NORWICH
City Council

MINUTES

Scrutiny Committee

17:05 to 19:20 **1 February 2024**

Present:	Councillors Ackroyd (chair), Thomas (Va) (vice-chair), Carrington, Champion, Driver, Fox, Galvin, Oliver (substitute for Davis), Osborn, Padda, Prinsley and (Thomas (Vi).
Apologies:	Councillor Davis
Also Present:	Councillors Kendrick and Stonard

1. Declarations of interest

There were no declarations of interest.

2. The council's provisional 2024/25 budget and medium-term financial strategy

(The chair took this item early.)

Councillor Kendrick, cabinet member for resources introduced the report. He emphasised the difficult financial position facing local government, with a number of councils issuing S114 notices. He was pleased to be able to present a budget which was balanced without significant cuts to services or the use of the council's reserves. He thanked the finance team for their excellent work and advised he was happy to take committee's questions.

The Interim Chief Finance Officer provided a presentation, available here, on the council's provisional 2024/25 budget and the medium-term financial strategy (MTFS). He highlighted that the MTFS had been extended from 2026/27 to 2028/29. He advised that the MTFS still included a budget gap that still had to be closed for the later years of the plan, this was due to the fact that there were no Spending Review figures available to guide what government support for councils would be going forward. Therefore, coming up with robust figures was extremely difficult.

He considered that it was not appropriate to make assumptions on figures until it was known what would be allocated to local authorities. There was a spending review scheduled for 2024 and when it was understood what was available the figures would be reviewed.

The Interim Chief Finance Officer introduced each section of the report in turn and took member questions at the end of each section.

Section 1: Local Government Finance – Economic & Statutory Context

The presentation had provided the context, he emphasised that the council were operating in a high inflation environment with little certainty about future funding. The funding which had been provided was expressed as a percentage of the council's Core Spending Power and represented a 4.7% increase which was below the average of all local authorities at 9%. As an authority this was a challenging settlement.

In response to a member question regarding uncertainty in relation to robust financial planning in the medium term the Interim Chief Finance Officer (CFO) advised that local authority funding was allocated by government via formula which had not been reviewed since 2013 and following the setting of resource through the spending review. This was a rolling three year process, and the last year where there was clarity of funding figures was 2024/25 and this therefore impacted on MTFS planning.

Section 2: General Fund – MTFS and 2024/25 Budget

There was no basis to use to provide a projection for financial planning after 2024/25, added to this there will be a general election and it was unclear what the future position of local authority funding would be under a 'new' government. It was recognised that the current funding formula used by government was unfair and irrational and needed overhauling. There was an expectation that this would be addressed and would change availability of resources too. There could also be a change to the business rate retention scheme. All these factors impacted on the ability to provide robust financial projections.

Members expressed concern in relation to the lack of clarity over government funding for local authorities and asked if it was possible to make an educated guess in relation to funding scenarios and questioned what other local authorities were doing. Should they be worried about the robustness of the budget after 2025/26.

The CFO advised that once the comprehensive spending review figures were available in 2024 it would provide an indication of what the overall spending plans would be and whilst it would not say what the share for local government would be it would provide enough information to enable estimates to be made. The figures from the last government allocation could be rolled forward and used to project the budget post 2025/26 but it was clear that the allocation going forward would be different. Whilst it was a bleak picture the CFO did not consider that it indicated that the country was on the cliff edge of financial disaster. There would be a clearer picture of government priorities post the 2024 general election.

A member expressed concern that the council might be penalised for holding healthy reserves and that those councils who had spent their reserves would receive a greater allocation of funding from government. The CFO reassured committee that this would not be the case, those councils that had issued S114 notices would borrow money to finance their expenditure but it would have to be repaid. This was mainly achieved through the sale of council assets and government capitalisation directions simply provided breathing space to enable this to happen.

Councillor Stonard, the leader of the council referred to government criticism of councils that held significant reserves and government suggestion that these should be used to meet budget shortfalls. He asked if government could force councils to spend their reserves. The CFO responded no, only in the case that the government put in commissioners at a council taking its decision making powers away.

The CFO advised that he was not concerned that the council were holding unnecessary level of reserves. The council's earmarked reserves which were allocated for specific purposes. In terms of the general fund and housing revenue account balances, every year the CFO conducted an assessment of what the prudent minimum level of reserves should be. In response to a member question on non earmarked reserves, the CFO advised that the general fund reserve was £8.2m and the prudent minimum level was assessed at £5.4m.

