



Cabinet

17:30 to 18:15

6 February 2019

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

Also present: Councillors Carlo and Lubbock

Apologies: Councillor Maguire (other council business)

1. Public Questions/Petitions

There were no public questions or petitions.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes

RESOLVED to agree the accuracy of the minutes of the meeting held on 16 January 2019.

4. Council Tax Reduction Scheme 2019-20

(A copy of the report of the director of business services to the cross-party working group – council tax reduction scheme’s meeting on 15 September 2019 was available on the council’s website with the papers for this meeting.)

The chair moved that recommendation 1(f) be amended by deleting the words “to maintain a single person discount” and replacing it with “for a local discount of 25%”.

Councillor Davis, cabinet member for social inclusion, presented the report. The city council’s council tax reduction scheme was probably the only one in the country to retain the 100 per cent council tax discount; continue to provide the local discount provision for care leavers and residents absent from the main dwelling due to domestic abuse and, as part of the council’s commitment to Norwich City of Sanctuary, to create a local discount of 25 per cent for 3 months for liable persons where they give a home to an asylum seeker or refugee who has no ability to work. The maintenance of the scheme had a negative impact on the council’s budget as it was not fully funded by the reducing revenues support grant, but did save the council from pursuing a large number of small debts which were difficult to recover and caused stress and anxiety to people in precarious financial circumstances.

Councillor Davis then referred to the response from Norfolk County Council. The county council was in agreement with the proposed council tax reduction scheme

2019-20 but in addition had asked the city council to give consideration to exploring the following proposals: to limit council tax support where a claimant has savings at a lower level than the current requirement of £16,000; limit council tax support to occupants of properties no higher than Band D council tax; and to work with district colleagues across the county to establish the cap for the council support discount for working age claimants at a uniform amount across the county, which was suggested to be 75 per cent (the current range across the county was 75 to 100 per cent with only the city council offering 100 per cent). These proposals did not fit into the council's social inclusion strategy and would not be considered.

Councillor Kendrick, cabinet member for resources, referred to the scheme and said that the council was able to maintain the 100 per cent discount in its council tax reduction scheme by meeting costs through its financial management, which included its commercial activity.

RESOLVED to recommend that council:

- (1) makes the following changes to the council tax reduction scheme (CTRS) for 2019-20 by continuing with the 2018-19 scheme with the following modifications:
 - (a) as in previous years, increase the working-age applicable amount by the 2019-2020 composite rate of council tax (excluding adult social care);
 - (b) increase the level of income brackets used to decide non-dependent deductions, and the level of non-dependent deductions, by the 2019-2020 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 2019-2020 composite rate of council tax (excluding adult social care);
 - (d) retain the local discount provision for care leavers;
 - (e) retain the local discount provision for liable persons absent from a main dwelling due to domestic violence events;
 - (f) create provision for a local discount of 25% for 3 months for liable persons where they give a home to an asylum seeker or refugee who has no ability to work;
- (2) removes the previous local discount for liable persons where a property is uninhabitable or in need of major repair work or structural alteration (currently 12 months at 50 per cent);
- (3) removes the unoccupied furnished/second home discount (currently 5 per cent);
- (4) subject to the relevant regulations being enacted, increases the surcharge on empty properties and increases the empty homes premium by:
 - (a) 100 per cent for properties empty and unoccupied for 2 years or more;

- (b) 200 per cent for properties empty and unoccupied for 5 years or more;
- (c) 300 per cent for properties empty and unoccupied for 10 years or more.

5. Business Rates Retail Relief

Councillor Kendrick, cabinet member for resources, presented the report. The full cost of granting relief to certain retail business premises, with a rateable value below £51,000, would be met by central government.

During discussion members commented that this was good news, particularly for businesses eligible for the relief.

RESOLVED to approve the award of a business rates retail relief in line with the government's announcement in the autumn 2018 budget as detailed in the report.

6. Revenue and Capital Budget Monitoring 2018/19 – Period 9

Councillor Kendrick, cabinet member for resources, presented the report.

The chief finance officer said that this was a half year monitoring report. She explained that the underspend in the commercial acquisitions programme was due to the use of cash holdings rather than external borrowing, thus saving on financial costs which had been allocated in the budget. These savings would be earmarked in reserves for the commercial programme to mitigate future risks.

During discussion, Councillor Carlo referred to the underspend on repairs and maintenance in the housing revenue account and said that as investment in heating systems, and other measures to save fuel, was showing benefits it should be rolled out. The director of neighbourhoods said that there was usually a gap between significant capital investment and revenue spending, and that as part of the budget setting process, the housing management team and NPS were looking at a cyclical budget which could be rolled out to provide a planned investment programme, which would include heating systems. Councillor Harris, deputy leader and cabinet member for social housing, said that the underspend could be attributed to improved contracts. However, she said that she would like to see this money spent more quickly to ensure that the council's housing was maintained to the best possible standard for its tenants.

The director of neighbourhoods confirmed that he could provide Councillor Carlo with details of the numbers of properties which have been upgraded and the numbers of properties which had still to be done.

