



**Cabinet**

**17.30 – 19:00**

**17 November 2021**

**Present:** Councillors Waters (chair), Harris (vice chair), Hampton, Jones, Kendrick, Oliver, Packer and Stonard

**Apologies:** Councillor Davis

**Also present:** Councillors Bogelein and Wright

**1. Declarations of interest**

Councillor Harris declared an other interest in item 4 below as the council's appointee to the Broads Authority and a non-pecuniary interest in item 5 below as a director of Norwich Norse Building Limited.

**2. Public Questions/Petitions**

There were no public questions or petitions.

**3. Minutes**

Councillor Harris proposed an amendment to the minutes, on item 9 the first sentence of the second paragraph should read:

Work would be undertaken to replace the temporary gas powered plantroom with a water source heat pump system which was thought to be more efficient than ground or air source pumps.

**RESOLVED** to agree the accuracy of the minutes of the meeting held on 13 October 2021 as amended.

**4. East Norwich Masterplan stage 1**

Councillor Stonard, cabinet member for inclusive and sustainable growth, presented the report. The availability of the Deal, Utilities and Carrow Works sites represented a once in a generation opportunity to regenerate the East Norwich quarter of the city, the wider area and region. Cabinet considered a report at its June 2020 meeting which highlighted the opportunities presented by the vacation of the Carrow Works site by Unilever to act as a catalyst to regenerate the other vacant sites. At that meeting, cabinet approved the terms of reference of the East Norwich Partnership to steer the development of a masterplan.

Stage 1 of the Masterplan was completed and approval of that stage and permission to move to Stage 2 was being sought, with funding already committed. A masterplan was necessary in part to support the emerging Greater Norwich Local Plan. The draft plan identified the East Norwich Strategic Regeneration Area and allocated the area as a residential led mixed use development, to include up to 4,000 new homes. The masterplan brief also included the provision of a Supplementary Planning document for East Norwich.

Councillor Stonard noted that the Sustainable Development Panel (SDP) had considered the report at its meeting on 9 November 2021 and recommended it to cabinet subject to noting that the panel:

- (a) considers that there should be further engagement with the Environment Agency in relation to flood risk in the context of climate change, using the indicative proposed layout as set out in the masterplan based on existing flood risk;
- (b) welcomes the provision of community infrastructure for schools, health facilities and public transport but seeks assurance that there will be further consideration at the development stage to ensure that this infrastructure is provided.

Councillor Stonard confirmed that Stage 1 of the masterplan was a high level document, based on the partnership's preferred option and provided a clear understanding of the strategic infrastructure needs, abnormal costs and the impact of these on the deliverability and viability of the scheme. Stage 2 of the masterplan would consider the infrastructure delivery plan and a revised strategic viability assessment.

The East Norwich Partnership was a partnership led by Norwich City Council, chaired by Councillor Stonard with the purpose of steering the development of a deliverable masterplan. The budget was provided in part via Town Deal's funds, contributions from landowners of the sites and seed money from other partners.

Two public consultations had already taken place. The first incorporated one on one sessions with leading stakeholders, neighbouring landowners, community workshops, public drop ins and member briefings detailing the process. The second, another public event, responded to the comments from the first public consultation.

The masterplan consultants had identified three strategic objectives for East Norwich; celebrating the waterfront, connecting the city to the broads and framing the future with the past. The Carrow works site was particularly historically sensitive hosting the abbey and other listed buildings, public concern had been noted in the consultation process and it would be sensitively addressed.

The biggest challenges for the site were flooding risk, the complex underground infrastructure particularly at the utility site, the railway line and its associated activities and access issues. The availability and inclusion of the Carrow works site assisted with this later issue. The masterplan incorporated a range of supportive strategies to be developed; heritage, movement, public realm, land use, building height, flood risk and mitigation, utilities and energy and ecology.

