CABINET

Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton on Monday 4 February 2013 at 9.00 a.m.

Members Present:

Cabinet: Councillors J Fuller (Chairman)

Y Bendle, D Bills, K Kiddie, G Wheatley and M Wilby

Non-Appointed: Councillors T Blowfield, M Edney, C Foulger, D Goldson, M Gray, N Legg, T Lewis, J Mooney, L Neal, R Savage and B Spratt

Officers in Attendance: The Chief Executive (S Dinneen), the Deputy Chief Executive (A Radford), the Director of Environment and Housing (A Jarvis), the Director of Growth and Localism (T Horspole), the Head of Asset Management (R Garfoot), the Head of Business and Improvement (P Kearsey), the Head of Finance (D Lorimer), the Accountancy Manager (J Duvall), the Compliance and Risk Manager (L Mickleborough) and the Planning Officer (T Barker).

2152 MINUTES

Members noted that contrary to the minutes, Cllrs Bills, Bendle and Blowfield had all been present at the last Cabinet meeting held 26 November 2012.

Subject to the above changes, the minutes of the meeting held 26 November 2012 were agreed as a correct record and signed by the Chairman.

With reference to minute 2149, the Proposed Lease at Unit 13, Wymondham Business Park, members noted that the proposed tenants had gone out of business and the unit remained empty.
RESPONSE TO CRINGLEFORD PARISH COUNCIL CONSULTATION ON THE DRAFT CRINGLEFORD NEIGHBOURHOOD DEVELOPMENT PLAN

The Subject of the Decision

Members considered the report of the Planning Policy Manager, which recommended a response to Cringleford Parish Council, regarding the content of the Draft Cringleford Neighbourhood Development Plan.

The Director of Growth and Localism informed members that Cringleford Parish Council was the first in South Norfolk and front runners nationally in preparing a Neighbourhood Development Plan. The Council needed to ensure that the Plan conformed to South Norfolk’s strategic planning policies to enable the plan to move forward.

In response to queries, the Director of Growth and Localism outlined the importance of the document, explaining that the purpose of Neighbourhood Plans was to enable people from the local community to develop a planning policy document for their local area. The plans would enable decisions to be made locally with regard to how the strategic planning framework was delivered, for example the location, type and nature of new homes.

Cllr G Wheatley explained that the Parish Council had put much time and effort into producing the document. The Chairman felt that the Parish Council had submitted an extremely strong document and South Norfolk Council wished to assist the Parish Council in delivering its vision. He said that it was important not to misinterpret the comments made in the proposed response regarding the maximum allocation of 1200 homes, stressing the need for the Plan to demonstrate “soundness”.

Cllr M Gray was disappointed that the strategic gap between Hethersett and Cringleford appeared not to be protected at the Cringleford end. He also expressed concerns with regard to the second access to the hospital which had originally been designated to go around the outside of any development. He queried the proposed buffer zone around electricity pylons which had been designated at 50m, (not 80m as in some other areas), and he asked how Cringleford would benefit from the Community Infrastructure Levy.

In response, the Chairman explained that the Environment, Regulation and Growth Committee would be examining in detail how the CIL would work in practice and benefit areas undergoing development. He also felt it important to protect the strategic gaps between settlements and reminded members that the Council was still awaiting the final definitions on the landscape protection zones from consultants. Members were assured that the hospital access would be protected and the Director of Growth and Localism explained that the extent of buffer zones around pylons was dependent on the voltage and guidance received from the National Grid.
The Decision

RESOLVED: 1. To agree the response to Cringleford Parish Council, set out in Appendix 1 of the report;

2. To delegate authority to the Director of Growth and Localism to submit the Appendix as South Norfolk Council’s formal response to the consultation on Cringleford Parish Council’s draft Neighbourhood Development Plan and, should the Neighbourhood Development Plan be submitted for Examination, delegated authority to pursue the Council’s representations at the Examination.

The Reasons for the Decision

Ensuring the best delivery of the Parish Council’s aspirations, whilst conforming to South Norfolk Council’s strategic planning policies.

