



CABINET

17:30 to 19:35

14 November 2018

Present: Councillors Waters (chair) Harris (vice chair), Jones, Kendrick, Maguire, Packer and Stonard

Apologies: Councillor Davis

Also present: Councillors Carlo and Wright

1. Public questions/petitions

Four questions had been received:

Question 1

Mr Jon Neville-Jones, chair of Norwich Leaseholders Association

“The Norwich Leaseholders Association recently submitted, under the Norwich City Council Corporate Complaints Procedure, a Stage 2 formal complaint regarding 11 Penn Grove. The response from Norwich City Council failed to answer specific questions in the complaint, and it was clear from the details in the response that the writer had not carried out a proper investigation into the case. Most importantly, virtually every part of the response has been shown by subsequent Norwich City Council letters and admissions to have been incorrect and untrue.

The Norwich City Council response did not uphold the complaint, but as soon as tribunal proceedings started, Norwich City Council changed position, admitted the truth, and agreed to refunds of circa £70,000 to Leaseholders. This in itself shows that questions must be asked about the previous Norwich City Council response to the complaints.

Given that the recent Norwich City Council response to a Stage 2 Formal Complaint made statements that Norwich City Council have subsequently admitted were incorrect and untrue, failed to address key questions asked, and failed to carry out a proper investigation, what changes does Norwich City Council intend to make to ensure that in future Norwich City Council has a Corporate Complaints Procedure which is valid, functioning and fit for purpose, rather than a whitewash?”

Question 2

Mrs Diana Neville-Jones

“The Nolan Principles include honesty, openness, integrity and accountability.

The service charges levied by the homeowner’s team against 11 Penn Grove and 22 other properties have been questioned, by the leaseholder and others, for more than a year. During this period, in meetings and extended correspondence, the Norwich City Council homeowners team stonewalled, changed position, and changed explanation.

If the homeowner’s team had exhibited the Nolan principles of honesty, openness, integrity and accountability, then the truth would have become clear a year ago. Instead, it took the opening of tribunal proceedings for the homeowners team to change their position and their explanations, agree that charges should not have been made, and agree refunds of circa £70,000 plus tribunal costs.

What changes does Norwich City Council intend to take to ensure that in future the Norwich City Council homeowners team will adhere to the Nolan Principles, to avoid others only being able to achieve honesty, openness, integrity and accountability by resorting to a tribunal?”

Laura McGillivray, chief executive officer’s response:

“The director of neighbourhoods and myself met Jon Neville-Jones and Diana Neville-Jones on Monday to listen to a number of concerns they had raised directly with me as chief executive officer.

The meeting was useful and we hope productive for those attending. A number of points were discussed and these will be looked at in more detail with the relevant officers from the council and NPS Norwich. These include:

- The preparation of an action plan to see an improvement in relations between the council and the Norwich Leaseholders Association and individual leaseholders
- The scoping of major works and the consultation that is undertaken with leaseholders
- The communication with leaseholders when the scope of works change due to site conditions and which lead to increased costs
- The records held on works undertaken on council and leasehold properties
- The apportionment of the cost of works between properties
- The administration of works undertaken and the issuing of warranties for works completed

It is important that the council provides a good service to leaseholders and leaseholders are treated fairly with clear, effective and timely communication and information.

Our discussion also centred on how the council and Norwich Leaseholders Association can have an improved working relationship and some possible areas were touched on where the two parties can work more collaboratively.

It was the view of the director of neighbourhoods and myself that the council's complaints process was fit for purpose but in the case discussed, it had not been used effectively.

We are confident that the council and NPS Norwich officers had provided information honestly based on what was available or had been provided to them at the time.

There are a number of lessons that can be learnt from this case and we are confident that they will be implemented in future."

In response to a supplementary question from Mr Neville-Jones, the chief executive officer said that staff had responded with the information they had available, it proved later that this information was incorrect. The process had been too reliant on the recall of officers and this was why one of the action points identified was to look at the records held on works undertaken on council and leasehold properties.

In response to a supplementary question from Mrs Neville-Jones, the chief executive officer said that the response provided gave the actions the council proposed to take.

Councillor Harris, cabinet member for social housing said that the council wanted a positive relationship with leaseholders and the Norwich Leaseholders Association. She acknowledged that some households might not understand the future charges they would be responsible for when they exercised their right to buy and went on to struggle to pay charges. She said it was important to explain these implications to households when they were considering right to buy.

She highlighted that the recent safety work on tower blocks doors which the council had completed had not been recharged to leaseholders. She emphasised that the council sought best value when undertaking repairs and maintenance works.

