

Agenda

CABINET

Members of the Cabinet

Portfolio

Date

Monday 18 March 2019

Mr J Fuller
(Chairman)

The Economy and
External Affairs

Mrs K Mason Billig
(Vice Chairman)

Shared Services,
Waste and Recycling

Mr M Edney

Growth and
Resources

Mrs Y Bendle

Housing, Wellbeing,
Leisure and Early
Intervention

Mr K Kiddie

Stronger
Communities

Mrs L Neal

Regulation and Public
Safety

Time

9.00 am

Place

Colman and Cavell Rooms
South Norfolk House
Cygnets Court
Long Stratton
Norwich
NR15 2XE

Group Meetings

Conservatives:

Cabinet Office

8.00 am

Liberal Democrats:

Blomefield Room

8.15am

Contact

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This meeting may be filmed, recorded or photographed by the public; however, anyone who wishes to do so must inform the Chairman and ensure it is done in a non-disruptive and public manner. Please review the Council's guidance on filming and recording meetings available in the meeting room.

**If you have any special requirements in order to attend this meeting,
please let us know in advance**

Large print version can be made available

Agenda

1. To report apologies for absence;
2. Any items of business which the Chairman decides should be considered as a matter of urgency pursuant to Section 100B(4)(b) of the Local Government Act, 1972. Urgent business may only be taken if, "by reason of special circumstances" (which will be recorded in the minutes), the Chairman of the meeting is of the opinion that the item should be considered as a matter of urgency;
3. To Receive Declarations of Interest from Members (please see guidance – page 3)
4. To confirm the minutes of the meeting of Cabinet held on Monday 4 February 2019 (attached – page 5)
5. Cabinet Core Agenda (attached – page 18)
6. Long Stratton Toilets (report attached – page 19)
(Please note – the appendices to this report are NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)
7. Exclusion of the Public and Press

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)
8. Strategic Economic Development and Investment Opportunity (report attached for members only)
(NOT FOR PUBLICATION by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)



DECLARATIONS OF INTEREST AT MEETINGS

When declaring an interest at a meeting Members are asked to indicate whether their interest in the matter is pecuniary, or if the matter relates to, or affects a pecuniary interest they have, or if it is another type of interest. Members are required to identify the nature of the interest and the agenda item to which it relates. In the case of other interests, the member may speak and vote. If it is a pecuniary interest, the member must withdraw from the meeting when it is discussed. If it affects or relates to a pecuniary interest the member has, they have the right to make representations to the meeting as a member of the public but must then withdraw from the meeting. Members are also requested when appropriate to make any declarations under the Code of Practice on Planning and Judicial matters.

Have you declared the interest in the register of interests as a pecuniary interest? If Yes, you will need to withdraw from the room when it is discussed.

Does the interest directly:

1. affect yours, or your spouse / partner's financial position?
2. relate to the determining of any approval, consent, licence, permission or registration in relation to you or your spouse / partner?
3. Relate to a contract you, or your spouse / partner have with the Council
4. Affect land you or your spouse / partner own
5. Affect a company that you or your partner own, or have a shareholding in

If the answer is "yes" to any of the above, it is likely to be pecuniary.

Please refer to the guidance given on declaring pecuniary interests in the register of interest forms. If you have a pecuniary interest, you will need to inform the meeting and then withdraw from the room when it is discussed. If it has not been previously declared, you will also need to notify the Monitoring Officer within 28 days.

Does the interest indirectly affect or relate any pecuniary interest you have already declared, or an interest you have identified at 1-5 above?

If yes, you need to inform the meeting. When it is discussed, you will have the right to make representations to the meeting as a member of the public, but must then withdraw from the meeting.