In response to a member question in relation to Future Shape Norwich (FSN), the CFO advised that the FSN programme was introduced a couple of years ago to deliver a large raft of savings. It was a programme supporting delivery of the MTFS savings that members had agreed. The purpose of FSN was to monitor the delivery of savings and to provide challenge and take action if slippage was observed.

He emphasised that of the £5.5m savings target identified as needed this year (2023/24) 93% had been delivered. Councillor Stonard, leader of the council noted that this was an exceptional achievement and in response to committee's request for more information advised that a member briefing on FSN could be provided.

A member asked how the budget process linked to the corporate plan process and what linked the corporate plan consultation process and that of the budget and what external companies were used to assist in the process. The CFO advised that the budget and corporate plan were two sides of the same coin. Inner Circle and Collaborate were the companies used, they worked as one organisation on the corporate plan and conducted the engagement work.

In terms of the budget consultation, this was on the high level numbers contained in the budget report. Rather than dividing the savings across the council an approach of identifying five themes to address was used and consultees asked if this was the right approach. The corporate plan once agreed and applied would influence the budget going forward. The CFO noted that it was counterintuitive to ask for savings from a team which was then identified as a priority within the corporate plan. Significant capital programme schemes would also support the investment in priorities once known.

In response to a member question regarding how much had been spent on external companies as part of the consultation process the CFO advised he did not have these figures to hand but could provide outside of the meeting.

The CFO took members through the budget recommendations in relation to the general fund. In reference to the recommendation to increase council tax by 2.99% he noted that 60% of Norwich's residents lived in band A and B properties.In terms of the earlier introduction of the long term empty council tax rate the recommendation was to charge this after a property had been empty for one year rather than two.

In response to a member question the CFO advised that the change in council tax regulations in relation to the second homes had been expected. It was for an authority to decide whether to implement the change and following a council resolution a one year notice period was required to be given meaning this could not be introduced prior to 2025. He considered that most authorities would chose to introduce the change, the leader of the council advised he had been at a meeting of Norfolk's Leaders and Chief Executives and that North Norfolk, Great Yarmouth and Breckland district councils were all planning to implement the change but South Norfolk had chosen not to.

In response to a member question the CFO advised the aim of introducing the long term empty council tax rate was to provide an incentive to bring empty properties back into use.

In response to a member question on the budget consultation the CFO advised the aim was to seek the views of residents which was good practice. The regulations merely stipulated that the council had to consult with business rates payers. The member asked if respondents agreed with the approach the council were taking and if they considered the council tax increase reasonable. The CFO commented that whilst it would be expected that people would vote against a tax increase, it was clear that if the rationale was explained people responded to that.

A member asked what the effect of new housing in the city would have on the council tax base. The CFO advised that growth was projected in the figures and whilst nutrient neutrality had significantly impacted upon new building, a 0.8% growth in the tax base was assumed. It was hoped that it would be more but the nature of the demographic profile of the city had to be considered for example its large student population.

Members explored how the council conducted consultations, asking how consultations were designed, what was done with the data and how much they costed to undertake. Members expressed disappointment at the low response rate the budget consultation had garnered, with 281 responses it represented 0.2% of city residents and there were no responses from individuals identifying as BAME. A member commented that it was incumbent upon members to take account of consultation responses and asked how the low response rate would impact upon the weight given to the responses. The member asked the leader of the council what he had picked out of the responses and how cabinet would use the consultation responses.

Councillor Stonard, the leader of the council reminded committee that the budget was agreed by all members of the council and urged all members to note the consultation responses. He agreed that the response rate was disappointing and advised that cabinet would welcome the scrutiny committee looking at the council's consultation process. The Chief Executive Officer advised that the organisation would be reviewing its approach to how it conversed with residents and a start had been made with the corporate plan consultation. She advised that she welcomed the committee considering consultations as part of its work programme in the new civic year.

Section 3: Housing Revenue Account 2024/25 Budget

The CFO referred to the recommendation to increase rents in line with the government's rent setting standard. He noted that the Housing Revenue Account

(HRA) was funded from rents and had been detrimentally affected by the rent reduction regulations from previous years. It was necessary to increase rents to fund the HRA which paid for stock condition improvements, new builds and retrofitting.

