



**Budget Council**

**18:35 to 22:10**

**23 February 2021**

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

Apologies: Councillors Davis and Jones

**1. Lord Mayor's Announcements**

The Lord Mayor said that he had attended an event at Norwich Central Mosque, providing hot food for homeless people and had attended meetings of the Civic Association and the Royal British Legion.

**2. Declarations of Interest**

Councillors Brociek-Coulton, Button, Harris, Kendrick, Oliver, Peek and Waters declared pecuniary interests in item 7 (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 and vote on the item.

Councillors Button, Driver and Oliver declared a pecuniary interest in item 6 (below), Council Tax Reduction Scheme, and would be required to leave the meeting during the determination of that item.

**3. Questions from the public / petitions**

The Lord Mayor said that no questions or petitions had been received.

**4. Minutes**

**RESOLVED** to approve the minutes of the meeting held on 26 January 2021.

## 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 a majority favour to:

- 1) approve the continued adoption of the current corporate plan vision, mission and priorities in 2021-22 ; and
- 2) approve the performance framework for 2021-22

## 6. Council Tax Reduction Scheme 2020-2021

(Councillors Button, Driver and Oliver having declared an interest in this item, left the meeting.)

Councillor Huntley moved and Councillor Giles seconded, the recommendations as set out in the report.

Following further debate, it was:

**RESOLVED**, unanimously,

- 1) to make the following changes to the council tax reduction scheme (CTRS) for 2021-22 by continuing with the 2020-21 scheme with the following modifications:
  - a) as in previous years increase the working-age applicable amount by the 2021-22 composite rate of council tax (excluding adult social care)
  - b) increase the level of income brackets used to decide non-dependant deductions and level of non-dependant deductions by the 2021-22 composite rate of council tax (excluding adult social care)
  - c) increase the level of income brackets used to decide entitlement to second adult reduction by the 2021-22 composite rate of council tax (excluding adult social care)
  - d) apply technical updates already applied to DWP benefits for working-age applicants to keep legislation updated to EU exit decisions
  - e) retain the local discount provision for care leavers
  - f) retain the local discount provision for liable persons absent from a main dwelling due to domestic violence events

- g) 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
- 2) That the scheme will have provision to reflect changes Government might introduce to continue with a COVID-19 increase in Universal Credit rates, legacy benefits and / or Working Tax Credit additional earnings disregards for the 2021 / 2022 year. This will ensure customers are not disadvantaged by the Government increase.

(Councillors Button, Driver and Oliver were readmitted to the meeting.)

## **7. 2019-20 Budgets, Medium Term Financial Strategy**

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

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

Councillor Wright moved and Councillor Lubbock seconded the following amendment:

### ***To reduce the following budget items:-***

#### ***Revenue:***

Defer new income stream from charging for parking in parks for one year in order for appropriate consultation to be undertaken.	£50,000
	<b>£50,000</b>

#### ***Funded by:***

#### ***Reserves:***

Contribution from General Reserves	£50,000
	<b>£50,000</b>

On being put to the vote with 3 members voting in favour (Councillors Ackroyd, Lubbock and Wright) 31 members voting against (Councillors Bogelein, Brociek-Coulton, Button, Carlo, Driver, Fulton-McAlister(E), Fulton-McAlister (M), Giles, Grahame, Harris, Huntley, Kendrick, Maguire, Manning, Maxwell McCartney-Gray, Oliver, Osborn, Packer, Peek, Price, Ryan, Sands (S), Sarmezey, Schmierer, Stonard, Stutely, Vaughan Thomas, Vivien Thomas, Waters and Youssef) voting against and 2 abstentions (Councillors Neale and Sands (M) ) the amendment was lost.

Councillor Osborn moved and Councillor Price seconded the following amendment:

***To increase the following budget items:-***

*Revenue:*

Fixed-term resource to review and analyse options for biodiversity corridors*	£20,000
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Fixed-term resource to investigate fly-tipping service options and improvements*	£15,000
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Energy Investment Officer – 1 year post**	£43,000
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Additional Tenancy Support Officer – 1 year post**	£40,000
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*One year pilots for both roles to achieve a sustainable self-financing solution that could transition to base budget in 2022/23*

CCTV Monitoring – extension of additional hours for 1 year***	£40,000
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Small pilot to assess impacts of additional street sweeping and leaf clearance on street flooding***	£35,000
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*Capital:*

Playground surface improvements at Douro Place and Edinburgh Road***	£40,000
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**£233,000**

***Funded by:***

Business Change Earmarked Reserve allocation*	£35,000
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Invest-to-Save Earmarked Reserve allocation**	£83,000
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Contribution from General Reserves***	£115,000
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**£233,000**

On being put to the vote with 8 members voting in favour (Councillors Bogelein, Carlo, Grahame, Neale, Osborn, Price, Schmierer and Youssef) 25 members voting against (Councillors, Brociek-Coulton, Button, Driver, Fulton-McAlister(E), Fulton-McAlister (M), Giles, Harris, Huntley, Kendrick, Maguire, Manning, Maxwell McCartney-Gray, Oliver, Packer, Peek, Ryan, Sands (M), Sands (S), Sarmezey, Stonard, Stutely, Vaughan Thomas, Vivien Thomas, and Waters) voting against and 3 abstentions (Councillors Ackroyd, Lubbock and Wright) the amendment was lost.

Debate followed.

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

The Lord Mayor explained that as he had received a request for the votes to be taken in parts, recommendations A1-A6 would be voted on, then recommendations A7 – A26 followed by recommendation B.

