



Cabinet

17:30 to 19:00

7 February 2024

Present: Councillors Stonard (chair), Jones (vice-chair), Fulton-McAlister, Giles, Hampton, Kendrick, Kidman and Packer (items 1 – 8).

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

1. Declarations of interest

Councillors Kendrick, Kidman and Stonard declared a pecuniary interest, in relation to item 8, The council's provisional 2024/25 budget and medium-term financial strategy, in that they were council housing or garage tenants. They advised that they had been granted a dispensation from the Monitoring Officer to enable them to take part in the discussion and vote on the item.

2. Public questions/ petitions

There were no public questions.

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 17 January 2024.

5. Scrutiny Committee Recommendations

Councillor Stonard referred to the report circulated prior to committee and invited Councillor Ackroyd to introduce the report as the chair of the scrutiny committee.

Councillor Ackroyd emphasised that the budget was an important item to scrutinise and commented that it had been a well attended and interesting meeting with a wide ranging and full discussion. She thanked cabinet members and the chief executive officer for attending and for the patient explanation of questions by finance officers which had increased the committees understanding.

She highlighted that the budget consultation had emerged as a theme within discussions which was illustrated in the recommendations presented in the report. Members of the committee had considered recommendations aimed at increasing participation in consultations. She noted that committee appreciated the assurance

by the leader of the council and the chief executive officer that the consultation process would be considered in the new civic year.

Councillor Giles, cabinet member for communities and social inclusion thanked scrutiny committee for their consideration of the budget and the recommendations made to cabinet. He responded to those largely in relation to consultations, he emphasised that engagement and consultation were crucial ways in which residents were heard. He advised that work had begun at the beginning of this civic year by officers to consider engagement and consultation processes and the recommendations would be referred to this group.

He agreed that the need to register on Get Talking Norwich (GTN) could act as a barrier and noted that most consultations did not include the requirement to register for example the recent corporate plan consultation. He was happy to accept the recommendation in relation to this but noted that exceptions may be needed in cases where the outcome of a consultation could be biased if anonymised. If registration was required, he committed to simplifying the process.

In relation to the recommendation to incorporate demographic profiling questions into the main body of the questions, he welcomed the suggestion and noted that with the corporate plan consultation the questions were asked at the end of the survey with the option to not respond. He agreed that consultations should include a clear statement of intent and the scope of influence which respondents would have.

He considered that feedback was an important part of the consultation process and committed to providing responses to consultations on GTN and noted that providing responses was resource intensive and that it was not possible to provide responses on an individual basis. He advised that there was functionality on GTN to send out newsletters and updates if respondents provided their email address and this did not impact on the ability to respond to a consultation anonymously.

In relation to the recommendation to include consultations in the Equality, Diversity and Inclusion Strategy he expressed that the wording of the recommendation was unclear and welcomed clarification on this. He assumed that it meant to add a question to ensure the sample consultation response was representative of the profile of the city but it was noted that this was a practical challenge in that it would require participants to provide demographic information.

He was interested to explore if deliberative processes would increase participation and would ask officers to consider the feasibility of using a more deliberative process and to investigate if other methods achieved the same aim. In relation to avoiding leading questions he was happy to commit to this. However, he noted that some consultations such as that on the budget required a decision to be made between choices, asking what to prioritise, in these situations a scale of agreement could be used if appropriate.

GTN was an excellent platform but he was aware that there were people still digitally excluded or for whom literacy was an issue. He referred to the recent corporate plan consultation which included significant in person on street engagement with community activities being visited. However, he noted that in person engagement was resource intensive and the council did not have the capacity to do this for every consultation.

Councillor Stonard, the leader of the council responded to the remaining recommendations, he confirmed that clear and jargon free communication was what was aimed for and noted the budget was presented in pictorial form too as a pie chart. In relation to the request for a member briefing on the Future Shape Norwich project he would request that this was arranged by officers.

He referred to the recommendation in relation to a section on NCSL being included in the budget, he advised that Lion Homes was included in the capital strategy element of the budget because it was a significant driver of capital investment. This was not the case with NCSL and why it was not included.