Other Options Considered

None

2154 FINANCIAL, PERFORMANCE AND RISK REPORT QUARTER 3

The subject of the decision

The Head of Business and Improvement presented members with a brief overview of the performance during the third quarter of 2012/13 and was pleased to report that 93% of the strategic performance indicators had either exceeded or performed within the tolerance level set. Only two indicators had been categorised as red as they had not met the stretched targets agreed.

Referring to measure 302, the % of household applications determined within 8 weeks, the Head of Business and Improvement explained that the dip in performance had been predicted in the last quarter, due to the implementation of the new planning system, and he expected performance to recover in to the next quarter. With regard to measure 012, working days lost due to sickness, he explained that this figure remained high due to long term sickness absence, but he felt it worth noting that 44% of all staff had reported no sickness absence in the year to date.

Turning to those indictors categorised as amber, having not achieved target but performing within the tolerance level, the Head of Business Improvement gave mention to measure 296, the % of household waste sent to landfill and disposal. Members noted that the performance of all councils had been affected by national changes to the regulatory regime by the Environment Agency and that officers were confident that the overall target at year end would be achieved. With regard to measure 108, earned income in £s per visitor to the Leisure Centres, members
were informed that a strong quarter four was expected to bring performance back in line. However it was noted that officers were looking to change the indicator in 2013/14 to a measure that was more meaningful. Concerning measure 181, time taken to process benefit claim forms, it was noted that performance had improved and was on track to meet target by year end.

Members’ attention was also drawn to areas of performance that had hit target and reference in particular was made to measures 262 regarding the cost of waste collection and 651, unique visits to “My South Norfolk”. Members congratulated the performance of housing staff where performance had been very strong in the last quarter, noting that for measure 336, the prevention of homelessness, 100% of all cases between October and December 2012 had avoided homelessness.

The Head of Finance explained that the financial position at the end of quarter three, had led to a positive variance against a budget of £1.5 million at the end of the financial year. The actual increase to the general revenue reserve was likely to be in the region of £1.8 million when additional income, all variances, staff savings and the planned contribution to reserves of £327,000 had been taken in to account.

Regarding employee expenses, members noted that extra resources had been used in some areas to assist with the delivery of the services, for example in benefits and planning, and this in turn had led to better performance and would create future savings. Concerning income, members noted the good performance from the leisure centres and the Council’s investment in commercial property.

Turning to Risk Management, the Compliance and Risk Manager explained that the number of risks scoring 15 or above remained at 6, with two key changes over the last quarter. The positive outcome for South Norfolk from the local government finance settlement had reduced the risk of revenue funding falling short of required levels and this risk was no longer included on the high scoring risk report. Members noted that a new high scoring risk had appeared relating to City Deals and two other risks scored above target relating to the shortage of the 5 year land supply and the management of Council assets.

The Decision

RESOLVED: To note the Performance, Risk and Finance report for Quarter 3 2012/13.

The Reasons for the Decision

To ensure processes are in place to improve performance and that the management of risks and financial and budgetary controls are sound

Other Options Considered

None
The subject of the decision

Members considered the report of the Accountancy Manager, which monitored capital expenditure and treasury management activities for the period April to December 2012 against both the current approved Capital Programme and the Treasury Management Strategy, as agreed by full Council on 22 February 2012.

The Accountancy Manager presented the report, explaining that it covered three main areas; capital spend, investment income and the Council’s investment portfolio. He advised members that the capital programme was on target for 2012/13, with 35% of the programme being delivered by 31 December 2012. He expected there to be some slippage at year end with some spend occurring after 31 March 2013.

Referring to the returns on property investments, he explained that forecasts predicted a return higher than budgeted, with the amount of investment interest received expected to exceed the budgeted figure by £173,000.

Members’ attention was also drawn to paragraph 7.2 of the report which detailed a breach to prudential indicators over a period of 6 days during November and December 2012.

