



Cabinet

17:30 to 19:00

12 June 2019

Present: Councillors Harris (vice chair in the chair), Davis, Jones, Kendrick and Stonard.

Apologies: Councillors Waters (other council business), Maguire and Packer

Also present: Councillors Schmierer and Wright

1. Public Questions/Petitions

One public question had been received

Mr Leonard Thornton asked the deputy leader and cabinet member for social housing, the following question:

“I’m a member of the Norwich Leaseholders Association Committee but I am asking this question on my own behalf as a leaseholder. My question relates to refunds to leaseholders who have been charged incorrectly in respect of Landlords Lighting Maintenance Costs.

In 2015 a First Tier Tribunal hearing found that the way the council apportioned the costs across leaseholders was not in accordance with lease agreements because they had not been based on specific work carried out to the estate which included the leaseholder’s property. (Service charges with effect from 2014-15 have been based on specific work carried out to the estate.)

I believe the council made refunds to all the leaseholders whose properties were specifically covered by the Tribunal case. However, it did not make refunds to all the leaseholders who had been charged incorrectly. That means that Norwich City Council have been, over the course of several years, retaining funds to which they are not entitled.

A number of leaseholders (myself included) who had been charged incorrectly, but had not received a refund, have applied for, and been given, a refund.

Will Norwich City Council now carry out an open and transparent process of making refunds to all the leaseholders who have been charged incorrectly and have not been given a refund?"

Councillor Harris, deputy leader and cabinet member for social housing gave the following reply:

"The issue you raise relates to a tribunal decision about how costs for a lighting maintenance service were previously allocated to leaseholders.

At the time, leaseholders' charges were assessed by pooling city wide costs across the lighting maintenance contract and distributing them equally across estates receiving the service.

Although the service had been provided and costs were incurred by the council, the tribunal found that charges should have been linked specifically to the estate in question, rather than using the apportionment method in place at the time. The average annual cost to leaseholders was £20.

As the council did not have specific information relating to all expenditure on individual estates the tribunal determined that the leaseholder raising this issue was entitled to a refund of their full charges backdated seven years. The council has since improved its data and apportionment of costs to leaseholders in line with the tribunal's findings.

Subsequent claims have been made and assessed by reference to routine maintenance charges for that period, specific to each estate – as per the tribunal ruling.

Each refund request requires individual investigation, which takes time and adds further cost to leaseholders and tenants and which may or may not result in a refund depending on the situation and costs at the time. The council is therefore unable to provide a blanket refund as the costs and apportionment are specific to each leaseholder in each estate.

The council works closely with the Norwich Leaseholders' Association who can give leaseholders independent advice and leaseholders who think they may be eligible can apply for individual refunds by contacting the council directly."

In response to a supplementary question, Councillor Harris said that it was not possible to provide a blanket refund but those who had taken on properties under the Right to Buy scheme could make a claim if they wished. The Leaseholders Association had a template letter on their website or leaseholders could contact the council directly.

2. Declarations of interest

Councillor Jones declared a pecuniary interest in item 13 below as she was employed by the NHS.

3. Minutes

RESOLVED to agree the accuracy of the minutes of the meeting held on 13 March 2019.

4. Revised affordable housing supplementary planning document

Councillor Stonard, cabinet member for sustainable and inclusive growth presented the report. The purpose of the document was to maximise affordable housing delivery as there was a shortage of this in Norwich. The document offered guidance to ensure the implementation of local planning policy and had been through a rigorous drafting and consultation process.

Councillor Schmierer said that he was concerned that the council took the values of the District Valuer which seemed to be on the cautious side. Councillor Stonard said that the District Valuer was the professional body to give advice on land values so it was considered to be objective and professional advice.

RESOLVED to adopt the 2019 affordable housing supplementary planning document.

5. Norwich Economic Strategy 2019-2024 – Key decision

Councillor Stonard, cabinet member for sustainable and inclusive growth presented the report. The strategy set out the key challenges and priorities for the future and promoted local economic wellbeing. There had been significant macroeconomic and national political changes since the publication of the last strategy.

Councillor Wright asked if there was any additional detail around proportion of local businesses paying the living wage. The economic development manager said that the information had been taken from comments made during the consultation so there was no specific data.

Councillor Schmierer said that although the foreword mentioned a low carbon economy, there was little mention of tackling climate change locally in the objectives. Councillor Stonard said that tackling climate change was an underlying principle throughout the document and that change would be managed for the good of the city by taking a balanced approach.

