



Cabinet

17:35 to 18:50

13 December 2023

Present: Councillors Stonard (chair), Jones (vice-chair), Fulton-McAlister, Giles, Hampton, Kendrick and Packer.

Apologies: Councillor Kidman

Also Present: Councillor Galvin (leader of the Green group)

1. Declarations of interest

There were no declarations of interest.

The chair announced that three new members had been appointed to cabinet, Councillors Fulton-McAlister, Kidman and Packer and emphasised that they would provide the right mix of expertise, fresh ideas and passion to tackle the challenges the city faced and to provide the best possible service to residents. He advised that cabinet portfolios would be reallocated across the eight members and there would be more information in due course.

2. Public questions/ petitions

One public question had been received from Mr Neil Hardman. Mr Hardman asked the leader of the council and cabinet member for inclusive and sustainable development the following question:

“According to the council website, the Carrow house site was bought for £2.25 million in 2021 and a further £1.4 million was to be spent on refurbishment, so that it would ‘become a centre for economic growth’.

New Carrow House was opened in September 2022 to provide 5 floors of rental space for businesses. Works on Carrow House and the conservatory were to be completed by the end of 2022. I wonder how much of the office space has been used and is currently being used and whether the works to the site have been completed for use.

If parts of the site are not currently being used, can the Council confirm whether there are plans to explore new uses and opportunities, or to open the sites for local organisations and members of the public?”

Councillor Stonard, the leader of the council and the cabinet member for inclusive and sustainable development responded:

“Carrow House forms part of a larger range of sites across East Norwich. East Norwich is an ambitious project to create a sustainable new urban quarter in the city and the sites combined form the largest brownfield redevelopment site in the East of England. The Council funded the acquisition and refurbishment of Carrow House from a successful bid to the government’s towns fund in view of the strategic benefits that having a substantial land holding within East Norwich would bring to the wider East Norwich project. The long-term aim being to renovate Old Carrow House and enable redevelopment of new Carrow House and the car park associated with the property in accordance with the East Norwich Masterplan.

In the short term the council have now completed a light refurbishment of the building. We are currently working with a new charity which is formed from a local consortium of charities and social enterprises with a view to them taking over the management of the building. This would be a short-term initiative over the next 3-5 years pending redevelopment proposals coming forward. We are still working through the details of this, however if successfully delivered it would provide substantial benefit to those organisations and provide substantial social and cultural value to the city.”

In response to Mr Hardman’s supplementary question the Head of Property and Economic Development confirmed that current proposals included the whole site.

3. Questions to cabinet members

There were no questions to cabinet members from members of the council.

4. Minutes

RESOLVED to approve the accuracy of the minutes of the meeting held on 15 November 2023 and the extraordinary meeting held on the 22 November 2023.

5. Scrutiny Committee Recommendations

Councillor Stonard invited Councillor Galvin to introduce the report as she had been chair of the task and finish group on retrofitting whose recommendations were being considered. Councillor Galvin thanked officers and members of the group who had worked hard to review the evidence with the remit to produce something of benefit to the council. She emphasised that retrofitting the council’s housing stock in order that it was fit for the future was not easy or cheap but that it was one of the most important things the council would ever do. The group had considered evidence from other local authorities and housing associations and the aim of the recommendations was to seamlessly support and fit into the corporate plan process.

Councillor Hampton, cabinet member for climate change, had attended the meeting of scrutiny committee along with Councillor Jones and thanked members of the task and finish group for their time and work and to scrutiny committee for setting the topic. She considered that it was an important and timely topic and well placed in terms of the corporate plan refresh. Domestic emissions were the greatest source of

CO2 emissions in the city and it was essential to reduce these to get to net zero. In light of the cost of living and energy crisis warmer homes and lower bills for residents were a priority. The report was a productive piece of work and she proposed that cabinet provide a response after going through the recommendations. There were a number of service cross cutting recommendations which was right but cabinet needed to consider the implications of these. She would speak with officers to ensure what was agreed could be delivered and within realistic timescales.

Councillor Jones, the deputy leader and cabinet member for housing and community safety commended the meeting of scrutiny committee on retrofitting as fascinating. She referred to the recommendation in relation to reworking the Housing Revenue Account (HRA) Business Plan (BP) to deliver retrofitting at pace.

She noted that retrofitting had to be considered alongside other priorities such as delivering new social housing and building upgrades. It was essential to complete the council's housing stock condition survey before such priorities could be finalised. She agreed with Councillor Hampton and proposed that cabinet take time to consider the recommendations further.

In response to a question from Councillor Galvin the Executive Director of Housing and Community Safety noted that the change in the budgeted retrofit figure from £290m to £321m in the HRA BP reflected changing interest rates and understanding of costs of works.

RESOLVED to defer consideration of the recommendations on retrofitting until the February 2024 meeting of cabinet.

6. Managing Assets (non-housing)

(The chair took this item early)

Councillor Kendrick, cabinet member for resources, presented the report. He highlighted that there was an error in the report and confirmed for accuracy recommendation (3).

In response to a question the Head of Property and Economic Development confirmed that information in relation to the sale of 74 Upper St Giles Street had been shared with Lion Homes and the board were considering their options. The Head of Legal and Procurement advised that the decision to sell the property would not preclude Lion Homes from purchasing it.

With no member indicating they wished to discuss the exempt appendix it was:

RESOLVED to:

- 1) approve the disposal of the assets outlined in this report;
- 2) approve the disposal of 215b Woodcock Road for the sum detailed in the exempt appendix; and

- 3) delegate acceptance of the most advantageous offer for 2/2a Charing Cross, 82 Upper St Giles and 74 Upper St Giles to the Executive Director of Development and City Services in consultation with the Cabinet member for resources.