He then moved to the vote on the cabinet recommendations of 10 February 2021 for the council's 2021-22 budget and it was:

**RESOLVED**, with 24 members voting in favour (Councillors Button, Driver, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Harris, Huntley, Kendrick, Maguire, Manning, Maxwell, McCartney-Gray, Oliver, Packer, Peek, Ryan, Sands (M), Sands (S), Sarmezey, Stonard, Stutely, Vaughan Thomas, Vivien Thomas and Waters) and 11 abstentions (Councillors Ackroyd, Bogelein, Carlo, Grahame, Lubbock, Neale, Osborn, Price, Schmierer, Wright and Youssef to approve:

### **A 1-6**

#### **General Fund**

1. The council's net revenue budget requirement as £17.013m for the financial year 2021/22 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 £274.74 (paragraph 2.28) 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 £5.100m (paragraph 2.52).
4. Delegate to the chief finance officer (S.151 Officer), in consultation with the portfolio holder for resources and the portfolio holder for social inclusion, the award of any new business rates reliefs announced by government using discretionary relief powers as set out in paragraph 1.6. 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 2.5, 2.6 and 2.7.
6. Delegate to the chief finance officer (s.151 officer) the approval of technical virements to make budget transfers where there is no underlying change in the budget intention as set out in Appendix 2(J) and paragraphs 2.19, 2.42 and 2.45.

**RESOLVED**, with 27 members voting in favour (Councillors Ackroyd, Button, Driver, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Harris, Huntley, Kendrick, Lubbock, Maguire, Manning, Maxwell, McCartney-Gray, Oliver, Packer, Peek, Ryan, Sands (M), Sands (S), Sarmezey, Stonard, Stutely, Vaughan Thomas, Vivien Thomas,

Waters and Wright) and 8 abstentions (Councillors Bogelein, Carlo, Grahame, Neale, Osborn, Price, Schmierer and Youssef) to approve:

### **Housing Revenue Account**

7. The proposed Housing Revenue Account gross expenditure budget of £63.669m and gross income budgets of £68.708m for 2021/22 (paragraph 3.40).
8. The use of the estimated surplus of £5.039m along with a further £10.640 of HRA general reserves to make a revenue budget contribution of £15.679m towards funding the 2021/22 HRA capital programme (paragraph 3.40).
9. A 1.5% increase in dwelling rents for 2021/22, in accordance with 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%. This will result in an average weekly rent increase of £1.19 for Norwich tenants (paragraphs 3.45 to 3.50).
10. That garage rents remain at existing levels for 2021/22 (paragraph 3.51).
11. That the setting of tenants' service charges is delegated the director of people and neighbourhoods/director of community services in consultation with the portfolio holder for Social Housing after engagement with tenant representatives.
12. The prudent minimum level of Housing Revenue Account reserves as £5.848m (paragraph 3.71).

### **Capital Strategy**

13. The proposed general fund capital programme 2021/22 to 2025/26 (2020/21: £20.617m; 5 years: £43.724m) and its method of funding as set out in table 4.3, table 4.4 and Appendix 4 (B).
14. The proposed HRA capital programme 2021/22 to 2025/26 (2020/21: £48.839m; 5 years: £206.519m) and its method of funding as set out in table 4.3, table 4.5 and Appendix 4 (B).
15. The capital strategy, as required by CIPFA's Prudential Code.
16. The 2020/21 General Fund capital programme is increased by £1.025m to facilitate expenditure of Towns' Deal funding as set out in paragraph 4.34.
17. The delegation to the chief finance officer (s.151 officer) in consultation with the director of place/director of development & city services, approval of adjustments to the 2020/21 and future capital programmes to reflect the inclusion of match funding towards Towns' Deal funded projects (paragraphs 4.32 to 4.35).
18. An increase the council's 2021/22 capital programme by £1.456m to include projects to be delivered as part of the government's Decarbonisation Scheme

and Green Homes Scheme. The final split between the GF and HRA capital programmes will be managed through a technical virement and reported in the first monitoring report of 2021/22. These works will be fully funded from grant contributions.

### **Non-financial Investments (Commercial) Strategy**

19. The setting aside of 20% of the net income achieved from previous commercial property investment into the commercial property earmarked reserve as set out in paragraphs 5.13 to 5.15.
20. The council's policy and process for lending to Norwich Regeneration Limited as set out in paragraphs 5.20 to 5.23.
21. The council's policy and process for lending to Norwich City Services Ltd as set out in paragraphs 5.25 to 5.27.

### **Treasury Management Strategy**

22. The borrowing strategy 2021/22 through to 2025/26 (paragraphs 6.21 to 6.24).
23. The capital and treasury prudential indicators and limits for 2021/22 through to 2025/26 contained within paragraphs 6.13 to 6.20 and tables 6.2 to 6.4, including the Authorised Borrowing Limit for the council.
24. The Minimum Revenue Provision (MRP) policy statement described in paragraphs 6.33 to 6.37 and contained in Appendix 6.
25. The (financial) Investment Strategy 2021/22 (paragraphs 6.38 to 6.73).

### **Summary of key financial indicators**

26. The indicators for 2021/22 through to 2024/25 contained in section 7.

**RESOLVED**, unanimously, with all members present voting in favour (Councillors Ackroyd, Button, Carlo, Driver, Fulton-McAlister (E), Fulton-McAlister (M), Giles, Grahame, Harris, Huntley, Kendrick, Lubbock, Maguire, Manning, Maxwell, McCartney-Gray, Neale, Oliver, Osborn, Packer, Peek, Price, Ryan, Sands (M), Sands (S), Sarmezey, Schmierer, Stonard, Stutely, Vaughan Thomas, Vivien Thomas, 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.

LORD M AYOR