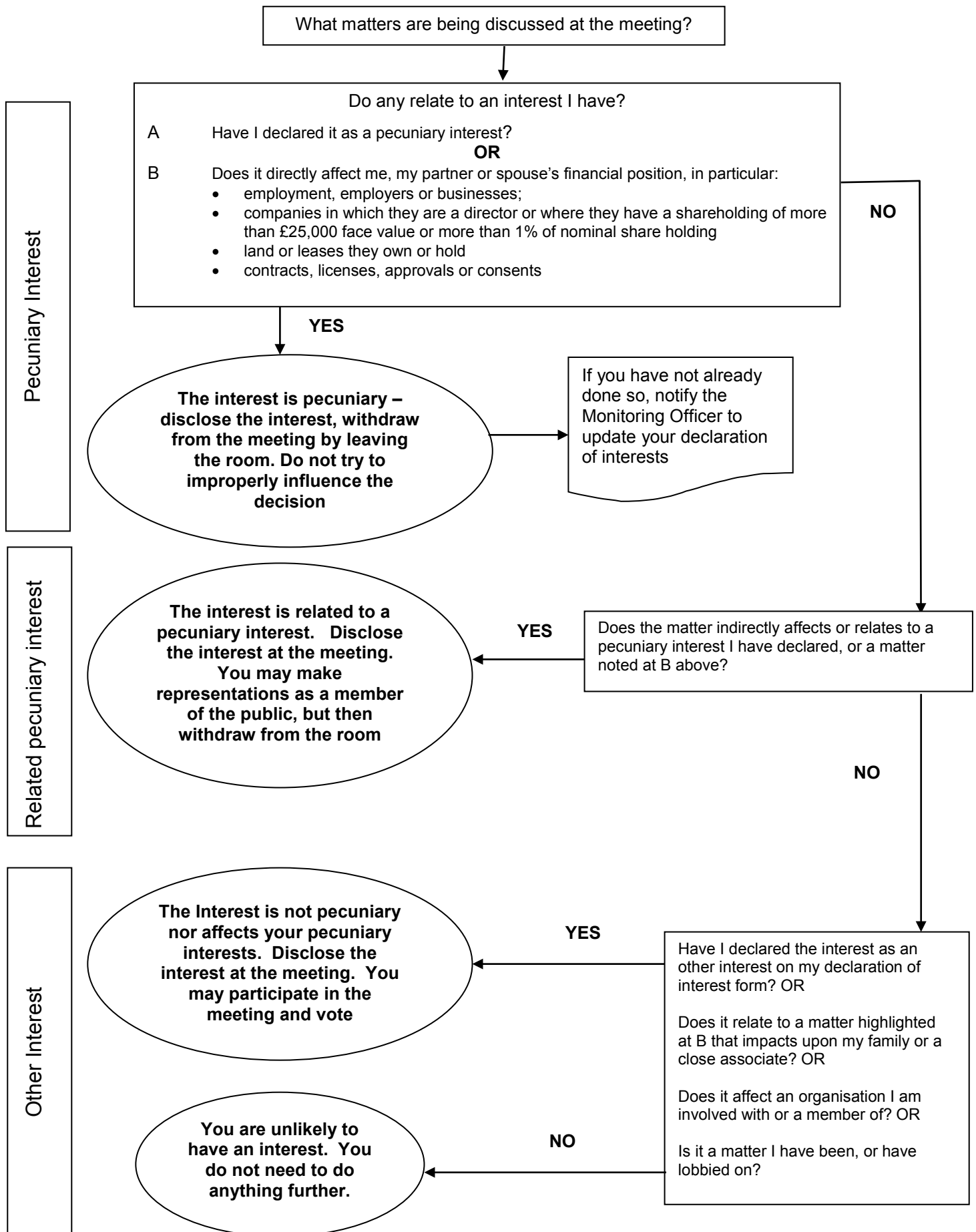
Is the interest not related to any of the above? If so, it is likely to be another interest. You will need to declare the interest, but may participate in discussion and voting on the item.

Have you made any statements or undertaken any actions that would indicate that you have a closed mind on a matter under discussion? If so, you may be predetermined on the issue; you will need to inform the meeting, and when it is discussed, you will have the right to make representations to the meeting as a member of the public, but must then withdraw from the meeting.

FOR GUIDANCE REFER TO THE FLOWCHART OVERLEAF.

PLEASE REFER ANY QUERIES TO THE MONITORING OFFICER IN THE FIRST INSTANCE

DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF





CABINET

Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton on Monday 4 February 2019 at 9.00am.

Members Present:

Cabinet: Councillors: J Fuller (Chairman), M Edney, Y Bendle, L Neal and K Mason Billig

Apologies: Councillor: K Kiddie

Non-Appointed Councillors: D Bills, M Gray, T Lewis, G Minshull and V Thomson

Officers in Attendance: The Managing Director (T Holden), the Director of Communities and Wellbeing (J Sutterby), the Director of Growth and Business Development (D Lorimer), the Assistant Director (P Catchpole), the Head of Business Transformation (H Ralph), the Head of Early Help (M Pursehouse), the Head of Governance and Monitoring Officer (E Hodds), the Accountancy Manager (M Fernandez-Graham), the Finance Manager (S Bessey), the Policy Manager (P Chapman), the Business Improvement Lead (E Pepper), the Group Accountant (J Brown) and the Senior Governance Officer (E Goddard)

2696 URGENT ITEM - DEPUTY LEADER

Cllr M Edney advised members that due to personal reasons, he had decided to step down as Deputy Leader of the Council, although he would continue to serve as Cabinet member for Growth and Resources. He was pleased to announce that the Leader had appointed Cllr K Mason Billig as the new Deputy Leader, and he congratulated her on this appointment.

Cllr Mason Billig paid tribute to Cllr Edney's deputy leadership and explained that she felt it a privilege to be taking on the role.

2667 DECLARATIONS OF INTEREST

The Committee Clerk declared an interest on behalf of all senior officers present, with regard to minute number 2705, concerning the Senior Management Recruitment and Appointment Arrangements.

2698 MINUTES

The minutes of the meeting of the Cabinet held on 7 January 2019 were confirmed as a correct record and signed by the Chairman.

2699 PERFORMANCE, RISK, REVENUE AND CAPITAL BUDGET POSITION REPORT FOR QUARTER 3 2018/19

Members considered the report of the Accountancy Manager, 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 third quarter of 2018/19.

Officers presented the report, summarising the Council's performance, and drawing members' attention to the key issues. Members noted that the Council continued to perform strongly and that the corporate risk capacity remained positive.