RESOLVED to:

- 1) in principle to remove the requirement to register to access Get Talking Norwich with the caveat that certain consultations may have to be exempted as anonymised responses could bias the outcome. If required agreed to simplify the process;
- 2) add the demographic profiling into the main consultation questions;
- 3) agree that consultations should include a clear statement of intent and what the scope of influence is;
- 4) provide feedback on consultations on Get Talking Norwich;
- 5) avoid leading questions with the caveat that consultations such as that on the budget require a choice to be made in terms of what the priorities are, in these cases to agree to the use of a scale of agreement where appropriate;
- 6) agree where resources allow that in person engagement be considered as a form of mitigation against digital exclusion and literacy rates;
- 7) ask officers to consider the feasibility of using a more deliberative process to increase participation in the decision making process and to investigate if other methods achieve the same aim;
- 8) continue to commit to presenting budget information in a clear and jargon free way; and
- 9) ask officers to arrange a member briefing on the Future Shape Norwich project.

6. Response to Scrutiny Committee Recommendations on Retrofitting

Councillor Stonard leader of the council referred to the recommendations from the scrutiny committee on Retrofitting: Warm, low bills, no carbon: a plan for Norwich's council homes which had been presented to cabinet at the meeting held on 13 December 2023. The responses had been deferred for consideration and Councillor Jones, deputy leader and cabinet member for housing and community safety and Councillor Hampton, cabinet member for climate change provided a verbal update to the meeting.

Councillor Hampton thanked members of the task and finish group, scrutiny committee and officers for the recommendations. It had been a constructive exercise, and she was happy to support the recommendations. She noted that residential emissions were the top source of Norwich's emissions at 33% and investment in retrofitting was essential if the aim to achieve city wide net zero emissions by 2045 was to be achieved.

It was important not to lose sight of the cost of living and energy crises and retrofitting's impact upon this. The council's affordable warmth strategy contained the key principle that retrofitting measures must not exacerbate fuel poverty. The task and finish group had focussed on the council's housing stock and it was important to recognise the need for retrofitting in the private rented sector and for home owners too. Many of the task and finish group recommendations would benefit development in this area such as mitigating against skills and supply chain issues.

The retrofitting actions in the Citywide Climate Action Strategy sought to lead retrofitting work city wide, with a taskforce, digital hub and academy. The council's Environmental Strategy team had accessed national funding to deliver retrofitting schemes for example the Sustainable Warmth competition resulted in the installation of 289 retrofitting measures in low income homes. A bid had been made to for the next wave of Social Housing Decarbonisation Funding and it was hoped that the outcome would be heard shortly.

The Housing Revenue Account Business Plan presented at cabinet in December 2022 committed the council to achieving in its housing stock Energy Performance Certificate Level C by 2030 at the latest and to net zero by 2050. Work to develop a strategy to achieve this had been ongoing including a stock condition survey, consultant work to generate feasibility studies and options analysis and thermographic study of existing measures in homes.

In terms of the recommendations, in reference to adding retrofitting as a theme within the corporate plan, it was set as a priority in the new corporate plan. The Norwich Climate Commission and the Climate and Environment Emergency Executive Panel (CEEEP) having been consulted on the corporate plan as part of the extensive engagement work conducted. This was underpinned in the budget with a Growth Proposal included for Climate Change.

Councillor Hampton noted that many of the recommendations were resource intensive and funding had to be considered in the context of the financial climate of austerity. She agreed with the spirit and principle of the recommendations but there would be an element of prioritisation and the need to lever in external funding or to see a change to the government funding regime if they were to be achieved.

The recommendation to develop a state of readiness was an objective which was always aimed for, the current stock condition survey and identified measures would support this. In terms of the recommendation in relation to training, opportunities which were appropriate to staff's roles would be offered and for councillors training on signposting to existing schemes. On the recommendation to develop a Retrofit Communications Plan and Engagement Strategy this would be addressed via the Citywide Climate Action Strategy (CCAS).