A member referred to agenda page 70, paragraph 27 which noted that investment of £321m was estimated as required to reach Energy Performance Certification (EPC) level C by 2030 and net zero carbon emissions by 2050. He asked if this was the expected cost of the works or the amount available to spend. The Senior Finance Business Partner advised that the figure was an update on the previous estimate of £290m and it was an estimate of what the work was expected to cost and not what was available.

In relation to agenda page 70, paragraph 31 which noted £53m had been assigned to improve energy efficiency and carbon reduction measures the Chief Executive Officer confirmed that this figured was allocated in the 5 year investment programme and was expected to be spent by 2029.

Members discussed service charges, as detailed in the table on agenda page 80 the Senior Finance Business Partner explained that the sums for what was expected to be achieved from service charges did not indicate what the increase to tenants would be. The charge was considered and determined for each site. In relation to the figures for Special Services which showed a decrease from the year 2023/24 to 2024/25 this was a service provided to a section of tenants and income was expected to reduce due to an increase in fuel costs.

In reference to the line in the figures on General Management this denoted all other costs not listed, such as staff costs and cleaning, this had increased and was not due to inflationary pressures alone. A member advised that it was still listed in service charges that tenants paid £1 a month to have their windows cleaned but that this was a service that was no longer provided. He asked why this was still being paid, the Chief Executive Officer advised that she was look into the matter and respond outside of the meeting.

A member asked in reference to the Growth Proposals contained in the budget how these had been selected. The CFO advised that when the finance team were putting the budget together a number of pressures were identified. For example postage was included as a growth proposal, there had been several price increases to postage over the last year. Whilst the organisation was always looking to reduce its use of postage there remained the need to post out some correspondence. Health and Safety had been included as a growth proposal upon recommendation from the council's Health and Safety Board as a range of issues were required to be addressed urgently.

The growth proposals were selected to avoid budget failures and to address identified issues. East Norwich a further growth proposal was included as the council were keen to engage in the development of the site. It was a significant scheme with a number of partners onboard and was at the stage where investment was required. The Chief Executive Officer advised the growth proposals were made in areas where pressures were known to exist. Once the corporate plan was applied, it was proposed to look across the organisation to reshape and realign the budget and resources as agreed in the corporate plan.

Section 4: Capital and Commercial Strategy including Capital Programme

The CFO advised that very little capital funding had been added to the budget, for the year 2024/25 and that which had related to S106, Town's Fund and Levelling Up payments. He referred to the table on agenda page detailing the capital programme and noted that it was still significant programme and referred to proposed funding as detailed on agenda pages 94 and 95.

In reference to the HRA, capital expenditure paid for new builds and or the capital enhancement of the council's housing stock such as retrofitting and kitchen and bathroom upgrades. In terms of the General Fund capital programme the council were at the back end of the Town's Fund investment, there was significant investment in parks and open spaces, the replacement of the waste collection fleet was scheduled for later in the programme and there was substantial investment in digitalisation planned.

In response to a member question on funding streams and working with partners the CFO advised that the council received S106, Community Infrastructure Levy (CIL), Towns Fund and Levelling Up funding. There was £7.5m initial grant funding from the Levelling Up fund included in the programme.

A member asked why the budget contained no reference to NCSL whilst Lion Homes was referenced. The CFO advised agenda page 85, paragraph 4.20 referred to the outstanding capital loans owed by the company to the council. The Interim Head of Finance advised that Lion Homes was included in this section of the budget because it was a significant driver of capital loans. Members expressed a desire to see a section on NCSL included in the budget papers.

Section 5: Treasury Management Strategy 2024/25

The CFO explained that it was a statutory requirement to have a Treasury Management Strategy which detailed how the council's day to day cash flow was managed. He referred to the Treasury Management Committee which focussed on treasury management performance and the operation of the strategy. He noted that there were a number of synergies between this and the previous section of the budget in that the Treasury Management Strategy guided the council's borrowing to fund its capital programme.

Section 6: Chief Finance Officer's Statement

The CFO advised that the CFO's Statement was a statutory statement as required by S25 of the Local Government Act. The statement required the CFO to report on the robustness of the budget estimates and whether there were adequate reserves proposed to cover the prudent minimum. A member commented that the statement set the overall context of the budget and should be placed earlier in the report.