She thanked Mr and Mrs Neville-Jones for raising important points and looked forward to a positive future relationship with Norwich Leaseholders Association.

Question 3

The chair said the third public question was received from Mr Conrad Jones who was unable to attend to ask his question in person.

Mr Conrad Jones

"The recent 'Lethal but legal' air pollution report from the Institute for Public Policy Research (October 2018) says that "Of the 40,000 deaths linked to air pollution in the UK every year, 29,000 are caused by exposure to the pollutant PM2.5". Domestic wood burning accounts for nearly three times more of these small particulates than road traffic, yet it is not mentioned in the council's 2018 air quality report. Whilst efforts to reduce emissions from traffic should

continue, can the council outline its strategy for tackling this even more deadly source of air pollution?”

Councillor Maguire, cabinet member for safe city environment’s response:

“At present the council is not required to have a strategy to reduce pollution from domestic wood burning. There are, however, 3 nominated smoke control areas in Norwich (Bowthorpe, Airport area, and parts of the city centre). In these areas householders are required to burn only specific smokeless fuels; if they are using unauthorised fuels, such as wood, they are required to use equipment specified in a list provided by DEFRA.

The 2018 Air Quality Annual Status Report on the council website in Section 2.3 and Table 2.2 does, however, give details of the action currently being taken in relation to non-domestic PM2.5 which includes:

- Monitoring PM 2.5 at the AURN station at Lakenfields and our own roadside monitoring unit:
- Working with partners within the Norfolk Environmental Protection Group to ensure regular two way engagement with representatives of Public Health England and the Director of Public Health at Norfolk County Council
- Keeping up a direct dialogue with Norfolk county council highways’ department regarding changes to road traffic layout where PM 2.5 exposure will be considered alongside other pollutants as part of this dialogue
- The minimisation of airborne particulates will continue to be an important factor in all planning application considerations. Developers are encouraged to be part of the considerate contractor scheme and have a fully adhered-to onsite Environmental Policy
- Table 2.2 in the 2018 air quality annual status report provides more detailed information on the action progress.

The council recognises that, in the future, work will be required in the light of recent studies into PM 2.5s. The government recently went out to consultation on the use of cleaner fuels for domestic burning which included a section on domestic wood burning. Details can be found on the following web pages:

<https://www.gov.uk/government/consultations/air-quality-using-cleaner-fuels-for-domestic-burning>

Norwich City Council's Air Quality Action Plan is due for renewal in 2020. This will give opportunity for us to update our actions where appropriate according to the latest studies and any changes to legal requirements that come out of the consultation. In the meantime as well as the smoke control areas, the council has published a leaflet advising residents

on how to use wood burning stoves correctly thereby reducing particulates and smoke. This can be found on our website as follows:"

https://www.norwich.gov.uk/downloads/file/4278/open_fires_and_wood_burning_stoves

Question 4

Councillor Ben Price, chair of audit committee

"My question is in reference to item 5 on the cabinet's agenda, the Introduction of a Community Infrastructure Levy Exceptional Circumstances Relief Policy.

As the chair of the audit committee and in the interest of establishing fairness, transparency and governance, over which that role has jurisdiction, I am asking the cabinet to show that an appropriate governance process has been undertaken in relation to this proposed policy.

Specifically, can the cabinet show the process followed for establishing that there is a need for this policy, and also, guarantee fairness and transparency in the future application of the policy? This governance process should also include the consultation of internal audit officers so that they can provide reassurance to the audit committee in the future.

Can the cabinet member explain in absolute detail how these conditions have been considered and implemented so that we can be in no doubt whatsoever that there are no governance issues, that the policy is transparent and that it will be implemented fairly?"

Councillor Waters, leader of the council's response:

"The process followed for bringing forward the policy has been in accordance with the requirements of the constitution, being brought to cabinet and then to council at the end of this month. Internally the report went through the normal process with senior officers being able to comment on emerging drafts. In terms of specific consultation with internal audit officers this is not a requirement for cabinet reports. Items for cabinet are advertised in the public domain prior to any meeting and all reports are available for audit to review should they so wish.

The report to cabinet in September noted that when a Community Infrastructure Levy (CIL) was introduced in 2013 a Community Infrastructure Levy Exceptional Circumstances Relief Policy was not introduced but that this would be kept under review. That cabinet report also noted that the council had become aware of a small number of pipeline development schemes with complex issues that may be unviable if they are required to pay CIL in full. The policy was proposed as a way to avoid rendering sites with specific and exceptional cost burdens unviable. Before Exceptional Circumstances Relief (ECR) would be granted a viability assessment showing that schemes would not be viable if obliged to pay CIL would need to be completed and these

would be in the public domain. This is illustrated by the flowchart in the cabinet report on page 16.