The recommendation for the council to play a leading role within its own estate in terms of retrofitting was one which Councillor Hampton considered the council were already working to achieve. She referred to the 155 solar panels and the air source heat pump installed at city hall and advised that the CCAS recognised the need to use the council's estate as a living lab.

In terms of retrofitting measures in community centres she was keen to see this but advised that it was challenging to access funding for this purpose. Councillor Jones, deputy leader and cabinet member for housing and community safety responded later that for those community centres which sat within the Housing Revenue Account retrofit funding for homes would be prioritised above that for community centres but that she supported the idea to explore other sources of funding.

In reference to municipal bonds now referred to as municipal loans, talks were underway with Abundance and other providers with a view to a scheme being launched. In terms of utilising private sector investment, this was already being explored in relation to large scale heat networks and she was happy to accept this recommendation. On the recommendation on the County Deal, Councillor Hampton noted that this opportunity was gone if indeed it ever really existed as there had been no explicit funding for net zero in the deal. Partnership working benefits would be explored but the council already worked in partnership at County-level on retrofit e.g. Norfolk Climate Change Partnership and Norfolk Warm Homes Partnership.

In terms of ensuring that any contract for delivering retrofitting delivers social value she advised that this was already a requirement of the Social Value Act. However, she agreed in principle noting that it was a useful tool to explore further. The recommendation in relation to skills provision, was work that was acknowledged as required and Norfolk County Council were already assessing skills provision, had commissioned consultants and were working with the Retrofit Academy CIC. As the County Council were the education authority it was appropriate that they led this work. The recommendation on equal opportunities went in tandem with this as there could be no equality without opportunities existing.

In terms of the recommendation in relation to planning, this was a tool which could be used, this had been put into practice with the East Norwich development. The energy supplementary planning document for which set out the policy, principle and guidance for delivering sustainable energy in this strategic development area.

Councillor Hampton concluded by noting that she was comfortable with the majority of recommendations she had referred to which reflected work which was happening or was acknowledged as needing to happen. However, she reminded members that there was a caveat in that all recommendations had to be set in the current context of financial austerity and prioritises would have to be made.

Councillor Jones, deputy leader and cabinet member for housing and community safety emphasised that the council were committed to retrofitting its housing stock as a priority. It was crucial to base these decisions on clear evidence and the current stock condition survey being undertaken would assist with this. There were competing priorities to consider and she could not commit to a specific allocation of resources at this time. It was not possible to commit to accelerate the programme of retrofitting as it was not clear what the result of the stock condition survey would be.

In terms of the recommendations in relation to ensuring sufficient expertise and resources were in place to progress retrofitting. Councillor Jones acknowledged that it was essential to have the right mix of skills and noted that it was necessary to understand what was needed in terms of reviewing the data from the stock condition survey before this could be considered. She looked forward to continuing the discussion once the position was clearer.

In terms of the recommendation to deliver retrofitting services through Lion Homes, Councillor Jones was not adverse to the idea if it achieved best value for the Housing Revenue Account which was the priority. Similarly, in terms of the recommendation to explore retrofitting as an opportunity for NCSL this could be something to discuss in the future. Currently it was important to focus on business as usual in terms of the role that NCSL had.

Councillor Jones concluded by confirming her commitment in principle to the majority of recommendations with the caveat that it was not possible to commit to a timescale for some at present.

Councillor Galvin thanked cabinet members for their response to the recommendations, she advised that the recommendations were considered by a cross party group of members with considerable support from officers. The recommendations were designed to be able to be adopted by council and she was pleased as the chair of the task and finish group that cabinet had accepted the spirit of the recommendations. She commented that it would have been preferable if a written response to the recommendations could have been available before the meeting.

RESOLVED to note the update on the scrutiny committee recommendations on retrofitting and to agree to provide a written response at the March meeting of cabinet.