With regard to budgets, members noted that there was a variance on the revenue budget of £2.575 million as at the end of December, and capital spend was £12.232 million against the budget of £16.046 million. The Assistant Director explained that the main reasons for variance was the increase in planning income from major planning applications and also that the Council had not yet needed to borrow externally and had therefore not been subject to interest charges. In response to a query regarding the Norwich Enterprise Zone, officers explained that the delays and been due to factors outside the Council's control.

Members then discussed in detail the Council's performance, under each of the Council's corporate priorities.

During discussion, members referred to the collaboration with Broadland District Council and the Senior Governance Officer assured Cabinet that this was being closely monitored, to ensure that it remained on track. She explained that the Section 151 officers from both councils had agreed a common approach to the Medium-Term Financial Plan and financial challenges, in addition to mechanisms to track collaboration costs and savings. A Joint Scrutiny Committee had also been established to consider matters relating to the collaboration.

Turning to property development and management, the Chairman referred to the recommendations to use the capital budget to fund the purchase of an additional home on Rosebury Park for rental by Big Sky Management Limited. Members agreed with this approach so as not to leave the property vacant and to generate income.

Members discussed in detail the 1% decrease in leisure centre memberships, and it was noted that membership levels at the Long Stratton Leisure Centre had in fact increased, despite it currently undergoing refurbishment. Officers reminded members that the membership at Wymondham had already increased by approximately 80% in recent years, and after some discussion, some members concluded that the targets set were currently too ambitious, due to a saturated market. It was hoped that the extension of the centre's car park and making use

of the facilities at Ketts Park would ease pressures and help to retain membership. The Chairman stressed that the Centre was achieving its goal, in that it was helping more people get healthier and fitter and he was confident that membership figures would rise overall, once the refurbishment at the Long Stratton Leisure Centre was complete.

Members' attention was also drawn to a drop in performance relating to temporary accommodation, and the Head of Early Help explained that this related to four households that had been evicted from social landlord properties. He advised that the Council had become involved in the cases at a very late stage, and officers were now working with partners to establish a process going forward, so that the Council was alerted to potential evictions at an earlier stage.

Cllr Neal referred to the positive variance of £615 k on planning fee income, which had been down to an increase in the number of major planning applications received, and she thanked those staff who had dealt with the increased workload. The Chairman explained that it might be possible to increase planning fees further following changes in the regulations and he expected that this would be subject to a future report to cabinet.

Members referred to the increase in customer on-line self-service, via webforms, which stood at 66.95% at the end of the quarter. The Chairman felt this to be a channel shift, which demonstrated the fundamental changes in the way people wanted to interact. This shift, he explained, freed up more resources for the Council to focus on those residents who needed the Council's support the most.

It was then

RESOLVED:

To:

1. Note the 2018/19 performance for the quarter and the combined efforts across the Directorates to deliver the vision of the Council (detail contained in Appendix 1).
2. Note the current position with respect to risks and accepts the actions to support risk mitigation (detail contained in Appendix 2).
3. Note the capital and revenue position and the reason for the variances on the General Fund (detail contained in Appendix 3 & 4).
4. Agree to the use of the capital budget to fund the purchase of an additional home on Rosebery Park for rental by Big Sky Property Management Limited as outlined in paragraph 2.3 of the report.

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.

To ensure that a property is not left vacant, whilst also generating an income for the Council.

Other Options Considered

None.

2700 BUDGET CONSULTATION

Members considered the report of the Group Accountant, which outlined the key messages arising from the 2019/20, budget consultation.

The Group Accountant informed members that the consultation had attracted 134 responses, from members of the public and local businesses.

Summarising the results, the Group Accountant explained that responses were in the main positive, with 61% being supportive of a £5 increase in Council Tax on a band D property, 84% of respondents agreeing that those using discretionary services should be paid by those who use them, and 71% being in favour of the Council reinvesting business rate income to support the business community.

It was

RESOLVED: To note the feedback received from the budget consultation exercise.

The Reason for the Decision

To ensure that the views of the public and local businesses are taken into account, when determining the budget and level of council tax for 2019/20

Other Options Considered

None.

2701 BUSINESS PLAN 2019/20

Members considered the report of the Business Improvement Lead, which presented Cabinet with the Council's Annual Business Plan for 2019/20.

The Business Improvement Lead provided a brief overview of the Plan, drawing members' attention to the recommendations of the Scrutiny Committee, which were detailed at paragraph 1.2 of the report.

Cllr Edney referred to the valuable input from both members and officers, which had been instrumental to the document's success.

It was

RESOLVED: To agree the 2019/20 Business Plan, incorporating the recommended change from the Scrutiny Committee

The Reason for the Decision

To ensure that a sound business planning process is in place, setting out the vision and priorities set by members.

Other Options Considered

None.

2702 CAPITAL STRATEGY 2019/20 TO 2023/24

Members considered the report of the Accountancy Manager which set the Council's capital strategy for the next five years and outlined the steps required to develop a 20-year strategy, as now required by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Ministry of Housing, Communities and Local Government (MHCLG).