Key elements of the scheme included the creation of strong cycle and pedestrian connections, bus routes potentially through the Carrow Works and deal sites, new marinas, the creation of a web of green and public spaces, landscape ecology proposals and a significant proportion of homes fronting on to open spaces or the water. Social and community infrastructure included a primary school, a contribution to the provision of secondary school places and appropriate community health facilities.

The masterplan would deliver approximately 3,500 residential units with 33% affordable housing and some commercial space too, although there were acknowledged viability issues. The tension on viability would be explored in greater detail in stage 2 of the masterplan and it was noted that it would likely only be achievable via a public/ private funding mix.

Councillor Stonard identified that the East Norwich development covered a large and complex site with ownership issues. In his view the only way to counter these challenges was with partnership working to develop a masterplan. Stage 1 to Stage 2 of the masterplan represented an exciting milestone towards achieving sustainable regeneration for this quarter of the city.

Councillor Bogelein noted that she was asking a question on behalf of a member of her group as she did not want to get involved in any discussion as she was a member of planning committee. She referred to the comments from the SDP in relation to flood risk. The deal ground and utility sites were rated as medium to high-risk areas for flooding but that rating pre dated some of the latest data and the most recent IPCC, (Intergovernmental Panel on Climate Change) report. It was based on data that the climate would increase by 1.5 degrees, and she asked how an increase of 2.4 degrees would be considered in the masterplan.

Councillor Stonard responded that the council were in contact with the Environment Agency regarding the issue but had not had a response to date. The Executive Director of Development and City Services confirmed that if cabinet agreed the recommendations, then work would take place with a variety of partners and stakeholders, and key to this in terms of flood risk would be the Environment Agency, (EA).

The EA's modelling had not been published or updated since the IPCC report. The modelling relating to flood risk had changed and built in an assumption of the frequency and nature of flooding due to climate change but understanding of climate change had evolved. The masterplan would have regard to the most relevant and recent data but it could not be guaranteed that there would never be a flood event in the area.

Councillor Wright asked how the council would hold developers to the percentage of affordable housing desired, how schools and health centres would be guaranteed and if there should be a stronger commitment to public transport.

Councillor Stonard identified that the masterplan was a high level set of agreed objectives. It stated the partnership's aspirations but it could not guarantee schools, health facilities or bus routes as they were not within its control. The County Council which held the responsibility for care and education sat on the partnership board.

The nature of the process was that commitments would be considered further down the line.

Councillor Stonard responded to Councillor Wright's supplementary question that the masterplan would be used to inform a new supplementary planning document. This would note the requirement for community and infrastructure facilities to support the development. As such it would be a material consideration for planning applications committee to consider. Local policy would be applied and factors could be considered and conditions set, which could be the requirement for infrastructure and community facilities.

The Executive Director of Development and City Services said that as the masterplan was written into the planning process it could be accorded further significant weight. Planning applications committee would have greater powers to require infrastructure and other facilities to be delivered based on the policy.

The investment and involvement of key agencies such as Homes England would be essential and the benefit of the masterplan process was that it set the framework and presented the argument for the necessary infrastructure which allowed it to be developed with the long term interests of the public sector in mind.

**RESOLVED to:**

- (1) note the comments from the meeting of sustainable development panel;
- (2) approve the Stage 1 masterplan; and
- (3) agree to proceed to Stage 2.

**5. Q2 2021-22 Combined Assurance report**

(The chair noted that a further exempt paper, in relation to the report, annex 5, risk 10 had been circulated prior to the meeting)

Councillor Waters, leader of the council confirmed the report was in three parts, incorporating performance indicators against the corporate plan priorities, finance and risk. In relation to performance, he noted a number of successes and challenges within each council directorate.

In the community services directorate, a successful Norfolk wide bid achieved a grant of over £250,000 to aid those who left prison homeless to access private rented sector accommodation. There were challenges too; an internal review in relation to health and safety compliance issue resulted in the council self referring to the social housing regulator. He stated this had been accorded the highest risk and work was being addressed in order of priority. There were also some repairs and maintenance issues to be addressed this would, in part, be resolved by the process already underway to bring services back under the city council's control.

