



CABINET

5.30pm to 7.30pm

13 July 2011

Present: Councillors Arthur (chair), Waters (vice chair), Bremner, Brociek-Coulton (to end of item 16), Gihawi, MacDonald and Westmacott

Also present: Councillors Stephenson and Lubbock

1. DECLARATIONS OF INTEREST

Councillor Bremner declared a personal and prejudicial interest in item 19 below, future delivery of the property management service, as an elected member of Norfolk County Council.

2. MINUTES

RESOLVED to approve the minutes of the meeting held on 1 June 2011.

3. THE FUTURE PRIORITIES AND SHAPE OF THE COUNCIL

Councillor Arthur, as leader of the council, and Councillor Waters, as deputy leader of the council and cabinet member for resources, introduced the report. The details of the options were detailed in the annexes A to C, and E which would be considered later in the meeting.

Councillor Stephenson said that savings to back office functions had an impact on frontline service delivery and that she did not consider that this was adequately addressed in the draft consultation documents. Councillor Waters agreed that this was a good point and that resources for both back office and frontline services needed to be balanced. There were areas of the council's resource base that could be reduced but all options would need to be tested to ensure fitness for the purpose of the organisation. There could be opportunities for efficiencies and savings in areas, such as information communications technology (ICT) and office accommodation which would not impact on service delivery.

RESOLVED:

- (1) To report to council that the £0.85m of council expenditure that is currently held would continue to be held for the rest of 2011/12 to continue to ensure a balanced budget (Annex A).
- (2) That efficiency savings are prioritised wherever possible to avoid reducing services to the public but that it is recognised that these alone are not likely to be enough to close the budget gap for 2012/13 (Annex B and C).

- (3) That work is carried out to finalise a budget package for 2012/13 of savings through efficiencies and new ways of working that will not directly impact service levels to the public and service reductions where necessary.
- (4) That a 12 week consultation is carried out on:
 - (i) the future priorities for the council;
 - (ii) those savings options that will involve changes in the level of service or the way we provide a service to the public;
 - (iii) a new commissioning framework for the council (Annex D).
- (5) To delegate authority to finalise the consultation document to the chief executive officer in consultation with the leader of the council.
- (6) That the results of the consultation are reported back to cabinet in line with the overall timescales.
- (7) To report the overall approach to council on 19 July 2011.
- (8) That a specific consultation is carried out with service users on the future shape of the council's sheltered housing service (Annex E).

4. Q4 PERFORMANCE REPORT

Councillor Arthur, leader of the council and chair, introduced the report and paid tribute to the contribution made by colleagues and officers to service improvement, which had placed the council in a stronger position than most authorities to meet the challenges to its budget and service delivery. She also acknowledged the contribution of partnership organisations, residents and tenants. An example of an initiative to improve service performance was the introduction of the customer contact triage system that had already reduced waiting times by 50%.

Councillor Lubbock said that the improved performance in benefits processing had also made cost savings and queried whether the council would have introduced the customer contact check-in desk if it did not make a saving as well as improving performance. She considered that the planning applications service was high profile and the decline in service delivery in the last quarter was unacceptable. If the lean review did not result in an improved service, planning development services should be better resourced. She hoped that void turnaround would continue to improve as a reduction would lead to more income for the council and housing for residents.

Councillor MacDonald, cabinet member for housing, acknowledged that there had been some issues in relation to voids that needed to be addressed but that the latest figures for July showed that the downward trend was continuing with a reduction in void turnaround from 20 days to 17 days.

The director of regeneration and development referred to Councillor Lubbock's concerns about the drop in performance of the planning development team and explained that this was being addressed by funding from the Norwich HCA Partnership for an additional planning officer and moving staffing resources between

teams. He pointed out that it would take time for national indicators to be reached but that the council was only 3 or 4 days outside the target, and therefore the position was not as dire as the statistics would suggest. Councillor Bremner, cabinet member for planning and transport, pointed out that during this quarter the development of affordable homes on former garage sites had put pressure on resources in planning services.

Councillor Stephenson referred to the cessation of free swimming for people on benefits and participatory budgeting and asked whether alternative sources of funding could be identified to continue these services. The chair said that the council had received specific funding for the free swimming scheme which had been eked out for as long as possible due to the level of uptake. The council did provide subsidised swimming through the *Go 4less* scheme and charges for children had not increased. The chief executive said that the council had to make difficult choices. No alternative source of funding had been found to continue participatory budgeting once its funding stream had ended.

RESOLVED to note the progress against the corporate plan priorities.

5. CORPORATE ASSET MANAGEMENT STRATEGY 2011-12

Councillor Waters, cabinet member for resources, introduced the report and expressed his gratitude to the work of the head of city development services and the asset management team. There had been a briefing for all members of the council on the strategy the previous evening.