There were no comments or questions made on Sections 7 and 8.

Following discussion it was:

RESOLVED to ask cabinet to:

1) Remove the requirement to register to access Get Talking Norwich and add the demographic profiling questions into the main questions;

2) Ensure consultations include a clear statement of intent, which explains how the results and data collected will be used;

3) Ensure that consultees are responded to once the consultation has closed and summarise the changes which have been made as a result of consultation responses;

4) Include consultations in the Equality, Diversity and Inclusion Strategy to ensure that the sample response is representative of the population of the city;

5) Provide a clear logic map which links the budget and corporate plan consultations;

6) Avoid the use of leading questions in consultations;

7) Ensure consultations are mindful of and mitigate against digital exclusion and literacy rates;

8) Consider the use of a more deliberative process to inform the decision making process;

9) Communicate how the council is spending its money to the public;

10) Provide a briefing to members of the council on the Future Shape Norwich project;

11) Include a section on NCSL in the budget papers.

3. Corporate Plan 2024-2029

The chair advised that the corporate plan would be considered at an extraordinary meeting of scrutiny committee which would be scheduled prior to cabinet on 6 March 2024 in order that the committee's recommendations could go forward for consideration.

Members discussed the late presentation of reports and commented that reports should include outcome metrics, how could performance be measured if there were no metrics included within reports. The Chief Executive Officer reassured committee that the comments they had raised at their last meeting in reference to reports had been feedback to her and considered by the Senior Leadership Team.

RESOLVED to note the update on the Corporate Plan.

CHAIR

NORWICH City Council

MINUTES

Scrutiny Committee

16:30 to 18:35 **29 February 2024**

Present: Councillors Ackroyd (chair), Thomas (Va) (vice-chair), Carrington, Champion, Davis, Driver, Fox, Galvin, Osborn, Padda, Prinsley and (Thomas (Vi).

Also Present: Councillors Kendrick and Stonard

1) Declarations of interest

There were no declarations of interest.

2) The draft Corporate Plan 2024-2029

Councillor Stonard, leader of the council introduced the item. The Corporate Plan presented a vision for Norwich to be a fair and thriving city full of ambition. The council consulted more widely that ever before on the draft plan, to develop a plan which responded to the aspirations of the people of Norwich and inspired the collaborative working which would be needed for its delivery. Councillor Stonard expressed his thanks to partners, residents and officers for their engagement in the process.

People surveyed said relayed that they had a great pride in Norwich but also that there were significant challenges to be addressed. This feedback in tandem with the wealth of information held by the council had been used to develop the Corporate Plan, a community led plan “We are Norwich”. The plan outlined the council’s new priorities, why these had been chosen and detailed what success would look like.

The next stage of the process would be to conduct more detailed work, setting out how the plan would deliver for the city and how the city could hold the council to account through the use of a clear action plan and new performance framework. All stakeholders would be reengaged with as part of this next stage. He was clear that the ambitions for the city could not be achieved in isolation and the council would need to employ its advocacy powers to achieve change in areas where outcomes were outside of its control.

He hoped that the resulting plan was clear and welcomed member’s feedback.

The Strategy Manager provided a presentation available here and responded to member questions.

The chair referred to an email circulated by a member from Inclusive Norwich in response to the Corporate Plan consultation process and recommended the member meet with the Strategy Manager and the Head of Strategy, Engagement and Culture outside of the meeting to discuss. The Strategy Manager emphasised that the development of the Corporate Plan was an iterative process and that there would be a process of reengagement with stakeholders as part of the business planning stage.

A member referred to figures for social mobility contained in the report noting that Norwich was in the bottom 10% nationally and asked if there had been an analysis of the success of the goals from the previous Corporate Plan.

A member asked how the voices of the most marginalised were included in the consultation and in particular if any young people had been spoken to directly. The Strategy Manager advised that as part of the on street engagement process young people were spoken to. He advised that the Mancroft Advice Project, an advocacy agency working with young people in the city considered that the views of young people would not have changed since the work undertaken to inform the City Vision.

The report highlighted that young people and other consultees reported experiencing consultation fatigue and the Strategy Manager advised this related to respondents believing that no action was taken after they were consulted. It was hoped that by codesigning solutions with partners and communities, including young people that the process of engagement itself would excite input.