The report highlighted a number of case studies in relation to work with vulnerable groups; ex-offenders, those living in temporary accommodation and households experiencing domestic abuse, cases of which had significantly increased during the pandemic. He noted that there had been significant spend on the delivery of disabled adaptations to residents. Digital inclusion work included the development of

an emergency data bank where individuals without access to mobile data could be granted SIM cards with data normally within 24 hours.

The leader of the council referred to the corporate and commercial service directorate's performance. He highlighted that there was a red indicator for processing housing benefit but that there had been a marked improvement in this area. An updated risk management strategy had been approved by cabinet in October 2021, and a combined performance, finance and risk report introduced from autumn 2021. The finance and strategy teams were undertaking a challenging an important piece of work with service leads to identify and assess finance and budget options for 2022/23 and beyond.

He referred to the case studies from the service area and praised the work achieved by the introduction of a non-commercial debt policy, including the use of a debt respite scheme. This included the provision of adequate and timely support to vulnerable residents which was essential to maintain collection rates and assist individuals to budget. He highlighted a pilot scheme which was currently being undertaken by the council tax team to look at the reduction in the use of enforcement agents, the use of which could exacerbate household debt.

The leader of the council then referred to the development and city services directorate's performance. He referred to the housing output indicator and noted that there were plans to publish this and relate it to housing need across greater Norwich and the Joint Core Strategy, introducing a more joined up approach. Housing delivery had fallen sharply towards the end of 2020/21, impacted partly by covid. There was now a pipeline of housing delivery in place but there were still supply chain issues to contend with.

He referred to the case study in the report which detailed the council's work with a range of partners to support people to remain safe and healthy during covid. He emphasised that covid had not gone away and there was a need to monitor and understand figures at a local level whilst offering support.

Councillors Waters highlighted the successful compulsory purchase order of the old Kings Arms site and Towns Deal funded work. He referred to the fact that he had attend the opening of the new digitech factory at city college in September. A scheme funded by the Towns Deal which provided a great training opportunity to flow into high value jobs to feed into the digital sector.

The deputy leader and cabinet member for social housing commended the work of the disabled adaptations team and noted that it was a tenure neutral service.

Councillor Wright identified that in his professional work he had seen first-hand the difficulties some families experienced accessing education online and that digital inclusion was vital and praised the introduction of the emergency data bank.

Councillor Bogelein referred to relet times for housing stock which had slipped and noted that this had been discussed at cabinet previously when reassurance had been offered. She asked how this would be improved.

The Executive Director of Community Services noted there were some significant challenges in relation to void turn around times. Conversations were underway with

contractors to agree how to address this area of work and to engage subcontractors to achieve faster turnaround times. The deputy leader and cabinet member for social housing said it was recognised as area of concern and officers were working very hard but there were challenges with the contracts in place.

Councillor Kendrick, cabinet member for resources presented the final two elements of the report in relation to finance and risk. The report summarised the financial outturn for the end of quarter two 2021/22. He referred to the general fund revenue budget which forecast an underspend, largely due to reduced corporate financial costs which included lower borrowing costs, reduction in the forecast contribution to the capital programme and additional forecast income from the government's compensation scheme in relation to loss of income due to covid.

The underspends were partially offset by identified pressures across service areas arising due to the challenges around the delivery of 2021/22 budget savings, housing benefit subsidy recovery levels and the impact of covid 19 on income levels. He highlighted that it was recommended that cabinet agree to set the borrowing cost underspend of £591,000 into an earmarked reserve to support the 2022/23 budget position. Further action would still be required to address the budget challenges of the remaining two quarters of the year.

