



**Extraordinary Cabinet**

**16.30 – 17:55**

**23 February 2022**

**Present:** Councillors Waters (chair), Harris (vice chair), Hampton, Jones, Kendrick, Oliver and Packer

**Also present:** Councillor Galvin

**Apologies:** Councillors Davis and Stonard

**1. Declarations of interest**

Councillors Harris declared an other interest in item 2 (below) Q3 Corporate Assurance Report, as a director of the Norwich Preservation Trust, with regard to 16 Elm Hill, and the exempt appendix to this report, as a director of Norwich Norse Building Limited.

Councillor Jones declared an other interest in item 2 (below) Q3 Corporate Assurance Report, as a director of the Norwich Preservation Trust, with regard to 16 Elm Hill.

**2. Q3 Corporate Assurance Report**

(Councillors Harris and Jones had declared an interest in this item.)

Councillor Waters, leader of the council, (chair) introduced the appended report which provided an insight into the work of the authority and the key performance indicators of each of the three directorates and was a useful reference document to other councillors and members of the public.

During his presentation, the chair drew members' attention to the executive summary and that there had been a reduction in the number of indicators showing as red in this quarter. Members were also advised of the ongoing work in the council to identify risks associated with climate change. There was concern that forecast risks for the 2080s, particularly flooding and rising temperatures would have a disproportionate effect on people who were already disadvantaged.

The chair referred to Annex 2 and said that the unbudgeted grants received in 2021-22 had helped the council tackle the effects of Covid-19. The most recent of these grants was the Omicron Hospitality and Leisure Grant to support businesses affected by the variant, and he acknowledged that the government did not produce guidance

for implementation quickly but hoped that this funding would be fully utilised. The executive director of corporate and commercial services said that the finance team had received the guidance from government and were currently working through the details to ensure the greatest outreach and uptake of this grant.

The chair said that both he and the chief executive had attended regular meetings with the Norfolk Leaders and Public Health throughout the pandemic. It was crucial that the Director of Public Health continued to have access to data and that there was a framework in place to share local information with authorities should it be required from a further outbreak of Covid emergence of a new variant.

Referring to the risk register, the chair said that the Environment Act 2021 could require councils to provide a free collection service of garden waste. This was estimated to be at a cost to the council of around £2 million and would destabilise its budgets. The government was also proposing in its Elections Bill to require voters to produce photo identification. This would be an impediment to voters and something that the council should be aware of and include in the risk register.

The chair then referred to the appendices listing the key performance areas of the three directorates.

The chief executive commented that elections were a large annual corporate event and that risks were managed by mitigation. The requirement for voters to provide photo identification was a new risk. As Returning Officer, the chief executive said that he had engaged with the government to ask for further advice and guidance as it would not be without risk. He considered that the requirement was deemed unnecessary as the levels of prosecution for voter fraud were low. The chair and the cabinet member for resources expressed their concern about the introduction of voter identification which would discriminate against the most disadvantaged in society.

Councillor Galvin welcomed the inclusion of climate change on the risk register and that consideration of it should be built into every decision that the council made. She asked how actions would be captured and cross referenced throughout the council. The head of strategy, engagement and culture confirmed that this was a piece of work that the environmental strategy manager would be taking forward in the next few months to review actions across the authority and identify and address any gaps.

Councillor Kendrick, cabinet member for corporate resources presented the financial element of the report, as set out in paragraph 1.2 *Finance*. The General Fund underspend was £0.426m due to a number of pressures identified in services (as set out in the appendices to the report) and was being offset by reduced corporate financing costs (additional income from the government's sales, fees and charges scheme and reduction in the forecast contribution to the capital programme) and additional income, from multi-storey car parks and investment properties, which had not dropped as significantly as anticipated but were not yet back to pre-Covid levels. He also drew members' attention to the Housing Revenue Account (HRA), page 11 of the report (page 15 of the agenda pages) which contained an explanation for the HRA forecast underspend, and the Capital Programme, page 13 of the report (page 17 of the agenda papers) and the explanations for the forecast underspends of £7,634k General Fund and £14,493k HRA.

(Members had no questions on the exempt appendix (item \*11 on the agenda papers).)