A member noted that there were potential challenges to setting out the Corporate Plan for a significant length of time and asked what would prompt a further review. The Chief Executive Officer advised that there would be a rolling review process at least annually and the plan was designed to be flexible to respond to changing priorities as they emerged.

A member commented that there was only a passing reference to heritage in the new Corporate Plan and asked if there was a reason for not emphasising this. The Strategy Manager advised that the significant value of heritage to Norwich was recognised and the priority Prosperous Norwich talked about the offer to the nation in terms of tourism. The plan was based on the concerns raised as part of the consultation process and heritage was remarked on in terms of the fact it was enjoyed and could be shared better. The Chief Executive Officer referred to the statutory responsibility that the council had in terms of the conservation of the city and advised whilst not expressly mentioned in the plan this was a role the council continued to do.

A member noted that the plan referred to incorporating the views of young people in terms of who they would be in the future and noted that it was important to recognise and value them for who they were now. Further he flagged up that there was no specific mention of higher education establishments in the city and given that students were 10% of the Norwich population considered this should be addressed. In response to a member question the Strategy Manager advised that artificial intelligence was incorporated into the consideration for the plan.

In response to a member question, the Strategy Manager advised that it was best practice not to require demographic information for respondents as it deterred people from responding. There had been an option to provide this for respondents of the Corporate Plan but so few respondents had chosen to provide their demographic profiling data that the response was not indicative. He advised that the consultation had included a wide range of diverse partners and as council data was incorporated into the plan it would ensure that it was representative of all communities.

A member asked why the Corporate Plan was being changed now when the current plan ran until 2026, was it that the identified priorities of that plan had been achieved and if so how was that evidenced. What review had been completed on the previous Corporate Plan priorities on whether they had been achieved or not. He noted that the previous Corporate Plan referred to early intervention work and work to help residents experiencing domestic abuse, hate crime and asked how this would be addressed going forward.

The Chief Executive Officer advised that it was considered that there had been significant changes since the previous Corporate Plan had been developed and approved. The council wanted to conduct a big piece of engagement work with the city post covid and the economic shocks which had been experienced. The Senior Strategy Officer advised that a statutory review of the Corporate Plan was conducted annually and the review published.

She noted that the council had a wealth of existing data on areas such as deprivation and social mobility and all this information was shared with researchers to be incorporated into the Corporate Plan. The information from the previous Corporate Plan, Equality, Diversity and Inclusion Strategy data, impact analysis of the Financial Inclusion Consortium, sat alongside the consultation feedback and was used to develop the plan.

She highlighted that the Norwich Health and Wellbeing Partnership was in place since the development of the last Corporate Plan and this forum picked up a number of key themes such as social mobility. In terms of the other points relating to domestic abuse, early intervention work this was referred to as community safety within the plan and more detail would be added as part of the business planning process stage.

A member referred to areas outside of the sphere of influence of the city council such as education, transport and public realm and asked what mechanisms or frameworks were in place for collaboration in these areas. The Strategy Manager advised that the plan sought to respond to the concerns raised by the people of Norwich. Networks which existed were the City Vision Partnership, the Norwich Health and Wellbeing Partnership and the Financial Inclusion Consortium and the networks which ran out of County Hall. The Chief Executive Officer referred to the peer review which had been conducted and highlighted the need for the council to work more effectively with its partners.

In response to a member question the Chief Executive Officer advised that round table discussions had been held with key stakeholders such as the Business Improvement District and the chamber of commerce and top of the agenda had been the need to work across partnerships.

The Strategy Manager advised that the Corporate Plan was the starting point and that the business planning process would build on this. The Fairer Norwich Theme in the Equality, Diversity and Inclusion Action Plan would address one of the key plan priorities (Fairer City) as would the Environmental Strategy in terms of climate responsiveness. The business planning process would align with the budget setting process annually. The Chief Executive Officer advised that a new performance framework would ensure that the correct measures were identified and progress against them mapped.

In response to a member question on how employers were engaged with, and employment opportunities brought to the city. The Interim Executive Director of Major Projects referred to the Greater Norwich Local Plan which identified future sites for housing and employment in the area. He highlighted the East Norwich Masterplan which hoped to deliver 3,500 homes and 4,200 jobs, the council were working with the landowners for the East Norwich site and other public sector agencies to progress the project.