In terms of the housing revenue account (HRA) the end of quarter two showed a overspend of £535,000, cost pressures of £1.3m had been forecast to address issues identified as part of an internal review of health and safety compliance in council homes. This was partly offset by an underspend on the HRA repairs programme of approximately £750,000.

The forecast capital outturn for the HRA showed at £12.81m underspend which included underspends on upgrade programmes in relation to windows, structures, heating and whole house improvements. There had also been reprofiling of spend on new build housing schemes at Argyle Street, Mile Cross and Threescore. It was recommended to approve the reprofiling of £3.057m into future budget years to reflect the new project timelines.

Councillor Bogelein raised concern at the underspends on the estate management and improvement work.

The deputy leader and cabinet member for social housing noted in terms of estate aesthetics a new contractor had been appointed to move works forward and new officer had been recruited to post to tackle the issues. Improvements were beginning to be seen. As regards the underspend on estate management and improvement that related to monies budgeted for the Threescore housing project to repurpose some of the units that were earmarked for private sale to social housing.

**RESOLVED to:**

- 1) Review progress on the key performance indicators for this quarter and the corporate risk register;
- 2) Note the financial forecast for 2021/22 general fund, HRA and capital programme;
- 3) Note the consequential balances of the general fund and HRA reserves;
- 4) Approve the principle of transferring the underspend on borrowing costs of

£0.591m to the Budget Risk Reserve to support the 2022/23 budget position as detailed in Section 1.2;

- 5) Approve the virements within the HRA as set out in Annex 3;
- 6) Approve the reprofiling between years of capital budgets as set out in Annex 4;

## **6. Scrutiny committee recommendations**

Councillor Kendrick, cabinet member for resources introduced the report and asked Councillor Wright, as chair of scrutiny to present it. Councillor Wright confirmed the report incorporated recommendations from three meetings of the scrutiny committee and related to one issue, wood burning and its effects on the environment and the public.

The committee heard evidence from a range of sources including an emeritus professor from the University of East Anglia, Mums for Lungs, the industry association for wood burners and a member of the public with lived experience. This resulted in the committee making seven recommendations for cabinet to consider.

Councillors Waters, the leader of the council thanked the scrutiny committee for its work and said it informed the council's wider strategy on air quality and the ambitious air quality targets the city council requested in relation to the Transport for Norwich Strategy. He supported the recommendations and suggested the approach if accepted would be to act upon those recommendations that could be achieved quickly whilst others would be addressed as air quality matters and in some cases when resources would allow.

Councillor Stonard, the cabinet member for inclusive and sustainable growth, welcomed the report and noted the council had worked hard to improve air quality in the city. It supported the conversations the city council were having with county council in relation to air quality in the city and traffic management as part of the Transport for Norwich Strategy.

Councillor Bogelein referred to the first recommendation and noted a communication strategy was very welcome but the rationale behind it could potentially normalise the use of wood burning. There was no safe way to burn wood and the strategy in her opinion should discourage wood burning completely. She asked if the intention in the communication strategy was to discourage wood burning completely.

The Executive Director of Development and City Services suggested the communications strategy was a work in progress and a relatively small article had just been published in the council's citizens magazine. He would work with the communications team to consider how a communications strategy could best be used to achieve the maximum benefit to air quality. The council did not have any regulatory powers to enforce against wood burning. An approach which encouraged and worked with people might prove more beneficial.

**RESOLVED** to approve the recommendations as detailed in the scrutiny report.

## **7. Non recoverable national non-domestic rates**

Councillor Kendrick, cabinet member for resources presented the report. He emphasised that debt was only ever written off as a last resort if a company went into administration or liquidation. The report highlighted two such cases.

(Councillor Packer left the meeting at this point)

**RESOLVED** to approve the write off £129,666.52 of NNDR debts which are now believed to be irrecoverable and are covered within the bad debt provision for 2021/22.