**RESOLVED to:**

- (1) note progress on the key performance indicators for this quarter and the corporate risk register;
- (2) note the financial forecast for 2021/22 general fund, HRA and capital programme;
- (3) note the consequential balances of the general fund and HRA reserves;
- (4) amend the risk register to include the requirement for voters to produce photo identification under Risk 16, Elections;
- (5) approve an increase to the general fund capital programme of £0.004m in 2021/22 and £0.066m in 2022/23 to support the completion of the St Stephens Towers public realm project, wholly funded from Section 106 contributions;
- (6) approve the retrospective appropriation of 16 Elm Hill for non-housing use and transfer of the property from the HRA to the general fund.

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

(This was a late report circulated with the supplementary agenda for this meeting.)

Councillor Harris, deputy leader and cabinet member for social housing, presented the report to update members on the progress in relation to the health, safety and compliance management in council homes and buildings. It was important to note that although the Regulator of Social Housing (RSH) had found that the council had breached the home standard, it had not considered it necessary to take enforcement action because it had confidence in the council's plans to improve services and return to full compliance. She thanked officers for the work that they had been doing.

The interim housing operations director said that this was the first of the quarterly reports in relation to compliance matters discussed last November. She confirmed the following progress had been made: Gas safety and lifts have remained fully compliant; fire risk assessments of all high-risk residential buildings have been completed, with some remedial work outstanding; good progress was being made on electrical testing and additional contractors were procured to increase capacity to accelerate the programme from March; additional contractors have been procured to carry out water hygiene testing commencing in February; and, additional contractors procured to inspect for asbestos and carry out remedial works if required. There was a clear priority to clarify data and provide information to provide assurance. This was currently managed by NPSN but would transfer to the new housing IT system. Fire risk assessments of low rise blocks were currently being reinspected. There had been three meetings with RSH who were confident that the council could implement

its compliance improvement plan. Officers were committed to consulting and sharing information about the process with tenants and leaseholders.

Councillor Galvin said that it was extremely important that information was shared with tenants and leaseholders. In reply to a question from Councillor Galvin, the chair said that efforts should be concentrated on achieving full compliance in accordance with the agreed timetable and the priority was to complete the work as speedily as possible. There had been exhaustive discussions at cabinet, council and scrutiny committee, as part of a transparent process, and there was an understanding of what needed to be done through the scoping work.

**RESOLVED** to note the content of the report.

#### **4. Greater Norwich Joint Five-Year Infrastructure Investment Plan 2022/23 – Key decision**

Councillor Waters, leader of the council (chair) introduced and presented the report. The City Deal was agreed in 2013 and underpinned the agreement of Broadland District Council, South Norfolk Council and the city council to pool community infrastructure levy (CIL) income. Schemes were evaluated using sustainable methodology to balance social, economic and environmental elements. The Greater Norwich Growth Board administered the scheme. Infrastructure projects also included schools and the county council was also a partner, together with New Anglia Local Enterprise Partnership. Further information was available on the [Norwich Growth Board website](#) which contained a plotted map of the infrastructure projects carried out over the last 15 years. The board agreed projects collectively, subject to confirmation from the cabinets of each council. Members were advised that if the cabinet stepped back from an element of the plan, it would not go ahead. Norwich had benefited from the infrastructure projects. He drew members' attention to the list of projects set out in paragraph 12, the section on Long Stratton Bypass and the section on Neighbourhood Community Infrastructure Commitments and Spending. The investment programme was very good news to the city. The pooled CIL arrangement was a ground-breaking model.

Councillor Galvin referred to an earlier five year infrastructure plan that was used to finance the Northern Distributor Road which was contributing 6.1 per cent carbon emissions, and asked why public funding was still being used to fund roads instead of the developers. In reply to her question, the executive director of development and city services explained how the Long Stratton Bypass would be financed by government funding and a loan from the pooled CIL. The sale of housing from the development facilitated the funding to payback the CIL contribution under a separate legal agreement. The CIL funding was then circulated to bring forward another infrastructure scheme.

