



Cabinet

17:30 to 18:35

19 October 2022

Present: Councillors Waters (chair), Harris (vice chair), Giles, Hampton, Jones, Kendrick, Oliver and Stonard

Also present: Councillor Galvin, Green Group Leader

1. Declarations of interest

Councillor Harris declared a non pecuniary interest in relation to item 4 below as a board member of the Forum Trust.

2. Public questions/ petitions

There were no public questions or petitions.

3. Minutes

RESOLVED to agree the accuracy of the minutes of the meetings held on 14 September 2022.

4. Q1 22-23 Corporate Performance Assurance Report

Councillor Waters, leader of the council, explained he would present the policy and performance elements of the report and Councillor Kendrick, cabinet member for resources the financial elements.

Councillor Waters highlighted that the report related to the first quarter performance after the introduction of the council's new corporate plan. The report detailed areas of successful performance and areas for improvement. He emphasised that the impact of the cost of living crisis manifested in a number of performance areas.

Within the Community Services directorate there had been an improvement in the number of people feeling safe in their local area, customers contacting the council through digital channels had increased and a reduction in the number of households in temporary accommodation achieved. In the Corporate and Commercial Services directorate, business rate collections and housing benefit claim processing were operating efficiently. In Development and City Services good performance from planning and food hygiene inspections was evidenced.

Councillor Waters noted areas for improvement within the Community Services directorate; there were a backlog of void works to relet empty properties and a multi-disciplinary team had been established to improve the process. Rent collection rates had reduced and he highlighted the cost of living crisis as a factor and changes to the Universal Credit regime. In terms of Universal Credit the council met regularly with the Department of Work and Pensions to raise concerns and receive updates on the latest legislation.

Responses for freedom of information requests and corporate complaints had not improved on the last quarter and in response a new policy and updated process had been introduced. He highlighted the successful introduction of the council's Biodiversity Strategy which had been out for external consultation and was a vital piece of work for the city. A successful partnership bid had been made to the safer street fund and £200,000 secured for new safety measures in the city such as lighting and CCTV.

Income collection rates had reduced and Councillor Waters again highlighted the impact of the cost of living crisis and referred to the work of the financial inclusion consortium supporting households.

Within the Corporate and Commercial directorate the success of the Council Tax rebate scheme provided a clear indication of how effectively the team was working. Councillor Waters noted the pressure on Discretionary Housing Payments with an increase in applications from those migrating to Universal Credit and those impacted by the cost of living crisis.

Within the Development and City Services directorate, the performance of the investment property portfolio had declined, Councillor Waters emphasised the importance of the asset management strategy to secure a source of income for the council, especially with reductions to local government funding.

Councillor Waters referred to the work to deliver the East Norwich Masterplan which would ultimately result in a new community for the city with good quality housing and jobs provided. He highlighted the successful work of enforcement officers at St.Peter's House, where intervention by the council working with partners had prevented a significant hazard to life.

Councillor Kendrick, cabinet member for resources presented the financial and risk elements of the report. He detailed the forecast financial outturn for the first quarter of 2022/23 and provided an overview of the General Fund and Housing Revenue Account underspends. In relation to the underspends, he noted that in terms of the General Fund the council's pay award to staff was yet to be agreed and the Housing Revenue Account underspend was largely as a result of investment interest the council had achieved.

The Corporate Risk Register had been revised and considered at Audit Committee. Councillor Kendrick, cabinet member for resources, highlighted that a new risk in relation to nutrient neutrality and its impact on planning applications had been included. Risks in relation to the council's medium term financial plan were increasing to reflect uncertainty around inflation and interest rates and local government funding.

In response to Councillor Galvin's question, Councillor Harris, the deputy leader and cabinet member for social housing agreed void turn around times for empty council properties were a concern. However, it was a task officers were focused on and progress had been made. The Executive Director of Community Services referred to the cabinet report which had been considered in February 2022 and acknowledged the position in terms of the repairs and maintenance backlog and proposed plans to complete works. These works were on target to be completed as planned.

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

RESOLVED to:

- 1) Review progress on the key performance indicators for this quarter and the corporate risk register.
- 2) Note the financial position for quarter 1 2022/23 for the general fund, HRA and capital programme.
- 3) Note the carry-forward of unspent 2021/22 capital budget for utilisation in 2022/23 as approved under delegation by the executive director of corporate and commercial services in consultation with the portfolio holder for resources.
- 4) Note the capital budget virements approved by CLT detailed in Annex 1.
- 5) To approve the additions to the 2022/23 capital programme as set out in Annex 1; and
- 6) Recommend to Council, the removal of budgets from the 2022/23 capital programme as set out in Annex 1.
- 7) Note the exempt appendix to the report.