It should be remembered that many authorities who have a CIL in place do also have an ECR policy in place too, as evidenced by the report brought to cabinet tonight. These policies are not rare, however, as they are only there to allow genuinely exceptional development to proceed which would be prevented by CIL there are few examples of where the policy has been applied.

Transparency is maximised and governance issues are addressed by the proposal for planning applications committee to consider and determine every application for ECR. The committee would benefit from the district valuer's viability assessment and the role of the independent advisor and as the committee is conducted in public people are able to observe proceedings.

I welcome your question and will incorporate the extra points raised in this response into the report if approved tonight at cabinet for full council to consider to clarify the roles of the district valuer and independent advisor in the flowchart."

In response to a supplementary question the chief executive officer said that the impact of ECR on the council's medium term financial strategy would occur only where CIL was built into budget. She highlighted later that as CIL contributions were pooled across the Greater Norwich area the funds were not allocated in the council's budgets until allocated out of the pool. Therefore ECR could not impact on planned budgets.

2. Declarations of interest

Councillor Kendrick declared an 'other' interest in items 13, 14, *16 and 17 in that he was a director on the board of Norwich Regeneration Limited.

The chair noted that Councillor Stonard would be late to the meeting but had an 'other' interest in items 13, 14, *16 and 17 in that he was chair of the board of Norwich Regeneration Limited.

The chief executive officer said that on item 13, the managing director of Norwich Regeneration Limited was available to answer any member questions but he had an 'other' interest in that he was an employee of the company.

3. Minutes

RESOLVED to agree the accuracy of the minutes of the meeting held on 10 October 2018.

4. Introduction of a Community Infrastructure Levy Exceptional Circumstances Relief Policy

Councillor Waters, leader of the council presented the report. He said the report identified how Exceptional Circumstances Relief policies (ECR) were applied elsewhere; including the costs for applications for ECR and where these costs would

lie. The report proposed that the costs of an independent assessor, and officer time for the work on any application would be borne by the applicant.

He highlighted that there were a mix of councils operating ECR policies. He said a greater number of these were urban authorities inevitably, because they had brown field sites which required development.

He emphasised that the adoption of the policy would enable complex development sites to go forward. These sites would not go forward without ECR and logically there could be no loss of Community Infrastructure Levy income as they would not progress without relief.

This policy was for exceptional cases. The bar to accept an application would be high; the council's planning applications committee would need to be convinced of the wider regeneration benefits of a development and satisfied there was a genuine financial need for relief to be granted. The applicant would have no right of appeal for any refusal to grant relief, they could ask for reconsideration only. It would be possible following an assessment of an application to grant full relief or a proportion of that.

He said that the report to council would include greater detail on how transparency would be achieved, a descriptor of wider regeneration and greater detail on the process for appointing an independent viability assessor.

In response to member questions the head of planning said that it was theoretically possible for a planning application to be granted and then an application for ECR to be made. However, it was anticipated that in the vast majority of cases, bearing in mind these applications were envisaged to be rare, that the planning applications committee would know that an application for ECR was to be made when considering a planning application. There was provision in the policy to stop a site being sold to another developer once ECR was granted.

The head of planning said as the policy would be used in exceptional circumstances it was difficult to have in place a criteria for the type of development which would qualify. The research conducted showed there were many examples of councils adopting an ECR policy but few examples of the policy being used. The sites where it had been used were not of one particular type or characteristic and due to the exceptional nature of applications the councils where ECR was in place did not set a great deal of criteria for determining applications. He referred to appendix 1 of the report and noted that most councils with an ECR policy did not include a paragraph on regeneration as Norwich had.

He said that there was no rule within the proposed ECR policy to stop a developer applying for other sources of funding but the expectation would be that these would have been applied for prior to an application for ECR being made. It was not possible to determine which sites in Norwich had not been developed due no ECR in place. However, it was possible to highlight a number of sites in Norwich which had not been developed.

He clarified that before ECR could be granted a planning permission would have to be in place. Part of determining a planning application included the consideration of section 106 funding to provide the necessary infrastructure for a development to go ahead.