RESOLVED to approve the Norwich Economic Strategy 2019-2024

6. Revenue and capital budget monitoring 2018-19 final outturn

Councillor Kendrick, cabinet member for resources presented the report.

RESOLVED to:

- 1) To note the financial outturn for 2018/19 for the General Fund, HRA and capital programme;
- 2) To note the consequential balance of the General Fund and Housing Revenue Account balances; as detailed in paragraphs 23 & 24

- 3) To approve the creation of a general fund repairs earmarked reserve; as detailed in paragraph 6
- 4) To note the transfers to earmarked reserves and the subsequent impact on balances; as detailed in paragraphs 20,21 & 22
- 5) To note the utilisation of the general fund capital contingency budget; as detailed in paragraph 33
- 6) To delegate to the chief finance officer, director of regeneration & development and director of neighbourhoods, in consultation with the cabinet member for resources, approval of carry-forward of unspent 2018/19 capital budgets still required, to the 2019/20 capital programme; and
- 7) To approve the release of £0.5m from General Fund reserves to fund planning legal costs.

7. The award of a contract for the procurement of warden call replacement systems in sheltered housing – Key decision

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

RESOLVED to award the contract for the replacement of wardens call systems to M English Security Ltd for a term ending 31 October 2021.

8. The award of contract for the installation of thermodynamic hot water systems for housing properties 2019-20 – key decision

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

RESOLVED to award the contract for the installation of thermodynamic hot water systems for housing properties 2019-20 to Impact Renewable Energy Ltd.

9. The award of contract for external repair and decoration works for housing properties – key decision

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

RESOLVED to delegate authority to the director of neighbourhoods, in consultation with the deputy leader and cabinet member for social housing, to award a contract to the best value supplier for external repairs and painting as tendered using a Eastern Procurement Limited (EPL) framework for 2019-20.

10. The award of an amended contract value for external masonry repointing works for housing properties 2019-2020 – key decision

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

Councillor Schmierer asked if there would be any flexibility within the figure for unexpected repairs. The director of neighbourhoods said that there were processes in place for approving additional budget if required.

RESOLVED to award an amended contract value for external repointing and masonry repairs works for housing properties 2019-2020

11. The award of contract for the council's electricity supply – key decision

Councillor Kendrick, cabinet member for resources presented the report.

RESOLVED to delegate approval for the director of neighbourhoods in consultation with the cabinet member for resources to award the contract for the council's electricity requirements for four year period 1 October 2020 to 30 September 2024.

12. Award of a contract for the council's gas oil requirements – key decision

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

Councillor Wright asked if there any proposal to phase out the use of gas oil at the end of the contract period. The interim operations director (NPS Norwich) said that this would have to be considered as part of a wider tower block strategy for the future.

RESOLVED to delegate approval for the director of neighbourhoods in consultation with the cabinet member for social housing to award the contract for the council's gas oil requirements for four year period 1 October 2020 to 30 September 2024.

13. Managing assets

(Councillor Jones, having declared a pecuniary interest in this item, left the room for the discussion and vote).

Councillor Kendrick, cabinet member for resources presented the report. In response to a cabinet member's question, the senior estates surveyor (NPS Norwich) said that a tender was in place for the service to be provided within the building. The director of neighbourhoods suggested that he provide a briefing note to members on the status of the service provision for clarity.

RESOLVED to:

- (1) approve the transfer of Department of Health and Social Care (DHSC) grant funding of £150,000 to NHS Property to pay towards the refurbishment and upgrading of Churchman House to provide a Community Wellbeing Hub

- (2) recommend to Council that the 2018/19 General Fund Capital programme is increased by £150,000 to facilitate the payment of the above grant; and
- (3) Ask the director of neighbourhoods to provide a briefing note to members on the status of the service provision for clarity.

(Councillor Jones was readmitted to the meeting).

14. Exclusion of the Public

RESOLVED to exclude the public from the meeting during consideration of items *15 to *17 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

***15. Adjustment to the HRA capital programme – affordable housing opportunities fund – key decision (para 3)**

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

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

***16. The award of a contract for legal services – key decision (para 3)**

Councillor Stonard, cabinet member for sustainable and inclusive growth presented the report.

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

***17. Managing assets (housing) – key decision (para 3)**

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

RESOLVED to approve the disposal of the land and property assets mentions in the report.

CHAIR