The chair said that he understood Councillor Galvin's concerns about air quality and said that that the Northern Distributor Road had improved air quality in the north of the city. In terms of policy on road use, central government would need to promote the conversion of vehicles to electricity and improve public transport, which should ameliorate the concerns about meeting carbon reduction targets.

**RESOLVED** to:

- (1) approve the draft [Greater Norwich Five Year Infrastructure Investment Plan 2022-27](#) ("the Plan");
- (2) approve the proposed 2022/23 Community Infrastructure Levy (CIL) allocations in the Annual Growth Programme (see paragraphs 12 to 16 of this report)
- (3) enter into a draft loan agreement for the draw-down of £6.733m through the Greater Norwich City Deal, to support the delivery of Long Stratton Bypass (see appendix E within the Plan), with authority for the Executive Director of Corporate and Commercial Services, in consultation with the portfolio holder for resources, to agree the terms of the agreement on behalf of the Council;
- (4) agree (subject to recommendation iii above) for the Greater Norwich Growth Board (GNGB) to be granted delegated authority to sign the final loan agreement together with their s151 officers, under the direction of Norfolk County Council as the Accountable Body (see paragraphs 20 to 25 of this report).
- (5) approve an adjustment to the 2022/23 general fund capital programme, in accordance with the delegation to Cabinet to approve capital schemes funded wholly by grant where it meets the Council's aims approved by Council on 22 February 2022, to include:
  - (a) £275,000 of neighbourhood community infrastructure levy funding and associated expenditure;
  - (b) £17,000 of additional CIL funding and associated expenditure for the UEA – Eaton riverside walk green infrastructure project that was approved by the Greater Norwich Infrastructure Delivery Board on 17 September 2021.

## **5. Town Deal Fund Programme Update**

(Andrew Dernie, chair of Town Deal Board Norwich and head of IT Finance Operations, Aviva, attended the meeting for this item.)

The chair welcomed Andrew Dernie, chair of the Town Deal Board Norwich, and Sarah Collins, the Town Deal project manager, to the meeting and asked that it be put on record his appreciation for their contribution. All councillors had been given an opportunity to attend a briefing on the proposed revolving fund to unlock development. The Town Deal Norwich was proving to be one of the most successful in the country and highly regarded by government agencies in progressing this important investment in the city.

Andrew Dernie addressed the committee and reflected on the formation of the Norwich Town Deal, which had benefited from the partnership arrangements under the 2040 Vision and that the council's priorities were reflected in the five themes of the Town Deal. The Town Deal was able to move quickly and energise bringing a cross section of people together. It was the first Town Deal to submit business cases for regeneration, receive funding and complete a project. He also complimented the Town Deal project manager and her colleagues in city development services for their efficiency and support.

The executive director of development and city services explained the proposed use of a revolving fund, to bring forward sites for development by transferring ownership, had been difficult to formulate but was now considered as innovative funding and the model replicated. The King's Arms public house was the first site in the city to be developed under this funding model. Owners of sites were less likely to hold onto sites without development if they knew that the site could be compulsory purchased and developed. There was a risk that the fund would be diminished but the value to the community of providing houses and developing vacant sites was a key priority of the fund.

The Town Fund project manager said that the revolving fund was a good example of the Towns Fund helping the city. The key factor in business cases was to ensure that sites that blighted the community and were subject to antisocial behaviour were moved on for development. They would do everything that they could to ensure that funding was repaid but the benefit to the community was what was important.

Councillor Harris, deputy leader and cabinet member for social housing, said that she had visited the King's Arms site and it was exciting to see five new homes. The whole community would benefit from this scheme and she thanked the officers concerned. The development also demonstrated to owners of vacant sites that action would be taken.

(Members had no questions on the exempt appendix (item \*12 on the agenda papers).)

**RESOLVED to**

- (1) note the current position regarding the Towns Fund programme and governance arrangements in place for the programme;
- (2) delegate authority to the Executive Director of Development and City Services in consultation with the Leader of the Council, portfolio holder for resources, portfolio holder for sustainable and inclusive growth and the S151 officer, to negotiate and purchase sites using the revolving fund.

