CABINET

Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton on Monday 17 June 2013 at 9.00 a.m.

Members Present:

Cabinet: Councillors J Fuller (Chairman)
Y Bendle, D Bills, K Kiddie, G Wheatley

Apologies: Councillor M Wilby

Non-Appointed: Councillors T Blowfield, M Edney, F Ellis, N Legg, T Lewis, L Neal, R Savage, K Weeks

Also in Attendance: One member of the public (for part of the meeting)

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 Finance (D Lorimer), the Head of Asset Management (R Garfoot), the Head of Business Improvement (P Kearsey), the Accountancy Manager (M Fernandez-Graham), the Business Improvement Manager (W Salmons), and the Compliance and Risk Manager (L Mickleborough).

2190 MINUTES

The minutes of the meeting held 7 May 2013 were agreed as a correct record and signed by the Chairman.
2191  FINANCE PERFORMANCE AND RISK REPORT QUARTER 4;

(i)  Revenue Outturn Report

The Subject of the Decision

Members considered the report of the Accountancy Manager, which summarised the provisional outturn of the Council’s revenue budget for 2012/13.

The Head of Finance outlined the salient points of the report to members. Cllr G Wheatley commended the report, referring in particular to the improved performance with Trade Debtors.

During discussion, officers explained that the new Communities and Localism reserve had been created from remaining Neighbourhood Board funds and was earmarked to focus on the market towns initiative. The Director of Localism and Growth advised that this initiative would involve working with local businesses and community groups to increase the vitality and viability of Diss, Harleston, Loddon and Wymondham.

The Chairman welcomed the increase in income arising from the Council’s leisure centres and garden waste services. Referring to those areas where adverse variances had occurred, he advised that there was no objective to make a profit from the income received through the Council’s car parks.

The Decision

RESOLVED:

1. To note the outturn position and the reason for the variances on the General Fund.

2. TO RECOMMEND TO COUNCIL:
   a) Approval of the budget virements which exceed £100,000 in accordance with the rules of financial governance;
   b) Approval of the slippage requests as outlined in paragraph 4 of the report;
   c) Approval of the movements in reserves as outlined in paragraph 5 of the report.
   d) The creation of a Communities and Localism reserve as outlined in paragraph 5.

The Reasons for the Decision

To ensure that reserves and revenue budgets are in place to meet the Council’s corporate objectives.
(ii) Performance and Risk Report, Quarter 4 2012 -13

The Subject of the Decision

Members considered the report of the Business Improvement Manager and the Compliance and Risk Manager, which provided an update on the year-end organisational performance, demonstrating how the Council had delivered against its 2012-13 objectives.

The Head of Business and Improvement explained that performance had been strong throughout 2012-13, with only one strategic measure failing to meet its target at year end; this being BV 12, the number of working days lost due to sickness absence.

He went on to present to members an overview of performance during the fourth quarter of 2012/13. Members were informed that 18 measures had met or exceeded target (classified as a green indicator), with seven measures performing within an accepted tolerance of target (amber indicator) and only two measures failing to reach the stretched targets (red indicator).

Referring to BV 12, the number of working days lost due to sickness absence, members noted that this had failed to hit target in the fourth quarter and at year end. Although disappointing, members noted that sickness figures were on par with the national average, and that 149 staff had taken no sickness days during the last financial year. LI 263, the number of missed bins for all waste per 100,000 collections, had also failed to hit target in quarter 4, although it had hit target at year end. The reasons for failing to hit target related to the particularly cold weather, which had led to frozen bins and the inability to access all routes. Cllr K Kiddie added that on occasions, South Norfolk Council had been the only local authority in Norfolk to continue to collect waste during the wintery weather.

Turning to those indicators categorised as amber, the Head of Business and Improvement drew attention to LI 196, the % of funding committed for enhanced services by all Neighbourhood Boards. Members were reminded that the Your Neighbourhood, your Choice Pilot had only been running for 3 quarters of the year, which would have impacted on performance. The Chief Executive suggested that this indicator failed to focus on outcomes and achievements and members noted the proposed new measure BP29, % of projects funded through Neighbourhood Boards meeting their objectives.

Referring to LI 649, Cashable Savings identified through Efficiencies and Lean working, members noted that the target of £250,000 had been missed by just £75.00. Regarding LI 302, the % of householder applications determined within 8 weeks, members noted that performance had fluctuated throughout the year following the implementation of a new computer system. As predicted, performance was now improving, and would improve further with the implementation of a Lean review.
Members’ attention was also turned to those areas that had hit target and particular reference was made to LI651, Unique Visits to My South Norfolk, which had exceeded target, with nearly 10,000 visits in quarter 4. Members noted that this indicator was to be replaced with a measure regarding the percentage of commercial transactions taking place online.