Referring to Appendix A of the report, the Chairman queried the spend against a £300,000 budget for a Travellers site, and Cllr Y Bendle was pleased to report that negotiations with Norfolk County Council had concluded and that a site (subject to planning approval) had been identified in Bawburgh.

Cllr M Gray queried the list of returns on investment properties detailed at paragraph 5.2, asking why a list of individual properties was not provided, which could indicate variances between properties. He referred in particular to a property at Vinces Road in Diss, which he believed had been empty for over a year.

In response, the Chairman explained that it was not possible to include every detail within the report, and members noted that the Asset Management Group would deal with such matters of detail. The Head of Asset Management confirmed that the property on Vinces Road was marketed with a local agent and offers were made for reduced rent and rent free periods. The Chairman added that members should not lose sight of the fact that there had been a 6.14% return on property investments.

The Decision

RESOLVED: TO RECOMMEND THAT COUNCIL

a) Notes the progress of the capital programme up to 31st December 2012 and the projected year end position.

b) Approves the on-going expenditure for Equity Home Loans and the corresponding capital receipts from Great Yarmouth Borough Council for this financial year.
c) Approves the long term investments made for £2 million at 2.1% with Royal Bank of Scotland for 2 years, which was agreed by the Leader and Portfolio Holder.

d) Notes the treasury activity in quarter three and that it complies with the agreed strategy.

e) Approves the April to December prudential indicators and note the breach of the upper limit for variable interest rate exposure as detailed in section 7.2 of the report.

The Reasons for the Decision

To ensure that the Council’s capital programme is aligned to its priorities and investments are made in accordance with the Treasury Management Strategy.

Other Options Considered

None.

2156 BUDGET 2013/14 CONSULTATION

The subject of the decision

Members considered the report of the Head of Finance, which outlined the key messages, resulting from the year’s budget consultation exercise.

The Head of Finance updated members on the responses received; 18 from the general public and 3 from local businesses. It was noted that there was clear support for a freeze in council tax, and for providing funding to support economic growth. Businesses had expressed support for investment in planning and development, but could not support an increase in car parking charges.

Cabinet felt that it had been a useful exercise but was disappointed that more responses had not been received.

The Decision

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

The Reasons for the Decision

To take in to account the issues raised when determining the budget and level of Council Tax for 2013/14.

Other Options Considered

None
2157 REVENUE BUDGET AND COUNCIL TAX FY 2013/14

The subject of the decision

Members considered the report of the Head of Finance which examined the Council’s revenue budget for 2013/14, and proposed a freeze on council tax levels.

Cllr G Wheatley reminded members that the budget would be considered at the Scrutiny Committee on 6 February and then again at the Council meeting on 20 February. He referred to the Council’s proposal to freeze council tax and drew attention to the healthy balance on reserves.

The Head of Finance confirmed that the estimates contained within the report were of a prudent nature with all known costs budgeted for and a realistic estimate of income budgets, with sufficient reserves in place. She went on to outline the key areas of the report and she explained that a balanced budget for 2013/14 was deliverable due to the Council’s continued twin tracked approach of increasing income and reducing expenditure, along side savings generated from the “lean lite” programme which were also leading to service improvements.

Members noted the proposal to freeze all fees and charges with the exception of Building Control where there had not been a revision of charges since October 2010. A revised schedule setting out the proposals would be presented to Council at its meeting on 20 February 2013.

The Chairman commended the budget to members, praising staff for the effective control of Council finances.

The Decision

RESOLVED: 1. To note:

(a) the comments and actions arising from the Scrutiny January meeting;
(b) the advice of the section 151 officer with regard to section 25 of the Local Government Act 2003;
(c) the position regarding parish precepts;
(d) the future budget pressures contained in the Medium Term Plan

2. TO RECOMMEND TO COUNCIL:

(a) the approval of the base budget, as shown in para. 7.1 of the report, 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;

(b) that the Council’s demand on the collection fund for 2013/14 for General Expenditure shall be £5,539,656 and for Special Expenditure be £70,793;
(c) that the level of council tax be £130.68 for General Expenditure and £1.67 for Special Expenditure.

