CABINET

Minutes of a meeting of the Cabinet of South Norfolk District Council held at South Norfolk House, Long Stratton on Monday 27 October 2014 at 9.00 am.

Members Present:

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

   Non-Appointed:  Councillors  Dale, Dewsbury, Edney, Ellis, Goldson, Gray, Legg, Lewis, McLenning, Mooney, Neal, R Savage, B Spratt, and Weeks

Officers in Attendance:  The Director of Environment and Housing (A Jarvis), the Director of Growth of Localism (T Horspole), the Acting Director of Business Improvement (D Lorimer), the Business Improvement Manager (W Salmons), the Compliance and Risk Manager (L Mickleborough), the Funding Manager (Nina Cunningham), and the Scrutiny and Information Rights Officer (E Goddard)

2327 HOMELESSNESS UPDATE

Members noted that an item on Radio Norfolk had recently highlighted the increase in homelessness across the county. Cllr Y Bendle informed members that there had been 106 cases of homelessness presented to South Norfolk Council during the last 6 months, and 103 of these cases had been successfully prevented. The 3 remaining cases had been resolved through temporary accommodation, before moving on to a more permanent solution. Members noted that the number of homelessness cases had increased during the last 6 months, but the preventative and early intervention work being undertaken was proving successful.

2328 MINUTES

Referring to minute 2325, the Diss Heritage Triangle, it was suggested that the second sentence of the second paragraph, should refer to the Diss Heritage “Partnership” (not “Triangle” as had been indicated in the minutes).

Subject to this change, the minutes of the meeting held on 15 September 2014 were agreed as a correct record and signed by the Chairman.
PERFORMANCE, OPPORTUNITIES / RISKS AND REVENUE BUDGET POSITION REPORT APRIL TO SEPTEMBER 2014/15

The subject of the decision

Cllr G Wheatley introduced the report, which detailed the Council’s risks and the revenue budget position for quarter two of the financial year 2014/15, and the performance of the Council from April to September.

The Business Improvement Manager was pleased to report a positive scene across the whole range of strategic indicators and drew attention to the fact that no strategic performance indicators had appeared red over the last 18 months. There were two measures which had triggered an amber status during the quarter, LI 262, the Cost of Waste Collection per household and LI263, the number of missed bins for all waste per 100,000 collections, however, it was stressed that this should not be met with any concern at this time. The number of missed bins had only been very slightly off the stretched target set and fell comfortably within accepted tolerance levels. Members also noted that the move towards offering a commercial trade waste service to customers would create additional income streams and help to drive further efficiencies and a more resilient service.

Members referred to a number of areas of good performance, in particular affordable housing which was on line to exceed targets set by the end of the year. It was noted that a new 3 year target had been set to deliver 600 new affordable homes across the District. The reduction in the number of empty homes was also commended; this was the lowest figure in the District for 5 years and mention was also given to high performance relating to household and major planning applications, levels of satisfaction with children’s activities and the Elections and Food Hygiene teams. Members wished to thank all staff who had worked in these areas and contributed positively to the high levels of performance.

Cllr M Wilby gave mention to the success of the Community Action Fund (CAF) and the Member Ward Budgets (MWB), where large amounts had been committed or allocated in addition to the 43% already spent. Cllr M Edney, Chairman of the Tiffey Valley Neighbourhood Area referred to a project in the Tiffey Valley area where CAF and MWB funding had helped to attract additional funding of approximately £45,000.

Turning to the revenue budget position, members noted that the table detailed at paragraph 5.6 of the report did not contain information relating to quarter 2. A replacement table with up to date figures was tabled at the meeting.

Cllr Wheatley referred to the positive variance of £678,567 for April to September 2014 and the forecast of a revenue surplus of £1.5 million for 2014/15. Whilst this was a comfortable position for the Council to find itself in half way through the financial year, he warned of the need for a cautious approach over the remaining months of the year.