5. Treasury Management Review 2021-22

Councillor Kendrick, cabinet member for resources, presented the report. He emphasised that Treasury Management was of great importance due to the current financial situation and higher interest rates. The report outlined the outturn position for the end of the financial year 2021/22 which members were asked to note and recommend for approval at council.

The report covered a range of Treasury Management indicators and there were no breaches to alert members to.

The Chartered Institute of Public Finance and Accountancy had introduced a new indicator called a liability benchmark which included the requirement to indicate borrowing requirements and identify key exposure to interest rates, liquidity and refinancing risk.

Councillor Galvin asked that if the council was required to review its investment portfolio would it be obligated to sell off investments that were making money. In

response, Councillor Waters, leader of the council, said a major asset review was underway to consider what assets generated income and which were a liability. He did not consider the council would have to dispose of assets which were making money and forming an integral part of the council's budget.

The Executive Director of corporate and commercial services, the council's S151 officer emphasised that the council should not have to sell off commercial property which was providing a good return. However, if it was considering external borrowing for capital investments it would have to review the asset portfolio as part of its considerations before borrowing.

RESOLVED to:

- 1) note the report and the treasury activity for the year to 31 March 2022; and
- 2) recommend it for approval by council.

6. An Update on Health, Safety and Compliance in Council Homes and Buildings

Councillor Harris, deputy leader and cabinet member for social housing, presented the report. She noted that the council self-reported a breach of standards to the Regulator of Social Housing (RSH). The regulator had taken no action because it had confidence in the council's plans to resolve the issue. The council entered a voluntary undertaking with the RSH in July 2022 which detailed the action the council would take to achieve compliance. This work was being overseen by the Compliance Delivery Group which included three independent experts.

The report evidenced that good progress on completing works was being made. Contractors were experiencing some issues with gaining access to properties but the housing team were assisting with this. The Compliance Board had developed a risk register which was reflected through into the council's corporate risks. Engagement continued with tenants, leaseholders and the tenant involvement panel to keep them updated on actions.

In response to Councillor Galvin's question, the Executive Director of Community Services noted that a report came to cabinet in November 2021 which committed to timescales to complete works. This report outlined the intention that historic issues would be resolved within a 12 month period and a report would come to cabinet in December 2022.

RESOLVED to note the Update on Health, Safety and Compliance in Council Homes and Buildings.

7. Sustainable Warmth Strategy 2022 – 2025 and Action Plan

Councillor Hampton, cabinet member for climate change and digital inclusion, presented the report. The strategy was formerly called the Affordable Warmth Strategy and the change in title reflected the council's ambition to prevent fuel poverty in a sustainable manner.

She explained that fuel poverty occurred when a household could not keep a home adequately warm at a cost that was reasonable and affordable. The government's definition required both that households were below the poverty line and living in a home with an energy efficiency rating below band C. In practice, more people who did not fit these criteria were falling into fuel poverty and subsequently were not eligible for qualifying benefits.

Councillor Hampton referred to the commitment made in the strategy to eradicate fuel poverty in Norwich within the timescale of the 2040 City Vision, and in the immediate term, support vulnerable groups to manage and reduce the impacts of fuel poverty. She noted that the unprecedented cost of living crisis made this work more urgent than ever and emphasised the positive work already undertaken by the council.

Councillor Harris, deputy leader and the cabinet member for social housing commended officers for sourcing and making bids for external funding but emphasised that this should be government funded.

Councillor Galvin welcomed the retitling of the report and its aim to eradicate fuel poverty through a twin track approach of increasing income and improving energy efficiency. She considered the fuel poverty landscape was the worst it had ever been and asked if funding would be made available for a retrofitting officer to coordinate retrofitting across all tenures in the city. In response the Environmental Strategy Manager referred to the Sustainable Warmth Action Plan which demonstrated the cross-directorate and joined up approach taken.

RESOLVED to approve the Sustainable Warmth Strategy and Action Plan.

***8 Q1 22-23 Corporate Performance Assurance Report – exempt appendix (para 3)**

This item was noted under item 4 above.

CHAIR