Officers referred to the good performance relating to measure LI 199, the number of people continuing with regular exercise after taking part in GP Referral, GP taster and Health trainer sessions. In response to queries from Cllr K Weeks, the Chief Executive explained that it was sometimes more efficient and cost effective to use external instructors to respond to volumes of customers and fluctuating trends in different exercise classes. Members noted that a key area of work was currently being carried out to examine in detail the delivery of this service and this would involve looking in particular at customer needs / wants and how to encourage them to make more frequent and lengthier visits to the leisure centres. Referring to LI 198 regarding places for young people in structured play, sport, leisure and cultural events organised by the Council, Cllr K Weeks drew attention to the spelling of “Kidz” in “Kidz Camp”, suggesting that the correct spelling “Kids” would be a more appropriate example to set.

Mention was also given to NI 181, the time taken to process Housing Benefit and Council Tax Benefit claims. Staff has been trained to work generically, and although this had led to an adverse impact on performance in the short term, performance had now improved, improving both efficiency and the customer experience. The Chief Executive stressed that compared to the national picture, performance in this area was exceptional.

Referring to LI 336, the % of Homelessness prevention cases where homelessness was successfully prevented, officers apologised for incorrectly reporting in quarter 3, that performance had hit 100% (the actual figure had been 95%), but members noted that performance had and continued to exceed target. This was cited as another example of strong performance following on from lean review work and members congratulated staff on excellent performance.

It was noted that performance relating to LI 322, the number of known targeted long term, empty homes back in to use, had exceeded target both for quarter 4 and at year end. Cllr Y Bendle explained that the process was beginning to reach a stage where formal action was necessary in some cases. The reasons properties were left empty were often complex and needed investigating and all options needed to be exhausted before formal action was considered.

Members were very pleased to note that the Council had just been awarded “best Integration/Automation Project” from NDL, for its innovative work in linking computer systems, having been shortlisted from 150 companies. The Chief Executive was also extremely proud to announce that the Council had just been awarded the highest level of accreditation in the Investor in People scheme – the Gold Standard. Members congratulated staff, noting that only 3% of organisations nationally had been awarded this level of award.
The Decision

| RESOLVED: | To approve the Performance and Risk Report Quarter 4 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

2192 CAPITAL OUTTURN REPORT FOR 2012/13;

The subject of the decision

Members considered the report of the Accountancy Manager, which outlined the outturn of the Capital Programme for the Financial Year 2012/13.

The Head of Finance explained that capital expenditure for the year 2012/13 had totalled £3,504,063 against a total budget of £5,638,267. She referred in particular to the expenditure on Aids and Adaptations and Disabled Facilities Grants, and the investments in ICT for CNC Building Control.

Cllr G Wheatley commended the report to members, explaining the capital programme to be fully funded over the next two years. He drew attention to the higher than expected Right to Buy (RTB) sales which he considered to be a direct impact of the Government’s increase to the caps on RTB discounts. Cabinet noted that 132 new affordable homes had been built in the District during the last financial year, which compensated for those properties lost through the RTB scheme.

Members noted that £2.7 million had been utilised from the General Revenue, Invest to Save and Renewal Reserves to fund the capital programme. Their attention was also drawn to slippage requests, totalling £1,801,659, detailed at paragraph 3 of the report.

The Decision

| RESOLVED: | 1. To note the outturn for the Capital Expenditure and its financing for the Financial Year 2012/13;  
|           | 2. TO RECOMMEND TO COUNCIL:  
|           | a) The slippage requests as summarised in paragraph 3.1 above.  
|           | b) The financing of the amended Capital programme for the next three financial years. |
The Reasons for the Decision

To ensure that the capital programme is aligned to the Council’s priorities and is fully funded.

Other Options Considered

None

2193 ANNUAL TREASURY MANAGEMENT OUTTURN REPORT 2012/13;

The subject of the decision

Members considered the report of the Accountancy Manager, which reviewed the treasury management activity during the financial year 2012/13, and reported on the prudential indicators, as required by CIPFA’s Treasury Management Code of Practice.