A member asked if there was enough resource to ensure that council housing reached net zero by 2045. The Chief Executive Officer advised that there was money set aside for the works in the HRA business plan, and the ambition to do them as soon as feasibly possible. There would be challenges that would be encountered in terms of supply chain, skills and expertise issues. However, it was in the business plan and was expected to be an area which would be focussed on as a priority.

A member asked what officers had learnt that surprised them and what they had changed as part of the new corporate planning process. The Strategy Manager reflected that he was surprised that people had not highlighted Climate Change as a priority. It had been highlighted by councillors and partners but not by people on the street. When analysed it was considered this was because people were concerned with the immediate situation in terms of the ongoing cost of living crisis.

The Chief Executive Officer commented that what she had clearly picked up on was that people wanted the council to hear their views and demonstrate a change to show they had been listened to. The Senior Strategy Officer advised that the process had reinforced what she thought that people loved Norwich and really wanted to work with the council.

A member referred to the forum as a great public space and asked if any engagement had been conducted at the location as it was used by a diverse range of communities. The Senior Strategy Officer advised that on street engagement was conducted at the forum with researchers attending for two half days over different days. She noted that the strategy was to piggy back on other events which were already drawing in footfall.

In response to a member question the Chief Executive Officer advised that the consultation on the Corporate Plan was front ended and the new plan would be emailed out to all involved in the consultation process. She emphasised the iterative nature of the process and highlighted that feedback would be incorporated into the business planning stage.

A member referred to the development of the Corporate Plan being data led and asked to see the data which showed that the previous Corporate Plan priorities had been met. He commented that domestic abuse and hate crime should be included as a priority in the new plan. In response the Chief Executive Officer advised that achievements against the previous Corporate Plan were reviewed in the summer and would be reviewed again this summer and reflected into the business planning process.

In response to a member question the Senior Strategy Officer advised that as part of the City Vision work a partner mapping exercise was being conducted. The State of Norwich, the dashboard used to measure how the city was fairing would also be reviewed with City Vision partners to ensure it was accurately telling the story of Norwich. As part of that exercise the voices of those with lived experience and different communities would be captured. The Chief Executive Officer advised that the Corporate Plan was not monitored on the council's risk register but via corporate performance measures.

Members considered which recommendations to propose and following debate it was:

RESOLVED to ask cabinet to:

1) Involve scrutiny committee in the development of the business planning process for the Corporate Plan and the associated corporate performance framework;
2) Conduct a consultation on the Corporate Plan with young people in primary and high schools;
3) Ensure that the Corporate Plan commits to provision of access to services for those individuals who do not have digital knowledge or access;
4) Explore ways to better capture demographic data to ensure that all appropriate communities have been consulted with without deterring people from responding; and
5) Add a section into the Corporate Plan that the Council will commit to create more posts that work with the community and more posts which will see people face to face.

3) Funding Approval for Three Carbon Reduction Projects

The Interim Head of Finance presented the report, it incorporated three items, representing net zero sustainability opportunities for the council. Due to the timing of the pre election period, authority was being sought now to progress the projects. The first involved an application the council had made to the Social Housing Decarbonisation Fund, (SHDF) a decision on which was expected imminently. If successful, authority was requested to accept funding of the grant, agree match funding and sign a memorandum of understanding.

The second related to a successful grant which had been received to install solar panels at Riverside Leisure Centre which also required a proportion of funding from the council and would result in £25,000 net savings being added to the Medium Term Financial Programme. The last asked for funding for feasibility work in relation to Heat Networks and was aimed at ensuring the council were best placed to apply for any available grant funding. He concluded by emphasising that the recommendations aimed to address the council's priorities in relation to Climate Change and its net zero aspirations.

In response to a member question the Carbon Management Programme Coordinator advised that it was central government policy that all housing not just social housing be brought up to Energy Performance Certificate (EPC) level C which for some housing would involve fabric improvement works such as insulation. Residents could find out the EPC of their property by searching the government register here which also provided recommendations on how to increase the EPC rating.

