



Cabinet

17:30 to 19:00

12 December 2018

Present: Councillors Waters (chair) Harris (vice chair), Davis, Jones, Kendrick and Maguire

Apologies: Councillors Packer and Stonard

Also present: Councillors Carlo and Wright

1. Public Questions/Petitions

The chair said that one public question had been received:

Mr Jamie Osborn asked the cabinet member for safe and city environment the following question:

"The report on Norwich as a city Fit for the Future states that the city council is 'committed to shifting to clean energy by 2040 (carbon-neutral by 2050)'. However, as new information is made available to us, I'm aware and I'm sure you are aware, that other cities are recognising the urgency of reducing carbon emissions in line with the targets set by the Paris Agreement and in accord with the limits that are now being shown by scientists, including the International Panel of Climate Change (IPCC).

The world is on track to overshoot the Paris Agreement's 1.5°C limit before 2050 and cities across the UK are, therefore, declaring a climate emergency and have committed to become carbon neutral by 2030, taking into account both production and consumption emissions.

As the threats to us from climate change are now being shown to be more serious than many people thought, will the cabinet of Norwich City Council recognise the climate emergency and consider committing to become carbon neutral by 2030. These are measures that are essential if today's citizens are to have a better chance of meeting the needs of the present without compromising future generations and are not only essential but also entirely achievable?"

Councillor Maguire, the cabinet member for safe city environment, replied as follows:

"Thank you for your question calling for Norwich City Council to consider declaring a climate change emergency and, correspondingly, for Norwich to become a carbon neutral city by 2030.

We are, of course, aware that Bristol City Council recently voted to declare a climate change emergency and that several other councils in the UK are also considering doing the same. I understand that the Forest of Dean has just joined that number. In fact the same question was asked on 27 November at full council. (The minutes and my reply are available on-line on the council's website at www.norwich.gov.uk). I could just repeat that answer but instead I shall expand on it.

You will be pleased to know last week both council officers and councillors from all parties met with representatives from the Tyndall Centre for Climate Change Research to discuss their findings ahead of COP24 (United Nations Climate Change conference), and to allow attendees to gain a better understanding of the problems of climate change at a global, national and local level. In addition, councillors from all parties have recently been consulted with for their views on what they would like to see as actions to deliver against in the council's new Environmental Strategy for 2019 and beyond. Their suggestions will be assessed to see how they can be translated into measurable and deliverable actions within available resources. You may not be aware of the severe funding cuts being imposed on local authorities. These cuts as well as cuts from central government for funding home improvements or renewable energy, for example, severely limit our efforts to drive sustainability locally, but will not stop us. We are working as best we can against those cuts.

Norwich City Council recognised nearly 10 years ago the need to reduce CO₂ emissions. Since then we have worked hard to reduce both the council's own carbon footprint where we have achieved a 57.1% reduction in CO₂ emissions (against our benchmark year of 2007), and across the wider city where the city has achieved a reduction in per capita CO₂ emissions of 44.3% in the period 2005 to 2016, (the most recent dataset available) and, incidentally, is the same reduction as achieved by Bristol City Council over that period. We've done the same as Bristol without the subsidy for our efforts.

As you will be aware, carbon emissions and climate change are extremely complex subjects with a multitude of variables, and as such what a 'carbon neutral city' actually is and how it could be achieved is currently a topic of some considerable debate and disagreement. Norwich city council is taking a considered approach to the problem of climate change because we are keen to avoid a scenario where empty promises are made in haste and then cannot later be delivered upon. Ultimately have a deleterious impact on the environment. Instead we want to set actions which are able to maximise the resources available whilst having the biggest impact possible on reducing carbon emissions in Norwich.

We recognise that for Norwich to continue to reduce carbon emissions it will require all sectors working together to make this happen, which is why the aspiration to become a carbon neutral city is stated in the City Vision and is a suggested blueprint for the future of Norwich.

In regards to Norwich City Council's carbon emissions we will continue to drive out the remaining 42.9% via our new Carbon Management Programme. Hopefully this will be an aspiration for other businesses to follow our lead.

I am pleased to announce that Norwich City Council will be setting up its own 100% renewable energy company that will help Citizens and businesses alike to achieve the carbon neutrality you ask.

So to conclude we do recognise the urgency of reducing emissions, that's why we are working on the best possible plan to achieve the largest reductions possible within the available resources nationally and locally.

As discussed if Norwich City Council becomes a Carbon neutral authority and by when will be directed by our ongoing work on developing a new Environmental Strategy and our associated actions. Thank you."

By way of a supplementary question, Mr Osborn welcomed the council's work on its environmental strategy and hoped that information would be made available as it progressed. He said the effects of climate change called for more pressing action as soon as possible to save lives and called on the committee to hold a minute's silence to reflect on those who have been the victims of climate change, including those across the globe who have been killed by wild-fires, drought or floods.