RESOLVED to:

- 1) recommend that council approves the introduction of the Community Infrastructure Levy Exceptional Circumstances Relief Policy, as set out in appendix 1 of the report to September cabinet as amended and reattached as part of Appendix 3;
- 2) resolve that should council approve the introduction of the policy that authority is delegated to the director of regeneration and development, in consultation with the portfolio holder for sustainable and inclusive growth to introduce a charging policy similar to the one described in para 18 of this report; and
- 3) recommend that council amends appendix 4 to the council's constitution to include the "Power to determine applications for Exceptional Circumstances Relief from the Community Infrastructure Levy" within the list of powers available to planning applications committee.

(Councillor Packer left the meeting at this point)

5. Norfolk County Council's consultation on early childhood and family Service transforming children's centres

Councillor Waters, leader of the council presented the report. He thanked the scrutiny committee for their work which provided a valuable contribution to the council's response. He said the plan to reduce the number of children's centres in Norwich to one was a massive reduction in provision which would have a real impact on families. There were also potentially serious consequences in terms of cost shunting.

Valuable outcomes were achieved by having early years provision located in buildings. A member said that the value of having a building was that other services started to deliver from that location and it became a hub enabling joint working and information sharing to take place. Another member commented that the loss of provision would impact detrimentally on early diagnosis and prevention of issues within families. A member noted that it would have been of benefit to be notified in advance of the proposals as suggestions that services could be delivered from community centres had not been discussed.

In response to a member's question the director of neighbourhoods said the council response to the consultation said that its view was that no centres should close. He said buildings were required to provide a facility for families to build their confidence within; this was not always possible on an outreach basis. Norwich was in a different position to the rest of Norfolk due to its high levels of child poverty.

(Councillor Stonard entered the meeting at this point)

RESOLVED to approve the council's response to Norfolk County Council's consultation on proposals to redesign children's centres and early childhood and family services as described in the report.

6. Norfolk Strategic Infrastructure Plan refreshed for 2018

Councillor Waters, leader of the council presented the report. He said it was a strategic document which worked in conjunction with other partners to improve infrastructure across the county.

In response to a member question the director of regeneration and development said that the document incorporated a compendium of projects that were reviewed and updated constantly. There would be opportunities to engage with environmental considerations as projects moved forward.

RESOLVED to:

- 1) endorse the strategic and inclusive approach to infrastructure planning; and
- 2) agree the Norfolk Strategic Infrastructure Plan

7. Scrutiny committee recommendations

Councillor Kendrick, cabinet member for resources asked Councillor Wright in his role as chair of scrutiny to present the report.

Councillor Wright said that the scrutiny committee had considered actions the council could take which would impact on County Lines and Operation Gravity and decided on a number of recommendations.

The chief executive officer said that the Norfolk Community Safety Partnership had identified County Lines as its top priority for collaborative working. She suggested a further recommendation be considered to provide safeguarding training to Norwich City Council councillors on safeguarding and the process for reporting concerns.

RESOLVED to consider addressing the issues of County Lines through the city council's services and influence, as follows:

- 1) liaise with contractors to provide front line staff with training on safeguarding and awareness of County Lines and that there is a process for reporting incidents to contribute to intelligence gathering;
- 2) provide Norwich City Council Councillors with training on safeguarding and awareness of County Lines and that there is a process for reporting incidents to contribute to intelligence gathering;
- 3) following consultation with the police, that the council explores the removal of tags which demarcate the territories of drug gangs;
- 4) review the licensing policy and procedures to ensure that County Lines' activity is captured particularly in relation to the fit and proper test in relation to licences for private hire drivers and hackney carriage drivers; and
- 5) review tenancy agreements and procedures for rapid response to County Lines' activities and treatment of vulnerable tenants "cuckooed" by criminals.

8. Procurement of Energy White Label - key decision

Councillor Maguire, cabinet member for safe city environment presented the report.

He said that price rises for electricity disproportionately affected the poorest households. The procurement of White Label Energy aimed to help those vulnerable households at risk of fuel poverty whilst also being environmentally sound. A number of projects had been considered but White Label had been deemed the best. The supplier chosen, ENGIE, was a living wage employer and the energy provided was 100% renewable both for the gas and electricity.

One of the tariffs households could choose offered the option to contribute funds to another local household experiencing fuel poverty.

In response to a member's question the environmental strategy manager said ENGIE planned to explore local options for bio gas generation such as farm waste and water treatment plants.

RESOLVED to award the energy white label contract to ENGIE Power Ltd.

9. Procurement for the supply, installation and commissioning of new boilers and equipment at Fellowes Close sheltered housing - key decision

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

RESOLVED to award the contract to install a new heating system at Fellowes Close sheltered housing to Panks Engineering Ltd.