7. Local Council Tax Reduction Scheme 2024/25

Councillor Giles, cabinet member for communities and social inclusion presented, the report. Council Tax benefit was abolished in 2013 at which time a number of local authorities introduced a minimum council tax payment for benefit claimants. He was pleased that Norwich had maintained a 100% Council Tax Reduction Scheme (CTRS) emphasising that problem debt could increase financial exclusion, add to family breakdown and exacerbate physical and mental health conditions.

He advised that the recommendations proposed had received unanimous support at the cross party Council Tax Working Group and that proposals received from Norfolk County Council including a recommendation for all Norfolk billing authorities to consider setting a cap on Council Tax Support at 75% were rejected. The cost of running the scheme for the financial year 2024/25 was £1.24m a £60,000 increase on the 2023/24 cost. He noted that whilst the recommendation to maintain a 100% CTRS protected vulnerable residents it was also inefficient to spend resource chasing small amounts of payments.

Councillor Jones, deputy leader and cabinet member for housing and community safety commented that the CTRS made a significant difference to people and she

was pleased that even in the context of challenging times for local authorities the council could still continue to offer this support.

In response to a question from Councillor Galvin, Councillor Giles cabinet member for communities and social inclusion advised that additional support was provided to residents identified as vulnerable using the Norfolk Community Advice Network referral system. This allowed referrals to be made to a range of support agencies providing advice in relation to debt and benefits.

RESOLVED to recommend that council:

- 1) retains a maximum 100 per cent LCTRS for working age recipients;
- 2) make the following changes to the LCTRS for 2024/25 by continuing with the 2023/24 scheme with the following annual modifications:
 - (a) to uprate the relevant applicable amounts for 2024/25 and future years by the preceding September CPI figure;
 - (b) to make changes for working-age customers which align with pensioner prescribed changes annually for 2024/25 and future years;
 - (c) to change the scheme annually in accordance with any Prescribed Regulation changes;
 - (d) to retain the £3 + or - tolerance level for changes in income for 2024/25 and future years;
 - (e) to uprate the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the preceding September CPI figure;
 - (f) to increase the level of income brackets used to decide entitlement to second adult reduction by the preceding September CPI figure;
 - (g) to retain the maximum household capital limit of £16,000 for 2024/25 and future years.

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

Councillor Kendrick, cabinet member for resources, presented the report placing the budget in the context of a climate of financial austerity for local authorities with a number recently issuing S114 notices. He was pleased in this situation to be able to propose a balanced budget for 2024/25 without use of reserves and without the level of cuts seen to services at other councils.

He referred to the consultation which had been conducted on the key elements of the budget and noted that responses were lower than expected. He referred to the recommendations from scrutiny committee looking at ways to improve the budget consultation process. He advised that members could take some comfort from the additional and extensive engagement on the corporate plan which would inform

priorities for the future and which had engaged with over 900 individuals and organisations.

He highlighted that there were further savings to be made across the remainder of the Medium Term Financial Strategy (MTFS) and noted that this was unsurprising given the uncertainty in relation to local government funding, continuing growing pressures for services, inflationary factors impacting the funding of services and the imminent General Election.

He referred to the latest budget management report on the agenda and advised that this indicated that there would be no overspending in the current year, whilst 93% of the savings targets agreed for 2023/24 had been delivered, an exceptional achievement in the current financial climate with many local authorities struggling to balance their budgets.

The Local Government Financial Settlement had now been finalised and confirmed that the council would receive an additional £193,000 as a consequence of the government being forced to take heed of the evidence provided by lobbying groups including the District Councils Network.

It was proposed to increase the council's share of council tax by 2.99% which was essential to maintain services both now and into the future. Similarly, the extensive demands of maintaining the council's substantial housing stock and providing more houses into the future led to the need to increase housing rents and service charges in line with the rent setting standard.

Whilst additional resources were welcome and overall the settlement delivered an increase in Core Spending Power of 5.7% compared to 2023/24, there continued to be a challenging financial outlook for local government in the medium term. Prudent and effective financial management and control had provided a solid foundation from which to build. However, he warned against complacency and emphasised the need to continue to maintain these high standards in order to balance the Medium Term Financial Strategy.