The Accountancy Manager outlined the key issues of the report to members and attention was drawn to the Section 151 Officer view, that the Strategy was deliverable and affordable, and also the new guidance which advised on the need to develop a longer-term Capital Strategy.

Cllr M Edney made reference to the Council's policy to make capital investments across the District, benefitting local residents, in addition to the Council.

It was

RESOLVED: TO RECOMMEND THAT COUNCIL:

1. approves the Capital Strategy.
2. approves the Schedule of Non-Treasury Investments referred to in Section 2.3 and contained in Appendix A of the report.
3. notes the further work required to develop a longer-term Capital Strategy

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.

Other Options Considered

None.

2703 REVENUE BUDGET, CAPITAL PROGRAMME AND COUNCIL TAX 2019/20

Members considered the report of the Assistant Director – Resources and the Accountancy Manager, which set out the revenue and capital budgets, and the updated Medium-Term Financial Strategy, in order for members to decide on the level of Council Tax for 2019/20.

The Chairman introduced the report, reminding Cabinet that the Council had previously frozen its council tax for 7 out of the last 11 years. However, circumstances had changed, and with a significant reduction in government funding, freezing council tax was not currently a prudent option. Members noted the proposal to increase the Council's share of the Council Tax by £5.00 for a band D property.

The Head of Accountancy outlined the key issues arising from his report, explaining that the Local Government settlement had remained unchanged from that reported to Cabinet in January. He made particular reference to the £103k increase in the New Homes Bonus compared to that in 2017/18.

The Chairman considered the Medium-Term Plan to be deliverable but he stressed the importance of not being complacent. He drew attention to the deficits forecast of £2.4 million for 2022/23 and 23/24 and the funding uncertainty from 20/21 onwards. He hoped that the deficits would be addressed through the delivery of the collaboration with Broadland District Council.

Members' attention was drawn to the risks analysis and the view of the Section 151 officer, outlined at paragraph 13 of the report, and the Assistant Director confirmed that his view was that the budget had been construed on a prudent basis.

The Chairman thanked all those officers who had contributed to the preparation and timely delivery of the budget reports, and he referred in particular to the Accountancy Manager and the Assistant Director, who were both soon to leave the Council's employment. Cabinet thanked both for their services to the Council and wished them well for the future.

It was then

RESOLVED: 1. TO RECOMMEND TO COUNCIL:

- (a) the approval of the base budget; as shown in para 6.1, subject to confirmation of the finalised Local Government finance settlement figures which may, if significant, necessitate an adjustment through the General Revenue Reserve to maintain a balanced budget.
- (b) the use of the revenue reserves as set out in section 12.
- (c) that the Council's demand on the Collection Fund for 2019/20 for General Expenditure shall be £7,370,700 and for Special Expenditure be £10,440;

- (d) that the Band D level of Council Tax be £150.00 for General Expenditure and £0.21 for Special Expenditure.
- (e) that the assumptions on which the funding of the capital programme is based are prudent.
- (f) the approval of the capital programme for 2019/20 to 2023/24.

2. To agree::

- (a) that future increases to fees and charges will be linked to the September Retail Price Index each year as set out in para 5.1
- (b) the charges for garden waste as set out in para 5.2

3. To note:

- (a) that pricing changes will be made in accordance with the Charging Policy in section 5
- (b) the advice of the Section 151 Officer with regard to section 25 of the Local Government Act 2003;
- (c) the future budget pressures contained in the Medium Term Financial Strategy as set out in Appendix B

The Reason for the Decision

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

To ensure that the Capital Programme is affordable and complies with Council policies

Other Options Considered

None.

2704 TREASURY MANAGEMENT STRATEGY STATEMENT 2019/20

Members considered the report of the Accountancy Manager which set out the Treasury Management Strategy for 2019/20, and associated policies.

The Accountancy Manager presented the report, explaining that the security of cash investments remained a primary consideration. He drew attention to the approved countries and counterparties for investments, explaining that there had

been a change in that the Council could make a maximum £5 million investment in any one overseas country, providing they had a minimum sovereign rating of AA.

The Chairman drew attention to Appendix F of the report, which outlined where Council funds were currently invested. Cabinet agreed that the Strategy remained prudent and accurately reflected the Council's appetite for risk.

It was

RESOLVED: TO RECOMMEND TO COUNCIL:

1. The Treasury Management Strategy Statement
2. The Prudential Indicators and Limits for the next 3 years contained within Section 4 and Appendix A of the report, including the Authorised Limit Prudential Indicator.
3. The Minimum Revenue Provision (MRP) Statement (section 3D) that sets out the Council's policy on MRP.
4. The Annual Investment Strategy (section 5) contained in the Treasury Management Strategy, including the delegation of certain tasks to the Section 151 Officer
5. The Treasury Management Policy Statement (Appendix E).

The Reason for the Decision

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

Other Options Considered

None.

2705 SENIOR MANAGEMENT RECRUITMENT AND APPOINTMENT ARRANGEMENTS

Members considered the report of the Managing Director, which sought the preferred appointment panel options for the recruitment and appointment of the senior management roles for Broadland District Council and South Norfolk Council, to facilitate a single paid service.