The chair replied that Mr Osborn was welcome to have a minute's silence and led the meeting in a moment's quiet reflection.

2. Declarations of interest

Councillor Kendrick declared an other interest in item 17* (below), Establishment of a New Council Owned Company to Manage Private Sector Rental Income Collection - (paragraph 3) as director on the board of Norwich Regeneration Ltd.

(Three members declared an other interest in item *15 (below), Commercial Services Strategy. A list of these members and officers with a conflict of interest is set out in the report.)

3. Minutes

RESOLVED to agree the accuracy of the minutes of the meeting held on 14 November 2018.

4. Norwich City Council - Fit for the Future Update

The chief executive explained that the report was in two parts with an exempt appendix. Members confirmed that they had read the appendix but would not be discussing it at the meeting.

Councillor Waters, leader of the council and chair of the committee, presented the report. He pointed out that the scrutiny committee would be considering the draft

corporate plan at its meeting the next day (13 December 2018). During his presentation he thanked all the employees of the council, for helping reshape the council as an organisation, and in particular the employees who had volunteered to take part in focus groups and workshops.

Councillor Carlo, leader of the Green Group, asked a question about the council's commitment to energy and carbon reduction targets when the planning applications committee had approved a major development at Anglia Square (6 December 2018) which she considered was below "progressive guidelines". The chief executive advised members that the standard of energy efficiency for Anglia Square scheme met and exceeded current guidelines. The chair said that the planning applications committee had considered applications in detail and that the level of energy efficiency, including renewable, depended on the constraints of the site. The questions at council (27 November 2018) and at this meeting demonstrated the council's commitment to carbon reduction.

RESOLVED to:

- (1) endorse the progress made to date on developing a new vision, corporate plan and operating model for the council; and,
- (2) continue with the approach previously agreed to balance future budgets within the MTFS.

5. Emerging 2019/20 Budget, Medium Term Financial Strategy (MTFS) and HRA Business Plan Update

Councillor Kendrick, cabinet member for resources presented the report

The chief finance officer referred to the report and explained that the emerging proposals were a good indication of the final budget proposals which would be presented in February 2019.

In reply to a question from Councillor Carlo, leader of the Green Party Group, the chief executive explained that the replacement of the waste recycling centre at Mile Cross was not included in the capital programme because it was not a city council function.

RESOLVED to note the direction of travel currently being taken to establish robust and balanced budget proposals.

6. Quarter 2 Corporate Performance Report for 2018-19

Councillor Waters, leader of the council, said that the council had received an award from Inphase for the "Best looking portal 2018" for the citizen's portal on the website. He considered that it was a good exemplar to share with other local authorities and congratulated the strategy manager and his team..

Councillor Waters then presented the report.

RESOLVED to note progress against the corporate plan priorities for quarter 2 of 2018-19.

7. Revenue and Capital Budget Monitoring 2018-19 – Period 7

Councillor Kendrick, cabinet member for resources, presented the report.

RESOLVED to:

- (1) note the forecast outturn for the 2018/19 General Fund, HRA and capital programme;
- (2) note the consequential forecast of the General Fund and Housing Revenue Account balances;
- (3) approve the addition to the capital programme, as detailed in paragraph 11; and
- (4) note the General Fund and HRA capital programme virements, as detailed in paragraph 12 and 13 of the report.

8. Treasury Management Mid-year Review Report 2018-19

Councillor Kendrick, cabinet member for resources presented the report.

Councillor Harris, deputy leader and cabinet member for social housing, commented that the HRA debt cap had been lifted and said that it still meant that the council must be prudent with its borrowing.

RESOLVED to:

- (1) note the contents of the report, the treasury activity undertaken, and briefing on regulatory updates;
- (2) approve the amendments to the council's use of AAA rated money market funds to include AAA rated Constant Net Asset Value Money Market Funds (CNAV) and AAA Low Volatility Money Market Funds (LVNAV) due to money market regulatory changes and note that this change is not expected to change the Council's risk appetite; and
- (3) note that there are no longer specific recommended treasury management indicators in respect of interest rate exposures and credit risk; and
- (4) approve the revised maturity structure of borrowing indicator included in this report.

9. Commercial Property Investment Strategy - Key Decision

(The following item had been included on the agenda as an exempt from publication item in error and was therefore moved up the agenda to be considered in the public part of the meeting. Copies of the report had been published on the website and were available at the meeting.)

Councillor Kendrick, cabinet member for resources, introduced the report.

The chief finance officer presented the report.