(d) the amalgamation of reserves as detailed below:

- Planning Delivery Grant and Local Development Framework reserves in to a local Development reserve.
- District and Parish Elections reserves in to an Election reserve.

The Reasons for the Decision

To provide a budget which meets the Council’s priorities and to set a level of Council Tax affordable to residents.

Other Options Considered

None.

2158 CAPITAL PROGRAMME APRIL 2013 TO MARCH 2016

The subject of the decision

Members considered the report of the Head of Finance which presented Cabinet with the proposed capital programme for the period April 2013 to March 2016.

The Head of Finance outlined her report, explaining that the capital programme had been split in to two areas; those projects that would deliver on-going savings, additional income or service enhancements, and the more traditional capital programme projects.

Attention was drawn to paragraph 5 of the report and the need to borrow in future years. Cllr G Wheatley assured members that borrowing would only occur if there was a very sound and commercial reason for doing so.

The Chairman stated that it was an ambitious programme with proposed expenditure of £19.3 million. It aimed to kick start the economy by supporting the economic vitality of the market towns, investing and expanding in the Council’s businesses at South Norfolk Council, creating efficiencies and seeing high returns which would in turn benefit residents.

Cllr M Wilby welcomed what he felt to be a bold and ambitious capital programme, which would benefit everyone that lived or worked in the District.
The Decision

RESOLVED:

1. To delegate to the S151 Officer the amendment of the capital budget and financing for the Equity Home Loans as and when these loans occur during the financial year.

2. TO RECOMMEND TO COUNCIL:
   a) That the assumptions on which the funding of the capital programme is based are prudent;
   b) Approval of the capital programme for 2013/14 to 2015/16.

The Reasons for the Decision

To ensure the Capital Programme for 2013/14 to 2015/16 is fully funded and complies with Council policies.

Other Options Considered

None.

2159  TREASURY MANAGEMENT STRATEGY STATEMENT AND INVESTMENT STRATEGY APRIL 2013 TO MARCH 2016

The subject of the decision

Members considered the report of the Accountancy Manager, which outlined the proposed Treasury Management Strategy, the Prudential Indicators, Minimum Revenue Provision and the Treasury Management Policy Statement for 2013/14 to 2015/16.

Cllr G Wheatley commended the report to members, drawing attention to the Council’s objective to secure cash above both yield and liquidity. He referred to the prediction that interest rates would stay low for some time and members noted that it might be necessary in future to borrow as part of the Community Infrastructure Levy.

The Accountancy Manager outlined the key areas of the report to members explaining there to be 2 main features to the Strategy, the impact of the increase in expenditure of the capital programme, and the change to the counter party list, allowing officers to seek investments of up to £5 million with building societies, which were credit rated in the investment grade category.

The Decision

RESOLVED: TO RECOMMEND TO COUNCIL:
   a) The Treasury Management Strategy Statement for April 2013 to March 2016;
   b) The Prudential Indicators and Limits for the next 3 years contained within Appendix A of the report, including the Authorised Limit Prudential Indicator;
   c) The Minimum Revenue Provision (MRP) Statement (section 8), setting out the Council’s policy on MRP;
d) The Annual Investment Strategy 2012/13 (section 5) contained in the Treasury Management Strategy, including the delegation of certain tasks to Head of Finance;

The Reasons for the Decision

To ensure that the Council’s finances are managed with minimum risk, and at maximum yield.

Other Options Considered

None

2160 DIRECTORATE BUSINESS PLANS 2013 - 14

The subject of the decision

Members considered the report of the Business Transformation Manager, which presented members with the Directorate Business Plans 2013 -14 for approval.

The Head of Business and Improvement explained that the Business Plans had undergone a robust review at the Scrutiny Committee meeting held 30 January 2013. Members of the Committee had asked for an update with regard to the costs relating to IT storage, but other than a number of small clerical errors, had been happy to endorse the plans and recommend their approval by Cabinet.