Councillor Stephenson referred to the report and said that she considered community use and energy efficiency as important as financial viability. Councillor Waters said that the difference in the types of properties and uses was central to the strategy and each individual asset in the council's portfolio would be tested against the framework set out in the strategy and managed accordingly.

Councillor Lubbock suggested that lack of investment meant that the council did not bring in enough income from its property portfolio. The council was also the custodian of heritage buildings and consideration should be given to dispose of these properties to heritage groups to provide funding for investment and maintenance. Councillor Waters commented on the previous Liberal Democrat administration's proposal for the management of historic buildings and said that, whilst some of the council's assets generated a significant income for the council, others should be valued as a resource for the people of Norwich.

RESOLVED to:

- (1) approve the draft corporate asset management strategy for 2011-12 as set out in appendix 1 of the report; and
- (2) note that the officers will focus on the following key priorities:
 - (a) Review of existing council commercial assets – part of a five year cycle – to identify properties for disposal, retention and investment;
 - (b) Office accommodation review;

- (c) An improvement plan to deliver good asset management practice confirmed by external audit;
- (d) Improvement of service delivery of estates and strategic asset management; and
- (e) Development of the council's approach to the management and ownership of community assets.

6. ACCOMMODATION REVIEW

Councillor Waters, cabinet member for resources, introduced the report and said that reduced running costs would create efficiency savings and protect council services.

In response to a question from Councillor Stephenson, Councillor Waters explained the reasons for the proposed closure of the offices at Colman Road and Hansard Close. The council was committed to neighbourhood working and would maintain a presence without compromising service delivery.

Councillor Lubbock said that a presence was not necessarily in a building and that the co-location of public services was a response to budget cuts. Consideration should be given to shared accommodation at either the library or police station in Colman Road.

Councillor Westmacott, cabinet member for environment and neighbourhoods, said that the council had a whole plethora of presence in neighbourhoods. During discussion cabinet members considered that this was illustrated by the approach to the enforcement of dog control orders as agreed at the last meeting.

RESOLVED to:

- (1) adopt an office accommodation strategy that is based on consolidation at city hall as the administrative and democratic hub of the council;
- (2) retain a neighbourhood presence either in council accommodation and/or by sharing with other public sector partners;
- (3) agree that Colman Road and Hansard Close be decommissioned in 2011/12;
- (4) agree to a review of customer reception facilities in the neighbourhoods, the be considered by cabinet at a future meeting; and,
- (5) ask officers to prepare a proposal for a 'spend to save' initiative for phased investment to reconfigure the office layout at City Hall, to be considered by cabinet at a future meeting.

7. GREATER NORWICH HOMELESSNESS STRATEGY AND ACTION PLAN

Councillor Bremner, cabinet member for planning and transport, introduced the report and pointed out the importance of preventing homelessness.

During discussion Councillor Waters referred to the changes in welfare reforms that could make more people vulnerable to homelessness. The housing strategy manager said that single people under 35 would now receive housing benefit at a shared room rate instead of being able to live on their own. This increased the number of vulnerable adults who were more at risk of homelessness. It was important that people at risk were informed of the choices available to them.

RESOLVED to approve the adoption of the Greater Norwich homelessness strategy and action plan 2011-14.

8. HOUSING IMPROVEMENT PROGRAMME PHASE III

Councillor MacDonald, cabinet member for housing, introduced the report and said that significant progress had been made due to the hard work of the Housing Improvement Board (HIB) and Councillor Arthur, as the previous portfolio holder for housing.

In response to a suggestion from Councillor Lubbock that members of the council did not receive adequate feedback from the HIB, Councillor Arthur and the director of regeneration and development confirmed that other members of the council could attend HIB meetings as observers but not take part in the discussion. The minutes of the HIB were available on the council's website and there had been regular reports on the Housing Improvement Programme (HIP) to the cabinet and scrutiny committee. This report and the invitation to the Audit Commission to undertake "advice and assistance" demonstrated the council's commitment to transparency in the HIP.

Councillor Arthur paid tribute to the representatives of partner organisations who had contributed with their time and advice but not sought financial compensation.

RESOLVED that:

- (1) The Housing Improvement programme attached to the report as appendix A is adopted;
- (2) The housing improvement board (HIB) continues for a further 12 months to monitor the delivery of Phase III of the housing improvement plan and to help develop the new approach to self regulation and tenant engagement;
- (3) The membership of the HIB to be an independent chair, audit commission representative, two tenant representatives (one from the CityWide board and two members (portfolio holder and minority group) and a representative(s) from an social landlord represented in the city and/or another local authority with a retained housing stock when required.