In reply to a question from Councillor Wright, chair of scrutiny committee and leader of the Liberal Democrat group, the chief finance officer explained that increasing the delegated authority to purchase commercial property investments to £20 m for an individual acquisition was in line with that of other similar local authorities.

Councillor Carlo, leader of the Green Party group, asked whether carbon emissions were taken into account when considering commercial property acquisitions. The chief finance officer said that properties with a high energy performance certificate were preferred. The chief executive referred to the report and said there was no specific reference to carbon emissions. She pointed out that the council would never consider investing in a nuclear power station. However, the main criteria would be that the asset produced a decent return on the council's investment.

RESOLVED to:

- (1) approve the revised commercial property investment strategy;
- (2) increase the delegated authority to purchase commercial property investments under this strategy by £10m so that the maximum lot size for an individual acquisition is £20m;
- (3) recommend to council, as part of the overall budget setting process in February 2019, to approve:
 - (a) a departure from the DHCLG's (Department for Housing, Communities and Local Government) Investment Code as set out in paragraphs 4.11 to 4.15 of the strategy;
 - (b) the setting aside of 20% of the net new income achieved from the investment into the commercial property earmarked reserve as set out in paragraph 2.17 of the strategy.

10. Scrutiny Committee Recommendations

Councillor Kendrick, cabinet member for resources asked Councillor Wright in his role as chair of scrutiny to present the report.

Councillor Wright said that the scrutiny committee had considered key information on domestic abuse and the work that council officers were progressing with partners to help tackle the issues in Norwich. He was grateful to the representatives of Leeway

and Spurgeons Children's Charity for attending the meeting and answering members' questions. The main issues from discussion with these partners was the need for long-term commitment funding for services, and the important role that children's service play in identifying and addressing domestic abuse.

The chair thanked Councillor Wright and the members of the scrutiny committee for the valuable and informative recommendations.

RESOLVED to consider the recommendations of the scrutiny committee made at its meeting on 22 November 2018 as follows:

- (1) commit to long-term funding arrangements when commissioning domestic abuse services;
- (2) continue to enable staff and members to spot potential signs of domestic abuse, including sharing lessons learnt from serious case and domestic homicide reviews with members;
- (3) liaise with the local Job Centre about equipping their staff to spot potential signs of domestic abuse, so that it can explore split payments within Universal Credit;
- (4) work with the county council to ensure that domestic abuse is factored in any work around locality development of early years provision in the light of proposed changes to children's centres; and
- (5) consider how gendered language and stereotypes can form part of a wider social context that may increase the likelihood of domestic abuse occurring.

11. Procurement of a Housing Structural Repairs Contract - Key Decision

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

RESOLVED to award the contract for housing structural repairs to flats at William Mear Gardens to Bawburgh Installations Limited.

12. Procurement for the Supply, Installation and Commissioning of New Boilers and Associated Equipment at Meadowsweet Sheltered Housing – Key Decision

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

She pointed out that Meadowsweet Sheltered Housing scheme was in Catton Grove ward.

RESOLVED to delegate approval to the director of neighbourhoods in consultation with the deputy leader and cabinet member or social housing to award the contract for supply, installation and commissioning of new boilers and associated equipment at Meadowsweet sheltered housing.

13. Procurement of Works to Clear, Demolish and Remediate Ex-works Depot at Mile Cross - Key Decision

Councillor Kendrick, cabinet member for resources presented the report.

RESOLVED to delegate approval to the director of regeneration and development in consultation with the cabinet member for resources to award the contract for the clearance, demolition and ground remediation of the ex-works depot at Mile Cross.

14. Exclusion of the Public

RESOLVED to exclude the public from the meeting during consideration of items *14 to *17 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

15. *Norwich City Council Fit for the Future Update (Paragraphs 3 and 5)

RESOLVED to note (considered under Item 4, above).

16. *Commercial Services Strategy – Key Decision - (paragraphs 3, 4 and 5)

(Members and officers who had an other interest in this item were listed in the report.)

The director of business services presented the report and, together with the chief executive, answered questions on the financial aspects of the proposals and referred the member to the Fit for the Future exempt appendix for further information.

RESOLVED to agree the recommendations as set out in the report.

17. *Establishment of a New Council Owned Company to Manage Private Sector Rental Income Collection - (paragraph 3)

(Councillor Kendrick had declared an other interest in this item.)

Councillor Kendrick, cabinet member for resources, presented the report.

The chief finance officer said that the name of the new company would be subject to discussion with the relevant parties.

RESOLVED to:

- (1) establish a wholly owned company limited by shares which will manage all private rental sector properties built by Norwich Regeneration Ltd (NRL) or those that the new company may purchase itself as a business opportunity; and,

- (2) note that a detailed Business Plan for the new company will be presented to cabinet for approval in the New Year.

CHAIR