Approves the budget virement which exceeds £100,000 in accordance with the rules of financial governance (section 1.12).

- b) Approves the movement in reserves as outlined in Section 1.12
- c) Approves the slippage requests of £267,957 on revenue and £677,885 on capital
- d) Approves the amended Capital programme and its financing for the next four financial years as set out in Appendices 7 and 8.

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

To ensure that processes are in place to improve performance, the management of risks is sound, and that budgets are managed effectively.

### **Other Options Considered**

None.

## **2727 TREASURY MANAGEMENT ANNUAL REPORT 2018/19**

Members considered the report of the Group Accountant and the Capital and Management Accountant, which reviewed the treasury management activity during the financial year 2018/19, the position on investments as at 31 March 2019 and reported on the prudential indicators, as required under the Treasury Management Code of Practice.

The Group Accountant outlined the salient points of the report to Cabinet and after brief discussion, it was

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

- a) Notes the treasury activity for the second half of the year and that it complies with the agreed strategy.
- b) Notes the 2018/19 prudential indicators for the latter six months of the year.

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

To ensure that the Council's investment strategy remains positive

### **Other Options Considered**

None.

**2728 COUNCIL TAX SUPPORT SCHEME**

Members considered the report of the Housing and Benefits Manager, which sought Cabinet approval to commence a consultation on proposals to changes to Council Tax Support, to minimise the impact of the increase in zero hours contracts, the Gig economy and Universal Credit.

Members welcomed the Revenues and Benefits Manager (Simon Quilter), from Broadland District Council, to the meeting.

Officers presented the report, explaining the reasons why changes to the Council Tax Reduction / Support scheme were necessary, and referred to the proposed options, as detailed in the report. Members noted that the work had been undertaken in collaboration with Broadland District Council, and the analysis of the possible changes had been conducted in consultation with all Norfolk authorities. Officers explained that the preferred option, and that recommended by the People and Communities Policy Committee, was the Variance Scheme outlined at paragraph 4.1.5 of the report.

Cllr Y Bendle commended the report and reminded members that any proposed changes would require a public consultation. She stressed the importance of a fair and consistent scheme, which was efficient to administer.

Cabinet recognised the need for change, noting the position at Gt Yarmouth Borough Council, where the take up of Universal Credit was higher, and the impact on changes in council tax liability more onerous. Members expressed their support for the proposals to move to a variance scheme, and it was

- RESOLVED:**
1. To agree the commencement of the statutory 8-week public consultation regarding the amendment of Council Tax Support, to move to the variance scheme for those receiving the Housing Element of Universal Credit and to incorporate operational changes already enacted within the Housing Benefit system.
  2. To note that the results of the consultation will be detailed in a further Cabinet report before consideration at full Council.

**The Reason for the Decision**

To mitigate the impact of Universal Credit, by reducing the opportunity for people to accrue unsustainable areas, and to ensure that the scheme is efficient to administer.

**Other Options Considered**

To consult on alternative schemes:

- Discount scheme
- Banded scheme
- No change to the current scheme.

## 2729 AFFORDABLE HOME OWNERSHIP

Members considered the report of the Housing Enabling and Strategy Officer, which considered the eligibility for homes provided for affordable home ownership and sought Cabinet approval to introduce recommended changes.

The Housing, Enabling and Strategy Officer presented his report, and advised members that there was a good supply of affordable homes through both Broadland and South Norfolk Districts, and that officers believed that there was no longer a need to prioritise local applicants for these homes. This would eliminate the Council's process of checking and approving the circumstances of applicants, enabling officers to focus on other areas.

Cllr Y Bendle stressed the need for consistency and the simplifying of arrangements for potential purchasers, house builders and financial advisors. She also expressed support for the recommendation that applicants should register with the Help to Buy Agency, which would check eligibility, on the basis of income and current housing status.

Discussion followed regarding the clarity of the recommendations. With regard to affordable home ownership provided through negotiation with developers, it was agreed that the decision as to whether or not a local connection policy should be applied, should be delegated to the relevant portfolio holder, with any decision being based on supply and demand.