The Managing Director presented his report, explaining that both the Joint Lead Member Group and the Joint Scrutiny Committee had recommended Option 1, as the preferred approach for the appointment of Deputy Chief Officer roles. He explained that this would involve a member panel composed of four members from each Council, with the Managing Director having the casting vote in the event of a deadlock.

Referring to the recruitment arrangements, he explained that applicants would first complete a strength-based assessment, facilitated by an external recruitment provider and that the feed back from this would assist members in shortlisting candidates for interview. After interview, if more than one candidate was suitable for a position, the Panel would decide which officer to appoint and then assess whether the unsuccessful candidate was suitable for another one of their preferred options.

The Managing Director added that previous discussions had raised the issue of redundancy, and he stressed that as the number of officers involved did not outnumber the number of new posts available, it was not appropriate to offer voluntary redundancies. However, he acknowledged that redundancy might arise in future should candidates fail to pass the strength-based assessment or fail to be appointed to suitable roles, although he felt this to be unlikely. He looked forward to pressing ahead with the recruitment process so that the two councils could shift their focus to external matters.

Cabinet expressed its disappointment that the process had been delayed, but also acknowledged the need to ensure fair and transparent arrangements that everyone felt comfortable with.

It was

RESOLVED:

1. To note the recruitment process and associated timeline for appointment of Chief Officer and Deputy Chief Officer roles to the Senior Management structure.
2. **TO RECOMMEND TO COUNCIL:**
 - (a) the proposed panel format as set out in section 4.11 of the report, for the Member Appointments Panel of Chief Officer roles.
 - (b) Approval of Option 1, as set out in section 4.12 of the report, with regard to the appointment of Deputy Chief Officer roles
 - (c) that the Managing Director be given delegated authority to appoint on an interim basis in the event that any external appointments are required after all internal senior staff and wider internal staff groups are complete.

The Reason for the Decision

To ensure a fair and transparent process for all.

Other Options Considered

As outlined in the report.

2706 COUNCIL TAX (EMPTY DWELLINGS) – CHANGES TO PREMIUM RATES

Members considered the report of the Finance Manager which sought approval to implement the provisions contained within legislation to increase the council tax premiums levied against long term empty dwellings.

The Finance Manager outlined the background to the report, explaining that from April 2013, the Council had been able to charge a premium of up to 50% on a class of property that had been unoccupied and unfurnished for two years or more. Members noted that legislation had now been amended to allow this premium to be increased to 100%, 200% and 300% over a phased three-year period, and that Norfolk County Council had encouraged all of its billing authorities to fully implement the provisions of the Act from 1 April 2019.

In response to questions, the Finance Manager stressed that the intention was not to penalise owners where properties were genuinely on the housing market for sale or rent, but more to incentivise owners of long-term empty dwellings to bring them back in to use.

Members agreed with the proposals in principle, however, felt that further work was needed to identify a consistent approach and early engagement on those properties that were likely to be subject to the 200% or 300% charges. The Chairman suggested that the matter be referred to the Scrutiny Committee, to consider the appropriate proactive steps to work with the owners of empty homes so that the additional surcharges could be avoided, and empty homes brought back into use in a timely manner.

RESOLVED: **TO RECOMMEND THAT COUNCIL** agrees to adopt the approach to allow the provisions contained within the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018, to increase the premiums levied against long term empty dwellings, subject to further work being carried out by Scrutiny Committee, to make recommendations on a consistent and proactive approach with property owners to bring empty properties back into use.

The Reason for the Decision

To incentivise owners of long-term empty homes to bring them back in to use.

Other Options Considered

Not to adopt the scheme, or to vary the percentage increases at each stage.

2707 COUNCIL TAX LOCAL DISCOUNT FOR CARE LEAVERS

Members considered the report of the Finance Manager which sought to align South Norfolk Council with Norfolk County Council, through the provision of

financial support to care leavers, by awarding a local discount to their ongoing council tax liability.

The Finance Manager outlined the proposals and reminded members that young care leavers were amongst the most vulnerable in the community. He explained that this was a Norfolk County Council initiative and he referred members to the policy at Appendix 1 to the report.

Members noted that the proposals would have a minimal impact on the Council, with currently only four care leavers in the District being responsible for paying council tax, three of which were already in receipt of Council Tax Support, and the other not qualifying for the proposed discount as they were living with a partner. Members also noted that Norfolk County Council and the Norfolk Police and Crime Commissioner had agreed to fund their share of any reductions, for those care leavers leaving the care of Norfolk County Council.

Whilst Cabinet supported the scheme and felt the aims of the policy to be well intended, members expressed concerns regarding its administration, and the apparent disincentives for care leavers to move in with partners and build long term relationships. Members also stressed the need to ensure that it did not disadvantage care leavers from outside of the county, or those leaving Norfolk. It was suggested therefore that the Policy be reviewed by the Scrutiny Committee.

Cllr V Thomson, also a member of Norfolk County Council's Children's Services, agreed to feedback the concerns of Cabinet to Norfolk County Council.

