

MINUTES

Budget Council

19:30 to 22:05

25 February 2020

Present: Councillor Thomas (Va) (Lord Mayor), Ackroyd, Bogelein, Brociek-Coulton, Button, Carlo, Davis, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Grahame, Harris, Huntley, Jones, Kendrick, Lubbock, Maguire, Manning, Maxwell, McCartney-Gray, Neale, Osborn, Packer, Peek, Price, Sands (M), Sands (S), Sarmezey, Schmierer, Stonard, Stutely, Thomas (Vi), Utton, Waters, Wright and Youssef.

Apologies: Councillors Driver, Oliver and Ryan

1. Lord Mayor's Announcements

The Lord Mayor said that a full list of his engagements would be appended to the minutes. He highlighted a visit from the Chartered Institutes of Building's new female Chief Executive Officer. He had been very proud to show her the Goldsmith Street development.

2. Declarations of Interest

Councillors Brociek-Coulton, Button, Harris, Kendrick, Peek, Price and Waters declared pecuniary interests in item 6 (below), The Council's 2020-21 Budget and Medium Term Financial Strategy and had received full dispensations from the monitoring officer to remain in the room for the discussion but understood that they would not be able to vote on the resolutions pertaining to their interests.

Councillor Neale declared a pecuniary interest in item 6 (below), the Council's 2020-21 Budget and Medium Term Financial Strategy and had received a full dispensation from the monitoring officer to take part in the discussion and vote on this item.

Councillor Button declared a pecuniary interest in item 7 (below), Council Tax Reduction Scheme, and would be required to leave the room during the determination of that item.

3. Questions from the public / petitions

The Lord Mayor said that no questions had been received.

One petition had been received.

Miss Helen Carter, on behalf of Climate Hope Action in Norfolk (CHAIN) to present the following petition:

“We call on Norwich City Council and Norfolk County Council to step up to the threat of climate change and:

1. Declare a climate emergency
2. Mobilise resources to prioritize mitigation of and adaptation to climate change to protect the people of Norfolk.
3. Set and update emissions reduction targets in line with the latest science.
4. Scrap projects not consistent with these targets.
5. Introduce a program to educate the population and council staff about climate change.
6. Work with other councils to share best practice.
7. Lobby national government to act and help local government to do more to respond to the climate crisis.”

Councillor Maguire, the cabinet member for safe and sustainable city environment gave the following response:

“First of all thank you for your petition to council. I understand you received well over two thousand signatories I am sure many would have signed up from our wonderful city. It is a testament to them and everyone who is so committed to protecting our critically important environment. I respond to your individual points.

1. Declare a climate emergency

On the 29 January the council resolved to acknowledge the conclusions of scientists that climate temperature rise should be limited to 1.5°C. A climate emergency was declared by the leader of the council. We were one of the first councils to do this.

In addition the council also resolved that declarations of ‘Climate Emergency’ are inextricably linked with social and economic emergencies which affect ordinary people globally and locally: all of these are equally important in achieving truly sustainable communities.

As you probably know, Norwich was among the first councils to recognise the importance of the environment to the well-being of its citizenry. We were already campaigning on the environment and climate change in the 1980’s. As far back as the 1990’s we had a sustainability panel and 10 years ago we were the first place in the country to have an independent climate commission.

In the last 10 years the council has also signed up to the climate local commitment, the Nottingham declaration on climate change and committed

the council to reducing its own operational CO2 emissions which are now nearly 60% lower than in 2007.

2. Mobilise resources to prioritize mitigation of and adaptation to climate change to protect the people of Norfolk.

Whilst the city of Norwich could be described as the financial and cultural hub of Norfolk, the city council cannot produce adaptation and mitigation plans for the whole of Norfolk.

However work is already ongoing across a number of councils across Norfolk to ensure mitigation and adaption measure are implemented in accordance with their locally agreed targets, local plans, and planning policy.

Officers from across councils in Norfolk are already working to co-ordinate efforts where councils have common priorities. We have a strong track record which is the envy of many in Norfolk and it is our duty both to share and always to learn from available best practice.

3. Set and update emissions reduction targets in line with the latest science.

Norwich City Council has taken the issue of sustainability seriously since well before the Rio Earth Summit and the UN's Agenda 21. The council understands how its local actions have causal links with global issues such as climate change. As mentioned this is something we have been working on for a number of years.

You will be pleased to know that we are already using the very latest tools (developed by the Tyndall Centre for Climate Change Research) to help shape and inform our future policy decisions. The council has also resolved to acknowledge the conclusions of scientists that climate temperature rise should be limited to 1.5°C.

4. Scrap projects not consistent with these targets.

Environmental considerations are already considered when undertaking decisions. These can either be in the form of impact assessments or sustainability appraisals for larger proposals. The council also uses integrated impact assessments which cover a range of issues including climate change. All of this evidence based approach helps to carefully assess and ensure projects meet with our key goals. This is critically important given the impact of extreme austerity since 2010 and the need to deliver constant progress on our bold environmental policy.