9. CONTRACTS FOR WORKS AND SERVICES TO HOUSING PROPERTIES

Councillor MacDonald, cabinet member for housing, introduced the report. The head of procurement and service improvement presented the report and answered member's questions. He confirmed that the proposal to join the Eastern

Procurement Consortium had been considered by the contracts working party (20 April 2011).

RESOLVED to approve:

- (1) the strategy for the contract packaging for the procurement of a range of works and services for housing properties;
- (2) the extension of the existing contracts until new contracts can commence;
- (3) joining the Eastern Procurement Consortium.

10. CONTRACT FOR COMMUNITY ENERGY SAVING PROGRAMME FUNDED LOFT, CAVITY WALLS AND EXTERNAL WALL INSULATION AND NEW GAS BOILERS AND CONTROLS

(The chair agreed to take this as an urgent item and key decision following consultation with the chair of the scrutiny committee, in accordance with rule 17.1 of the council's constitution.)

The head of procurement and service improvement presented the report and, together with the head of property services, answered member's questions. Bowthorpe had been selected because of its high level of deprivation indices and British Gas had funding to deliver its community energy saving programme for that area. The council was in discussions with other service providers for energy savings programmes and it was expected that there would be offers for other areas of the city.

The chair confirmed that the proposal had been discussed with the chair of the Norwich Tenants' CityWide Board and that he was satisfied with it.

Councillor MacDonald, cabinet member for housing, said that the proposal was welcome and would benefit homes in Bowthorpe. It did, however, highlight the constraints of using alternative sources of funding.

RESOLVED to approve the award of a contract to British Gas to deliver loft, cavity wall and external wall insulation and new gas boilers and controls which is part funded by the Community Energy Saving Programme.

11. REVISION OF LEASEHOLD MANAGEMENT CHARGE FOR HOUSING PROPERTIES

Councillor MacDonald, cabinet member for housing, introduced the report and thanked the Norwich Leaseholders' Association for their participation in the consultation on the proposals.

RESOLVED,

- (1) To change the basis for the calculation of the leaseholder management fee from a fixed sum to a fee apportioned according to the total amount of costs for other services (excluding district heating and premises management);

- (2) To introduce the new charging regime from October 2011 (which means a half year increase in 2011/12 and a full year increase from 2012/13); and
- (3) The new variable apportioned management fee will not exceed £200 per annum for a three year period commencing October 2011.

12. APPORTIONMENT OF CHARGES FOR DISTRICT HEATING IN HOUSING REVENUE ACCOUNT PROPERTIES

Councillor MacDonald, cabinet member for housing, introduced the report.

RESOLVED to:

- (1) commence district heating charging based on pooling costs across all schemes from October 2011;
- (2) use the “bedroom plus 1” method of apportioning the costs;
- (3) review the apportionment in 2013/14, upon completion of individual boiler and system efficiency improvements;
- (4) increase the weekly charge in order to fully recover 2010/11 costs and anticipated 2011/12 costs.

13. HMO LICENSING – UPDATES TO CONDITIONS AND LICENCE FEES

Councillor Bremner, cabinet member for planning and transportation, introduced the report.

RESOLVED to agree the council's policy on HMO licence fees and conditions as attached in the document appended to the report.

14. SITE ALLOCATIONS DEVELOPMENT PLAN DOCUMENT (DPD) - ADDITIONAL CONSULTATION FOR MAJOR AMENDMENTS/NEW SITES

Councillor Bremner, cabinet member for planning and transportation, introduced the report and referred to the discussion at the meeting of the sustainable development panel on 29 June 2011. The head of planning services confirmed that the addendum to the sustainability appraisal report had now been received and did not change the proposals as set out in the report. The sustainability appraisal report would be considered alongside the consultation and the public would have an opportunity to submit comments.

Councillor Lubbock said that members of the public might ask why there was to be an additional consultation on the Bartram Mowers Ltd site, Bluebell Road. The head of planning services said that this was a different proposal for the site based on a reduced site boundary. The former Lakenham Sports site had previously been withdrawn from consultation and therefore the site allocation had not been tested. The site had now been split into two sites and would be included in the consultation.

Councillor Stephenson said that local residents were trying to put together a business case to retain the sports hall in King Street as a community asset, and that its inclusion in the consultation on site allocations for housing could result in the value of the site rising and putting it out of reach of the community. The head of planning services said that this had been discussed at the meeting of the sustainable development panel and the proposals amended accordingly to invite views on the loss of the sports hall. The council did not have evidence to support the requirement of a sports hall facility on the site and the only way to obtain this was to include the site in the consultation.

RESOLVED to authorise an additional period of public consultation on the sites included in appendix 1 to this paper and delegates authority to the director of regeneration and development (in consultation with the portfolio holder for planning and transport) to determine the period of consultation (minimum 8 weeks) and to make minor changes to the document prior to consultation and finalise and publish all relevant supporting information.