**RESOLVED:** To agree that:

1. All applicants for affordable home ownership must register with the regional Help to Buy agency;
2. For homes developed under the 'exceptions policy' a local connection cascade will apply to all affordable homes for rent and for affordable home ownership.
3. For affordable homes provided through negotiation with developers:
  - a) Affordable home ownership:
    - To delegate authority to the Director of Place, in consultation with the Portfolio Holder for Health, Housing and Wellbeing, to agree whether there is to be a local connection priority, the decision to be based on supply and demand.
  - b) Affordable housing for rent:
    - In settlements of less than 3,000 population, local people with proven housing need are to have priority for all.

- In settlements with a population of 3,000 or more, local people with proven housing need are to have priority for about one third.
  - Authority is delegated to the Director of Place to vary this when the homes to be provided are intended for people with special needs.
4. The local connection cascade is to be based on the format agreed by Cabinet on 7 November 2005 (see Appendix 4 of the report).

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

To provide consistency and simplify arrangements

To provide benefits to the economic development of the District and contribute to the effective working of the housing market.

To remove unnecessary administrative burdens on both Councils.

### **Other Options Considered**

To retain a local connection policy

## **2730 AMENITY AND FACILITY STANDARDS FOR LICENSED HOUSES IN MULTIPLE OCCUPATION**

Members considered the report of the Housing Standards and Community Protection Manager, which sought Cabinet approval to adopt a document which provided clear guidance to the private rented sector of the minimum standards of accommodation South Norfolk Council expected for residents living in multiple occupation.

The Housing Standards and Community Protection Manager presented his report, explaining the standards set were not a change in policy, but supported the existing Housing Strategy and helped to provide clear guidance with regard to the Council's expectations for Houses of Multiple Occupation (HMOs). Members noted that this approach would support private landlords, who provided well maintained homes, and would in turn free up officers' time, to spend on other areas of the sector, where there was more need.

Cllr Y Bendle expressed her support for the document, explaining that whilst it was a growing sector, there were still relatively few HMOs in the rural area of South Norfolk.

The Chairman also expressed her support for the guidance, suggesting that this would support and encourage landlords to provide decent homes.

**RESOLVED:** To adopt the South Norfolk Council Houses in Multiple Occupation – Amenity and Facility Standards for Houses in Multiple Occupation 2019 (outlined at Appendix 1 of the report).

**The Reason for the Decision**

Minimum standards will ensure that HMOs are not overcrowded, do not pose risks to health and safety, and are not a blight on their local communities.

**Other Options Considered**

None

**2731 JOINT WORKING GROUP: WASTE SERVICES REVIEW**

It was

**RESOLVED:** To agree to the formation of a Waste Services Review Member Working Group, to work jointly with Broadland District Council members.

**2732 CABINET CORE AGENDA**

Members noted the latest version of the Cabinet Core Agenda.

**2733 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 item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended)

**2734 FUTURE DIRECTION OF BUILD INSIGHT COMPANIES**

Members considered the *exempt* report of the Director of Resources, which reviewed the current joint ownership arrangements of the Build Insight Companies, and provided recommendations for their future direction, including alternative proposals.

Members noted the background to the report and the proposals for the future operation of the Build Insight Companies. Cabinet agreed that the proposal to buy back the Norfolk Property Service shares in Build Insight Ventures Ltd was the sensible way forward.

**RESOLVED:** To:

1. Agree that the Council buys back the shares in the joint venture from NPS, transfers ownership to Big Sky Ventures Ltd and continues to operate the three Build Insight group companies as a subsidiary group, subject to approval by the CIC regulators.
2. Delegate to the Section 151 officer, in consultation with the Managing Director, to conclude negotiations with NPS to expediate the process and minimise future losses.

**The Reason for the Decision**

To provide the opportunity to address the issues currently being experienced by the Build Insight Group.

**Other Options Considered**

As outlined in the report

(The meeting concluded at 6.20 pm)

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Chairman