5. Introduce a programme to educate the population and council staff about climate change.

CHAIN will already be aware that the council has been working hard to educate our citizens about sustainability, climate change and one planet living. Our dedicated sustainable living campaign "One Planet Norwich" is

already reaching out to tens of thousands of citizens every year via social media and physical events. CHAIN and Extinction Rebellion (XR) Norwich also attended in 2019 and I was very impressed how both groups engaged with the public.

The council also regularly promotes recycling, walking, cycling and issues around biodiversity which goes out to every home in the city. Finally our Lord Mayors theme in 2019 was “love the world around you”.

We already have some great ideas for 2020 specifically around climate change so watch this space!

In regards to council staff we have already had workshops around this issue and have been engaging with the Tyndall Centre at UEA to help educate our councillors on the latest climate science.

6. Work with other councils to share best practice.

As highlighted the council is already part of programmes which share best practice locally and nationally. In fact, programmes which started here in Norwich have been replicated elsewhere: Such as Solar Together our public solar panel auction.

The council will continue to engage with the Local Government Association (LGA), CPD Climate Disclosure, Salix, the Carbon Trust and regional stakeholder groups such as the Norfolk Climate Change Partnership to share best practice.

7. Lobby national government to act and help local government to do more to respond to the climate crisis.

The council has already lobbied central government to provide the resources to respond to the issue of climate change, domestic energy efficiency and host of other related issues. The climate emergency motion, passed without opposition in January 2019, recognised that central government has a key role to play in tackling climate change and building sustainable communities. As we develop our ongoing efforts to tackle this issue I have no doubt we will be lobbying national government again.

While lobbying is crucial I must however voice my concern at this government's lack of interest and leadership around this vital area. As ever it falls to us on the ground to deliver upon the practical, physical green agenda on a day-to-day basis and show leadership, commitment and courage. Despite the context we face I am profoundly optimistic as we have a committed and engaged city community, access to significant expert support, and still resources and determination to deliver upon this vital work.

Lord Mayor, we can do it and we will do it together.

Thank you again for your support, commitment and help and for the time you have taken to come here this evening.”

4. Minutes

RESOLVED to approve the minutes of the extraordinary and ordinary meetings held on 28 January 2020.

5. Corporate Plan 2020-2021

Councillor Waters moved and Councillor Harris seconded the recommendations as set out in the report.

Following further debate it was:

RESOLVED, with 27 members voting in favour and 9 members abstaining from voting to approve the continued adoption of the current 2019-2022 corporate plan vision, mission and priorities for 2020-21, subject to a review of the corporate performance framework to be undertaken once a full year's worth of data is available.

6. 2019-20 Budgets, Medium Term Financial Strategy

(Councillors Brociek-Coulton, Brociek-Coulton, Button, Harris, Kendrick, Neale, Peek, Price and Waters had declared interests in this item.)

Councillor Kendrick moved and Councillor Harris seconded the recommendations as set out in the report.

Councillor Bogelein moved and Councillor Osborn seconded the following amendment:

To reduce the following budget items:-

From revenue expenditure:

Cut Citizen magazine to one edition per year	£ 30 000
Lower contribution to general reserves	£ 90 000

From capital expenditure:

Cancel the upgrade to Heigham Park tennis courts	£115 000
	£235 000

To increase the following budget items:-

From revenue expenditure:

Additional monitoring of CCTV in the city	£ 30 000
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From general reserves:

Climate Emergency Officer (three month fixed term contract)	£ 20 000
Citizens' Assembly on the Environmental and Climate Emergencies	£ 70 000

From capital expenditure:

Four re-deployable CCTV cameras	£ 50 000
One-off capital budget of £5 000 per ward	£ 65 000

£235 000

On being put to the vote with 9 members voting in favour (Councillors Bogelein, Carlo, Grahame, Neale, Osborn, Price, Schmierer, Utton and Youssef) 24 members voting against (Councillors Brociek-Coulton, Button, Davis, Fulton-McAlister (E) Fulton-McAlister (M), Giles, Harris, Huntley, Jones, Kendrick, Maguire, Manning, Maxwell, McCartney-Gray, Packer, Peek, Sands (M), Sands (S), Sarmezey, Stonard, Stutely, Thomas (Va), Thomas (Vi) and Waters) voting against and 3 abstentions (Councillors Ackroyd, Lubbock and Wright) the amendment was lost.

Debate followed.

The Lord Mayor explained that because members had declared pecuniary interests because they were council tenants or rented council garages, the vote would be taken in four parts with recommendations A8 and A9 being taken separately.