Local Government continued to await a revised funding regime, whether for Council Tax or Business Rates to bring funding arrangements into the 21st Century. It was likely that there would be further changes during the course of the current Medium Term Financial Strategy, not least as a consequence of the imminent General Election. It was hoped that a multi-year financial settlement to support longer term financial planning would be provided to local authorities instead of having to rely on the sticking plaster of a funding guarantee.

Despite the challenges faced, the budget proposed required no additional service related savings, did not require the use of one-off reserves to fund on-going expenditure and sought to establish a strong foundation for future service development and improvement, linked to the Corporate Plan. He was pleased to propose the recommendations for approval to full council.

Councillor Giles, cabinet member for communities and social inclusion referred to the benefit that sport and physical activity provided to health and proposed three amendments to the Capital Programme for additional investment in city parks as follows:

- 1) Increase the funding for the play area improvement programme by £1.1m over the period 2024/25 to 2026/27;
- 2) Increase the funding in 2024/25 for the improvement of the changing pavilions at Eaton Park by £0.3m; and
- 3) Increase the funding for sloughbottom park by £0.85m.

The amendments were seconded by Councillor Kidman, cabinet member for wellbeing and culture and following a vote were agreed. Councillor Jones, deputy leader and cabinet member for housing and community safety welcomed the investment in parks commenting that they were essential to a wide range of people.

In response to a question from Councillor Galvin, Councillor Giles advised that the additional investment was funded from Section 106 funding, further support from the football foundation and from the Greater Norwich Growth Board (GNGB) to supplement the resources received from the council's successful levelling up bid.

In relation to the funding from the GNGB this was approved as part of the Greater Norwich draft Five Year Infrastructure Investment Plan 2024-29 considered at the meeting of cabinet on 17 January 2024. There had been no time to incorporate the extra funding into the budget prior to budget scrutiny. The amendments were proposed now because he wanted the funding to be inserted at this time rather than waiting until the middle of the year.

RESOLVED to:

- 1) note the latest financial information, the budget strategy incorporated into the report and the budget proposals, which enable the Council to set a balanced budget for 2024/25 and Medium-Term Financial Strategy for the period to 2028/29;
- 2) note the budget consultation process that was followed and consider, as part of finalising the 2024/25 budget proposals for Council, the feedback as outlined in Section 2, Appendix 2 (E);
- 3) note the Section 7 report of the chief finance officer on the robustness of the budget estimates, the adequacy of reserves, and the key financial risks to the council; and
- 4) note that the Council Tax resolution for 2024/25, prepared in accordance with Sections 32-36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011, will be calculated, and presented to Council for approval once Norfolk County Council and the Office of the Police and Crime Commissioner for Norfolk have agreed the precepts for the next financial year.

Recommend to Council to approve:

General Fund

- (i) The council's net revenue budget requirement as £24.232m for the financial year 2024/25 including the budget allocations to services shown in and the growth proposals set out in Section 2;
- (ii) An increase to Norwich City Council's element of the council tax of 2.99%, meaning that the Band D council tax will be set at £297.22 (Section 2, paragraph 2.15) with the impact of the increase for all bands shown in Section 2, Appendix 2 (D);
- (iii) The prudent minimum level of reserves for the council as £5.4 million (Section 2, paragraph 2.35);
- (iv) The following additional Council Tax premiums be applied as soon as practicable (Section 2, paragraphs 2.21-2.25) in line with the Levelling Up and Regeneration Act 2023;
 - 100% premium for second homes with effect from 1st April 2025;
 - 100% premium for properties which have been empty and unfurnished for a period of between 1 and 5 years from 1st April 2024;
- (v) Delegation to the chief finance officer (S151 Officer) in consultation with the portfolio holder for resources inclusion of any minor changes consequent on the publication of the final local government settlement or subsequent additional grant allocations.