## **8. Waste contract award for comingled recycling**

(Councillor Packer returned to the meeting)

Councillor Oliver, cabinet member for environmental services, presented the report. She highlighted that the award related to the extension of an existing contract with Norfolk Environmental Waste Services (NEWS) for comingled recycling which residents would know as their 'blue bin' waste. The charging mechanism for the contract was proposed to change from a fixed to variable gate fee.

The contract was delivered in partnership with the seven Norfolk district councils and managed as joint venture between the district councils, city council and the County Council. The contract was due to end in September 2024 but there was an option to extend until September 2027. The partnership approach in place afforded the best value for money in terms of economies of scale and the other councils in the partnership were currently seeking approval to extend an amended the contract.

The contract was strategically important in terms of the council's climate change and carbon reduction targets, specifically reducing waste and increasing recycling. It met the objectives of the city vision and the environment strategy adopted in 2020.

The report's proposals if agreed would significantly influence the council's waste, recycling and street cleaning services over the next ten years. It would provide stability and ensure the council was in line with new national waste policy. She emphasised that extending the contract would enable Norfolk's waste to continue to be handled locally and responsibly.

In terms of the change to the charging mechanism, currently NEWS were paid a fixed price gate fee which meant they were paid a fixed price for every tonne which was delivered to the recycling depot. However, due to fluctuations in the commodities market it was proposed to amend this to a variable gate fee linked to the value of the commodities collected and recycled.

Councillor Stonard, the cabinet member for inclusive and sustainable growth, supported the proposals, and as a former director of NEWS, he considered they would enable the delivery of a sustainable service. It was important that the risk was shared across the local authorities in the county and the change to the charging mechanism made the contract workable for NEWS.



Councillor Wright referred to a visit to the NEWS facility at which he had been advised the challenge of comingling was largely due to glass corrupting the other materials. He asked if there were there any plans in place to start collecting glass separately again, and when a bottle deposit scheme as detailed in the Environment Act would be introduced in the city.

The Head of Environment Services said in terms of glass corruption this was not affecting the value of commodities for NEWS and they were able to deal with the glass. There could be a change in practice as a result of new legislation that was due to be introduced which may lead to separate collections. One of the positive factors currently was that recycling was easy because it all went into the one bin.

In relation to the deposit return scheme for bottles it was very difficult to predict when it would come to Norwich in terms of the primary legislation. He considered it possible that the UK government would want to see how the scheme fared in Scotland first so it may well be two to three years before it was seen in Norwich.

Councillor Bogelein asked if there had been any improvements in the cleanliness of recycling as she was aware this used to be a factor. The head of environment services said it varied depending on area with between 5 to 40% contamination in the worst performing areas. It was a challenge but one which the facility could currently meet and was not affecting the value of materials going to market.

## **9. Exclusion of the public**

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

## **\*10. Waste contract award for comingled recycling - exempt appendix (para 3)**

Members considered the exempt appendix to the report.

(The public were readmitted to the meeting).

## **11. Waste contract award for comingled recycling**

After considering the report and the exempt appendix it was:

**RESOLVED** to agree:

- 1) To approve the extension of the existing contract for Comingled Mixed Recyclate (Blue Bin material) with NEWS to 2027, and approve the change to the charging mechanism from a fixed to variable gate fee; and
- 2) The Executive Director of Development and City Services is delegated authority to approve variations to the contract to ensure improved control and oversight for all partners is incorporated into the contract as part of the allowed extension.

## **12. Exclusion of the public**

**RESOLVED** to exclude the public from the meeting during consideration of the items \*13 and \*14 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

### **\*13 Managing Assets (Housing) - (para 3)**

Councillor Harris, deputy leader and cabinet member for social housing presented the report.

**RESOLVED** to approve the disposal of the land as outlined in the report

### **\*14. Exempt minutes - (para 3)**

**RESOLVED** to agree the accuracy of the exempt minutes of the meeting held on 13 October 2021.

CHAIR