15. BRACONDALE AND HEIGHAM GROVE CONSERVATION AREAS – ARTICLE 4 NOTICES

Councillor Bremner, cabinet member for planning and transportation, introduced the report.

RESOLVED to:-

- (1) re-confirm the Article 4 Directions that have been served in Bracondale, City Centre and Heigham Grove conservation areas in order to remove permitted development rights to properties identified in appendix 1;
- (2) approve the serving of a further Article 4 Direction on properties 27 and 29 West Parade omitted in error from the served Article 4 Direction; and
- (3) delegate authority to the director regeneration and development (in consultation with the portfolio holder) to confirm this further proposed after having considered any representations received during the consultation period.

16. SOLAR ENERGY GENERATION OF OTHER ALTERNATIVE ENERGY SUPPLIES ON THE COUNCIL'S OPERATIONAL PROPERTY ASSETS

Councillor Waters, cabinet member for resources, introduced the report. The environment strategy manager and the head of strategy and programme management answered members' questions on the report.

During discussion, Councillor Lubbock said that in the current economic climate the expenditure of £8,000 on technology to demonstrate the amount of electricity being generated was unnecessary. Officers advised that this sum might be reduced during the procurement process. Members considered that expenditure was important as the council had a leadership duty to promote the use of solar energy generation.

Councillor Stephenson said that she welcomed the proposal and that with ever increasing electricity costs she considered that the pay back would be less than the 13 years anticipated.

RESOLVED to progress a project to install a 40kw basic system of photo voltaic panels (PV) on City Hall, subject to the necessary consents and approvals to the final design, on the basis that this is the most feasible capital based scheme, for the reasons described in the report, notwithstanding the fact that alternative revenue based options may have a shorter pay back period.

17. EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of items 18-21 below on the grounds contained in the relevant paragraphs of schedule 12A of the Local Government Act 1972 (as amended).

(Councillor Brociek-Coulton left the meeting at this point.)

***18 THE FUTURE PRIORITIES AND SHAPE OF THE COUNCIL (PARAS 1 & 4)**

The head of strategy and programme management presented the annexes A to C, and E of the main report which had been considered under item 3 above, together with a report which was circulated at the meeting, summarising the recommendations of the scrutiny committee made at its meetings on 26 May 2011 and 7 July 2011 on the overall process for the consultation on the future priorities and shape of the council and the draft core consultation document.

RESOLVED to thank the scrutiny committee for its recommendations on the overall process for the consultation on the future priorities and shape of the council and ask the chief executive to take these into consideration where appropriate when exercising the delegated authority to finalise the consultation document in consultation with the leader of the council.

***19. FUTURE DELIVERY OF THE PROPERTY MANAGEMENT SERVICE (PARAS 1 & 3)**

(Councillor Bremner, having declared an interest in this item, left the meeting at this point.)

Councillor Waters, cabinet member for resources, introduced the report and referred to the comments received from UNISON, which were circulated at the meeting. The director of regeneration and development answered members' questions. The council would benefit from its experience of establishing shared services and the head of city development services would take on the client officer role.

RESOLVED to:

- (1) establish a 10 year agreement with Norfolk Property Services, known as Norwich (NPS), to deliver the management of the city council's non housing portfolio;

- (2) delegate to the director of regeneration and development, in consultation with the head of finance and the portfolio holder for Resources, authority to agree all the necessary arrangements for the establishment of this partnership, including formal staff consultation under the TUPE regulations;
- (3) authorise the head of finance to investigate the scope for the capitalisation of some of the operating costs of the partnership for at least the first three years of operation: the outcome to be reported back to the September 2011 meeting of the cabinet.

(Councillor Bremner was readmitted to the meeting at this point.)

***20. MANAGING ASSETS (PARA 3)**

Councillor Bremner, cabinet member for planning and transportation, introduced the report with the aid of slides and plans.

RESOLVED to:

- (1) approve the disposal of four void properties detailed in this report;
- (2) approve the decommissioning of three tenanted properties and the resettlement of the tenants in accordance with the council's adopted decommissioning policy;
- (3) approve the capital receipt from disposals to be used for investment in the housing capital programme and/or for enabling new affordable housing;
- (4) approve an application to the Secretary of State for Communities and Local Government for the disposal of the assets detailed in the report;
- (5) delegate to the director of regeneration and development to take all necessary and ancillary steps to achieve the above.

***21. NORWICH AND HCA STRATEGIC PARTNERSHIP BUSINESS PLAN (PARA 3)**

The chair said that the business plan would ensure that the excellent work of the Norwich and HCA Strategic Partnership continued. The director of regeneration and development answered questions.

RESOLVED to approve the revised business plan for the Norwich and HCA Strategic Partnership.

CHAIR