He then moved to the vote on the cabinet recommendations of 12 February 2020 for the council's 2020-21 budget and it was:

RESOLVED, with 27 members voting in favour (Ackroyd, Brociek-Coulton, Button, Davis, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Harris, Huntley, Jones, Kendrick, Lubbock, Maguire, Manning, Maxwell, McCartney-Gray, Packer, Peek, Sands (M), Sands (S), Sarmezey, Stonard, Stutely, Thomas (Va), Thomas (Vi), Waters and Wright) and 9 members voting against (Councillors Bogelein, Carlo, Grahame, Neale, Osborn, Price, Schmierer and Youssef) to approve the cabinet's recommendations of 12 February 2020 for the council's 2020-21 budget:

A 1-7, and 10-25

- A.** To approve cabinet's recommendations of 12 February 2020 for the 2020-21 financial year:

General Fund

1. The council's net revenue budget requirement as £17.888m for the financial year 2020/21 including the budget allocations to services shown in Appendix 2 (C) and the savings and growth proposals set out in appendices 2 (F) and 2 (G).
2. An increase to Norwich City Council's element of the council tax of 1.99%, meaning that that the Band D council tax will be set at £269.38 (paragraph 2.23) with the impact of the increase for all bands shown in Appendix 2 (E).

3. The prudent minimum level of reserves for the council as £4.289m (paragraph 2.46).
4. The award of new business rates reliefs using discretionary relief powers as set out in paragraph 1.4. The full cost of granting this relief will be compensated through a section 31 grant from Government.
5. Transfers to earmarked reserves as set out in paragraphs 2.2, 2.7 and 2.54.

Housing Revenue Account

6. The proposed Housing Revenue Account gross expenditure budget of £61.4m and gross income budgets of £68.1m for 2020/21 (paragraph 3.4).
7. Of the estimated surplus of £6.7m, £2.1m is used to make a revenue budget contribution towards funding of the 2020/21 HRA capital programme (paragraph 3.4).
10. The transfer of £1m of underspend forecast to be achieved in 2019/20 to the HRA's spend-to-save earmarked reserve (paragraph 3.3).
11. The prudent minimum level of housing reserves as £5.874m (paragraph 3.34).

Capital Strategy

12. The proposed general fund capital programme 2020/21 to 2024/25 and its method of funding as set out in table 4.4, table 4.5 and Appendix 4 (B).
13. The proposed HRA capital programme 2020/21 to 2024/25 and its method of funding as set out in table 4.4, table 4.6 and Appendix 4 (B).
14. The capital strategy, as required by CIPFA's Prudential Code.

Non-financial Investments (Commercial) Strategy

15. The placing of security and yield above liquidity when considering commercial property investments as explained in paragraphs 5.15 to 5.18.
16. Continuing to borrow in order to invest in commercial property outside of the city's boundaries in order to obtain the best opportunities available, diversify the portfolio, and thereby mitigate the risk of holding these investments (paragraph 1.32 and 5.9).
17. The setting aside of 20% of the net new income achieved from commercial property investment into the commercial property earmarked reserve as set out in paragraphs 5.19 to 5.21.
18. The council's policy and process for lending to Norwich Regeneration Limited as set out in paragraph 5.26.
19. The estimated loan facility (amount of lending) the council will need to make available to Norwich Regeneration Ltd to deliver its Business Plan as set out

in table 5.2. Final decisions on lending will be subject to the process set out in paragraph 5.32.

20. The estimated equity investment the council will need to make in Norwich Regeneration Limited to deliver its Business Plan as set out in table 5.3. Final decisions on investments will be subject to the process set out in paragraph 5.32.

Treasury Management Strategy

21. The borrowing strategy 2020/21 through to 2024/25 (paragraphs 6.21 to 6.24).
22. The capital and treasury prudential indicators and limits for 2020/21 through to 2024/25 contained within paragraphs 6.13 to 6.20 and tables 6.2 to 6.4, including the Authorised Borrowing Limit for the council.
23. The Minimum Revenue Provision (MRP) policy statement described in paragraphs 6.33 to 6.37 and contained in Appendix 6.
24. The (financial) Investment Strategy 2020/21 (paragraphs 6.38 to 6.73).

Summary of key financial indicators

25. The indicators for 2020/21 through to 2023/24 contained in section 7.

RESOLVED, unanimously, with all members able to vote, voting in favour (Ackroyd, Bogelein, Carlo, Davis, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Grahame, Huntley, Jones, Lubbock, Maguire, Manning, Maxwell, McCartney-Gray, Neale, Osborn, Packer, Price, Sands (M), Sands (S), Sarmezey, Schmierer, Stonard, Stutely, Thomas (Va), Thomas (Vi), Utton, Wright and Youssef) to approve:

A8

General Fund

8. A 2.7% increase in dwelling rents for 2020/21, following the Secretary of State issued Direction on the Rent Standard 2019. This enables authorities to increase rent annually by up to CPI (Consumer Price Index) as at the preceding September plus 1% from April 2020. This will result in an average weekly rent increase of £2.07 for Norwich tenants (paragraphs 3.9 to 3.14).