Housing Revenue Account

- (vi) The proposed Housing Revenue Account gross expenditure budget of £72.867m and gross income budgets of £82.969m for 2024/25 (Section 3, paragraph 43);
- (vii) The use of £10.045m of the £10.102m estimated surplus HRA general reserves to make a revenue budget contribution towards funding the 2024/25 HRA capital programme (Section 3, paragraph 43);
- (viii) A 7.7% increase in dwelling rents for 2024/25, in accordance with the government's Rent Standard. This will result in an average weekly rent increase of £6.91 for Norwich social housing tenants (Section 3, paragraphs 48 to 55);
- (ix) That garage rents increase by 7.7%, based on CPI in September 2023 plus 1% (Section 3, paragraph 53);
- (x) That the setting of tenants' service charges is delegated to the Executive Director of Housing & Community Safety in consultation with the portfolio holder for Housing after engagement with tenant representatives (Section 3, paragraph 54) ;
- (xi) The prudent minimum level of Housing Revenue Account reserves as £5.848m (Section 3, paragraph 70 and table 3.4);

Capital and Commercial Strategy

- (xii) The proposed general fund capital programme 2024/25 to 2028/29 (2024/25: £31.139m; 5 years: £47.108m) and its method of funding as set out in Section 4, table 4.2, table 4.4 and Appendix 4 (B);
- (xiii) The proposed HRA capital programme 2024/25 to 2028/29 (2024/25: £41.107m; 5 years: £180.500m) and its method of funding as set out in Section 4, table 4.2, table 4.5 and Appendix 4 (B);
- (xiv) The capital strategy, as required by CIPFA's Prudential Code;
- (xv) Delegating to Cabinet, approval to include in the capital programme, additional capital schemes funded wholly by grant where it meets the

- Council's aims;
- (xvi) Delegating to the chief finance officer in consultation with the executive director of development and city services, approval of adjustments to the 2024/25 and future capital programmes to reflect the funding requirements of projects funded from the Towns' Deal;

Treasury Management Strategy

- (xvii) The borrowing strategy 2024/25 through to 2028/29 (Section 5, paragraphs 5.25 to 5.29);
- (xviii) The capital and treasury prudential indicators and limits for 2024/25 through to 2028/29 contained within Section 5 including the Authorised Borrowing Limit for the council;
- (xix) The Minimum Revenue Provision (MRP) policy statement contained in Appendix 5 (Section 5);
- (xx) The (financial) Investment Strategy 2024/25 including changes to counterparty limits;

Summary of key financial indicators

- (xxi) Indicators for 2024/25 through to 2028/29 as contained in section 5.

Amendments recommended by Cabinet:

- (xxii) Increase the funding for the play area improvement programme by £1.1m over the period 2024/25 to 2026/27.
- (xxiii) Increase the funding in 2024/25 for the improvement of the changing pavilions at Eaton Park by £0.3m; and
- (xxiv) Increase the funding for Sloughbottom park by £0.85m.

(Councillor Packer left the meeting at this point.)

9. Corporate Performance Report for Quarter 3, 2023/24

Councillor Stonard, leader of the council presented the report, it set out progress for quarter 3, year two of the current Corporate Plan 2022-2026. There were 23 quarterly and no annual Key Performance Indicators (KPIs) reported for this period.

The report showed a notable improvement for performance with 16 KPIs showing as green, three showing as red and just one as amber for quarter 3. At a time when there were some of the highest demands for services, along with resource challenges, this was the best level of performance for two years. Action was being taken on the three red KPIs, he advised that in relation to the number of complaints responded to in ten days a task and finish group had been formed to review process and improvements were already being seen.

The dip in digital channel shift this quarter was expected due to the County Council parking back-office services previously provided by the City Council moving to a different provider. This service was predominantly carried out online with most residents requesting parking permits online. Challenges with channel shift had been anticipated and would be address via the new Customer and Digital Strategy and associated action plan.

He highlighted notable successes, the percentage of housing rent collected had significantly improved moving from red to green this year with 99.3% the indicative projection for year end. Improvement in call wait times had increased customer satisfaction which had moved from red to green this year and was now reporting above target. The improvement came because of efforts made by the customer contact team to redesign and improve processes to reduce average call wait time.