The Accountancy Manager explained that interest received during the 2012/13 was £494,101, £172,101 above the budget of £322,000, although the average rate of return was slightly down due to low interest rates. Members noted that the Council had deliberately placed investments on a short term basis rather than longer term with organisations that were at least the same or above the Council’s minimum risk rating criteria. Attention was drawn to the Prudential Indicators for 2012/13 and the breaches relating to the upper limit for variable interest rates exposure and the limit for individual institutions.

In response to a query from Cllr K Weeks, the Head of Finance confirmed that the figures reported as income received from investment properties (shown at paragraph 7 of the report) were gross figures, adding that there had been a healthy 5.6% return rate on investment properties after costs and expenses had been taken in to account. Cllr K Weeks stressed the need to carefully consider expenses and to ensure that investments were worthwhile. He referred in particular to a property in Wymondham where the income reported was £12,000. He felt the report was misleading in that it failed to detail expenses, which in this case had exceeded £17,000, resulting in an overall loss of £5,000. Cllr T Lewis added that it would be helpful if net figures could be presented in future reports. The Head of Asset Management confirmed that the expenses referred to related to costs arising from the property being vacant but members noted that officers were currently in the process of agreeing lease terms with a prospective tenant. The Head of Asset Management added that the overall percentage of voids on investment properties had reduced.

In response to a query regarding the Council’s investments in the Co-operative bank, the Head of Finance confirmed that Arlingclose had advised that there was no need to withdraw any investments at this stage. Members noted that the bank was due to announce a strategy to tackle the deficit in its balance sheet, that very day.
The Decision

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<th>RESOLVED:</th>
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<td></td>
<td>a) Approves the actual 2012/13 prudential indicators;</td>
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<td>b) Notes the treasury activity in Quarter 4 and that it</td>
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<td>complies with the agreed strategy;</td>
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<td>c) Notes the breach relating to the upper limit for variable</td>
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<td>d) Notes the breach relating to the limit for investments with</td>
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<td>a single institution within Lloyds banking group, as</td>
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The Reasons for the Decision

To ensure that the Council adheres to the Prudential Code and that investments are made in accordance with the Treasury Management Strategy.

Other Options Considered

None

2194 SEWAGE TREATMENT IMPROVEMENT PROGRAMME – LEASE OF LAND;

The subject of the decision

Members considered the report of the Head of Asset Management, which sought consent to grant a 999 year lease of land to Anglian Water, as part of the Sewage Treatment Improvement Programme.

The Decision

| RESOLVED: | To approve the lease as outlined in paragraph 3 of the report. |

The Reasons for the Decision

To ensure adoption of the site by Anglian Water, providing both the Council and Anglian Water, security of tenure.

Other Options Considered

None
2195 SITE ALLOCATIONS AND POLICIES DEVELOPMENT PLAN DOCUMENT: PRE-SUBMISSION VERSION;

Members noted that the Site Allocations and Policies Development Plan Document: Pre-Submission version, would be presented to a future meeting of the Cabinet.

2196 MATERIALS RECYCLING FACILITY;

The Chairman briefly updated members regarding the procurement of a new Materials Recycling Facility contract for Norfolk, noting that a report would be presented to members sometime in July.

2197 CABINET CORE AGENDA

Members noted the latest version of the Cabinet Core Agenda.

2198 EXCLUSION OF PUBLIC AND PRESS

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 item 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).

2199 PROPERTY DEVELOPMENT

The subject of the decision

Members considered the exempt report of the Head of Asset Management, which updated members on key property projects, in particular the redevelopment of Shotesham Road, Poringland.

Cllr G Wheatley commended the report to Cabinet, suggesting the redevelopment at Poringland to be a very exciting project for South Norfolk residents and the Council. He believed the Council held the expertise to ensure the project was sufficiently financed and managed.

The Head of Asset Management outlined the key areas of her report to members and officers responded to a number of questions on points of detail concerning all the projects referred to in the report. Referring to a project at Ketteringham, officers updated members on the discussions held with the landowner and Cabinet supported officers to conclude the acquisition through the variant bid.
The Decision

RESOLVED: To:
   a) Release funds of up to £500,000 for the Spine Road (lagoon and associated works);
   b) Approve the letting of a building contract as described in the report, up to the EU procurement limit;
   c) Approve the EU procurement process to seek a Joint Venture partner to work with the Council on further property developments
   d) Delegate any variations to the proposal to be made to the Deputy Chief Executive, in consultation with the Portfolio Holder for Resources, with any major changes to the project being referred back to Cabinet.

The Reasons for the Decision

To maximise returns on assets in line with the key objectives of the Asset Management Plan.

Other Options Considered

As outlined in the report.

(The meeting concluded at 10.39 am)

Chairman