RESOLVED, unanimously, with all members able to vote, voting in favour (Ackroyd, Bogelein, Brociek-Coulton, Button, Carlo, Davis, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Grahame, Harris, Huntley, Jones, Kendrick, Lubbock, Maguire, Manning, Maxwell, McCartney-Gray, Neale, Osborn, Packer, Peek, Sands (M), Sands (S), Sarmezey, Schmierer, Stonard, Stutely, Thomas (Va), Thomas (Vi), Utton, Waters, Wright and Youssef) to approve:

A9

General Fund

9. A 2.7% increase in garage rents for 2020/21 (paragraph 3.15).

RESOLVED, unanimously, with all members present voting in favour (Ackroyd, Bogelein, Brociek-Coulton, Button, Carlo, Davis, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Grahame, Harris, Huntley, Jones, Kendrick, Lubbock, Maguire, Manning, Maxwell, McCartney-Gray, Neale, Osborn, Packer, Peek, Price, Sands (M), Sands (S), Sarmezey, Schmierer, Stonard, Stutely, Thomas (Va), Thomas (Vi), Utton, Waters, Wright and Youssef) to approve:

- B.** that the total of all the precepts of the collection fund is calculated in accordance with Sections 32-36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011(as shown in Annex B) taking into account precepts notified by Norfolk County Council and the Office of the Police & Crime Commissioner for Norfolk.

7. Council Tax Reduction Scheme 2020-2021

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

(This item was taken as unopposed business)

RESOLVED, unanimously, to approve the following changes to the council tax reduction scheme (CTRS) for 2020-21 by continuing with the 2019-20 scheme with the following modifications:

1. as in previous years increase the working-age applicable amount by the 2020-21 composite rate of council tax (excluding adult social care);
2. increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the 2020-21 composite rate of council tax (excluding adult social care);
3. increase the level of income brackets used to decide entitlement to second adult reduction by the 2020-21 composite rate of council tax (excluding adult social care);
4. apply technical updates already applied to DWP benefits for working-age applicants to keep legislation updated to EU exit decisions;
5. for all working-age applicants introduce a tolerance rule (or de-minimis rule) of £15 income change per week (equating to £3 of CTR entitlement) :this tolerance would apply before either CTR entitlement increased or decreased;.
6. disregard of income changes or capital received in respect of the Windrush Compensation Scheme:
7. disregard:

- (a) any arrears of Universal Credit where they are paid due to loss of a severe disability premium and where the maximum Universal Credit award is not adjusted by DWP to reflect the arrears payment;
 - (b) ongoing transitional payments of Universal Credit where these are paid due to loss of a severe disability premium and where the maximum Universal Credit award is not adjusted by DWP to reflect the transitional payment;
8. reinstate the 'remunerative work rule' where CTR would only have a higher non-dependent deduction applied if the non-dependant's contractual working hours are 16 or more per week;
 9. Universal Credit self-employed income to be calculated by the city council;
 10. retain the local discount provision for care leavers;
 11. retain the local discount provision for liable persons absent from a main dwelling due to domestic violence events;
 12. retain a single person discount for 3 months for liable persons where they give a home to an asylum seeker or refugee who has no ability to work.

(The Lord Mayor closed the meeting.)

LORD MAYOR

APPENDIX

**Lord Mayor's announcements 25 February 2020
Events and meetings since the last Council meeting 28
January 2020**

January 2020

- (27) Attended Strangers Club Lunch

February 2020

- (3) Attended the Momentum awards at the Shaw Trust
- (3) Attended the Chinese New Year celebration
- (5) Attended The City of Norwich Civic Association
- (5) Attended the City of Sanctuary annual celebration
- (7) Visited The Clare School
- (7) Attended the SPOTLIGHT Exhibition
- (7) Attended the Richard Alston's "Alston Final Edition" Guest Evening
- (8) Attended the Homelessness – How Can You Help? session
- (9) Attended the South Norfolk Chairman's Civic Service
- (10) Attended the Love Unions Week session
- (10) Attended the Grand Opening of YMCA 175 History exhibition
- (11) Attended the Your Army session
- (14) Attended the Kings Lynn Mart
- (14) Attended the Showmans Guild luncheon
- (15) Attended the British Red Cross Shop – 30 Years
- (15) Attended the Norwich City Football Club match
- (18) Attended the Amanda Nevill lecture
- (20) Attended What Happens at a Funeral session
- (20) Attended the Time Norfolk Evening party
- (24) Visited the Magdalene Group
- (25) Attended The Clare School assembly
- (25) Attend the Business of charities: Back to the future event