Improvement had also been made on the indicator for the total number of private sector insulation measures completed which had moved from red (34 measures) in Q4 of last year to consistently green this year, with a total of 83 measures being installed in quarter three. It was worth noting that many of the central government retrofit schemes no longer required the involvement of local authorities, therefore there were likely hundreds more private sector installations occurring across the city that the council were not aware of.

Councillor Stonard referred to appendix A of the report detailing achievements and challenges over the quarter. He highlighted the successful delivery of the first batch of new homes at Threescore by Lion Homes, with 20 new family homes handed over this quarter. Within community safety several Partial Closure Orders had been secured protecting vulnerable residents from cuckooing, a practice where people take over a person's home and use the property, often associated with the use and trade of illegal drugs. The community safety team had also successfully secured Safer Streets funding from round five.

Within the elections team, new online postal voting requirements had successfully been implemented and within the revenues and benefits team a review of the allocation of Discretionary Housing Payments would enable new applications to be supported until the end to the financial year. He was pleased with the improvement seen in performance and thanked cabinet members and officers for their work.

Councillor Jones, deputy leader and cabinet member for housing and community safety highlighted the work of the community safety team and credited officers with turning around performance in a challenging service. She referred to the fact that demand for homelessness services had never been higher and yet Norwich as a city were still bucking the trend in terms of rough sleeping rates which could be attributed to positive partnership working with other key providers. Finally, she referred to the significant improvement seen in the delivery of gas safety certification which reflected the council's commitment to ensure compliance.

Councillor Giles, cabinet member for communities and social inclusion referred to performance within his portfolio, highlighting that the average number of days taken to process new housing benefit claims at 18 days compared favourably to that of neighbouring authorities. The target for processing council tax reduction scheme applications stood at 35 days with the processing time of 31.62 days achieved this quarter. He thanked the benefit department for their hard work reflected in the positive performance against targets.

In response to Councillor Galvin's question in relation to an increase in the number of Freedom of Information requests the council received, Councillor Stonard, leader of the council commented that he did not agree that this was associated with a lack of trust in the council. Councillor Galvin referred to the council's commitment to

openness and transparency and listed a number of areas of the council's website which were out of date.

She highlighted that senior salaries had not been updated since 2018, homelessness provision since 2016, Social Housing Asset Value since 2018, car parking reports since 2021, parks and open spaces expenditure since 2017, community grants since 2019, trade union facility time since 2018 and the number of freedom of information requests since 2018. Stonard confirmed that the council were committed to openness and transparency and agreed to investigate and update the website if required.

RESOLVED to:

- 1) review progress on the key performance indicators for this quarter; and
- 2) ask officers to investigate if the areas of the website identified required updating and to update if needed.

10. Risk register Q3 2023-2024

Councillor Kendrick, cabinet member for resources, presented the report which set out the quarter three position of the Corporate Risk Register. He advised that there were no significant changes to the council's risk profile since the quarter two update was received. However, he highlighted the substantial improvement that had been achieved in relation to health and safety responsibilities.

The risk associated with health and safety compliance in council homes and buildings had now been removed from the Corporate Risk Register and would continue to be managed at a Directorate level. This followed the formal notification from the Social Housing Regulator that they were satisfied with the progress made in addressing the issues which led to the council self-referring itself for breaches and represented a key achievement in the journey to bring about rapid improvement in this area.

Councillor Galvin asked for confirmation that the council was not planning or involved in any legal proceedings of any kind in relation to the health and safety breaches. The chief executive officer advised she did not have the information to hand and agreed to respond to Councillor Galvin outside of the meeting.

With no members indicating that they wished to discuss the exempt appendix accompanying the report, it was:-

RESOLVED to note the identified risks and the direction of travel.

11. Budget monitoring report Q3 2023-2024

Councillor Kendrick, cabinet member for resources, presented the report, the council continued to maintain a strong financial position with the general fund indicating an underspend of £3.5m. The majority of saving proposals agreed for the financial year remained on track, including those agreed for the increased levels of income from treasury management activity which continued to perform strongly both in terms of financial returns but also in relation to maintaining a low risk profile.