A member referred to a previous project, ECO4 which provided assistance to low income home owners to install insulation measures and commented that the project had a poor reputation. The provider had contracted out the works as the skills and infrastructure were not available in Norwich which had led to poor communication with customers. How would the SHDF project avoid making the same errors. The Carbon Management Programme Coordinator advised that a local principal contractor would be sought to deliver the project.

In response to a member question the Interim Head of Finance clarified the figures on the solar panel project, the installation would save £53,000 per year on energy costs and £25,000 was the net gain after factoring in the annual repayments on borrowing £375,000 to deliver the project.

A member asked why the proposals did not include decarbonising heat, the Carbon Management Programme Coordinator advised that if heat pumps were installed in properties without insulation measures being installed first, residents would see an increase in their bills.

In response to a member question the Chief Executive Officer confirmed that there was funding agreed in the recent budget to support some capacity within the housing team to undertake grant funded work.

RESOLVED to note the report Funding Approval for Three Carbon Reduction Projects.

(Councillor Prinsley left the meeting at this point.)

4) Assets (Non-Housing) 5 Year Plan

Councillor Kendrick, the cabinet member for resources introduced the report, he supported the philosophy behind the plan and noted that the successful management of assets was fundamental to the financial security of the council.

The Head of Property and Economic Development referred to the Strategic Asset Management Framework which had been agreed by the council in 2022. Good progress had been made against the framework and it was considered to be a good time to revisit and update the action plan. It was determined that greater data on the asset portfolio was needed in particular in relation to the income earning portfolio and the revised plan would link the income earning assets to the Medium Term Financial Plan.

A surveying firm had been appointed and conducted a review of the portfolio of assets, to determine if the council were investing appropriately and had a clear plan in place in terms of the investment required for the assets it proposed to retain. The surveyor's findings were contained in the report and the Head of Property and Economic Development highlighted the finding that the council gained 80% of its income from

23% of its assets. One of the proposals was to reduce the number of assets retained to a smaller more manageable number and a small number of assets were being recommended for disposal.

The revised plan would ensure a sustainable future revenue stream, delivery would be monitored by the Asset and Development Board and six monthly updates would be provided to members. In terms of financial implications, the disposal of assets would bring in capital receipts and would reduce the council's capital liability but would reduce its income base, this could be offset by Treasury Management activity.

A member asked a question in relation to ongoing consultancy costs and the Head of Property and Economic Development advised that consultant support would be needed to provide data on some assets for example to provide local knowledge for rent reviews if they were out of area.

In response to a member question the Head of Property and Economic Development advised that the aim of the business case referred to in the report was to get to the stage of bringing a report to members for consideration.

RESOLVED to ask cabinet to provide the minutes of the Future Shape Norwich Board meeting which approved the business case for the Assets Five Year Plan.

5) Development Site Pipeline

The Development Strategy Manager presented the report. He referred to the cabinet report on the Development Site Pipeline from December 2002 which had endorsed further feasibility works on sites which had now been conducted. Of the original 15 sites, six had been identified as priorities, three for disposal, one for land assembly before consideration for disposal and two sites for further feasibility for the council to commercially develop. An additional site not part of the 15 was also identified for disposal. Of the remaining nine sites, funding for further feasibility work was being sought and the sites would return to cabinet for consideration after this.

Delegated authority was sought to move forward over the next three months especially in relation to the recommended disposals.

RESOLVED to note the report Development Site Pipeline.

6) Items for the meeting on 21 March 2024

The committee officer advised that officers scheduled to bring forward the Biodiversity Strategy item on the work programme for 21 March had requested that the item be deferred to the new civic year. If members agreed the proposed deferral there would be space at the meeting to bring forward the outstanding item on the LOVE Norwich Review.

RESOLVED to:

1) agree to defer consideration of the item on the Biodiversity Strategy to the next civic year; and

2) schedule the LOVE Norwich Review for the meeting on 21 March 2024.

7) Exclusion of the public

RESOLVED to exclude the public from the meeting during consideration of items *8 and *9 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

*8) Assets (Non-Housing) 5 Year Plan – Exempt appendix (Para 3)

This item was noted under item 4 above.

*9) Development Site Pipeline – Exempt appendix (Para 3)

The Development Strategy Manager advised members that if a discontinuation of existing stock was considered then residents and councillors would be consulted. In terms of how councillors could propose sites their input was welcomed.

RESOLVED to note the exempt appendix.

CHAIR