7. Allocation of Better Care Fund to support new developments (key decision)

(This report is contained in the supplementary agenda pack.)

During this item, there were a number of interruptions. The chair reminded all present of the need to be respectful during Council meetings and debates, and where appropriate, in accordance with the constitution, instructed for removal of those who interrupted the meeting.

Councillor Jones, deputy leader and cabinet member for housing and community safety introduced the report. The council had received a Better Care Fund (BCF) allocation since 2015 and this was used to support residents in a number of ways. The idea of the fund was to provide a local person centred approach and planning was coordinated with Norfolk County Council and Clinical Commissioning Groups. There were three main areas of spend; Disabled Facilities Grants (DFGs) which could provide adaptations to enable people to remain independently in their homes or return from hospital, housing assistance funding and funding for social care capital projects.

The report proposed the allocation of BCF for two sheltered housing schemes, the first project for older residents was at the Great Hospital and the funding would provide for the provision of assistive technology at the scheme. The second project at Webster Court had 32 units provided mental health care and support and the proposal was to provide four additional units of accommodation. The county council were also committed to capital funding the project too.

Councillor Jones highlighted that there was a lack of specialist housing provision and this provided an opportunity to increase the resource and commended the recommendations to her colleagues.

In response to a question from Councillor Galvin, Councillor Jones advised covid had impacted on the spending of the funding but there were three ways to allocate the funds, social care provision being one of these.

RESOLVED to authorise the allocation of £0.5m of the councils Better Care Fund allocation to the two capital projects detailed in this report, and the funds be distributed to Norfolk County Council to enable these projects to proceed.

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

(This report is contained in the supplementary agenda pack.)

Councillor Kendrick, cabinet member for resources, presented the report. He reported that one in five council leaders surveyed by the Local Government Association (LGA) considered it likely they would issue a S114 notice. The LGA

estimated there to be a £4billion funding gap over the next two years required to maintain local authority services at current levels. The Autumn Statement had failed to address the crisis in local government funding and local government required a settlement which provided it sufficient resource.

He advised that the figures for the local government settlement were being awaited and the figures in the report were based on best estimates. It was proposed that a public consultation on the budget be completed and considered before the budget was approved in February. The council faced additional inflationary pressures and funding was not keeping pace with demand on services. While inflation was now falling it remained at levels not seen for decades impacting negatively on the city council, residents, businesses and partners. The city council were seeing increasing costs in terms of a homelessness services but he considered it would not see adequate support with adult and children's services likely to be prioritised.

He noted that consultation on the corporate plan priorities had been taking place and advised that in order to respond to that work the budget focussed on five key themes; delivery of the existing savings programme, income optimisation and automation, ensuring non-statutory fees and charges fully cover cost, review of asset management (including commercial rental income) and Corporate Items: Capital Financing and Treasury Management.

He considered the council were in a strong position to face the current budget challenges and was pleased to advise that it was currently estimated that the budget would be balanced in the next financial year without the use of drawing down reserves. A below inflation increase to council tax of £2.99% was proposed.

In terms of the Husing Revenue Account (HRA) he advised that 7.7% rent increases were proposed for the financial year 2024/25 reflecting the government's current rent standards of CPI in September 2023 plus 1%. This increase was needed to fund the council's obligation to reach Energy Performance Certificate level C by 2030 and to achieve net zero carbon emissions over the medium term. There was an ambition to build new council homes and a need to invest in existing homes too.

He emphasised that the council were in much stronger financial position than most other local authorities and considered that this was due to sound financial management. He commended the work of the council's officers and noted that the budget consultation was online until mid January.

In response to a question from Councillor Galvin, the Interim Chief Finance Officer advised that £0.4m had been allocated to support proposals that would be coming forwards in the corporate plan.

In response to a question from Councillor Galvin asking if he agreed that the Norwich Standard was out of date, the Temporary Executive Director of Housing and Community Safety advised that the Norwich Standard was based on the 2010 Decent Homes Standard (DHS). He was aware that the government were working on DHS II and considered that when this was introduced it would be the appropriate time to revisit the Norwich Standard. Councillor Jones echoed this view noting that the government review would inform the decision.

RESOLVED to:

- 1) note the latest financial information and the budget strategy incorporated into the report, which enable the Council to set a balanced budget for 2024/25 and Medium-Term Financial Strategy for the period to 2028/29; and
- 2) note the budget principles used for consultation and agree that budget consultation with businesses, residents and other interested stakeholders commences to inform the Council's budget setting decisions in February 2024.

**9. Housing Revenue Account Business Plan and Budget 2024/25
(Key decision)**

(This report is contained in the supplementary agenda pack.)

Councillor Jones, deputy leader and cabinet member for housing and community safety, presented the report. The Housing Revenue Account (HRA) required careful management to balance the competing needs upon it, new homes building, stock upgrades, retrofitting and compliance work.

She was pleased to advise that the Social Housing Regulator had notified the council that it had discharged its voluntary undertaking, removed the council's notice and the council were no longer under regulatory supervision. The ways of working used to successfully address the compliance work would be used to address other issues such as damp and mould and the aging of the housing stock. The current stock condition survey which was underway would provide a robust evidence base to use to plan the work that was needed on the stock going forward.

In response to a question from Councillor Galvin the Interim Executive Director of Housing and Community Safety advised that the HRA Business Plan was a projection forward of what was known and what was believed to be needed for the future.

RESOLVED to approve the HRA Business Plan report for 2024/25, subject to approval of the HRA Revenue Account Budget 2024/25 at Council in February 2024.

***10. Managing Assets (non-housing) – exempt appendix**

This item was noted under item 6 above.

CHAIR