RESOLVED to:

- (1) note the forecast outturn for the 2018-19 General Fund, HRA and capital programme;
- (2) note the consequential forecast of the General Fund and Housing Revenue Account balances;

- (3) approve the addition to the General Fund capital programme, as detailed in paragraph 11 of the report; and,
- (4) note the General Fund capital programme virement, as detailed in paragraph 12 of the report.

7. Write Off of Irrecoverable National Non Domestic Rate Debt – Key Decision

Councillor Kendrick, cabinet member for resources, presented the report. He explained that there were situations where it was not possible to collect business rates despite the council's best endeavours. The council could still seek to recover these debts should the circumstances change in the future.

RESOLVED to approve the proposed write off of £579,628.90 of National Non-Domestic Rate debt, which is now believed to be irrecoverable.

8. Procurement of Various Housing Upgrade and Maintenance Contracts – Key Decision

(The completed impact assessment for this report was circulated in advance of the meeting and available on the council's website.)

Councillor Harris, deputy leader and cabinet member for social housing, presented the report which she said confirmed the council's commitment to good standard housing for its tenants and determination to reduce fuel poverty. The contracts were procured through the Eastern Procurement Ltd framework to help provide good value for money. The budget for the housing improvements would be subject to approval at full council as part of the budget setting for 2019-20.

In reply to a question, the interim operations director, NPS Norwich, explained that there was a new standard for composite doors, which had been introduced after the Grenfell Tower fire, and there was a delay whilst manufacturers caught up with demand. Composite doors installed previous to the new standard were resistant to fire and had met the standard at the time of installation.

RESOLVED to:

- (1) approve the award of the heating installation contract to three contractors as set out in the report:

PH Jones Ltd
Dodd Group
Gasway Services Ltd

- (2) approve the award of installation of composite doors to two contractors as set out in the report:

Ashford Windows Ltd
Anglian Building Products Ltd

- (3) 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 the external wall insulation, and loft and cavity insulation contracts.

9. Procurement of the Housing Communal Area Mechanical and Electrical Repairs and Maintenance Contract – Key Decision

RESOLVED to defer consideration of this item in order to consider a revised report at the meeting on 13 March 2019.

10. Procurement of a Housing Structural Repairs Contract

Councillor Harris, deputy leader and cabinet member for social housing, presented the report which demonstrated the council's investment to keep its housing stock in a good state of repair. Expenditure on the proposed structural repairs for flats in Godric Place; and, Sale Road and Woodside Road, Heartsease, would be subject to approval at full council as part of the budget setting process for 2019-20 and both contracts would be subject to leaseholder consultation.

RESOLVED to award two contracts for structural repairs at Godric Place (Phase 3) and Heartsease (Omnia blocks) to JB Specialist Refurbishments Ltd.

11. The Award of Contract for Insurance – Key Decision

Councillor Kendrick, cabinet member for resources, presented the report.

RESOLVED to delegate approval for the director of business services, in consultation with the cabinet member for resources, to award the contract for insurance for the three year period 1 April 2019 to 31 March 2022, together with an optional two, twelve month extensions to cover the period 1 April 2022 to 31 March 2024.

12. Risk Management Report

Councillor Kendrick, cabinet member for resources, introduced the report. He said that the assessment of A8 Housing Investment Strategy and B1 Public Sector Funding, which both scored 20, were higher than the council would like but reflected the reality of the situation and the potential consequences.

The director of business services presented the report. The risk register would be re-evaluated against the new corporate plan which was subject to approval at council on 26 February 2019. The chief finance officer said that steps to mitigate the risk of uncertainty of external funding in future years would be considered as part of the budget papers for consideration at the next cabinet meeting.

Councillor Carlo said that she considered that C1 Emergency Planning and Business Continuity should be scored higher because of the inevitability of Climate Change. Councillor Waters, as chair and leader of the council, advised Councillor Carlo that there would be an opportunity to debate the Corporate Plan at full council and that her observations had been noted. He pointed out that the risk register was under review in line with the emerging Corporate Plan. The council had reinforced its commitment to addressing climate change at full council on 29 January 2019, but a

key element of that motion was that central government had a responsibility to provide councils with resources.

RESOLVED to note the risk management report.

***13.Exclusion of the Public**

RESOLVED to exclude the public from the meeting during consideration of item *14 (below) on the grounds contained in the relevant paragraphs of Schedule 12A of the Local Government Act 1972 (as amended).

***14.Risk Based Verification Policy - (Paragraph 7)**

Councillor Davis, cabinet member for social inclusion, presented the report. The audit committee had recommended the Risk Based Verification Policy to cabinet and it had the support of the director of business services, internal audit and the chief finance officer. The policy would be reviewed annually.

The strategic manager, Anglia Revenues Partnership, explained how the policy would be applied and that said it would be more effective in terms of customer services and better use of resources.

RESOLVED to approve and adopt the Risk Based Verification Policy, as detailed in the report.

CHAIR