It was

RESOLVED: **TO RECOMMEND THAT COUNCIL** agrees to the policy in principle, to allow full local Council Tax discount to care leavers, however that a review be carried out by the Scrutiny Committee, in consultation with Norfolk County Council, to consider further the details of the scheme and in particular to amend the policy features that introduce perverse disincentives for care leavers to build stable long-term family lives and relationships.

The Reason for the Decision

To provide support for vulnerable people.
To ensure a fair policy.

Other Options Considered

Not to adopt the policy.

2708 DISCRETIONARY RATE RELIEF GUIDELINES

Members considered the report of the Policy Manager, which presented Cabinet with an updated Discretionary Rate Relief Guidelines document, amended to include the provision of Retail Discount, and to provide a more structured and consistent approach to relief for Community Interest Companies, in line with Broadland District Council.

The Policy Manager explained that since the Guidelines document had been last approved, the Government had announced a Business Rates Retail Discount, and councils had been asked to utilise their discretionary rate relief powers to deliver on this Government commitment. Members noted that the Guidelines had also been amended to provide alignment with Broadland District Council regarding the approach to relief for Community Interest Companies.

Members welcomed the changes and agreed the content of the Guidelines but suggested that amendments were required to the formatting and structure of the document, setting out clearly the rate reliefs available. The Chairman also requested that an introductory paragraph be included at the beginning of the document, and that further guidance on the hierarchy of rate reliefs be provided on the Council's website.

It was

- RESOLVED:**
1. To agree:
 - (a) the updated Guidelines document to enable officers to award the new Retail Discount and bring the benefits of that to local businesses in 2019/20 and 2020/21, subject to minor amendments;
 - (b) the revised approach to considering applications for discretionary rate relief from Community Interest Companies as set out in the Guidelines document.
 - (c) to delegate decisions where specified in the Guidelines document to the Director with responsibility for Finance, in consultation with the relevant portfolio holder.
 - (d) That more guidance be provided on the website regarding the hierarchy of rate reliefs available to residents.

The Reason for the Decision

To ensure that the guidance to residents is clear and transparent.

Other Options Considered

To retain the existing approach to the award of discretionary rate relief to Community Interest Companies
Not to award the new Retail Discount

2709 CABINET CORE AGENDA

Members noted the latest version of the Cabinet Core Agenda.

(The meeting concluded at 11.11 am)

Chairman

CABINET CORE AGENDA 2019

	Decisions: Key, Policy, Operational	Key Decision/Item	Lead Officer	Cabinet Member	Exempt Y/N
Special Council 28 February 2019					
25 Mar	<i>K</i>	<i>Strategic Economic Development and Investment Opportunity</i>	<i>D Lorimer</i>	<i>J Fuller</i>	<i>Y</i>
	<i>K</i>	<i>Long Stratton Toilets</i>	<i>J Sutterby</i>	<i>K Kiddie</i>	<i>Part</i>
Special Council 23 April 2019					
Council AGM 22 May 2019					
10 June	O	Performance, Risks, Revenue and Capital Budget Position Report for the Financial Year 2018/19.	E Pepper / J Brown / E Goddard	M Edney	N
	O	Treasury Management Annual Report	Julie Brown	M Edney	N
	K	Environmental Strategy	B Wade	L Neal / K Mason Billig	N
Council 15 July 2019					
22 Jul	O	Performance, Risks, Revenue and Capital Budget Position Report for Quarter One 2019/20	E Pepper / J Brown/ E Goddard	M Edney	N
9 Sept					
14 Oct					
11 Nov	O	Performance, Risks, Revenue and Capital Budget Position Report for Quarter Two 2019/20	E Pepper / J Brown/ E Goddard	M Edney	N
9 Dec					
Council 16 December 2019					

Key decisions are those which result in income, expenditure or savings with a gross full year effect of £100,000 or 10% of the Council's net portfolio budget whichever is the greater which has not been included in the relevant portfolio budget, or are significant (e.g. in environmental, physical, social or economic) in terms of its effect on the communities living or working in an area comprising two or more electoral divisions in the area of the local authority.

Long Stratton Toilets

Report Author(s): Jamie Sutterby
Director of Communities and Wellbeing
01508 533703
JSutterby@s-norfolk.gov.uk

Portfolio: Stronger Communities

Ward(s) Affected: Long Stratton and adjacent

Purpose of the Report:

This report considers the options available in delivering the Community Asset Strategy in application to Long Stratton toilets, asking Cabinet to consider a number of options and agree to a way forward.

Recommendations:

Cabinet to review the options set out in section 5 of this report and to approve next steps.

1 SUMMARY

- 1.1 This report considers the options available in delivering the Community Asset Strategy in application to Long Stratton toilets, asking Cabinet to consider a number of options and agree to a way forward.