The Acting Director of Business Improvement explained in detail the position with regard to pay and non-pay areas. In response to a query from the Chairman, she agreed that there was a risk in relation to rating appeals, and she referred to the reduction in the valuation of the Police Head Quarters in Wymondham. Members noted
that this appeal had been backdated to April 2010 and would attract a refund of approximately £400,000.

**The Decision**

<table>
<thead>
<tr>
<th>RESOLVED:</th>
</tr>
</thead>
<tbody>
<tr>
<td>To:</td>
</tr>
<tr>
<td>a) Note the performance for quarter 2, 2014/15 and the combined efforts across the Directorates to deliver the vision of the Council.</td>
</tr>
<tr>
<td>b) Note the current position, particularly the organisational capacity, with regard to opportunities and risks and accepts the actions to support risk mitigation and opportunity development.</td>
</tr>
<tr>
<td>c) Note the revenue position and the reason for the variances on the General Fund and the forecast outturn.</td>
</tr>
</tbody>
</table>

**The Reasons for the Decision**

To ensure processes are in place to improve performance and that the management of risks are sound, and to ensure that reserves and revenue budgets are in place to meet the Council’s corporate objectives.

**Other Options Considered**

- None

**2330 CAPITAL AND TREASURY MANAGEMENT REPORT QUARTER 2 2014/15**

**The Subject of the Decision**

Members considered the report of the Accountancy Manager, which monitored capital expenditure for April to September 2014 against the amended capital programme as approved by Cabinet on 28 July 2014. The report also reviewed the treasury management activity during the first half of the financial year and reported on the prudential indicators as required by CIPFA’s Treasury Management Code of Practice.

Cllr G Wheatley presented the report, and explained that the reprogramming of the Ketteringham Depot and Leisure scheme was recommended, with funding being brought forward for more urgent schemes such as Cygnet House.

The Acting Director of Business Improvement summarised the position with regard to the Council’s significant capital schemes, drawing attention in particular to Cygnet House, IT Projects and Build Insight Ltd. She also highlighted the proposals for property procurement and the plans to retain 10 houses at Rosebery Park, Poringland, for private sector rental.

Some members questioned the proposals to retain houses for private rent, referring to the rates received through the Council’s current investment properties and the need to borrow capital in future. The Acting Director for Business Improvement acknowledged that the rate of return on residential rents would not be as high as commercial rent returns, but would compare favourably against cash investments, and she reminded members of the growing demand for good quality housing for rent, at market rates. The
Chairman added that this was an opportunity for the Council to diversify its investment portfolio, and explained that the properties would be designed in such a way to minimise future maintenance costs. With regard to Cygnet House, she advised that its demolition would commence in the fourth quarter of the financial year, and that the necessary steps would be taken to ensure that the site was secure and did not look unattractive.

In response to a query regarding Appendix C of the report, a summary of the return on investment properties, the Acting Director for Business Improvement reminded members that 9 Park Road, Diss, was to be sold as part of the Diss Heritage Triangle package, and has thus been removed from the investment list as there was no intention to let. She explained that this property was still shown as part of the Council’s stock, but not as part of the investment plan.

Referring to the plans to expand the Ketteringham Depot, the Director of Environment and Housing explained that negotiations with the Environment Agency were moving slowly, and the officers were beginning to consider alternative options in relation to the depot’s expansion. In response to a query concerning Green Deal Funding, he acknowledged that there had been various trials to launch the initiative. He welcomed the new investment and explained that the Council was contributing to the project through staff time, but was not providing additional funding.