The Chairman felt the consideration of the Plans to be timely, stressing the close links with the budget process

Cllr T Lewis, Vice-Chairman of the Scrutiny Committee explained that the Scrutiny Committee had been very pleased with the level of staff participation throughout Directorate Planning process. The Chief Executive explained that workshops involving staff from all directorates had taken place very early on in the process, allowing staff to contribute, and to gain an understanding of wider business delivery.

RESOLVED: To approve the Directorate Business Plan 2013-14, subject to minor amendments.

The Reasons for the Decision

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

Other Options Considered

None
2161 LONG STRATTON AREA ACTION PLAN

Members noted that the Long Stratton Area Action Plan would be considered at the 25 March 2013 meeting of the Cabinet.

2162 LONG STRATTON CONSERVATION AREA CHARACTER APPRAISAL

Members noted that the Long Stratton Conservation Area Character Appraisal would be considered at the 25 March 2013 meeting of the Cabinet.

2163 HARTS FARM, WYMONDHAM – LAND FOR REDEVELOPMENT

Members noted that the report concerning the land for redevelopment at Harts Farm Wymondham, would be considered at the 25 March 2013 meeting of the Cabinet.

2164 CABINET CORE AGENDA

Members noted the latest version of the Cabinet Core Agenda. The Chairman anticipated that Site Specifics would also be considered at the 25 March Cabinet meeting.

2165 EXCLUSION OF THE PRESS AND PUBLIC

It was proposed, seconded and

RESOLVED: that under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 Schedule 12A of the Act (as amended).

2166 CNC BUILDING CONTROL - UPDATE

The subject of the decision

Members considered the report of the Deputy Chief Executive, regarding the future arrangements for CNC Building Control.

The Deputy Chief Executive reminded members of the background to the report, and the proposal for South Norfolk to host CNC Building Control. Preparations for the service were well underway, with the new arrangements to be in place by 1 April 2013.

Members’ attention was drawn to Appendices 1 and 2 of the report, the Business Plan and the Participating Authority agreement. Officers stressed the importance of ensuring sound governance arrangements were in place.
The Chairman felt the proposals to be good for both South Norfolk Council and CNC customers, with a number of efficiencies to be made. Staff at CNC had recognised the proposals to be an excellent opportunity for significant investment in the business and were looking forward to the change.

Referring in particular to the recent CNC welcome day, the Chief Executive cited the project as an excellent example of team working across the whole authority; it was South Norfolk Council at its best.

The Decision

RESOLVED: TO RECOMMEND THAT COUNCIL:

a) Approves the Business Plan for CNC Building Control 2013/14;

b) Delegates approval of the Participating Authority Agreement to the Deputy Chief Executive, in consultation with the Portfolio Holder for Improvement and Efficiency;

c) Appoints the Portfolio Holder for Improvement and Efficiency to the Board for CNC Building Control;

d) Approves the Scheme of Delegation for Building Control.

The Reason for the Decision

To ensure robust arrangements are in place to oversee the future delivery of the service on behalf of the Partner Authorities.

Other Options Considered

None at this stage.

2167 MICROSOFT ENTERPRISE AGREEMENT

The subject of the decision

Members considered the exempt report, which sought the approval of Cabinet to procure a Microsoft Enterprise Agreement, to upgrade its Microsoft software to ensure compliance and deliver operational efficiency benefits.

Cllr D Bills presented the report, explaining that the proposals would allow the Council to upgrade its Microsoft software to ensure compliance with the Government’s Code of Connection Policy, gain efficiencies and make full and effective use of all core systems. He also stressed the importance of being able to deliver up to date software to facilitate CNC Building Control.

The Head of Business and Improvement outlined details of the proposals, explaining it to be the most viable and cost effective solution for the Council.
The Decision

RESOLVED: To approve the preferred supplier as outlined in paragraph 8.1 of the report.

The Reason for the Decision

Maximising efficiencies through effective use of IT

Other Options Considered

As outlined in the report.

(The meeting concluded at 10.54 am)

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Chairman