2 BACKGROUND

- 2.1 The Council has historically operated 7 public conveniences across the District, as permissive powers allow it to provide such facilities, but it has no statutory obligation to do so. The Council has previously managed and maintained the toilets but the practicality of asking operators to travel to each site each day over such a large territory has meant that it has pursued an approach of seeking to divest itself of assets (and has a strategy for all such community assets) on the basis that local communities are often better placed to provide local facilities that meet their needs. This divestment has been made on the basis that where parishes that wish to take over the facilities, the Council will refurbish the toilets to an acceptable standard that is fit for purpose. To this end the Council has transferred, or is in the process of transferring, 5 of the facilities to local Town/ Parish councils (TPCs). The Council has worked very closely with local TPCs to gain agreement by the prior refurbishment of facilities and providing a one-off payment in lieu of revenue funding based on a 5-year estimate.
- 2.2 In the case of Long Stratton, the Council had prolonged discussions with the Parish Council, but agreement could not be reached by early 2018 to allow transfer of the public toilets to them. This left a situation where the Council, in fulfilling the objectives of its community asset strategy of divesting toilets as community assets, but protecting the value of a community service, needed to find an alternative solution or otherwise the local toilet provision would fall away completely, which was to be avoided. Consequently, the Council has sought partners to work with on a more creative solution based on the following objectives:
- i. Maintaining a toilet provision in the community which is cost neutral to the tax payer, in keeping with the community asset strategy;
 - ii. To use the community asset more creatively to add additional social value.
- 2.3 The Council has sought engagement with suitable social enterprise and voluntary sector organisations with the aim of converting the premises into a mixed-use facility but retaining public toilet provision, via a single unisex disability compliant cubicle. To this end the Council engaged with Britannia Enterprises to start working up options. Britannia has a record of supporting people at a difficult time of their lives helping them find stability and play a full part in society. They work closely with the whole criminal justice system including the police and other agencies to solve problems, prevent reoffending and make areas safer.
- 2.4 Planning permission was sought by the Council and gained for change of use to A1 (shop and retail)/A3 (food and drink)/A5 (hot food and takeaway) for the Long

Stratton toilets in early 2019 for two potential business units either side of the refurbished public toilet provision. This solution will maintain a public toilet provision in the community which will be operated by the social enterprise trading from the business units. In parallel, expressions of interest were sought from suitable partners to enable both the refurbishment and operation of the facilities. None were received so the Council has continued developing the proposal through working closely with Britannia Enterprises (BE) which operates a highly innovative and successful social enterprise café with Norwich prison and at other locations (<https://www.cafebritannia.co.uk/our-story>)

3 CURRENT POSITION

3.1 Working with Britannia Enterprise to develop the project, the current position is as follows:

3.2 **Social Value** - Building upon the very successful South Norfolk Early Help model, there is an opportunity to utilise council assets to assist in delivery of opportunities and support mechanisms for vulnerable individuals, and in particular in the Council's pursuit of preventing homelessness. It is known that a number of ex-prisoners settle in the South Norfolk area. It is estimated that 14 cases since 2013 were directed to SNC for support directly from prison and a further 39 cases have sought assistance through us with accommodation. There may be many more who we have interacted with, but we do not record in our systems of their prison history. Many of these former prisoners are known to South Norfolk Council via our core housing and benefits services, and they and families are well known to our Early Help partnerships and partners. Under the Homelessness Reduction Act, criminal justice (and other) partners have a legal duty to refer cases to housing authorities who are at risk of homelessness, so we can expect to see an increase in the referrals we receive from prisons and the probation service, who are specifically named in the legislation. Officers have also recently been involved in work across the Greater Norwich area to develop a prison leavers protocol, with HMP Norwich, to assist planning for resettlement. Developing projects which help to provide an offer of employment, community support and housing will provide a much more stable platform to help resettle and sustain ex-offenders in our community, which in turn will help prevent the cost and impact of homelessness.

3.3 On this basis, the social value being sought via this project will be delivered by using current HMP detainee labour involving former and ex-offenders for the refurbishment and operation of the premises with appropriate levels of oversight. Elsewhere Britannia Enterprises has a strong model and track record in working with ex-offenders and helping to rehabilitate vulnerable people who would benefit from employment and social support to build confidence – which is a core competence the Council in isolation cannot yet deliver. The Council has developed a strong partnership around the project including Britannia Enterprises, prison, local police, Saffron Housing and the DWP. The partnership is looking to put in place a strong offer to ensure that clients worked with through this project have access to a meaningful ongoing occupation, access to quality and appropriate housing, and develop a supportive community.

3.4 **Maintenance of Facility** - to assist in delivering the objectives stated in 2.2 and assure VFM, it is proposed that the following contractual arrangements will be put in place to help govern the relationship with the provider;

- Monies will be made available to enable the refurbishment to of the facilities via a separate low interest commercial loan with repayments over 10 years at low interest. It is important to note that the Council were willing to invest in refurbishing the toilets as part of any proposed divestment without any return. Money will be made available in a staged manor over 3 programme milestones, in advance of each stage, and subject only to satisfactory assessment and signoff by the Council at each stage.
- Works to refurbish the facilities along with the terms of occupancy and operation of the facility are covered by a single condition lease. The whole building will be leased at a peppercorn rate. The loan and the lease are entwined such that if lease repayments are affected for any reason the Council can readily, subject to law, take back the building.
- In terms of financing detailed independent professional costing and design work has been undertaken and the required budget will be £85k with a total project estimated cost of approximately £100k. The budget for this has been set aside which would be similar to the cost of the straightforward refurbishment of the facility
- It is proposed the refurbishment work will be delivered within a 26-week delivery time from the commencement of the lease. Failure to do so will entitle the Council to end the lease.
- The project will be overseen by a professional quantity surveyor, employed by the Council, with progress reports every 2 weeks
- All the above is subject to satisfactory financial due diligence with BE as the proposed partner.