The Decision

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>To note progress on the Capital Programme during the first half of 2014/15.</td>
</tr>
<tr>
<td>2.</td>
<td>To note that officers will utilise the property development procurement route which best delivers the outcomes required on an individual project basis without further reference to Cabinet, on the condition that contract award is in accordance with contract standing orders.</td>
</tr>
<tr>
<td>3.</td>
<td>To authorise the Director of Environment and Housing to enter into a memorandum of understanding on the operation of the green deal funding.</td>
</tr>
<tr>
<td>4.</td>
<td>To agree to:</td>
</tr>
<tr>
<td></td>
<td>a) Re-programme the capital schemes at Ketteringham and Leisure Provision into 2015/16 and bring forward £100,000 of funding from 2016/17 for Cygnet House.</td>
</tr>
<tr>
<td></td>
<td>b) Bring forward £138,000 to fund work on the IT servers</td>
</tr>
<tr>
<td>5.</td>
<td>TO RECOMMEND THAT COUNCIL:</td>
</tr>
<tr>
<td></td>
<td>a) Approves the 2014/15 prudential indicators for the quarter.</td>
</tr>
<tr>
<td></td>
<td>b) Notes the treasury activity in the quarter and that it complies with the agreed strategy.</td>
</tr>
<tr>
<td></td>
<td>c) Agrees to loan £200,000 to Build Insight Limited for working capital at a commercial rate of interest for a period of two years.</td>
</tr>
<tr>
<td></td>
<td>d) Agrees to retain the 10 houses identified in the report at Rosebery</td>
</tr>
</tbody>
</table>
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

2331 A11 GROWTH CORRIDOR PROJECT PROPOSAL

The subject of the decision

Members considered the report of the Funding Manager, which sought agreement from Cabinet for a project proposal to build upon the area’s sector strengths of engineering and advanced manufacturing, to develop a world class cluster along a 25 mile stretch of the A11.

The Director of Growth and Localism outlined the proposals, explaining that the project aimed to create thousands of high skilled jobs by bringing forward employment land, delivering a branded campaign to attract new businesses and investment to the area, and to provide business support to grow existing businesses. Working in partnership with Breckland District Council, would help to secure external funding and the necessary resource from other stakeholders to deliver the project. He drew members’ attention to the proposed feasibility study and the Memorandum of Understanding required to enable the joint working arrangements.

Cllr M Gray expressed his support for the proposals but was concerned at plans to simplify the planning system using Local Development Orders (LDOs), and the impact this would have on managing environmental implications. The Chairman assured members that LDO Orders could include detailed requirements, such as those referring to environmental implications.

Referring to paragraph 1.5, Cllr K Weeks expressed concerns relating to the adoption of alternative governance arrangements whereby businesses operating within the area could be given greater powers to influence decision making. The Director of Growth and Localism reminded members that the majority of Board members on the LEP were from the private sector and he referred to the current governance arrangements of the Greater Norwich Growth Board.

Cllr Weeks also referred to the impact of the project on current Community Infrastructure Levy (CIL) arrangements. The Director of Growth and Localism acknowledged that there would be an impact, however reminded members that the Council would benefit from development in the Breckland area. He reminded members that CIL monies was only one source of funding to deliver infrastructure.
Cllr M Edney referred to the quality of Broadband connection in some areas, suggesting that this area of development needed to be given some priority.

The Decision

RESOLVED:

1. To approve the A11 Growth Corridor Phase One project proposal including the delivery approach and timelines, recognising that Phases Two and Three will be specified in the light of the Phase One findings.

2. To authorise the Director of Growth and Localism to sign the Memorandum of Understanding between South Norfolk Council and Breckland Council to enable the necessary joint working arrangements to be put in place to deliver this project.

The Reasons for the Decision
To support the Council’s commitment to delivering economic growth for the benefit of South Norfolk residents and businesses.

Other Options Considered

- To continue with a market led approach
- South Norfolk Council to work on its own or in partnership with other Local Authorities.

2332 COMMUNITY GRANT SCHEMES

The subject of the decision

Cllr M Wilby introduced the report which updated Cabinet on the current progress on the Community Grant Schemes, incorporating recommendations from the Growth and Localism Committee on how the scheme might be further developed. He outlined the proposals to terminate the Neighbourhood Fund and to reallocate all the remaining funding within the Community Action Fund (CAF), ensuring members that the process would be managed in such a way as to ensure a smooth transition. He drew particular attention to plans to modify the Ground Rules for the CAF, to allow for funding less than £2,000 to be allocated.