10. Procurement of works to refurbish the grounds maintenance storage and welfare facilities at Eaton Park - key decision

Councillor Kendrick, cabinet member for resources presented the report.

RESOLVED to delegate approval to the director of neighbourhoods in consultation with the portfolio holder for resources to award the contract for refurbishing the grounds maintenance storage and welfare facilities at Eaton Park

11. The award of contract for closed circuit television system upgrade and control room relocation - key decision

Councillor Maguire, cabinet member for safe city environment presented the report. He highlighted that since the introduction of a surveillance camera commissioner the justification for locating CCTV cameras had to demonstrate that the balance between public protection and privacy had been considered.

RESOLVED to delegate authority to the director of neighbourhoods, in consultation with the cabinet member for safe city environment, to award a contract for closed circuit television system upgrade and control room relocation.

12. The award of a contract for works to private sector leasing scheme properties - key decision

Councillor Harris, cabinet member for social housing, presented the report. She noted that the costs incurred on the contract would be recharged to property owners and tenants.

RESOLVED to approve the award of a contract for works to private sector leasing scheme properties to Gasway Services Ltd.

13. Norwich Regeneration Ltd - feasibility work on additional projects

(Councillors Stonard and Kendrick had declared an 'other' interest in this item)

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

In response to a member question she said that building and construction methods had changed and this enabled feasibility work to be considered for building on Argyle Street.

RESOLVED to agree that feasibility work (as set out in paragraph 2 of the report) is carried out on the following projects to be taken forward by Norwich Regeneration Ltd:

- 1) Argyle Street
- 2) Bullard Road
- 3) Mile Cross
- 4) Investigation into a design guide

14. Bullard Road redevelopment project - key decision

(Councillors Stonard and Kendrick had declared an 'other' interest in this item)

Councillor Harris, cabinet member for social housing, presented the report. She highlighted the high demand for social housing which existed in Norwich and that there were a limited number of larger properties within the council's housing stock. It was important that once the Norwich City Council offices at Bullard Road were vacated that the building not be left vacant. She noted that any redevelopment was subject to normal planning application procedures.

RESOLVED to:

- 1) approve the refurbishment and development of new council homes on the Bullard Road office site; and
- 2) awards a contract for the proposed works to Norwich Regeneration Limited, subject to budgetary provision being agreed by Council; and

Recommend to council to allocate a total of £1,100,000 in the housing revenue account capital programme for the proposed works, by increasing the 2018/19 housing revenue account capital programme by £300,000 with the remaining £800,000 to be spent in 2019/20.

***15. Exclusion of the public**

RESOLVED to exclude the public from the meeting during consideration of item *16 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

***16. Mile Cross Depot Redevelopment – key decision (paragraph 3)**

(Councillors Stonard and Kendrick had declared an 'other' interest in this item)

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

(The public were re-admitted to the meeting)

17. Mile Cross Depot Redevelopment – key decision

(Councillors Stonard and Kendrick had declared an 'other' interest in this item)

Councillor Stonard, cabinet member for sustainable and inclusive growth, presented the report. He said the recommended option would ensure the development of much needed housing in the area, 33% of which would be affordable housing. It would also provide leisure and community facilities.

In response to a member question the chief executive officer said that the scheme was eligible for funding from One Public Estate because it sought to bring partners together in terms of the provision it would provide.

RESOLVED to:

- a) further investigate the viability of providing leisure and community facilities on part of the Mile Cross depot site;
- b) agree that the resultant costs of further exploring option 3 of £220k is funded from the spend to save reserve. A grant of 50% is currently being sought from One Public Estate;
- c) agree in principle that part of the Mile Cross depot site is transferred to the ownership of Norwich Regeneration Limited for housing development with the final decision bought back for cabinet approval in May 2019;
- d) agree that £0.9m of the remaining approved loan facility between the council and Norwich Regeneration Limited, of £1.882m, can be utilised by the company to fund the costs of obtaining detailed planning consent for the housing development.
- e) delegate the approval of an updated loan agreement to the Chief Executive in consultation with the Chief Finance Officer and the Portfolio Holder for Resources.

***18. Exclusion of the public**

RESOLVED to exclude the public from the meeting during consideration of item *19 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

***19. Managing assets (housing) - key decision - (paragraph 3)**

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

RESOLVED to approve:

- 1) the disposal of the freehold interest in the asset; and
- 2) that the capital receipt from the disposal be reinvested in the housing capital program for improving, repairing and maintaining our housing stock or for enabling new affordable housing.

CHAIR