4 ISSUES AND RISKS

4.1 **Resource Implications** – The cost of the refurbishment is estimated to be £85k, with a total project cost of £100k. Whilst this is a little higher than might have been necessary for a pure refurbishment project, it is felt that the savings to the Council and wider criminal justice system will provide a more significant return. The budget has been made available in the Councils authorised capital investment programme. This innovative approach although introducing a layer of complexity will provide both a social and financial value above that of a simple refurbishment. However, the investment size is mitigated by the prospect of all the money being paid back as a low interest loan over 10 years.

4.2 **Legal Implications** – the proposal has been developed with full legal input and the documents have been crafted by our advisors to minimise risk within contract law.

- 4.3 **Equality Implications** – a high level equality assessment has been undertaken and has concluded that there is unlikely to be material impact on any groups or individuals with protected characteristics such as age or disability. It is acknowledged there could be some inconvenience if users have to wait given reduced capacity from the current but this is considered not significant overall as facilities remain. The Council has no legal duty to provide facilities and there are other public facilities available within 500m in the foyer of the Council offices during normal working hours.
- 4.4 **Environmental Impact** – none identified and the change of use of the building will be subject to planning controls.
- 4.5 **Crime and Disorder** – Public confidence is critical to the success and enduring nature of this project. It is therefore important to stress that all prisoners or offenders working on this project will be appropriately risk assessed and fall under the duty of care of the employer, therefore no crime and disorder issues are expected.
- 4.6 **Risks** – Cabinet is requested to consider the financial due diligence that has been undertaken given the recommendations at 8. below. This information is attached as exempt information in appendix 1 and 2.

5 OPTIONS

Based on what the Council is aiming to achieve, the following approaches have been identified:

- 5.1 Proceed with the project as described in the report above, with Britannia Enterprises as a partner. This would meet both objectives stated in 2.2
- 5.2 That the Council refurbish and renovate the buildings via Big Sky and lease the building as a commercial venture. This is not viewed as meeting the social objectives outlined at 2.2 and will be costlier given the refurbishment and the commercial costs of labour in renovation and the subsequent running of the facility meaning a necessarily higher budget. This would meet only objective 1 stated in 2.2
- 5.3 Long Stratton Parish Council have latterly expressed an interest in reopening discussions on the transfer given, amongst other things, the Government's intended ceasing of business rates on public toilets. Cabinet could consider this option. This would meet only objective 1 stated in 2.2
- 5.4 The Council could seek to find an alternative social enterprise or voluntary sector partner to work with to deliver the project in accordance with stated objectives. This would likely require a different approach for the refurbishment of the facilities to the ongoing running, given that most operators in the field of working with offenders would not have expertise in both construction and retail. This would likely mean the Council via Big Sky taking on the refurb with direct employment of prisoners via HMP, and subsequently letting to a social enterprise or voluntary sector organisation as a tenant who would continue to deliver required social value and maintain facilities. This option, if preferred, would require investment of officer

time to work up the detail and establish the required partnerships. This would meet both objectives stated in 2.2

- 5.5 Leave the facility as it is with ongoing cost to the Council to run them. This option would continue to attract an ongoing running cost of approximately £10k per year and would not fulfil the delivery of the community assets strategy nor objective described in 2.2. This does not include the cost of any refurbishment.
- 5.6 Close the facility. This would fulfil neither objective stated in 2.2

6 CONCLUSION

- 6.1 On the basis of the options presented in section 5, options in 5.1 and 5.4 best meet the objectives outlined in this report. Cabinet has a number of options to consider, including an innovative opportunity to build on a strong social impact model that Britannia have developed in its highly acclaimed model at Norwich Prison. This option is not without potential risk. However, officers have sought to mitigate the risk through staged payments and close project monitoring. If successful this option delivers both the better financial and social return to the Council, however given the novel nature of this potential solution Cabinets direction on the preferred option is requested.

7 RECOMMENDATIONS

- 7.1 Cabinet to review the options set out in section 5 of this report and to approve next steps.

Background Papers

List any background papers here

- Community Assets Strategy – Cabinet 9 January 2017 - https://www.south-norfolk.gov.uk/sites/default/files/Cabinet_Agenda_9_January_2017.pdf.
- Public conveniences - Scrutiny Committee – 5 March 2015 - <https://www.south-norfolk.gov.uk/sites/default/files/scr2015-03-05-agenda.pdf>.
- Public conveniences – Scrutiny committee – 18 November 2015 - <https://www.south-norfolk.gov.uk/sites/default/files/scr2015-11-18-agenda.pdf>.