**6. Improving the Diversity of the Council's Workforce Update**

Councillor Waters, leader of the council, presented the report and said that improving the diversity of the council's workforce was one of the council's priorities and that it was proposed that further reporting against the workforce diversity action plan could be picked up in the annual progress report against the council's Corporate Plan and the annual refresh of the council's Equality Information Report.

The chief executive officer said that the cabinet had agreed an outline strategy and action plan to improve the diversity of the council's workforce last year because it lagged behind the community that it served and was not as representative as an organisation as it should be. He acknowledged that it would take time for results to show but he was determined that progress would be made. The council would be a richer organisation that brought together different perspectives and ideas. He referred to the actions that had been taken which included: increased reporting of protected characteristics; provision of unconscious bias training by e-learning for

officers and colleagues; a new equality, diversity and inclusion training programme on being inclusive for officers and managers; reviewing recruitment procedures with training for recruiting managers in April, improvement at short-list and offer stages, and looking at wording used in job descriptions and specifications, using software to check for unconscious bias and looking at alternative media to publicise jobs. There had been some progress as data showed that the ethnic diversity of the workforce had increased to 4.16 per cent in December 2021, compared to 3.1 per cent in December 2020.

Councillor Galvin suggested that socio-economic background data should be measured in the workforce data and that it intersected with other protected characteristics. The chief executive officer said the annual equality assessment had access to socio-economic data and it was possible to take Councillor Galvin's suggestion and consider how it could be incorporated. The chair said that the socio-economic background diversity of the workforce of the council had increased as joint ventures had been brought back into house.

**RESOLVED** to

- (1) note the progress made against the action plan to improve the workforce diversity profile;
- (2) agree the further reporting against the workforce diversity action plan is picked up in the annual progress report against the council's new Corporate Plan and in the annual refresh of the council's Equality Information report.

**7. The Award of a Contract for Loft and Cavity Wall Insulation to Council Owned Homes – Key decision**

Councillor Harris, deputy leader and cabinet member for social housing, presented the report. This was a big investment in council owned homes to improve energy efficiency, reduce the carbon footprint and utility bills. She fully supported the report and the procurement approach that was being proposed.

The building surveying section leader (NPS Norwich) said that the successful contractor had been the incumbent contractor for several years and worked to a good standard.

**RESOLVED** to approve the award for loft and cavity wall insulation work to 1<sup>st</sup> Choice Insulations Ltd, from 1 April 2022 to 31 March 2027 at an estimated value of £2,500.00 excluding VAT, over, five years (£500,00 per annum). The final award value will be within the existing allocated budget.

**8. The Award of a Contract for Sustainable Warmth Grant Delivery – Key Decision**

Councillor Hampton, cabinet member for climate change and digital inclusion, presented the report. The council had been awarded £3.1 million to provide insulation measures to 200 private sector homes in areas of low income and inefficient heating and was a socially just scheme. The scheme was expected to save 200,000 kg of CO<sub>2</sub> per year and £250,000 in bill savings per year. Long term

government funding was needed to provide whole house retrofitting across the private sector, particularly as households faced the challenge of climate change and the rising cost of living, and also, the retention and training of contractors to implement the improvements. She thanked the affordable warmth officer for securing this funding. The council had approved the Capital Programme 2022-23 at budget council on 22 February 2022.

The affordable warmth officer confirmed that there was a realistic timescale for delivery of this scheme of 200 homes. In reply to a question from Councillor Galvin, she said that she did not know if there were plans in place to repeat this particular scheme but considered that the grant received was similar to that received by other councils.

**RESOLVED** to award a contract for the Sustainable Warmth Grant – retrofit insulation measures to E:on via the Fusion21 framework (The contract value will be up to a maximum of £3.1 million).

## **9. Renewal of Microsoft Enterprise Licences – Key decision**

Councillor Kendrick, cabinet member for resources presented the report. It was important that the licences were renewed for a further 3 years, particularly as all officers used Word and Excel.

The head of customers, IT and digital added that the licences were required for other software systems used in the council, telephony use through MS Teams and Sharepoint.

**RESOLVED** to enter a contract with Phoenix Software Limited for the renewal of the Microsoft licence agreement valued at £1.164 million based on current requirements as detailed in paragraph 12 (of the report).

CHAIR