For the housing revenue account (HRA) an overspend of £3m had been projected, which remained attributable largely to the impact of continuing high rates of inflation on the expenditure necessary to maintain the housing stock, combined with the additional level of work required to reinstate void dwellings to a lettable standard.

The capital programme was currently indicating underspends of £0.9m for the general fund and £6m for the HRA, although many of the underspent budgets would be requested to be carried forward as work continued into the next financial year.

He was pleased to note the strong financial position of the council and to endorse the recommendations.

In response to Councillor Galvin's question as to what was the cause of the delay on HRA upgrades, the Interim Executive Director of Housing and Community Safety responded that in part this was due to the need to await the results of the stock condition survey as this would direct investment in the right place and in part due to accelerated expenditure dealing with compliance issues through the revenue account.

RESOLVED to note:

- 1) the forecast £3.5m underspend on the general fund revenue account and the £3m overspend on the Housing Revenue Account (HRA);
- 2) the forecast £0.9m underspend against the general fund and the £6.0m underspend against the HRA capital programmes; and
- 3) the areas of significant variances contained within the report.

12. Treasury Management Q3 Review Report 2023/24

Councillor Kendrick, cabinet member for resources, presented the report. He advised that the report highlighted that the council were adhering to its Treasury Management Strategy and Policy and that the report had been endorsed by Treasury Management Committee on [9 January 2024](#).

He advised that the council operated within the CIPFA Code of Practice for Treasury Management in the Public Sector and the Prudential Code for Capital Finance in Local Authorities. These Codes placed a responsibility on members to review and scrutinise treasury management policy and activity against prudential indicators. The report set out a range of indicators and highlighted that there were no breaches to alert members to.

He noted that since the start of 2023 The Bank of England had raised the base interest rate from 4% to 5.25%. The base rate of 5.25% had now been held since early August. However, whilst the headline inflation rate continued to fall it was still double the 2% Bank of England target rate.

The council remained significantly internally borrowed and cash balances available for investment would continue to enable the council to maximise its returns in the current high interest rate environment. As set out in the treasury management strategy, priorities for the investment of the council's day to day cash balances were to safeguard security, ensure that liquidity was maintained and then to achieve yield.

The council's Treasury Management activity continued to be monitored against the wider economic backdrop in accordance with Link Asset Services and the council's Treasury Management Strategy.

He was pleased to commend the recommendations to members for approval at council.

In response to a question from Councillor Galvin the Interim Chief Finance Officer advised that the Treasury Management Strategy was largely informed by statute and the council's treasury management advisors Link Asset Services who provided detailed guidance.

RESOLVED to note the contents of the report and in particular the treasury management activity undertaken in the 3rd Quarter of the 2023/24 financial year and recommend it for approval by Council.

13. Risk register Q3 2023-2024 – (Exempt appendix – para 3)

This item was noted under item 10 above.

14. Disposal of assets (housing) – (Exempt - para 3)

The chair advised that this item had been withdrawn from the agenda.

13. Draft Treasury Management Strategy

The chair advised that this item would now be considered at the cabinet meeting on 7 February 2024 as part of the budget papers.

RESOLVED to defer consideration of the draft Treasury Management Strategy to the cabinet meeting on 7 February 2024.

14. Exclusion of the public

RESOLVED to exclude the public from the meeting during consideration of item *15 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

15. Managing Assets (Housing) (Key Decision) (Para 3)

Councillor Jones, deputy leader and cabinet member for housing and community safety presented the report. She advised that a number of sites were considered in order to identify those which were most appropriate and that ward councillors had been consulted in relation to sites detailed in the report. She considered it was a priority for the council to use its right to buy receipts to get new homes built and commended the recommendation for approval.

RESOLVED to approve the disposal of the named sites to the housing associations identified, in order to enable new affordable housing for the city.

CHAIR