Members referred to a number of projects that had received funding through the CAF, and it was concluded that the fund had been very successful, resulting in quick benefits to local communities.

During discussion, Cllr B McClenning asked whether consideration had been given to increasing the level of Member Ward Budgets. In response, Cllr Wilby explained that this had been discussed at the recent meeting of the Growth and Localism Committee, but it was felt that this should not be increased at this time. He stressed that all members could benefit from the increase in the CAF.

Cllr M Gray expressed concern that the information supplied in some CAF applications was not adequate and that he had not always been made aware of applications for the CAF that affected his ward. Cllr Wilby explained that successful applicants needed to
adhere to clear criteria. Cllr Edney, as Chairman of the Tiffey Valley Neighbourhood Area, suggested that all Chairman needed to give adequate scrutiny to all applications and that he always ensured that members with wards in the area were able to comment on applications, if they wished. The Chairman stressed that the Chairmen of the Neighbourhood areas and local members, must accept accountability when considering and taking decisions on applications.

The Decision

RESOLVED: To agree to close the Neighbourhood Fund, subject to the transitional approach outlined in paragraph 3.1 of the report.

The Reasons for the Decision
To ensure the community grant schemes are simple to apply for and to administer, whilst delivering positive benefits to communities in the District.

Other Options Considered

- To retain the Neighbourhood Fund

2333 RECOMMENDATIONS FROM THE SCRUTINY COMMITTEE

The subject of the decision

Members considered the report of the Scrutiny Officer, which detailed recommendations from the Scrutiny Committee, regarding the South Norfolk Market Towns’ Initiative.

Cllr M Wilby explained that the Scrutiny Committee had considered a report on the South Norfolk Market Towns’ Initiative at its meeting on 1 October 2014. The Committee had welcomed the progress that had been made, and he made reference to the toilets in Loddon and Harleston, the signage in Wymondham and the positive feedback received from shop keepers in the towns. The Scrutiny Committee had been particularly pleased at the decision to appoint a Market Town’s Co-ordinator.

Cllr M Dewsbury, the Chairman of the Scrutiny Committee, agreed that there had been positive news to report, however, some areas for improvement had also been identified. Some members of the Town Teams had been present at the meeting and it was evident that although progress was very positive in Harleston, other teams had been struggling in some areas. The Committee had felt that much could be gained from regular meetings between all Town Teams and Council officers and had suggested that a conference be arranged to allow teams to share experiences.

The Director confirmed that the Market Towns Co-ordinator was to be appointed that week, and members wished to record their thanks to Sophie Scott, the Marketing and Engagement Manager for her work on the project.

The Decision
RESOLVED: To endorse the recommendations of the Scrutiny Committee.

The Reasons for the Decision

To ensure that each of the Town Teams can learn from the positive experiences of others.

Other Options Considered

- None

2334 CABINET CORE AGENDA

Members noted the latest version of the Cabinet Core Agenda.

2335 EXCLUSION OF THE 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).

2336 INTERNAL AUDIT CONTRACT AWARD

The subject of the decision

Members considered the exempt report of the Internal Audit Consortium Manager, regarding the award of the Internal Audit Contract.

The Acting Director of Business Improvement outlined the salient points of the report to members. Members were pleased that members of the consortium had chosen to remain with the current delivery model for Interface Services and felt this was recognition of the skill and organisation of staff at South Norfolk Council.

The Decision

RESOLVED: To approve the award of the Internal Audit Service Contract, as outlined in paragraph 9 of the report.

The Reasons for the Decision

To ensure an efficient and quality audit service.
Other Options Considered

- To purchase the service through the ESPO framework.

(The meeting concluded at 10.50 am)

_________________________
Chairman